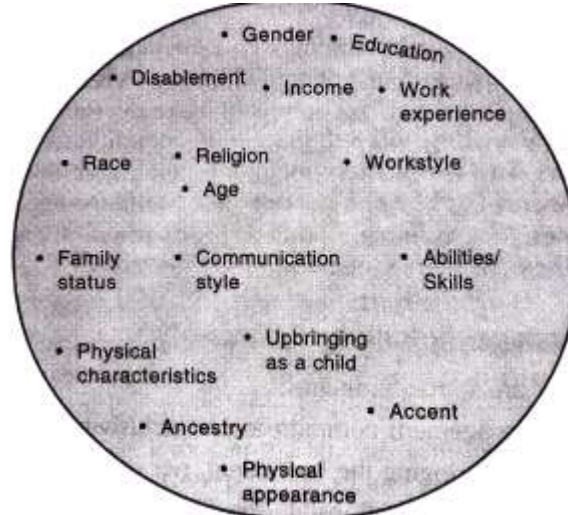


## 1.3 Challenges in Organization Behavior

### 1.3.1 Managing Inclusivity / Diversity

Inclusivity refers to workforce made up of people with different languages, cultures, gender and religions. They differ in age, educational qualification, lifestyles, origin, beliefs and opinions.

Diversity is another term for inclusivity. Diversity has both primary and secondary dimensions (See Fig.). Diversity needs to be understood from both the dimensions.



**Diversity Variables**

**Managing Inclusivity:** is a philosophy about how differences among individuals are accepted and respected and how they are made to work in cohesion. Firms are realizing that utilizing diversity in all aspects of the workforce makes not only a strong moral sense but also business sense. By ensuring that diversity is built into various groups of members, such as project teams, business start-up teams, customer response teams, sales force and top management teams, businesses are able to achieve immense benefits. Diversity is going to be a major challenging task for managers for the following reasons:

1. The number of young workers (Generation Z) in the workforce is increasing
2. Organisations are getting increasingly feminized
3. Proportion of ethnic minorities in the total workforce is increasing
4. Workforce mobility is on the rise
5. International careers and expatriates are becoming common
6. International experience is becoming a pre-requisite for career progression to many top-level managerial positions.

Effective diversity management offers strategic advantages to an organisation.

One main benefit of diversity is the generation of more and better ideas. Because group members come from a host of different cultures, they are often able to create unique and creative solutions and recommendations.

A second major benefit is that culturally diverse groups can prevent groupthink, which is a social conformity that pressures individual groups to conform and reach a consensus. When this occurs, group participants believe that their ideas and actions are correct and those who disagree with them are either uninformed or are deliberately sabotaging the efforts. Multicultural teams are able to avoid this problem, because the members do not think similarly or feel the pressure to conform.

Third, organisations will be able to tap gender and racially diverse markets better with a more diverse workforce.

Fourth, firms having good record in managing diversity may be able to attract talent.

Finally, organisations that can manage diversity better tend to be more flexible and vibrant, because they have broadened their policies are more open minded, have less standardized operating methods and have developed skills to manage resistance to change.

There are problems associated with diversity. It may cause a lack of cohesion that result in the firm's inability to take concerted action, and direction-less. Decisions are delayed and performance may suffer. When diversity is not managed effectively, consequence will be conflict flight of talent and decreased morale.

There are perceptual problems too. When culturally diverse groups function together, often bring preconceived stereotypes with them. A related problem is inaccurate biases. Japan firms, for example, depend on groups to make decisions. Entrepreneurial spirits, individual and originality are downplayed. Inaccurate communication is yet another problem of cultural diverse groups. Two reasons account for inaccurate communication: One is caused by words used by one but not clear to others. Second is the interpretation of the situation. Many Japanese, for example, nod their heads when others talk, but this does not imply approval. They are merely being polite and attentive.

### **How to manage inclusivity effectively;**

Some guidelines

- ✓ Top management commitment to inclusivity.
- ✓ Focus on bringing the best talent, not on meeting numerical goals.
- ✓ Hold managers responsible for diversity goals.
- ✓ Have more women as supervisors. They in turn bring in more females as employees.
- ✓ Develop career plans for employees as part of performance reviews.
- ✓ Develop an age, gender, and race/ethnic profiles of present employees.
- ✓ Promote minorities and other disadvantaged sections to decision-making positions not just to fill vacancies.
- ✓ Diversify the company's board.
- ✓ Provide extended leaves, flexi-time, job-sharing, and opportunities to telecommute particularly for disadvantaged workers.
- ✓ Organize diversity training programmes that provide diversity awareness and reduce employees on cultural and sex differences and how to respond to those in the workplace.
- ✓ Have a support group to provide a nurturing climate for employees who would otherwise feel isolated or alienated.
- ✓ Create mentoring programmes in which senior managers identify promising minority sections and play an important role in nurturing their career progress.
- ✓ Institute diversity audit to review the effectiveness of an organization's diversity management programme.

