Strategic Management of Human Capital

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STRATEGIC MANAGEMENT OF HUMAN CAPITAL

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1 WHAT IS HUMAN CAPITAL MANAGEMENT

Learning objectives:

1. To understand the concept of human capital management.
2. To identify the need for a human capital strategy.
3. To learn about the different types of human capital.

Business environment is highly turbulent today. Organizations build their own core resources to achieve competitive edge. But this can be transitory. Employee's individual and collective learning, knowledge, skills and expertise, creativity and innovation lead to accumulation of human capital. Accumulation of individual and collective knowledge is essential to meet customer needs. Human capital is thus a key intangible form of value creation.

Human capital represents competences of employees, knowledge, skills, experiences and abilities of employees. Human capital is a part of intellectual capital and represents intangible sources of firms.

Human capital is defined as the individual's knowledge, experiences, capabilities, skills, creativity and innovativeness. These elements are connected to each other and collectively contribute to success in work. Advocates of human capital approach assert that many of the assets that individuals bring to the organization are intangible, premised in the individual tacit knowledge rather than more explicit, formal, routine and standardized knowledge (Fida Afiouni, 2009).

Human capital pool is highly skilled and motivated work force that has greater potential to be a source of competitive advantage. Human capital pool must have both high levels of skill and willingness to exhibit productive behavior. The advantage of human capital is that it is a stock of exceptional human talent with latent productive capabilities (Fida Afiouni, 2009).

Human capital management leads to good management of people. Well-developed HR practices & favorable learning environment encourage people to deploy their skills leading to competitive advantage. Human capital pool must individually and collectively choose to engage in behavior that benefits the firm (Fida Afiouni, 2009).

Coherent results oriented human capital program is essential. Human capital management is not about top down decision making as it can cause adversarial relations between management

and employees. Not reacting to workplace disputes or inability to resolve long standing sources of conflict can be dampeners.

Human capital management is about embracing an innovative approach and recognizes the value of employee inputs. Feedback must be encouraged to improve the workplace environment, communication, identification of shared interests and creation of shared value. It is essential to build a diverse workforce and zero tolerance to discrimination. Managers have the authority to accomplish goals through problem solving approaches. Communication flows up and down the organization.

Collaborative work will ensure minimum conflicts. Even if there are conflicts they need to be addressed fairly and efficiently. An inclusive workforce is a competitive advantage for achieving results. The work culture has to be results oriented, externally focused and individual performance must be fully integrated into the organization's goals.

Performance management and rewards system are important for achieving strategic goals and objectives. Clearly defined, transparent and consistently communicated performance expectations addressing a range of results go a long way in ensuring success of a human capital management program.

Formal human capital planning is important. There is a need for sustained commitment to strategically manage human capital and support efforts to integrate human capital approaches with our organizational goals. Refining HCM goals with respect to changing organizational needs and the demonstrated successes of human capital efforts will lead to true success. For employees to be empowered, they need to be engaged. Optimum alignment between workforce and mission is essential. The human capital management strategy has to be integrated into strategic plans, performance plans and budgets.

Unstable markets and intensity of competition has necessitated improvement in capabilities, efficient processes and innovation. Knowledge is a quintessential resource. It is learned, created, owned, shared and used by people individually and collectively for wealth creation by an organization. Success of an organization depends on continuous enrichment of its human capital. If people are treated as assets, then learning, development, sharing and creative use of knowledge will supplement such an organizational initiative.

If resources are not upgraded and developed on a regular basis then they decline/diminish. Business capacity to produce extra customer will lead to instant learning and increasing application of knowledge to work by its people. Employees should learn and know about company's competitive business environment and this will lead to productive behaviors.

Importance of human capital depends on the degree to which it contributes to creation of competitive differentiation. As uniqueness of human capital increases, firms have incentives to invest resources into its management to reduce risks and capitalize on its productive potential.

There are 4 types of human capital

1. Idiosyncratic.
2. Ancillary.
3. Core.
4. Compulsory.

Idiosyncratic Human Capital

Low value, highly unique

This type of capital links with relational and organizational capital to increase performance of this form of human capital through collaboration, team building and group based rewards.

Ancillary

Low value, Low uniqueness

Employee knowledge may not be relevant to customer. Disinvestment in such employees may be needed. Unskilled labor can be replaced with technology/automation.

Core

High value, high uniqueness

Companies should develop and maximize its value creating potential and differentiating characteristics. Commitment based HR systems and developmental performance appraisals to build specific knowledge and competitiveness.

Compulsory Human Capital

High value, low uniqueness

Organizations do not invest in human capital. This capital is not specific to any one company. Employees are free within certain limits to sell their talents wherever they can achieve the higher return. Organizations can organize the staffing process such that potential employees can be identified to increase productivity.

Focus of human capital has to be sharper, broader and deeper to develop, retain and sustain competitiveness of enterprise. Focus of HR has to be on developing employee's working skills. Human capital has to develop employee's capabilities and help employees learn from mistakes.

Even high level of HRM and development practices lead to serious strategic and cognitive failures by missing the focus of human capital. Ford, General Motors and Chrysler failed to see the increasing threat of Japanese competition. What Sears failed to do, Walmart did and tasted phenomenal success. IBM was late in entering the PC market.

Apple capitalized on Xerox's R&D. Xerox missed out on the PC revolution. Compaq missed the opportunity of JIT assembly of PCs as a result it was done by Dell with outstanding success. People are the ultimate resource of an organization. Therefore, the ability of enterprises to compete in highly competitive markets, creation of value added products and services depend on employee's accumulation of knowledge and capabilities – this depends on effectiveness of human capital.

2 SCOPE OF HUMAN CAPITAL MANAGEMENT

Learning objectives:

- To understand the scope of human capital management.
- To learn about the essentials of strategic human capital management.
- To identify the challenges associated with human capital management.

Capable, motivated and high performing employees contribute immensely to an organization's success and sustained level of organizational performance. Capital is used to generate wealth for an organization. Employees as resources can generate more wealth. Human capital represents collective skills and knowledge of total work force of an organization. Human capital management creates value by proper utilization of people's potential (Rainke, 2015).

Knowledge, skills, attributes and brainpower that an employee possesses are viewed as the organization's human capital. The collective composition of an organization's human capital is considered a key strategic business advantage. Human capital defines and categorizes a person's embodied knowledge, health, skills and abilities as they affect production, exchange and entrepreneurship as well as disembodied human knowledge as reflected in publications, patents and other forms of intellectual capital that contribute to the formation and transfer of new knowledge and innovation (Rainke, 2015).

Business strategy should also be shaped at times by people management strategy rather than solely the other way round. Employee value proposition refers to what an individual employee can expect to receive in return for his/her contribution (Rainke, 2015).

People are an agency's most important organizational asset. An organization's people define its character, affect its capacity to perform and represent the knowledge base of the organization. Effective strategic human capital management approaches serve as the cornerstone of any serious change management initiative. Therefore organizations must become less hierarchical, process oriented, stove piped and inwardly focused (Walker, 2002). The more flat an organization is, it can become results oriented, integrated and externally focused. Shortfalls in human capital will erode ability of an organization.

Lack of a consistent strategic approach to marshaling, managing and maintaining human capital can have adverse consequences for the business. So, a strategic approach can ensure maximization of performance and its accountability.

The major challenges in human capital management are:

- Leadership, continuity and succession planning.
- Strategic human capital planning and organizational alignment.
- Acquiring and developing staff whose size, skills and deployment meet agency needs.
- Creating results-oriented organizational cultures.
- Sustained efforts needed to increase performance and increase in accountability.

The critical success factors for managing human capital are interrelated and mutually reinforcing. Compartmentalization of human capital issues is not advisable. These issues cannot be dealt with in isolation from one another.

Leadership	Commitment to HCM	Role of HC function
Strategic HC planning	Integration & alignment	Data driven decisions
Acquiring and developing and retaining talent	Targeted investments in people	Human capital approaches tailored to meet organizational needs
Results oriented organizational cultures	Empowerment and inclusiveness	Unit and individual performance linked to organizational goals

Two principles that are central to the human capital idea are:

1. People are assets whose value can be enhanced through investment. The goal is to maximize value while managing risk and incompetence. Training is essential.
2. An organization's human capital approaches should be designed, implemented and assessed by the standard of how well they enable the organization to achieve results and pursue its mission.

Essentials of strategic human capital management

1. Approach to human capital must be compliance based. Company should understand the value of managing the human capital strategically to achieve results. Existing human capital approaches have to be assessed in light of current and emerging needs.
2. People are critical assets who have to be managed strategically. New human capital policies, programs and practices are being designed and implemented to support accomplishment of mission.
3. Improved human capital management leads to improved organizational performance. Human capital considerations need to be fully integrated into strategic planning and day to day operations. Managing people well is crucial for achieving results.
4. Maximization of value of human capital is not about specific actions but bringing about a cultural transformation.
5. Top leaders must demonstrate commitment to change. Better ways of doing business must be explored. Investment in human capital must be considered important to drive continuous improvement, direct reforms and drive cultural change. Fostering a major change in culture will need skills, capabilities and commitment.
6. Leadership must marshal the resources needed to drive change and overcome resistance by employees to change. Organization wide commitment is needed to improve ways of doing business. Conducive conditions have to be created for effectively improving human capital approaches.

Committed leadership, reasonable continuity through succession planning and executive development is integral component of a strategic human capital management plan. The feedback about performance appraisal should include a review of human capital management competencies, technical skills and accomplishment of objectives.

Modifying incentive structures to consider the long term impact of human capital management decisions is vital. The organization must step up efforts to propagate an environment of continuous learning.

3 NEED FOR HUMAN CAPITAL MANAGEMENT

Learning objectives:

- To understand the purpose of a strategic approach to human capital management.
- To learn about human asset worth.

An organization's human capital is the holder of tacit knowledge. As human capital grows, there is stronger basis for organization to develop competitive advantage. Without human capital, organization cannot innovate or develop strategic relationships (Adnan, Shah & Ahmad).

Human capital management is strategic and planned approach to managing an organization's work force. So assessing value and efficiency of human capital is important. Employees need motivation so that they develop a sense of attachment to the organization. This makes them deliver their best (Alzbeta, Emese & Martina, 2014).

Human capital function has to strive hard to increase productivity of employees. Human capital can be considered a production factor. Experience, exposure and training of employees lead to further increase in productivity (Alzbeta, Emese & Martina, 2014).

Human capital management lays greater emphasis on current knowledge, their systematic development and strengthening. Human capital management represents an organization's ability to maximize the use and share the potential of people both for every day work and innovation. This includes a variety of processes and different management methods to work with people and their development in the organization. Human capital management improves performance of an organization and its employees (Alzbeta, Emese & Martina, 2014).

HCM leads to a productive and engaged work force, hiring the right talent, orienting employee to the organization, making a new employee feel comfortable, training employees to constantly upgrade their skills, retain employees, make employees self-sufficient and prepare them for adverse conditions (Alzbeta, Emese & Martina, 2014).

HUMAN ASSET WORTH

- Human asset worth = Employment cost × Individual asset multiplier.
- Employment cost refers to cost per employee. Individual asset multiplier is the weighted average of assessment of several selected factors that have a decisive influence on creation of values for shareholders to achieve current and future business objectives. Factors are: abilities, knowledge, skills, personal performance, growth potential, respect in observing company values and behavior. More than absolute value of Human asset worth (HAW), changes in HAW indicates if there are any problems in the organization (Alzbeta, Emese & Martina, 2014).
- HR needs to execute new activities like organizational design, knowledge management and network development that do not figure largely in HR's traditional concerns. Therefore organizations have to develop a human capital management strategy and develop measures to help monitor the execution of this strategy. This strategy needs to be benchmarked with other associated measures to check that strategic objectives are met. Even after the strategy is implemented, report on its progress and achievements are important (Rainke, 2015).
- HCM professionals, who develop, implement and continually assess HC policies and practices are part of strategic human capital management efforts. These managers must lead or assist in the agency's workforce planning efforts by working closely with line managers. They must reach out to other organizational functions and components through facilitation, coordination and counseling. Human capital professionals must be a source of information for strategic workforce planning, continuous learning and knowledge management initiatives.
- Data about retirement eligibility, projection numbers, skill assessments and retention numbers is essential. Strategic human capital management goals need alignment with organizational goals.
- High performing organizations leverage the HR function with external expertise such as consultants and professional associations; however care must be exercised in doing so as consultants with vested interests can, for selfish reasons, engender problems where there are none. Companies must re-evaluate their internal procedures so that fewer staff members are required for processing transactions and more resources are dedicated to meet the strategic needs of the organization.

4 BENEFITS OF A HCM APPROACH

Learning objectives:

- To identify the strategic benefits of a human capital management approach.
- To understand how a human capital approach can lead to an increase in productivity.
- To learn the correlation between an organization's human capital and its performance.

Employees add value to a business. Human capital management is the strategy by which this value can be leveraged to grow the business and make it profitable. The primary goal of HCM is to streamline the process of recruiting, retaining and cultivating the best talent.

The benefits of a human capital management approach are:

1. It brings out the best in employees by increasing their productivity.
2. It enables finding out the right candidate for the job.
3. The right induction process can be framed so that employees are up-to-date about organization's policies.
4. It helps employees identify weak spots. Employees can be allowed tools that they can use to assess themselves and improve.
5. It encourages the flow of information between management and employees. Often employees do not see connect between what they do and the overall organizational goals. This hampers their enthusiasm. So, top management has to communicate down the level in an open manner. This stretches the employee to put his best foot forward to contribute to the growth of the organization.
6. Much of human capital management is about transparency and open communication. So an organization has to provide opportunities to employees to develop their personality. Further, opportunities for training and skills development also motivate the employee. This ensures that employees are geared to adapt to changing situations and environments.
7. It helps to track employee performance to craft better compensation strategies.

Reference

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5   KNOWLEDGE MANAGEMENT AND HUMAN CAPITAL MANAGEMENT

Learning objectives:

- To learn about knowledge management and its significance.
- To understand the correlation between knowledge management and human capital management.
- To identify the essential pillars of a human capital strategy.
- To learn about the functions of knowledge management.

Organizations are realizing that knowledge management should play an important role in human capital strategy. Learning and knowledge management pillar is part of the framework in building a human capital strategy. Companies are creating positions like Chief Human Resource Officer, Chief Learning Officer, and Chief Belief Officer to give importance to

strategic human capital management. The challenge is – how best to integrate knowledge management within the strategic management of human capital (Liebowitz, 2004).

Knowledge management plays a role in developing a human capital strategy. In order to address the 'knowledge bleed' occurring in many organizations due to attrition and retiring employees and changing work patterns of more mobile, younger workers – knowledge management should be one of the key pillars underpinning a human capital strategy.

Nourishing the roots of an organization (the human capital/the people) must occur if the organization is to blossom and bear fruit. Human capital is the collective experience, knowledge and expertise of those contributing to an organization's mission. Knowledge management refers to how best the knowledge within an organization can be leveraged internally and externally to achieve organizational success.

The four essential pillars of a human capital strategy are (Liebowitz, 2004):

1. Competency management – determine necessary competencies and skills needed for organization's work force in the future.
2. Performance management – how to measure, assess and reward performance in an organization.
3. Change management – making the organization adaptable to transformation and reducing resistance to change.
4. Transformation of individualized learning into organizational learning to build and nurture a knowledge sharing culture, create a stronger sense of belonging and community, increase in innovative capabilities and customer satisfaction.

All the four pillars are interrelated and provide a foundation for building a human capital strategy in the organization.

The four functions of knowledge management are:

1. Knowledge identification.
2. Knowledge sharing.
3. Knowledge application.
4. Knowledge creation.

Once critical 'at risk" knowledge is identified, this knowledge has to be captured and shared with others; once knowledge is applied and internalized, new ideas should be generated. Knowledge gaps are determined to identify leakages where critical at risk knowledge is lost due to retirement, attrition and organizational transfers.

To minimize the loss of knowledge we need to connect people with others via mentoring, knowledge sharing forums, story-telling, shadowing, communities of practice, expertise locator system etc. to transfer this valuable knowledge. This will strengthen relationships leading to an increased sense of belonging and community in the organization. New ideas will thus be generated. In the near future, organizations will be in a tenuous position if they do not take knowledge management and human capital management seriously. Integrative roles of knowledge management and human capital management strategies will ensure that they influence each other to meet the strategic mission and vision of the organization (Liebowitz, 2004).

Knowledge and expertise which employees develop in due course of time to further increase the productivity of organizations refer to human capital. Employees sharpen skills over time. Human capital represents stock of skills, knowledge and expertise of employees and this is what plays an integral role in enhancing the productivity of employees (Alzbeta, Emese & Martina, 2014).

How to disseminate the knowledge to those who need it? Success of any knowledge management effort depends on having suitably motivated people to take an active role in the process. Intellectual capital can lead to competitive advantage in a knowledge economy. Therefore people management must become an integral part of corporate strategy and a key responsibility of all managers. Human capital is the most important form of wealth (Fida Afiouni, 2009).

Value represents the personnel knowledge into knowledge management systems that organizations create and use. Origins of the notion of human capital can be attributed to the work of Prahlad and Hamel (1990). They analyzed the competitiveness of organizations and attributed this to core competencies. Human capital can be one of the core competencies of an organization. Organization is nothing but a collection of competencies. Understanding which knowledge is important and is of greater value is more important (Fida Afiouni, 2009).

Knowledge management is a holistic combination of measures for managing people, processes and technology. HCM is nothing but HRM practices coupled with knowledge management efforts. A strategic approach to human capital management will involve rethinking and redefining existing strategies (Fida Afiouni, 2009).

Organizations have to strive to build their 'organizational intelligence' which is the collective assemblage of all intelligences that contribute towards building a shared vision, renewal process and direction for the entity.

Fostering organizational learning and ability to transform individual learning to organizational learning is a challenge in the organization.

Knowledge management and sharing of knowledge will increase innovation and lead to the creation of a learning organization. This will require creation of new organizational structures. Organizations that are able to stimulate and improve the knowledge of their human capital are much more prepared to face today's rapid changes.

Innovation processes are becoming more interactive and more dependent on knowledge that is widely distributed. Therefore knowledge management is central to strategic management of human capital.

The strategic human capital planning approach involves forecasting human capital requirements, analyzing them, developing and implementing them and finally evaluating them. Forecasting involves attempting to understand what needs immediate attention and the current and proposed challenges for meeting business priorities and predicting the future workforce trends/demographics.

Analysis involves understanding answers to following questions:

- What do we need?
- What do we have?
- What are gaps?

Develop and implementation phase indicates what we should be doing to meet organizational goals and objectives. Evaluate phase involves asking questions like:

1. Did we do the right thing?
2. Did we close the identified gaps?
3. Compare outcomes to goals.

Balanced score card has four focus areas:

1. Customer/stakeholder.
2. Internal business process.
3. Financial.
4. Employee and organizational capacity.

All these factors are intertwined to complement each other to achieve overall organizational goals and objectives. How can you hire, retain, train, develop, recognize and reward public employees in ways that support overall strategic goals and objectives. Assessment of personnel skills and competency needs is essential.

Human capital functions require monitoring and evaluation to attract, retain, develop and motivate people. Strategic investments in human capital directly affect the capacity of an organization to operate more efficiently and effectively.

Reimbursement of tuition fees for employees willing to pursue additional degrees will lead to a more educated work force and will eventually benefit the organization.

Knowledge management community is also interested in measuring the intellectual capital of an organization. For organizations to achieve their strategic vision, people must be treated as an asset rather than cost. Strategic partnerships will continue to be created to maximize the wealth of human capital in an organization.

Treat your employees as assets so that your financial assets are always more than your liabilities. Increased emphasis on knowledge management has led companies to build a knowledge sharing culture. Increased usage of recent retirees, term appointments, university

and corporate relationships and outsourcing will promote a results-oriented, customer service centric culture. Companies should know what kind of resources to outsource.

HRM function has narrow operational boundaries and needs to expand to look both within and outside the organization. Human resource activities and knowledge management can lead to a favorable learning environment and increase organizational performance (Fida Afiouni, 2009).
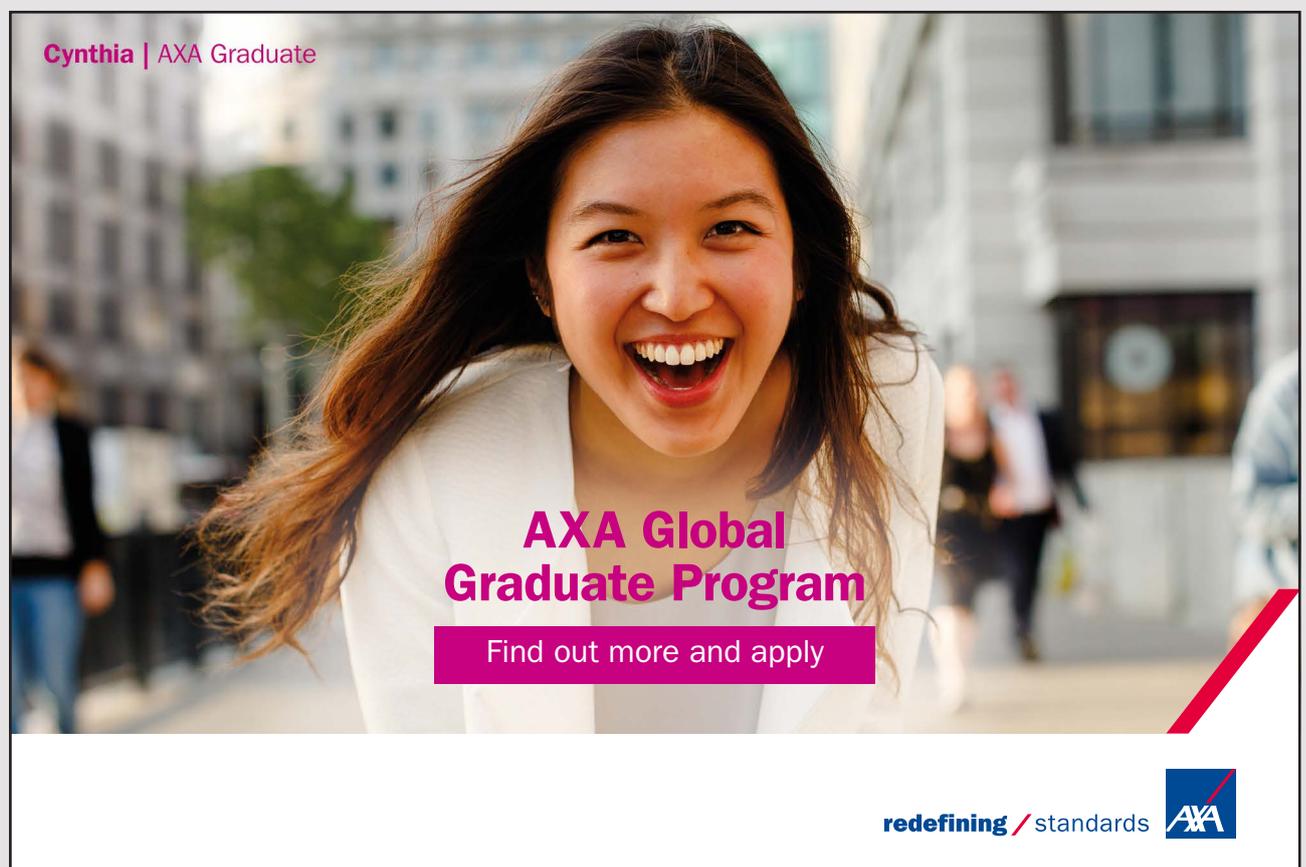
6 DIFFERENCES BETWEEN HRM AND HCM

Learning objectives:

- To identify the key differences between human resource management and human capital management.
- To understand the benefits of distinguishing between both the approaches.
- To learn about the link between human capital management and innovative potential of employees.

Human capital management leverages skills, competencies, capabilities and experiences. Human capital management collects and assesses information required to attract, retain, develop and maintain a talented work force. HCM is specific to an organization and cannot be replicated. HCM and HRM can complement each other for progress in the people management agenda of an organization. While HRM is a source of cost, HCM is wealth of business. HCM provides management tools accurately and clearly to focus on those components of human capital which are key for business (Alzbeta, Emese & Martina, 2014).

HR function is considered an expense generator and an administrative function and not as a value added partner. HR managers are strategic business partners. They need to play a strategic role in designing and implementing HR policies, systems, practices that will develop firm's human capital and boost performance (Fida Afiouni, 2009).

As per resource based view, HR can be a source of competitive advantage. Intangible resources are likely to produce a competitive advantage because they are often rare and socially complex – they cannot be imitated. Though resource based view was introduced by Penrose (1959) it was later developed by Wernerfert in 1984.

In 1991, Barney wrote a seminal article on resource based view and made the theory very popular. The resource based view examines the manner in which organizational resources are applied and combined, the causes that determine the attainment of a sustainable competitive advantage and the nature of rents generated by organizational resources. Firm is accumulation of unique resources of a diverse nature. Collective knowledge of employees is a key competitive tool from which innovation can emerge; organizations are supporting collaboration between people (Fida Afiouni, 2009).

7   THE HCM VERSUS HRM DILEMMA

Learning objectives:

- To understand the practical benefits of treating employees as human assets.
- To appreciate the fact that without treating people as assets, employee engagement is seldom an uphill task.

A recent report by Pricewaterhouse Coopers says that the way people are treated during an economic recession affects the long term sustainability of the business. In the traditional sense, the HRM discipline has treated human beings as resources – as a factor of production. But contemporary world believes that human beings grow in competence as they age. Capital grows as profits are pooled back into it. Treating employees as assets who deliver strategic value to an organization is the right way to manage talent.

Says Muralidhar Shastry, a HR professional, "During an economic recession, companies try to cut down on the workforce to save costs and to save the economic downturn from affecting the bottom line". What happens afterwards? The other employees who are secure in their jobs feel the heat as everything boils down to performance – most often there is a need to stretch beyond. These employees can take it either ways – they can start looking out for a new job or they may use it to their advantage to sustain in the present set up.

Organizations cannot talk about employee engagement if they are ruthless in implementing a "hire and fire" policy. Rakhi Gupta, a HR executive in a software firm says, "The moment the word is out that jobs are going to be cut, panic spreads in the organization and productivity goes for a downward spiral". Muralidhar adds a word of caution "It is a classic case of taking the horse to the water. Firms may treat their employees as human capital but there is only so much an organization can do. Beyond that an employee has to manage his career all by himself".

But the truth is also that in many organizations, there is very limited autonomy and freedom enjoyed by the HR department. In fact, the word HR itself is expanded to mean – human resource. A resource is something that depreciates in value as it gets used up but so is not the case with human beings. Human beings can sharpen their learning curve with time – but there is a catch here. Employees need to have the intent to learn and grow their skill sets.

But the situation is gradually changing. The HR function, in many progressive firms, is playing a key role in formulating a strategy for the organization.

With the advent of globalization, international human resource management has shot into prominence. Cultural differences need a careful consideration. The role of a global HR manager is more complex and all pervasive. Treatment of employees as assets has even become even more relevant in the era of secondments and foreign job postings.

Says Rakhi, "Organizations wishing to follow the HCM approach need to adopt a strategic outlook. This can help improve productivity which in any case is going to benefit the organization. HR will eventually become a consulting function".

During a downturn a business faces the heat and is forced to cut down spending on training, recruitment and pay awards. But there are better ways of achieving operational efficiency. Muralidhar says, "One thing that is very confounding is that during an economic recession, the pay cuts are always for the low-tier and mid-tier executives. The top team should also lead the way, but seldom does this happen".

So long as the human capital strategy is aligned with the overall growth strategy of the business, success will continue to elude businesses. The need of the hour is to encourage a culture of adaptability within the organization and leverage technology to develop smart HR practices.

Any dilemma regarding HCM or HRM can be easily resolved by looking at the corporate strategy that is often shaped and reshaped by the vision and mission of an organization. Despite advances in technology, people will continue to play a greater role in scripting the success stories of organizations.

8 HR IN SMALL ORGANIZATIONS

Learning objective:

This chapter will dovetail the challenges of managing human resources in small scale organizations.

Mahipal Sharma (not his real name) had put in his papers at a real estate firm and he was ecstatic about joining a start up firm in the IT domain. The prospects appeared bright. He was offered the role of HR Director and a salary that was 40% higher than what he was drawing at the real estate firm. Unfortunately, the honeymoon was over even before it began. Mahipal put in his papers within 3 months and was asked to stay back for 2 more months to help with the transition.

