



Published by OD Alternatives in collaboration with OrgLens

Some like it toxic!
Exploring leadership and its impact on startup culture
An in-depth exploratory study using

An in-depth, exploratory study using qualitative research

Closing the Gap Between Corporate Rhetoric and Action

A conceptual study with thought -provoking examples

July 2022

The Disrupted Organisation: The Role of Remote Working Technologies in creating Organisational Culture A study based on emerging

A study based on emerging theories

Meeting Emerging Demands: Is Vertical Leadership Development the Answer?

A conceptual study based on key concepts

Shaping Employer Brand via eWOM in the 'New Normal'

An extensive literature review with propositions

And many more..



# **Contents**

From the Editor's Desk

Page 2

Some like it toxic!

Exploring leadership and its impact on startup culture

**ODA TEAM** 

Page 3

Closing the Gap Between Corporate Rhetoric and Action

PROF. RANJAY GULATI

Page 14

How can HRM help address the Heterogeneity of the Impact of COVID-19 and the New Normal at Work?

PROF. PAVNI KAUSHIVA

Page 18

The Disrupted Organisation: The Role of Remote Working

Technologies in creating Organisational Culture

TRISTAN CLARIDGE

Page 22

Meeting Emerging Demands: Is Vertical Leadership Development the Answer?

SCHEREZADE BAHMANI

Page 26

Narcissism: the Good, the Bad, and the Grey

**RUBI KHAN, PHD** 

Page 30

Shaping Employer Brand via Word of Mouth (eWOM) in the 'New Normal'

**POONAM DEV** 

Page 34

Better Employee Engagement with Relational People Analytics

**ASMATH RUHI** 

Page 46

"Leadership BS: Fixing Workplaces and Careers One Truth at a Time" written by Jeffrey Pfeffer

**NEELACANTAN** 

Page 50

# From the Editor's Desk

Dear Readers,

There is nothing more exciting than pushing the boundaries and questioning assumptions. This time, we aimed for something exciting. This issue of our quarterly is meant to provoke you. Yes, you read that right. This is because, we think, to understand a phenomenon, it is essential to question our approach time and again. Well, is that not exciting?

As Carl Sagan has said, "At the heart of science is an essential balance between two seemingly contradictory attitudes--an openness to new ideas, no matter how bizarre or counterintuitive they may be, and the most ruthless skeptical scrutiny of all ideas, old and new". This resonates with us. This issue aimed to critique certain notions and certain practices. We decided to question workplaces that do not work for us or for society at large. We truly believe that in doing so, we can alleviate the way the workplace operates. We want to start a dialogue, we want our sensibilities to evolve. We want the gap between what is said and done to narrow.

In this issue, we have reviewed a book with a contrarian point of view when it comes to leadership. Yet in our extensive study, we have questioned the leaders using an opposite approach to unearth a phenomenon that we believe may be useful for budding organizations like startups. We have heavily relied on academic insights to give us a fresh perspective. However, this is still grounded in practice. Without giving away too much, I would suggest you give this issue a read. Keep in mind that we have decided to not take any theory or practice for granted. We as the enablers of positive organizational culture and employee well-being cannot afford dogma. Can we?

We are grateful to Prof. Ranjay Gulati from Harvard Business School and Prof. Laurence Barrett from INSEAD for their benevolence and sustained patience. We also thank our external contributors Prof. Pavni Kaushiva (IIM Lucknow), Tristan Claridge (Social Capital Research & Training), Scherezade Bahmani (Tata Motors Academy), Rubi Khan (Max Life Insurance Co. Ltd.), Neelacantan (Tekion), and Ahmed Aslam (Sagana) who have lent their thoughts and joined us in our quest to enrich our fraternity. We also thank Pradeep Poonia for his insights. We are excited about this issue since we believe our eclectic mix of articles will question your assumptions on organizational practice.

We cannot wait to hear from you!

**Founder of ODA**Santhosh Babu

Editor

Amrita Das Dutta

Designer

Gurtej Singh Kalsey



# Some like it toxic! Exploring leadership and its impact on startup culture

By ODA Team



#### **About ODA**

We are passionate about supporting individuals and organizations that strive for continual growth and excellence. Our work is embedded in the philosophical foundations of being appreciative, holistic, and interconnected to the whole. These philosophical foundations are built into the DNA of everything we undertake, whether designing an intervention, writing in a publication, or doing a keynote speech.

#### To cite this article:

ODA Team, 2022. Some like it toxic! Exploring leadership and its impact on startup culture. OD Quarterly, 2, pp. 3-13



# Some like it toxic! Exploring leadership and its impact on startup culture

**ODA** Team

Toxicity in budding organizations or startups has been the centre of attention in recent times. Several disgruntled employees have come out on social media to express their horror tales putting the corporate world under the scanner. These narratives have become a worrisome acceptance and have seemingly become the typical nature of startups. This compels the question, what makes startups toxic? What may attribute to such a culture? What may be the way forward?

Anil was not happy with his sales job in the startup he had joined 3 months ago. His manager Prakash, who was brimming with chutzpah with an air of authority, yielded low confidence in Anil. Prakash was from a premier institute in India and he had the pay that Anil could only dream of. After all, Anil was just a graduate from just another engineering college. Anil thought, that joining the startup would enable him to learn the ropes early in his career. But the scenario was far from what he had expected. Each day was marked with anxiety. Probably, it was the way his manager spoke to him, Anil thought. The tone seemed aggressive and condescending. Expletives were a daily occurrence. This led Anil to believe he was performing poorly even when he gave his best. At the end of the day, he was left doubting his capabilities. There were long working hours and too many targets, and on top of that, his manager was hell-bent on micromanaging. As a sales associate, there was constant pressure that he might get fired without notice just like his colleagues were. Other teams were no different. But what got Anil thinking was, why did the managers choose to yell and call people names? Why was the organization silent about this?

# Impact of toxicity and what does it look like?

In a study conducted by SHRM, it was found that the cost of turnover was estimated at \$223 billion over 5 years and this was attributed to toxic work culture (Mirza, 2019). An MIT Sloan Management Review study suggests that corporate culture is a reliable predictor when it comes to turnover and is ten times more powerful as an indicator when compared with compensation (Sull et al., 2022). In recent times, there are an overwhelming number of articles that suggest startups exhibit a toxic culture (Lalwani, 2021; Sharma Punit & Sushma, 2018). This has also been corroborated by Glassdoor reviews, Linkedin posts, and YouTube videos voicing the same.

The cost of replacing an employee can shoot above two times the annual salary of the employee (McFeely and Wigert, 2019). According to the study by SHRM, toxic work culture caused absenteeism. Indicators of negative work cultures were harassment and discrimination. 3 out of 10 employees had reported that their managers did not promote a culture of open and honest communication. 1 in 4 people did not feel safe voicing their work-related concerns. They also did not feel respected and valued at work. In a Gallup study, it was found that 52% of the employees who left the organization at their will stated that their exit could have been prevented by the organization and their managers (McFeely and Wigert, 2019). These phenomena can be understood by a study that has found that humans reacted more strongly to negative stimuli than to positive ones (Baumeister et al., 2001). These stimuli are said to threaten their existence in the workplace.

We collected qualitative data which we kept anonymous for this study due to the sensitive nature of the subject. An individual who was a part of several startups and currently has his own mentioned that he was not pleased with the fact that one of his past organizations would call the employees much earlier than the scheduled time. The organization over the course of time dictated longer working hours even when the work was completed. He said,

"Even if you complete your work, you still have to stay back till 7 to 8 PM".

Another employee who is currently a part of the senior management in a startup lamented,

"While trusting the senior management like us is good, not trusting the entry and mid-level folks and tracking (read surveilling) them goes against the basic tenets of any business: "Trusting your employees".

When asked about why the employee was disgruntled, it was stated, "micro-managing every task that you have been assigned". An employee who had quit the startup mentioned the following when asked the reason for the exit,

"No work-life balance.

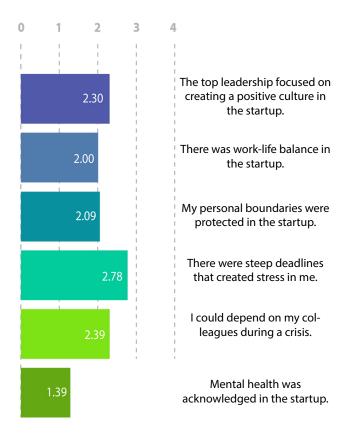
Poor allocation of resources leading to cascading blocking of calendars even in late nights regularly for three months".

The employee expressed that for three months there were late-night meetings and work. This was because the organization failed to manage their talent effectively. The organization would rely heavily on a few employees without building capabilities across the organization. There was poor focus on the outcome of this lack of management on its employees.

Similarly, there were various comments by individuals that voiced similar concerns. The average age of these respondents is 31 and more than 30 individuals were questioned. Based on the feedback received we realised how prevalent these issues were across industries when it came to startups.

According to a study by Forbes, hustle culture is one of the reasons why toxicity breeds in an organization (Kurter, 2021). Unhappy employees are quick to leave their jobs in the current world as evidenced by the Great Resignation. In this type

culture, the deadline is always "yesterday" and it inculcates a sense of urgency which eventually result in burnout. Employees also exit when the blame game is prevalent in the workplace. Failures seem to have serious consequences and the environment is unsafe for the employees to admit their mistakes and learn from them. The lack of a safe environment is also caused by an authoritative culture where employees are afraid to voice their opinions and where honesty is punished. In these organizations, trust bonds are broken due to the dog-eat-dog climate. This type of culture also promotes cliques and favouritism depending on who is closer to the authoritative figure.



A toxic environment is marked by hostility, strong ingroups, mistrust, poor communication, and gossip. These symptoms indicate fear and manipulation which are rife within the organization.



To summarise, some indicators of toxic culture {Kurtei 2021; Liu, 2022; Sull et al., 2022) are:

- Low morale
- Organization-wide lack of enthusiasm
- Non-inclusive behaviou
- Strong cliques
- Lack of clarity
- Disrespect
- \* Interpersonal drama
- \* Unethical behaviou
- Blame culture
- Bullying, harassment, and hostility
- Cutthroat behaviour
- Fear of failure
- Fear of losing out on promotion or job due to honesty
- High attrition rate

It has been supported that a toxic workplace environment has a negative association with project success and workplace stress (Wang et al., 2020). The relationship between a toxic office environment and occupational stress is moderated by organisational support, which contributes to the project's success. Hence, intervention and support are key to shaping the workplace environment.

# Benefits of a positive workplace culture

Research suggests that when there are positive practices in place, employees tend to remain with the organization (Cameron et al., 2011). Organizations with positive practices experience more effective relationships between the employees and the management. Positive practices are also key indicators of organizational effectiveness as measured by financial performance. According to an employee who is a senior leader at an e-commerce company and formerly associated with a few renowned startups in India,

"Trite as it may sound, a positive work culture that focuses on employee well-being, job stability and meritocracy fosters ownership, risk appetite, integrity and excellence at work. As someone whose last 2 companies were unicorns which chose diametrically opposite work cultures as leitmotifs to drive their employees towards quick results, I have

been truly privileged to witness and learn from both the best and worst workplaces over the past 6 years. A start-up with a positive work culture steered through carefully calibrated employee happiness and growth measures are likely to drive quick and sustainable results as the employees not only go out of their way to take calculated risks but also own the output even if it turns out to be a massive failure. However, a start-up that deploys overtly controlling and punitive measures in addition to a loosely driven 'hire and fire' policy may not be able to sustain its quick wins in the long run as fear and punishment push an employee towards excellence for a month or two is unlikely to motivate him/her forever towards continuous excellence; massive attrition - organic & inorganic - including but not limited to many ed & fin-tech startups bear testimony to this".

Moreover, research suggests that teams that improve their practices over time outperform other units which do not (Cameron et al., 2011). When members of an organization observe compassion and feel gratitude and forgiveness, cycle of mutual strengthening begins. Staw & Barsade (1993) found that positive emotions lead to improved cognitive function, improved decision-making, and more effective interpersonal relationships among employees. Positive practices also protect employees from psychological distress and dysfunctional behaviour (Seligman and Csikszentmihalyi, 2000). Kim Cameron's work on Positive Organizational Scholarship has unearthed exciting insights that can benefit startups. Kim Cameron, who is a professor of Management and Organizations at the Ross School of Business at the University of Michigan, has extensively worked on the concept of the heliotropic effect which argues that the propensity of all biological systems gravitates toward that which sustains life and away from that which depletes it, that is, toward positive energy and away from negative energy. He has found that organizations that focus on positive culture produce extraordinary performance, even during environmental disruptions (Cameron, 2008). This suggests affirms that positive work culture can definitely benefit startups.

# What does a positive workplace culture look like?

Positive workplace culture is one that prioritizes employee well-being, provides support at all levels



within the organization and has a policy of promoting respect, trust, empathy, and support. It can majorly consist of six key elements (Cameron et al., 2011).

Forgiving mistakes and not assigning blame

Work towards a heliotropic culture where inspiring others is a norm

Being compassionate towards colleagues in times of crisis (Dutton et al., 2014)

Priortizing respect and trust along with gratitude and integrity

Exploring meaningful aspects of work

Lack of toxicity promotes health, reduces turnover, increases loyalty and reduces negative behaviours, and improves performance across the organization.

# **Reasons for toxicity**

#### **Environment**

Wang et al. (2020) found that workplace support moderates the relationship between workplace environment and stress. This means, that to shape the environment within the organization conscious efforts towards positive change are likely to have a positive impact on culture. However, it is also important to realise that many a time, organizations are coping with external pressure which in turn creates a sense of urgency and an exploitative culture within the organization. This may be perpetuated by the

nature of the leadership and their personalities.

Nevertheless, certain external situations may act as triggers that can derail the leaders. This understanding may be beneficial since it can help leaders realise under which conditions they are likely to derail and influence their organizational culture negatively. There have been articles by Harvard Business Review that describe how Venture Capital (VC) funding can be detrimental to startups (Mullins, 2014). VCs may pressurise startups to prematurely scale and this might produce detrimental results (Paley, 2017). According to YCombinator, startups are forced to burn too fast in order to keep VCs interested and attract more funds (Harris, 2016). A recent article mentioned Sequoia Capital warning the startups to focus on consistent growth and profitability, reduce costs, and practise disciplined financial management since attracting capital will be tougher in the current environment (Patwardhan, 2022). The lack of financial munificence in the environment is likely to put further strain on the startups thereby impacting organizational culture and only time can tell its tale.

When asked about the reasons that caused a negative culture, we received some insights which were kept anonymous due to the sensitive nature of the study. One employee, who is a senior leader at an e-commerce company formerly associated with a couple of renowned start-ups, gave the following reasons,

"Riding the hyper-growth bandwagon during favourable market situations only to totally dismantle/wind up new businesses under VC pressure during the tepid market environment.

Lack of long-term thinking esp w.r.to profitability. But, this is a bigger problem that plagues most if not all tech startups".



