Learning, Organizational Development and Human Resources Edition

Contents

In this month's review:

The Oxford Review

Volume 1 Number 05

May 2016

The Oxford Review is published in

Oxford, United Kingdom by Centre i Ltd.

The Oxford Review

Volume 1 Number 05

May 2016

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Causes of Fatigue at work

A new study about to be published in the International Journal of Stress Management examines why some people suffer from fatigue and exhaustion at work and negative feelings at home. The in-depth study followed and monitored 74 nurses over several shift cycles at work and also monitored their behaviours and mood at home.

What the researchers discovered was that those nurses who suffered from fatigue at work also had significantly higher levels of exhaustion at home and were much more likely to suffer from negative feelings generally. This 'negative affect' effect was particularly prominent for these workers at night. Any problems with sleep exacerbated these issues.

Emotion regulation capability

When tested, all the nurses who were suffering from emotional exhaustion and fatigue at work, also had general difficulties with emotion regulation (the ability to alter our emotions, consciously and at will). Many were using what are termed as maladaptive emotion regulation strategies such as over-eating, higher consumption of alcohol and the like.

Those workers who didn't suffer from fatigue so much all tended to have and be using practical emotion regulation strategies.

This link with difficulties in emotion regulation and fatigue / not feeling good generally has been found in similar studies. It is now being recognised that emotion regulation capability is a primary workplace skill.

The researchers further found that a number of strategies can help lower the effects of the negative affect effect:

1. Co-worker support
2. Learning conscious emotion regulation techniques
3. Relaxation techniques

Once again the focus on developing emotion regulation/resilience strategies is showing results.

Reference

Blanca-Donoso, L.M. et al (2016) Job Resources and Recovery Experiences to Face Difficulties in Emotion Regulation at Work: A Diary Study Among Nurses. International Journal of Stress Management, May 2, 2016

Can conflict management processes improve productivity?

Many studies over the years have shown that conflict in the workplace often has a negative impact on productivity. Previous studies have shown that interpersonal and inter-group (departments for example) conflict can frequently result in individuals or factions refusing to co-operate and withdrawing in subtle and often hidden ways from collaborative working. This almost always impacts productivity. Just at a very basic level time, focus and energy is taken up discussing and sharing (spreading/heightening) the negative emotions creating a negative distraction.

Organisations frequently invest in conflict management training and conflict handling processes to mitigate against the effects of conflict in the workplace. So if conflict management practices worked you would expect that they also would have a positive effect on productivity.

Research just published asked whether conflict management within teams does actually improve output and productivity?

Intra-team conflict

In small teams such as information systems workers, intra-team (within teams) conflict can have a significant negative effect on output.

The whole purpose of team working is to increase the productivity and output over and above what they can achieve as separate individuals. There are additional benefits to team working such as enhanced confidence, comfort, feelings of belonging and ownership and often a sense of identity which further enhances productivity.

Two primary principles of good team operation are goal setting and collaboration. Set your goals and work together to achieve those goals. Intra-team conflict however often undermines both of these components. Conflict also has a significant negative impact on the identity of the group. Where conflict arises for whatever reason, the researchers make the point that: "The undermining of identification is likely to diminish the intra-team facilitative processes of collaboration and goal setting, which are central to performance."

Any negative bearing on both goal-setting and collaborative working has a clear and direct adverse influence on productivity.

Where intra-team conflict arises mediation is often required. The study looked at the mechanisms by which mediation could improve output in times of intra-team conflict.

How does mediation work?

The aim of the mediation was to improve collaboration first and not goal-setting initially. The paper states, "Relationship conflict, by adding "noise" to intra-team social exchange, undermined the mechanisms necessary for goal formation, thereby undermining the goal formation itself."

The research also found that goal setting could be improved through improved collaboration.

So in effect the conflict resolution process is aimed at improving collaborative working first. Once this has been achieved to some extent, then the common goals of the team are examined and formed as a collective. Once there is a common goal, collaboration and communication then tends to improve further.

Interestingly, it was found that conflict management does not always fix the relationship problem between the various parties, but it does enable them to 'see over' the relationships and focus on the work at hand. Trying to resolve interpersonal differences, it was found is not always successful, can take significant time and counter-

productively moves the focus away from the work at hand.

The ideal conflict management process

So the conflict management process is:

1. Examine and develop collaborative practices, followed by
2. Team goals, followed by
3. Refocus on collaborative practices.

This conflict management process, it was found, has a significant positive impact on production.

Conclusions

As part of their conclusions the researchers recommend that productivity can be enhanced in organisations through a team of specialist mediators who can help teams develop collaborative practices and behaviours and then set team goals. After which the mediators can work with the teams to help the team work together through coaching and mentoring to achieve their goals together.

Reference

Nesterkin, D. A., Porterfield, T. E., & Li, X. (2016). Relationship Conflict, Conflict Management, and Performance of Information Technology Teams. Journal of Computer Information Systems, 56(3), 194-203.

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Already had a difficult and painful change event? Be careful, be *very* careful this next time…

A new study just published shows that organisations that attempt a change programme after a previous difficult and painful change programme face an increased and significant risk of failure during the next programme. This it appears, is down to employees of the organisation effectively being mentally scarred by the last attempt at organisational change. Difficult and painful change events significantly increase the risk of internal organisational change cynicism and fatigue.

Psychological contracts

Every member of an organisation will have expectations from their association with it. Even those who are largely only doing their job just for the money will have expectations of the organisation beyond just their pay. For example, they may expect to be treated fairly, to work, be managed and communicated with in certain ways. As people gain experience with an organisation these expectations form a 'psychological contract' - an unwritten set of rules or expectations that build up over time, that the people in the organisation anticipate will continue.