**Barriers in Accepting Diversity:** Despite a general awareness in organisations that diversity is a positive factor, individuals still experience numerous personal barriers to accepting diversity. Those who come from homogeneous backgrounds are especially vulnerable to attitudes that prevent them from being more open to diversity- both in the workplace and in their personal lives. There are several barriers that sometimes prevent organisations from accepting diversity. These include:

1. Prejudice - Unjustified negative attitude towards a person based on his or her membership of a particular group.
2. Ethnocentrism - A tendency to regard one's own group, culture, or nation as superior to others. This is what sometimes occurs in a selective club, religious sect, or political organisation. People who are ethnocentric see their group-related customs or beliefs as 'right' and evaluate other beliefs or practices against this yardstick.
3. Stereotypes - Set of beliefs about a group that is applied universally to all members of that group, such as 'all poor people are uneducated' or 'all Asians are good at math's'. Stereotyping, whether positive or negative, is not good because seldom does one statement hold true for all members of a group.
4. Discrimination - Barring an individual from membership of an organisation or from a job because of his or her membership of a particular group. An example of unfair discrimination is the company that only interviews men for a position that requires a lot of travel.
5. Harassment- Consciously shunning or verbally or physically abusing an individual, because of membership of a particular group.
6. Sexual harassment - Approaching a person in an unwanted, uninvited, intimate way, interfering with that person's productivity or advancement.
7. Backlash- Negative reaction to the gaining of power and influence by members of previously under-represented groups, leading to fear, resentment, and reverse discrimination.
8. Lack of Cohesion-Diversity may cause a lack of cohesion that result in the firm's inability to take corrected action, be productive, and create a work environment that is conducive to both efficiency and effectiveness. These problems are rooted in people's attitudes.
9. Inaccurate information Diverse groups may contribute to faulty information in more than one way. One is misunderstandings caused by words used by one but not clear too others. Another cause relates to the way in which situations are interpreted. Many Japanese nod their heads when others talk, but this does not necessarily imply their approval. They are merely

being polite and attentive. Different uses of time may lead to communication problems. For example, many Japanese will not agree to a course of action on-the-spot. They will not act until they have discussed the matter with their own people because they do not feel empowered to act alone. Many Latin managers refuse to be held to strict timetables, because they do not have the same time urgency that US managers do.

**Diversity Dimensions:** Diversity is a broad term which includes several dimensions. They are gender, demographic, culture, disability and religion. Gender diversity is elaborated in the next section. Other dimensions are described here.

**Diversity in Religion:** India is a land which exhibits vast religious diversity. People belonging to different religions live in harmony - there is unity in diversity. Major religions prevailing in India include Hinduism, Islam, Christianity and Sikhism. Being highly secular, organisations encourage people belonging to all religions. A Murthy, a Khan, a Peter and a Singh work under the same roof, rub shoulders, share joy and celebrate accomplishments together. Employee with tonsured heads, unshaven and barefooted are as much accepted as those taking time off to offer prayers multiple times a day. All employees participate in festivals like Vinayaka Chaturthi Diwali, Onam, Pongal, Ramzan and Christmas. Employees of diverse religions speak the same language of task accomplishment, productivity, profitability, competitive edge, takeovers and ESOP.

**Culture Diversity:** Not only secular, today's organisations are multicultural in their outlook and actions. A multicultural organisation offers the following benefits: (1) High creativity and innovation (2) Demonstrating sensitivity while dealing with foreign customers (3) Hiring the best candidate from anywhere (4) Demonstrating a global perspective (5) Creating a "Super Organisational Culture" embedding the best of all cultures (6) Evolving universally accepted HR policies and processes (7) In order to make the organisation truly multicultural, the manager needs to possess the following attributes – (i) Strong personal identity (ii) Knowledge and felicity with the beliefs and values of the organisation (iii) Communicate clearly in the language of the given cultural group (iv) Maintain active social relations within the cultural group. The manager needs to identify and implement multicultural interventions. *For example:* (a) Committing top management to make the organisation truly multicultural (b) Following geocentric policy while hiring irrespective of region and religion (c) Picking up local language, (d) Visiting employees' houses on auspicious occasions In case of MNCS, expatriate bosses need to acclimatize with the cultures of subsidiaries.

**Disability Diversity:** It is estimated that there are 70 to 100 million disabled in India. Their disability varies from partial to total. As many as 21 categories of disability have now been recognized. Some of them are the following: physical incapacitation, learning impairment, blindness, mental retardation, low vision mental illness, leprosy-cure. In addition to being incapacitated these people are socially disadvantaged too. Particularly in the rural side, discrimination is intense. Social stigma is attached disability to disability. A girl with is disqualified for marriage. Besides, it is feared that the presence of the disabled would make it difficult to find suitable boys/girls for their siblings. The disabled girl is therefore hidden on auspicious occasions. It is not uncommon to notice that the disabled boys and girls are addressed not by their names but by their disabilities. For example, a blind is called "Guddi a lame "Kunti", a deaf a "Chaviti" and a short a "Potti",

Disabled need support and rehabilitation-not charity. They possess skills and this skill pool can be tapped for useful purpose. It may be stated that disability is not a sin ordained by divinity, but it is a sin not to reach out to them.