#### Leaders

The rise in startups has witnessed the glorification of young leaders who have been able to bring in a plethora of ideas and elevated energy to the



workplace. They have been recognised for their quick achievements and the ability to meet steep targets. However, there is a downside to this aspect. Triggered by environmental pressure, the leaders may focus entirely on meeting goals rather than building a sustainable culture. Let us consider this about Indian leaders in startups - most of the leaders in startups have stellar academic backgrounds but may have little life experience. This may imply that adequate leadership skills that are built due to life events and their consequent realizations are absent. These leaders have typically been those who have focused on their short-term achievements such as cracking tough exams, achieving excellent grades, coveting the best jobs, and so on. In B-Schools, possibly individuals without work experience may not appreciate courses like Organizational Behaviour which may seem alien and unnecessary to them at that point of time.

One may question, what makes the leaders choose that kind of pressure? Is it the inherent and practised need to achieve under pressure that makes them susceptible to such situations? Do lofty goals appeal to their nature?

According to a senior HR Business Partner with more than 10 years of experience in startups,

"An empathetic leader almost automatically attracts empathetic people around him. A narcissist on the other hand ensures that empathy is the last thing you can have in mind. Culture is top-driven whether we like it or not.

Examples of how culture percolates down the line can be seen in the behaviour exhibited by the next chain of command. A narcissist almost eerily seems to be living through his leaders – one seems to experience clones replicating the behaviour displayed at the top".

It has been claimed that for a person to be successful, the presence of the Dark Triad is helpful. Research suggests that the Dark Triad is present in most leaders to remain successful, especially in short term (Furham et al., 2013). It has also been suggested that leaders who have an unclear sense of self are more susceptible to the pitfalls of the Dark Triad (Schrader, 2021).

Some scholars have praised the Dark Triad but this approach of lauding the qualities of the Dark Triad to be successful as a leader has been contended due to its questionable approach to ethics.

Dark Triad consists of narcissism, psychopathy, and Machiavellianism.

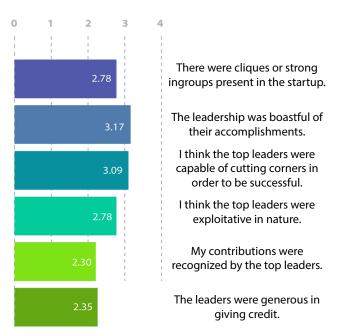
Narcissism is a selfish interest or admiration of oneself, and narcissists tend to be overly selfabsorbed and motivated by gaining admiration from others and maintaining a grandiose selfimage. Psychopathy is identified by overt signs of superficial emotional reactions. Personality traits associated with psychopathy include a lack of empathy or regret, antisocial behaviour, and volatility. Machiavellism is marked by indifference to morality and the presence of manipulativeness. As discussed earlier, leaders who exhibit the Dark Triad traits have been found to be successful, at least in the short term (Furham et at., 2013). Of course, certain traits of the Dark Triad can make a leader successful especially when coupled with intelligence and physical attractiveness (Hogan, 2007). Narcissists seem to use soft manipulation tactics and psychopaths chose harder tactics. Machs are the most adaptable: they chose both soft and hard tactics. However, these traits enable the leader to get ahead but not get along and this aspect of leadership is likely to have negative cultural implications.

Now, how does the Dark Triad play out in startups? It has been seen that in smaller organizations, where complex systems of checks and balances are not present, the nature of the leader has a strong influence on its culture. When it comes to leadership, self-sacrificing leaders are more productive and they elicit stronger performance from their employees (Knippenberg Knippenberg, 2005). But given the short-term, myopic orientation of the leaders, leaders in startups may not exhibit self-sacrificing traits. The downside of the permeating nature of leadership traits implies that their "shadow" which may consist of the Dark Triad may have cultural implications. "Shadow" is an aspect of one's personality that includes all of the parts of oneself that one does not want to admit or probably even be aware of. It is essentially the unconscious side and the Dark Triad lurks menacingly in this abyss.



Talking about their leaders, one employee who formerly worked as a senior leader stated,

"One of the founders (or maybe both, did not meet the other much) has a very aggressive attitude and folks say that internal aggressive culture is a reflection of that founder's personality which has shaped the organization culture. In one of the annual meet a function, the founder was addressing the charged-up junta lapping up wisdom that if you work here your mind should always be focused on how we can do better every day. If you want peace of mind and peaceful sleep, this place is not for you".



# What may be the antidote for toxicity?

Given the awareness of the pitfalls of leadership personality, which may be difficult to change more profoundly, there lie certain possibilities in coping with the issue. Of course, a deep introspection with a bias for change would be authentically useful to the leader and the organization in the long run. However, certain processes can occur simultaneously. But, let us first discuss leadership awareness.

#### **Leadership Awareness**

Leaders might need to be cognizant of their nature. In fact, a sense of self may help them get a reign of their "shadow". Given the lack of broader life learnings, young leaders may have to expedite their learnings and focus on their development with strong commitment. They may need constant feedback from trusted allies and mentors who are invested in their growth. They

may even resort to personality assessment and leadership coaches. While heavily acknowledging their strengths, they need to be cognizant of their derailers. Derailers often surface during stressful situations.

Coping mechanisms during childhood and their attachment styles with peers and parental figures may have had a huge impact on their behavioural styles. A maladapted coping mechanism may eventually hurt the organization. The first step is to observe their behaviours and their consequences following which they may introspect and analyse the underlying causes of that behaviour. Needless to say, the process starts with acceptance.

According to a senior leader who currently heads a vertical in a startup,

"leaders are more inclusive when they listen and accept suggestions. This also helps them reflect on themselves".

- Keep a journal and track daily events consisting of both positive and negative events
- Make use of personality tests that uncover strengths, derailers and motivations
- Receive feedback from peers regularly and discover blind spots; listen with a bias to change self's opinion
- Make use of mentorship and discuss issues with trusted allies who are not there to appease
- Introspect the life journey so far and think about life events that may have shaped their motivations and cognitive styles
- Make use of a leadership coach

While the leader delves into self-awareness, a lot can be done within the organization to create a



positive culture. A positive culture is marked by psychological safety which enables the organization to receive feedback and correct its course. As discussed earlier in the study, it helps the organization to create a sustainable culture which leads to lower attrition rates.

# What can be done about the workplace environment?

# Dignity in the workplace

Let us consider the concept of dignity and how it impacts organizational culture. In a negative work culture, the dignity of the employee is at stake. In general, dignity is described as a personal sense of worth, value, respect, or regard that comes from one's humanity and social status, as well as being treated with respect by others (Lee, 2008). Dignity can be experienced, felt, recognised, realised, sought, lost, or found in this manner (Lucas, 2015). In workplaces, it is common to observe 'earned dignity'. Earned dignity is the concept that dignity is conditional; some people achieve higher dignity and advantages as a result of their various qualities, talents, and efforts than others (Brennan and Lo, 2007). Dignity is meritocratic and selfgenerated in this way. While employment can mean a social relationship, it is an economic exchange between the two parties. Due to the economic consequences and the short-term goal orientation of the leaders, dignity may be a foreign concept in startups. According to an HR Business Partner with an experience of over 10 years in organizations focusing on the gig economy,

"Many instances of a poor culture can be found in the way meetings are conducted, the said and the unsaid rules that are laid down. The false sense of urgency, constant scrutiny, unnecessary pressure & lack of trust becomes the way of life at work. Unfortunately, this has a lasting effect on people with them losing self-confidence, and questioning their self-worth which becomes their second nature."

However, there may be hope.

Due to the social nature of the exchange, there lies a possibility that dignity can be achieved independent of the transactional conditions. One's identity, self-esteem and a flourishing ego state can be achieved due to relational associations. However, when this aspect is

downplayed, individuals get dehumanized as lumps of human capital where their agency is threatened by the systems of power and control. This exploitative aspect, when heightened, creates a negative work environment. Hustle culture, which is predominantly a profit-driven culture that glorifies long working hours and sacrifice of personal life, has been inherently exploitative (Kurter, 2021) which in turn contributes to a negative work environment.

# **Notice your employees!**

As defined, dignity is felt from a personal sense of worth, value, and respect. Humans need to feel wanted and to feel noticed (Amodeo, 2016). This leads to a higher sense of self-worth. The feeling of being capable and special is a powerful motivator for employees to exceed expectations. This also inculcates a sense of belonging and ownership. By notice, a cursory greeting is not enough. It is the dignified acknowledgement of the existence of the human being whose identity lies well beyond the organizational realm. Notice is about knowing about the contributions of the individual, the individual's potential, and the acknowledgement of the individual as a human being. Without the latter, there can exist a lack of diversity and inclusion thereby alienating the employee. A lot rides on respect and dignity in the organization. The employee's first brush with the organization occurs in the team. Hence, the team leaders need to be sensitised to this phenomenon and this needs to be an active process. Of course, there may not be any short terms incentives unless the organization specifically works on them. However, certain behaviours may definitely be discouraged with repercussions. This can happen only when the top leadership understands the long-term value of culture.

39.13% of the employees we interviewed stated they were not known to the top leadership. The average age of the respondents was 31 years.

# **Dialogue and reverie**

What happens when we are noticed? What happens when we know it is possible to have psychological safety in the workplace? Psychological safety encourages the employees to voice their concerns and allows them to innovate and experiment. This helps the organisation to

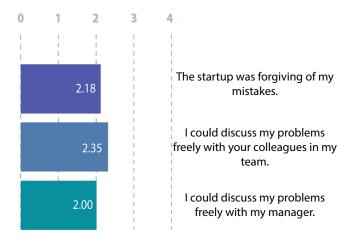


explore better ways of operating and better products and services. According to research, successful teams and organizations make more mistakes than unsuccessful ones (Bergmann and Schaeppi, 2016). Continuous flowing dialogue in an organization creates a safe environment resulting in a sense of loyalty. Organizations should aim to create this flow, also known as reverie.

"A reverie is an idea that originally began with developmental psychology and describes the way an infant, a baby, makes sense of the world. So a reverie is an open-ended exchange, what we might think of as a free-floating exchange between the infant and its primary caregiver. It doesn't have any direction, it doesn't have any outcomes. It's simply a way of processing what might be happening in a way to make meaning. So, when we think about a reverie, what we're really thinking about is a conversation, a dialogue, but one that has no immediately defined endgame.

Reverie is not about teaching or explaining something. Reverie is a way of helping people explore and make sense of complex problems where the answer may not be immediately obvious, the solutions may not be immediately obvious. The real value of a reverie is it allows people to begin to make sense together of the complex problems that they face within an organisation".

Prof. Laurence Barrett
Director, Heresy Consulting Limited
Practicum Supervisor and Coach, Executive Masters in Change, INSEAD



But, what can get in the way?

Historically, humankind always has glorified its leaders and assumed them to have extraordinary skills. This phenomenon can be explained by Great Man Theory which is attributed to the famous Scottish essayist and philosopher Thomas Carlyle. For example, let us consider how we view heroes and leaders in our great epics, films, and the political leaders around us. Joseph Stalin's Cult of Personality revolved around lionization and idealization of himself which was later criticized by Nikita Khrushchev in 1957. On top of that, power distance is high in most geographies, especially in South Asian countries (Sweetman 2010). Power distance is the distance that a person feels and maintains between himself and someone in a

position of power. In other words, subordinates keep a distance from their bosses and overtly display respect and reverence. Unlike Asia, American culture has less power distance which means subordinates consider their boss to be friendly and negotiable for their decisions. This means, that in countries where there is higher power distance, it might be difficult to have freeflowing, casual conversations with the leaders. This cultural aspect itself poses a behavioural challenge in the workplace. Hence, possibilities of hero worship and power distance may come in the way of free-flowing, respectful, and egalitarian dialogue in an organization. This is something that leaders need to consider while expecting dialogue from their subordinates.

#### **Egocentric agency**

Employees who are acknowledged and can be themselves in a safe environment can make better decisions for the organization. They are better equipped to make decisions which are not clouded by anxiety and fear. This also helps the organization to adapt and implement corrective measures. Ego helps in scanning the environment, controlling impulses, and planning. It helps human beings weigh in all the options while gauging the possibilities. Once the employees achieve a sense of agency coupled with the best version of their ego, effective decisions and actions can



be mobilised. This leads to greater organizational effectiveness.

"Agency comes out of reverie. If in that discussion we can then co-create an idea, I've built agency because the idea is partly mine. Participation in a reverie allows somebody to create a sense of the future that they share and they have built. So, rather than simply a line manager or a leader explaining a solution which somebody may or may not agree with, a reverie allows you to participate in the development of that future which brings agency and creates a stronger ego in the clinical sense, not in the popular sense, and that makes you more resilient".

Prof. Laurence Barrett
Director, Heresy Consulting Limited
Practicum Supervisor and Coach, Executive Masters in Change, INSEAD

# **Implications**

While culture is the aspect to be examined for improving performance, it can be said that for new organizations, leadership predates culture. It influences it and forms it. Hence, for an organization to be effective, leadership plays an important role. Additionally, research suggests that culture is driven from the top. Hence, in startups, the impact of top leadership is even more impactful. To reduce toxicity in the workplace, it is imperative to look into the toxicity of the leaders. For this, self-awareness and continuous self-work are necessary. Studies have shown that culture is easier to manage and mould in the early stages of the organization. Hence, the urgency to look at the nature of leadership cannot be more emphasised. Leaders may not consciously create a culture, but culture is continuously being created - either through action or inaction. It is beneficial to scrutinise what the culture at a startup looks like when the situation is more malleable. This is the best period for organizations to inculcate their vision with more ease and with lesser internal resistance, that is when they are startups. Mature organizations find it incredibly difficult to change their culture due to its complex layers and divisions which become distant and unwieldy over time. We have seen the success stories glorified in media. However, the failure rate of startups is high due to the pressures of the environment. For this, leaders are forced to think differently and stand out. While they are hard-pressed for time to achieve targets, this phase cannot be ignored due to its potential to create organizational effectiveness and long-term success.

This paper suggests that a lot of the onus lies on the leader. Hence, leadership development that enables leadership awareness is key to a positive workplace environment. The leader should understand their "shadow" and the consequences of their "shadow". Effects of the "shadow" trickle down in smaller organizations with very little resistance. The survival of the employees revolves around adapting to the leader since there are no accountable systems and sources of counter influences in place. Hence, leadership awareness is key in changing the culture.

To cope with the toxicity and to create a positive change, a considerable amount of focus should be given to psychological safety and respectful behaviour in the startups. Psychological safety enables the employees to express themselves without fear and they can take more ownership of their work. Ownership of work leads to organizational success. This also minimizes the need to micromanage and constantly check on the employee. However, this process also includes the acknowledgement of the employee's contribution and identity without which there may be a lack of sense of ownership and belonging. Constant respectful dialogue and a safe environment can only result in the creation of a lasting positive culture.