So, what happened? May be it was a wrong decision. The role of the HR director in this firm was ceremonial. Mahipal did not have much to do in the new firm. Even though 3 months is too short a time, Mahipal realized the writing on the wall much earlier. He was lucky. The company went bust exactly 24 months later. There was a marked difference
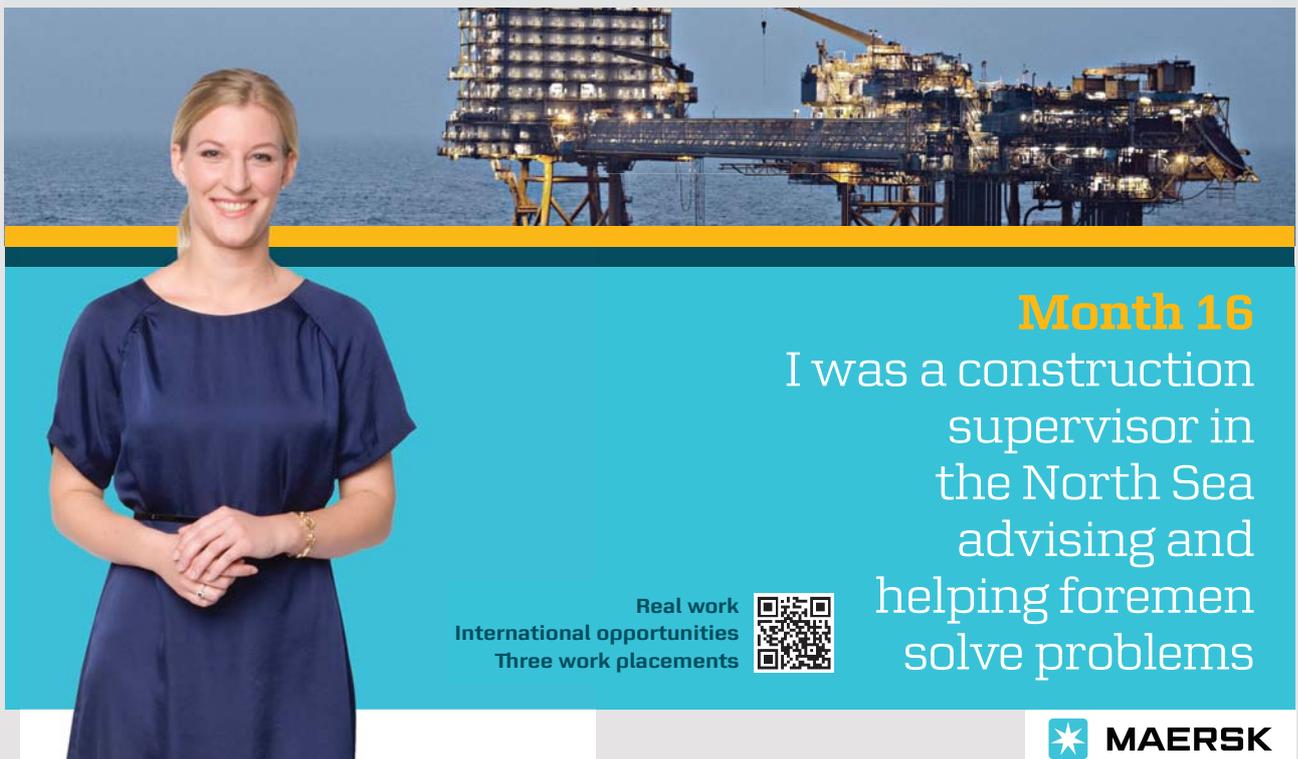
between what the headhunter had told him in the briefing sessions and what he actually experienced in the organization.

The role of HR in small organizations is more to do with adaptability and maintaining a good personal equation with the top management. If this can't be done, then making a song and dance about lack of delegation in the organization or lack of empowerment is futile. Mahipal realized that by overstaying in the place, he was playing with fire. Thus even though the decision to join the firm was a wrong one, he took the right decision at the right time to leave the organization. Sometimes it is better to quit than crib about the insurmountable difficulties.

Of course not all organizations are like the one that was described above. There are small organizations that have grown in stature and size. Infosys, Wipro, Mind Tree, Flipkart began on a smaller note and then they developed their businesses and scaled new heights.

A HR manager who has worked in established organizations must be chary about moving to a start up if he is not willing to let go of his ego or if he is unwilling to change and adapt to the new work situation. More than thinking about what he can do for the firm, it will be better if he asks the top management what is expected of him. In any case, recruitment decisions in small firms are made by top management.

HR has to merely source the right candidate and provide the platform for the candidate to meet the top management. Once a candidate is selected, HR has to step in with the joining formalities, induction and training. Any HR manager who aspires to do something more than this in a small firm is likely to face resistance from different quarters – more so from the top management. Once the top team feels that this HR director is not on the same page as them, they will not lose much time before asking the incumbent to go. If the incumbent is shrewd and smart, he would have already plotted his way out before any such eventuality.

The other problem in small firms is that most employees have a direct access to the top management team. So, if the HR manager is not proactive enough then this can lead to lots of uncomfortable situations. The most important aspect of success in working for such firms is that the HR manager/director must learn to speak the language of the top team. Dealing with people is never easy. It is an art. It is even more a challenge in case of small firms. The open door policy is often abused in such small organizations often with connivance of people at the top [even though this may be unintentional].

Someone who is bursting with new ideas that can be implemented in such small organizations may be in for a big disappointment. Such firms are more interested in maintaining the

status quo. Each and every idea will need the buy-in of the top team which can be quite frustrating and claustrophobic in the long run. A thorough home work before joining such firms can be extremely rewarding for one's career.

Cynics may say that Mahipal quit the firm may be like a coward instead of fighting it out. But sometimes there is absolutely no point in fighting a losing battle. If you can't change others, it is better to change yourselves. Adaptability and change management are important. In such firms, HR is considered more of a back office function that has to follow the dictates of the top team. The sooner a HR director in a smaller firm realizes this, the better. Joining an organization with a higher pay packet is no great deal. Survival is more important in the long-run.

9 TRENDS IN HUMAN CAPITAL MANAGEMENT

Learning objectives:

- To understand the process of developing human capital in organizations.
- To learn about the significant future trends in human capital management.
- To identify the impact of digital trends on the HR function.

Developing Human Capital in Organizations

Human Resources are the most important assets in any organization be it a tiny firm or a giant-sized Multi-national corporation. If the employees are inefficient, ineffective and demoralized, no organization can book profits. Hence, organizations should understand how vital the human resources are for their success.

For instance, HCL a global technology and IT Enterprise that operates in 31 countries believes that their employees are more important than their customers. They believe that if the employees are happy then they will be more productive and this will make the customers happy. Therefore it is the responsibility of the organizations to compensate employees not only in terms of handsome salaries and perquisites but also with development programs so that the learning curve of employees improves.

India ranks 78th on human capital index according to the information published by the World Economic Forum on October 1, 2013. India has been placed at a low slot out of 122 countries on a global Human Capital Index, which ranks countries on the basis of economic potential of their labour force.

This clearly shows the need for Human Capital Development in India. The benefits of such programs are reaped by the personnel themselves as well as the organization. The employees gain skills, knowledge and technical exposure which are of great importance for their career and they experience a sense of enlightenment in their current job roles and responsibilities. On the other hand, organizations get a more sophisticated and smart employee right away without the need to go head-hunting for knowledgeable employees.

The human resources become more loyal. Their morale gets a boost. Multinational organizations like Hindustan Uni Lever (HUL) have understood the importance of managing their human

capital well and all the initiatives that they have launched in the markets that they operate are geared to manage their human assets well. Such efforts increase the employee loyalty. The morale of the employees gets a boost.

CEO of Tata Consultancy Services says "Our fundamental strength for the next decades is the talent that we have". To appreciate talent, the onus is on the organizations to reward them, motivate them and keep them engaged.

High performing organizations are empowered networks where culture plays an important role. Information systems and talent mobility play a pivotal role. Companies are exploring new business models for the future. Networks and ecosystems are replacing organizational hierarchies.

As organizations become digital, they realize the need to redesign themselves to become more agile to meet consumer's growing demands and facilitate rapid learning among their employees. Leading organizations are actively building the new organization. Business leaders are worried that they should get the processes right.

Organizational design and change is complex. Any redesign with the sole intention of cutting costs is bound to fail. 70% reorganizations fail because of "creative disobedience" from the executive team. Top teams must never forget that organization design is a dynamic and ongoing process – something that comes with an expiry date. For companies who are willing to take up organizational redesign, it is a process that can pay-off in the long run in terms of increased productivity and employee engagement.

Earlier, organization's business models focused only on efficiency and effectiveness without understanding that coping with unexpected situations is important too. Efficiency is passé. Successful organizations must be designed for speed, agility and adaptability to win in a global business environment.

Rather than a hierarchical model, organizations are considering a more flexible, team –centric model. Real day-to-day work gets done in networks. Systems that encourage teams to regularly interact with one another and share information transparently enable organizations to achieve success in their strategies. An agile organization must have teams that are formed and disbanded quickly. High performing organizations may build a "digital customer experience" group, select individuals for the team and ask them to design a new product or service.

Companies are also rethinking the way they are managing learning and development opportunities and helping employees manage their careers. Continuous learning is essential for business success. Ability to learn and progress is high on an employee's agenda. Organizations are offering enriching assignments and opportunities to retain employees. Digital technologies

are leading to disruptive change. Skills are becoming obsolete at an alarming rate. Software engineers must redevelop their skills every 16–18 months.

Talent sourcing and recruitment are under pressure. Talent and skill shortages make sourcing manpower a complex issue. Innovative technologies are reshaping the workforce. Leading companies are turning the open talent economy into an opportunity by keeping themselves abreast of new technologies. Attracting skilled talent is as much a responsibility as it is of top management.

An organization's employment brand must be visible and attractive as candidates often find the employer, not the reverse. Companies are actively managing their employment brand to pull candidates toward them. Today workforce requires high level of engagement and strong career opportunities. Employers must be careful about communicating the right value proposition to their workforce. Dell redesigned its website so that messages were consistent. A job search optimization site was launched. An aggressive campaign to attract candidates was planned and implemented. As part of the plan, blog posts were posted on Dell's career sites.

Organizations have radically changed the way they measure, evaluate and recognize employee performance. Continuous performance management practices are being deployed. New practices are becoming more standardized. Goal management has to become agile. Continuous feedback mechanism is equally essential.

Companies that have redesigned performance management see massive improvements in engagement, process implementation and quality of conversations between employees and managers. There is a revolution in the way performance is being managed now and the way it will be managed in the future. Companies are reevaluating every aspect of their programs right from setting goals and evaluating incentives and rewards. These changes are being implemented to align business strategy and transformation.

10 STRATEGIC MANAGEMENT OF HUMAN CAPITAL

Learning objectives:

- To identify initiatives that are needed to improve human capital management.
- To learn about the importance of data in decision making.
- To explore the types of data that will aid decision making.
- To evaluate the process for formulating a strategic human capital plan.

Strategic human capital initiatives

- Employee friendly work place policies.
- Competency based performance appraisal systems.
- Retention and reward programs.
- Integration of human capital function into management teams.

Streamlining personnel transactions in conjunction with the greater use of technology to automate paper based personnel processes is critical to making a shift towards a human capital based approach.

Data-driven human capital decisions

A fact-based performance approach to human capital management is crucial for maximizing the value of human capital as well as managing risk. High performing organizations use data to determine key performance objectives and goals that enable them to evaluate the success of their human capital approaches.

Identifying current and future human needs, including the right number of employees, identifying the key competencies and skills mix for mission accomplishment and appropriate deployment of staff across the organization and create strategies for identifying and filling the gaps.

Valid and reliable data are needed to assess the work force requirements and managers can turn the spotlight areas for attention before crises develop. Cost of collecting data may be significant – but the costs of making decisions without the necessary information can be equally significant. Collecting and analyzing data is a fundamental building block for measuring the effectiveness of human capital approaches.

Training efforts have to be mapped with organizational objectives. Evaluation of training effectiveness is important.

Type of data needed for strategic decision making

- Size and shape of work force.
- Skills inventory.
- Attrition rates.
- Projected retirement rates and eligibility.
- Deployment of temporary employees/contract workers.
- Dispersion of performance appraisal ratings.
- Average period to fill vacancies.
- Data on the use of incentives.
- Employee feedback surveys.
- Feedback from exit interviews.
- Acceptance rates of job candidates.

Appropriate geographic and organizational deployment of employees can support goals and strategies. Effective deployment strategies can enable an organization to have the right people with the right skills, doing the right jobs in the right place at the right time by making flexible use of its internal work force. As value of people increases, so does the performance capacity of the organization. Investing in and enhancing the value of employees can lead to a win-win situation for both employees and the organization. Leaders must make available resources and approve incentives that can maximize performance of employees.

Characteristic that defines the strategic management of human capital in organizations is the fact that it is an integrated management connected with the overall strategy. Correlation of HCM with overall strategy is essential. People are a strategic resource for achieving competitive advantage and objectives. Superior human capital practices are a leading indicator of increased shareholder value (Alzbeta, Emese & Martina, 2014).

Human capital management must become a strategic initiative of the firm. Firm's managers along with HR managers must be responsible for developing and implementing a strategic human capital plan (Eric Rodriguez, Strategic Management of human capital – Business Practices).

Process for designing and implementing a strategic human capital plan

1. Identify challenges.
2. Align strategies.
3. Clearly state goals.
4. Define and implement action plan.
5. Evaluate progress.

Firm must take a clear/critical look at itself and identify its shortcomings. Difficulties in hiring highly qualified individuals retaining top performers or developing specific skill sets in workers. Issues like non-diverse workforce, generational gaps and succession planning that may not be as common or obvious but it may lead to gaps in a firm's human capital. A firm that is having increased revenues along with stagnant or decreased profits might have a staff that is top-heavy with senior leadership positions.

A firm that is struggling to meet tighter schedules and budgets might have a work force that is not receiving the proper training to take advantage of new technologies. Human capital strategy must be well aligned with business strategy. Goals must be clearly stated and measurable. Example – If the goal is highly skilled and trained workforce, this has to be properly defined and a proper time frame has to be established. Clear measures are vital and goals must not be open-ended – they must have a deadline sans any subjectivity.

Strategy leader is the person responsible for human capital strategic plan as a whole. Goal leader is the person who will take ownership of specific goals. He will perform the tasks required to accomplish each goal. He will also ensure that resources are available to designated goal leaders. Strategy leader manages a team of goal leaders to develop a process to meet each goal. Both strategy and goal leaders must work together to ensure availability of resources to attain each goal.

Once the human capital strategic team is in place, implementation of the strategic plan can begin. Implementation can be a challenge because it involves a diverse group of individuals. HR managers and line managers must be involved in implementation of the plan. Line managers need to be informed not to sacrifice HC strategy obligations in favor of day-to-day obligations.

The progress has to be evaluated periodically and the goal leaders must be made accountable. Teams can know which action plans are on track for success and which are in danger of failure. Is it poor team execution or unrealistic expectations? Corrective actions are important. The process has to be dynamic right from identifying challenges to evaluating progress.

New challenges can be worked into the current strategic plan or into an entirely new plan. The way people from different generations learn, work and communicate are different. Just as there is no one size fits all approach for a human capital strategic plan, there is no one size fits all approach for managing people. Understanding the workforce and understanding the challenges to building and maintaining a strong workforce are crucial factors for a company's success.

The work environment must support continuous learning, training and professional development programs, recruitment and retention strategies or performance incentives. Professional development and mentoring programs add value. Formal and on-the-job training, individual development plans, rotational assignments, periodic consultations with senior managers, periodic formal assessments and mentoring relationships with other employees are some of the crucial steps.

Recruiting bonuses, retention allowances and skill based pay are essential to attract and retain critical skills. The work force has to be steered in the right direction through appropriate performance incentives. Performance measures must be result oriented; clients based and also include employee feedback. Innovative best practices need to be adopted. Data driven assessment of the organization's specific needs and capabilities is important. While processes have to be benchmarked, employees have to be involved in the planning process so that they become empowered and feel included.

Insights about operations from frontline perspective reveal the understanding of employee's organizational goals and perspectives. Motivation and morale need to be improved. Internal processes must enable managers to exercise their authority and be flexible so that they can contribute to the organization's mission.

Managers must use their judgment to meet their responsibilities rather than comply with rigid rules and standards. Delegation of authority enables looking at customer needs in an integrated way. Today employees have to interact in a diverse workplace and culture to attract and retain high quality talent. So, creation of a work environment that fully maximizes the ability of all employees to fully contribute to the organization's mission. Resolution of workplace disputes fairly and efficiently will become necessary for effective human capital management.

The workplace must be free of discrimination and employees must have no fear of retaliation for reporting waste, fraud or abuse. Employee satisfaction surveys will reveal gaps in the company policy and procedures. Employee advisory councils, use of upward feedback and promoting inclusiveness as part of organization culture will lead to perception of fairness in the workplace.

People are key assets that distinguish an organization from another. CEO must realize that competitive edge that any organization has over others is its people. People represent the brainpower to propel the organization through choppy waters or smooth waters. Human resource accounting techniques to measure people's worth must be explored. Measuring the contribution of human capital to organization is essential (Liebowitz).

The four pillars of human capital strategy are:

1. Competency Management.
2. Performance Management.
3. Knowledge Management.
4. Change Management.

Each pillar must be included in an organization's human capital strategic plan. Each pillar has a symbiotic relationship with each other and when combined form a powerful structure for building a human capital strategy. 70–80% of learning is done through informal means. A personalized approach as opposed to a codified approach to knowledge management and building a learning organization should be a critical part of an organization's human capital strategy. Real work in organizations is done informally through personal contacts.

Executives can manage and enhance the effectiveness of the informal networks by focusing their attention on key role players in the group. The 4 role players are:

1. Central Connectors.
2. Boundary Spanners.
3. Information Brokers.
4. Peripheral Specialists.

Central connectors link most people in an informal network with one another. Boundary spanners connect an informal network with other parts of the company or with similar networks in other organizations. Information brokers keep the various subgroups in an informal network together. Peripheral specialists are people in an informal network that others can turn to for specialized expertise.

Groups will become effective only when executives start working with informal networks. Organizations as part of their human capital strategy should consider the impact of an aging workforce. Analysis of current workforce followed by mining of employee data to determine turnover patterns and retirement history and creating projections for the future is part of planning. Companies should investigate the demographic mix of the community that supplies the workers.

Conducting qualitative and quantitative research with current older workers to learn how a company could improve its relationship with older workers. Provide retirement education workshops to help persuade aging workers to stay on the job. Organization's success is embedded in its people. There is need to develop metrics for measuring the intangible assets.

Strategic Management of Human Capital in the Energy sector (Nalbantian & Tenenbaum, 2012)

1. Challenges in meeting demand for talent to take full advantage of growth opportunities around the world.
2. An aging workforce.
3. Lack of talent in human capital – pipeline. Companies need to recruit and retain sufficient HC to assure enough career employees will be available to meet the requirements. Company has to attract new generation of workers.

It is unlikely that the natural mechanisms for equilibrating labour markets – talent mobility and pay adjustments will be sufficient to make these shortages quickly self-correct.

Significant public and private impediment to talent mobility stubbornly remain. There is intense competition for skilled talent and so a concerted effort by organizations will be needed to break through the talent log jam.

Manage the processes by which they find access and develop their workforce. This is not a pie-in-the-sky musing about the future. It is already happening. For example, the energy giant Saudi Aramco has moved aggressively to bring a rigorous, quantitative discipline to managing and deploying its talent pipeline. Systems thinking' approach → sophisticated evidence based approach to strategic workforce management and planning that helps identify and mitigate talent risks. Companies cannot afford to sit on the sidelines and leave their talent needs to chance.

Organizations have to address their current talent challenges and pre-empt future talent gaps.

- How to anticipate future workforce requirements.
- Measure, understand and manage the dynamics of the current and future workforce supply.
- Invest in building the capabilities that they need.
- Quickly adjust internal deployment of employees to minimize unproductive situations of excess supply and/or excess demand.

Organizations have to navigate the external labour markets with which they interact so that they can manage their own internal labour markets. This will enable them to shape their workforces to their business needs.

11 MANAGING HUMAN CAPITAL IN TODAY'S ECONOMY

Learning objectives:

- To understand the new dimensions of manpower planning.
- To learn about the reward grid.
- To identify the different components of an organization's value proposition.

    - Finding, securing and developing the right talent, now and in the future.
    - Motivating and engaging workforce in a post economic crisis and increasingly multicultural world.
    - Optimizing labour costs.
    - Actual labour cost reflects both compensation expense and workforce productivity effective cost management requires tracking and anticipating changes in compensation levels and trends in global labour markets.
    - Trying to understand what actually drives workforce productivity.

Earlier manpower planning was about determining the number of full time employees in specific roles to meet future business demand. Now the challenge is to gauge how and to what extent the quality and mix of workforce capabilities need to support business objectives.

Conjoint analysis can be used to help leaders – those with the best understanding of where the business is going and its key strategic differentiators – carefully think through the HC implications of their business design.

Leaders have to develop a workforce 'blueprint' that spells out the mix of skills, knowledge and experience required as well as workforce behaviors and attitudes needed to make the workforce productive.

A survey based on conjoint analysis was done by a large energy company.

→ Identify workforce characteristics and future behaviors are important for future business performance.

→ **Results**: Generic capabilities and behaviors like technical knowledge, teamwork and adaptability to change were critical.

Firm specific factors like employee tenure and breadth of experience in company were of little value. The survey results had an impact on the company's existing talent and reward strategies to develop and retain firm specific capabilities. Talent and reward strategies must be geared to deliver what business and HR leaders believed they needed to be successful.

Employee tenure can also be important in driving revenue growth despite it being associated with an entitlement mentality and resistance to change – 'the attitudinal' enemies of a "performance culture". Organization has to invest in policies and practices to grow workforce tenure. Voluntary turnover: Resignation of talented employees can drain the firm's efforts.

The progressive integration of labour markets across the globe has increased the overall stock of talent available to organizations. It has also rendered the process of talent searching more complex and competitive. Decisions about sourcing of talent require the evaluation of numerous labour markets that exhibit different demographics, educational standards, cultures, work rules, labour unions and laws.

Job mobility has become more important than people mobility. Job mobility is moving jobs to where the talent is. People mobility is finding and moving the people to where work is currently located. Organizations must constantly evaluate the economics of both sides

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of this talent equation. Closing of talent gaps will involve giving opportunities to develop multiple skills, job rotations and moving people across jobs.

Organizations move people through various assignments, jobs, locations and career levels. They keep some and lose some through **voluntary** and **involuntary turnover**.

Reward people based on skills, abilities, experiences, behaviors and attitudes.

Administrative processes and procedures to manage the talent pipeline are essential.

- Match people to jobs.
- Motivate effort and diligence to perform those jobs.
- Price those jobs.

Drivers of Internal Labour market

1. Know who you are attracting into the organization and whether they are right people. Recalibrate screening methods to select the best fit for your organization.
2. Know who you are retaining and why.
   → Who is leaving the organization and why? What management practices influence turnover?
3. Strengthening career opportunities and reducing supervisor turnover.
4. Biggest effect in reducing turnover.
5. Pay and workload → retention of employees.
6. Attrition → career related factors like speed of promotion, frequency of job changes, managerial stability.
7. Know how vulnerable your organization is to changes in labour market conditions.

Some organizations manage to insulate their workforces from outside market forces, either through back loading of pay and benefits or by maintaining a premium reward proposition or employment brand. Any slowness to adjust pay or other rewards to market rates will tend to result in higher turnover. There is little to deter employees from voting with their feet.

Voting their feet is expressing one's dissatisfaction with something by leaving, especially by walking away.

Company needs to identify best performers: what are their characteristic traits? An organization can give a slew of rewards to performers but it is important to understand what the organization values collectively.

Over time a company becomes what it rewards. Performance linked pay relies on deciding whether the organization needs to accord greater weight age to respecting tenure or education – which is the source of value. In IT organizations, greater weight age is given to new talent who are bursting with creative ideas and unbridled enthusiasm.

Selection of team members must be made along with middle managers to remove bias. This is called as peer interviews. Amazon & IBM follow this model to get a complete view of potential hires.

Middle managers must understand employee's value proposition which is nothing but the set of characteristics that make a company a more attractive employer than all the rest.

Elements of the value proposition are

1. Training or mentoring opportunities.
2. Pay & benefits.
3. Career advancement goals.
4. Socialization of new employees.
5. Co-workers.

6. Mentoring.
7. Developmental plans.
8. Performance milestones.
9. Talent inventories.
10. Electronic recruitment & screening systems.

Know how careers unfold and what ways exist to effectively accelerate employee development. Organizations need to understand how their employees develop both through formal education and training and through the process of job transition that drives their careers. Few organizations have a real handle on how these programs and practices actually play out within their workforces.

An organization's workforce plan must be tight, granular and fact based – one that specifies practical actions you can take to improve workforce outcomes. Companies should consider long term collaboration with government and academic institutions. Inviting subject matter experts to teach courses is not a bad idea. Summer student programs can be used to pick up the most promising talent. Out of company assignments to develop leadership and technical skills can help.
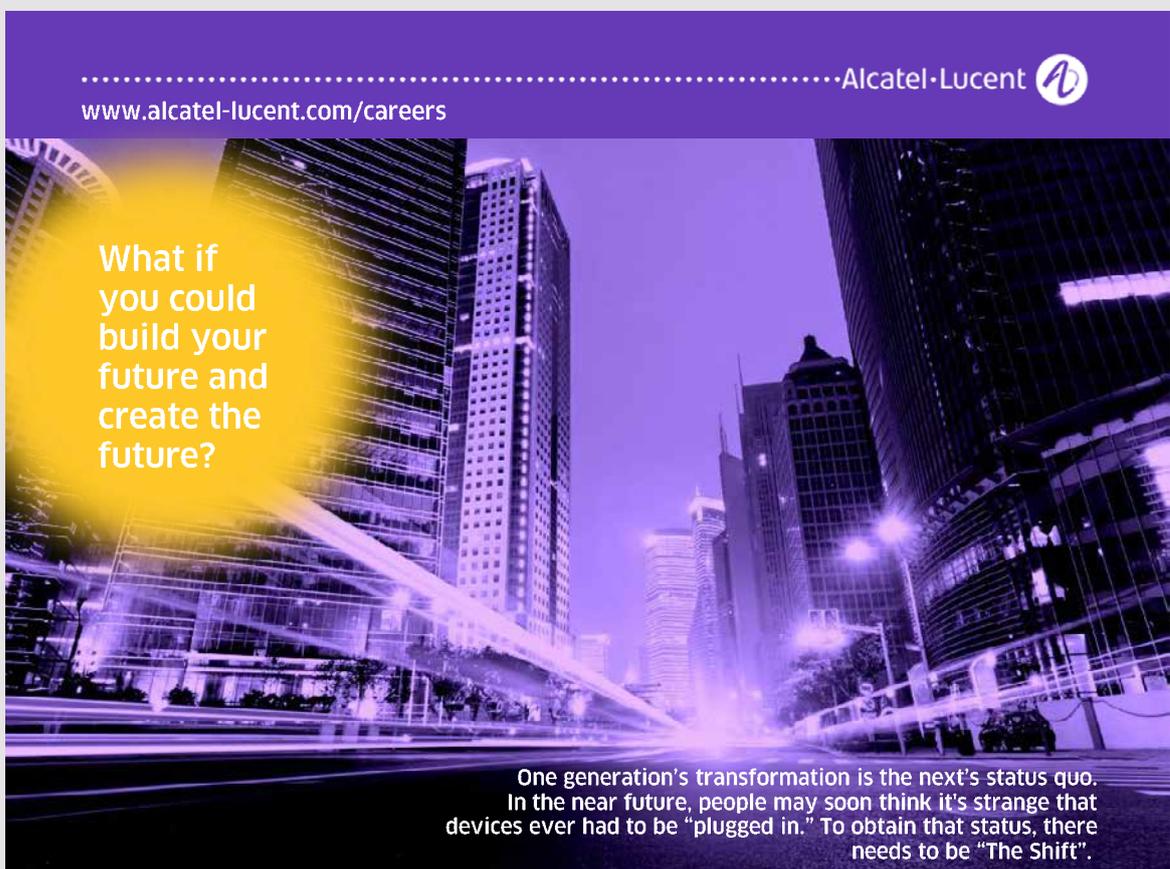
Company can collaborate with the alliance partners throughout the world to give exposure to their employees to world class practices and diverse technology. This leads to internal career mobility at all levels to broaden experience, better match people to jobs, strengthen engagement and motivation.

Seasoned professionals can help with transfer of knowledge on latest technologies and management practices. Expat employees need to have knowledge transfer as part of their job. Businesses have to make investments in training and education. Securing the right workforce is one thing. Engaging that workforce in a productive, innovative and adaptable fashion to changing market conditions is another thing. This is an inordinately difficult task.

During the 2008 financial crisis, employee engagement took a hit with feelings of loyalty, commitment to the organization and trust in leadership dipping dramatically. There is a big pay-off to organizations that operate from a strong base of evidence rather than relying on HR bromides, a gut feeling or a simple hope that the problem will go away. HR bromides refer to actions people in HR take simply to protect their jobs or reputation or both. Employee engagement gives organizations competitive edge.

Securing the right talent is not simply a matter of knowing and meeting the market price for the talent that you need. Rather it is about knowing what actually drives value in your organization, knowing what actually drives productive behavior among current and desired workforce. Using this information to craft an employment proposition that aligns the needs of the workforce with that of the business is important. The mix of pay, benefits, career opportunity and work environment that is optimal for the organization is different from the mix that optimizes workforce and business outcomes in competitor organizations.

When it comes to strategic workforce management and planning, there is no substitute for building a foundation of organization-specific evidence to support decision making. In today's economy, organizations can no longer just give lip service to the idea that people are our greatest asset. They need to start managing their workforces as if they are assets, applying the same discipline and quantitative mindset that they bring to other asset management decisions.

Most organizations have all the data that they need from internal and external sources and to deploy evidence based approach and turn their workforce management and planning into a lasting source of competitive advantage. Human capital management is about attraction, development and retention of talent. GE, Microsoft, IBM, Target, Starbucks are organizations that are adopting a human capital management approach. It is important for organizational performance. Decentralizing responsibility to middle managers to build up their capacity

to manage human capital well is important. GE realized its follies when it removed middle managers moving away from a human capital management approach.

According to economists, human capital represents productive skills and technical knowledge of workers. In the era of Knowledge economy, human capital has become very important. Investment in human capital has become the cornerstone of performance improvement strategy.

Human capital management is a three-way partnership between organization's top leaders, HRM and middle managers. In the best companies, HR department is expected to actively assist middle managers rather than regulate them or process paper work and to provide them with tools and training to help them carry out human capital management roles. HR department and middle managers work together to develop competency models. These models can be used to guide the information collected by managers in interview. Behavior based interview processes support such models.

12 LEADERSHIP TRAITS IN THE 21ST CENTURY

I had the good fortune of attending a lecture by Shanker Annaswamy, ex MD of IBM India Limited last week and once again my belief in the tenet that greatness and simplicity go hand in hand was reinforced. Even though Mr. Shanker spoke about his experiences at length, at no point in time did his speech border on vanity and arrogance. As someone who has done some basic research on Level 5 leadership I was wondering if Mr. Shanker could be classified as one.

A plain talk that was straight from the heart. No jargons. A simple message told in an impactful manner. That was how Mr. Shanker delivered his speech. Two things struck me instantly – his love for all the companies where he worked – GE, Philips, IBM and the gratitude that he showed towards all his bosses who were responsible for his success. All the management text books in the world cannot substitute for the wisdom that he generated in his 30-minute speech that was interspersed with bitter sweet memories in his career. He has come up through the rank and file and that shows in his demeanor.