Corporates' can have a bigger say in hiring the disabled. Providing jobs to disabled is an obligation under corporate responsibility directive from the government.

There is also a strong business case for employing disabled people.

**Talent pool** Disabled pool represents an alternate pool of job-seekers. When in need, organisations can tap this source. In addition to job-specific skills, disabled people possess certain attributes. They are more productive, absent-less and are hassle-free.

**Promoting diverse workforces:** Being, part of diverse workforce, disabled employees form part of diversity. Diversity, as stated earlier, offers several benefits such as innovation, vibrancy and transparency.

**Inclusive organisation** Being, a part of an inclusive organisation means morale and teamwork of employees in general are enhanced. Morale and teamwork in turn help bring out innovative products and enhanced customer base.

**CSR compliance** Rehabilitating disabled is a statutory obligation. The Persons with Disability Act, 1995 mandates that every establishment shall reserve at least three percent of the total jobs for the disabled. In addition, the Act requires that schools and colleges shall reserve given number of

seats for the disabled children. They are entitled for free education also. It is too well known that a few seats are- generally reserved for the disabled in public transport.

When disabled are on board, a few facilities exclusively for them-ramps, special parking, wide and spacious lifts with Braille enabled buttons including audios in all the lifts-need to be provided.

Tatas have more than 4000 employees who are disabled. The conglomerate is planning to make building structure more accessible and comfortable. Making parking areas closer to buildings and lifts and work-stations that suit the disabled are among other plans the Tata's have.

Indigo is the first airline to introduce ramps instead of step ladders to make emplaning and deplaning easier for disabled passengers. It is also the first airline to employ disabled for their operations.

Valeo, the Chennai based French MNC, has disabled employees on its payroll. It has discovered that productivity of disabled employees is 34 per cent higher than others.

It may be stated that handicapped employees constitute less than 1 per cent of the total workforce across all corporate entities. The Disability Act 1995, which mandates that every organisation should reserve at least 3 per cent of its employees to disabled has not made much of a difference.

*Demographic diversity:* Today's organisations are filled up with people of different age groups. Elderly people are found rubbing shoulders with fresh graduates. This is so because of the hiring strategy being practiced now.

Retirees are rehired while fresh graduates are being newly hired. Multi-generations found in organisations now comprise baby boomers, Gen Xers, Gen Yers and Gen Zers.

The millennials are so hard-working that they desire to become work martyrs. Some of these "vacation shame" others. The youth are educated, skilled, ambitious and innovative.

With such a mixed employees, on board organisations become vibrant, competitive and game changers. But the youth are job-hoppers and are known for organisational rootlessness. OB managers need to devise new initiatives to attract and retain the millennials'.

*Dress Diversity:* Among all forms of diversity, attire diversity is most visible, depends on the industry sector. First, the manufacturing sector, employees of manufacturing organisations in the public sector wears common uniform. From janitors to general manager attire is the same. Private sector industrial workers come under dress code at shop floor. In other words, shop floor employees wear common dress. Employee in the IT sector needs to wear formal dress from Monday to Thursday. It is a smart casuals on Fridays. In call centers' employee are allowed greater freedom. They are allowed to wear casuals on all the workdays. Sales representatives need to wear formal dress while interacting with clients at the urban side. It is casuals when interacting with villagers. Formal dress makes it difficult to connect with villagers.

### **1.3.2 Career Management**

The terms career, career planning, career development and career management need clarification. Career is progress or general course of action of a person in some profession or in an organisation. Elaborating further, career includes the specific jobs that a person performs, the kinds of responsibilities and activities that comprise those jobs, movements and transitions between jobs, and an individual's overall assessment of and feelings of satisfaction.

A typical career progresses through 5 stages:

- (i) Entry to the organisation when the individual can begin the process of career planning. self-directed.
- (ii) Progress within particular areas of work.
- (ii) Mid-career when people still hope to secure higher positions, while others have already got;
- (iv) Later careers when people have settled in respective areas and are planning post retirement life;
- (v) End of career in organisations; rehired, if physically fit and well or lead retired life dedicated to social and religious life.

The meaning of a career given above refers to its conventional approach. The traditional approach focuses on paid work. It also embodies the notion of a 'job for life' or the idea that careers are longitudinal phenomena that take place within single or limited number of organisations. Obviously, the focus is on careers taking place within a bureaucratic context and on continuous vertical adjacent through the organisational hierarchy. In this sense, careers tend to be structured around well-trodden paths or ladders which link a sequence of jobs resulting in the achievement of certain predetermined objectives.

But the contemporary notion of a career is different from the conventional perspective. Career is now understood as the subjective sense where one is going in one's work life. In other words,

his/her movements are unpredictable, discontinuous and subjective, brings out the comparison between the 'old' career and the 'new' career more clearly.