#### References

Amodeo, John. 2016. "Why We Like Being Appreciated." Psychology Today. https://www.psychologytoday.com/us/blog/intimacy-pathtoward-spirituality/201604/why-we-being-appreciated#:~:text=Being%20appreciated%20is%20a%20way,appreciated%20for%20who%20we%20are.

Baumeister, R. F., E. Bratslavsky, C. Finkenauer, and K. D. Vohs. 2001. "Bad is stronger than good." Review of General Psychology 5:323-370.

Bergmann, B., and J. Schaeppi. 2016. "A data-driven approach to group creativity." Harvard Business Review. https://hbr.org/2016/07/a-data-driven-approach-to-



group creativity." Harvard Business Review. https://hbr.org/2016/07/a-data-driven-approach-to-group-creativity.

Brennan, A., and Y. S. Lo. 2007. "Two conceptions of dignity: honour and self-determination." In Perspectives on Human Dignity: A Conversation, edited by J. Malapss and N. Lickiss, 43-58. Dordrecht: Springer.

Cameron, Kim. 2008. Positive Leadership Strategies for Extraordinary Performance. San Francisco: Berrett-Koehler Publishers.

Cameron, Kim, Carlos Mora, Trevor Leutscher, and Margaret Calarco. 2011. "Effects of Positive Practices on Organizational Effectiveness." The Journal of Applied Behavioral Science 47 (3): 266-308.

Dutton, J. E., Kristina M. Workman, and Ashley E. Hardin. 2014. "Compassion at work." Annual Review of Organizational Psychology and Organizational Behavior 1 (1): 277-304.

Furham, Adrian, Steve C. Richards, and Delroy L. Paulhus. 2013. "The Dark Triad of Personality: A 10 Year Review." Social and Personality Psychology Compass 7 (3): 199–216.

Harris, Aaron. 2016. "Why VCs Push Companies to Burn Too Fast." Board Management. https://www.ycombinator.com/library/3X-why-vcs-push-companies-to-burn-too-fast.

Hogan, R. 2007. Personality and the Fate of Organizations. Erlbaum, NJ: Mahwah.

Knippenberg, Barbara v., and Daan v. Knippenberg. 2005. "Leader Self-Sacrifice and Leadership Effectiveness: The Moderating Role of Leader Prototypicality." Journal of Applied Psychology 90 (1): 25–37.

Kurter, Heidi L. 2021. "Is Your Workplace Dysfunctional? Here Are The 5 Types Of Toxic Cultures." https://www.forbes.com/sites/heidilynnekurter/2021/11/30/is-your-workplace-dysfunctional-here-are-the-5-types-of-toxic-cultures/?sh=35ebad622af4.

Lalwani, Puja. 2021. "Startup Culture: Why Do Some Millennial-Led Startups Have Toxic Cultures?" https://www.spiceworks.com/hr/culture/articles/millennial-startups-toxic-culture/

Lee, M. Y. n.d. "Universal human dignity: some reflections in the Asian context." Asian Journal of Comparative Law 3:283-313.

Liu, Jennifer. 2022. "These are the 5 biggest signs of a toxic workplace." Work. https://www.cnbc.com/2022/03/31/these-are-the-5-biggest-signs-of-atoxic-workplace.html.

Lucas, Kristen. 2015. "Workplace dignity: Communicating inherent, earned, and remediated dignity." Journal of Management Studies 52 (5):

621-646. 10.1111/joms.12133.

McFeely, Shane, and Ben Wigert. 2019. "This Fixable Problem Costs U.S. Businesses \$1 Trillion." Work. https://www.gallup.com/workplace/247391/fixable-problem-costs-businesses-trillion.aspx.

Mirza, Beth. 2019. "oxic Workplace Cultures Hurt Workers and Company Profits." https://www.shrm.org/pages/default.aspx. https://www.shrm.org/resourcesandtools/hr-topics/employee-relations/pages/toxic-workplace-culture-report.aspx.

Mullins, John. 2014. "VC Funding Can Be Bad For Your Start-Up." Entrepreneurship. https://hbr.org/2014/08/vc-funding-can-be-bad-for-your-start-up.

Paley, Eric. 2017. "Toxic VC and the marginal-dollar problem." https://techcrunch.com/2017/10/26/toxic-vc-and-the-marginal-dollar-problem/.

Patwardhan, Nikhil. 2022. "Sequoia's message to founders: Focus on profitability, growth at all costs no longer rewarded." Startup. https://www.moneycontrol.com/news/business/startup/sequoias-message-to-founders-focus-on-profitability-growth-at-all-costs-no-longer-rewarded-8572621.html.

Schrader, Jessica. 2021. "Why Poor Sense of Self Underlies Dark Triad Traits." Narcissism. https://www.psychologytoday.com/intl/blog/experimentations/202105/why-poor-sense-self-underlies-dark-triad-traits.

Seligman, M E P., and Mihayi Csikszentmihalyi. 2000. "Positive psychology: An introduction." American Psychologist 55:5-14.

Sharma Punit, Ishika and Sushma U. N. 2018. "It's a sweatshop": The ugly truth behind working at an Indian startup. https://qz.com/india/1222311/the-dark-underbelly-of-indias-glamourous-startup-ecosystem/

Staw, B. M., and S. G. Barsade. 1993. "Affect and managerial performance: A test of the sadder-but wiser versus Happier-and-smarter hypothesis." Administrative Science Quarterly 38:304-331.

Sull, Donald, Charles Sull, and Ben Zweig. 2022. "Toxic Culture Is Driving the Great Resignation." Measuring Culture. https://sloanreview.mit.edu/article/toxic-culture-is-driving-the-great-resignation/.

Sweetman, Kate. 2010. "In Asia, Power Gets in the Way." International Business. https://hbr.org/2012/04/in-asia-power-gets-in-the-way.

Wang, Z., S. Zaman, S. F. Rasool, and A. Amin. 2020. "Exploring the Relationships Between a Toxic Workplace Environment, Workplace Stress, and Project Success with the Moderating Effect of Organizational Support: Empirical Evidence from Pakistan." Risk Management and Healthcare Policy 13:1055—1067.



# Closing the Gap Between Corporate Rhetoric and Action

Prof. Ranjay Gulati



Prof. Ranjay Gulati is the Paul R. Lawrence MBA Class of 1942 Professor of Business Administration, the former Unit Head of the Organizational Behavior Unit, and the former Chair of the Advanced Management Program at Harvard Business School. He is an expert on leadership, strategy, and organizational issues in firms. His recent work explores leadership and strategic challenges for building high-growth organizations in turbulent markets. He was ranked as one of the top ten most cited scholars in Economics and Business over a decade by ISI-Incite. The Economist, Financial Times, and The Economist Intelligence Unit have listed him as among the top handful of business school scholars whose work is most relevant to management practice. He has been a Harvard MacArthur Fellow and a Sloan Foundation Fellow.

This article was previously featured in Inc in January 2022. The article has been adapted and repurposed with inputs from Ahmed Aslam.

To cite this article:

Gulati, R., 2022. Closing the Gap Between Corporate Rhetoric and Action. OD Quarterly, 2, pp. 14-17



# Closing the Gap Between Corporate Rhetoric and Action

Prof. Ranjay Gulati

The verdict may have been mixed in the Elizabeth Holmes trial--she was found guilty of four out of 11 counts of fraud--but the response to her case was much more decisive in the court of public opinion. The story of her company, Theranos, has served to reinforce widespread cynicism over companies' stated purpose versus their actual behaviour. And that is a huge disservice to leaders who would genuinely benefit from aligning their corporate purpose with a higher social meaning.

It sounded so noble in the beginning when Theranos stated that its mission was "to facilitate the early detection and prevention of disease and to empower people everywhere to live their best lives." But while Holmes was assuring her investors that "you can build a business that does well by doing good," Theranos's employees were discovering serious defects in the company's blood-testing devices. Eventually, team members, investors, and board members began to realize that they were the victims of a massive deception.

Theranos is hardly the only company to throw a cloak of high-minded words over bad behavior. Another health care company, Turing Pharmaceuticals, asserted that it was "dedicated to helping patients, who often have no effective treatment options, by developing and commercializing innovative treatments." And yet the company's CEO, Martin Shkreli, raised the price of a lifesaving drug from \$13.50 to \$750 a pill and was later jailed for securities fraud.

And look at Purdue Pharma. It has proclaimed that "compassion for patients and excellence in science inspire our pursuit of new medicines." This is from a company that is considered to have fueled the deadly opioid crisis through its irresponsible marketing of highly addictive painkillers such as OxyContin.

These companies--and others across an array of industries--are the worst of the worst. They have been particularly egregious practitioners of something that occurs at all kinds of companies: purpose washing, or making your company look more virtuous than it actually is. In some cases, purpose washing can seem innocuous, but in reality, it has the potential to do great harm.

Virtue signalling--professing a belief that a company knows will play well with stakeholders, but isn't actually backed by its actions--is a popular form of purpose washing. Research by James D. Westphal and Sun Hyun Park has shown that virtue-signalling companies can be surprisingly effective. That's because no one has enough incentive to hold companies accountable for it.

Executives deploy a mix of ingratiation, reciprocity, and retaliation to keep their employees and external stakeholders from questioning actions that appear to be at odds with their words, the researchers found. Using ingratiation and reciprocity, they practice flattery and confer favours to build goodwill. Using negative reciprocity and retaliation, they punish and exclude those who seek to expose them.

These tactics, when placed in the hands of sophisticated executives, can lull and fool both employees and external stakeholders, including board members, securities analysts, management consultants, and even journalists, the researchers found.

All these strategies were at play, to some degree, at Theranos, Turing, Purdue, and others. But the abyss between words and actions eventually became so deep that the truth inevitably emerged.

Some companies, in the name of corporate purpose, have managed to make their way onto



ESG (environmental, social, and governance) lists intended to encourage ethical investments, while at the same time engaging in highly unethical behavior. Just one example: The game company Activision Blizzard is facing claims that it was rife with workplace sexual harassment that its executives reportedly knew about and failed to stop.

As a business professor who studies purposedriven organizations, I have seen people roll their eyes at my insistence that a company should articulate a mission that serves both a business and a social goal. They see such statements as time-wasters that merely pay lip service to nicesounding concepts. Such skeptics would point to companies like the above--and others in a range of industries--to make their case.

And yet, my research shows that purpose--if utilized correctly--can and should be so much more than a mere public relations exercise. It is one of those underused levers at our disposal that can truly energize an organization and deliver to shareholders, employees, customers, the planet, and society as a whole.

Take another company, Livongo. At its inception, seven years ago, its mission was "to empower people with chronic conditions to live better and healthier lives." These were not just words. The CEO, Glen Tullman, used that statement to successfully guide his company through expansions, an IPO, and ultimately an acquisition by another company last year--all without losing sight of its original purpose.

For Tullman and many of his employees, the purpose was driven partly by personal experience. Tullman's own son has Type 1 diabetes, and most of his employees either had a family member with

a chronic health condition or were dealing with one themselves. Many of them knew firsthand what it was like to continually monitor diabetes with a glucose strip. Their empathy for Livongo's clients led to holistic ways of treating illness including regular in-home data collection, free medical supplies, individual advice, and interventions.

Throughout its rapid growth, Livongo remained committed to giving its members more control expensive clinics and hospitals. In achieving this goal, the company sometimes had to take on more costs than some investors thought wise. But by holding true to its purpose, Livongo managed to prove the doubters wrong.

Holmes, too, stated that her company sought to empower people to lead healthier lives. But that statement proved to be a façade meant to conceal deceit and greed. Other CEOs must not start down the same path of misusing the concept of purpose-even when their intent is much less malign.

When companies profess beliefs that do not stand up to the light of day, they betray a cynicism that the public can sense, perpetuating a cycle of distrust. But my research has shown that when companies actively follow through on a stated purpose that is both profit-minded and socially conscious, they have a significant advantage over those that do not.

### According to Ahmed Aslam,

"Impact investing is one such approach that prioritises social impact while also targeting market returns. While financial returns are an important consideration for impact investors, they consider it in tandem with many other equally important factors like social (and/or environmental) impact, risk, liquidity etc. To weigh social impact alongside financial returns while making an investment decision is not extremely out of the ordinary, as most investors would typically consider other factors like financial and non-financial risk while making investment decisions.

Impact investors try to create a balance between profits and social (and/or environmental) impact considerations.



A survey of global impact investors conducted by The Global Impact Investing Network (GIIN) in 2020 shows that nearly 88% said that their investments met or exceeded their expectations for financial returns. A McKinsey report analysed 48 impact investors' exits in India across five years and found that across most sectors, impact investments produced better financial results than typical investments in the corresponding sectors. This growing evidence suggests that it is indeed possible for companies to serve their shareholders while also serving the society as a whole".

Let companies like Theranos, Turing, and Purdue be a lesson to those whose trumpeting of purpose is mainly a vacuous PR effort. The public deserves better. Customers, employees, and investors deserve better. It's up to corporate America and its leaders to start backing up their noble words with lasting and concrete actions.

This is adapted from an article originally published on Inc (Jan 2022) and repurposed for OD Quarterly with substantial inputs from Ahmed Aslam.



Ahmed Aslam is a London-based impact investor and advisor. He invests in and helps grow companies that are successfully solving some of the biggest challenges of our time in topics like climate change, food technology, sustainable fashion, plastics and gender and diversity.

He is a McKinsey alumnus and has worked with McKinsey's Private Equity and Principal Investors practise across Europe, Asia, North America and Australia. He has served a diverse set of clients including Impact Investors, Private Equity funds, Venture Capital funds, Development Finance Institutions, Family Offices, Sovereign Wealth Funds, other Institutional Investors and large corporates.

# How can HRM help address the Heterogeneity of the Impact of COVID-19 and the New Normal at Work?

Prof. Pavni Kaushiva



Prof. Pavni Kaushiva is a faculty of OB at the Indian Institute of Management Lucknow. She completed her PhD in Organizational Behaviour from the Indian Institute of Management, Calcutta. Her research interests include gender, diversity and inclusion, and social issues in management. Her research work has been appreciated in notable journals and peer-reviewed conferences.

# To cite this article:

Kaushiva, P., 2022. How can HRM help address the Heterogeneity of the Impact of COVID-19 and the New Normal at Work?. OD Quarterly, 2, pp. 18-21



# How can HRM help address the Heterogeneity of the Impact of COVID-19 and the New Normal at Work?

Prof. Pavni Kaushiva

The pandemic has brought a myriad of opportunities and threats to the various strands of work – formal, informal; organized, and unorganized sectors alike. It has brought about widespread consequences to health, economic conditions, employment and education across the globe. This inarguably presents a novel context for studies, especially management research to provide insight into the practical implications of office hours, office space, and work attitudes. The aim is to help the Human Resource professionals whose tasks have never been more significant, in ensuring organizational and employee productivity.