Having come from a corporate background myself, I regret that I never had someone like him as a boss during my salad days in the industry. But I was not in IT, so I do not know. For the Gen Y population, it is worthwhile to listen to his advice – "Learn every day, Seek connections, go and look out for mentors within and outside the organization".

Mr. Shanker says that all his bosses gave him tough assignments that bolstered his self confidence and shaped his overall persona. To his credit, he seems to have accepted all the challenges that were thrown at him. He says that every company that he worked for – he loved working there and believes that there is no point badmouthing an organization that you have worked for and got paid for. Alas! Such an attitude is hard to find by in today's world.

Here are excerpts from his wonderful speech at NMIMS, Bangalore.

- Leadership in the 21st century is about breaking barriers/solos, building collaboration and facilitating transformation.
- Lead from the front – do not shy away from tough tasks as these are the tasks help build leadership capabilities.
- Good leaders create three strong feelings in their followers – the feeling of significance, the feeling of community and the feeling of excitement.
- Learning's that come from disastrous jobs are immense.

- Emotional intelligence, belief in self and self awareness about who you are and what you stand for go a long way in your journey as a leader.
- Leaders should know the power of collaboration – how to connect with people to build last longing relationships that are responsible for success of a business.
- A leader must be adaptable, willing to embrace change, learn continuously and should never shy away from taking tough decisions.

I take this opportunity to add a few insights too. Leaders are not people who create more followers. Leaders create more leaders for the future. A good leader is above the common vices of envy, insecurity and aggression. A good leader has to motivate and tap the right talent, has to be free from prejudices and personal biases. A leader is someone whom people want to follow. Mental tenacity and ability to handle stress are important to become leaders.

One of my ex-colleagues once told me – "Political machinations in the corporate world can help you stay in the organization but this may not be sustainable for too long." No one knows when the tide will change. Those who indulge in such practices seldom realize that such behaviors take the essence of leadership trait away from them.

13 THE TRUE TEST OF LEADERSHIP

Leaders create more leaders – so goes the famous saying. The true test of leadership is reflected only in times of crisis. But do people become leaders only because they occupy higher echelons in the organization structure?

Leaders can share theoretical knowledge with their employees but when it comes to dealing with customers' problems, practical solutions are needed. Some leaders are adept in delegating unwanted tasks to sub-ordinates and that is certainly not a good leadership trait. A true leader's influence leaves footprints in the minds of the employees long after they are gone.

A good team is a great asset for any organization. But often leaders tend to take the credit for the successful outcomes of team effort. If a leader has a fantastic team then success is assured. But the challenge for a leader is to deal with teams which are not performing so that they can be motivated and energized to put in their best foot forward.

Dealing with people is a huge challenge for leadership. A leader has to unleash every individual's potential to its full extent to remove constraints. Leaders have to work through constraints as though they do not exist. Businesses expect leaders to be successful amidst all the constraints.

Human beings are blessed with unlimited potential. Sometimes people do not know what they are capable of. Lack of self-confidence and self-limiting beliefs often come in the way of people achieving their true threshold potential limit. It is the leader's job to encourage sub ordinates, unleash the potential in individuals and in the process help effectively deal with constraints like budget, time and scope.

A true leader should not lean on a dream team for success – then where is the question of his leadership contributing to the success? It is the job of a leader to create a dream team.

The following approaches can be useful

1. Leader must promote internalization of goals and objectives by teams. There has to be a shared vision about the company's goals. Working towards the company's objectives must be in every employee's DNA. This will greatly enhance the quality of decision making.
2. Planning is important for a leader. A leader has to use his vision and imagination to predict how things will unfold. Experience of a leader helps him in dealing with blind spots.

3. Communication follows the principle of garbage-in-garbage-out. Leaders have to communicate with utmost clarity & simplicity. Communication must be frequent and purpose driven. It must enable teams to see the big picture.

4. Leaders have to clarify expectations from the teams and for this continuous engagement is a must. In a likewise manner it is also important to understand what the teams expect from leaders.

5. Leaders should have faith and trust in their teams. Words must be complemented by actions. Mutual trust between a leader and his team members can lead to magical transformation in the output and will lead to greater synergy in achieving the organization's objectives.

6. Leaders need to recognize the good work put in by team members. Recognition has to come at the right time. The "burnt out" feeling among people is a common complaint and a leader has to prevent this from happening.

7. Staying focused is important. Fighting distractions is an important aspect of executing the planned tasks. Leaders have to revisit the goals and objectives from time to time and never lose track of them.

8. True talent must be recognized and nurtured. Developmental opportunities must be provided and the leaders must therefore create an optimal balance between company objectives and individual objectives.

14 CAN LEADERSHIP BE TAUGHT OR LEARNED?

One has often read statements like – "Leaders are not born, they are made" from management philosophers. My view is that leadership can be certainly learnt – only if there is that inherent quality in an individual to learn, acquire more knowledge and sharpen his learning curve consistently. If an individual does not possess leadership capabilities, no amount of coaching or mentoring or training is ever going to help.

Leadership is a sum total of several attributes of an individual's character. The leadership styles can certainly vary and this style will determine (to a large extent) the success of an individual as a leader. There can never be a prescription for an ideal leader. It is the flaws in an individual and his realization of the same that makes a leader smarter. The leader has to be flexible and tough as the situation demands it.

Let us look at some of the common character traits of leaders

1) A visionary.
2) Passion.
3) Ability to delegate and empower people.
4) Ability to strategies and think out-of-the-box.
5) Great people skills.
6) Humility.
7) Empathy.
8) Desire to be a mentor/coach.
9) Ability to value employees as human assets.
10) Great decision making ability.
11) A keen eye for detail.
12) Business sense and customer focus.
13) Excellent listening skills.

Every leader must either possess these traits or willing to be coached in areas where there are gaps in his/her capabilities. There are certain skills that are inborn and are definitely a result of a variety of factors – most notably the way an individual has been groomed and has been brought up. Attributes like resilience surface after an individual experiences highs and lows in his professional career. The test of true leadership is always reflected in unexpected situations and the way in which the leader handles tense situations with élan and grace. Equanimity of a leader in the most trying situations is a real blessing.

To a great extent, our professional lives are an extension of our personality. Whether you like it or not, a positive attitude in a leader is a result of his inherent character so is his ability to handle situations boldly. An individual who treats his family shabbily will find that in some way or the other, the negative aspect of his character seeps into his profession. In a likewise manner, an individual who is a bad boss can't pretend to be a Samaritan in his personal life. The roles, even if they are conflicting, will converge at some point.

If we look at great leaders and their lives, then we have to admit that there has been someone who has scripted the success story of the leader. It may be the spouse, it may be a mentor… Coupled with this, if the individual also happens to be at the right place at the right time, then success is guaranteed. The ability of a leader to walk-the-talk also plays a great role in his credibility.

To sum it up

Leadership can certainly be taught provided the individual has an open mind and consents to be a great listener. Certain leadership traits like humility, people skills, empathy are in born and can't be coached. A leader can't always expect to hear what he wants to – he should also be willing to listen otherwise. There can be occasions when the personal and professional lives of an individual can overlap to reflect his true self.

The success of a true leader is always measured by the number of followers that he leaves in his trail. Going one step further, a true leader is one who creates more leaders out of his followers.

15 ABUSIVE LEADERSHIP

Learning objectives:

- To understand the various dimensions of abusive leadership.
- To identify the detrimental effects of abusive leadership.
- To evaluate the impact of abusive leadership on an organization's growth.

The term "abusive leadership" has different connotations. At the end of the day, it is a question of semantics. Abuse need not be only in the form of verbiage of words or violent actions. Silence can also be used to abuse people. Many multinational corporations now talk about "Diversity & Inclusion". Not demonstrating inclusive behaviors can also be a form of abuse.

Let us recollect the platitude – "Employees leave bosses, not organizations". This can be corrected as "Employees leave bad bosses, not organizations". But what do employees do when there is no other option? "Employees tolerate bad bosses when there is no other go".
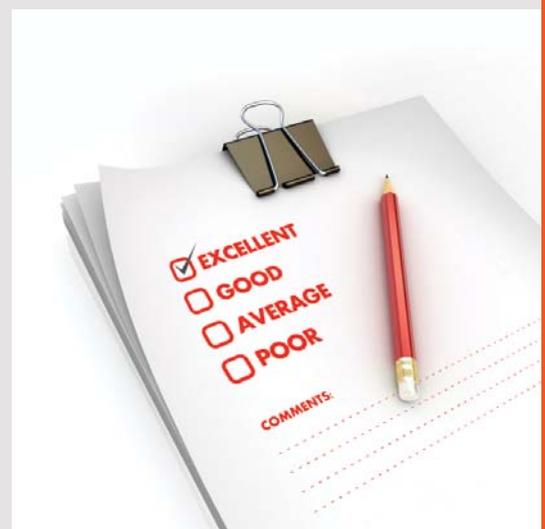
This can adversely affect the health of employees and the health of the organization in the long run. Dealing with people is the most difficult aspect of working in a business enterprise.

Bosses can often abuse their positional power and sometimes ideas that are sacred cows tend to became albatrosses in the necks of those who are entrusted with the task of implementing the idea. There are bosses who delegate all the unwanted tasks to subordinates to save their skin. Is this also not a form of abuse? Abusive leadership also comes into play when bosses set unrealistic targets just to get even with subordinates. Using organizational conflicts for selfish interests is another form of abuse.

How can silence be a form of abuse? Just think about a situation when the boss does not even greet you, does not assign any tasks to you and completely ignores you. It is a signal that he wants you out. You might have done something that might have hurt his ego and now he wants to get even with you. If he is not voluble about what has hurt him, the situation only gets worse.

Blame it on the halo effect. Bias is another form of abuse. Street smart employees get away with anything but those who are straight forward often get the hammer. Micromanagement is one more form of abuse. How many times you have encountered a situation when the boss is breathing down your neck checking if you are on track in completing the assigned task.

Abusive leadership can also dent the performance appraisal process rendering it an exercise in futility. Despite monumental academic research on improving the effectiveness of performance appraisals, the truth is that performance appraisals can never be completely objective in their approach. The moment human beings are involved in a process, subjectivity tends to creep in.

The grading method of performance appraisal (the bell curve) is now being eschewed by organizations like Dell, Cisco and Wipro mainly because the method is not truly reflective of the performance of an employee. The very idea of slotting employees in different categories based on the budget allotted is ridiculous. Bosses can change the appraisal grades based on the budget available. If there is a cut in the proposed budget, then the matter can only get out of hand.

There are also situations when some employees get a good hike only based on the output. A spike in sales can happen due to a various reasons – not necessarily due to the efforts of the sales manager. When input efforts are seldom recognized with the focus solely on output measures, then there is something wrong somewhere. The repercussions of such indiscriminate decisions may not be felt immediately but no business can rule out the tremors resulting from such gross unfair evaluation of performance.

Thus an abusive leader can get even with his subordinates in a variety of ways. In James Heskett's service profit chain model, when employees are treated well, they tend to treat the customers well and this improves the profitability of the firm. What about the converse? How many organizations actually focus on this aspect?

Abusive leadership is like slow poison. If left unattended, good employees leave the organization but bad bosses continue to stay on further contributing to the attrition in the firm. Abusive leadership also gets amply demonstrated when employee loyalty is given greater weight age instead of performance. Is there a way out?

Despite talk about strategic human resource management, redefining talent management and treating employees as human capital, businesses have a long way to go before they stop treating HR as another support function. HR is a cost centre. Thus, the expectation is that it has to be subservient to the needs (both rational and irrational) of other functions that are profit centers. Unless this mindset changes, there is little hope.

16 LEADERSHIP AND CHANGE MANAGEMENT

Dealing with changes: Leadership abilities to handle a project

A project manager's success is largely dependent on the clarity of the goals framed by the organization, the impact of project complexity and the support by the project sponsor. Resources are scarce. So, utilizing the resources effectively and efficiently is important.

Earlier the nature of change was simpler. So project sponsors could afford to spend less time on projects. But today change is much more complex. Involvement of senior executives/ sponsors can make the difference between success and failure of a project.

Many sponsors are experiencing the need to be coached by change management experts. Research has revealed that 90% of the time projects suffer due to communication breakdowns between project managers and sponsors.

What is the Tipping point in Project Management?

- Organizations need to be clear about their priorities.
- Project sponsors must be active and act as cheerleaders of change.
- Project managers need to understand the negative aspects and challenges in project .management better to execute the projects well and support the business.

Project Managers – need to understand that Yesterday's best is at best today's good

Project managers should

- Lead by example.
- Create more leaders.
- Invest in developing their capability.
- Use emotional intelligence to deal with stressful situations.

A project manager's capabilities in managing change

1. Embrace accountability.
2. As part of stakeholder management, determine "what success looks like" right at the beginning of the project.
3. Front end loading is a must to manage the risks in a better fashion and review suitable trade-offs with the project sponsors.
4. Change is not something that is managed only by the project manager. Change management requires the entire team and the top management to get involved in the change.

1. The governance policy must be linked with the project priorities at all times.
2. Asking for advice is not a sign of weakness – it only shows that the project manager is working hard to fill in the gaps.
3. A project manager has to drive the change agenda. He must effectively deal with resource crunches and mitigate the risk of scope creep. Effectively dealing with sacred cow ideas and overcoming motivational, cognitive and political hurdles is important too.
4. Use of straw man ideas to drive away blues in change management is essential too.

A project manager's energy in dealing with this change synergizes the team output!

Reference:

http://www.girlsguidetopm.com/2013/02/the-tipping-point-between-effective-leadership-of-change-and-the-role-of-project-managers/

17 IT CAN BE LONELY AT THE TOP

Learning objectives:

1. To understand the role played by management coaches/mentors in supporting leaders.
2. To evaluate the role of mentors in decision making by top leaders.

As leaders move up the hierarchical ladder, they have fewer touch points within the organization with staff at junior/senior level. They get drawn into a vicious cycle where it is easy to lose touch with reality. In professionally managed organizations, this risk for a CEO or a CMD is somewhat mitigated, because there are people at director levels who report to the CEO or CMD and with whom there are lots of interactions by way of group meetings, leadership workshops, etc. But, what about those firms that are founded by entrepreneurs, where besides the main person who is at the helm of the affairs, there are only 1 or 2 senior persons reporting directly to him and having direct access to him? This is actually a trap and before they realize this, many CEOs end up creating an environment in which, not many employees can freely approach them. Before too long, the CEOs realize that it is lonely at the top.

These types of corporate situations have created a new breed of HR consultants called 'executive coaches', who mentor and train such top level leaders. Generally, executive coaches are senior level leaders who help the CEOs cope with change enabling them to keep their ear on the ground. They try to help the CEOs eschew the normal tendency of insisting on what they want to listen to rather than what they need to listen to. In a corporate environment, many senior level leaders tend to become chary about sharing unpleasant information with the top boss. This means that the CEO does not have a true picture. So, in such a situation, it is only such 'executive coaches' who can help the CEO address his shortcomings in a constructive manner and work towards correcting the gaps.

Ironically, years ago, a role that was quite popular in corporate circles was that of an Executive Assistant (EA). Though an EA could not be called a mentor or a coach, he was an important resource for the CEO. Sadly, over the years, many organizations misused such profiles completely obliterating and totally blurring the distinction between an executive assistant and an executive secretary. This eventually made many prospective candidates wary of such type of strategic roles.

Ideally, a real EA has the shadow authority of the CEO and can be a key resource in the organization having empowerment and authority. However, there were reports of candidates who joined as EA being asked to do travel and hotel bookings, type letters, attend to screening calls and carry out similar secretarial work.

With easy access to people at lower hierarchical levels, the EA would have been in a much better position to keep the CEO/CMD informed about the situation on the ground. He was also someone who acted as the sounding board for the CEO. The EA, to some extent, had roles similar to that of an executive coach, but at a junior level. He was someone who was encouraged to use a creative approach to resolve problems.

Political environment in organizations led to such people appointed as executive assistants to become 'tale carriers' instead of 'information providers'. It takes two to clap and so one would also equally blame the leader for encouraging such tendencies. There are also ethical issues involved as there can be misuse of authority.

It is so very difficult to locate a candidate to fit in the role of an EA, who has the highest standards of integrity and moral character. It is only references from past employers/bosses/customers that act as a viable tool to make an informed decision while recruiting such candidates. If the EA role had been given the respect it deserved, then CEOs would have had someone who was dependable and resourceful in taking strategic decisions. But like throwing the baby along with the bath tub, by clubbing the executive assistant and executive secretary roles as one, organizations ended up dissuading promising talent to apply for such roles.

It must also be mentioned that the EA role was considered as a spring board for moving onto other business roles and this was the key attraction. Sadly, the strategies changed and today there are very few "real" executive assistant roles in the job market. Even for such job roles, there are not many takers for the simple reason that the job market has not been able to rebuild credibility for such positions.

The demise of the EA role has now led to new concepts in HR consulting. As mentioned before, executive coaches are one such breed. There are management gurus like Robin Sharma, Deepak Chopra, Shiv Khera and spiritual gurus like the Bangalore-based Swami Sukhabodananda who train and mentor senior level leaders at specially organized workshops. There are some others who call themselves 'thought leaders' and help the CEO gain a clear business perspective through unconventional means.

I have every reason to believe that this is a healthy trend. For one, as all these consultants are not part of the organization; you can expect them to be unbiased and constructive in their approach. That apart, people who have retired from HR/strategy function can be gainfully employed by such CEOs for sharing their wisdom that they have gained over the years. But for all these mentoring/coaching efforts to succeed, it is important that CEOs improve their listening skills, give the consultants the respect that they deserve and make informed decisions based on the advice given. Eventually, it is the CEO's call. There is no compulsion on the CEO to follow each and every advice given by the coaches. But, rejection of an idea suggested by the coach must have a valid reason.

I have observed that this model of individual coaching/mentoring is far better than the other popular model of "strategy consultation", especially when it relates to coaching the CEO. This is because, the strategy teams who land in an office, start throwing attitude taking advantage of their proximity to the CEO and before long they alienate the employees within no time. In most organizations, the so-called strategy consultants are perceived as 'butchers' – all out to reduce the head count by hook or crook. There may be exceptions to this rule; however, it is an open secret that anything remotely related to strategy is now widely perceived as a decoy to slash jobs.

Last but not the least, the decision to engage such coaches must be taken at early stages and not when the damage is already done. Coaches/mentors can enable the CEO/CMD to look at a situation with the objectivity that is needed. At the end of the day, it is not about business alone. It is also about addressing the social needs of the CEO.

18 LEVEL 5 LEADERSHIP

Learning objectives:

1. To understand the different levels of leadership.
2. To review the traits of a Level 5 leader.
3. To learn about real life examples of Level 5 leaders.

Level 5 leadership abilities were introduced to the world by the pioneering work of Jim Collins who wrote the book – "Good to Great". One of the fundamental qualities of a level 5 leader is humility. A level 5 leader does not believe in marketing his contributions to the business. He is somewhat reticent talking about his achievements and willingly credits other people for success even while he accepts responsibility for failure.

Level 5 leaders are characterized by indomitable courage, keen business acumen, expert knowledge and ability to organize (Jim Collins, 2001). Truly great leaders have a specific blend of skills. But they also possess something else; certain characteristics which are harder to define. Collins wrote about it in a well-respected 2001 Harvard Business Review article, and published his research in his popular book, "From Good to Great." The concept came about during a study that began in 1996, when Collins began researching what makes a great company. He started by looking at 1,435 companies, and ended up choosing 11 truly great ones. These 11 companies were all headed by what Collins called "Level 5 Leaders." These 11 companies achieved and sustained greatness. Each of this company had a Level 5 leader at the helm.

According to Jim Collins, deep personal humility and intense professional will characterized a level 5 leader. This was somewhat paradoxical. Level 5 leaders do not make headlines. They credit others for success, sometimes attributing their success to good luck and external factors. But when they faced failures, they blamed themselves. The level 5 leaders are utterly intolerant of mediocrity. They will do whatever it takes to produce results. Level 5 leaders select superb successors, wanting their companies to become more successful in the future.

HOW DOES A LEADER REACH LEVEL 5?

A level 5 leader believes in attending to people first giving strategy only second preference. When it comes to people, a level 5 leader ensures that the right people lead the business so that a proper sense of direction is achieved. Level 5 leaders believe in stretching the limits and do not wish to jump onto technology bandwagons just because competitors are doing so. Level 5 leaders also believe in inculcating a culture of discipline – disciplined people, disciplined thought and disciplined action.

BREAKTHROUGH!

BUILDUP ...

LEVEL 5 LEADERSHIP	FIRST WHO... THEN WHAT	CONFRONT THE BRUTAL FACTS	HEDGEHOG CONCEPT	CULTURE OF DICIPLINE	TECHNOLOGY ACCELERATORS
DISCIPLINED PEOPLE		DISCIPLINED THOUGHT		DISCIPLINED ACTION	

FLYWHEEL
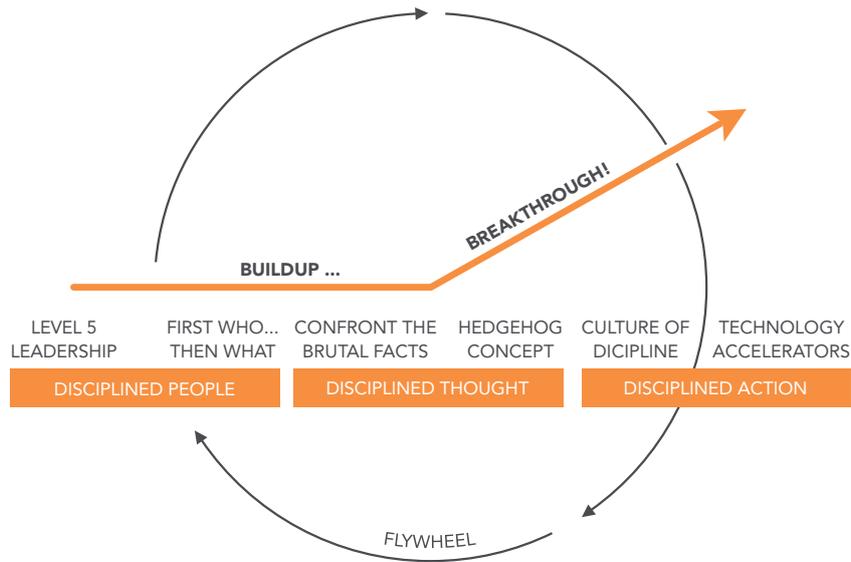
According to Collins, the alchemy of a great business performance hinges on the unique combination of a culture of discipline and an ethic of entrepreneurship. A company can be thought of as three intersecting circles – what it can be best at, how its economics work best and what ignites its people's passions. Everything else can be eliminated. This is how breakthroughs happen.[2]

Collins also compares the characteristics of a fox with that of a hedgehog. A fox knows a little about many things. The hedgehog knows only one big thing very well. Simplicity of hedgehog ensures its success.
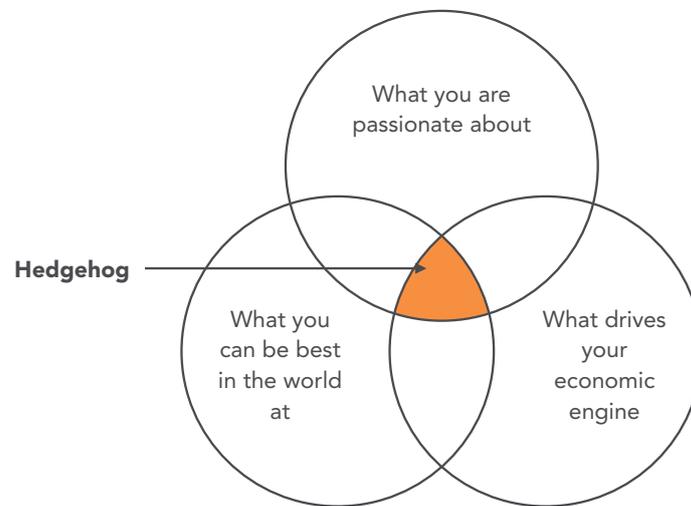
Thus level 5 leaders create a culture of discipline to transition the company's progress from good to great. Collins looked at cumulative stock returns of companies over a period of 15 years. The aim was to understand how other companies were distinctive from other players in the industry. Collins sourced 6000 articles and conducted 87 interviews with key executives. His team also pored through internal strategy documents of firms. The quantitative metrics that were looked at were – financial metrics, executive compensation, management turnover, company layoffs and restructurings and effect of acquisitions on stocks.

Level 5 leaders talked only about the company and seldom did they display hubris or vanity. Leaders believed that they had got the opportunity as a leader due to luck or due to serendipity. They affirmed that others in the company could do a better job than themselves. From the examples narrated by Jim Collins in his seminal article published in Harvard Business Review, the following attributes of level 5 leaders can be surmised.

- Level 5 leaders displayed eagerness to learn and keep themselves updated so that they could be relevant to the organization with passage of time.
- They are silent runners and maintained a calm demeanor even during times of crisis.
- They believe that "good is not good enough" and hated mediocrity.
- Level 5 leaders believed in setting standards and enforcing them.
- For level 5 leaders, company came first and they succeeded in selecting successors who could take the company forward. They left behind a company that would be great without them.
- Many level 5 leaders had a spiritual bent of mind and life's hardships inured them to struggles in the board room.

Level 5 leadership qualities can be developed if the individual has an inner capability that drives him to acquire and adapt to those skills. The level 5 leadership is shaped by the right circumstances – having a good mentor to guide, having loving parents, having pleasant childhood experiences, having cathartic experiences in life, having a loving and supporting family. All these situations create the seed for development of an individual.

But the authors believe that there are scores of examples of leaders who may not have had the right experiences during their childhood or who may not have had a great mentor. Yet these leaders have managed to achieve success. This calls for further exploratory research on the subject.
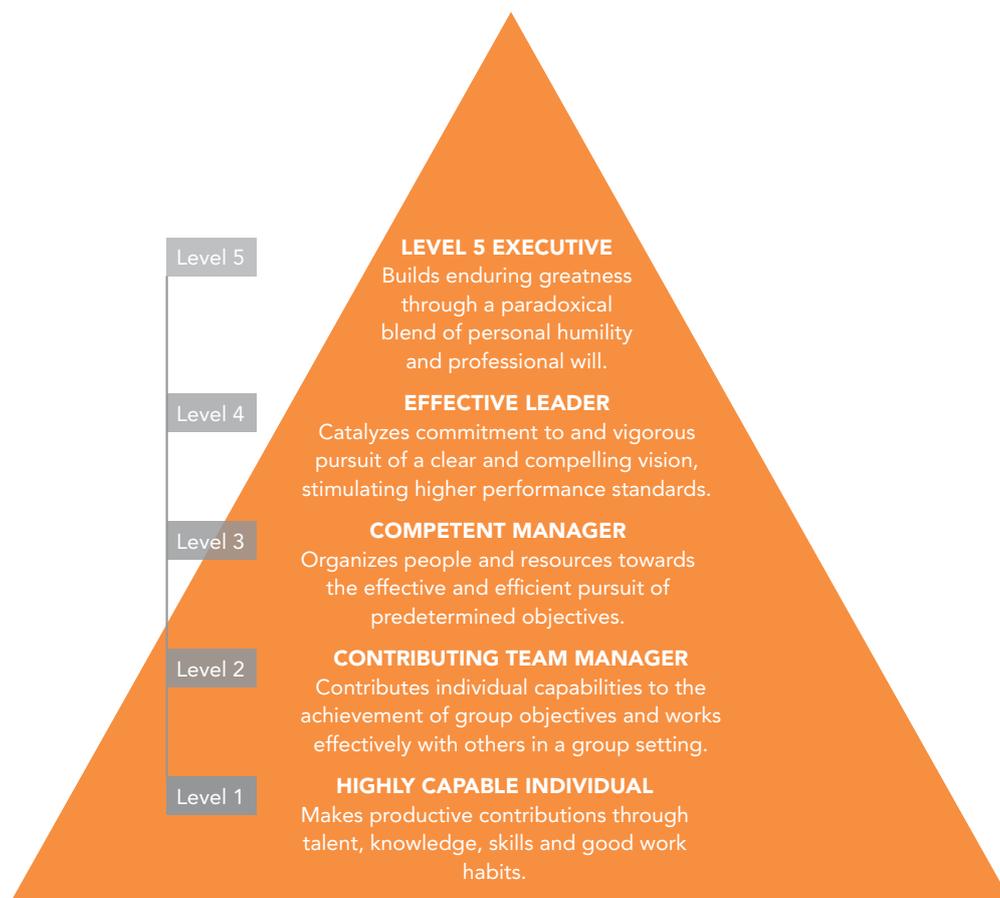
Level 1: Highly Capable Individual

- At this level, you make high quality contributions with your work. You possess useful levels of knowledge; and you have the talent and skills needed to do a good job.

Level 2: Contributing Team Member

- At Level 2, you use your knowledge and skills to help your team succeed. You work effectively, productively and successfully with other people in your group.

Level 3: Competent Manager

- Here, you're able to organize a group effectively to achieve specific goals and objectives.

Level 4: Effective Leader

- Level 4 is the category that most top leaders fall into. Here, you're able to galvanize a department or organization to meet performance objectives and achieve a vision.

Level 5: Great Leader

- At Level 5, you have all of the abilities needed for the other four levels, plus you have the unique blend of humility and will that's required for true greatness.

Leaders need to develop humility and understand why arrogance is so destructive. Leaders need to take responsibility for their team's efforts, even when things go wrong. They do not hesitate to seek help when they need it. Level 5 Leaders are incredibly disciplined in their work. When they commit to a course of action, no matter how difficult it is, they stick to their resolve. They don't let naysayers dissuade them from a course of action.

19 TIPPING POINT LEADERSHIP

Learning objective:

- To understand the concept of Tipping Point Leadership.