This study and others are showing that organisational change can often tear up the psychological contract creating a significant negative emotional response to the change in question. This can lead to increased turnover intentions (intentions to leave) and

resistance to the change process. The researchers add "Findings also provided support for our arguments that psychological contract violation would predict turnover intentions and, ultimately, employee turnover."

What this can mean, if not handled sympathetically, is that the organisation either loses the good staff just at a time when it needs to retain them, or turns supportive pro-active staff into resistors of change.

Basins of poor morale

To avoid basins of low morale and resistance the authors recommend: "HR managers may explicitly and openly discuss the possible positive outcomes from change efforts or work with work groups to identify potential benefits that may emerge from proposed changes. Managers and change agents may work collaboratively with employees to identify ways in which any potential losses resulting from change can be avoided or mitigated."

The paper also recommends that acts of contrition by the senior management to affected groups could well be a surprising and effective answer – to meet with them, admit past mistakes, apologise and then move on has been shown to be effective.

Reference

Rafferty, AE; Restubog, SL, "Why do employees' perceptions of their organisation's change history matter? The role of change appraisals" (2016) Human Resource Management

Organisational mergers: The importance of culture change

An interesting paper has just been published in the International Educational Scientific Research Journal looking at the role culture change plays in mergers and acquisitions.

The researchers estimate that approximately 30% of all mergers that fail to meet their objectives and outcomes, do so because of a clash of organisational cultures within the new merged organisation.

The paper proposes seven steps that can mitigate cultural problems during mergers and acquisitions that research evidence supports.

The problem of organisational culture

The authors define culture as "the long-standing, largely implicit shared values, beliefs, and assumptions that influence behaviour, attitudes, and meaning in a company or organization."

Part of the problem is that usually, those within the company or organisation are unlikely to see and determine the culture surrounding them, they just do it and are an active part of it every day. Culture is a largely hidden force that helps to determine meaning, assumptions and action within the organisation.

Additionally, organisational cultures are frequently fairly resilient to purposeful and non-organic change. Part of the reason for this resilience is that the culture is hidden and often unquestioned. Additionally culture plays a largely underpinning role in creating the thinking and behaviours of its agents and as such actually forms the rhetoric and understanding of the world inherent in the organisation.

Large company / small company

Mergers occur usually where both parties offer some form of intrinsic value to the other. One part of the merger provides or enhances a previously absent or comparatively weak capability or market penetration, for example for the purchasing or larger entity.

The success of the acquired company has usually been based on their way of doing things and their culture. An example is where a large, largely bureaucratic organisation, like Royal Mail, acquires a small fast moving and dynamic IT startup. Where the bureaucratic and slow moving parent organisation has its systems of work,

that work for it, the fast moving IT company may well clash with the bureaucracy. This can fairly quickly stifle and even kill off the entrepreneurial IT company as people start to leave or projects take longer and longer to sign off due to the bureaucracy.

Here the parent company needs to both retain the staff in the smaller company that gave it value, but merge the two businesses without snuffing out the creativity and entrepreneurialism that actually made the smaller company a target for acquisition in the first place.

How to institute change?

The paper, drawing on previous studies, identified seven processes that need to be put in place:

1. Make culture evaluation a major component of the change management.
2. Insist that the cultural work focuses on making the cultural evaluation tangible. Preferably there should be a steering body for this work which should be run and managed by senior human resources managers or organisational development practitioners. The paper states, "To drive home the importance of the issue, culture should be on the agenda of regularly scheduled (monthly/biweekly) Steering Committee meetings."
3. Identify who "owns" the corporate culture and make them report to senior management. The paper states, "Culture owners should be required to discuss issues that are specific, well defined and supported by specific examples that can be tied to business results."
4. Consider the strengths of both existing cultures not just the weaknesses. However this should not be like a mix CD with the "best of" tracks throughout the new organisation! Companies will not always fully mix well, as with Royal Mail's acquisition of smaller IT start-ups. The paper states, "Where the cultures are different, there should be an assessment of whether the elements can be integrated." It should be noted that some cultural areas can and should be kept apart.
5. Implement a decision making process that is not hampered by differences. Identify decision makers in each part of the organisation that is affected. Identify the styles of decision making and use this to assist decision making. Communicate expectations to those decision makers. Take an 'adopt and go' policy to decision making and emphasise the importance of speed in the process to all decision makers.
6. Build an employee brand that everyone in the new organisation can live with. The aim is for everyone to be just as proud to work for the new organisation as they were

working for the component organisations prior to the merger.

7. Focus on flow. The paper says, "It is important to focus on the flow of work: how objects or information are passed from group to group or whether information is shared effectively. The interfaces should be designed, improved, or fixed so that they help create business value."

Conclusions

In developing a structure in which behaviours are modified so the culture will change within the new organisation based on new workflows and optimum performance. The authors conclude, "By tying culture to value-creation and to identifying and changing specific behaviors when necessary, culture can become an effective tool for achieving post-merger integration objectives."

Reference

Nasreen, V.N., Yasmeen, V.S., "A study on cultural issues in mergers and acquisitions" (2016) International Educational Scientific Research Journal

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New mobile learning and teaching methods developing: New research

Electronic mobile device technology for tablets and smartphones is beginning to mature. Where 'Palm pilots' and PDAs have been around for over a decade, the speed of processors and memory for mobile devices is getting to similar levels that personal computers had just a few years ago. This means that their uses are mushrooming. According to the retail sales technology company IMRG, 40% of UK online shopping was done by mobile device in 2015.

Software development for mobile devices – the so called app – is growing at a vast rate globally with approximately 1000 new software developers moving into mobile software development every three months. App development is going in almost every direction imaginable from e-commerce to navigation to games, and of course educational apps.

As a lecturer I find that students are constantly on their phones, tablets and laptops so I have integrated the devices into my teaching.