While the unplanned closure of offices and shift to work from home for various profiles had its own challenges of stress, boundaries and loss of employment; the pandemic also resulted in increased caregiving obligations for women due to closure of schools, discharge of non-emergent cases, and greater care for elderly and children who were more susceptible to COVID-19 virus. Changing demographics also draw into focus the high number of dual career couples and their navigation of the pandemic.

While challenges with respect to work-life balance, profession versus personal identities, and gendered work norms have existed and been studied previously; the pandemic gave rise to a seemingly utopian idea of productivity sans gender and hours spent physically in the office. However, various recent articles highlight the perpetuation of the impact of gender in statistics such as more women than men losing their jobs; more women than men in essential jobs that exposed them to infection and psychological stress, and women experiencing greater work disruption than men have had because of increases

in childcare and other responsibilities. The intersection of gender, virtual work and family thus warrants increased attention and customized design of HR practices in post-pandemic work.

A recent study reports that mothers with young children have reduced their work hours four to five times more than fathers, increasing the gender gap in work hours by 20-50 per cent. This once again highlights the perpetuation of the disproportionate share of care work and family duties by women, negatively impacting their employment and productivity. The types of domestic tasks engaged in by mother and father also show an unequal distribution of labour. According to the evidence, fathers are more inclined to engage in domestic responsibilities such as kid supervision and recreational activities that have higher social rewards. On the other hand, mothers are frequently involved in jobs that considerably increase their burden and add to their stress. However, it is recognised that parental socioeconomic condition and time availability play a role in this effect. For instance, it was found that working mothers of children between the ages 0 and 5 in the US, suffered the highest increase in workload regardless of whether they or their partner worked remotely or were required to travel to work.

# So, what can HR professionals do to help employees?

Policy making with a keen understanding of such a multiplicity of limitations so such inequalities do not get perpetuated is the need of the hour. For instance, expanding health insurance coverage, the inclusion of mental health and paid sick leave, especially for frontline workers normalizes recovery and prevents underprivileged population groups from experiencing irreparable financial setbacks.



Existing employee-friendly policies can also be reassessed with regard to the underlying assumptions and tuned to the requirements of employees and their unique challenges. For instance, an unstated assumption in the workfamily literature on telecommuting is that individuals choose to telecommute as it helps them to balance work and family by enabling them to better fulfil caregiving and household responsibilities while strengthening family relationships. It also increases their productivity by reducing work interruptions and distractions and enhancing their concentration. However, we disregard the different circumstances such as availability of space, distribution of household responsibilities, the impact of online education, infrastructural challenges and more on the blurring of boundaries between work and home, and the heterogeneity of employees' methods to balance their responsibilities. The impact of gender looms large in these situations as highlighted by various studies. Desperately needed thus, is a change in discourse, and at the very minimum a strategy for existing organizational leaders and HR professionals to provide managers with the necessary tools for understanding and responding to the impact of HR policies and practices on women's economic advancement within the organization.

Two avenues where modifications can be explored are employee engagement and inclusive leadership.

#### **Employee Engagement**

Initially defined by Kahn (1990)1 as the extent of physical, cognitive and emotional presence shown by employees at work, employee engagement garners continued attention in HRM as a significant factor in various positive employee outcomes and organizational success. Organizations continually look for ways to boost employee work engagement. However, previous practices often treat employee engagement as a one-size-fits-all practice. Given the diverse situations exacerbated by the pandemic, organizations may benefit by moving away from generalized employee engagement practices that may result in a sense of fatigue and a negative impact on employee productivity.

HR professionals should create 'bundles' of engagement practice that can be 'pulled' or drawn upon by employees. This can be achieved by reconceptualizing engagement as employee-driven and enabling customization of engagement practices informed by employees' insights on practices that most suit their life outside of work. Now more than ever, engagement carries a different meaning for different set of employees that can be addressed by a customized approach to employee engagement.

Consultation as a continuous exercise aimed at developing a thorough understanding of employees, and the kinds of responsibilities and pressures they deal with that impact their work will help managers and leaders to better adjust conditions to help workers be more productive.

Shift to hybrid working including some degree of experimentation with regular, responsive employees' feedback loop through open dialogue can increase employees' sense of inclusion.

This brings us to the second aspect where HR professionals can guide leaders and line managers in supporting employees post the pandemic

## **Inclusive Leadership**

The concept of inclusive leadership was first introduced in 2006 as "words and deeds by a leader or leaders that indicate an invitation and appreciation for others' contributions" (Nembhard & Edmondson, 2006) and then further developed into "leaders who exhibit visibility, accessibility, and availability in their interactions with followers" (Carmeli et al., 2010).

Managing remote workers calls for a myriad set of skills in addition to those required in a physical work setting, such as expectations management, ability to read digital body language and mentoring. HRM can here be effective in assessing and equipping line managers with the requisite skills. Employers need to proactively address these challenges to avoid rolling back on progress made towards greater inclusion in the workplace.

An important aspect of inclusive leadership that should be included in the training of managers is "supporting employees as individuals", i.e., giving attention to the employees' feelings, offering guidance, and exhibiting availability.



The occurrence of women getting interrupted more than men may occur even in meetings conducted on online platforms such as MS Teams or Zoom, leaving their comments ignored. Collaborative decision-making and promoting opportunities to share ideas around how the employees want to execute their work will help line managers improve their ability to "empower employees", i.e., enabling individual employees to take actions on their own.

Processing cues from the behaviour of their managers, employees' perceived support and managerial concern for their interests may change. A positive perception provides employees increased access to resources through managers to better satisfy their work demands. We can thus expect that inclusive leadership will impact employee work engagement, highlighting the need to examine the assumption of responsibility for employee engagement lying with HRD.

important An role professionals postpandemic is enabling organizations successfully experiment change. adopt and positively HRM can impact organizational through the success aforementioned approaches of rehashing employee engagement and inclusive leadership in line managers.

<sup>1</sup>Nembhard, I. M., & Edmondson, A. C. (2006). Making it safe: The effects of leader inclusiveness and professional status on psychological safety and improvement efforts in health care teams. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, 27(7), 941-966.* 

Carmeli, A., Reiter-Palmon, R. and Ziv, E. (2010), "Inclusive leadership and employee involvement increative tasks in the workplace: the mediating role of psychological safety", *Creativity Research Journal, Vol. 22 No. 3, pp. 250-260* 



# The Disrupted Organisation: The Role of Remote Working Technologies in creating Organisational Culture

Tristan Claridge



Tristan Claridge is the Principal Consultant at Social Capital Research & Training and the President of the International Social Capital Association. Tristan's biggest passion is the concept of social capital, which he believes can draw attention to the importance of social and cultural processes and can be used to help transform organisations; making them more productive places where people want to work. Tristan has over 20 years of experience researching and applying social capital to a wide range of contexts including organisational performance, organisational culture, leadership, and community development.

# To cite this article:

Claridge, T., 2022. The Disrupted Organisation: The Role of Remote Working Technologies in creating Organisational Culture. OD Quarterly, 2, pp. 22-25



# The Disrupted Organisation: The Role of Remote Working Technologies in creating Organisational Culture

Tristan Claridge

The covid-19 pandemic has disrupted traditional patterns of interaction within organisations with important consequences for organisational culture. The way people interact in an organisation influences the organisation's culture, and this has important implications for a range of factors such as motivation, productivity, efficiency, effectiveness, innovation, creativity, and problemsolving.

# How has remote working disrupted the development of organisational culture?

Nearly half of professionals now work remotely, and nearly two-thirds of employees expect their employers will allow them to work remotely moving forward (based on a Gartner Survey). This increased remote working trend is vastly different from pre-pandemic patterns and has transformed many workplaces.

There are clear benefits to remote working, with the majority of employees reporting they are more productive working from home and that they believe working remotely will help their company lower operating costs. However, remote working has reshaped the social landscape of many organisations. People are now connecting and communicating in different ways, which can have significant implications for organisational culture and social capital.

# $Remote and \, hybrid \, working \, and \, organisation al \, culture$

Many remote workers report feeling isolated and disconnected from what is happening in the organisation. They are no longer immersed in the social environment of the workplace. They don't get to experience and observe the regular office interactions. The mechanisms that would normally shape and reshape organisational

culture are missing or different. It is not that social interaction does not occur; it just happens differently. And this creates challenges for a range of factors related to organisational culture, such as a sense of belonging and identity, solidarity, trust, and norm development.

## Can an understanding of social spaces help?

The term "social space" was coined by Émile Durkheim and emphasised the idea that in human society, all space is social and that different spaces span the divide between "public" and "private" spaces.

An office environment has a variety of different social spaces, from private and semi-private spaces to semi-public and public spaces. This variety of different social spaces creates opportunities for different types of social interactions.



However, the typical use of remote working technologies such as Zoom or Teams tends to create only public and private social spaces, with nothing in between. This is because most communications technologies are "single-channel", which means it is either on or off, is either on or off, connected or disconnected, in-focus for all attendees or out of focus.



What I mean by "single-channel" is that there is limited opportunity for multiple conversations or non-verbal forms of communication at the same time. During an in-person meeting, people may say something quietly to the person next to them. They may catch someone's eye across the room and smile or nod or roll their eyes. These are semi-private interactions because others may overhear or observe the interaction. There is potential for many types and "channels" of communication to occur simultaneously in person.

Consider the types of interactions that typically occur before and after in-person meetings. Everyone tends to talk with each other as they enter, sit, and wait for the meeting to start, and the same after the meeting. These conversations are important semi-private interactions; they are often somewhat private, but they know others may overhear. The overhearing of these semi-private conversations is important because it gives people a background understanding of things going on within the organisation, even if they are not directly involved. It helps to shape their understanding of the social environment and, therefore, the organisation's culture.

But these semi-private conversations are almost completely absent with the typical use of Zoom or Teams. It is impossible on Zoom to make eye contact with someone, even if people are using video because it is impossible to know who is looking at whom. It is possible to have private text-based conversations using private chat, but text-based communication has a very low social presence and is therefore not a very effective communication method. Social Presence theory argues that media differ in the ability to convey the "sense of being with another" due to the different abilities of media to transmit visual and verbal cues. Text-based media are towards the low social presence end of the spectrum. In general, communication is more effective the more social presence is involved.



The significant differences between the social spaces of remote working and office working environments create starkly different patterns of interaction. Most interactions in an office environment are somewhere between semi-private and semi-public, with relatively few being completely private or completely public. But

the typical use of remote working technologies creates almost exclusively public or private interactions.

# What does social space mean for organisational culture?

As discussed above, the lack of semi-public and semi-private social space reduces the amount of observation of the social environment. The consequence is often that people feel disconnected and isolated. They may have a reduced sense of identity and belonging, and they may be more uncertain about trustworthiness and what behaviours are normatively appropriate. But these are not the only problems; the ways social norms are created and maintained tend to be quite different to in-person office environments.

Norms tend to form differently in remote working environments because the mechanisms that produce norms are different. The mechanisms that create norms are called social sanctions, which are simply reactions of approval or disapproval in response to someone's actions. Social sanctions enforce standards of behaviour that are essential for social cohesion and cooperation.

Sanctions in remote working environments are different because they tend to lack intimacy, connection, and the potential for physical intervention (including positive support and negative conflict). For example, it is possible to disconnect from Zoom to avoid shame or ridicule and other passive forms of social sanctions. Similarly, on Zoom, it is impossible to put your hand on someone's shoulder as a gesture of support and solidarity. And on the negative side, it is not possible to physically confront someone over insulting behaviour - not that I condone violence, but the fact that everyone understands physical confrontation is not possible changes the dynamic of the interaction and the mechanisms of sanction and, therefore social norm development.

## Can we resolve the limitations of technology?

We need to change how we use technology and deliberately attempt to mitigate its limitations. There is no single correct way to use technology to build positive and strong organisational culture. It is important to encourage people to find patterns of technology use that work for them. Not everyone wants to be constantly on video calls and meetings, and for some personality types, this



pattern of interaction may be counterproductive.

The key is to help people recognise the importance of social connection and prioritise interaction and creative use of technology to bridge the divides created by working remotely. Leaders play a key role in creating workplaces that are positive, connected, and with a strong organisational culture, even if they are remote or semi-remote. Below are some ideas for how to get creative with the use of technology in remote and hybrid teams.

- 1. **Rapid connection and disconnection** many remote working environments use traditional meeting schedules with large blocks of time (often 30 or 60 minutes). It is useful to change the norm in many situations to allow for rapid and frequent connections by video, phone, or instant message.
- 2. **Brief and debrief meetings** it is possible to somewhat replicate the before and after meetings interactions by having short video, phone, or instant message interactions before and or after larger group meetings.
- 3. **Break the meeting block** don't stay connected just because the meeting was 1-hour block. Stop the meeting when its goals are achieved (including social goals). Stay focused and productive, including productive social connections.
- 4. **Regular connection** deliberately touch base with your network on a regular basis. The frequency of contact with each person should vary depending on the nature of the relationship and the roles, personalities, etc. involved. This can be facilitated with lists or schedules of contact until patterns are established.
- 5. Connection for the sake of being social
- make some interactions purely social by making them about non-work-related topics or events. These types of interactions happen naturally in the office but can be overlooked in remote working.
- 6. **Virtual open door** try having blocks of time when you are on a Zoom or a Teams session and let people know they can connect ad hoc. When

no one joins, you can continue working in the background.

- 7. **Parallel work** try connecting with co-workers on Zoom or Teams without an agenda, where everyone involved simply continues working and shares thoughts and ideas as relevant to do so. This can take time to get used to but some people find this valuable.
- 8. **Push up the social presence scale** wherever possible and appropriate, consider a phone call instead of an email or a video call. This improves the quality of the communication and allows for greater organisational culture development.
- 9. Reshape social sanctions for remote workingconsider the social sanctioning mechanisms
- that are important in your team and how you may be able to construct alternative methods by being more deliberate about the behavioural expectations you want to create.
- 10. **Change the way you communicate** where remote technologies reduce the opportunity for social presence, we can compensate by improving our ability to express our thoughts, feelings, and emotions. This may require changing the norms related to communicating intimacy. Improving empathy and emotional intelligence can help to overcome the lack of social presence.

The above are simple ideas. You know your team and your requirements and you can likely develop strategies that work best for your context. Get creative, change norms, and embrace new technologies that may help create different social spaces and bridge the frequently present divide in remote working.

In future, many of the challenges of remote working may be fully or partially resolved by new technological developments. We may be able to improve the social presence of communication technologies beyond even what is possible with video conferencing. There are exciting possibilities in virtual reality, augmented reality, and hologram technologies. It may be possible to have remote multi-channel communication similar to in-person interactions. But for now, we need to find ways to use the technologies we have available to us to improve our organisational culture.



# Meeting Emerging Demands: Is Vertical Leadership Development the Answer?

Scherezade Bahmani



Scherezade Bahmani is an HR professional with 14+ years of experience in L&D, HR technology and HR business partner roles. She is currently working as Deputy General Manager – L&D (Management Education Academy) at Tata Motors Ltd., where she is responsible for learning & development for all Corporate & Central functions. She has been instrumental in bringing about HR-IT transformation through the set-up and deployment of an HCM platform across the organisation. She holds a Post Graduate degree in Industrial Psychology from Mumbai University. She has completed Belbin Team Roles Accredited Certification, Belbin UK (2019) and Dale Carnegie Internal Trainer certification in Training facilitation.