Management of Change: Tipping Point Leadership

In February 1994, William Bratton was appointed police commissioner of New York. The odds were stacked against him. New York was full of turf wars and crimes. Social scientists had given up hope. But then Bratton brought about a turn-around in the police department's efficiency in less than two years. Bratton was an old hand at managing and successfully steering such turnarounds.

Two management researchers namely W. Chan Kim and Renee Mauborgne (both from INSEAD blue ocean strategy institute) tried to analyze the triggers of high performance and how a decrepit organization can be brought back to life.

Common problems faced by organizations

- Prevalence of status quo.
- Limitations of Resources.
- De-motivated staff.
- Vested interests working against organizational interests.

Bratton's example led the researchers to arrive at a concept called tipping point leadership. It is all about successful management of change. Once the beliefs and energies of a critical mass of people are unleashed, then one can expect a change for the better. How does it happen?

First, it is about leadership. Second, it is about focusing on resources that matter and then mobilizing the commitment of the organization's key players. These players have the charisma to silence the carping critics who always focus on what can go wrong.

Often leaders dread the huge hurdles that come their way. But in the end it is all about the courage and conviction with which the leader can overcome these hurdles. The authors assert that Bratton's success is not a matter of his personality alone – it is also about the methods followed by him consistently. Thus Tipping point leadership can be replicated.

Tipping point leadership (TPL) is about overcoming four main hurdles

1. Resource Hurdle – Focus on areas that need attention and seek support where needed.
2. Motivational Hurdle – Define the challenge and show people how they can shine.
3. Cognitive Hurdle – Let managers face problems head-on and find out new ways to communicate.
4. Political Hurdle – Identify, silence and isolate the arm-chair critics.

Often need for change is communicated to the team along with the rationale that invariably focuses on numbers. But Bratton believed that managers should witness reality.

Here is a gist of some of the actions that he took as part of TPL:

1. Bratton insisted that all police officials travel via the subway so that they get a feel of the crimes that happen. The police officials started experiencing the problems that were faced by the common man on a daily basis.
2. Once the regulatory authority in Massachusetts decided to order smaller squad cars to cut corners. Bratton made the general manager travel in the smaller squad car to make him experience the discomfort. But he did that in a diplomatic fashion. Bratton did not fight the decision. But found an intelligent way to solve the problem.
3. He brought the policing staff to the community so that the latter's grievances could be heard and resolved.
4. Bratton appointed an expert communication advisor. He relied less on traditional forms of communication like memos and bulletins. Video messages by Bratton were flashed to the police staff and the advisor ensured that the media projected the strong messages of Bratton.
5. Reallocation and resources of staff was done based on real time statistics of crime rates.
6. Rather than hire more policing staff, Bratton identified strategic zones where crime rate was highest and he deployed plainclothesmen in these zones. The criminals got the message.
7. Arrest processing time was reduced from 16 hours to 1 hour by converting old buses as arrest processing centers.
8. In those days when no one knew what big data was, Bratton believed in data-driven policing. He successfully built a crime database.
9. Bratton chose to motivate a few set of people who could bring in a dramatic transformation in the way resources were managed and who could act as precursors for change.
10. Perform or Perish. The performance reviews were held with the top police brass and not just Bratton. As accountability increased, people became more wary of performing well. There was no question of blame game.

"Youth and skill will win out every time over age and treachery." This was what Bratton firmly believed in.

A victim of political machinations within the organization, Bratton understood that it was important to learn about the plotting and politics. He was able to identify a senior leader in the top team who could be trusted and could act as the sponsor of the change.

Bratton's alliance with the mayor's office and the city's leading media institution successfully isolated the courts when they were up in arms against zero-tolerance policing.

This case reflects the challenges associated with management of change and the rewards that can be reaped by addressing those challenges.

Reference:

https://hbr.org/2003/04/tipping-point-leadership/ar/1#

20 SERVANT LEADERSHIP

Learning objectives:

- To learn about the tenets of servant leadership.
- To understand the importance of servant leadership in enhancing organizational performance.

> "Good leaders must first become good servants."
>
> – Robert Greenleaf

The words servant and leader are usually thought of as being opposites. When two opposites are brought together in a creative and meaningful way, a paradox emerges. The term servant-leadership was first coined by Greenleaf (1904–1990). The servant-leader is one who is a servant first. It begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead. The difference manifests itself in the care taken by the servant-first to make sure that other people's highest-priority needs are being served.

A servant-leader focuses primarily on the growth and well-being of people and the communities to which they belong. While traditional leadership generally involves the accumulation and exercise of power by one at the "top of the pyramid," servant leadership is different. The servant-leader shares power but puts the needs of others first and helps people develop and perform as highly as possible.

Greenleaf's first Servant Leadership principle is listening. He describes listening as the active participation and search for understanding. A good listener is ready with an open mind and tries to understand what is being communicated. A Servant Leader actively listens to others and is known by others as someone who will give the time to really pay attention and listen.

The second Servant Leadership principle is empathy. Empathy is the ability to put oneself in another person's situation. Can people really walk in someone else's shoes? A Servant Leader realizes that each person is unique and has strengths and weaknesses that they bring to the workplace.

Healing is the third principle of Servant Leadership and is considered by many to be the most powerful principle. Healing involves fostering the idea that people have the ability to make whole. Servant Leaders understand this principle and its power by realizing that what one says can either build another person up or tear the person down.

The fourth principle is awareness and Greenleaf states that this principle is a disturber and awakener. Awareness involves being aware of others as well as being aware of oneself. With this idea comes being ready to accept whatever one finds because often being aware means something to be done. The Servant Leader is ready to work towards correcting things that are wrong.

Persuasion is the fifth principle. The Servant Leader uses persuasion to convince others of what needs to be done, as opposed to being coercive or authoritative. A Servant Leader must use this power of persuasion to get others to trust and follow.

The sixth principle is conceptualization. Servant Leaders nurture the ability to be a visionary in themselves and in others. Servant Leaders see a problem and are able to find short and long term solutions. When there are many things going on in organizations, the Servant Leader is able to keep calm even in the face of many struggles.

Foresight is the seventh principle and characterizes a leader who is intuitive and can make decisions based on the past, present, and future. Servant Leaders are able to identify current trends and make wise decisions.

The eighth principle is stewardship. A Servant Leader understands that he/she is entrusted to take care of things that do not belong to him/her. Stewardship is about the legacy that leaders create. Are leaders trusted enough to be entrusted with things that do not belong to them?

Commitment to the growth of people is the ninth principle of Servant Leadership. Servant Leaders are committed to the personal, professional, and spiritual growth of others. Servant Leaders understand that others should be better off knowing them and Servant Leaders recognize that they are responsible for the growth of those around them.

Finally, the tenth principle is building community. A Servant Leader inspires others to work together towards a common goal. This type of leader builds teamwork within organizations and families. A Servant Leader fosters the idea of teamwork by being the glue that keeps everyone working together.

When all the ten principles are in place, more work gets done and organizations, communities, and families prosper. Servant leadership is experienced so rarely because of trends in the leadership environment, the scarcity of human qualities required and the demands that the practice places on the practitioner.

Servant leadership is a philosophy and set of practices that enriches the lives of individuals, builds better organizations and ultimately creates a more just and caring world. Servant leadership is a timeless concept. The phrase "servant leadership" was coined by Robert K. Greenleaf in "The Servant as Leader", an essay that he first published in 1970.

The servant-leader is servant first It begins with the natural feeling that one wants to serve, to serve first. Then conscious choice brings one to aspire to lead. That person is sharply different from one who is leader first; perhaps because of the need to assuage an unusual power drive or to acquire material possession. The leader-first and the servant-first are two extreme types. Between them there are shadings and blends that are part of the infinite variety of human nature.

The servant leadership approach goes beyond employee-related behavior and calls for a rethinking of the hierarchical relationship between leaders and subordinates. This does not mean that the ideal of a participative style in any situation is to be enforced, but that the focus of leadership responsibilities is the promotion of performance and satisfaction of employees.
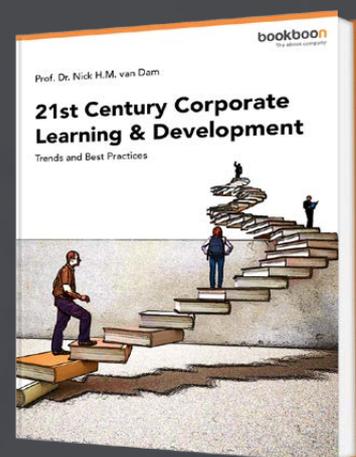
21 MICROMANAGEMENT KILLS

Learning objective:

- To understand what micromanagement is and its deleterious effects on organizational morale.

Micromanagement can be detrimental to the organization in the long run. This can be avoided by giving employees greater autonomy and freedom to accomplish the tasks in their own way. The expectations must be made clear at the beginning of every task and once it is certain that everyone has understood what is expected of them, managers should keep their hands out of it. In the corporate world, results are important and so long as there are no unethical issues, it is fine that the employee adopts a process that he is comfortable with.

To re-call what Tom Peters once said, "Leaders are those who create more leaders and not more followers".

Micromanagement is a management style whereby a manager closely observes or controls the work of subordinates or employees. Micromanagement generally has a negative connotation. In contrast to giving general instructions on smaller tasks while supervising larger concerns, the micromanager monitors and assesses every step. This behavior adversely affects the supervisor-employee communication, creativity, productivity, problem-solving, flexibility, trust, feedback, openness, company growth and goal attainment.

Leaders who feel that they have to check on every detail demonstrate their insecurities. The leadership style is based on lack of faith and trust in others. It is repressive and discourages the professional development of subordinates. There are great leaders who have allowed their subordinates to make mistakes. But these leaders have also ensured that their employees learn from their mistakes. If micromanagement continues for far too long, employees may feel suffocated and this can lead to attrition.

The problem is that micro managers take positive attributes like attention to detail and a hands-on attitude to the extreme. They always plan to read the atlas wrong. This may be because they are obsessed with control or in their over zealousness to push everyone around them to success, they end up sending the wrong signals and de-motivating their employees.

Needless to add, such micro managers never believe in giving constructive feedback and end up hurting people to the point that employee is frustrated enough to call it a day. Such managers limit each individual's ability to develop and grow and they also limit what their individual team members can achieve.

The inability of micro managers to "let go" and let other people make decisions and even risk failure, ensures restriction in growth of business. Subordinates stop being productive and are forced to wait for direction from the manager. Even simple decisions get delayed because employees lack empowerment.

A few reasons why managers indulge in micro management:

- Fear.
- Narcissism.
- Need to be in control.
- Lack of trust.
- Leaders do not know how to let go.
- Need for perfection.
- Leaders think only they can do it.
- Afraid of sharing credit with others.

Effects of micromanagement

Employees will be distracted by constant monitoring. Employees will feel like they aren't trusted by the employer. It will cause stress and frustration. It will limit employees' feelings of empowerment, accountability, and responsibility. Constant updates and status meetings will take time away from the actual task at hand. It will kill employees' drives to be creative, innovative, and find better solutions. It will make employees question their abilities and limit their professional growth. It will make employees feel disrespected.

Micro management can be detrimental to the organization in the long run. This can be avoided by giving employees greater autonomy and freedom to accomplish the tasks in their own way. The expectations must be made clear at the beginning of every task and once it is certain that everyone has understood what is expected of them, managers should keep their hands out of it. In the corporate world, results are important and so long as there are no unethical issues, it is fine that the employee adopts a process that he is comfortable with.

22 THE POWER OF DELEGATION

Learning objective:

- To understand the importance of delegation in development of employees.

Fear is the most disintegrating element of human personality. From a management perspective, delegation is sharing or transfer of authority and the associated responsibility from an employer or superior to an employee or a subordinate.

Delegation is one of the most important management skills as well as it is the most important in every aspect of our day-to-day life as we move on. Delegation is all about giving opportunity to the person to whom we want to give the authority. Delegation improves the scope of performance. Delegation is grant of authority by one party to another.

Delegation is a two way process. Delegation is a very helpful aid for succession planning, personal development, selling and promotion. Delegation enables us to gain experience to assume higher responsibilities. Effective delegation is crucial for management and leadership
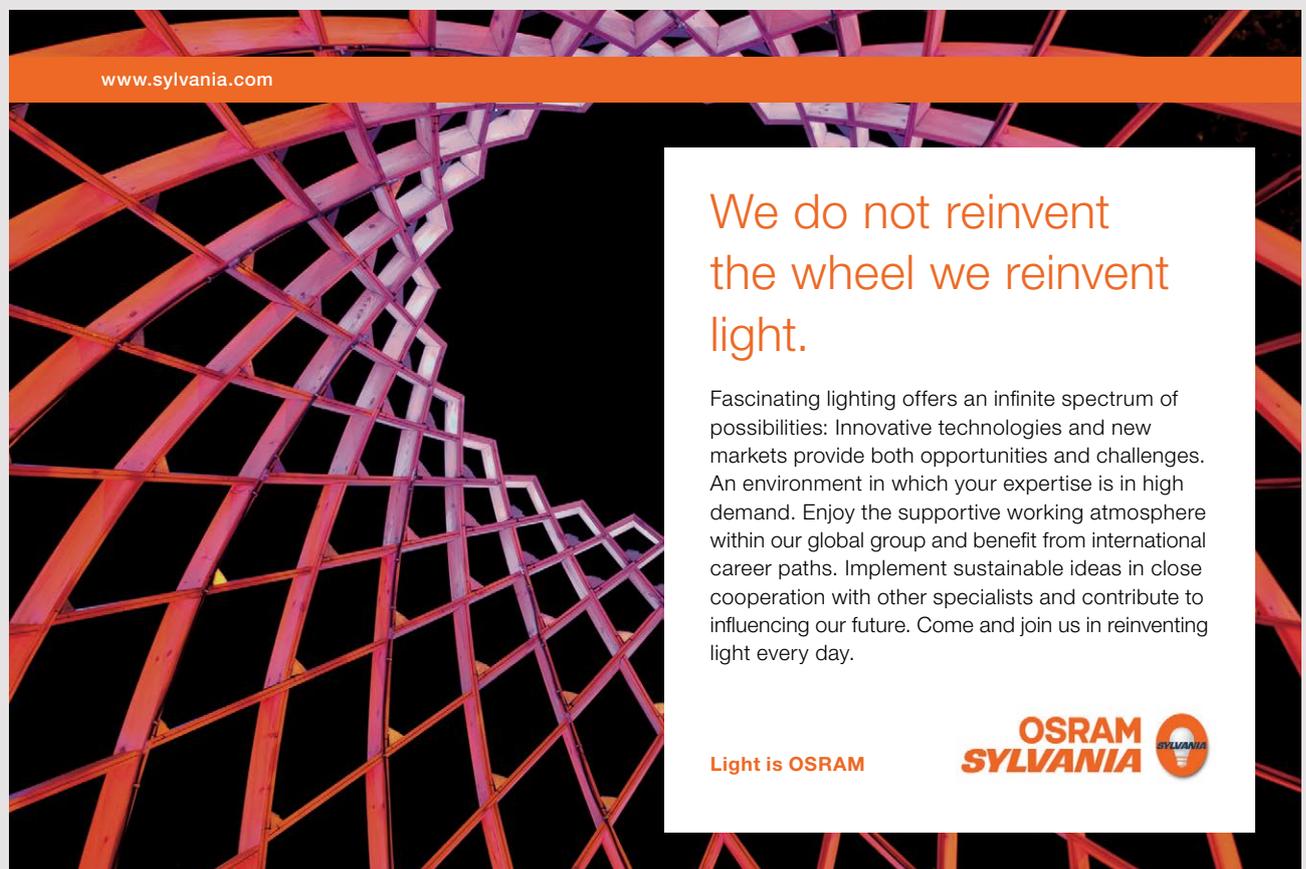
success. As we know delegation is nothing but granting authority, so there is no harm in asking for assistance. When the situation demands, delegation can lead to a win-win situation for both the employee as well as the business. Delegation is a powerful tool when there is heavy workload and tasks need prioritization.

In the business world, "*Power of Delegation*" is the key to come up with new and fascinating ideas to develop the business. This creates an open space for each one of the employees so that they can share their talents, skills with others and execute the tasks entrusted to them with a positive energy.

Effective delegation can enable an employee to sharpen his learning curve and increase his productive capacity. It will boost an employee's morale and instill self-confidence in him.

Unfortunately in the corporate world, some leaders never delegate while some leaders delegate unwanted tasks to their sub-ordinates. These unwanted tasks are something that they do not want to spoil their hands with. This is a malaise that employees have to often deal with. If utilized effectively, delegation can be a boon for an employee's personal development.

23 INTRODUCTION TO RECRUITMENT & SELECTION

Learning objectives:

- List the skills and knowledge needed to conduct full and fair recruitment and selection and be able to undertake it systematically.
- To understand the elements of job analysis.

Recruitment is the process of attracting the most suitable people for the position, selection is the process of choosing the best person for the position, and induction is introducing the person to the position. There is a series of well-tested steps to help you identify the right person, to ensure he or she will fit well with your farm business, and to meet the various legal obligations of an employer. If recruitment is done well, the business benefits from happier and more productive people, reduced staff turnover, good working relationships and ultimately a more profitable farm.

Though recruitment and selection are considered as one process, it will help to carve out a distinction when planning staff recruitment and selecting an individual from a pool of applicants. Recruitment has to be planned carefully to attract the right type of applicant. This increases the chances of making a suitable selection and appointment.

Criteria of suitability must be overt and relevant to the job. This will facilitate rational decisions about someone's suitability for a job based on evidence rather than gut feeling. The key to effective recruitment is preparation: knowing the job and what are the skill sets required to perform that job well. The costs of recruiting the wrong person can be significant. Incorrect assumptions about class, gender or physical disability can cloud the objectivity while taking decisions about recruitment and selection.

The qualities of the successful applicant must match what the organization requires. Recruiter's perception is often influenced by striking characteristics or similarities to themselves. This is called as halo effect and can work in either a positive or negative direction. Someone who attended the same college or university as the recruiter would be at an advantage. People judge more favorably those individuals with whom they have something in common. Years ago, a top leader in P&G (India) had this practice of giving a favorable opportunity to South Indians. However to his credit, he was largely unbiased.

Recruitment and selection involves the applicant and organization trying to discover how their interests can converge. It is a two-way process. Applicants need to have a clear idea about the job. They should also have a clear idea about the type of organization that they are joining.

The traditional approach to recruitment and selection is based on the view that job requirements must be specified carefully and then the effort must be to look for individuals whose personal attributes fit those requirements. Selection techniques must be concerned with accessing and measuring personal factors that can then be compared with those required for the job. To find the right person for the job, you need to have a perfect idea about the job and skill sets that the job demands. The skills that candidates bring to the table will then need careful evaluation.

Most organizations do a job analysis. This helps them to re-prioritize the need for recruitment and selection. It is possible that the vacancy can be filled internally.

24 INDUCTION PROGRAM

Learning objectives:

1. To understand what are the objectives of induction program.
2. Learn about the benefits of induction program for organization and employee.

Induction is the process for introducing a new employee to their work environment. It extends from the moment the prospective employee reads the advertisement for the position and fuses with their training and development as a part of the organization.

Why do we need an induction procedure? A proper induction will give both the employees and the organization the following benefits:

1. It improves the motivation of new employees by helping them.
2. Quickly assimilate the workplace culture, as well as their knowledge of the products/services provided by the organization and the systems in place.
3. This in turn boosts confidence and improves work quality and productivity.
4. Reduce incidences of early leaving, which can be extremely costly to the organization.

An induction process is not simply for new employees. The same benefits can be received by staff who have been promoted or transferred or those who have returned from a long period of absence. An induction program must be made flexible and interesting. It must be employee centered and ensure that new employee becomes productive as quickly as possible. An induction program gives an opportunity for an employee to understand organization's policies and procedures. The employee can also get an idea about the performance standards of the job.

Objectives of induction

- Develop relevant skills, knowledge and behavior of employees.
- Help employees develop SMART (specific, measurable, action oriented, relevant and time bound) goals.
- Enables the new recruits to acquire the necessary skills to get on with their jobs immediately.
- Learning process of employees can be expedited.
- Reduce training costs.
- Reduce employee turnover.
- Quicker alignment of new employees to goals of the organization.

Benefits of an induction

- Reduces the time taken for a new colleague to become effective.
- Help to support staff retention and commitment.
- Introduces new staff to the "culture" of the University, its values & behaviors.
- Provides a greater understanding of the job and how it fits into the bigger picture.
- Begins the ongoing process of continuous professional development.
- Demonstrates that we are an employer that values its people.
- Encourages two-way communication and team working.
- Allows objectives to be set and the probation period to begin.

For the employees, induction programs reduce anxiety and enabling to know what is expected of them. Roles and responsibilities get clarified. A good induction program enables the employee to learn about the organization structure, its policies and communication methods. As employees get information about policies and procedures, it improves their comfort levels.

25 INNOVATIVE HIRING IN RETAIL

Learning objective:

- To understand the innovative hiring in retail based on real life experience.

I happened to visit the Heritage Fresh Retail store in Bangalore. It was 8 am in the morning. On the way back home after my morning walk I decided to purchase vegetables at this store. I saw a senior citizen who was so energetic and active. He was walking about the store, talking to the front line staff, welcoming customers with a warm and gentle smile. Seldom do you see store managers standing at the entrance of a retail store and welcoming customers! I had my doubts. Was he a customer? Was he a store manager?

As I finished my purchase and stood at the billing counter, I noticed him talking to other senior citizens who happened to be customers. His geniality seemed to be infectious as most of them stopped after their purchases to have a few words with him. He seemed to know most of his customers by first name.

Intrigued by these events, I approached him and asked him if he was the store manager. He replied in the negative and added, "Sir, my friend owns this store and I come here every day from 7 am to 11 am to fill in for the store manager. The store manager comes at 11 am and works till the evening. I come here to pep up the front line staff, motivate the security guards who are doing routine work day in and day out and say a few kind words to the customers who come to shop here."

Though he did not say that many customers came to the store not just to shop but to also talk to him, it was clear that his behavior was promoting customer loyalty. Later I met him one evening and we started chatting. He said, "My daughter is happily married and settled in New Jersey. My son is in Australia. I was a very active person until I retired from a multinational company. But soon I found it stifling to sit at home, read newspapers and watch television. When I come to this store, I feel energetic. I joke with the staff, lighten their mood, hip hop around. Thanks to this, my diabetes is now under control. All my years I was working for a salary. But I am now working for giving something back to society. I have never been so happy in life". May be this was this gentleman's own way of ISR [Individual Social Responsibility]. Before he parted ways he told me, "I have always felt young at heart. This is what keeps me going".

That set my mind thinking. Generally store managers and store employees are a harassed lot. They work for long hours and are underpaid. Ennui is bound to set in. If retail industry

starts looking at hiring senior citizens on a part time/free lance basis to take care of the "nicer" aspects of customer care, wouldn't that be great? This will be a win-win situation. The collateral benefit of this effort would be customer loyalty/retention.

Retail marketing is all about creating a unique shopping experience for the customer. If we add a dose of emotional touch to this, it will make the shoppers visit the store again and again. This is another way of retaining customers, isn't it? Such senior citizens who have a zest for life and whose needs to socialize are high will act as a wonderful role model for the younger generation. Do you agree?

26 SMART HIRING IN START-UPS

Learning objective:

- To understand the hiring techniques adopted by budding entrepreneurs.

On 17th August 2016, Ola has sacked 700 employees from a company called Taxi for Sure – a company that it had acquired a few months ago. Reports say that in the current season, start-ups have slashed 3500 jobs – this is a number that doesn't augur well for the future of entrepreneurship in India. The problem is that the start-ups are in a mad rush to hire without doing a proper due diligence and soon when there is a down turn, handing out the pink slips becomes an inevitable option. The same scene is getting played out year after year and unfortunately there is no statutory regulation that can protect the rights of the white collared employee.

Hiring is one of the important challenges faced by start-ups. Start-ups often lack capital and they fail to procure institutional credit when they need. Secondly, they face shortage of infrastructure and their marketing efforts do not bear fruit due to lack of competence within the organization. So, hiring and talent management become important to ensure that their strategic plans are implemented as per plan.

The average age of an Indian entrepreneur in the start-up ecosystem is between 25 and 35 years and it is clear that some of the start-ups lack the wisdom to sustain their business in the long run. While entrepreneurs need to take a fair amount of risk, they cannot be blinded by ambition. This is what is happening in the Indian start up space now. Almost anyone worth his salt aspires to be an entrepreneur. While one is not sure how much of this thinking is driven by passion, it is clear that earning money quickly seems to be an important criterion for a youngster to enter the startup space. Anything that achieves success far too soon may not be able to sustain it. This is what has happened in the case of Flipkart and this is what happened when the dotcom bubble burst in the 2000s.

Ola has saved Rs 30 crores by firing people or so it claims. When business is in a downward spiral, all these HR philosophies are thrown out of the window in the shortest possible time. Business sense precedes egalitarianism. This pluralism in start-ups is difficult to fathom. On one hand, they talk nineteen to the dozen about the potential of their employees and on the other hand they lose no time in showing them the door. With smart hiring strategies, such situations can definitely be avoided.

SELECTING RIGHT

Today the avenues for interviewing and selecting a candidate are manifold. You have Skype, conference calls, Google hangout where the candidate can be interviewed by HR in a convenient time and space domain. However sourcing and selecting the right candidate continues to baffle HR professionals. With Gen Y, the job aspirations are so difficult to match. Today's generation looks forward to a stimulating work environment more than a fantastic pay.

Rather than selecting candidates in a hurry (haste is waste anyway) it makes sense to talk to the candidate to gauge if there is a proper fit. Only experienced recruiters can do this and not someone who thinks he is the best recruiter because he got a HR degree the day before. It is natural to expect an employee to be trustworthy, reliable, honest, hardworking etc. But does he have the fire in the belly? Does he have the passion to contribute his best to the organization?

The organization must show the new-age candidates the bigger picture than presenting an ambitious sales target. The vision and mission of the organization must be explained carefully. The long term aspirations of the organization must be clearly articulated to the candidate.

This is where HR specialists who are experts in background referencing can play a vital role. They can help in screening the right candidates so that productive time of HR is not lost in contacting the wrong selection targets. It is also unfair to expect that the success of a candidate in one organization can be exactly replicated in another organization.

Today's Gen Y employees aspire to contribute their efforts towards achievement of social and environmental objectives besides objectives to be achieved in the normal course of business. So, influencing them with the right and smart strategies is important to ensure that such (good) candidates not only join the start-ups but also contribute their best. Such candidates need to be provided an environment that is fecund for their career growth and for meeting their professional aspirations.

The days of hegemony are over. A pragmatic approach is what is needed in recruitment and selection. Smart hiring is the solution.

27 EMOTIONAL INTELLIGENCE REVISITED

In 2004 while I was working for the research centre in Castrol, there was a leadership transition happening in the centre. As a performance manager I was asked to facilitate a workshop based on the management book – "Fish". The new incumbent who was all set to head the research centre wanted to energize the team by conducting this workshop. While we were discussing the plans to conduct this workshop in a 5-star hotel near Powai, he casually mentioned about emotional intelligence as a stress management technique.

Intrigued, I tried to explore more into the subject and found out that Daniel Coleman had written a seminal book on the subject. But by then my reading habits had become so poor that I couldn't push myself into reading mounds and mounds of pages on the subject.

Ten years have passed since the workshop was conducted. So many things changed around me – some that were good, some that were not so good. Yet the main lesson from "Fish" has stayed with me ever since – "You do not have a choice about what you want to do, but you do have a choice about how you do what is assigned to you".
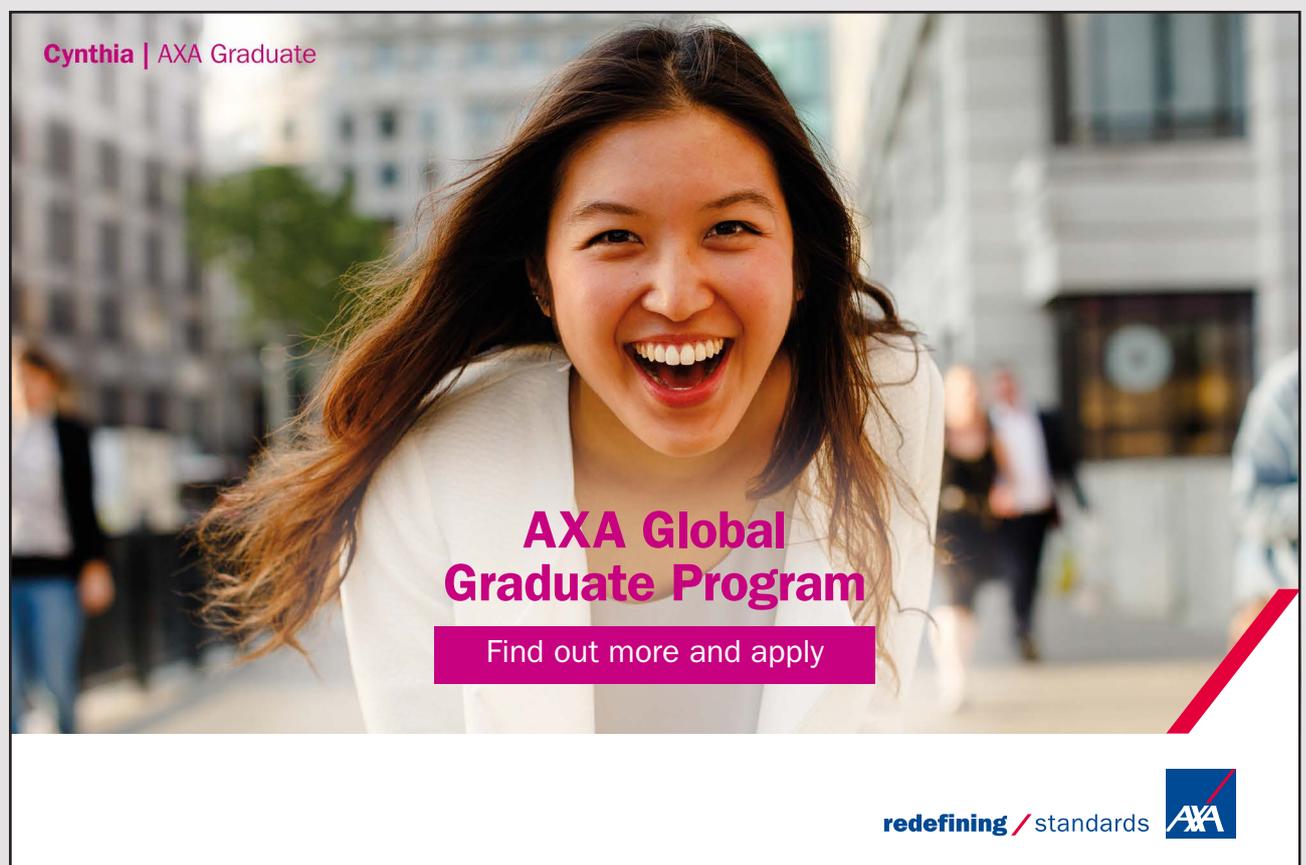
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Coming back to emotional intelligence, I had forgotten all about it until last year when I was assigned to teach the subject of "Managerial Communication" for the first time. Before the scheduled class on emotional intelligence, I was ready with the presentation on EI after reading about it from a few books and research papers.