A paper just published in the Ukrainian Language Journal of Educational Science or *Педагогічний часопис Волині* by researchers from the Eastern European National University has looked at the use of mobile devices in learning settings to determine how they are being used now and how they may in future.

How and where?

Distance learning has been done via the postal service for decades. The advent of the computer speeded this up considerably,and, with the advent of 4G technology, students and teachers are no longer tied to buildings, offices and classrooms. In 2012 I had a Skype conference with an editor who was in a park in New York whilst I was in middle of Portland Harbour in Dorset.

Now a class can have mobile learning as part of almost any type of teaching. School teachers are sending pupils their homework via apps. Colleges and universities are developing presentations and 'how to videos' for students to use 'on the job' whilst out at work or on placements. Lecturers can coach students as they are performing tasks in real time or commuting to or from work.

What can we do now?

The researchers found that many lecturers and trainers are setting up 'informal' Facebook Groups for remote teaching and getting discussions going both outside and inside the classroom. Twitter is being increasingly used by tutors and students to communicate, learn and even be assessed.

The paper identified six methods by which mobile learning can be used to accentuate the learning experience:

1. Technology-oriented mobile learning – Where the learning is focussed on understanding the capabilities of the technology as opposed to other content. This enables the students to use the technology for other purposes.
2. Mini e-learning – mobile, wireless and portable technologies used for re-implementation of solutions and approaches already used in 'normal' e-learning tools. For example using VLE technology and add ins/apps on mobile platforms.
3. A combination of mobile learning and learning in the classroom – the same technologies used to support collaborative learning in the classroom.
4. Informal, personalised, situational mobile learning – This is where the student is learning often 'on the job' via mobile technology.
5. Mobile training or just in time solutions. This is where participants use mobile technology in the situation to learn a new skill or attribute as they are applying the learning. This can occur in a flat way through videos etc. or with live feedback either from a tutor or biometric data or other feedback systems to enhance learning.
6. Remote (rural) developmental mobile learning – These are technologies used to address environmental and infrastructure issues and support education where normal electronic learning technologies do not work. Usually these are pre-loaded onto the device in the form of an app or other software, which is useful in remote areas with no mobile connection.

Conclusions

Mobile educational and training technology is just starting to come of age and mature into a useful set of learning tools and go far beyond communication tools. New apps are starting to integrate GPS technology that triggers learning events at certain locations. One class I held earlier this term involved 8 students all in different locations collaborating on a group task, pulling in data (video, photos and observation/measurements) from their unique locations. They were then able to go to different cafes and compile a joint report (using video tutorials and documents I had provided) which they then submitted for marking without ever going near each other, a classroom or me. This project previously would have taken five times as long and entailed travelling, little of which would have beenembedded in the experience.

Reference

Shevchuk, S. "Mobile learning in the system of new pedagogical technologies." *Педагогічний часопис Волині* 1 (2016): 31-35.

Why people are resisting moves to agile working

A new piece of research into changes in methodology of software development has highlighted many of the problems that are faced in nearly every change programme in organisations.

'Agile software development' is a relatively new approach to software development that is focused on customer needs rather than a project completion centric 'traditional approach'. As with nearly every organisational change programme, this shift from what used to be to agile working and projects appears to be facing increasing levels of resistance from established software development teams and companies.

Likewise reports of resistance in organisations to agile working appears to mirror the resistance emerging in the software industry.

We will look briefly as to what agile is and then look at the major issues raised in the large scale study.

The Agile approach?

In short, agile approaches to software development and project management help teams respond to customer needs and wants through incremental, iterative releases of pieces of work, known as sprints. They then gather feedback for the next sprint. In this way the work is always responsive and innovative at the same time, based on a 'build-test-change' approach where early releases are tested and retested with the customer as the software or product develops. This is opposed to the traditional method of waiting to release a product until it is finished.

Agile means build the core product and release it as soon as possible. Get feedback fast, change and release again and so on. The product development is done live with the customers in short iterative bursts. It is all based on getting feedback, swift action, change and release. It also means that you will necessarily fail at points. The trick is to fail fast and learn. In agile failure is feedback and nothing else.
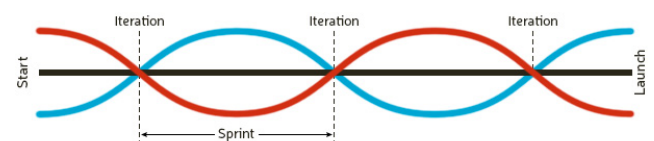
Looking at The 12 Principles of the Agile Manifesto for software development is instructive when trying to understand agile approaches:

- Our highest priority is to satisfy the customer through early and continuous delivery of valuable software.
- Welcome changing requirements, even late

in development. Agile processes harness change for the customer's competitive advantage.

- Deliver working software frequently, from a couple of weeks to a couple of months, with a preference to the shorter timescale.
- Business people and developers must work together daily throughout the project.
- Build projects around motivated individuals. Give them the environment and support they need and trust them to get the job done.
- The most efficient and effective method of conveying information to and within a development team is face-to-face conversation.
- Working software is the primary measure of progress.
- Agile processes promote sustainable development. The sponsors, developers, and users should be able to maintain a constant pace indefinitely.
- Continuous attention to technical excellence and good design enhances agility.
- Simplicity--the art of maximising the amount of work not done--is essential.
- The best architectures, requirements and designs emerge from self-organising teams.
- At regular intervals, the team reflects on how to become more effective, then tunes

and adjusts its behaviour accordingly.

Resistance to change

The study, just published in the Journal 'Computers in Human Behaviour', looked at how change to the new approach was being received and acted upon by software developers, their teams and companies around the world. The first thing the researchers found was: "Data analysis … showed that human-related challenges play a significant negative in moving to Agile". In short, resistance to change is a significant hurdle to achieving agile working practices.