### To cite this article:

Bahmani, S., 2022. Meeting Emerging Demands: Is Vertical Leadership Development the Answer?. OD Quarterly, 2, pp. 26-29



# Meeting Emerging Demands: Is Vertical Leadership Development the Answer?

Scherezade Bahmani

The challenging landscape that leaders face today, demands great leadership. The question is, what is the ideal way to develop leaders? This research-based essay attempts to settle the debate in my mind around whether horizontal or vertical leadership development would work in today's business world. While I start this essay, I am under the impression that vertical development, though a need of the hour, may be difficult to execute in organisations. Let's see the final verdict at the end of the essay!

Skills needed for leadership have changed from isolated behavioural competencies to a greater focus on agile and adaptive thinking abilities (Nick Petrie, 2011).

Is it skills or mindset that wins the battle? Let us start by understanding **two very distinct theories on leadership development, namely Horizontal development & Vertical development** 

Horizontal Development refers to adding new knowledge, skills and abilities to leaders. It is more traditional and transactional learning focused on technical skills. Horizontal development is most useful when there is a clearly defined problem and known techniques for solving it. Learners can acquire competency by seeking clear answers from expert sources.

Historically, majority of leadership time and money is invested in horizontal development where the focus is on preparing leaders to successfully achieve stated objectives and building mastery in areas with relatively well-defined and agreed-upon outcomes (Chesley et al, 2020).

**Vertical Development**, in contrast, is concerned with cultivating increasingly agile leadership mindsets (Chesley et al, 2020) that are

characterized by maturity in perspective-taking, ability to deal with uncertainty and ambiguity, comfort in challenging assumptions in self and others and the capacity to learn and integrate new understanding into action (Allen & Wergin, 2009; Helsing & Howell, 2014). Research suggests that adults continue to grow and develop throughout their lifespan (Kegan, 1982). Vertical development is therefore more of a journey in mental complexity, rather than a destination towards skills-based mastery (Chesley et al, 2020)

While many organisations continue to use competency models (Horizontal development) for developing leaders, this will only serve at developing individual leader competencies and not equip them to build a mindset that will help them drive the challenging future. For a while now, Competency-based HR has been a trend where attempts have been to identify high-performer competencies as benchmarks for development. These models have gained popularity because of their measurable nature and stronger impact on business goals. Many organisations have created a competency framework that connects to other people's processes such as training, performance evaluations and talent selection. Research shows that, while Competency-based approaches help focus on the most critical skills for an organization's success, they may not suffice in today's VUCA world.

In a white paper published by Nick Petrie, titled "Future Trends in Leadership Development", 2011, he has pointed out that **vertical development is going to be the focus.** Several researchers like Robert Kegan, McGuire and Rhodes, have talked about stages in vertical development and their importance in leadership.

Let's explore some of the **common Leadership development practices** that prevail in

organisations today. Though largely run through traditional/ horizontal approaches, this section will throw some light on the application of vertical development approaches to existing practices. Inputs shared below are based on an analysis of research by Chesley et al., 2020 (Journal of Leadership Education).

#### 1. Assessments

Assessments are commonly used in many organisations. Assessments that focus heavily on quantitative data that can be gathered at scale more easily tend to be based on horizontal approaches (Chesley et al, 2020). Their tools will be selected accordingly. It's more of number crunching to get insights rather than taking a collective and broader view.

Assessments using a Vertical Approach, use a wider data set from multiple sources and tools. This is a more intimate approach where data received is used to further engage with the leader to get more insights into the leader's behaviours, aspirations etc.

To make the shift to vertical development while using assessments, use multiple sources like interviews, 360-degree survey etc. and aim to contextualize the insights into the leader's personal story (Chesley et al., 2020).

## 2. Individual Development Plan (IDP)

Individual development plans have been long used as a tool to bridge performance gaps through structured developmental inputs. IDPs using Horizontal Approaches involve setting clear goals and targets aligned to organizational expectations. These are set as measurable and tracked periodically to see change over time. Woven into the context of larger people processes, like performance management, talent development etc., traditional methods usually involve developing IDPs aligned to competencies and impact decisions on training needs, job rotations etc. The process more often than not, becomes bureaucratic.

In vertical development, the development goals for a leader are defined more holistically, including multiple data sources and not governed solely by performance. They are iterative in nature and less focused on being measurable and more aligned

to creating a personalized journey that will help evolve the leader's mindset as well. It brings in a sense of ownership at the leader's end and promotes multiple sources of feedback in its creation.

To make IDPs more vertically developmental, organisations need to focus on more personalised journeys that are built on insights from multiple sources, focusing on the leader's work and mindset at the same time.

#### 3. Mentoring

Another fast-increasing trend is that of mentoring. Mentorship using a Horizontal Approach may not be very successful as they are largely focused on giving structure to the program and in many cases, this makes pairing meaningful mentors and sustaining a rhythm of interactions, a challenge.

Mentorship using a Vertical Approach utilizes peer-to-peer learning. Here leaders work together and support each other on key challenges and development areas. The interactions are less centrally governed and more a co-creation between two 'thinking partners' rather than work tasks alone. It's about gaining insights through probing questions and challenging assumptions.

Tomakementorshipmore vertically developmental, one then needs to create opportunities for peers to connect on shared experiences (Chesley et al., 2020) and operate as thinking partners and not as mere experts in the field. The same logic can be used in reverse mentoring programs where more often than not it's about breaking the mindsets of leaders rather than building skillsets.

# 4. Coaching

Many organisations are offering personalised coaching to senior leaders. The horizontal approach focuses on coaching the leader for their primary role. In these organizations, coaching is not always seen as developmental but as corrective.

In vertically developmental organizations, coaching is seen as a personal investment by interested leaders. Coaching here is a reflective journey that focuses more on mindset growth rather than only role performance.

To make coaching programs more vertically



developmental, one needs to shift the emphasis from what the leader does (his role) to who the leader is and how they understand and interact with the complexity of their environment (Chesley et al, 2020).

# 5. Training interventions

While training has evolved over time to make it more impactful, essentially it focuses on providing expert knowledge and experiential learning to the learner. In a Horizontal Approach, expert knowledge sharing is through getting experts in the field to share knowledge and provide an outside-in view. An element of experiential learning also becomes the crux in many training interventions, where leaders are exposed to new situations and then debriefed to reflect on learnings. These experiential opportunities tend to be in line with the organizational competency framework.

In a vertical approach, the emphasis is placed not on obtaining expert knowledge but on questioning ones current beliefs and integrating expert knowledge through a broader worldview. The aim is on creating an experience focused on helping leaders apply the new insights in relevant ways. Experiential learning goes beyond competencies & skills, with greater emphasis on mind-sets and thinking in the context of these experiences that will help them evolve to higher stages of individual growth.

To make the process more vertically developmental, bring the expert into close contact with leaders to promote healthy development. It's also about creating an experience that has a real business impact, and a real possibility of failure for the leader while supporting the vulnerability required for learning (Chesley et al., 2020.

Hence, organisations that have more leaders at higher levels of development (Vertical development) will have an advantage in the race over others. With this, I conclude that both, horizontal and vertical horizontal and vertical development have an important role in an organisation, but in all probability, only vertical development will help address emerging challenges and demands of leadership today. The journey is not going to be easy and requires persistence!

In summary, while the majority of leadership development programs focus on the acquisition of knowledge & skills (horizontal development), there is a strong need and inclination towards vertical development that focuses on enhancing the leader's capacity to deal with more complex challenges.



# Narcissism: the Good, the Bad, and the Grey

Rubi Khan, PhD



Rubi Khan is a professional with over 16 years of experience in the area of Learning, Talent, OD and DEI. She brings a unique strength in research and in practice She has worked in academics, consulting, and BFSI. She brings a rich experience in creating learning ecosystems, leadership frameworks, talent and succession design and DEI strategy. She has played a pivotal role in creating and experimenting with new learning ecosystems impacting business and people vectors. She has been in multiple forums talking about learning, talent, leadership, succession, engagement, and DEI.

### To cite this article:

Khan, R., 2022. Narcissism: the Good, the Bad, and the Grey. OD Quarterly, 2, pp. 30-33



# Narcissism: the Good, the Bad, and the Grey

Rubi Khan, PhD

# **Narcissism Origin: Greek Mythology**

The word narcissism brings to mind a sense of entitlement, arrogance, self-centeredness, and vanity. Narcissists have considerable social strength and a penchant for unfair behaviour to leverage themselves into positions of authority or social eminence.

The word narcissism originated from Greek mythology. A beautiful young man named Narcissus had fallen in love with his reflection whilst gazing into a pool of water, captured by the sight of his beauty. Narcissus kept admiring his reflection and died of dejection when he realized he would not be able to seduce his image.

# Narcissism: Can it be pathological?

Freud has described the concept of primary or non-clinical narcissism as existing in all individuals, though only to a certain extent.

Organizational psychology has defined narcissism as a personality trait rather than a mental illness. Although to varying degrees, it is seen as relatively stable and exists in all individuals. The empirical investigation of narcissism began in the latter half of the 20th century. In fact, as per the research, only a minority (perhaps 1%) of the population surpasses the clinical threshold for a diagnosis of Narcissistic Personality Disorder. However, narcissistic personality traits are typically distributed within the population, meaning that there are far more individuals with narcissist tendencies than people with pathological levels of Narcissism.

As per the Diagnostic & Statistical Manual of Mental Disorders (4th ed. [DSM-IV] American Psychiatric Association, 1994), narcissism is described as self-important self-focus and a pervasive pattern of grandiosity. According to the DSM-IV, those preoccupied with dreams of success, power, beauty, and brilliance are narcissists. They live on an interpersonal stage with exhibitionistic

behaviour and demand attention and admiration but respond to threats to self-esteem with feelings of rage, defiance, shame, and humiliation. In addition, they display a sense of entitlement and the expectation of special treatment. They are unwilling to reciprocate the favours of others and are unempathetic and interpersonally exploitative (Morf & Rhodewell, 2001).

## **Types of Narcissists**

### Constructive narcissists

Constructive narcissists seek greatness. However not searching for exclusive personal power, their success appears to be genuine. They look beyond and above themselves. Therefore, they have a vision outside their identity and work enthusiastically to accomplish it. They build consensus. They believe it is important to take people along; hence they seek advice and consult others before making any decision. They value cooperation over solo performance, they always take ultimate responsibility and never blame others when things go wrong. They can become extraordinary in the best sense of that term, serving as transformational leaders and inspiring role models.

#### Reactive Narcissist

Reactive narcissism develops in people who have been damaged in some way, troubled by weaknesses. They may have had an unsuitable upbringing conducive to overindulging in unrealistic admiration.

They remain deeply troubled by inadequacy, animosity, annoyance, gloomy thoughts, and lasting feelings of vacuum and withdrawal. They believe that they deserve special treatment and that rules and regulations apply only to others. As a result, they frequently keep themselves aloof to avoid loss and disappointment. Adults with reactive orientation often distort external events to manage anxiety and disappointment (Kets de

Vries, 2008).

## **Narcissism and Leadership**

George Bernard Shaw once said, "Some men see things and ask why others dream things and ask why not". This quote resonates with narcissistic leadership traits.

Narcissistic leaders are more likely to be seen as charismatic figures. His vision, galvanized by nature, is the one that sees the big picture. For example, Mike Armstrong as a productive narcissist created a strategy of combining voice, telecommunications and internet access by highspeed broadband telecommunications over cable. His vision was to vitalize AT&T (Maccoby, 2000). Narcissistic CEOs act in forward-driven manners; for example, they are more likely to initiate M&A and invest in internationalization or technology. Narcissistic leaders also appear to perform well when given opportunities for external affirmation or to further their unconventional gains. Their gains are eccentric because they sometimes fail to think beyond themselves. Organizations prefer narcissistic leaders when they feel uncertain. Similarly, organizations seem to profit from narcissistic CEOs in dynamic market conditions. A good aspect of a narcissist leader is perceived to be their visionary boldness. According to research, narcissistic leaders are charismatic because they appear passionate, daring, willing to take risks, and lack fear or hesitancy.

Nevertheless, their visions lack collective appeal and consideration of the greater good. While narcissists tend to self-ascribe positive leadership qualities, others do not consistently see these qualities in them. At the same time, narcissists also endorse self-views, including negative leadership characteristics (Escalante, 2020).

### Narcissism and their relationship with people

Narcissists attract followers often through their language. They believe that as words can move mountains, inspiring speeches can change people. In addition, they are proficient orators, one of their strengths which makes them charismatic. However, there are many negative concerns about their behaviour for those in relationships with them.

Narcissistic leaders dominate others. They have a strong desire to be admired and not loved. As a result, they lack concern and empathy towards others. They cannot build sustainable and long-term relationships. One of the reasons for the same is their inability to develop faith in their relationships. They see themselves as transformational leaders, but this view does not seem reciprocated. There is a misalignment between how narcissists view their leadership qualities and the impressions of the others around them. It has two parts to it.

Usually, people are awestruck by them at first because of their energy and extraversion, but this is short-lived. So instead of doing what is best, narcissistic leaders observe their agenda rather than think about their followers and do what suits them instead of doing what is best for everyone.

Research indicates that narcissistic leaders negatively impact the satisfaction level of employees who work for them. Leaders exploit others for personal gains and blame whoever and wherever they feel like to save themselves. Employees in such situations think intimidated and unsupported, adversely impacting the overall employee well-being and workplace stress levels. On the other hand, supported employees have positive attitudes toward their jobs and appear to be much happier (Asrar-ul-Haq & Anjum, 2020).

Narcissistic leaders always support their clones and they seek them in their team rather than encouraging other contributors. Their self-indulgence and admiration for themselves are so intense that they look for themselves in everyone around them.

When this self-indulgence crosses the normal limits and turns into self-absorption, it leads to verbal or physical abuse, grandiose or other humiliating behaviour. Narcissists are self-aggrandizing and self-absorbed, yet quickly threatened and overly possessive to receive feedback from others. As a result, they quickly break down and are prone to extremes of euphoria, despair and rage. They come across as charming socially but are insensitive to others' feelings, wishes and needs.

Narcissistic leadership occurs when leaders' actions are principally motivated by their own egomaniacal



and beliefs, superseding the needs and interests of the constituents and institutions they lead. Egomaniacal needs and beliefs include many patterns pervasive in narcissistic personality (Reilly, Doerr, & Chatman, 2018).

# Manifestations of Narcissism: Symptoms and Identification

Research says that narcissism is substantially heritable, with as much as 59% of trait variance due to underlying genetic variation and the outcome from the impact of environmental factors on the individual. Such a pattern is suggestive of an inherited tendency toward narcissism which then interacts with the experiences of the individual, developing the ultimate levels of the trait.