It does not imply that the old careers are dead. Employees of today expect orderly career movements, and prefer to stay with the same organisations for at least five years. They believe that rolling stones do not gather anything. An individual prefers to lead a predictable and orderly life.

**Career Planning** is a process whereby an individual sets career goals and identifies the means to achieve them. Where the organisation intervenes in planning, it becomes **organisational career planning**. In other words, organisational career planning is the planned succession jobs worked out by a firm to develop its employees. Another related term is **career development**. Career development refers to a formal approach used by the firm to ensure that people with proper qualifications and experiences are available when needed.

**Career Management** is the process of enabling employees to better understand and develop their skills and interests and use them for the benefit of the organisation and self. Specially, career management activities include offering career development initiatives, providing realistic career-oriented appraisals and posting open jobs. (We use both management and development as synonymous).

#### **Features of Old Career**

- ✓ Structured
- ✓ Objective
- ✓ Continuity
- ✓ Coherence
- ✓ Status, power and authority
- ✓ Linear
- ✓ Secured
- ✓ Bureaucracy
- ✓ Organizationally-bounded
- ✓ Work focused
- ✓ Jobs
- ✓ Predictability
- ✓ Short-term
- ✓ Future orientation

#### **Features of New Career**

- ✓ Unstructured
- ✓ Subjective
- ✓ Discontinuity
- ✓ Regularity
- ✓ Psychological success
- ✓ Cyclical
- ✓ Employability
- ✓ Network
- ✓ Boundary less
- ✓ Holistic
- ✓ Jobs Skills, assignments and projects
- ✓ Unpredictability
- ✓ Long term
- ✓ Present orientation

Every organisation needs to have career management programme and integrate the function with other people-related activities. Integrating career management with other programmes creates synergies in which all aspects of OB reinforce one another. Integration should not be difficult. For example, in planning careers, employees need organisational information- information that strategic planning, forecasting, succession planning and skill inventories can provide. Similarly, as they obtain information about themselves and use it in career planning, employees need to know how far they can climb in the ladder of hierarchy within the organisation and how management views their performance.

**Roles in Career Management:** There are four stakeholders in career management: organisation, manager, employee and OB professional;

**Organisation:** Organisation is expected to play a critical role in employees' career development. It is constantly required to reinvent and is forced to manipulate priorities that change regularly. The result is a leaner organisation with fewer resources, fast-paced work. expanded spans of control, and a new

norm at work that demands flexibility and ability to thrive when ambiguity and change are the order of the day. To remain competitive in business and attract top talent, an organisation must provide the systems and structures that support the career development needs at all levels. Framing responses to the question below will be an important step to addressing the development of systems and structures that support career management needs.

- ✓ How can leaders and managers who work in an organisation guarantee that the business strategy will work, the day-to-day tasks are updated and redesigned, and the workforce still remains engaged?
- ✓ How do we respond to the constant changes in business today?
- ✓ What does a career look like in the organisation today?
- ✓ Do the existing systems and processes support career development and succession planning for the next generation?
- ✓ How to measure results and does career development process support those results?
- ✓ How to establish a foundation for employees to grow in areas that matter across the life continuum of the organisation and the employee?

Specifically, the organisation should develop and publish a formal "Career Ladder" or Career Path" (Table). Such a ladder provides valuable information regarding the possible directions and career opportunities available in the organisation. It presents the steps in a possible career and a feasible time-frame for climbing the ladder. The path should also specify the qualification needed for succession at each stage and the minimum number of years one should serve on a position before aspiring for the next.

In addition, the organisation should wake up, encourage, facilitate and in his reward an employee or her career advancement. We use the words "Wake up" deliberately. For the reason that the tendency among most employees is to slog on given jobs. Such employees need to be enlightened about the challenges and benefits that will bestow on them if they climb up.

**Manager:** If the organisation provides the systems and tools for career development, the development-minded manager provides the support and guidance. Manager must understand building talent for tomorrow requires commitment to career development today and every level. Development-minded manager creates and implements development assignments encourage risk-taking, set goals, and taps unused resources. He or she provides a profession safety net so that employees can experiment and learn on the job. He or she continuously as self some key questions as follows:

- ✓ How do I serve a career advocate for my employees?
- ✓ How often do I talk with my employees about their career goals and what matter to them?
- ✓ Do I provide candid and frequent feedback to my employees about what they need to do to grow in their careers?
- ✓ Do I link employees to the resources and information they need in support of the careers?
- ✓ Do I take career growth plans seriously? What amount of time do I devote to planning
- ✓ Do I provide information to employees about the future of the organisation and look for opportunities for employees?
- ✓ Do I stay current and future focused on the above concerns for me and my career as well as the careers of my direct reports?
- ✓ What am I reading and discussing with colleagues to ensure the above?

**OB Specialist:** Role of OB manager is felt more in career advancements programmes than in other activities. OB specialist must align with the vision of the organisation by serving as strategic partner who can integrate business-driven solutions around a robust career development programme. This means the specialist must take stock of his or her existing career development processes to integrate new thinking, ignite new strategies and behaviours, and infuses into the culture of the organisation. The specialists must examine key questions about policies, systems and structures that are designed to support career development in the organisations. The list of questions that follows represents the challenges before OB manager to consider and implement.