The 5 principle causes of resistance to agile

The researchers found the following five issues among software developers and their teams:

1. **Lack of understanding** of the process and its principles caused resistance. If you don't understand a concept, then you're less likely to warm to it. Part of this is not having seen the process in action before.
2. **Cultural issues**. The longer a team or organisation have been

embedded in traditional and more sequential working practices the harder it often is to shift the thinking to agile thinking. This shift means changing cultural values around failure, success, being right, being open to challenge etc.

3. **Generic resistance to change.** Fear of the unknown and in particular a fear of making mistakes causes resistance. This was a significant challenge where the teams and individuals considered they had expertise in the old systems of working. The move to agile challenges the status quo of the previous knowledge hierarchy.

4. **A certainty mind-set and failure adversity**. This can be best summed up as logical sequential and complete thinking v 'get it out there, test and learn' thinking. This requires small but fast iterations and direct and near to instant responsive behaviour and the ability to pivot and change direction if needs be.

5. **Lack of effective collaboration**. Agile approaches requires an internal collaborative approach *at all levels* that focuses on problem solving rather than political manoeuvring, status building and 'being right'.

Editor's Notes

Whilst this paper is focused on the challenges of shifting software development teams and organisations into agile working, it is quite easy to see the close parallels in organisations moving towards more agile approaches. As more and more organisations embrace agile approaches, there are growing of resistance to agile in many organisations.
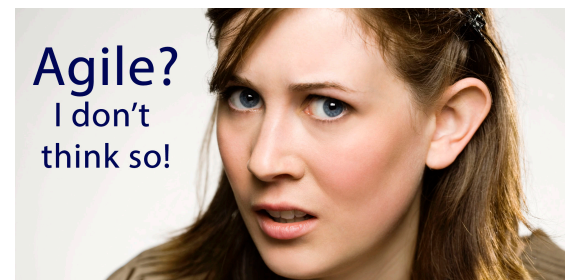
Being aware of the resistance to moves towards agile working and, more important, being able to break it down, analyse and understand what is behind resistance to agile working is a really important step in being able to address it.

Reference

Gandomani, T. J., & Nafchi, M. Z. (2016). Agile transition and adoption human-related challenges and issues: A Grounded Theory approach. Computers in Human Behavior, 62, 257-266.

How personality affects knowledge sharing in organisations

Knowledge transmission, sharing and management are essential activities in any organisation. Whether it is communicating with or marketing to customers, designing strategy, managing, writing reports etc., communicating knowledge is at the core of operations in every business or organisation.

Two forms of knowledge in organisations

In organisations there are broadly two forms of knowledge:

1. **Explicit knowledge.** Explicit knowledge is the type of information than can be readily shared and easily transmitted through documents, diagrams, infographics and the likes. Explicit knowledge can be readily articulated, codified, accessed and articulated. Most forms of explicit knowledge can be stored readily in various forms of media like paper, digitally etc.
2. **Tacit knowledge** on the other hand is something rather harder to explain or define – whilst it is possible to write directions on how to ride a bicycle one cannot learn merely by reading a manual and getting on the bike. Scientists define tacit knowledge as "knowledge that cannot be transferred to an individual solely through concise instructions; it requires immersion and long-time practice."

Examples of tacit knowledge include:

a. How to speak a language
b. Innovation and creativity
c. Good leadership
d. Intuition
e. Humour
f. Building rapport
g. Riding a bicycle
h. Empathy
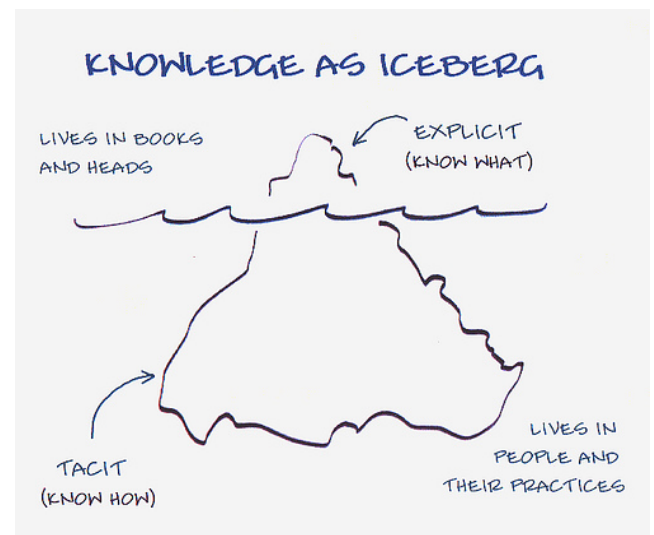
A number of previous studies have revealed a relationship between personality traits and knowledge sharing behaviours. For example introverted people tend to focus on subjective factors, i.e. his or her internal world with his or her ideas, thoughts and reflections. Whereas an extraverted person focuses more on objects and objective facts in the external world that surrounds him or her and tends to be led by these factors.

Additionally it has been found that emotional social intelligence also impacts how people share knowledge.

Although most people are not strictly all introverted or all extraverted but have a mix of both traits, people do, however, have a tendency to prefer either the outer or inner world.
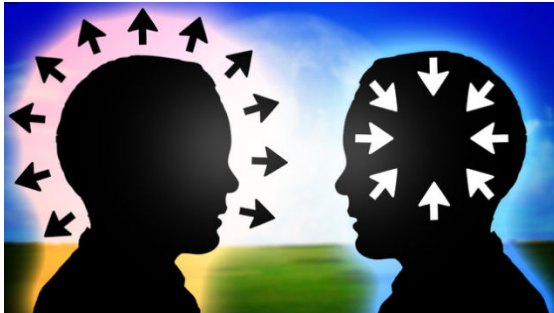
Recent research has shown that in terms of recruiting, people who are more extroverted are often seen as the preferred employee in many areas of the workplace. They tend to be more outgoing and build relationships more quickly and more easily than introverts do. More introverted people on the other hand are often perceived to have fewer social skills and are less communicative.