Narcissists have a strong desire for social endorsement and importance, coupled with charming and extraverted social strategies wherein they learn to regulate their behaviour to maximize the amount of positive social feedback they can garner with desired outcomes. They do not appreciate anything conflicting with those desired outcomes, not even constructive feedback. They exhibit pervasive patterns of self-importance and demonstrate superiority that their compulsive need of fulfilling their selfconcept makes them insensitive towards others' needs and desires, engaging in interpersonal strategies that are often counterproductive. They see others as a source of self-enhancement (Wang & Guo, 2022). Any social setting which is not under their control or is in conflict with their need for positive feedback is not further engaged by them. They manipulate their external environment to strengthen their self-esteem.

#### References-

American Psychiatric Association, (1994). Diagnostic and statistical manual of mental disorders (4th ed.) Washington, DC.

Carolyn C Morf & Fredrick Rhodewell, (2001). Unravelling the Paradoxes of Narcissism: A dynamic Self-Regulatory Processing Model.

Muhammad Asrar-ul-Haq & Talha Anjum, (2020). Impact of narcissistic leadership on employee work outcomes in banking sector of Pakistan.

Michael Maccoby, (2000). Narcissistic Leaders-The

Incredible Pros, The Inevitable Cons.

Alison Escalante, (2020). Researchers find that Narcissists leaders infect the culture of their organizations.

Lin Wang & Qun Guo, (2022). How Narcissistic Leaders impact on subordinate followership during COVID-19? The Moderating Role of Organizational Identification.

Charles O 'Reilly, Bermadette Doerr, & Jennifer A Chatman, (2018). When 'Me' Trumps 'We': Narcissistic Leaders and the culture they create.

Manfred Kets De Vries, (2008). The Leader on the Couch. A Wiley Imprint.

Narcissism as a subject is profound, and while reading the same, it provides a strong sense of self-awareness and self-reflection until and unless of course, a narcissist is not reading the same.



# Shaping Employer Brand via Word of Mouth (eWOM) in the 'New Normal'

Poonam Dev





Poonam Pratap Dev is currently pursuing her PhD in Human Resources from XIM University, Bhubaneswar. She completed her MBA in Human Resources and Marketing from Utkal University and B.Tech in Electronics and Telecommunication from BPUT, Odisha. She is currently working as an Associate Consultant in OD Alternatives. Her interest area is organization development, people development, organization culture and its attributes.

# To cite this article:

Dev, P., 2022. Shaping Employer Brand via eWOM in the 'New Normal'. OD Quarterly, 2, pp. 34-45



# Shaping Employer Brand via Word of Mouth (eWOM) in the 'New Normal'

Poonam Dev

This study offers a conceptual framework to show how employee benefits affect employee's view of their jobs in the labour market. By combining the HRM and marketing literature, it tries to understand strong employer brand image that creates a competitive edge. This study used the concept of electronics Word-Of-Mouth (eWOM) to provide propositions.

**O**rganizations are competing to position themselves as the best employers with extraordinary and special sets of benefits and attributes to encourage talented potential employees to join and existing employees to stay in the organization (Gaddam, 2008). To advance this goal, organizations are also trying to differentiate themselves from their competitors as attractive employers for both potentials (Johnson, 2000) and existing (Bakanauskiene et al., 2011) employees. Berthon et. al (2005) contends that attracting and holding onto talented candidates has become as important as attracting customers for a firm. Thus, it may be reasoned that organizations today must create a unique brand for themselves to be attractive to employees. This is said to be employer branding (Backhaus & Tikoo, 2004).

The pandemic has accentuated the pace at which the world of work has gone digital and employees spent more time online.

The COVID-19 pandemic is giving rise to unprecedented global health and economic disruptions. Employees and organizations alike are struggling to adapt to the 'new normal' (Alter & Villa, 2020; Mull, 2020; Soloman, 2020). What makes this an area ripe for study is the contention by authors such as Bianchi (2020). They argue that there are more assumptions than evidence in understanding how the pandemic influences

employees' (potential and current) preferences. The coronavirus has largely affected and hampered the global economy and employment market. The ongoing COVID-19 pandemic has put every organization's employer brand to the test.

During this crisis, the organization should try to build a powerful employer brand to be noticeable in the market. In the employment market, employer brand has been given top priority by the candidates, thus it becomes the responsibility of the organizations to respect, protect and even elevate their reputation to internal and external stakeholders (Moroko & Uncles, 2009). In the present COVID-19 situation, potential and current employees are looking for brands that have successfully adopted the pandemic situation. Thus,

the firms today must brand themselves to be attractive for capturing the attention of the individuals to be safe from the COVID-19 aftermath

Berthon et al. (2005) expounded that, in the employer branding process the firm sells its exclusive employment experience to potential and existing employees. Employer branding mainly deals with creating the image of a firm as a successful employer having adopted the new pandemic situation well among different target groups. For building a powerful employer brand the firm must understand the needs of the employees

well and the factors that encourage them to cope with the present pandemic situation.

The war for talent is on in this pandemic situation and the organizations need to constantly upgrade and enhance employer brand as a prime part of the recruitment approach (Nelke, 2021). Technology has changed our way of living. We are in an era where we can find reviews and comments about an organization with just a "click of mouse" (Godes & Mayzlin, 2004). Online advancement has brought changes in the HR field with the emergence of social media and review sites. In this period of the pandemic, we are living in a virtual world where the usage of social media and other sites has taken a trajectory of growth. The usage of various review platforms has increased in employer branding campaigns to attract and retain employees (Madera, 2012). **Employers** are trying hard to advertise themselves to be noticeable in the market. Organizations are also using their current employees who are said to be the best recruiters for the firms by providing them with great benefits because they tell great stories about the firm and act as the firm's ambassador through the power of electronics word-of-mouth (eWOM) as well as they also embody the firm's unique values, cultures, visions and benefits to the outside world by spreading positive eWOM.

In this context, the main purpose of this study is to advance the understanding of the employer brand by exploring the benefits offered by the employers to its employees to attract and retain top talents using eWOM as a tool for achieving competitive advantage in the employment market in the COVID 19 situation. The study begins by presenting a relevant conceptual base from a marketing background which is considered an important approach to understanding employer brand and its effect. From there the study tries to develop the elements of benefits that form an employee's work experience in the employment setting provided by the employer. Drawing from Ambler and Barrow's (1996) explanation of employer brand, this study tries to explain how benefits help to build a strong employer brand for a firm.

# Theoretical background of the study

Since the time the concept of employer brand has

been coined by Ambler and Barrow (1996), it has been considered a strategic tool for increasing the firm's chance of attracting and retaining top talent. Many researchers have reported that building an employer brand as a strategy used by different firms to gain competitive advantages (Streb, Voelpel & Leibold, 2008). Various authors have claimed that employer branding is still in its infancy in case of both research and practice and adopting marketing strategies is likely to be considered an approach to face the present-day challenges prevailing in the employment market (Edward, 2010; Kimungu and Maringa, 2010). Against this backdrop, its intended contribution is considered to become more and more substantial owing to the fact that adopting marketing strategies is likely to be considered a way to face the present-day challenges present in the employment market.

An increase in interest in employer branding context has been marked as an approach by which firms can maximize their human capital by attracting and retaining employees. In this context, employer branding is described as an activity of building an employer brand which results in developing the image of the firm as a suitable place to work (Lloyd, 2002). The image of the firm is portrayed to prospective and existing employees to allure, absorb, and retain the most adept workforce in the firm (Ahlrichs, 2000).

Employer brand is a package of benefits holding functional, psychological and economic benefits (Ambler and Barrow, 1996).

These benefits proffered by the employer brand can be grouped similar to the benefit that is offered by a product brand to its customers. All these three benefits clubbed together will help in motivating an employee to join, remain and work in the firm.

Employer branding concept has its root evolved from marketing's branding concept (Morocko & Uncles, 2008). Brand plays a vital role in strengthening the value of a product from being emulated by its competitors (Aaker, 1991). In relation to this, branding was explained by Kotler (1991) as



# "A brand is a name, term, design, symbol or any other feature that distinguishes one seller's good or service from those of other sellers".

According to Aaker (1992) brand is considered one of the of the most valuable resources of the firm and it also focuses on stakeholders besides consumers, like employees (Brodie, 2009). As per Merz, He & Vargo (2009), employees are the first customer of an organization (internal customers), who helps to create brand promises that are delivered to the customers. This kind of understanding explains the relationship between the employer and the employee. Therefore, managing the brand is considered the most vital function of a company.

Recent marking literature explains that a brand has a huge influence on the firm as an employer. Brands nowadays are not all used as an identification mark for the company's product, but it is also used by different organizations to be noticeable. Successful brands are the brands which continuously deliver on their promises made to their customers (Cambell, 2002). The current literature on marketing indicates that the brand also has an immense effect on the company as an employer.

Branding schemes for instance – brand association, brand image, brand loyalty etc. are incorporated with HR strategies to build strong organizations' image

(Backhaus & Tikoo, 2004). Therefore, having an employer brand is contemplated to be an emerging approach to building a positive image of the firm to the outside world (Knox & Freeman, 2006) and the firms should think of strategies that will differentiate themselves in the employment market (Olapido et al., 2013).

# **Employer brand**

Employer brand concept is somewhat a recently developed academic idea having its origin traceable to the mid-and late- 1990s (Rosethron, 2010). Employer brand as the term was coined and examined by Ambler and Barrow in 1996. They extended branding to the employment setting considering the organization as a brand and its employees as customers. Researchers such as Backhaus & Tikoo (2004), Edward (2010), and Ewing et al. (2002), further expanded the concept of employer branding as having two different customers: existing employees as internal customers and prospective employees as prospective customers. Inherent to these arguments and as clarified by Cable & Turban (2001), the assumption is that the prospective employee faces the same decision dilemma as a new consumer in the purchasing process and current employees face the same dilemma that the existing consumer faces when they must decide to continue with the brand's product.

Authors	Explanations
Ambler & Barrow (1996)	Package of benefit
Backhaus and Tikoo (2004)	Building an identifiable and unique employer identity
Sullivan (2004)	Targeted long-term strategy
Martin et al. (2011)	Distinctive organizational identity
Lloyd (2002)	Great place to work for
Rosethorn (2009)	Two-way deal

Table 1: Categorization of employer brand

Employer brand explained by Ambler and Barrow (1996) includes 3 types of benefits that the employees experience being a part of an organization. Functional benefits incorporate developmental activities (Urbancova & Hudakova, 2017), economic benefits include monetary and non-monetary rewards, and psychological benefits involve the organization's values and missions (Cincinnati & Cambridge, 2013). These benefits if personally aligned with employees and their standards, will increase motivation and satisfaction.



Various researchers have also discussed the benefits driven by having a powerful employer brand. The statements are listed below:

Authors	Statements
Love and Singh (2011)	Employer brand give information about the benefits an employee will get on being associated with a specific employer.
Schalger et al. (2011)	A strong employer brand will help in increasing the organization's profitability through increased employee identification and satisfaction.
Robertson and Khatibi (2013)	There is a strong relationship between the productivity of the firm, attractiveness, and employer brand.
Martin et al. (2011)	There is a positive relationship between employer brand and retention of employees leading to employee satisfaction and employee recommendation
Lloyd (2002)	Advertisement and word-of-mouth in the early recruitment stage will help to enhance the employer brand knowledge which will further help in increasing organization attractiveness as well as an intention to stay.

Table 2: Benefits driven by having a strong employer brand

According to Pop (2008) and Helm (2011),

For building a strong employer brand, a mix of tangible and intangible attributes such as employee benefit, culture, and work environment is needed.

The main focus of having a strong employer brand is to motivate and make the current employees stay in the organization (Hitka et al., 2015; Love and Singh, 2011) and target and attract potential employees (Archana et al., 2014; Woźniak, 2015). Current employees are particularly said to be the ambassadors and propagators of the benefits provided by the employers in the form of WOM (positive/negative). It is therefore crucial to know how the organizations will care for its employees, what working conditions they generate and

what employee benefits are provided to them (Woźniak, 2015). Aaker (2003) suggested that it is vital to study the attributes that presently form the employer brand image of an organization. In relation to the above statement, the prime purpose of the paper is to explore the factors involved in building up a strong employer brand image. It can also be concluded that it is vital to realize and recognize the needs and wants of the current and potential employees that serve as the prime strategic challenge because by their identification and subsequent satisfaction a firm can build a strong strategy which will subsequently lead to building up of a powerful employer brand in the employment market (Hudakova, 2017).

# Benefits forming Employee's Work Experience

To understand the benefit being used as a strategy for forming an employee work experience for building an employer brand two theoretical



perspective needs to be studied: Aaker's (1991) brand equity model and Ambler and Barrow's (1996) employer brand equity model. Aaker (1991) gives the most apprehendable, comprehensive and reliable brand equity model which contains 4 distinct assets that are a major source of value formation.

These assets incorporate brand loyalty, brand awareness, brand association, and perceived quality. Aaker's model measures dimensions which is both customer and firm-specific. Hence, the purpose of the study has been selected accordingly.

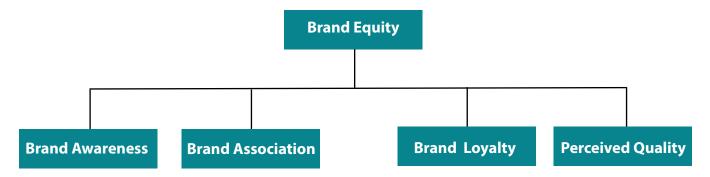


Figure 1: Aaker's brand equity model

In relation to Aaker's (1991) brand equity model, Ambler and Barrow (1996) came out with employer brand equity theory as a parallel model for HRM. Similar to it, employer brand equity is also formed in the minds of the current and prospective employees by being exposed to various human resource practices (Ambler & Barrow, 1996).

During work experience, the value is exchanged between the employer and the employee (Moroko & Uncles, 2008). These values are referred to as benefits, which are provided by the employing company to its employees. These benefits include functional, economic, and psychological benefits (Ambler & Barrow, 1996).

Various authors have classified benefits according to their research:

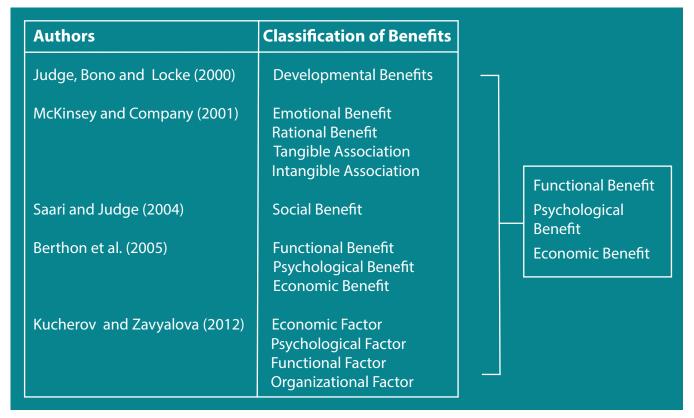


Figure 2: Categorization of Benefits according to nature of research and work by different authors



Combining all the above-mentioned explanations with Ambler and Barrow's (1996) conceptualization, Berthon et al. (2005) explained

Three sets of benefits that are most essential for every firm to provide to its employees: functional benefits, economic benefits and psychological benefits.