Here, are our policies, systems and structures:

- ✓ Aligned with development choices?
- ✓ Focused on future directions?
- ✓ Driving new positive behaviours?
- ✓ Creating partnerships that energize and engage while fulfilling valued services/products?
- ✓ Investing in broad talents and determining where those talents can best be utilized internally?
- ✓ Growing a new breed of workers who are fulfilled both personally and professionally?



**TABLE 3.2:  
TYPICAL CAREER PATHS**

<b>Software Engineering</b>			
<b>Title Code</b>	<b>Role</b>	<b>Designation</b>	<b>Tenure (Indicative)</b>
E5	Manager	Sr. Project Manager	12 + years
E4	Manager	Project Manager	10 + years
E3	Head	Team Head/Project Head	6-10 years
E2	I/C	Sr. Software Engineer	2-8 years
E1	I/C	Software Engineer	0-4 years
<b>Database Administration</b>			
DB-5	Manager	Chief Database Administrator	10-20 years
DB-4	Head	Sr. Head Database Administrator	8-12 years
DB-3	I/C Head	Head Database Administrator	4-10 years
DB-2	I/C	Sr. Database Administrator	2-6 years
DB-1	I/C	Database Administrator	0-3 years
<b>Network Technicians</b>			
N-6	I/C	Head Network Technician II	6-10 years
N-5	I/C	Head Network Technician I	5-6 years
N-4	I/C	Sr. Network Technician	3-5 years
N-3	I/C	Network Technician III	2-4 years
N-2	I/C	Network Technician II	1-3 years
N-1	I/C	Network Technician I	0-2 years

- ✓ Ensuring respect and inclusivity across the workplace?
- ✓ Providing opportunities for employees at all levels to learn, grow, and develop within the organisation?

**Employee:** Employees cannot remain passive spectators in their own development. All the exercise that takes place in the name of career development is for employees and they should naturally take active interest. To be effective, employees must begin to manage their careers by knowing themselves, knowing what is out there, knowing what others think of them and knowing whom to ask for help. It is up to each individual to identify his/her own knowledge, skill, abilities, interests and values and seek out information about career options. Specifically, individual employee responsibility shall be on the following lines:

- ✓ Seek out information about career options.
- ✓ Make use of development opportunities.
- ✓ Establish goals and career plans.
- ✓ Accept that career planning and development are one's own responsibility.
- ✓ Assessing own knowledge, skills and abilities and describe current values, skills and interests. Ensure these are used regularly on the job.
- ✓ Understand the trends visible in the growth cycle of the organisation. Any changes occurring may throw open several opportunities for one's own advancement.

#### **Career Development Initiatives:**

Organisations devise and implement several careers. More significant initiatives in order to develop their employees' of them are career planning workshops, career counseling, mentoring sabbaticals, personal development plans and career workbooks.

**Career Planning Workshops:** Structured workshops are available to guide employees individually through systematic self-assessment of values, interests, abilities, goals and personal development plans. During workshops, employees are made to define and match their specific career objectives with the needs of the company. Generally, these workshops are designed to guide individuals to

figure out their strengths and weaknesses, job and career opportunities and necessary steps for reaching their goals. Suggested steps help organisations initiate appropriate action plans.

**Career Counseling:** Career counseling helps employees discuss their career goals in one to-one counseling sessions. Along with goals, other variables identified are capabilities, interests and current job activities and performance. While some firms make counseling a part of the periodic performance appraisal, career counseling is usually voluntary. Career counseling may be provided by OB managers, supervisors or consultants.

**Mentoring:** Mentoring occurs when a more experienced person (the mentor) guides a less experienced person (the mentee) in acquiring competencies for professional development. Mentorship is interactive and collaborative, with both the mentor and the mentee providing topics for learning. The mentee acquires expertise, applies it on the job, and reports the experience to the mentor. Mentorships vary in terms of their span. Some focus on a specific job and some are ongoing covering the mentee's career. Mentoring offers the following benefits:

Transfer of knowledge from the mentor to the mentee.

- ✓ Relationship building, networking and the creation of social capital.
- ✓ Transmission and sustenance of organisational culture.
- ✓ Developments of new mental models, as the interactions between the two produce new insights about how to better frame various situations.
- ✓ Psychological support for both the mentor and the mentee.

Mentoring can be organised formally or can take place informally too. In the former, names of mentor and mentee, time schedules and frequency are stipulated and are expected to be complied with. At times, formal mentoring can be purpose-specific. Formal mentoring programmes exist in many organisations. These pair a young manager or a new employee with a senior manager and set up interactions between the two, based on specific goals. These goals can be to introduce new employees to the ways of the organisation, to improve their performance, address their deficiencies, or to share knowledge. While many of the formal mentoring programmes have been successful, it is really the informal connections that stand out. Formal programmes tend to fail because schedules are either put off, meetings are postponed, or clear communication does not exist.