Call it providence or serendipity or whatever. Even as I was explaining to students about EI, my mind jumped to an immediate flash regarding an episode in a television serial that I myself saw so many moons ago as a college student. Memories flooded me instantaneously and I decided to narrate this story to my students and it was very well received. It still continues to be well received whenever I narrate this.

"Ek Kahani" (One Story) was a television serial telecast by the national broadcaster in the early '80s. Directed by the immensely talented Manju Singh, the serial featured one short story in every episode. Manju was associated with Doordarshan for a long time and she played a memorable role as Amol Palekar's younger sister in the Bollywood comedy "Golmaal" (1979).

India is land of unity in diversity. We have so many languages and cultures and it is difficult to pick up award winning stories from the body of work in Indian literature. Manju Singh had to perform this unenviable feat. This episode of "Ek Kahani" featured a Sindhi story. It was, if I remember correctly, shot in Chembur in Mumbai. My memories are vague, yet I am recollecting whatever I remember.

A young boy comes to live with his uncle for a few days during vacations and soon enough he witnesses something strange happening in his neighborhood. This boy sees a middle-aged man who stays in the opposite flat leaving home in the morning for office. He is at his cherubic best as he waves good bye to his wife and children but things change for the worse when he returns home in the evening.

As soon as he enters home in the evening, he starts shouting at his wife and yells at her. Vessels roll in the household. This has now become an everyday affair. The boy's uncle cautions him and tells him not to poke in the personal affairs of others. But this boy is determined to help the middle-aged uncle.

Over a period of time he manages to confront this neighbor, takes him to his doctor friend and then the truth is revealed that this middle-aged neighbor is having a haranguing time at his office. His boss is abusing him ceaselessly and he returns home like a wounded tiger and attacks his poor family who become the unsuspecting victims.

As this man is not highly qualified, he has his reservations about getting another job and puts up with this abuse day in and day out. He simply does not know how to handle his emotions. Thanks to the boy and his doctor friend, the neighbor is given a sagely advice for overcoming this problem.

Now every evening after he returns home, this neighbor locks himself up in a room and hits at a pillow with all his force assuming the pillow to be his boss. After venting out his fury against the pillow, he comes out of the room – relieved and relaxed. Now this man has learnt to handle his emotions. The last scene of the episode showed a happy family thanks to the head of the family having learnt how to manage his emotions.

This example is only a slice of what EI is all about. EI is about managing your emotions and also trying to understand emotions of others. EI and empathy are complementary. Greater is the sense of empathy that you have, greater is the demonstration of emotional intelligence.
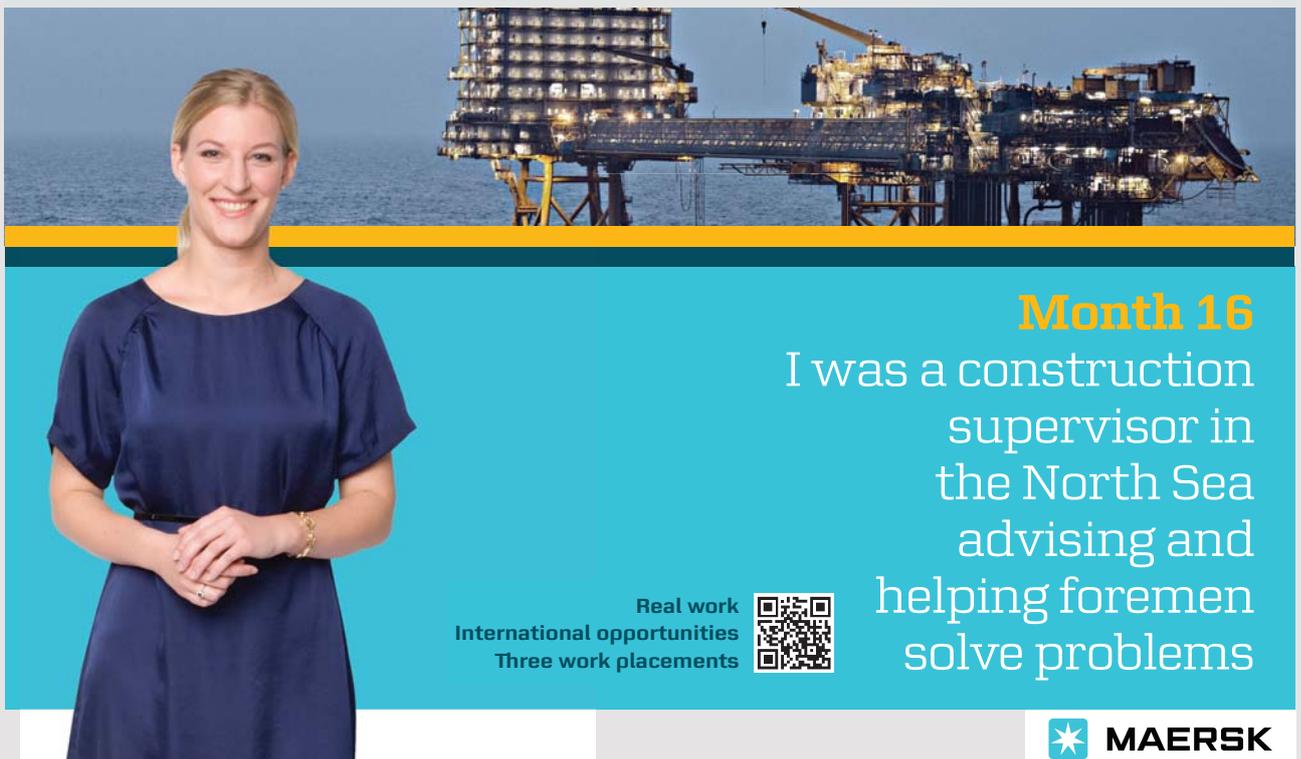
28 PLACEMENT AGENCIES

Learning objective:

- To review the role played by placement agencies in supporting the recruitment efforts of organization.
- To learn about the process for selecting the placement consultant who can be a right fit for the organization.

For HR managers who run short of time to pore through several resumes to recruit and select the right candidate, a placement agency can be great help. Sadly the mushrooming of placement agencies in India hasn't resulted in productive support to HR functions. There are too many placement agencies that masquerade as consultants with a bevy of people who may or may not be talented. Some of these agencies extract money both from candidates and organizations. There are so many foot soldiers out there that run placement agencies with bare minimum resources but seldom do they get the attention that they deserve.

Let us look at the factors that a HR manager should consider before selecting the right placement agency/consultant.

1. **Don't go by size**

   Often HR managers get impressed with the office atmospherics and staff strength in a placement consultant's office. But they need to remember that greater the size, greater will be the price that will be charged. Size cannot be the sole criterion.

2. **Look at the credentials of the promoter**

   Ideally the one is capable of leading a placement agency must be someone with a HR background – someone who has had several years experience in the industry and understands the fine nuances of recruitment and selection. There are many fly-by-night operators out there – professionals who don multiple hats – like acting as an insurance advisor, financial advisor, HR advisor etc – it is debatable whether such organizations have the requisite competence to recruit and select the right persons to do the work for them. Then there are professionals who may be from the HR field but who run a placement agency just to bide their time. How committed these individuals will be is anyone's guess.

3. **Experience need not deliver the best**

   There are several placement consultants that have been in the industry for many years but that does not necessarily make them the best. Often such consultants get mired in complacency and lassitude that subsume them over the years. Result? Such agencies will

not deliver anything except a great sales talk. It is vital to remember that matching a candidate's skill set with that of the requirements of the job is not like hailing a cab or a taxi through an app. It is much more than that.

4. **Insist on background reference checking**

Many organizations are saddled with court cases of former employees because they failed to check the past credentials of that employee. No organization would want an activist in place of an employee. It is the responsibility of the placement consultant to assure the HR manager that background reference checking has been conducted.

5. **Check if the candidate has met the placement agency**

There are scores of agencies who merely match the candidate's profile with the job specifications through digital means and directly send the candidate to the client's office. This is an unhealthy practice. It is the duty of the placement consultant to meet the candidate in person, interview him, record the observations and finally make the recommendations. The consultant must have clear answers for questions or clarifications that the candidate might have. The placement agency must also communicate the client's expectations to the client.

Imagine a scenario when a candidate is not interested in a posting outside his place of residence. If the placement consultant is oblivious of this detail, he will only be wasting the HR manager's time if the posting is outside the city.

To sum up

Technology-enabled recruitment and selection of employees may be the reality today but the HR manager should never ever ignore the hunch or the intuitive part of the process. A calibrated reading of a person's profile coupled with the placement agencies' recommendations complemented by the background reference checking will ensure selection of the right candidate. This will not only save the HR manager's time and effort but will also ensure a proper fit between the candidate's aspirations and the demands of the job. This is why selection of the right placement agency becomes crucial.

29 BESPOKE HEADHUNTING

Learning objective:

This chapter will introduce you to the fundamental concepts of head hunting.

The euphoria over India as a happening place is increasing day by day. Cynics believe that it is all hype. Even the western world is smart enough and there is no point in deriding others to stake your claim as a growing economy. The difference between India and developed economies is that in India talent is cheaper than in the West. So, how is it for head hunters in this scheme of things? The size of the hiring market in India is roughly about $14 billion. Is this the time to be gung-ho about the prospects of headhunting?

Be that as it may, Indian headhunters are now swamped with calls from multi-national corporations (MNCs) in other countries. So, why is there a keen interest in recruiting Indian managers? Many MNCs believe that Indian managers are adaptable, have a high sense of responsibility, are dependable and can work in ambiguous situations. Their ambidexterity is what appeals to the MNCs the most.

But selection of the right candidate can be a painful process according to a head hunter based in Chennai. Lata Balachander says, "Headhunting is not easy as people presume it to be. You need to know what the customer really wants. MNCs want CEOs who have already worked in a structured environment. As regards entrepreneurs, the buck stops with them. Head hunters need to know how to deal with entrepreneurs. Indian giants often want CEOs who think like an entrepreneur but then the question is – why would candidates who think like entrepreneurs want a job in a company as a CEO?"

Employees who have worked in a structured environment will find it almost impossible to work in a start-up in an unstructured set up where the founder-entrepreneur has the last word on everything. It is the headhunter's job to screen candidates carefully. Otherwise, a wrong selection can be disastrous for everyone – the client, the candidate and the headhunter.

Today, job portals have become the refuge for scouting for candidates for lower and middle level positions. Linked In has become a popular tool to scout for candidates at the higher level. But headhunting is not just about scouting and looking for probable candidates.

The companies have to be clear about what they want. This clarity has to be imbibed by the headhunter and the vision must be translated to the potential candidates. When the needs of the companies and the candidates match, the head hunter, has, in all probability, scored a goal. Often a reluctant candidate becomes interested in a potential opportunity only because the money is interesting.

Every aspect of head hunting revolves around the needs of the clients. So it makes sense to offer bespoke solutions. MNCs hiring CEOs are more concerned about the learning curve of CEOs. Says Lata, "In MNCs, the CEOs are expected to deliver right from day one. This may vary from one company to another in terms of degree of expectations. Using tools like LinkedIn to select the funnel of probable candidates, the head hunter has to relentlessly work in selecting the right candidate for such set ups".

Is head hunting only about looking at Linked In profiles? Lata refutes this and says, "Head hunting is about elimination. It is about selection. This can happen only when the head hunter has done sufficient research which can be a time-consuming process. From the basket of 10–15 profiles, the head hunter has to narrow down the choices to a maximum of two or three profiles. Decision making often needs a gut feel which comes through experience. A head hunter needs to have a backup, a plan B. Otherwise nasty surprises at the last moment can be unnerving. No wonder head hunting is a highly stressful job. It may take up to 4–6 months to select the right candidate".

There are headhunters who have met probable candidates in the most bizarre places – coffee shops, jogging parks, temples and spiritual meetings. Meeting the candidates in an informal setting is highly recommended.

Interviewing candidates and selection of the candidate are critical processes in the value chain. Jack Welch (GE) believed in spending personal time with the executives whom he recruited. Often the gap between the CEO and the next level person can be huge in terms of the pay packet. The next level person could be the one who is in the forefront for resolving operational bottlenecks.

Some of the online portals have CEOs who are in the age bracket of 30–35. These CEOs seek COO candidates who are in the age bracket of 23–27. There is abundant talent out there in this age bracket. Today it is no longer about hiring only experienced people as COOs as they may be luddites and may lack the chutzpah to get the work done from the Gen Y crowd. Tech savvy Gen Y candidates who have the burning desire to excel are being sought after by companies for leadership roles who want to up the ante when it comes to exploiting the creative energies of its work population.

Today, age has truly become a mere number. The headhunters know this only too well.

The challenges and joys of head hunting

Head hunting is resorted to when in house department's capacity is limited to selecting lower category people. Normally headhunting is aimed at selecting senior manager and upward levels. The head hunter is given parameters which he should adhere strictly to the parameters set by the managing director of the company. Normally head hunter will try to locate a person who generally does not apply for a job. Most eligible candidates that a company needs may not route his bio-data through monster.com, naukri.com or other portals. He may not even respond to advertisements because he may be happy in his current set up. The managing director of a company who engages the head hunter will also tell the latter the segment from which candidates must be drawn. For example – If FMCGs require a top marketing man; they will give the details to the headhunter and also give names of companies whose employees will be ready made for them. In such an event, a head hunter discreetly finds out names of people engaged in the competitive firm in senior positions. He tries to approach them through multiple channels like the dealers of a company (in case of FMCG), ex-employees of the company and management associations.

The head hunter then prepares a directory of possible candidates whom he can target. The head hunter may use different approaches like meeting the candidate informally in social

gatherings, sending him feelers through inner circles or approaching him through social media networks like Linked In. The initial reaction of the candidate will be negative. He will even put off the head hunter with sarcasm. Yet the head hunter will stoop to generate a recommendation from such a candidate by telling him, "Recommend a candidate who is like you". By this strategy, the head hunter will increase the list of candidates whom he should meet. After eliminating those who are stubborn and at times rude, the head hunter will zero in on possible candidates who initially will react positively at 5% of the expectations.

Then slowly the rapport is built up. Strict assertion of confidentiality by the head hunter will generate further intimacy with the candidate. In due course, the candidate will be informed about the company, the management, the background, the hierarchy etc and candidate will be advised to define a swot (strengths, weaknesses, opportunities & threats) method to find his suitability for the new company. This SWOT analysis will be reviewed by the head hunter and candidate. This is the first step which may prove to be a harbinger to reach finality. Normally for very senior positions, the MD of the company will meet the candidate in a five star hotel and using this brief discussion both will develop a rapport. From then on, the process gets faster. The appointment gets concluded.

STRATEGIC MANAGEMENT
OF HUMAN CAPITAL

BESPOKE HEADHUNTING

For middle management positions especially engineers holding positions in production, maintenance, quality control, supply chain management, methods used by head hunter may be different. For example – a head hunter was asked to select a senior maintenance engineer with experience in maintaining Wartsila diesel engine. The head hunter managed to get the list of organizations where Wartsila has supplied minimum 3 engines for captive consumption.

Normally engineers who are satisfied in this job will never read advertisements or circulate their bio-data through job portals. In the present case, the head hunter after locating the most nearest plant where Wartsila diesel engine is supplied, goes to the city, telephones the company during the lunch hour and gets connected to the canteen and asks the canteen man to connect him to the power plant man who is having a lunch there. The canteen man in all sincerity calls a man who is in the power plant on the phone and the head hunter develops a rapport with him and invites him for dinner in a nearby hotel and says confidentially, "We will talk later". This meeting which takes place is the beginning and culminates in the appointment of the person.

Normally ex employees of companies will give lead to most eligible candidates to the head hunter. Of course, the ex employee will expect some reward in return.

Head hunting essentially begins with elimination of those candidates whom the head hunter has listed as probable candidates and who are curt, non responsive, rude, impolite and who openly admit that they are not interested in changing their job. Another head hunter Mrs. Mangala Parashuraman says that she eliminates those who are always job hopping.

Out of those who remain in the list with some speed, further contacts are established and a quick judgment is made after meeting a few of them. Finally those who are positively looking for a change will be met and informed about the company. In this process, eventually a candidate is selected.

Did head hunters experience any last mile delivery issues? Mr. D Ganapathy, Mumbai-based headhunter with 2 decades of experience in head hunting says, "I have come across people who accept the letter of appointment and back off. They use this letter as a negotiating tactic for higher salary and position in the present organization where they work". He also adds that head hunters caution such candidates not to follow such strategies as these will not work in the candidate's favor in the long run.

Is the big money that they get the only incentive for head hunters? Mr. Ganapathy refutes this and says that, "The appreciation of the candidate for having placed him in an appropriate role in a good organization is a greater incentive than money". Such candidates also help the head hunter in suggesting right candidates for the head hunter's next assignments.

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So what is the latest trend in head hunting? Head hunters are also used by candidates to locate companies in which they aspire to work. The candidate gives the list of companies which the head hunter should concentrate. So, head hunting is no longer about hunting "heads", it is also about hunting "companies". So, how is this trend different from a candidate going to a placement agency?

Mangala says, "When you approach a placement agency, you don't specify the companies that you wish to work for. Essentially those who approach a placement agency or a HR consultant or job portals are those who are active job seekers – those who are seriously contemplating a job change". The high fliers who approach the head hunters are not active job seekers and they can afford to be choosy about the companies that they may wish to work for. Once they land the dream job, such candidates reward the head hunter handsomely.

Purbi Kamat, a head hunter based in Pune, says, "A head hunter has to be a people person. He should have a never-say-die approach. He needs to have HR skills, sales and marketing skills to attract the right candidate. There can be no question of compromise on ethical values or values like integrity. Otherwise, reputational damage will kill a headhunter's career."

30 REFERENCE CHECKING: AN EFFECTIVE TOOL FOR HR MANAGERS

Learning objectives:

1. To understand the need for reference checking as a tool for HR managers.
2. To learn the benefits of reference checking.

As technology evolves it presents opportunities and challenges to all functions and the HR function is by no means an exception. There are various tools available to HR managers to recruit and select candidates – psychographic test, referrals from existing employees or exiting employees, social media profiles, profile, past employer, track record of employment history etc. But there have been cases when all this information proved to be insufficient to determine the integrity of a prospective employee. Businesses are now giving lots of thrust to ethical behavior at work and so the process of reference checking assumes great significance for the HR manager.

Here are 5 benefits of reference checking:

1. Savings in time and cost
   Time is a scarce commodity in a rapidly changing business environment. The cost of recruiting and selecting the wrong person can be phenomenal. By availing of reference checking services by experienced professionals, the HR manager can not only save time but also engender greater operational efficiency.

2. Value for the organization
   Having the employees with the right skill sets and competence to meet the demands of the job can prove to be invaluable in the long run. Additionally, when the HR manager selects employees with the right set of values and moral standards it becomes an added advantage for the organization.

3. Avoiding potential conflicts in the future

    When a wrong candidate is selected this not only erodes the existing values in the organization – it also impacts the working culture adversely. Besides causing stress to the HR manager and the top management, dealing with unscrupulous employees can be a nightmare. Conflicts can often take an ugly turn severely hampering the organizational productivity.

4. Signal to existing employees

    When the company gives importance to processes like background reference checking it is an indicator of the organization's commitment to espousing and practicing the value system that it has created. This acts as a warning signal to existing employees and prevents them from engaging in deviant behavior. In a wired world, employees have to be sensitive to their own behavior on social media as this can be easily tracked.

5. Strengthening the recruitment and selection process

    The process of reference checking of potential employees strengthens the recruitment and selection process in the organization making it more robust. Such services lead to selection of the employee who is a right fit for meeting the organization's goals.

31 DIPPING MORALE IN ORGANIZATIONS

Learning objective:

- To appreciate the fact that organizational morale can dip.
- To identify the reasons for dipping morale in organizations.
- To review the deleterious effects of dipping morale.
- To study and evaluate the corrective actions needed.

Low employee morale can be a cause of concern not just for the employees but for also the business. Unhappy employees are not productive and in customer facing organizations this can present significant problems in the quality of service rendered to customers.

Here are some of the common causes of low morale.

Changing Goals

Though it might sound like a cliché, goal posts cannot keep on changing. If employees cannot see the relation between their goals and overall mission of the company, they are bound to get demoralized.

Setting Unrealistic Targets

This can also pose a problem. The employees will find it difficult to have a work-life balance or they may succumb to stress – either of which will not help the business in the long run. Engagement with employees informing them about tasks and guidelines for accomplishing the tasks is important. This also helps in clarifying expectations.

Performance Reviews

All of us undergo annual health checkups. Does it mean that we should ignore our health at other times? Performance Reviews must be on-going though the formal mechanism for conducting a performance appraisal can be arranged twice in a year.

Wasted Potential

Nothing is a bigger crime than wasting talent. This can happen if people are over qualified for a job or if they have been promised something during the interview and given some other portfolio after joining the organization. Deteriorating boss-subordinate relations can also lead to bias and subordinates may be sidelined. This can only massage the ego of the boss. It will do little to take the business forward.

Poor delegation is an anathema for success of a leader. A leader who does not delegate and wishes to grab all the work himself is not leaving any elbow room for developing potential human capital.

Effects of low morale

Low morale can be devastating as it will lead to a dip in productivity and encourage absenteeism and attrition. Everyone in an organization is indispensable but when talented people leave the organization, they take away the accumulated intellectual capital with them.

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32 DOES 360 DEGREE FEED BACK ALWAYS WORK?

Learning objectives:

1. To study the need for a 360 degree feedback mechanism.
2. To review the objectives of 360 degree feedback.
3. To understand the pre-requisites for a 360-degree feedback process.
4. To learn about the pitfalls of the 360 degree feedback mechanism.

Introduction

360 Degree Feedback is a system or process in which employees receive confidential, anonymous feedback from their colleagues. This typically includes the employee's manager, peers, and direct reports. In some cases, feedback is also sought from customers and suppliers. An anonymous online feedback form needs to be filled up in which the questions centre on workplace competencies.

The forms have questions that are measured on a rating scale. In most cases, there is an option for providing subjective feedback as well. There is also a self-appraisal by the employee who is receiving the feedback in which the questions are similar. The idea is to give a clear picture about what the employee thinks about himself vis-à-vis what others think about him. The ultimate goal of a 360 degree feedback is to improve individual performance in a manner that can impact the business performance in a positive manner. But does it always work? Where are the gaps?

Evolution of the 360 degree feedback system

The idea of soliciting a feedback germinated in the '50s. However, the concept of 360 degree feedback gained momentum only in the '90s as the human resource professionals began to have a clear idea and conceptual understanding of the process of 360 degree feedback. In the earlier days, surveys were almost always paper-based. This led to delays in collecting and assimilating data and analytical interpretation of the data was more of a manual effort. However, with the advent of technology, on-line surveys are becoming more popular. Though data interpretation and analysis in on-line surveys are good, the online

system needs an additional follow-up mechanism to ensure that the respondents have taken the feedback survey. Today, it is estimated that over ⅓ʳᵈ of all the firms in the US use some form of feedback to enhance the performance of their leaders.

Objectives of 360 degree feedback

The primary goal of this process is to enable leaders to have a clear perspective regarding their strengths and weaknesses. The feedback is provided in a structured format that facilitates the formulation of a development plan for the individual concerned. Based on the feedback about behavioral aspects of the leader/manager, the latter can chalk out a strategy to improve their performance in a way that reinforces the business goals. It helps them to understand the focus areas where they should concentrate. As the feedback is obtained in an anonymous fashion, it enables participants to give honest feedback. The 360 degree feedback is thus an excellent development tool.

Some organizations use the 360 degree system to appraise individual performance but critics point out that this is not a good strategy. The 360 degree feedback focuses more on individual behaviors and competencies and less on basic skills, job-based competencies and ability to meet the performance objectives. A performance appraisal is an evaluation of the individual's performance by the immediate line manager. However, the 360 degree feedback can be a subset of the individual performance appraisal process.

Thus, the core objectives of a 360 degree feedback process is to assess the behavioral competencies of the individual – for example listening skills, planning skills, goal setting, ability to work in teams and leadership effectiveness.

Pre-Requisites for the success of a 360 degree feedback

The assessment items have to be objective to obtain high quality data. This is possible only when the right kinds of questions are asked. It is best to keep the organizational expectations and job-related competencies in mind while framing the questions.

Planning the process is another crucial step. This is also an indication to the employees that the organization is serious about the process and its implementation. A reasonable time needs to be given to respondents so that they can give quality inputs.

The things that are being measured need to be aligned with the organization's mission, vision and long term strategy. As with any initiative, such exercises need the support of the top management so that it sends the right signal across the organization. Taking both the individual as well as the respondents into confidence is a must. If the objectives of the exercise are understood, then half the battle is won.

Many instances have been reported where employees are afraid to give honest feedback because they experience a feeling of paranoia that their responses will not be taken in the right spirit. An effective communication strategy will help combat this fear. This is also one of the reasons why many organizations have outsourced the 360 degree feedback system to a third party.

Negative feedback can always become counterproductive. This needs to be dealt with tact. Rather than provide negative feedback, it is essential to provide constructive feedback. If you fail to do anything with the data, you have wasted your time as well as the time of both participants and respondents. Every person who receives feedback needs to create some developmental goals based on the feedback he or she received – and remember – those goals need to be both measurable and achievable.

Developmental goals are meaningless unless people are held accountable for achieving them. Generally, a follow up is done either semi-annually or annually to ensure that the individual is working towards achievement of the development goals as envisaged in the post completion phase of the 360 degree feedback process.

The Pitfalls of the 360 degree Process

In principle, the idea of a 360 degree feedback is sound. There has been criticism that the process is often coercive and intimidating. Some organizations do it more from a need to fulfill the KPIs (Key Performance Indicators) of the HR function than with a real sense of purpose. Most problems associated with this process relate to its implementation and use of the feedback provided by the respondents. If the individual receiving the feedback does not/cannot relate to the feedback, then the entire exercise becomes futile. It is extremely important for the HR function to explain to respondents that this is not merely a form-filling exercise.

On the flip side, it is unfair to expect overnight changes in behavior after implementation of the 360 degree process. Expectations from the exercise have to be realistic. Some firms have used this process to support layoffs – in which case, the entire objective of the exercise gets defeated.

There is also an inherent risk that the evaluators use it as a means to get even. Feedback can hurt as the evaluators aren't nice or positive or untrained in giving constructive feedback. Evaluators can end up giving abstruse feedback.

Conflicting opinions compound the confusion. How to decide who is right? How accurate and reliable and uncolored is the feedback? If respondent doesn't like the person whom he is evaluating, it is possible that he might equivocate. If the feedback isn't truthful, it isn't useful.

Managers who receive the feedback resolve to change but seldom take corrective actions to meet the development goals. Those leaders who have strong personalities often become the victim of "I-am-the-best" syndrome and will tend to look down upon the responses condescendingly. Paucity of time can led to dithering from the commitment made by the leaders. It is tempting to slip back into the usual behavior.