Consequently there has hitherto been a broad assumption, both generally and in the research community that introverts tend not to be brilliant communicators nor tend to have the social skills to transfer knowledge readily. Additionally, it has been assumed that because tacit knowledge is not easy to transfer, introverts are at a further disadvantage when tasked to transfer it.

A new study, however, is shedding new light on these assumptions, particularly with regard to the development of tacit knowledge.

Transfer of tacit knowledge

Strictly speaking tacit knowledge can't be transmitted or transferred. Rather, people tend to pick up tacit knowledge by watching others, trial and error and getting feedback as they develop the underlying skills inherent in tacit knowledge. This often involves coaching and mentoring whilst the person is learning.

Weaknesses of the introvert

The paper says that in social situations such as brainstorming ideas "introverts might be an obstacle in tacit knowledge sharing since they lack the ability to focus on the knowledge *and* social aspect of knowledge sharing at the same time."

When it comes to written work, introverts excel but, as described at the beginning of this piece, writing is often one of the poorest ways of expressing tacit knowledge: "Their preference for expressing themselves in writing rather than verbally also has a negative effect on tacit knowledge sharing, as verbal communication lays the foundation for tacit knowledge sharing through socialization."

Introverts are also often more sensitive to criticism and challenge as can happen in discursive interactions around the development and transfer of tacit knowledge. There can be a tendency to withdraw in such situations which necessarily demand continued application as the other people develop their skills with the tacit knowledge.

A culture of negativity and criticism, whilst often ignored by extraverts, should be tackled four two primary reasons. The first is that it creates a generally problematic work and learning environment, and secondly, introverts often really struggle in such environments. Both of these have been found to significantly impede communications generally and the transfer of knowledge specifically.

Extraverts often have a greater sense of self-worth than the introvert and will often have more to say than an introvert might. These two attributes also have an impact on imparting tacit knowledge to a significant degree.

Strengths of the introvert

Where the extravert may have a greater sized social network, the introvert will have a smaller yet deeper network with more valuable and stronger relationships. Through this, communication is far better between the introvert and their associates than those between the extravert and theirs. Stronger bonds tend to develop between the introvert and their contacts, so communication is often at a deeper level.

Introverts are also more likely to be open to experiences. They are more likely to have an internal motivation to learn something for the joy of learning and are therefore likely to accrue more intrinsic knowledge and often deeper levels of knowledge about things than their extraverted colleagues. This is partially because they tend to analyse, and therefore understand things at a deeper level than their more extraverted colleagues.

WHAT DOES IT REALLY MEAN TO BE AN EXTROVERT OR AN INTROVERT?
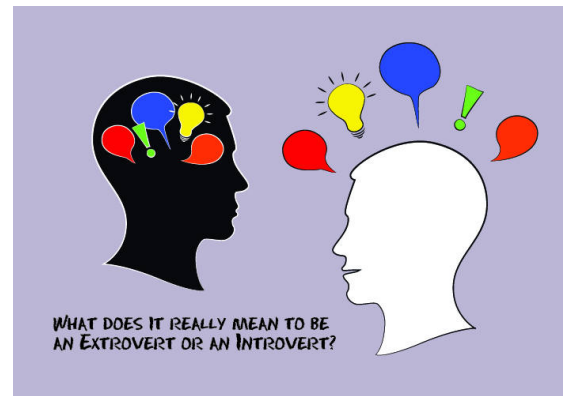
Though the extravert is more likely to communicate, the introvert does it better! The paper suggested, "First, introverts are known to be good listeners, which enables careful processing of new knowledge. Because of their ability to listen to others, introverts might possess a lot of tacit knowledge without giving the impression of being particularly knowledgeable, due to their reluctance to expressing their knowledge in social settings."

People tend to feel more listened to by a more introverted person than a more extraverted individual and consequently they are more likely to feel more valued, due to the better listening skills and to communicate even more to them. As such, it is now understood that introverts are actually better communicators.

The researchers conclude that the introvert's method of communication is often better, particularly in tacit knowledge development situations. The authors of the paper state: "they are able to convey information and knowledge in a more precise and efficient way, whereas extraverts may be better at brainstorming ideas with their spontaneous and quick communication style. Linguistically, introverts' concrete style of verbal expression is more likely to appear more trustworthy than abstract verbal expression, meaning that in addition to being more efficient, introverts' communication is inclined to be perceived as truthful."

Conclusions

This research strongly suggests that although office environments, particularly open office environments and processes are better designed for the extravert, the introvert definitely has a vital place in the modern knowledge economy. By putting them in smaller teams and allowing them to focus on their work, they have as much to contribute to the organisation and the development of tacit knowledge as their more extraverted colleagues.

Reference

Hvidsten, A. K. N. (2016). *Is Introversion an Obstacle in Tacit Knowledge Sharing through Socialization? A Study on how Personality Traits Influence Knowledge Sharing Behavior.* Dalhousie Journal of Interdisciplinary Management, 12(1).

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Developing trust in the workplace and the role of HR – a new study

An interesting study just published in The International Journal of Business and Management looks at the issue of trust in organisations.

The objectives of the study were to:

1. Examine the drivers of trust in organisations,
2. To identify the human resources practices that create trust in the organisation and
3. To examine the effects of trust on employees' performance in the organisation.

Three factors in particular were found to create low levels of trust in organisations:

1. Low involvement in decision making
2. A lack of opportunity to be able to evaluate and give feedback to the organisation on the effectiveness or otherwise of their performance appraisals and
3. Excessive control by management and managers not listening.