Informal mentoring springs from personal touch and last even after the mentor and the mentee exit. It is a lifelong phenomenon. Though informal mentoring works much better, formal programmes do exist in organisations. Formal programmes help create a culture where informal mentoring takes place more easily. They also create accountability for success.

Mentoring exercises in HUL is worth recollecting in this context. Mentoring is the true differentiator in HUL's training programme. In the 50 weeks of training, more than half the programmes are run by HUL's own leaders, who share their experiences with juniors. At any point of time, 300 to 500 managers are being mentored over and above their immediate bosses in mentoring programme. While the immediate boss is the mentor, every new hire, new promote, or high potential candidate has an additional mentor. There is reverse mentoring too. Seniors executive are mentored by youngsters. While the best mentors are lauded, those who lag are taken off the mentoring programme for a year.

**Sabbaticals:** These are temporary leaves of absence, usually at a reduced amount of pay. Periodic leaves or sabbaticals help employees in terms of refreshing their learning and rejuvenating their energies.

**Secondments:** A secondment involves an employee usually a manager, spending a period of time working in a different organisation (e.g., supplier or customer). The period needs to be at least one year, a shorter time duration does not help the secondee learn much about his/her job in a different organisation. The role of the OB manager is to ensure that the secondees are properly prepared for the secondment and debriefed at the end; that the secondment is monitored effectively and evaluated at the end. He/she can also act as a facilitator should any problem arise during the secondment.

**Personal Development Plans (PDPs):** In these, employees write their own personal development plans. Such development plans include development needs and action plans to achieve them. A PDP could be the nucleus of a wider career plan such as setting out alternative long-term strategies, identifying one's long-term needs and setting out a plan of self-development.

**Career Workbooks:** These consist of questions and exercises designed to guide individuals to figure out their strengths and weaknesses, job and career opportunities, and necessary steps for reaching their goals. Many workbooks are tailor-made for a particular firm and can be completed in several sessions. Workbooks generally contain organization's career policy, career options available in the organisation, organisational structure, and job satisfactions along the career ladders.



## CAREER DEVELOPMENT INITIATIVES

- ✓ Performance appraisal for career planning
- ✓ Lateral moves/job rotations
- ✓ Pre-retirement programme
- ✓ Succession planning
- ✓ Clear career paths
- ✓ Dual ladder career paths
- ✓ Career booklets/pamphlets
- ✓ Assessment centres
- ✓ Management development
- ✓ Orientation programmes
- ✓ Diversity management
- ✓ Expatriation, inpatriation and repatriation
- ✓ Formal education as part of career development
- ✓ Retirement preparation programmes
- ✓ Peer appraisal
- ✓ Upward (subordinate) appraisal

**Challenges of Career Development:** Managers need to be aware of the challenges lying in the way of managing careers of their employees. First, laissez-faire attitude of the management is one challenge. Management feels that it is the job of talented individuals to rise in their careers on their own. By assuming that the cream will climb up to the top, the organisation can waste the latent potential in the employees by failing to nurture and develop it.

The second challenge is the assumption that job rotation or an overseas assignment is itself a developmental experience. No effort is made to provide either the framework to orient the person to what exactly he/she is supposed to learn from the assignment or debriefing to ensure that the desired development has taken place.

The third challenge is making promotions or lateral moves that stretch the person to the point of breaking, without proper support and a safety net; and blaming the individual for failing to adapt quickly enough.

The fourth problem relates to moving the high potential individual from one role to another too quickly, eliminating the opportunity to learn from experience and mistakes. Finally, some individuals are too ambitious, impatient and greedy. They refuse to understand that rising to the top is an arduous and time-consuming process. A management trainee today, assistant manager tomorrow, manager the next day, vice-president the fifth day and CEO subsequently is possible only in movies and not in real life. The problem is that they have talents and this makes them become rolling stones.

**Career management process:** Career management process can be sequenced in five stages: Strategy, Assessment, Planning, Development and Evaluation of initiatives.



**Career Management Strategy:** First step in the career management process is the career strategy. A well-crafted strategy should cover the following:

1. Choice about the model of career development: Supported self-development, corporate career management or career partnership
2. Policy of promoting from within or lateral entry from outside
3. Clear paths enabling talented people to climb up the ladder
4. Have systems and processes to achieve sharing and development of knowledge
5. Choice between one-size-fits-all career development initiatives or flexible approaches
6. Choice between career progression based on loyalty and relative security and 'new deal' employment based on short-term commitment and development of employability.

**Assessment:** Assessment is the second stage in the career management process. This stage includes activities ranging from self assessment and the one made by the organisation. Either way, the purpose of assessment is to identify employees' strengths and weaknesses. Assessment, also called talent audit, helps an individual choose a career that fits his or her skills and capabilities. Besides, talent audit points out one's weaknesses which need to be consciously overcome.

**Planning:** This phase involves determining the type of careers the employees want, identify career paths they need to choose and steps they should take to realize their career goals. It uses all the information provided by the organization's assessment of requirements, the assessment of performance and potential and succession plans, and translates it into the form of individual career development programmes.