The Way Forward

Habits die hard. It is not always possible to achieve spectacular success with the 360-degree feedback efforts. But a gradual beginning can nevertheless be made. Anonymity of respondents is a given. It is also wiser to expand the number of respondents so that the feedback is not skewed and is more truthful and realistic. On occasions, a HR expert needs to be engaged for an accurate interpretation of the feedback. Implementation of the process in a staggered fashion is more helpful as too many surveys at the same time can lead to survey fatigue. If HR function uses the 360 degree feedback only as an annual form filling exercise, then respondents will try to look at the forms casually and end up giving feedback that may not necessarily be correct. So, it is vital to explain the objectives of the exercise to the respondents and demonstrate the clear linkages of the exercise with the organization's long term strategy. What is needed is a greater degree of innovation in framing the 360 degree feedback process to obtain optimal results.
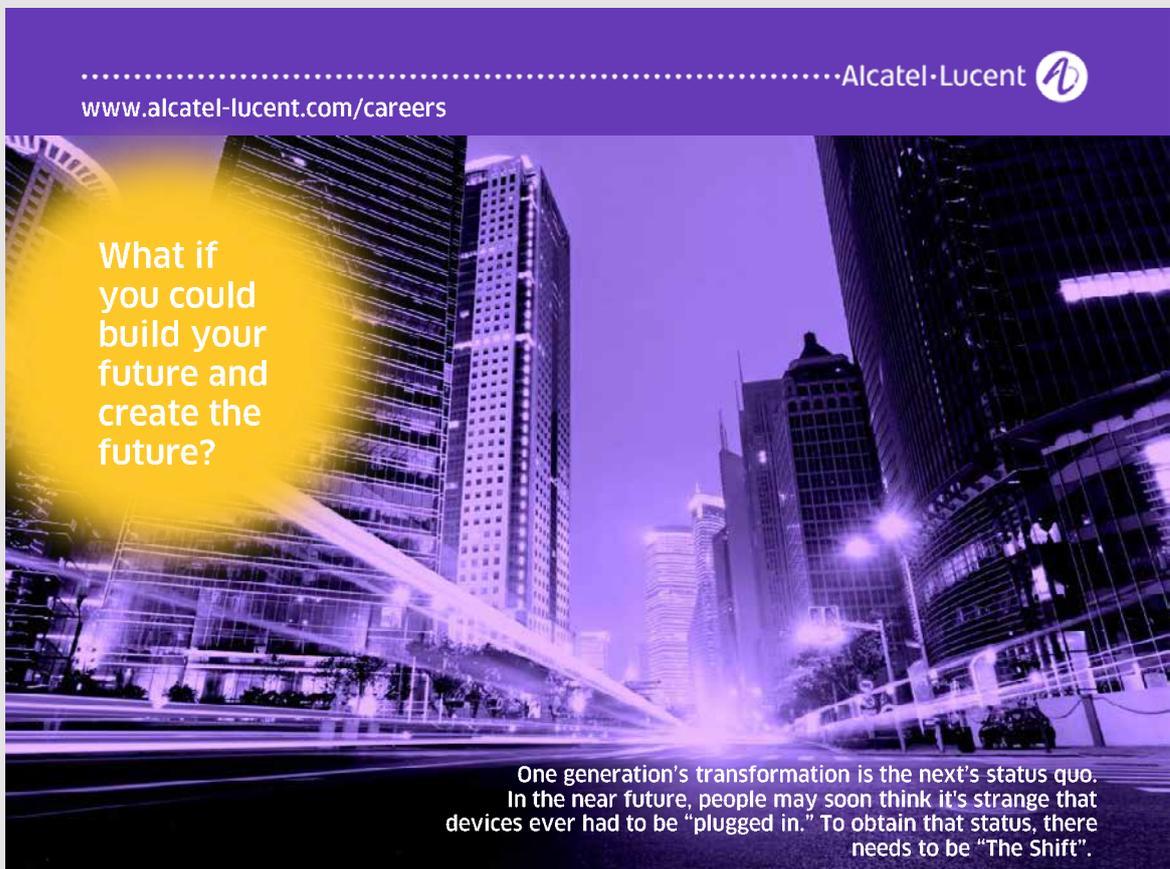
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33 GEN Y: IS MASLOW'S THEORY STILL VALID?

Learning objective:

- To review the validity of Abraham Maslow's motivational theory for Generation Y.

Abraham Maslow's motivation theory talks about the needs of human beings that can be constructed as a pyramid. Individuals are concerned about their basic physiological needs. Once these needs are satisfied, individuals move on to the next level which is the need for security – be it job security, financial security or personal security. The next need up on the hierarchy is the need to socialize with others. If social needs are met, then the next level is about meeting self-esteem needs where the individual craves for recognition from others. The last need on the Maslow hierarchy is about self-actualization – exploitation of potential. Pursuit of this can be akin to pursuing a mirage.

The key question is: Is the Maslow model still applicable for the present generation especially Gen Y? Times have changed since Maslow introduced his model in the year 1943. What drives individuals today is rather difficult to understand and relate to especially if you are from another generation.

Social needs and self esteem needs seem to be dominating the spectrum of needs even as security needs are being relegated to the background. Look at the popularity of social media networking tools. This is clearly a reflection of changing norms and behaviors.

Money is no longer the only motivator. Even though 100% job satisfaction is impossible to achieve, people are striving for the same. Technological advances have boosted the confidence of Gen Y. Despite complaints about information overload, the easy accessibility of information is a great driver of human behavior.

Gen Y resists anything that is imposed on them. They do not want to be control freaks or perfection-addicts. They are also selective readers. They question age old traditions and norms and are rebels in their own right. Having seen how the previous generation has fared, they tend to think that discipline curbs freedom. But what they have failed to understand is that discipline gives you more freedom.

Youngsters are now looking at the fun quotient in a job. This is why companies like Google top the list of "great places to work". Routine and monotonous jobs are either being shunned

or people set a time frame for doing such chores. Gen Y thus believes in enjoying life more. Staying in an organization for more than two or three years is not considered a wise strategy.

Once a job ceases to be challenging, they start looking for the next challenge which can drive them up the wall. They look for excitement in terms of the new projects offered – working with cross-cultural teams or working in foreign locations is a big plus. As they say, the world is their oyster and they wish to relish every moment. Gen Y simply cannot do away without their gadgets. Logging onto social networking tools is a must for meeting the social and self esteem needs.

Though Maslow's theory is still valid decades after it was first introduced, the model needs tweaking to make it more contemporary.

34 COMPENSATION MANAGEMENT & PAY PARITY

Learning objectives:

- To review the factors that can affect compensation management.

Compensation is one of the important factors that influence the motivation of employees in an organization. But when organizations plan the compensation schemes, they have to consider a number of factors. Pay structures are designed in accordance with judgments about job values in comparison with other jobs, and markets rates of pay for comparable jobs. These judgments are made against the background of the factors which influence job values. Job values may be established by using some form of job evaluation.

The primary objective of a compensation system is to administer an effective and equitable pay system. It can be affected by various factors which are as follows:

1. **Organizational Provisions**
   Organizational provision states that the level of compensation largely depends upon organizational operating policies and procedures. It is because the policies serve as a guideline for formulating and implementing compensation plans and programs. Moreover, organizational regulations, plans, objectives, ability for pay etc. also affect the level of pay.

2. **Government Regulations**
   In order to protect the working class from wage exploitation by strong employers, the government enacts various laws and judicial decisions. Such laws and regulations affect compensation management. Because, they emphasize on minimum wage rate, overtime rate, working hours, equal pay for equal work, payment of bonus, etc. So, an organization has to design its pay system as per the government rules and regulations.

3. **Equity Considerations**
   Equity considerations hold the philosophy that the compensation system should be fair and equitable. It means the compensation system should be similar for the same type of work within the organization. Similarly, it should be fair relative to what other people get for the similar job in another organization. It is important because any imbalance between what the employees contribute and what they obtain as return would lead to greater job dissatisfaction, employee turnover and absenteeism.

4. **Union Pressure**

Labour unions are pressure groups that work in the interest of the workers. Such unions lobby the management for the formulation of fair compensation plans. These organized unions can ensure better wages for employees.

5. **Job Analysis and Evaluation Report**

Job analysis is a method through which necessary information about the contents and the contexts of the job is made available to determine the value of each job. The job evaluation is a process of determining the value/worth of a job so that a payment system can be specified. Job analysis and job evaluation determine the relative worth of job which ultimately assist for compensation management. Hence, it is regarded as an important factor of compensation management.

6. **Cost of Living**

Compensation is concerned with an overall return that an employee obtains from the organization for rendering contributions towards organization objectives. Therefore, the payment should be adequate to maintain the cost of living of the employees. Hence, the employer should manage compensation viewing the cost of living of each individual.

7. **Organizational Positions**

Sometimes, the organization itself evaluates where it is in order to prepare compensation plans. The position of the organization is determined by its productivity i.e. if the productivity of the worker is high, it assess itself as a higher position. As a consequence of it, the compensation system is determined at a higher level. Contrary to it, in case of lower productivity, wages/salary rates tend to be low. Thus, any shift in productivity and employee performance has direct impact on the wage level of the organization.

8. **Productivity of Workers**

Another factor of compensation management is the productivity of workers. This is the new concept of linking pay with employee performance. Under it, if the workers are highly productive, they get high compensation as compared to less productive workers. Productivity is a key factor as it enhances organization's image and status.

35 A GOOD BOSS, HANDSOME SALARY OR CAREER GROWTH

The term 'boss' has, of late, evoked more negative than positive images among the denizens of the corporate world. The statement "employees leave bosses and not organizations" has become ad-nauseum now. The term "a good boss" is in danger of becoming an oxymoron. So, how do we define a good boss? What is more important for corporate professionals?

A good boss, a handsome salary or career growth – this can be a difficult choice indeed. An ideal situation would be to have all three. But then it will be too much to ask, isn't it?

The world that we are living in is full of imperfections. The key challenge for all of us is to achieve success despite all these constraints. No one can claim to be perfect in this world. The extent of perfection can only be relative – there can never be any absolute definition of perfection. Every leader has his inadequacies and shortcomings. Sometimes, the battle in the mind of a leader is to seek an ideal balance between adopting employee-friendly approach and a business-friendly approach. He faces the challenge of straddling between both worlds.

Being accommodative to employees need not signal the end of business performance. If it was so, we would not have had so many modern concepts in the field of human resources today. Flexi timing, a sustained effort to promote work-life balance, efforts taken by organizations to train employees and enable the latter to sharpen their saw, work from home options, willingness of business to go back to the drawing board if it is needed to protect human capital – the field of human resources has truly evolved today. The cost of retaining a self-motivated and productive employee is far less than hiring a new employee, training him and acclimatizing him to the organization's culture.

The meaning of the word "good boss" can have several interpretations – depending on the context. Is a good boss someone who always sanctions leave whenever you need it? Is a good boss someone who allows you to take a day off despite the fact that you have important meetings scheduled? Is a good boss someone who is kind to you to ensure that you are able to meet your family commitments? Is a good boss someone who never reprimands you? The balance between the humanitarian qualities and leadership qualities of a boss is important.

A good leader need not be nice to you. A good leader, who has interest and welfare of a sub-ordinate in his mind, will not hesitate to point out his follower's flaws when needed. A good leader will also not hesitate to appreciate a subordinate's outstanding performance.

There is a thin line between a 'boss' and a 'leader'. One can stretch it a bit and say that a boss is more like a task-oriented manager who can't see beyond the immediateness of the tasks at hand. Whereas a leader is someone who thinks beyond, has the vision and ability to demonstrate inclusive and inspirational leadership!

A boss prides on the authority and the positional power the authority gives. It is up to the boss to channelize this authority in the right direction to ensure his transition to an effective leader. Often, the authority can lead to vanity which brings along with it a destructive streak. This is the phase when the boss loses the chance to grow in his career due to wrong perceptions about the authority bestowed upon him.

A good boss shows you the picture of the future. A good boss will never be able to track the distinction between his roles as a boss, as a leader and as a mentor. All these roles will blend seamlessly to characterize his professional working style.

Anyone who works in the corporate world to achieve a rank in the popularity charts is only deceiving the business. For business, it is all about profits and growth. So, a good boss is one who never forgets that business performance is integral to his success as a leader.

A new theory that is already emerging is that of circumstantial leadership. More than the experience, it is the situations in the corporate world that shape the leadership qualities. Sometimes, challenges can bring out the best in a person and make him aware about the inherent abilities that he possessed but never knew or never had a chance to utilize.

To sum it up

Fortunate are those who get a good boss early in their careers. Even more fortunate are those who are able to grow in their career under the tutelage of a boss who happens to be a great driving force in charting the career of his sub ordinate in the right direction. A handsome salary then becomes an added bonus. But without the influence of a good boss and a clear cut career growth plan, an attractive remuneration only serves a limited purpose in increasing personal wealth, as it deprives one of good mental health. Wasting talent is a crime that the corporate world unabashedly commits. Amongst the three parameters, every individual must therefore choose career growth as the most important parameter as the other two (having a good boss, earning a handsome salary) is outside his influence and control. If an individual works diligently in enhancing his career prospects, money will follow. In that case, having a great boss will prove to be a jewel in the crown.

STRATEGIC MANAGEMENT
OF HUMAN CAPITAL

DEALING WITH FRENEMIES IN THE WORK PLACE

36 DEALING WITH FRENEMIES IN THE WORK PLACE

Viewers of Bollywood movies will very well recall the '80s movie – "Pyara Dushman" (friendly enemy). The term itself is an oxymoron – for how can we have an enemy who is your friend?

In this chapter, I would like to explore what the term "Frenemy" actually means and how can one deal with them in the work place.

Frenemy is a portmanteau of "friend" and "enemy" that can refer to an enemy who pretends to be your friend. The term can also refer to someone who is really your friend but also a rival. Work environments are becoming more and more informal and the lines between an individual's professional and personal relations with a colleague often get blurred.

In a 24×7 work environment where stress to prove oneself in the workplace has increased manifold and where performance has become the crucial determinant of professional success in an organization, relationships tend to develop between colleagues even outside of the
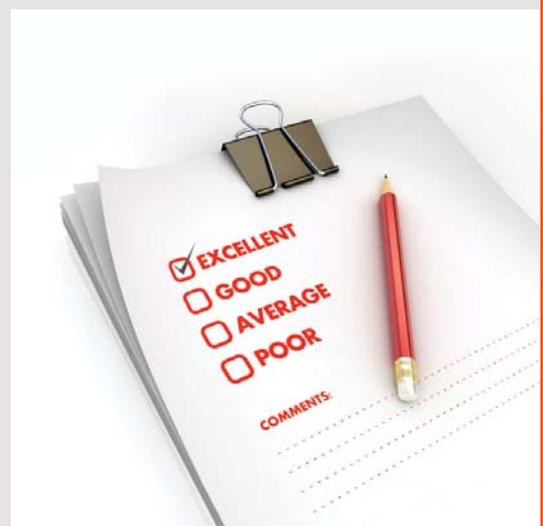
work environment. In a performance driven work culture, the number of hours put in by an employee has also increased. This leaves little time for developing friendships outside of work.

There is one category of employees in organizations who may be aptly labeled as "tale carriers". They are adept and adroit in carrying tales to the boss by adding their own version of the news sourced from the grapevine. Needless to add, these employees form part of the "inner circle" of the leader's core team. The leaders depend on them for getting some real time, on-the-ground information.

I have encountered many of them in my professional career and believe me; at times they can actually scare you, with the amount of misinformation that they can pass onto the boss, under the guise of "providing information". With such colleagues, one has to be circumspect about what to speak. On the humorous side, if you want some information to reach the boss, you know whom to talk to. So, it actually works in both ways.

In 99 cases out of 100, the corporate world is full of such "tale carriers" who actually taste professional success due to their proximity with the leader. I do not want to pull any punches here, but the truth is that, despite all the talk about performance, only those who are able to develop better inter personal skills with the leadership team, can hope to attain a modicum of success in an organization, especially during the initial period.

In today's networked world, with the advent of social media and opportunities to interact with global teams, developing interpersonal skills with the immediate superior is not enough. One has to gain enough visibility in the corporate world to get noticed. Good leaders who are also mentors often act as a catalyst in giving a lift to the career prospects of their protégés.

Mumbai-based HR consultant Mr. Ganapathy Dharmarajan says, "In the corporate world, it is not enough to be honest, you have to also appear as honest". He cites an instance of a chartered account in one of the firms where he worked who climbed up the popularity charts in the organization by devising ingenuous ways of evading tax. The top management team simply loved him (did someone say – ethics in the workplace? – but wasn't that confined to the scrap bin long ago?), believed every word of what he said, rewarded him handsomely and made this employee encroach upon each and every function in the organization – HR, Sales & Marketing, Purchase (to name a few).

The HR function in the above organization was affected the most as HR heads can seldom hope their voice of reason to be heard by top management amidst the din and allure generated by such sweet talkers. The said employee's interventions in the organizational decision

making processes soon became intrusions. But he tasted success for quite some time (close to a decade) before he moved to the US. In the process, he managed to earn his millions.

This employee called everyone in the organization his friend but what he did behind their backs was enough to make them lose their self confidence and tranquility. The fact that this was an Indian organization actually worked in his favor. This desire of the employee to overpower all others in the senior management team actually made them pallid and some of them had no option but to put in their papers.

Leaders often talk about team dynamics and change management to bring about course correction in the business. But such frenemies undo all the good work done by other colleagues and are primarily driven only by their self-interest. Politics is endemic in all organizations. This provides a fillip to the antics of the frenemies. Worst, some of them are in the good books of the leadership team and their shadow authority only aggravates matters. In the context of such employees, only the egg-headed will believe it when CEOs proclaim that they are equal opportunity employers.

Here are some tips to deal with frenemies in the work place:

1. Do not talk anything about your personal life to anyone in your organization – howsoever close he/she may be to you. Sometimes, it pays to follow Greta Garbo's logic. Your weaknesses/problems in your personal life can actually add to your vulnerability.

2. There has to be some enigma about you, something unique about you that should help you in your personal branding exercise.

3. Identify the frenemies – they are the ones who actually pay you a compliment for the wrong reason, gossip about you and when confronted will try to pretend that they are saints.

4. Be wary of people who talk about others to you. They can talk about you too to others…

5. There are some friends who sound genuinely happy with your success. Some of them pretend to be happy but your intuition will guide you to see through their superficiality.

6. If the frenemy's actions are causing you injury and mental agony, you might as well have a coffee table conversation with him or her in an informal setting. If the frenemy shows little remorse and gives hints that he is not going to change, it is better to withdraw yourselves.

7. There is a need to be professional at all times and our soured relation with a colleague who has diabolical intentions should never come in the way of delivering the tasks entrusted to us by the organization.

8. Sometimes a frenemy's actions may sound offending to you whereas in reality they may be not. If your thinking is clouded, it is best to speak to someone whom you can trust – it may be a friend who **IS NOT** working in the same organization, it may be your dad or mom or even your spouse. These people will give a neutral perspective on the matter. 9 out of 10 times they will be right and they will actually help you connect the dots.

9. People who are blunt on your face **NEED NOT** be your enemies. Such people actually help you to improve your weaknesses. People who are always sweet to you and end up making sugary conversations with you **NEED NOT** be your well-wishers. Remember – discretion is the better part of valor and whenever you are confused, let the thought remain in cold storage until the point of time, when you can revisit it to think about it in a concise manner.

10. Last but not the least, people are assets and one can still maintain a good relation with frenemies in the work place by maintaining a reasonable distance from them. Talk to the point – nothing more, nothing less. Try to develop friendships outside the work place – you only need to keep your eyes and ears open to such possibilities.

37 IMPRESSION MANAGEMENT IN ORGANIZATIONS

The theory of impression management was discovered in 1959 by Erving Goffman. The theory reflected on the role played by interpersonal skills of an individual. How does an individual actor in a particular set- up manage to influence the perception of others about him?

Invariably, impression management is part of an individual's goal to achieve something.

A keyword search in Google Scholar resulted in 1, 130, 000 results – shows how intensely researched this topic is in the area of "Organizational behavior".

Howsoever smart or diligent a person may be, if he/she is not savvy in impression management the chances of him/her going far appear remote. Even for an entrepreneur, social capital (the ability to form enduring social networks) is considered utmost essential.

It is difficult to say if impression management can help an individual in career progression. However, impression management often leads to sustainability of an individual in an organization. Humility and a humble attitude is a must but it is hard to determine if this is for real. Sweet talkers are generally considered toxic. People who do not have the gift of the gab and cannot manage their bosses are often relegated to the by lanes – despite being star performers.

I was once attending a lecture at Sydenham College where the speaker said that the person claiming to be extremely busy is the one who has the most time in the world. How often we see people claiming to be so busy that they can't afford to pay attention to little details whiling away their time in unproductive pursuits.

Some aspects of impression management – "Too busy"

- Delayed response to an Email.
- Inability to pick up a mobile call or return the call.
- A messy work desk.
- Making people wait deliberately.
- Doing things "Just in Time" just before the deadline!

What role does impression management play in performance assessment of an individual? To what extent can effective impression management of an individual camouflage a weak performance? It will be interesting to know the opinions of those who are reading this…

38 TALE CARRIERS

In every organization, there are some people who are always close to the boss. There are some who maintain a distance from the boss. Some who are completely at loggerheads with their bosses? The ones who are close to their bosses are often the beneficiaries of the benevolent/benign grace of their respective bosses.

These employees who are close to the boss are often called – "The Inner Circle". Some prefer to call them – "The Core Task Force". Managing the boss is something that the inner circle is adept at. They get leave when they want, can talk to the boss 24×7 and get away by doing less for more! But their lower productivity at work is taken care of by their agility in keeping the boss informed about each and every event in the office. When the boss is on leave or away on an official tour, he can trust the inner circle to keep him informed about the goings-on in the office.

What are the characteristics of these tale carriers? How creative can they get in terms of making things larger than they appear to be? "Impression management" is an academic area that is witnessing lots of traffic in recent times as people struggle to explore the unique traits of these special task force members.

Common observed traits of tale carriers

1. They are extroverts. People who can get along well with everyone right from the janitor and the security guard to the boss's private secretary.
2. Tale carriers will never say "No" to anything. That they will do what they really want to do is another matter.
3. Tale carriers will praise the boss sky-high in the initial stages of their impression management efforts. Having consolidated their position (First impression is the last impression, remember!) they will now work towards strengthening their position!
4. A tale carrier will always have some pretext or the other to meet the boss on a daily basis. What actually transpires with the boss in the discussion room is anyone's guess.
5. Tale carriers display an exemplary sense of insecurity. If they realize someone else is trying to encroach on their space, they will be quick to retaliate.

6. While they work hard to improve their impression on the boss, they work doubly hard to pull others down (albeit surreptitiously).

7. They are extremely possessive of their territory – no intruders are welcome!

8. Tale carriers are experts in making exaggerated claims about their work load. In effect, they can market their work and market themselves more than the others. (There are those souls who work hard and "not" smart and continue to be deprived of what is due to them just because they have been unable to build bridges with their bosses).

9. Tale carriers often poke their nose in the work of others with the mere intention of pulling them down.

What happens to tale carriers when their boss is transferred or if the boss leaves the organization? More often than not, a few tale carriers may lose out if the personality of the new incumbent is radically different from his predecessor.

How does the downfall of tale carriers begin?

Once tale carriers consolidate their position, they may downplay their role. This leads them to becoming insecure as there is a threat of their position being taken over by someone else – notably someone who has suffered ignominy in his hands. The downfall of the tale carrier will now be so steep that survival of the tale carrier becomes difficult. Now that he is financially secure, the tale carrier may prefer to shift his job using his vast network.

To sum up

Notwithstanding their qualities that can debilitate others, tale carriers have become an integral part of an organization's ecosystem. The truth is that the boss needs them as much as they need him and this synergy is what makes their partnership a winning combination!

Way back in the '70s Mc Clelland proposed the theory about the two faces of power (http://bankofinfo.com/two-faces-of-power/#). It will be interesting to investigate which of these faces of power has a greater influence on the success of tale carrying efforts!

39 FIVE TIPS: SHOULD YOU QUIT YOUR JOB?

How often have you faced the dilemma of choosing between the job that you have and the job that you have been offered? Many employees become far too complacent in their current jobs (similar to the example of a frog that becomes comfortable in water that is slowly heating up).

Here are five simple tips that you should look at before taking that final decision to put in your papers.

1. **How satisfied are you in your current job?**
   Even though 100% job satisfaction exists only in the Utopian world, as an employee, you can assess your satisfaction levels for yourself. You know what you are doing better than anyone else in the world. If your satisfaction levels are low and you do not see much in terms of career growth in the future, then it is time to make a jump. Eschew all emotional attachments. Think like a professional. You have only one life and you want the best out of it. So, better act now rather than repent later.

2. **Is the money far too tempting?**
   Money is not the only motivator. But it can be one of the motivators. If the hike that you are getting is substantial and there are better opportunities in store in the new job offer and the likelihood of your getting a similar hike in the current job appears remote, then it is time to call it a day.

3. **Are you far too stressed out in your current job?**
   Let us accept that every job has its share of stress. If you are highly paid, it is but natural that expectations from you will be higher. But if you feel that you are losing out on your work-life balance and there is very little in terms of value addition to your profile, then it is better to talk to your line manager. You may ask for a job rotation or a better assignment not necessarily to reduce stress but to give you a wider exposure within the organization. Observe the signals that emerge. If the organization does not have a sympathetic view of your predicament, bide your time until you get a better offer. But start applying… now! No job in this world is worth destroying your health and peace of mind.

4. **Keep your eyes and ears open.**
   The moment you start hearing disturbing news about your organization, it is time to wake up and smell the coffee. May be the news is irrelevant. May be the news was a figment

of someone's wild imagination. But do not leave anything to chance. Keep your ears to the ground. As an insider, you ought to know better. Do not believe the -" things will be normal soon" blindly. The beginning of chaos in an organization signals the end of rational thinking and logic. Be vigilant and start applying.

5. **Is the boss reason for your decision to quit?**

Bosses will come and go but organizations sustain. They are long term entities. If you love your job, are paid reasonably well and future prospects appear to be bright, then do not throw the towel. Not yet. But if the mental torture becomes too much and you feel that your performance is being undervalued then it is time to take a hard look at it. For all you know, your inner frustration and despondency may be eating into your health. Anger, irritability and fear are emotions that can enter your being as uninvited guests. So, look at your priorities and re-define them as you deem fit.

In such cases, the HR can do little except may be offer a few words of solace. If things become too hot to handle, it is better to start exploring options. May be you have something better in store for you.

40 WRITING A WINNING RESUME

Introduction

In this chapter we try to analyze the reasons why an effective resume is the most crucial step in landing a job. We will also have a quick look at the key factors to be considered while preparing a resume.

Resume – the first and crucial step in job search

There are enough articles in journals and websites about crafting an effective resume. Now each of the write ups is highly subjective and opinionated that it can be confusing to the average job-seeker. One portal stresses that every resume needs to have an objective while another portal recommends doing away with the objective. There are as many views on the subject as there are stars in the sky. Sieving the wheat from the chaff is no joke as it can be an arduous exercise.

A well-crafted resume is the most important step in the process of searching for a job. A resume that is written well can ensure that you get a call for an interview. The candidate's performance in the interview eventually determines if he succeeds in getting the job of his choice.

Key Factors to be considered while crafting a resume

Resume writing is an intensive exercise that requires undivided time and attention of the job seeker. Let us look at some of the factors that are most important:

1. Be clear about your objective in seeking a new job. Write down the objective on a piece of paper, writing it, rewriting it and refining it as many times as you want to make it sound professional.
2. Have a specific, concise and clear objective.
3. Customize the resume as per the job description, using the key words in the job posting.
4. The objective should be followed by a summary of your skills (in bullet points), educational summary and work experience that describes the skills.

5. While writing about the work experience, mention the period, name of the organization, the position and the accomplishments on the job.

6. Many of us get carried away writing about the Key Result Areas or Job Responsibilities. It is important to mention these along with accomplishments that are quantifiable. For example: The job responsibility read as "Assigned to dispose of scrap" is routine and vague. Does it tell anything about your skill and competence? Look at ways of refining this statement as "Assigned to improve productivity of space: Disposed off 90% scrap in a safe and organized manner over a period of four weeks and generated revenue of Rs.x lakhs".

7. Make your resume less wordy leaving adequate white spaces.

8. Never place your scanned photograph on the resume voluntarily.

9. There are mixed opinions about the length of a resume. Most of the views expressed are absolute balder dash. We have a lot of experts saying that a resume is viewed over 15 seconds and so a resume should not exceed one page. Do they understand what 15 seconds means? Friends, do you really think anyone can do justice to a resume evaluation in 15 seconds? This is mostly an exaggeration. Ideally, a resume can be one to two pages and can extend to the third page if the person's experience is more than 10–15 years. It is always better to go by your instincts.

10. A resume is a powerful marketing weapon to showcase your talents to prospective employers. Put yourself in the shoes of the reader and I am sure that you can come up with a winning resume!

11. Do not use fancy words or fonts or colors in the resume. Do not use fancy e-mail IDs like shootmea@gmail.com or mulund1234@yahoo.com.

12. Use a simple font like Times New Roman (above 10) or Arial.

13. Avoid personal details like marital status, family background etc unless asked for.

14. The power of crafting an effective resume vests with the individual himself. But this needs great concentration, the patience and perseverance to go through and update the resume several times and seek feedback from colleagues, friends and relatives. On quite a few occasions, we can hope to receive rare feedback/insight from others which might have not occurred to us at all.

15. The job seeker may feel great about his achievements but if the prospective employer doesn't understand this or doesn't need such skills, then there is a risk of all such efforts going waste.

16. I strongly recommend writing a resume in a note pad using a pen and then editing the draft several times in the next few days to make it more refined and professional.

17. Review the resume and give it to someone you know who can give you an unbiased feedback.

18. Update the resume every three months.

19. Typos in a resume rob it of its utility value. It also projects a poor impression of the job seeker as someone who is careless about paying attention to small details.

Adopting "4C" Approach

C – **Consistency** in the contents. Avoid a rambling style of writing the resume.

C – **Concise, clear & clean** – free of grammatical errors, spelling mistakes and typographical errors; a resume that is less wordy and presents the information in an easy-to-read (bullet points) style.

C – **Convincing**. If you as a job seeker are not convinced about the resume, how do you expect the prospective employers to be convinced about it? Market yourself aggressively in the resume but do not display it in a negative manner. To put it simply, briefly explain to the prospective employer about the skills that you bring to the table if he hires you.

C – **Cover letter**. It makes sense to personally write the cover letter in your own handwriting and scan it and send it as a soft copy. Use a separate cover letter for each vacancy that you apply for.

The passion of the candidate must shine through while reading the resume. Use all the creativity/ingenuity/out-of-box thinking to make your resume appealing.

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Some experts advise that the CAR model be followed. CAR model talks about Challenge, Action and Results. If you are flummoxed about what to write, sit in a secluded spot to think through your strengths.

Some organizations encourage using the STAR model (S – Situation, T – Target, A – Action, R – Results) to build your resume. The summary report written using the CAR model/ STAR model can be a useful feed to a superbly crafted resume.

Awards and Recognitions/Extracurricular activities

There are two schools of thought regarding the same. Some experts opine that showcasing your extracurricular activities adds value to your profile. Others express the view that this can turn counterproductive if the prospective employer doesn't like a particular activity or if he feels that you have enough time on hand to indulge in such creative pursuits. A sagely advice – Do not go overboard with the description of these activities.

Review of the Draft Resume

This is a must. One can do a peer review or use colleagues or others in a network to seek their frank opinion about your resume. It will add a new dimension to your resume.

Essentially there are two types of resumes – chronological and functional, of which the former is more popular. The functional resumes are intended at a niche audience for certain specific categories of jobs. Such resumes only highlight specific experiences. The chronological resumes organize your work history by starting with the most recent job and then working backward. The functional resumes deserve a more detailed review while the chronological ones can benefit from general observations and feedback.