The authors of the study also identified the arbiters of trust:

1. Co-dependency where the managers and employees depend on each other to get the job done
2. Mutual respect
3. High levels of engagement, particularly in decision-making
4. Open communication
5. Fairness, particularly in appraisals
6. Being part of a high performing team
7. Delegation of responsibility
8. Equality of the distribution of resources
9. A focus on relationship building

The key factors which had the opposite effect and created a lack of trust include:

1. A lack of transparency, particularly of decisions
2. Interpersonal and unresolved conflict or conflict that is resolved by resorts to power and status
3. Disengagement
4. Low levels of performance

The researchers further found that trust tended to increase in organisations where Human Resources functions focused on helping to develop:

1. Open communication

2. Fairness in appraisal
3. Delegation of responsibility
4. Equal distribution of resource
5. Equitable treatment
6. Relationship building

This is a three pronged strategy where HR functions need to develop these dimensions

1. Within their own function first
2. Then between themselves and the managers and employees and
3. Help to facilitate the creation of these dimensions between the managers and employees themselves.

The researchers identified that: "a low level of trust affects their individual performance, team performance, the level of commitment and the engagement they have."

Reference

Botwe P.B. et al, (2016) Concept of Trust and Its Effect on Performance in an Organisation The International Journal of Business and Management. Vol 4 Issue 2

How to make a merger work: A Review of Research

Mergers and acquisitions are often seen as a desirable method of growing a business. However, many mergers and acquisitions fail to meet their desired outcomes and have in a number of cases resulted in disastrous consequences for the organisations concerned. As organisations grow and become more complex, mergers and acquisitions also become trickier to navigate.

A new review of the research about mergers and acquisitions has just been published. The aim of the review conducted by Dr. Norbert Steigenberger, a researcher at the University of Cologne, Köln, in Germany was to discover what is, and isn't known in scholarly papers as mergers and acquisitions. The review focused solely on peer reviewed research and avoided the plethora of unsubstantiated works such as books,

blogs, articles and other literature that abound. Steigenberger reviewed 480 research papers overall and then focussed on the findings of 193 papers deemed to contain quality, up-to-date research.

In this Research Intelligence Briefing we will only look at what the research says about what processes are involved, and what hurdles there are to consider before and whilst a merger takes place between two (or more) organisations.

The process overview

Figure 1 describes the process the author saw from his review of the literature. Below, we will focus on some key points raised in this.
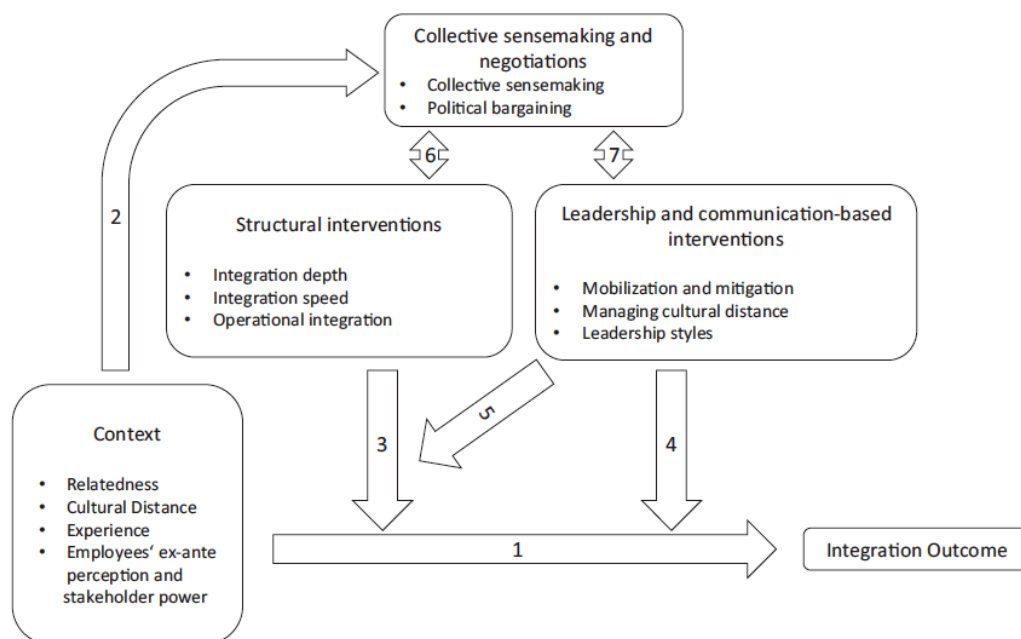
There are 7 accepted processes involved in any merger and acquisition.

The 7 Mergers and Acquisitions processes

1. **Contex**t. The first process involved is to understand the context the merger is taking place in. The main things that have to be considered for a successful merger are:
   a. How related the two businesses or organisations are and how they are related. This is usually a mapping exercise to understand these relationships.
   b. What the cultural distance is between the elements of the two organisations and how the internal cultures respond to each other.
   c. How their different histories and experiences inform how they see, do and make sense of things.
   d. What the populations of the organisations concerned think, feel and importantly forecast will happen when the merger takes place.
   e. What power the various stakeholders have in the two organisations and how they interact with each other.