**Development:** Development phase in the career management involves taking actions to create and increase skills to prepare for future job assignments. The most common development programmes include career counseling, mentoring, coaching, job rotation and educational assistance.

**Evaluation:** Assessment of the effectiveness of development initiatives is necessary, but is fraught with difficulties. Difficulty arises because of varied success perceptions held by stakeholders. For example, the individual employee might measure career success according to a subjective assessment of his or her achievements based on relative reward, hierarchical position or afforded life style. Senior managers are likely to draw on a range of indicators such as the retention of talent, strong flow of internal candidates for vacancies or the perceived impact on the organisational preference. OB professionals might evaluate effectiveness according to the internal consistency with wider systems and practices

Moreover, the evaluation of career management interventions is difficult because of problems in isolating the impact of specific activities on both the individual progression and on the achievement of organisational objectives. Regardless of these problems, monitoring an evaluation of career development activities is important to ensure that they are meeting needs of all groups who could potentially benefit, whilst bearing in mind the need to develop provision to meet changes in organisational context.

### 1.3.3 Talent Management

There are three interpretations of talent management. Before discussing the explicitities it is desirable to state that the topic talent management came to prominence in the late 1990s when a group of McKinsey consultants coined the term The War for Talent.

First interpretation of talent management relates to all activities that help build competitiveness of an organisation. From this perspective, talent management is understood to refer to the process of attracting, selecting, training, developing, and promoting employees in an organisation. This "all things to all people" approach serves no purpose.

The second interpretation runs thus: Talent management is the process of attracting, developing and retaining the best people. This interpretation is elitist referring mainly to the creamy layer in the organisation, ignoring the developmental needs of people in general. Success of an organisation does not hinge only on high fliers. Success is a shared phenomenon.

the third interpretation is a broader approach and includes efforts to create a 'pipeline' of pool of talented people and ensuring that workforce development is inclusive, accessible and focused on developing organisational capabilities. Talent management seeks to align people with roles (treating roles as fixed and developing people to fit these jobs) or aligning roles with people (creating and adapting roles to satisfy the aspirations of people). This interpretation is meaningful.

#### Imperatives for Talent Management

Talent management requires data collection on current internal labour supply, tracking individual performance and progress and providing opportunities for development. More specifically, talent management requires:

- ✓ Creating a winning employee value proposition that will make the company attractive to talent.
- ✓ Moving beyond recruiting type to build a long-term recruiting strategy.
- ✓ Using job experience, coaching and mentoring to cultivate the potential in managers.
- ✓ Strengthening the talent pool by investing in A players, developing B players and acting decisively on C players
- ✓ Developing a pervasive mindset- a deep conviction shared by all in the organisation that competitive advantage comes from having better talent at all levels.
- ✓ Talent requires individual ability and teamwork. Hiring talented individuals alone without teamwork may produce personal records but not organisational long-term successes. Talent without teamwork is insufficient.

- ✓ Technology facilitates talent management processes and connections among people. Technology changes the way talent work is organised and delivered through information sharing, improving processes, redefinition of work, and social networks.
- ✓ Talent activities and their outcomes need to be measured. Outcomes of talent activities can be traced to individual capabilities and organisational competencies.
- ✓ Talent will obsolesce faster, posing a challenge and threat to both individuals and organisations.

#### **Talent management initiatives:**

Quite a few talent management initiatives are in place. As many as 100 research based best practices



exist that help retain talent. A illustration of some initiative

**Talent Management Strategy:** As part of business strategy, talent management strategy is a pre-requisite. It involves estimation of the number and type of talent required for a coming period. This sets the tone for attraction and retention policies and practices.

**Talent Audit** Talent audit serves three purposes; identify talent potential which can be earmarked for career planning and development. Such people can be groomed to assume bigger responsibilities as days go by. Second, talent audit also helps identify those likely to exit. Steps can then be taken to prevent the exit. Third, talent audit points out laggards who can either be trained or if it fails may be axed.

**Learning and Development** Learning and development: also called training and development, is probably the most effective way of talent building. There are several youngsters, fresher's from universities, who have the zeal and the potential but are not talented due to lack of guidance and facilities. They can be developed through learning.

**Role Design** Role design: should ensure that a role carries enough challenges, autonomy and responsibilities required to create role engagement and commitment. In addition, the role holders need to have opportunities and encouragement to learn and develop in their respective roles. Talent management policies focus on role flexibility-giving employees the chance to develop their roles by making better and extended use of their talents.

**Talent Relationship Management:** This refers to creating a great place to work where people are encouraged to perform, are recognized and are rewarded. They have a voice in decision making and each role carries opportunities for advancement. Talent management seeks to make people committed to their work and the organisation. Relationship management is the new expression for human relations approach propounded by Elton Mayo, decades back.

**Attraction and Retention Policies;** Attraction policies refer to external sourcing of talent Company image, its growth potential, compensation and advancement opportunities attract people and tempt them to apply for jobs in the organisation.