Resume Writing is a Continuous Process

Be open to fine tuning the resume as the situation demands. Use key words that can make your resume searchable. Evaluate your resume and do a self assessment at periodic intervals. Be open to constructive feedback. Stay away from those cynics who shred your resume to smithereens and use the opportunity to display their supremacy. Harsh comments from such cynics can blow away your self confidence. So, choose the reviewer carefully.

Do you need a resume writing service?

Resume is actually a French word that means "summary". A good, well-written resume indicates that you are serious about your job search. Invest that much time and effort in writing a resume as much as you would in searching for a good bank/financial institution that can offer you an affordable home loan.

Today HR consultancy firms have mushroomed in every nook and corner. Most of them seem to be paying peanuts to unskilled people whose only job is to send mass Emails to candidates by doing a search on job portals. One doubts whether such people even understand the job descriptions or candidate profiles. The turnover in these placement firms is so huge that people change jobs in 3 months or 6 months. So, if you are hoping to get a job through these dubious firms, then forget it! You should also know the reason why the Emails that you send are never answered as the employees have left the firm and the replacements do not have the intellectual capacity or competence to study your resume in detail. It is too early to talk about the role of networking tools.

Many job portals are offering resume writing services. Carl Bradford, an executive recruiter and trainer says that there is no need for resume writing services at all. He adds that in case one wants to hire a professional resume writer, he needs to interact with them personally and then impress on the writer about what separates a great resume from a good resume. However, none of the professional writers want this. All of them insist on advance payment and a copy of your current profile and believe that glamorizing your resume is all that is required to make it professional.

There may be really good resume writers but they get camouflaged because of the fact that resume writing service has become commoditized. There is no guarantee of good placements even if you enlist such services. The best option is to work hard at creating an effective resume all by you.

The Final Word

Bangalore-based Nirmal Kiran who works as a Manager-MIS in a private firms puts across his views succinctly. He says that no matter what, when the opportunity is right and time works in your favor, you will land your dream job despite all the setbacks.

A well-crafted resume and the performance in a job interview will ensure how soon you reach there. But what is due to you, will reach you – provided you have that intense desire for the same. So, best of luck to all job aspirants!

I strongly recommend reading the book –

What Color Is Your Parachute? 2014: A Practical Manual for Job-Hunters and Career-Changers Paperback by Richard N. Bolles
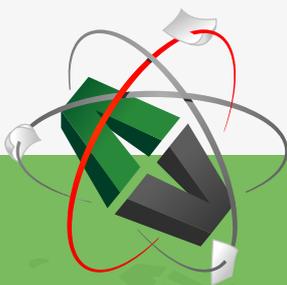
41 APPEARING FOR AN INTERVIEW?

A resume creates the first impression about a candidate. So a lot of time has to be invested in preparing it. An ideal resume is one that goes through a number of iterations. It would be ideal to show your resume to your friends or colleagues or guides to know if it makes sense. But having a wonderful resume is only one part of the story. To land the job of your choice, the candidate needs to be well-prepared for the interview.

Here are a few tips to help you prepare for an interview:

- Prior to the interview, read about the company thoroughly. Every company has a web-site. Go through the web-site, know about the company's vision, mission, the top management team, the business structure, competition…every single thing that you can lay your hands on.
- Having read the details, do a mind map of how your profile suits that company.
- Ask this question to yourself – What describes me? What skills do I bring to the table? What is so unique about me? Try to correlate the unique qualities with the job profile.
- Talk to others to extract information about the company.
- Keep a folder ready that has copies of your latest resume, a few passport photographs, certificates and credentials.
- Try to write a one-page on "Why do I think I am the best person for this role?"
- A candidate should be able to connect the dots between past and present achievements and use them to visualize a successful future career.
- Do as many mock interviews as possible practicing answers to questions like – "Tell us something about yourself".
- Remember at all times – preparation is the key.
- Try to read information about the company that has appeared in newspapers and business magazines. Does this information excite you about working for this company? Then use the information in response to the questions asked during an interview.

Reach the interview venue on time. Dress formally and be presentable. Wearing a business suit is highly recommended. Present a well-kept appearance. Carry a newspaper or a business magazine with you while you wait for your turn. Do not be flustered if you are not called during the appointed hour. Employers have this knack of testing your patience and if you are able to come out of this unscathed, you have literally won half the battle.

Last but not the least, approach the battle with a winning attitude! The Universe will take care of the next.

Facing interviews with confidence

The first step in facing interviews is to develop confidence and belief in oneself. This is the first and most important step. Having a strong resume is only one part of the story. A candidate needs to have the ability to articulate well whatever he wishes to convey. The candidate needs to develop the ability to think on his feet to prove that he can be a good fit for the organization.

A small amount of stress is normal. Candidates should remember that the line between confidence and over-confidence is very thin. Vanity will spoil your chances of success.

Here are a few tips on facing interviews with confidence:

1. Do a thorough research about the company and the position that you have applied for.
2. Do a mind mapping of how you will fit in the role given your experience and educational background.
3. Practice answering some typical interview questions.
4. If you are not convinced about your suitability for the job, how can you expect the employers to be confident about your abilities?
5. A good night's sleep is important prior to attending the interview.
6. Always reach the venue before time. No amount of explanation about traffic jams on the road or the story about how your bike broke down in the middle of the road is going to help cut ice with the interview panel. If you are late for the interview, prospective employers will assume that you are going to be late for work as well. Remember: First impression is the lasting impression.
7. Have a light breakfast on the day of the interview. Do not overstuff yourself so much that using a washroom becomes inevitable prior to the interview.
8. Appearances play an important role in the success of a candidate in an interview. Unkempt appearances are a strict no. Dressing up for the occasion is important.
9. Mind your body language. Try to maintain a pleasant disposition. Maintain eye contact with speakers as this shows that you are prepared for the interview.
10. Sit erect and offer a firm handshake both before and after the interview.
11. Projecting a calm demeanor is crucial for success. Breathing techniques aid the relaxation process.
12. Speak slowly during the interview.

Candidates often get eliminated during the personal introduction phase due to lack of presentation skills and inadequate planning/practice. Portray a picture of yourself that the interviewer can easily relate to. Personal introduction is best done when the rate of speech is moderate. One's self-esteem can get a boost by rehearsing in front of the mirror.

If a candidate follows the above steps religiously he can be assured of success in the interview. Confidence of the candidate plays a very important role in facing an interview panel. Failures are inevitable at times, but it is important to learn lessons from the experience so that one can improve in the future.
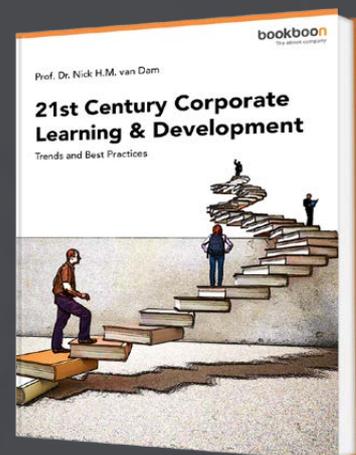
42 THE MERITS OF CAREER PLANNING

Learning objectives:

1. To understand the dimensions of career planning.
2. To learn about the objectives of career planning.
3. To review the benefits of career planning.
4. To identify the components of career planning.

Career planning encourages individuals to explore and gather information, which enables them to synthesize, gain competencies, make decisions, set goals and take action. It is a crucial phase of human resource development that helps the employees in making strategy for work-life balance.

Organizations also need to plan for their employees' career development programmes. Companies are designing career programmes in an effort to decrease employee turnover, prevent job turnout and obsolescence, and improve the quality of employees' work lives.

The major objectives of career planning are as follows:

1. To identify positive characteristics of the employees.
2. To develop awareness about each employee's uniqueness.
3. To respect feelings of other employees.
4. To attract talented employees to the organization.
5. To train employees towards team-building skills.
6. To create healthy ways of dealing with conflicts, emotions, and stress.

Benefits of Career Planning:

1. Career planning ensures a constant supply of promotable employees.
2. It helps in improving the loyalty of employees.
3. Career planning encourages an employee's growth and development.
4. It discourages the negative attitude of superiors who are interested in suppressing the growth of the subordinates.

5. It ensures that senior management knows about the caliber and capacity of the employees who can move upwards.
6. It can always create a team of employees prepared enough to meet any contingency.
7. Career planning reduces labour turnover.
8. Every organization prepares succession planning towards which career planning is the first step.

Components of career planning

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┌─────────────────────────┐
│      Self Assessment     │
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             ▼
┌─────────────────────────┐
│     Exploration and      │
│        Research          │
└─────────────────────────┘
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│     Decision Making      │
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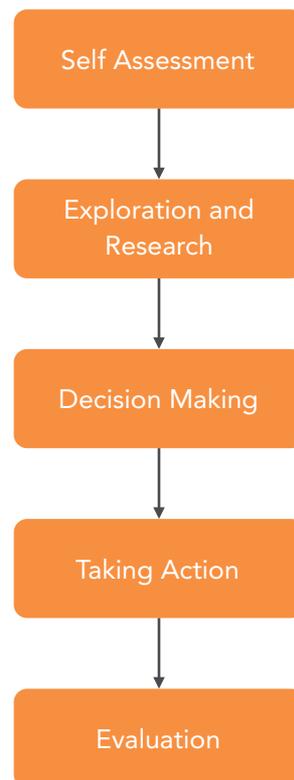
1. **Self Assessment**

   Self assessment revolves around the thoughtful consideration, reflection, and evaluation of your interests, personality characteristics, values, and skills through a variety of methods, such as the use of a whole host of career-related tools and instruments.

2. **Exploration and Research**

   The career planning component consisting of exploration and research is all about being in information gathering mode. This is the time to explore, collect, and organize all available (and pursue not-so-available) resources to eventually begin analyzing them to see what top options arise.

3. **Decision Making**

The decision-making step of the career planning process is when you put all the pieces of information about yourself and your carefully collected career information together as best as possible to produce a list of career-related goals and options.

4. **Taking Action**

Taking action is one of those things that's easier said than done. This stage is about literally being proactive with your career plans and following through with what you've decided on doing.

5. **Evaluation**

After you have made your career-related decision and identified your goals, keep in mind that many of the folks who achieve career success are the ones who continually evaluate and assess their status. They keep track of their career progress throughout their lifetime.
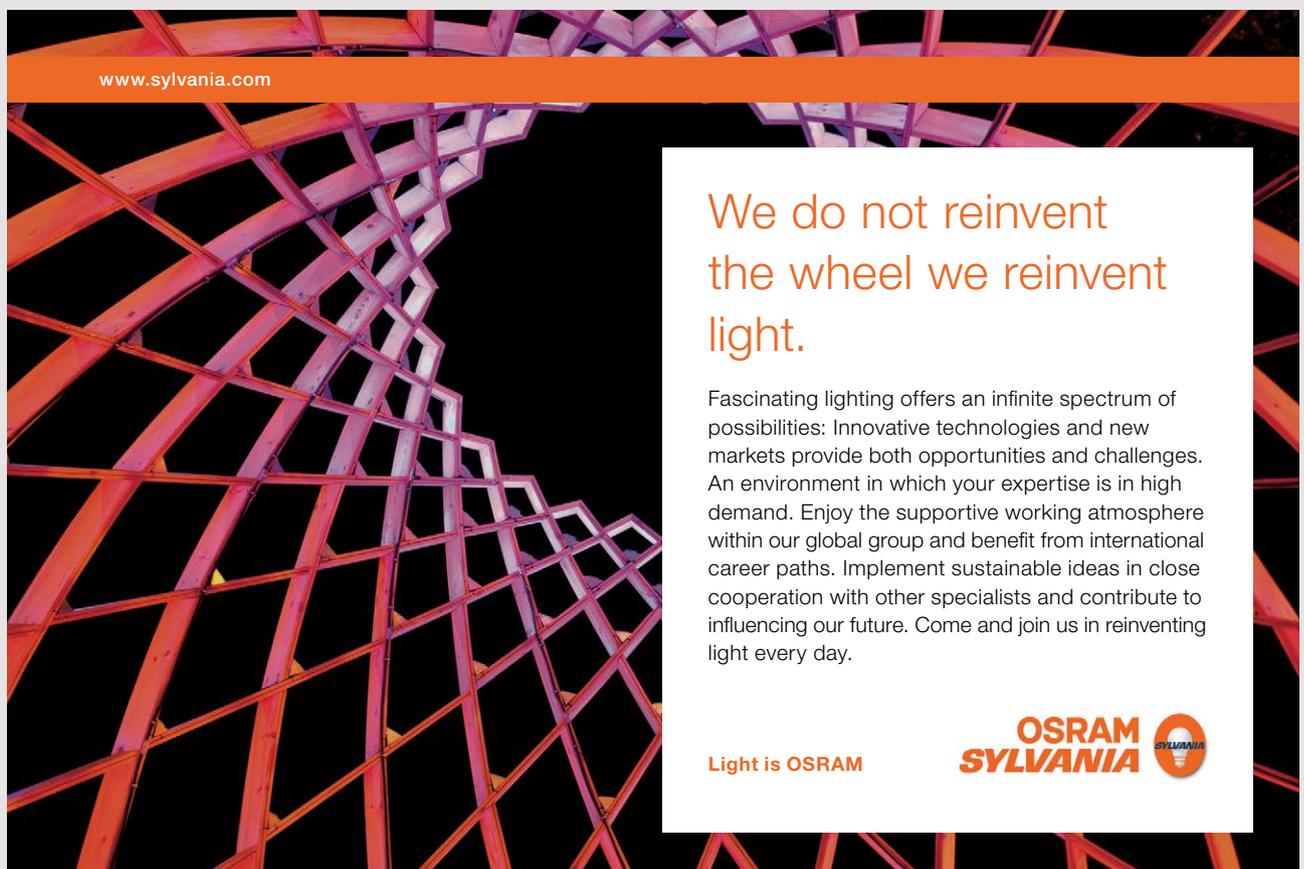
Components of the effective career planning and development process include:

1. **Being self-aware**

   To have an effective career you must be aware of your personality, interests, aptitude, self-concept, skills, etc. Most people try to learn about these by reflecting on their experiences. However, there are many other activities and instruments that can aid you in this process. These involve creating situations that will prod you to intensively reflect on yourself and on your career objective.

2. **Getting information on available opportunities**

   To develop a career path, you need to know what opportunities are available and how you fit into them. For this, you need to keep a track of the emerging jobs, the changing face of technology and its effect on employment, the kind of expertise available in the market for different employment opportunities, etc.

3. **Preparing for the opportunities**

   Preparation for opportunities has two aspects: domain related and non-domain related. The former would require updating your subject knowledge and finding out how it can be applied. The latter includes soft skills such as interpersonal skills, communications skills, teamwork skills etc. To facilitate the process one must undergo skill assessments, network with professional groups and research organizations, do projects with organizations, read business magazines, etc.

4. **Developing one's career**

   Career development happens when you are fairly confident of your career objective and career plan. Before you reach this phase, you might have hopped from one career to another and in the process might be surer of which career best suits you. If you are still unsure of the career most suitable for you, you can undergo career counseling. Career development may require you to create assignments for yourself (challenging your limits), reflect on and enrich your assignments, develop conceptual models relevant your task area, and so on.

43 TALENT MANAGEMENT

Learning objectives:

1. To study the concepts of talent management.
2. To understand differences between talent management and traditional HR function.
3. To learn about the importance of talent management.
4. To identify the different elements of a talent management program.

Many companies never think about the exact definition of talent. Do talent and potential mean the same? Most people think so. Potential implies an individual has the capability to take on future responsibilities that go beyond their current role. Yet potential implies something to be realized in the future. A survey of 20 major corporations showed that 85% of organizations define talent based on the potential for vertical movement up the organizational ladder.

Talent has to be defined properly considering the strategic aims and future business challenges. **Talent Management** is a set of integrated organizational HR processes designed to attract, develop, motivate, and retain productive, engaged employees. The goal of **talent management** is to create a high-performance, sustainable organization that meets its strategic and operational goals and objectives.

When companies start focusing on development opportunities aimed only at the talent pool, they risk disengaging the rest of the workforce.

Social media and talent scarcity is enabling global mobility of talent. Employees are invaluable assets, so organizations would need to ring-fence employees to align their goals with that of the overall business goals. The value of the steady performer will keep on increasing. This will be the beginning of the end of the bell curve.

Going forward, diversity is going to be a great differentiator with more women joining the workforce and need for cross-cultural interactions; companies will be forced to look at this with new lenses. Backward integration is not impossible. IT companies can start engineering colleges and big corporate houses can start MBA colleges. Divyashree group that is active in the real estate sector has set up REVA University. Wipro has established Azim Premjee University.

In the future, there needs to be a greater collaboration between industry and academia. Talent acquisition will become a global process. There will be a greater need to ensure consistency

and standardization in hiring process and criteria. The key questions shall be – how to ensure a role fit and a cultural fit? The pay for performance cannot be stretched beyond a limit as Gen Y employees give greater thrust on work-life balance.
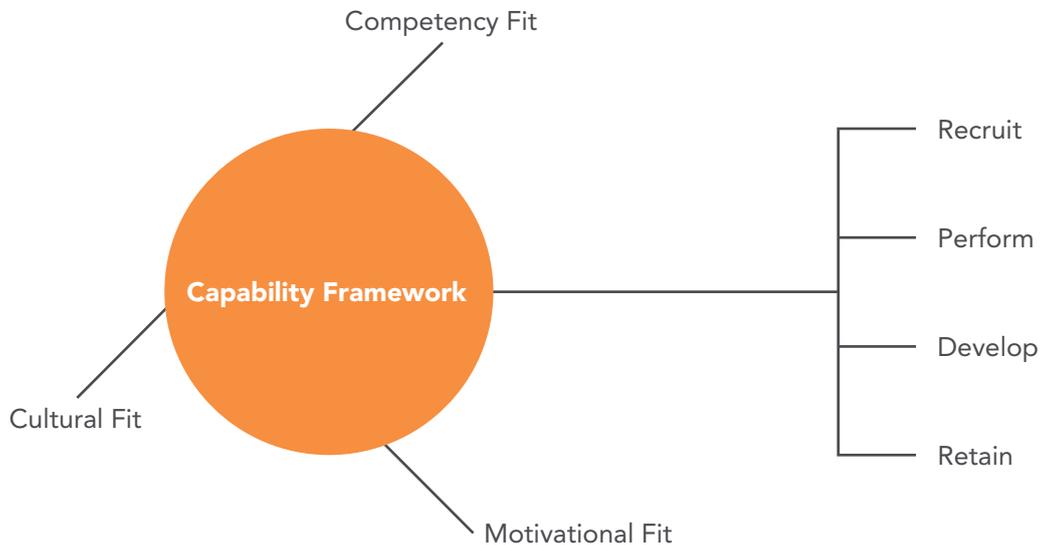

Talent management involves recruiting, selecting, training talent. To support the business strategy, HCM needs to have processes to ensure that there is a greater level of employee

engagement in the organization. How to reduce attrition? How to keep employees motivated so that they do not leave the organization. How can the training programs be linked to specific goals of an individual employee?

It won't be an exaggeration to say that globalization has had a major impact on HCM strategy. As a result of globalization, the field of International HRM has evolved. This makes HCM even more important. When an employee is sent on deputation to a foreign country, the business incurs a huge cost on the same. The performance of the employee in an overseas location depends on clarity of job responsibilities and the incentives offered by the organization.

The HR has a role to play in ensuring that there is pay parity and the employee gets accultured in a short period of time in the overseas location. Cross cultural training programs, cultural sensitivity skills and language skills – the role of HR as part of the HCM strategy becomes more and more complicated. Even though the global policy may be the same across all units of the organization, there is a great deal of customization needed at the unit level. The HR function has to act as an effective conduit to ensure a smooth transition of an employee from an onsite location to an offsite location.

In the aftermath of globalization, economic recession has become a cyclical affair. Companies resort to head count reduction (hire & fire policy) as part of the cost reduction efforts but this ends up demoralizing the employees. A true HCM function should engage with employees to improve productivity instead of resorting to extreme steps to reduce costs.

Seldom does one hear about top management getting a pay cut when there is a recession. But middle and lower level employees often face the heat when there is a depression in the economic system of a country. As the role of HR keeps evolving to strengthen the HCM efforts of an organization, there is a need for the professionals to ensure that employees are treated as assets of the organization. Expenditure on human resources is treated as an investment.

Work life balance, flexi-timing, paternity allowances are becoming as important as fringe benefits. Some IT companies allow employees to work from home. The concept of virtual office is also gaining momentum. Thus, in the new scheme of things, talent management has a much wider scope.

At the same time, businesses are also careful about spending money in the right fashion. When capital is scarce, it becomes even more important to make investments that can support the execution of the overall business strategy.

Without HR analytics, organizations will lose the race for talent. HR leaders have to change now to recruit, engage, develop and retain people to improve business performance in today's increasingly competitive environment. Analytics helps in consolidating discrete silos of talent data sitting in various HR systems across the business. Analytics enables the quick access and use of data. Thus, forward thinking organizations use HR analytics to redefine the way they manage their talent to help drive better business results.

Redefinition of talent management also means predicting the best people for your high value roles, predict people who will stay in your organization longer and analyze social chatter to be in tune with employees in real time. In a competitive environment, HR has to demonstrate how the talent management practices are adding value to the organization. Business leaders are now asking for data on ROI when they hire people at stupendous salaries.

Employee engagement is becoming more relevant than before to address the productivity losses. Better business results hinge on employee retention, engagement, collaboration, skills development, knowledge transfer and optimizing the capacity and potential of your people.

Companies have to collect individual knowledge and share the right data to build corporate wisdom through video and social collaboration technologies. The most important role of HR is to hold up the mirror to the organization so that people can see and act on the truth.

The whole concept of moving across the vertical hierarchical leader is becoming obsolete now. Leading organizations are embracing a more agile 'lattice' structure that facilitates lateral career moves. Companies are facilitating stretch assignments which provide in valuable opportunities for experiential learning. How can individuals navigate their own career paths? How can employees take ownership for their own development?

Contextual variables like career stage, prior experience and organizational cultural fit are critical determinants of success, which are simply not accounted for in standardized mainstream talent management programs.

The employment contract will shift from quid-pro-**quo** to mutuality and partnership. As talent acquisition will become talent resourcing going forward, the HR function will have to demonstrate greater accountability. A large proportion of the transactional and operational content of the HR function has been outsourced. The HR function is being shaped as a business partner. This means that the HR professionals must be more business focused and

have to don the hat of a consultant. Recruiters have to become talent advisors, capable of managing complex talent pipelines and advising the business on talent.

Talent management for companies with large frontline – workforces are experiencing a massing transformation. Operations leaders and executives have had abundant access to business intelligence and reporting tools for accurate historical analysis. Now the growth of big data predictive analytics has enabled a new era for workforce – optimization. Instead of begin reactive, organizations now have the ability to be adaptive, to anticipate problems and stimulate impact.

To sum up:

Companies need to focus on retaining talent and for this employees need motivation and encouragement through financial means (Compensation) and non financial means (Career planning). Only then can businesses think about employee engagement at a strategic level. Employee engagement cannot be a buzzword. It has to be something that the top management needs to work on along with the support of the HR team. Employees need to be treated as assets and not as resources. Unless there is a distinction between employees based on performance and productivity, the commoditization of employee output cannot be avoided. Employees who are passionate and self motivated will lose the morale if there is no reward and recognition mechanism in the work place and every employee gets equally rewarded despite his/her productivity/performance. Today Gen Y population is not looking for jobs; they are looking for a career. Satisfying their aspirations needs a strategic approach to human resource management.

44 DIFFERENCES BETWEEN HCM AND TALENT MANAGEMENT

Learning objective:

- To understand the main differences between human capital management and talent management.
- To know about talent acquisition process.

Talent management focuses on the management of one component of human capital – talent. Recruitment and selection, staff adaptation, staff education, staff evaluation, career development, staff remuneration and motivation, workforce organization and personnel management are various aspects of talent management (Alzbeta, Emese & Martina, 2014).

Talent management is all about having quality people with appropriate competencies in mission-critical activities. Goals to attract, acquire, develop, promote and retain quality talent are essential. Highly productive staff will result from highly motivated, enthusiastic and ebullient staff. It is important to develop and retain a high performing work force.

Talent management is all about recruiting and developing skills necessary to implement the human capital vision. Recruitment and retention strategies are needed to hire and retain the right people with mission critical skills.

Business must have a good onboarding strategy. New employees must be integrated with organizational culture. Best-in-class organizations acknowledge that onboarding efforts begin by adopting a formalized plan ensuring that onboarding is an integral element of the overall human capital management strategy and is on the radar screen of senior management. Formalized socialization of new employees, mentoring or coaching new hires and opportunities for developing skills will lead to employee retention.

The organization must attempt to answer the question – How can we increase the number of high performing employees? Human capital management has to be improved to drive increased strategic value to their organizations.

Talent acquisition

Too much time for hiring or too many manual error prone processes or insufficient workflow processes or a time consuming process for assessing candidates are the prominent challenges in talent acquisition. Often there is a disconnect between HR and hiring managers.

Employee job posting in intranets is a good strategy but it can often be misused. There are organizations where candidate is finalized even before the employee job posting is done. So the entire process of internal recruitment can become an eye wash. Inefficient interview management including scheduling and coordination can be unsettling for efficient talent acquisition. Tracking job and vacancy statuses can be cumbersome. In some cases, onboarding new employees can take too long. Inefficient use of existing talent pools can be extremely damaging in the long run.

High level information for senior management and executives may be unavailable. How to get the possible people in the door is an interesting question to ponder about. The hiring process has to be easy on the candidate. Data driven approach to talent acquisition and decision making will create a workable roadmap for implementing real change in HR in months, not in years. Data and analytics put the spotlight on problem areas, opportunities for improvement and actual real world successes.

Integrated talent management can quickly find the best possible talent and ensure that it develops well and remains with the organization. Identification of next generation leaders will ensure continuity across organization. The HR department has to ensure that best employees are fully and productively engaged. Capture data at all touch points from recruitment and hiring through performance and development. Data can show where your recruiting resources are best spent, what characteristics make up your best employees and managers, which employees are most engaged and the best fit for meeting your succession plans.

45 REDEFINING TALENT MANAGEMENT

Change has become inevitable in the business world today. Companies that can't adapt themselves to changes in the market place find themselves swept by the waves of competition. It is no wonder then that today there is a need for redefining the concept of talent management.

To begin with, companies should start by looking at the leadership styles. The top leadership teams today have become choosy. Why not? Considering the astronomical sums that they get paid, it is only natural that after some time they start calling the shots. Top leaders do not mind taking a sabbatical if the need arises and if they are disillusioned with their current jobs. They need freedom and they resist control. They are irked with constant interference and micromanagement.

Thus, in light of the above facts, an organization has to have a clear set of plans to develop top talent. Never mind that Infosys has been in the news for all the wrong reasons, the truth is that the IT bellwether is known for its astute succession planning. Businesses must

realize that the plans must be actionable and command commitment of the highest order from all the people in the organization who have to work in fructifying the plans.

Today the top team needs engagement about their development plans which cannot be force-fed. Experts opine that talent has to be segmented against major drivers of business value and success. Talent must have the capability to produce things that matter to the business. Delivery is utmost essential. Looking too much into the long term is not recommended today due to the impact of globalization which has changed the face of competition.

Can HR afford to be a backroom function? HR is a business function that needs to talk the language of business. HR has to prepare the people to deliver greater business value. One of the positive fallout of globalization is the increased need for global HRM practices. Post globalization, the dimensions of HR have become manifold as the regional practices in multinational organizations have to be attuned to the local demands without diluting the overall HR strategy of the organization as a whole. The importance of people as assets [human capital] has become more pronounced now. People make the difference between success and failure of an organization.

Research has time and again proved that a firm's intangible value comes from its people capabilities. HR is all about making people more capable, skilled and competent. The HR inputs drive the operational efficiencies in an organization which in turn spurs performance.

Where needed, CEOs have to rework the firm's human capital model and practices. Smart HR is the need of the hour. Smart HR is when HR practices are blended into the core business practices in a seamless fashion. There is talk about "intelligent" recruiting. Can a HR manager identify if a candidate will stick to the organization? Reading the resume carefully and looking at the candidate's loyalty to the organizations where he has worked supplemented by information gained during a personal interview can give important leads in this aspect.

The expectations from the HR function have also increased considerably. Earlier performance measurement was more abstract. However, with use of technology and sophisticated models, it is possible to correlate the performance with the input measures of non-customer facing functions like HR.

Let us remember that Gen X will soon hit their 50s. Gen Y is becoming the dominant labour cohort. So, trying to conceptualize talent management without including Gen Y can look absurd. Gen Y is not only tech savvy but they are also bold. They are avid risk takers. They do not mind calling a spade a spade. They do not mince words. They are clear about what they want. They like to work for socially responsible companies. Their confidence sometimes

borders on arrogance. Gen Y looks at strong observable styles of servant leadership. The servant leader shares power and puts the needs of others first. Leadership is no longer about showing the direction. It is also about helping people to perform. True leaders create more leaders and not more followers.

For Gen Y, business ethics and corporate governance play an important role in their willingness to work for a firm. Self improvement is very much on their agenda. HR must adjust to the expectations of Gen Y. Best global practices have to be shared. All said and done, it can't be refuted that neglect of talent is a very material risk to an organization's welfare, health, future prospects and growth.