A marriage made in heaven

2. The second thing that makes a difference is what **the intended outcomes** for the merger or acquisition are in reality and how they are articulated? This can play a significant role in later perceptions of success. These will be iterative in that as the merger progresses new opportunities and restrictions will become apparent which may change the intended outcomes.
3. The third area of concern that needs to be explored is what is termed **collective sense-making and negotiations**.
   a. How are the various groupings of people making sense of the merger?
   b. What are their perceptions of the reasoning behind the merger?
   c. What sense are they making of the actions being taken and the rhetoric being propounded?
   d. What do they believe?
   e. What are their interests and allegiances?
   f. What does the internal and external political landscape look like and how is it impacting people's views?
4. **Structural considerations** come next. These can be broken down into the following areas:

a. *Integration depth* – how far are you intending to merge and integrate the two (or more) entities?
   i. Are you keeping two separate structures?
   ii. Is one structure going to dominate?
   iii. Is there a wholly new structure?
   iv. Will they be sharing / competing for central resources?
   v. What will the management and responsibility structure look like?
   vi. What will the effects likely be on the proposed integration depth?
b. *Integration speed*. What is the pace of integration going to be?
   i. Will it be a big bang?
   ii. Is there a phased approached?
   iii. Are some parts of the integration going to occur at different speeds?
   iv. Does the pace of the integration have dependencies, such as being dependent on feedback or market fluctuations for example?
c. *Operational Integration*.
   i. How far are the various systems, procedures and policies going to be integrated?
   ii. Is there a sequence of integration that needs to be considered, not only in terms of fitting the the systems, procedures and policies together but also in terms of the effect on output / customers?
   iii. Do new systems, procedures and policies need to be developed and tested?

5. **Adaptability and communications** - The structural interventions need to be adaptable in the light of the developing sense-making and negotiations.
6. **Leadership and communication based interventions.** Key considerations include:
   a. Leadership styles
      i. What leadership styles will be needed when and who are the best leaders to mobilise for which parts of the journey?
      ii. Who will be responsible as leaders for what?
      iii. What are the systems in place or that can be developed for leadership learning and staying in contact with what's going on?
      iv. How are decisions going to be made and at what level?
   b. Mobilisation and mitigation
      i. Who, how, why and what will be mobilised and when will it be mobilised / put into action from a leadership point of view? What's the plan?
      ii. What are the mitigations which can change or stop a process?
      iii. What is the feedback process and are the leaders really listening and looking?
   c. Managing cultural distance
      i. Map out the different cultures and how they operate
      ii. Work out the cultural differences
      iii. Don't assume homogenous cultures per organisation
      iv. What is the distance and how is it going to managed, does it need managing?

7. **Adaptability and communications between the leadership** - the collective sense-making going on in the organisations and the Intended outcomes. The leadership and management need to be in learning mode, and responsive to changing sense-making in both organisations and the adapting and shifting Integration Outcomes. Additionally, the leaders also need to be keeping a track of the Structural Interventions and importantly how they are affecting the Integration Outcomes.

This is an incredibly useful review of the academic literature as it is research based as opposed to opinion based.

Success?

Where there have been successes in mergers there have also been colossal failures. Chrysler famously tried to buy Daimler many years ago. There were so many obstacles to the two companies merging that Chrysler divested its German acquisition with a reputed loss of in excess of US $30bn.

Proper planning and an awareness of the pitfalls will dictate whether the whole process will achieve the aims of the merger.

Reference

Steigenberger, N. (2016). The Challenge of Integration: A Review of the M&A Integration Literature. *International Journal of Management Reviews*.

Innovating your way out of a bureaucracy

Public and private bureaucracies have a number of traits that collude toward slowing them down and producing outcomes that streamlined, fast moving organisations would never tolerate.

In most businesses most, if not all the employees work together to achieve the aims of that business. Or at least that's the idea.

However, in bureaucracies we typically find political groupings that are often in rivalry with one another. In such organisations groups are frequently found whose aim is to defend and apply the system or bureaucracy, regardless of whether it helps to create a coherent and cohesive organisation or not. The very term 'bureaucracy' elicits the idea of something extremely slow moving and prone to actions that could only be understood from the inside.
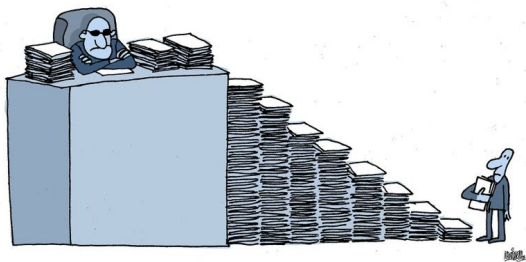
A research paper just published in the Greek version of Review of Applied Management Studies looks at what was considered to be a largely bureaucratic and failing state owned airline, Olympic Airways, and examines how it took on new innovations that would ultimately improve its competitiveness before it

was privatised and sold in 2009, in the midst of the financial crisis.

3 powerful lessons for change

Although a lot of the problems and successes in the programme were down to very Greek cultural issues the paper provides three very powerful lessons which can be applied in many other change situations:

1. The key role of management
2. Using rather than restructuring informal communication channels
3. Listening to the employees

The key role of management

Olympic Airways had a weak management structure that was not in full control of the airline at the start of the change programme. Things tended to get done through informal channels in order to negate the suffocating bureaucracy. Any innovation suggested by an employee for example, was rarely implemented as it usually became lost in a glacial system of paperwork, meetings and a lack of decisiveness.

In the case of Olympic, a number of new systems and procedures needed to be put into place to make it more efficient, for example, a new passenger service system, a new departure control system, a wholly new

website and online booking system, a revenue management system and a frequent flyer programme.

Before the change the company was comprised largely of a series of fragmented departments that had toxic rivalries which were contributing to low levels of solidarity and alignment with the overall aims of the company. The paper stated, "there are certain factors that are negatively associated with the use of new technologies. The *negative networked* culture at Olympic was characterized by the existence of numerous groups of employees whose primary interest was personal gain, by the emergence of cliques and informal politics, management's high tolerance for poor employee performance, no monitoring of said performance, and a general lack of motivation."

The change process put management at the centre of the change effort and consequently the first focus for change was to get the managers to shift their thinking away from the bureaucracy and into a mind-set of being there to help the employees achieve higher levels of productivity, to use the new systems effectively and to create greater alignment of purpose across Olympic.

This 'management first' approach was considered to be highly successful.