All these three benefits clubbed together will help in motivating an employee to remain and work in the organization as well as will attract prospective candidates to apply to the organization.

One of the most effective methods of retaining the employees is clearly to ensure at the employees feel that they are valued (Hadi, 2018). Thus, all the above-mentioned features sum up to form a strong employer brand image which results in attraction and retention of highly potential workforces, perceiving that the workforces consider strong values are practices and expect to be well managed by having the freedom to take decisions, autonomy, providing opportunities to take up challenging work, and with good career opportunities (Sokoro, 2001). All the above-mentioned three benefits form a complete employment experience as formed by the opinions of current and prospective employees (Gardner, Erhardt, & Martin-Rios, 2011). The current employees make use of firsthand employer knowledge to build the employer image, which they can subsequently share with potential employees (Priyadarshi, 2011).

# eWOM as Influencer

With the development of social media, review sites and the utilization of smartphones, eWOM is ubiquitous

(King et al., 2014; Zhang et al., 2017). When compared to traditional WOM, eWOM enables individuals to get real-time and real-life information from previously available sources.

The internet allows individuals to easily share their experiences and get information about a brand in a very less time in a cost-effective manner, thus speeding up the diffusion of eWOM (Burnasheva, Suh, & Villalobos-Moron, 2019).

Web 2.0 applications have empowered customers to intensify their views regarding exploring and sharing information before or after deciding (Sigala, Christou, and Gretzel 2012). Blogs, online reviews, and social networking sites in the present day are enabling individuals to communicate and exchange information virtually and to share their thoughts, knowledge, and experiences for all kinds of products, services, and brands. Individuals have various intentions for searching online for information regarding a product/ organization as well as they also share their own experiences and reviews regarding the product/firm (King et al., 2014; Zhu and Zhang, 2010). Some of these practices encourage the spread of word-of-mouth (WOM) on the web, namely e-WOM (Bronner and de Hoog 2011). Researchers from the marketing domain have put forward several definitions of eWOM. This proposed study takes on the conceptualization given by Hennig-Thurauet et al. (2004), since it integrates the possibility of incorporating multiple receivers and senders, "eWOM is any positive or negative statement made by potential, actual or former customers about a product or company, which is made available to a multitude of people and institutions via the internet."

This new concept of online communication is the same as the traditional word of mouth extending in a virtual environment (Yeap et al., 2014).

eWOM exists online and enables individuals, who are strangers to each other to communicate with one another and discuss their experiences and viewpoints

about goods and services initially. But at a later date, this was also used to share experiences and opinions **about a company.** This individual-to-individual communication has become one of the most influential tools for an individual to take any

decision (Chu & Choi, 2011).

Similar to the product brand, a job represents a bundle of benefits (Ambler & Barrow, 1996) which is needed by both potential and current employees to satisfy their needs and to take a joining or stay decision. Making the right decision regarding an employer is considered a crucial task by every individual because it can affect their personal lives. Hence, getting the right information about the employer is a vital task (Lamb et al., 2011). Information sources may include media both traditional and modern, other people – family and friends, and personal experiences - current and ex-employees (Perterson & Merino, 2003). In this study, the author considers eWOM as a medium for sharing information to the outside employment world about the benefits and offerings provided by the employers to its employees to make the firm a 'great place to work'. The online sites allow both parties to share their views and opinions about each other (Dholakia et al., 2004). Social sites are characterized by real-time interaction, less anonymity, short-reply time, and authenticity and it also serves as an important public relations tool (Kent, 2010).

# Conceptual Framework and propositions

a). Linking Employees' Work Experience with Employer Brand

Digital transformation and growth in internet facilities has expected to reduce a large and vast gap in the demand and supply ratio of the skills needed in the employment market. Organizations are quitting the traditional method of hiring and are moving towards technology for attracting and retaining employees. Similar is the case for potential as well as present employees who are now considering benefits provided by the employer as an important factor to choose a firm to join via technology. Firms that offer great benefits in form of work experience to their employees are considered one of the most deserving firms that have successful attraction and retention rates. Having strong EB is considered a new age essential to attract and retain top talents. A powerful employer brand is considered an important part of any business to have a strong recruitment and retention strategy.

As per research, 70% of the action potential candidates are more likely to join a firm that has an active and engaging employer brand. In the case of existing employees, they are considered the first customer of a firm, so they are considered the first to experience the benefits offered. Successful management and delivery of benefits would lead to a high preference for the firm by the employees (potential and current) and leverage employmentrelated beliefs about the organization as a good place to work, which will help to build a strong employer brand to achieve a competitive advantage in the employment market. Having a good work-life balance, providing an opportunity for growth, providing compensation matching their work and experience and providing training and development make up for a good benefit offered in the firm. The existing employee uses these experiences as information to create an employer image which they gradually share with prospective candidates as well as existing candidates with the help of the social networking sites which helps them in taking a joining and continuing decision (Priyadarshi, 2011). Thus, it can be proposed that

Proposition 1:

Employees' perception of benefits provided by the employer has a positive influence on building a strong employer brand image.

b) Linking Employees' Work Experience with electronics Word-of-Mouth

Candidates develop an organization's image through the information that they perceive about the organization (Highhouse et al., 2009). The exposure and lucidity of an organization within the market have increased largely with the development of social media, it empowers people to communicate and influence specific features of the reality around them (Sigala & Marinidis, 2009). Since we know that an employer brand and employer image are formed by certain specific cues (Highhouse et al., 2009), social media have resulted in an increase in potential influences on the employer brand. Like the marketing concept,



which includes the firms' products and services, the internet has engendered social media. This media helps in rating the employer's role, describing its features, and advertising the brand of the firm. These sites help to present the views, opinions, and offerings of the firm by the employees and other individuals as well as by the employer itself. Due to its content, social media in the present situation is considered a prime and vital cue for building an employer brand, when everyone is living in a virtual world (Cable & Yu, 2006).

Every firm nowadays uses a strong strategy to provide employees with a good job experience. As explained by Branham (2001), the benefits offered influence an individual to spread information about the firm in the employment market to attract and retain talent. Thus, it can be proposed that

# **Proposition 2:**

Employees' perception of benefits provided to the employees leads to positive eWOM for an organization.

c) electronics Word-Of-Mouth as Influencer for Building Employer Brand Image

From the development of computers in the 1980s to the development of the internet in the 1990s, human connectivity with each other has moved beyond the physical boundaries to cyberspace. The capability to communicate globally is a prime tool for firms that want to expand themselves and want to stand out in the competition (Martin & Hetrick, 2009). This interconnected world of the web has given individuals as well as firms the power to express their views to each other without even physically seeing each other (Breazeale, 2009). Social media consists of a bundle of information that every individual wants to know before making any decision. Virtual communities present in social media brings individuals together by sharing common interest and goals (Wagner, 1995). A shared vision constitutes the collective goals of the firm members as well as the firm itself which can be achieved by collaborating

(Wagner, 1995). Social media provides independency in space and time as well as provides opportunities for open communication which gives a chance to every firm to advertise itself and be advertised by others. Thus, it can be proposed that

# Proposition 3:

Electronics Word-ofmouth (eWOM) works as an influencer between employee benefits forming employee's work experience and employer brand to build a strong employer brand image

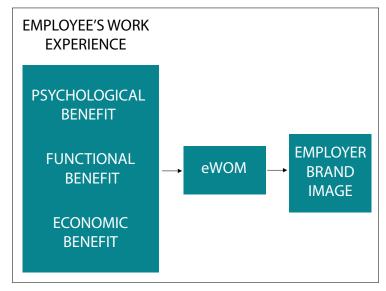


Figure 3: Conceptual model showing the relationship between employee's work experience leading to building an employer brand image using eWOM as an influencer

# **Managerial Implications**

This study could benefit the organizations interested in adopting a proactive approach to understand what changes in strategies and benefits are required to meet the employee's expectations.



So as to build a strong employer brand image in the employment market. A major practical lesson is that the COVID-19 crisis is guite complex and has affected businesses hard. Every business now must understand and observe transitions so as to cope with the situations. The propositions discussed above suggest that to mitigate the COVID-19 crisis the organizations require forward-thinking by building new strategies on several fronts. The propositions presented here give the organizations a proposed way to face the challenges posed by COVID-19. Good work experience practices can be provided by organizations to attract and retain top talents in the present situation and electronics word-ofmouth (eWOM) is used as an influencing tool to accelerate it. The suggested way presented may help the organizations to adopt new practices for spreading electronics Word-Of-Mouth (eWOM) as well as to think of new strategies to achieve the right growth trajectory for gaining competitive advantage.

**Theoretical Implications** 

The objective of this paper is to explore the emerging research trends regarding the impact of COVID-19 on businesses. This study outlines research propositions that serve as the foundation for future research in the COVID-19 area.

This paper contributes to the research on COVID-19 by elucidating the theoretical evolution of COVID-19 research and how businesses can use economic, functional and psychological benefits to build good employees' work experience to cope with the present situation.

**Conclusion** 

This study presents a conceptual framework that explains the effect of employees' benefit that

forms employees' work experience in the employment market. It aims to explain the role of employees' work experience provided by the employer in building an employer brand image. By integrating the HRM and marketing literature, the framework apprehends the interactive nature of the employment relationship between employees and employers beginning in the recruitment phase and continuing throughout the employment contract.

The framework has theoretical and practical value. The framework provides a theoretical rationale for a set of propositions that Aaker's brand equity model and Ambler and Barrow's EBBE.and it also incorporates additional concepts (such as employee's benefit and employees' work experience), that will help advance our understanding of key variables in employer branding, an important tool in the war for talent.

In the present COVID-19 situation, electronics Word-Of-Mouth (eWOM) plays a prime role in every individual's life and has taken a trajectory of growth over the past few months. paper has This incorporating electronics **Word-Of-Mouth** (eWOM) as an influencing tool that is used to build a strong employer brand to achieve a competitive advantage.

### References

Aaker, D., (1991). Managing brand equity: Capitalizing on the value of a brand name, New York, Maxwell Macmillan International.

Aggerholm, H., Andersen, S. E., Thomsen, C. (2011). Conceptualizing Employer Branding in Sustainable Organizations. Corporate Communication an International Journal 16(2), 105-123.

Ahlrichs, N.S. (2000). Competing for Talent: Key Recruitment and Retention Strategies for Becoming an Employer of Choice. iBusiness, 8(4).

Ambler, T. & Barrow, S. (1996). The employer brand. Journal of Brand Management, 4, 185-206

Backhaus, K. & Tikoo, S. (2004). Conceptualizing and researching employer branding. Career Development International, 9(5), 501-517.

Bakanauskiene, I., Bendaraviciene, R., Barkauske, L. (2011). Organizational Attractiveness: A empirical study on employees attitudes in Lithuanian business sector. Problems and Perspectives in Management, 15(2), 4-18.

Barrow, S. & Mosley, R. (2011). The Employer Brand: Bringing the Best of Brand Management to People at Work, John Wiley & Sons Ltd.

Baumgarth, C. (2010). "Living the brand": brand orientation in the business-to-business sector. European Journal of Marketing, 44(5), 653–671.

Berthon, P., Ewing, M.& Hah, L.L. (2005). Captivating company: Dimensions of attractiveness in employer branding. International Journal of Advertising, 24(2), 151-172.

Blau, P. M. 1964. Exchange and power in social life. New York: John Wiley

Borstorff, P. C., Marker, M. B., & Bennett, D. S. (2005). Online Recruitment: Attitudes and Behaviors of Job Seekers. Journal of Strategic E-Commerce, 5(2), 1–24.

Campbell, M. C. (2002). Building brand equity. International Journal of Medical Marketing, 2(3), 208–218

Celani, A., & Singh, P. (2011). Signaling theory and applicant attraction outcomes. Personnel Review, 40(2), 222–238

Cotterell, N., Eisenberger, R., & Speicher, H. (1992). Inhibiting effects of reciprocation wariness on interpersonal relationships. Journal of Personality & Social Psychology, 62, 658-668.

Dholakia, U. M., Baggozzi, R. P. & Pearo, L. K. (2004).

Social Influential Model of Consumer Participation in Network and Small- Group based Virtual Communities. International Journal of Research in Marketing. 21(3), 241-263.

Edwards, M., (2010). An integrative review of employer branding and ob theory. Personnel Review, 39 (1), 5-23.

Eisenberger, R., Cotterell, N., & Marvel, J. (1987). Reciprocationideology. Journal of Personality & Social Psychology, 53, 743-750.

Evan, W. R. & Davis, W. D. (2005). High-Performance Work Systems and Organizational Performance: The Mediating Role of Internal Social Structure. Journal of Management, 31(5).

Foa, U. G., & Foa, E. B. 1974. Societal structures of the mind. Springfield, IL: Charles C Thomas.

Gaddam, S. (2008). Modelling Employer Branding Communication: The Softer Aspect of HR Marketing Management. ICFAI Journal of Soft skills, 2(1), 45-55

Gardner, T., Erhardt., N. L. (2011). Rebranding Employment Branding: Establishing a New Research Agenda to Explore the Attributes, Antecedents, and Consequences of Workers' Employment. Research in Personnel and Human Research Management, 30, 253-304

Godes, D. & Mayzlin, D. (2004). Using Online Conversations to Study Word-of-Mouth Communication. Marketing Science 23(4), pp. 545–560

Graen, G. B., & Scandura, T. A. (1987). Toward a psychology of dyadic organizing. Research in Organizational Behavior, 9, 175-208.

Highhouse S, Broadfoot A, Yugo JE, Devendorf SA. 2009. Examining corporate reputation judgments using generalizability theory. J. Appl. Psychol. 94:782–89

Johnson, M. (2000). Winning the people wars: Talents and the battle for the human capital. London. Prentice Hall

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based equity. Journal of Marketing, 57(1), 1–22.

Kent, M. L. (2010). Directions in Social Media for Professionals and Scholars

Kimungu, S. & Maringa, P. (2010). An assessment of the Impact of Employee Turnover on Customer Service and Competitiveness of an Establishment. The International Research Symposium in Service Management, Mauritius.



Knox, S., & Freeman, C. (2006). Measuring and managing employer brand image in the service industry. Journal of Marketing Management, 22(7-8), 695-716.

Kotler, P. H. (1991) Marketing Management: Analysis, Planning, and Control, 8th ed. Englewood Cliffs, NJ: Prentice-Hall. Inc.