Talent management therefore needs to be redefined. HR has a major role in influencing such a business strategy.
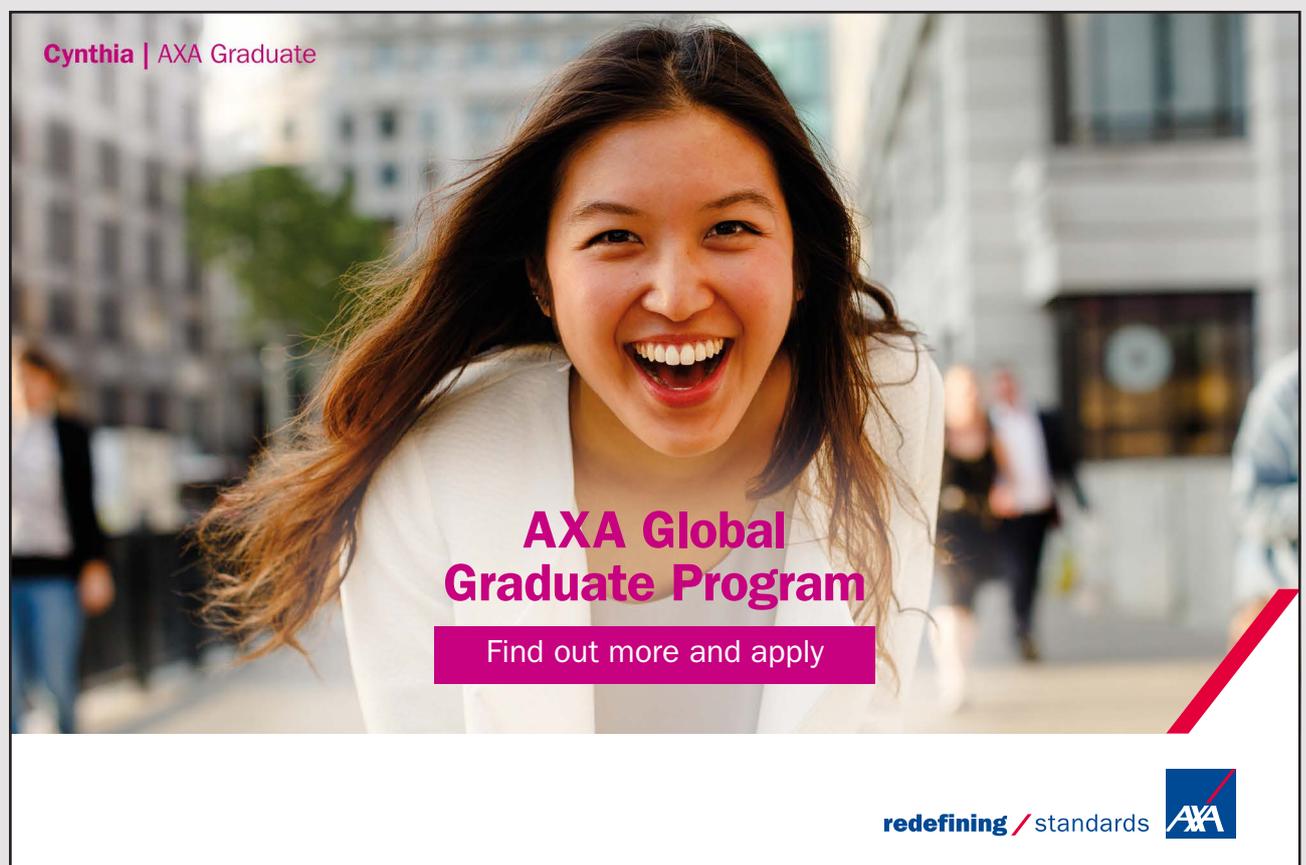
46 CURRY LEAVES, BANANA & TALENT

Anything that is easily available is seldom appreciated. So goes a saying in Hindi. A man knows the benefits of a shade only when he walks in the hot sun. History is replete with instances of how talented employees never get what is due to them in the corporate world. Be it the world of cinema, politics, academics or any other field that you can think of – meritorious employees are always sidelined. For every one talented employee who has got the recognition, there are hundreds who never get what is due to them. This is indeed a great travesty of justice.

Curry leaves are very popular in South Indian menus. Be it sambar, rasam or any other curries, curry leaves are added to lend a unique flavor. Curry leaves contain chlorophyll and when they are eaten raw early in the morning, they can be a good cure for your diabetes. Curry leaves are roasted slightly with pulses and then ground into a fine powder. In the South, this curry leaf powder is mixed with rice along with a dash of oil and it tastes divine! Curry leaves, asafetida and butter milk along with a few granules of salt is a great concoction for aiding your digestion. Curry leaves are also good for your eyes. Being fibrous, curry leaves are a good antidote to reduce your cholesterol and triglycerides. Yet curry leaves are used to lend flavor and then discarded. No one wants to eat them.

Banana deserves an award for being a crop that has been underestimated for generations. Yet banana continues to deliver its benefits – generation after generation. The banana stem is chopped into fine pieces and cooked with lentils and then sauntered with asafetida, mustard seeds and red chillies to prepare a curry that is not only tasty but very good for your kidneys. Banana flowers are also mixed with pulses to prepare a vegetable delicacy that is good for health. Bananas can help people gain weight and are full of potassium, vitamins and other minerals.

Yet bananas are always considered a poor man's fruit just because they are cheaper and there is an abundant supply of the fruit. In South India, it is customary to offer food to a guest on a banana leaf and it is common to see food being served on a plantain leaf during

marriage ceremonies. But the poor banana has never been given its due. To add insult to injury, we even have a slang term "going bananas".

Are there management lessons that we can draw inspiration from? In real world, talent never gets the recognition that is due. So long as the individual knows that he is talented and can use this to build his self confidence and overall personality, this is fine. The hope that true talent will get its recognition one day is what should drive the individual. As always, it is wiser to remember the adage – The lower the expectations you have, the greater is the peace of mind.

47 JOB ENRICHMENT & JOB ENLARGEMENT

Job enrichment and Job enlargement are concepts often applied in personnel management. These concepts are used to attract and retain first-class employees, particularly if they are intrinsically motivated.

Job enrichment in organizational development, human resources management, and organizational behavior, is the process of giving an employee more responsibility and increased decision-making authority.

Example: For instance, in a graphics designing company, to enrich the job of the employee, he or she can be given a task to upgrade to his or her workstation. Thus, job enrichment can obviate the monotony in a routine job. A bank clerk who manually enters transactions in a register can be trained in MS Excel.

Job enlargement does not give greater authority, just more duties. Job enlargement is often called "multi tasking". This perhaps violates one of the key principles of human achievement, namely, concentration of effort. One can perhaps manage and work on a variety of projects and still practice concentrated effort, but multitasking gets so out of hand that it often prevents an employee from getting anything done.

Example: We can take the same example of the employee working in a graphics designing company, an employee who does work in Photoshop to create images for the websites can also be used to create graphics and icons for print media and mobile devices. He or she can also be given the responsibilities to work closely with the programming team and supply initial interface design. This will just increase his or her workload but working for different media or team will be challenging.

Both Job enrichment and job enlargement can be rewarding to the employee and the employer in the long run. Both these measures motivate an employee, providing new dimensions to keep an employee engaged at work. Such efforts are also successful in reducing employee attrition.

48 JOB-RELATED STRESS

"When he landed in my clinic, he was on the verge of giving up on life" says a city-based psychiatrist about a 40-year old executive who had had a nervous breakdown. It is incredible that job related stress can manifest itself to such an extent that an employee thinks of taking away his life!

A further probing revealed the real reason – "abusive leadership". The executive was working under a leader who was hell bent on making the executive's life a living hell. Rejecting the executive's leave applications, questioning his actions at every stage and verbal abuse on most occasions literally made the executive shudder to face his boss. An otherwise talented and diligent executive, this individual suffered simply because he was straight forward in his interactions with his leader. Often leaders expect servility – all in the name of humility.

Why should someone continue to suffer abusive leadership? Amit Mishra who quit his well paying job to establish his start up says, "I do not know whether you can call this mid-life crisis. At the age of 40, some individuals do lose the confidence of landing another job. Health problems begin to surface at this age. Some people fear facing an unknown devil and so put up with insufferable bosses".

In the first case, counseling made a lot of difference. The IT executive was advised to turn to yoga and meditation. This gave him the clarity that he need not have suffered so much and that life has a much wider canvass.

Eventually the executive put in his papers and took a sabbatical for 6 months. Head hunter Girija Menon says, "Why do people work? They work primarily to earn their living but if the job itself is going to take away your life, it is simply not worth it. Companies claim to have employee-friendly policies. However, if you are unable to get along with a boss then your future in the organization is doomed unless you have the patience and will power to withstand such mental torture".

In my classes on Human Capital Management, I often quote to students a real-life case that I had read in Business World years ago. The case written by a renowned HR consultant was about a talented female executive who dealt with a rude and abusive boss merely through her will power and mental strength.

Recruitment consultant Mr. G. Dharmarajan who also does background verification of potential candidates says, "Job losses are increasing day by day. Big companies want more from less and prefer to outsource routine tasks. The result is redundancy of permanent

employees. It is important for every individual to look for a second line of defense – it could be anything that interests the employee. An employee should moonlight for a few years before taking the giant leap to doing something that he loves to do". Stress has now become a part of work place lexicon.

Companies that pay well will naturally expect employees to meet targets. To quote an oft-repeated maxim – *There is nothing called as a free lunch in this world.* If an employee cannot meet targets, employer will not hesitate in showing him the door. For employees who are dissatisfied with their existing jobs, they should remember that – Achieving 100% job satisfaction is more utopian than real.

In a highly stressful environment, work-life balance can seem distant. Station masters in Bangalore protested a few days back citing the inhuman work conditions and their plight was indeed heart rending.

Amit adds, "Decision to leave a well-paying job can be a tough one, but it is always better to decide this quickly rather than visiting shrinks at a much later stage. At the end of the day, what matters is whether we are happy or not". Needless to add, the support from

family members is essential at this stage. They should rally around the employee and give him the confidence to take the right decision.

No two individuals are alike in this world. The response of an individual to stress varies according to his mental make-up. It is always better to have zero expectations in the work place rather than fret and fume. If you are getting far too suffocated in a predictable work environment, then it is important to ensure that this stress does not manifest itself into some sort of an illness or an ailment.

To quote a famous saying – ***"All the successful people in this world may not be talented and all the talented people in this world may not be successful".*** So, if you are facing a situation of living hell, it is better to stop, ponder and re-prioritize.

49 REVERSE MENTORING

Learning objectives:

- To understand the concept of reverse mentoring.
- To learn about the benefits of reverse mentoring.
- To appreciate the challenges in reverse mentoring.

Technology has cast its influence on the business world in ways that are unimaginable. Social media networks and smart phone applications are proving to be great value additions to grow the business. This technological growth has now fuelled the need for reverse mentoring in organizations large and small.

Reverse mentoring, also called as upward mentoring, turns the traditional concept of mentoring on its head. In reverse mentoring the younger employee acts as a mentor to the senior employee by exposing the senior leader to different facets of technology and its applications. Senior leaders are exposed to social media networks and their influence on business.

Reverse mentoring helps such leaders to learn about real issues on the ground and listen to the voice of lower management teams. The success of reverse mentoring depends on the eagerness of the senior employee to interact with an employee years his junior and his willingness to shed his ego and power. For the younger employee, reverse mentoring presents an excellent opportunity to learn about decision making at higher hierarchical levels.

Reverse mentoring has become a necessity in modern business world today. Technological advances are characterizing the way business is done. However, reverse mentoring – though it appears to be simple on paper – is a complex process that the HR function needs to simplify by establishing the rules of engagement. If it is planned and executed in a structured manner, reverse mentoring can achieve its goal of bringing senior leaders and greenhorns/ new recruits on a common platform to share their knowledge.

The term "reverse mentoring" was coined by Jack Welch, former CEO. Senior employees benefit from reverse mentoring wherein younger generation shares their expertise and skills with the former.

Smart companies are learning how to turn generational differences into a business advantage that can give them a competitive edge in the market. Reverse mentoring is an inexpensive method for employees at two different hierarchical levels to interact and learn from each other

Reverse mentoring enables transfer of knowledge between mentor and mentee. It begins to close the knowledge gap between long-time employees and newer hires. Young mentors can offer insights into their target market, help define a brand voice via social media, or provide advice on digital best practices.

Reverse mentoring infuses an organization's leadership with different, fresh, and younger perspectives. When pairing, consider that personal chemistry is often overrated. The best matches are often mismatches, which broaden the opportunities for growth in both participants. Mentoring relationships should not be restricted to people of the same gender, or to those who have similar backgrounds, because we can learn so much more from people who are different from ourselves.

Reverse mentoring is a great tool to strengthen existing company resources to make the senior employees tech savvy. In 1999, Jack Welch popularized reverse mentoring when he instructed 500 of his top executives to pair up with junior associates so that they could learn how to use the Internet. Organizations like Cisco, HP and Hartford have adopted reverse mentoring.

In today's market place that is digitally dominated, CEOs have been struggling to adopt all things digital. Thus reverse mentoring helps them to figure out how to move forward.

Colgate Palmolive is a company that got exposed to the digital market while planning its strategy. It so happened that Colgate's marketing department was in the early stages of brainstorming an online company strategy. Consumers posted their responses on Instagram. This is a radical transformation that needs the companies to develop flexibility to respond to the needs of the market. Reverse mentoring brings the agility necessary to create forward thinking business strategies.

The best solution is to support and cultivate a learning environment where people learn from one another. Every new hire contributes to organizational learning. Conversations between the top teams and fresh recruits have to be engaging in such a way as to take the company forward.

Learning and development efforts often tend to be arcane. Reverse mentoring enables managers to be savvier with current trends but this has a collateral benefit in terms of engagement of fresh recruits and hence their retention. It is important to reinforce the belief that all employees are lifelong learners.

Reverse mentoring sparks humility in team members. It accelerates collaboration by connecting generations and igniting innovations. This development is dynamic and organic. It creates a surcharged atmosphere infused with energy, optimism and enthusiasm where everyone from interns to executives attends meetings and feels comfortable to contribute to new ideas.

Reverse mentoring has several benefits. Governance decisions improve. Strategic plans have greater clarity. The company becomes more aware of its tacit knowledge. The mentors are able to enhance their leadership skills and achieve job satisfaction.

One of the pitfalls of reverse mentoring is poor matching of mentor and mentee and the problems that crop up as a result of the same. Time needs to be invested in matching mentor and mentee. Defining clear objectives and establishing boundaries and timelines will help set expectations for both mentor and mentee.

Executive hubris can be the main stumbling block in reverse mentoring. Those with a high level of ego can find it humiliating to learn from someone who is raw talent and years his junior. Level 5 leaders epitomize humility and this is where they are more amenable to reverse mentoring.

There is also a concern that the mobile-crazy, gadget freaks characterizing the younger generation may unwittingly share information that was discussed during mentoring with their colleagues.

The objective of reverse mentoring is primarily to enable leaders and senior managers to stay in touch with their organizations and the outside world. There are two main objectives that reverse mentoring has proven successful in achieving. Advance the technical skills and understanding of senior management. Executives are increasingly required to make strategic decisions in response to technological changes.

Reverse mentoring gives junior employees a window into the higher levels of the organization and helps them understand the business better. The mentoring process catapults the career of the younger employee to a higher level as his competence becomes more visible to the top team.

It is important to understand that all employees want to feel valued, empowered and engaged at work regardless of the generation to which they belong. There is only so much an employee can do in terms of motivating self. Younger employees can be visualized as change agents who will help usher in a transformation in business processes and practices.

Managers benefit from reverse mentoring by forging closer relationships with their employees. Millennial workers can help them see business challenges and opportunities from the point of view of a generation that has a growing presence in the workforce.

Reverse mentoring ensures that everyone in the organization brings something to the table. Ogilvy and Mather, a leading ad agency, launched a reverse mentoring program so that the senior executives could improve their social media skills.

Reverse mentoring in Hartford financial services made business leaders realize the power of having answers on the spot – backed by technology. This led them to take a decision to empower other employees with a similar experience. This resulted in unlocking of social networks and a surge in productivity.

Social media encourages horizontal collaboration across the organization regardless of management hierarchies. It short circuits power equations within the organization and challenges traditional forms of communication.

Social media's transformational power influences the harnessing of leadership abilities that hitherto existed but did not qualify the need for amplification. Leaders must create a technology enabled social infrastructure that promotes professional interaction across

geographies. Leaders need to demonstrate distribution competence which is the ability to influence the pathways transgressed by messages across the organization. A leader needs to create a social network of followers who can help propagate the message.

Dealing with information on the social platform requires agility of a different order. Meaningful communication becomes a collaborative process.

However the flip side is that the leaders have to ambidextrous while straddling the conflicting demands placed by technological infrastructure that encourages free exchange and the need for establishing controls to check abuse of such technological freedom.

In a world undergoing continuous and multi-faceted change, so fast moving is the business landscape that organizations must adapt swiftly simply to survive. Organizational agility is the ability to continuously adjust and adapt strategic direction in a core business. The financial crisis that began in 2008 rendered many business models obsolete as organizations throughout the world were plunged into chaotic environments.

The balance of power between employer and employees is shifting. Structural and cultural practices add to the complexity in organizations. People responsible for public governance must

know how to convert data into information and information to knowledge. Organizations seek leaders who can take people along while implementing strategy and delivering business agendas that add value. During times of crisis, leadership is put to test as the leader has to manage the diverse process of integrating the knowledge, skills and experiences of employees.

Leaders have to indulge in reflection, critical thinking, leading and following actions. They need to have quality interactions with followers to motivate them and help them deal with change. Leadership is about foreseeing a successful future of the organization and directing actions towards fulfillment of the same. Leaders have to adapt themselves to a climate where they need to constantly reinvent themselves by embracing opportunities for learning.

Growing diversity of the global era needs leadership to be more partnership oriented based on mutual respect and empathy. Continuous process design and redesign is an imperative for leadership. It is important to identify new opportunities presented by the modern world. To get things done, leaders need to do real work themselves to manage themselves and others well.

Digital revolution in India has given fillip to the opportunities for younger generation to reverse mentor their seniors in the organization. 80% senior leaders in audit and consulting firm Price water house Cooper responded positively to a suggestion to mentor them by younger generation on matters like new technology and social media skills. A 32-year old brand manager Karthik Perumal tutored Hindustan Unilever CEO Nitin Paranjpe on social media.

Whether it is structured or unstructured, formal or informal, reverse mentoring will benefit both the mentor and the mentee. Juniors get a firsthand experience of how things are handled at the senior level. In the past, a role such as Executive Assistant was specifically created to develop people with future leadership potential. Such roles were in the middle hierarchical level and though executive assistants did not reverse mentor their bosses, they often gave suggestions to their bosses and acted as the eyes and ears of the bosses. They also had shadow authority that empowered them to develop their confidence in taking decisions to save the time of their bosses.

Companies like Airtel and Accenture have used reverse mentoring to re-orient their recruitment and HR strategies.

Reverse mentoring helps the older generation to stay current and informed about new technologies or trends. Considering the speed at which technology is changing, reverse mentoring is gaining more prominence. Some experts consider reverse mentoring more of a coaching phenomenon.

Reverse mentoring has been identified as an innovative way to attract, retain and develop women in leadership at all levels. For example – IBM currently pairs top leaders (often male) with female mentors who have been identified as future leaders. The mentor/mentee meet regularly and each learns from the other. Reverse mentoring also called reciprocal mentoring is a classic example of how to create visibility of up-and-coming female leaders to top leaders and involve female leaders in strategic development. Deloitte has a buddy system in which the company matches senior male leaders to female talent for one to two years.

Effective reverse mentoring is a two-way flow of learning and organizations like BP call it mutual mentoring to emphasize the duality of roles. It is important to prevent the senior manager from slipping into dominant behaviors and encourage the junior employee to feel empowered to speak up the truth. Through reverse mentoring leaders learn to be more comfortable to have open, learning conversations with other people who come from backgrounds and cultures substantially different from themselves.

Reverse mentoring can be a winning situation for everyone involved. Both partners need to be clear on what they want to accomplish. Each partner must be fully committed to the mentoring relationship, with regular – at least monthly – meetings and activities. Partners should agree to be cooperative and respectful.

In a reverse mentoring relationship, both parties must genuinely want to learn from and share with the other. The goal is to push each other outside of comfort zones and try new ways of thinking, working, and being. Ideally, the partners will create a safe, professional, yet risk-taking environment, and maintain confidentiality. Both partners must be open with their feelings and with what they are thinking. They must be able to overcome differences in communication style and be open to seeing situations from different angles.

Reverse mentoring is an agile people process in terms of developing a flexible work force and strategic human resource management. Having the right people in the right place at the right time is not enough. These people must have the right skill sets and a matching attitude that can take the company forward. People need to be willing to give their best and also willing to adapt to changing requirements. Leaders can build a culture of shared leadership which is the bedrock of sustainable agility & renewal.

50 THE INVOLVED EMPLOYEE – HOW TO SPOT ONE!

The difference between success and failure of an organization largely rests with its employees. Employee involvement, engagement, participation and empowerment all seemingly look like synonyms. But there are subtle differences between employee involvement and empowerment.

These are few indicators to spot an involved employee:

- He is someone who is loyal, committed and has unquestionable integrity.
- Till the last day of his job, an involved employee continues to work diligently and is conscientious about completing the tasks assigned to him.
- The absence of an involved employee can have severe consequences for a firm in the interim.
- An involved employee is a good communicator, a good team player and has good interpersonal skills. He also knows how to maintain the distance from pessimists and naysayers.

- Culture of an organization impacts behavior of an employee – but an involved employee will question the status quo. He is someone who wants to chalk out his own path.
- He is definitely not someone who always equates whatever he does with – "What is in it for me?", "How do I benefit from this?"
- The involved employee believes in paying attention to details, is systematic and organized and is confident and self-assured.
- He believes that true talent will have takers anywhere in the world and so seldom suffers from job insecurities.
- He is target driven and imposes his own targets on himself.
- The involved employee is highly productive, has a positive attitude towards work and is keen on upgrading his skills and knowledge.
- He develops decision making capabilities that not only help him but also help the organization that he is working for.
- The involved employee is someone who is passionate and is always in pursuit of excellence.
- So much is his involvement with the tasks on hand is that he is laconic when it comes to giving replies on controversial topics. An involved employee is someone who is never involved in organizational politics because he believes that this is not going to help him in furthering his career.

Organizations must spot the involved employee and make every attempt to retain him through training, reward and recognition schemes and other non-cash incentives. Such employees are precious assets who need nurturing.

51 DEALING WITH GEN Y

Demographic shift in the work force has been dramatic considering that Gen Y talent needs to be managed differently compared to the previous generation. Gen Y cannot imagine a life without Internet, Whatsapp and a smart phone. They have become so dependent on the latest technological gadgets. While Gen X finds it hard to continue the use of gadgets after official work hours, Gen Y is adept in going online and offline seamlessly. Communication anytime and anywhere has become the mantra.

The general perception is that Gen Y's developmental needs are different from the previous generation and that they are restless. While they may not be overly ambitious and are more prone to aspire for an active social life, it is important to realize that their attention spans are short and they are often labeled as poor listeners. HR programs and policies need to be framed as per the needs of the Gen Y work force. Engagement of Gen Y at the work place has assumed greater priority now.

Conservative talent management programs need replacement with innovative ones that focus on an integrated approach. This means training programs in organizations must be more skewed towards what these Gen Y employees are interested in rather than the other way around. Selecting the right person for the right job has never been so difficult! Demanding as they are, Gen Y employees need better retirement and welfare options and a greater flexible work environment.

Career management of Gen Y employees need to be worked with greater precision. To win the war for talent, HR needs to evolve a framework that is able to cater to better work-life balance. Gen Y is intolerant of promises being reneged on and this expectation of commitment from them can be demanding.

Company career sites, online job portals and employee referrals will continue to be sources of recruitment and selection. However, innovative channels of recruitment will need to be explored and this is not just about looking at profile updates in Linked In. A prospective candidate's behavior on social media can give vital clues. What else is technology there for?

Background referencing as a new HR function has seldom been given prominence and it is high time companies looked at outsourcing background referencing as an effective screening mechanism. Gen Y is synonymous with agile decision making and quick actions rather than business processes that are painfully slow and arcane beyond one's imagination.

The role of HR in managing careers of Gen Y will become more pronounced in the future. In the absence of such a strategy, attrition rates will be higher and this will propel re-hiring and training costs northwards. Big data and analytics are expected to play a bigger role in recruitment and selection more than ever before.

New age recruitment needs unique skill-sets and it is not about a fresh MBA graduate poring through scores of applications to struggle to find out the right fit for the organization. A technology-enabled screening process is bound to receive wider acceptance in the future.

However managing Gen Y is not a one-way street. These are a talented lot, people who believe in ISR (individual social responsibility) and aspire to travel the extra mile to equip themselves with latest technology. Whether technological disruptions are wreaking havoc with their personal and professional lives is anyone's guess. But investing in Gen Y employees does ensure a good ROI for the organization.

Businesses need technology and Gen Y employees are effective conduits for technology absorption.

The reality is: Gen Y's need careers and not jobs.

52 THE NEED TO RETAIN
SEASONED PROFESSIONALS

Organizations all over the globe must admit that human resources are the most precious assets for any enterprise. Though recruiting and managing talent is an ongoing process for any organization, the contribution of seasoned professionals can never be underestimated. Seasoned professionals bring with them a wealth of experience, wisdom and tackling tricky situations. They can also manage clients adroitly.

But whenever there is a takeover or a merger, the HR department starts planning the headcount reduction with a view to rationalize its workforce. Seldom is there any thought spared for the contribution of a seasoned professional. The onus is more on the compensation package offered to such professionals. In a bid to reduce payroll costs, the common tendency is to ignore the contribution made by seasoned professionals.

Many organizations are now open to the idea of recruiting talent from other industries that have a diverse business landscape and operate in a different eco system. This is because the same skills and same levels of competence can be successfully deployed in a different industry for similar situations. For example – someone with an experience in process excellence or quality or safety can be a valuable asset in any industry that needs such kind of exposure. These competencies are hard to find and this is where the seasoned professionals can make a significant contribution. Such professionals can prove to be deft in decision making and are easily adaptable to new situations and business challenges. If such professionals have added value to an organization in growth phase, then retrenching them during a downturn is not exactly a good idea.

A business fails due to several reasons and people at the helm of the affairs have to assume responsibility for business failures as much as they would like to take credit for business successes. Seasoned professionals can contribute significantly in streamlining processes in the organization and overcoming the barriers to growth. They can increase productivity by identifying the factors that lead to operational inefficiencies.

Seasoned professionals can also act as excellent coaches and mentors to new recruits in an organization and can help the organization in succession planning. This is why retaining such professionals will help the organization in the long run. A successful professional in one organization may not be able to replicate the same success in another organization. There are various factors that deter an individual from repeating an encore of his past successes in the new set up. Seasoned professionals who switch industries need to be given

that elbow room to understand the intricacies of the business and market dynamics before they enter the boxing arena.

Most organizations fail in the area of change management. Absence of delegation, delayed decision making, lack of resources for implementation of project ideas are some of the reasons seasoned professionals struggle to find a feet in the new set up. If the stalemate continues, it will be detrimental for both the organization and the individual. Hence, corrective actions need to be taken on war footing to improve the situation.

Retaining seasoned professionals is a good organizational strategy not just for the business but to also other employees in the organization who will be excited at the prospect of learning from such resourceful individuals and follow their career path to move up the hierarchical leader.

53 WHEN TALENT BECOMES A LIABILITY...

It amazes me no end when I read about stories or incidents when talented employees leave the organization without much ado. We are not talking about attrition or other organizational issues here. This is simply about talent management. In the lexicon of talent management, doesn't the word "recognition" exist?

We often read about successful leaders and their turnaround strategies. But did they achieve this all alone? What about the teams that they led? For every one successful leader, there are scores of talented employees lurking in the background. These employees had leadership potential but never got the opportunity.

There are several reasons for this. Organizational politics played by those who tend to use all their ingenuity to thwart any attempts that can endanger their position or authority. It is not necessary that all talented employees have outstanding networking skills. So, those who cannot tom-tom about their talent lose the battle half way.

Others become more complacent with the status quo and fade out. The ones who are ambitious decide to call it a day when they realize that it makes no sense to continue working in such a listless manner. Some employees try to balance this by pursuing opportunities outside of work. These opportunities may not be financially rewarding to them but they give them immense satisfaction that no corporate job can ever hope to match. It helps such employees to expand their social bandwidth. History is replete with several such examples of potential leaders who gave up the fight half way and chose to be happy.

One of the prominent causes of talent not getting the attention that it deserves lies with the leader. NK Bapna, a HR consultant says, "A leader needs to think beyond him. There are so many examples of leaders becoming mentors to their sub-ordinates. A true leader is one who plays the road map for creating future leaders. But this needs identification of the right talent, grooming them, recognizing them and showing them the big picture. Very few leaders tend to display the aptitude for this." In a world marked by increasing levels of self-centeredness and avarice, the truth is that one cannot expect much.

Bapna adds, "HR processes in some organizations do not have the flexibility needed to deal with the requirements of multi-skill employees; job rotations are rare. The process of internal recruitment is flawed and at times the employee job positions are doctored to match the skill sets of a specific employee whom the organization wants to offer the job to". Often, the loss of a talented employee is felt long after he has moved out.

There are also scores of examples of employees who possess a unique set of skills specific to the organization that they work for. But during an economic downturn, these employees realize that their skill sets have limited application elsewhere in the market. Employees in the Nokia manufacturing unit in Chennai faced a similar predicament. Mr. G Dharmarajan, a head hunter based in Mumbai, advocates the need for every employee to build a second line of defense. One can never predict which skill will come handy when.

Amole Kulkarni, who runs his recruitment agency in Nasik, adds, "I have met candidates who were outstanding in their jobs and were being paid handsome salaries; yet they chose to quit. This is because they were unable to see the way forward in terms of career growth and development. Just because you have been exceptional in your job due to the unique skill sets that you possess, companies can't saddle you with the same tasks for years and years. Beyond a point this can be unnerving".

Atul Redkar, a high flying IT geek based in Bangalore, became the victim of the economic downturn in 2008 when the organization that he worked for was forced to downsize. For quite some time he was nursing an ambition to learn a foreign language. With sizeable savings in the bank account, there was little to worry. However he also had a number of options before him after receiving the pink slip. He decided to pursue his unfulfilled ambition of learning German. He put his heart and soul into it and is now a German teacher in his own right.

Atul is now all set to pursue his doctoral program in German. Atul may have been lucky in taking the right decision at the right time. But there may be so many others who struggle to cope with such unexpected events in their lives.

I do wish that organizations use their collective wisdom to think about recognizing talent when it is due. Only then will the word talent management find its true meaning.

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