Using informal channels

Bureaucracies often have systems that are more traditions than efficient processes. Things are done in a certain way because 'this is the way they have been done for many years' rather than for specific reasons of

operational efficiency. These also include the formal channels of communication and action within the organisation. Rather than attempt to restructure and formalise new communication channels, the leadership of the change decided to harness the existing informal channels with the view that "The development of close relationships and friendships between respondents (high sociability) and a high interest in the project's and the company's success (high solidarity) are characteristics of a *positive communal* culture type."

Observing how the employees were getting things achieved in the old bureaucracy really helped to understand the informal networks and relationships. Using these, as opposed to imposing a new structure, strengthened the networks and gave them more clout to achieve change.

Listening to the employees

Lastly, they found that a number of employees in the organisation at all levels had ready levels of expertise, a good grasp of the problems the organisation had and they had their own effective networks to get things done. Finding and really listening to these individuals proved to be significant factor in the success of the change. They were often able to unlock issues the management and

leadership were either unaware of or didn't know how to resolve. This one act gave the change leaders a real strategic advantage.

The researcher also found that listening to the people with something useful to contribute also increased levels of engagement across the organisation as they were usually able to co-opt and positively influence their colleagues.

Conclusions

The paper ties all these issues together by concluding that success in introducing innovation into a largely bureaucratic and change resistant organisation comes from:

1. The increased participation of employees and their networks in the introduction of new technologies
2. The exploitation of those networks of employees (using the 'positive networked' culture) and
3. Co-opting and listening to individuals that present positive behaviours toward the organisation, then
4. Helping employees to express increased interest in the ways in which new technologies can affect customers,
5. Through a pre-prepared management that is focused on helping and serving the employees to become aligned and make improvements.

Reference

Malagas, K. N., Gritzalis, S., & Nikitakos, N. (2016). How institutional factors that emerge within a public organization affect the use of an innovation by its employees: A case study of olympic. Tékhne - Review of Applied Management Studies

The Second Curve: Thoughts on Reinventing Society by Charles Handy
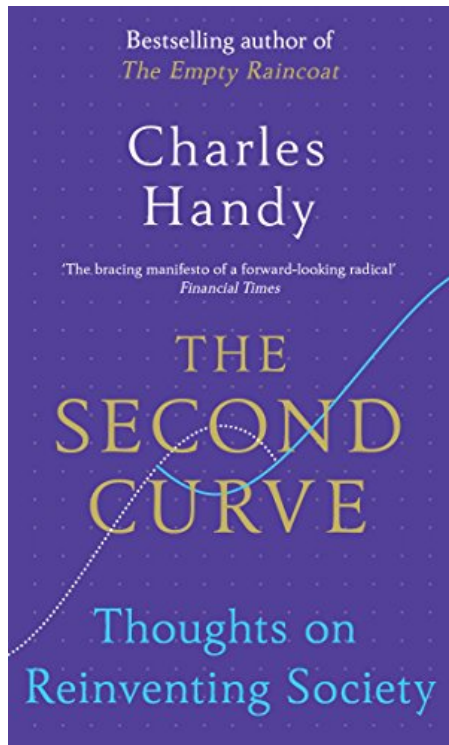
For an 84 year old Charles Handy is as incisive and insightful as ever. The Second Curve is Handy's 20th book since *Understanding Organisations* was published in 1976. Like a favourite uncle, Charles Handy's work is a gentle yet questioning, deeply probing and wise critique of the current situation in business, organisational development and the state of politics and education.

Written in a series of 16 short essays (to take into account for the millennials shorter attention span) Handy explores the leap from one 'S' curve to the next, that all businesses, organisations, political systems and civilisations have to make eventually. In the Oxford Review we have looked a number of times at the relatively new but growing research area of organisational ambidexterity, the capability of an organisation to keep profiting from the current curve whilst exploring and developing the next 'S' curve. Handy, right on money as ever, publishes a book all about how the do this and what the next curve might be in a number of important areas.

This is a deeply thought provoking book that will have you pausing, thinking and re-reading passages. Indeed it is one of the few books I have read and then had to re-read immediately to extract as much from it as possible. Now I admit I am a bit of a Handy junkie and have been since the 80's when I first discovered his books. I have never been disappointed by Handy's writing, it's like a constant cognitive sugar rush as you move from realisation to realisation through the book.

Some quotes from the book might give you a flavour of the wisdom contained there in.

On leadership and humility

"One of the great features of leadership is humility"

"If you don't understand that you might be wrong, or you have no decent doubt, then

you are in a dangerous situation"

"Most institutions (public or private) are run like dictatorships or oligopolies with no sign of democracy – too few at the top only occasionally ask people lower down what they think"

On the size of organisations:

"People should be heard and their voices should be listened to by the people in charge. That's much easier if you have small groups.

The largest group in which you could possibly know everybody on it is 150 people.

So let's have groups no bigger than 150 people and you might possibly have your voice heard by someone supposedly leading that group."

He refers to most organisations as being "Prisons for the Human Spirit".

It is not hard to see why Charles Handy is considered to be one of the worlds 50 top thinkers. If you only read one book this year, make it this book.

If I was to level a criticism at the book, it would be what starts out as a real tour-de-force in the first half of the book, turns into a less cohesive argument and criticism of the UK political and educational systems. Having said that it is still full of thought provoking ideas if more general in nature. However, the first half of the book is a joy.

I can only leave you with the wise words of Charles Handy:

" The hope lies in the unknown, in that second curve, if we can find it. The world is up for reinvention in so many ways. Creativity is born in chaos. What we do, what we belong to, why we do it, when we do it, where we do it - these all may be different and they could be better. Our societies, however, are built on case law. Change comes from small initiatives which work, initiatives which, imitated, become the fashion. We cannot wait for great visions from people, for they are in short supply at the end of history. It is up to us to light our own small fires in the darkness. "

Charles Handy - He wrote this in 1994! The age of Paradox

Useful 5/5
New material 4/5
Interesting 5/5
Overall 5/5