Kuchetov, D. & Samokish, V. (2016). Employer Brand Equity Measurement. Strategic HR Review, 15(1)

Lamb, C.W, Hair, J.F & McDaniel, C. (2011) "Essentials of Marketing" Cengage Learning

Lloyd, S. (2002). Branding From the Inside Out. Business Review Weekly, 24(10), 64-66.

Madera, J. M. (2008). Using social networking websites as a selection tool: The role of selection process fairness and job pursuit intentions. International Journal of Hospitality Management, 31(4), 1276-1282.

Martin,G., Gollan, P. & J., Grigg, K. (2011). Is there a bigger and better future for employer branding? Facing up to innovation, corporate reputations and wicked problems in SHRM. The International Journal of Human Resource Management, 22(17), 3618-3637.

Michaels, E., Handfield-Jones, H., & Axelrod, B. (2001). The War for Talent. Brighton, MA: Harvard Business Press.

Moroko, L. & Uncles, M. D. (2009). Employer branding and market segmentation. The Journal of Brand Management, 17(3), 181-196.

Mosley, R. W. (2007). Customer experience, organizational culture and the employer brand. Journal of Brand Management, 15(2), 123-134.

Oladipo, T., Iyamabo, J., & Otubanjo, O. (2013). Employer Branding: Moulding Desired Perceptions in Current and Potential Employees. Journal of Management and Sustainability, 3(3).

Priyadarshi, P. (2011). Employer Brand Image as Predictor of Employee Satisfaction, Affective Commitment & Turnover. The Indian Journal of Industrial Relations, 46(3), 510-522

Peterson, R. A. & Marino, M. C. (2003), Consumer Information Search Behavior on the Internet. Psychology and Marketing 20(2),99 – 121

Rosethorn, H. (2010). Members of the Bernard Hodes Group and Contributors. The Employer Brand. Keeping Faith with the Deal.

Shore, L. M., & Coyle-Shapiro, J. A. M (2003). New developments in the employee-organization

relationship. Journal of Organizational Behavior, 24, 443-450.

Streb, C. K., Voelpel, S. C., & Leibold, M. (2008). Managing the aging workforce: Status quo and implications for the advancement of theory and practice. European Management Journal, 26(1), 1–10.

Sullivan, J. (2004): Eight elements of a successful employment brand. ER Daily, 23 February, available at: www.erexchange.com

Taylor, Stephen. 2010. Resourcing and Talent Management. London: Chartered Institute of Personnel and Development, p. 5.

Tikkane, H. (2011). Corporate marketing in the stock market: The impact of company identification on individuals' investment behaviour. European Journal of AMrketing, 9(10), 1446-1469



# Better Employee Engagement with Relational People Analytics

Asmath Ruhi

Ruhi is a Product Engineer at OrgLens. A gold medalist during her bachelor's in International Business, she went on to pursue an MBA in finance where her research on the Indian Stock Market was published in IJMTE. Her keen interest in statistics and ML has led her to become an IBM-certified data scientist. At OrgLens, she combines her business chops with her data science expertise, helping leaders understand the inner workings of their businesses and make better business decisions.

# To cite this article:

Ruhi, A., 2022. Better Employee Engagement with Relational People Analytics. OD Quarterly, 2, pp. 46-49



# Better Employee Engagement with Relational People Analytics

Asmath Ruhi

"PAT capabilities focused on employee engagement and the employee experience dominated growth, as organizations searched for ways to retain talent and improve job satisfaction."

– People Analytics Technology 2022: Executive Summary, Redthread Research

The pandemic has allowed employees to reevaluate their jobs and careers, leading up to the Great Resignation. A host of factors – like job dissatisfaction, preference for flexible work policies, and the like are attributed to this phenomenon. What is alarming is how most of these factors boil down to a lack of employee engagement and how it has a lasting tangible impact on organizations.

When you think of engagement as a relationship between organizations and their employees, it is clear that it requires efforts from both sides to be successful. Employee engagement is much more than employee happiness. From the employee's end, it is the extra effort, performance beyond the job description that employees are willing to expend, advocacy, and sheer personal commitment towards the organizational goals. From the organization's end, it is not only about the rewards and perks, but genuine care and concern for their workforce, accommodating their needs, involving in their personal growth, and adding value to their existing capabilities. A healthy relationship is a win-win for both, with benefits ranging from competitive advantage, increased stock prices, revenue, productivity, and a content, motivated workforce.

# So what is making employees disengaged, leading to high turnover rates?

Employees leaving their jobs en masse is a sign that this relationship is becoming increasingly dysfunctional and needs to be worked on. This is a big price to pay for organizations, as it is estimated that the cost of replacing an employee is 1.5 to 2 times their annual salary.

Improving employee engagement is essential, if not necessary to curb turnover, poor performance, and losses.

# But how can you improve what you cannot measure?

People Analytics enables HR to quantify the impact of their people policies and interventions on the organization. Data on performance, absenteeism, turnover, employee NPS and even engagement surveys are integral to measuring employee engagement. Although these metrics have been religiously used by HR all this time, it is evident from the Great Resignation that they fail to serve the purpose..... on their own. Maybe because they focus only on the individuals, and not on how these individuals are interconnected to form the larger organization. And this makes all the difference! Knowing that a team has a low aggregate performance or a high turnover is an indicator of a problem, but if you were to know the social factors in the equation, you would be in a much better position to pinpoint where this problem lies and how it may potentially spread to other parts of the organization. Relational People Analytics does exactly that, it adds the tremendously important missing factor in our people equation, the relationships between people in an organization.

Employees are part of a network of social relationships and analysing them without considering how they are embedded into the organizational network, can give deficient insights. Interacting with people in the workplace is a part

of social needs, and remember, this comes before esteem needs and self-actualization. When we analyse how employees interact with one another, for which reasons, and layer that with employee attributes and HR data, we are looking at the big picture. HR & people leaders need to factor workplace relationships into their HRM activities & processes, thereby creating robust value chains

Employee engagement when measured with Relational People Analytics can enable leaders to not only identify the actually engaged employees but also the social conditions that foster engagement and problem areas that need to be worked on, before the damage is done.

Engagement can be measured and analysed by looking at workplace relationships in a number of ways. Interactions with colleagues beyond an employee's department or geographical boundaries signify engagement, more so if these interactions are non-work related, and happen frequently. Making a friend or a strong tie in other parts of the organization's network requires discretionary effort, and a person is more likely to do so if they are engaged.

The number of people a person interacts with, and the reasons thereof, need to be looked at. An optimal number of interactions, keeping in mind an employee's role, and if there is a good distribution of work and non-work related aspects in these interactions have an impact on engagement. An employee with only transactional, structurally mandated conversations, and a low Net Promoter Score (NPS), can mean that even though the work is getting done, he or she may not be happy, and ultimately leave. An employee with well-balanced personal and professional interactions and a high NPS and performance rating is most likely a highly engaged one.

"People leave managers, not companies".

We've all heard this and know that the relationship an employee has with their manager has a significant bearing on their engagement levels. Although engagement surveys try to capture this as a rating, they may not be all too accurate and subject to a great deal of bias. Looking at the relationship between managers and their direct relational analytics throws light on the actual nature of this relationship.

Is a manager effectively interacting with his/her team?

Does he/she have a personal rapport with them?

Do the reports feel comfortable approaching their manager, and sharing any difficulties they face, with him/her?

Is the manager responsive to their reports, and is there two-way communication happening between them?

Does the reporting manager have a diverse and robust network?

Relational analytics answers all these questions and quantifies this relationship to make an inference about engagement. Having frequent and quality one-on-one interactions with the reporting manager, who himself/ herself is well-connected and spends an optimal amount of time with their teams, fosters engagement. A healthy relationship between managers and their direct reports reinforces engagement levels of both by boosting productivity and employee experience.

Another relational factor that has a bearing on engagement levels is the access to skip-level leadership. If employees get exposure or have access to people up the ladder, it results in high morale, as it signifies that leadership is a resource that is equally available to all levels. Moreover, it also matters who these employees are and if different minority groups have equal access to leadership.

Not only maintaining relationships understanding the strength of these relationships is paramount for engagement. Interactions with colleagues on a regular basis constitute "strong ties" in the organization, and these form a part of an employee's core circle. This is essentially the support system, the people who instil a feeling of belonging & attachment to the workplace. On the other hand, those hi's and hello's with people across the organization constitute "weak ties". These are the acquaintances in the organization, beyond the core circle, which give an employee exposure to different views and information in the organization.

Having an adequate blend of strong and weak ties



increases engagement, as both have an impact on employee experience and in helping employees achieve well-balanced & beneficial relationships.

If relational data is collected regularly, HR can gain insights into how the networks of employees change over time. High volatility in their network can disturb the employees and how they adjust to their roles, whereas low volatility is indicative of some form of stagnation. If the number of connections drops over a period of time, you know that engagement levels of employees are falling as well, maybe even before they become aware of it themselves.

Relational People analytics takes a synergistic approach to solving organizational problems. By identifying specific pain points, HR leaders can make data-driven decisions with granularity and achieve people goals much faster. It also brings the contextual element into the picture, as what works for one organization for engagement may not work for the other. By looking at the mix of factors that lead to engagement and also the possible reasons for such, HR can truly get a sense of the conditions driving engagement, and try to create similar conditions for the less-engaged parts of their organization. For instance, a highly engaged team may have strong relations with the reporting manager and have a lot of crossdepartmental interactions in the organization. A less engaged team may not have this, and HR can induce an environment where they are allowed to build such relationships and improve their managerial style.

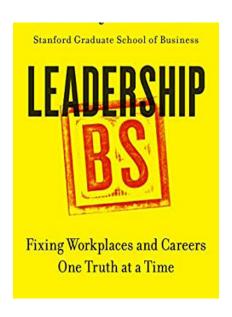
This holistic approach to measuring and improving employee engagement allows a company to incorporate descriptive, diagnostic, predictive, & prescriptive analytics into their HR value chain, thereby improving the contribution of HR to organizational outcomes.

Uncovering patterns with Relational People Analytics paints an accurate picture of the true engagement in the organization, and reduces the complexity, making something like engagement a "real actionable".



# "Leadership BS: Fixing Workplaces and Careers One Truth at a Time" written by Jeffrey Pfeffer

Neelacantan





Neelacantan (Neel) heads L&D for Tekion corporation. Previously, he led L&D at Swiggy. He has also had a consulting stint in between as the founder of Outthinc Consulting. Prior to that, he worked at Akamai and Fidelity. The first half of his career was in technology and project management after which he transitioned into process training and then into L&D. He has a deep interest in creativity and innovation and game design. He has designed 108% Indian - an Indian creativity card deck; and has designed a couple of games (Playback and Devabhaasha). The latter won the Toycathon award from the Government of India in 2021. He also writes extensively and authored a book "Feedback Decoded".

### To cite this article:

Neelacantan, B., 2022. Book Review: Leadership BS: Fixing Workplaces and Careers One Truth at a Time. OD Quarterly, 2, pp. 50-52



# "Leadership BS: Fixing Workplaces and Careers One Truth at a Time" written by Jeffrey Pfeffer

### Neelacantan

Leadership BS: Fixing Workplaces and Careers One Truth at a Time by James Pfeffer is a provocative read. A lot of us as L&D facilitators/ consultants would have noticed that one comment often comes up - "our bosses should definitely undergo this training". Now, this is a book that will tell you otherwise.

Pfeffer makes a convincing argument on why this is so and he squarely points the blame at how workplaces reward the exact opposite behaviours of what leadership training professes and organization longevity demands. He then goes on to break down those qualities and sums up the message of this phenomenon. This is a book that makes you pause for thought - whether you are in L&D like me - or on any side of the leadership spectrum. This book leaves you better equipped to deal with day-to-day organizational life at the same time.

The author says that one of the issues that the leadership "industry" often focuses on is the normative and not on what is. This is why sometimes, questions such as, "why is it that there are so many people who exhibit almost the exact opposite of what you taught us, and yet succeed?" get asked and we seem to have no answer.

The first departure from the convention appears when the author argues that "inspiration" does not produce lasting change. He gives reasons as to why an inspirational driven approach is unlikely to give any long-term value. The mythmaking of larger-than-life leader stories comes with many pitfalls as he ably demonstrates with examples (Enron, for example).

From this point on, the book delves into popular

leadership qualities and asks. Is there evidence that these popular qualities characterize most leaders? And, since they often don't, is there data to tell us why doing the opposite of what the leadership training industry recommends might be much more sensible for individuals and careers?

Having set the contrarian tone, he sets to look at the concepts chapter-wise. I have included the names so that you can get an idea of the thought-provoking position Pfeffer takes – Modesty (why leaders aren't), Authenticity (misunderstood and overrated), Should leaders tell the truth - and do they Trust: where did it go and Why: Why Leaders "Eat" First.

In the chapter on Modesty, he argues how modesty as a quality goes against both the need to be noticed (very important before you attain that leadership position) and the necessity to put yourself out there as a leader (be visible) and be confident in what you espouse. Added with the fact that by and large, extraversion is required to be a leader, being modest runs counter to our notions of leadership behaviour.

On Authenticity, the author's position is that leaders need to be true to the situation and what those around them want and need from them. Therefore, being authentic is the opposite of what leaders must do. However, it is not that inauthenticity is desirable – but it is seemingly an important requirement for effective leadership given the nature of the complex job.

On Truth, he says it is difficult to build a culture of truth-telling. It requires diligence and difficult decisions. Think of instances, when you would have seen a mail with euphemisms and small untruths

(probably composed a few as well?). While there are a few organizations that actually tell the truth, both internally and to customers, the norm is quite the opposite. If that doesn't convince you, think vaporware.

On Trust, his position is that it is ephemeral at best and definitely far from permanent. People change when circumstances change and this is visible through their behaviour, objectives, and needs. What applies to people applies to companies and other entities. Trust deficit is not necessarily due to malice, but because keeping commitments is constraining and people tend to act in their own self-interest. This chapter was the most hard-hitting chapter in my view.

In Why leaders "eat" first he shows that evidence suggests that leaders eat first with a few exceptions. So, in the midst of all this, what does an employee do? Pfeffer has the answer - take care of oneself. (A chapter in itself). And in the last chapter, Fixing Leadership failures, he offers a summary view of the realities of leadership and organisational life.

Pfeffer does not just come up with a "what's wrong" analysis. There are quite a few suggestions, approaches, and hard-hitting realities that are worth a thought. For instance, "When leaders own jobs and salaries depend on how well they look after others, they will do so. Until then, relying on leaders' generosity of spirit or exhortations of leadership literature is an ineffective way of getting leaders to "eat last". All the crucial leadership behaviour changes require to be long-term- and that ironically happens to be the ones that companies invest the least in.

PS: I found myself agreeing with many of the points in the book as I suspect you will too. So, if you are in the mood for an honest and contrarian perspective, go for it.

The book has a good many citations each of which bolsters the point that the author makes. The point the author puts out is indeed worth a thought and for many of us in the HR and leadership space, will definitely make us sit up and think.



# We help leaders build purposeful & successful organizations

www.odalternatives.com