More difficult is retention of talent. Why employees choose to stay with company is question, the answer for which lies in the following factors:

1. Exciting, challenging and meaningful work
2. Supportive manager, inspiring boss
3. Being recognized, valued, and respected
4. Career growth, learning and development
5. Flexible work environment
6. Fair pay

7. Job location
8. Working with inspiring co-workers and clients
9. Pride in the organisation, mission or product
10. Fun, enjoyable work environment
11. Attractive benefits

**Performance Management:** Performance management refers to the range of activities enable, encourage, co-ordinate and support employees to achieve their objectives. In addition it seeks to monitor, measure and reward employees for their performance. Performance management helps build relationships with people, identify talent, plan learning and development activities, and build the most of talent possessed by the organisation. When properly carried out, performance management helps build employee engagement and motivation by providing objective assessment and feedback.

**Resourcing Strategy:** This refers to identifying talent available within the organisation. Once talent is identified all efforts need to be made to retain it. Talent is a rare quality which only lucky individuals possess and progressive organisations nurture it. OB managers should conduct talent risk analysis, identifying probable exits of talent. Such individuals need to be nurtured, engaged and motivated to stay with the organisation.

**Career Management:** This is an important tool for talent management, so important that career management is treated as another name for talent management;

**Succession Planning;** Succession planning refers to formulating contingency plans for the loss of employees holding key positions in the company. Typically characteristic of large organisations, succession or replacement planning focuses on providing long-term development plans for individuals identified as possible successors for senior managerial positions. This requires the identification of high potential individuals early in their careers and providing opportunities and encouragement that prepare them for specific 'once in a generation' appointments.

Critical in succession planning is the identification of a successor. Identification is arduous, and time consuming as has happened in Tata Group. After more than a year of searching, Cyrus Mistry was chosen as successor to Ratan Tata. But the search became ineffective-Mistry was made to exit from the Tata Group on non-performance basis.

Succession planning becomes necessary when top posts fall vacant. Vacancies at the top arise because of unnatural deaths of CEOs, performance-driven departures or early exits when top executives jump at greener pastures. When vacancies arise planning in advance for key positions becomes critical.

At the surface, succession planning looks routine: Identify somebody and appoint him or her to the vacant spot. But to make it really meaningful, succession planning should be combined with talent review. Talent review means regular cycle of evaluating a company's leaders consistently and systematically. Talent review process serves two purposes: to understand the quality and depth of the leaders and to plan for succession by predicting who will succeed. Talent reviews should provide information necessary to make succession choice and guide how the company invests in potential successors. (Chapter 4 carries more details on succession planning). At the surface, succession planning looks routine: Identify somebody and appoint him or her to the vacant spot. But to make it really meaningful, succession planning should be combined with talent review. Talent review means regular cycle of evaluating a company's leaders consistently and systematically. Talent review process serves two purposes: to understand the quality and depth of the leaders and to plan for succession by predicting who will succeed. Talent reviews should provide information necessary to make succession choice and guide how the company invests in potential successors.

**Coaching;** provides three benefits to an organisation: Provides the opportunity for line managers to share wisdom and knowledge, and to create a culture that values the contribution of each and every employee. Managers who coach have the opportunity to inspire, excite and develop employees. Individuals who are coached and who coach have the opportunity to embark on a voyage of self-discovery and fulfillment.

**Self-driven:** Probably the most effective talent initiative is the individual himself or herself. It was sheer grit and determination that Ekalavya became the greatest archer. It was the same inspiration that made Columbus and Vasco da Gama discover new continents. It was the same force which made Einstein and his ilk invent new things. It was the same spirit that prompted Henry Ford say: "Why is it that when I want only a pair of hands, I get a whole human body".

**Others;** Certain traditional methods can also be included as part of talent management initiatives. They include suggestion schemes, quality circles, job enrichment, empowered teams, ESOPs, and representation on the board. One may disagree from these inclusions but it is a fact that these techniques are time tested and trusted.

### **Why Talent Management?**

First, as stated above, talent needs to be attracted, nurtured and retained as it makes huge difference between success or failure of a firm. In the 21st century, success is based on the ability to innovate, be creative, connect across boundaries, and adapt to change. When 90 per cent of HPs and Medtronic's revenue generate from products that did not exist a year ago, it is clear that one needs to innovate or perish.

Second, the contribution of talent to the success of a firm is clearly proved. Organisations that invest in effective talent management practices consistently outperform their industry rivals. So much is the significance attached to managing talent that organisations spend vast sums on developing it. In 2008, companies in the US spent over \$130 bn in training to raise the level of talent and improve performance.

Third, external factors have pushed firms to undertake talent practices. In publicly traded companies, a key driver is the rise of intangible value of an organisation. In the 1980s, most of the valuation of a company was determined by its tangible assets equipment, building, facilities and resources. Now, these tangible assets account for less than 40 per cent of a firm's worth. Instead it is the intangible assets of brand, goodwill, talent and ability to innovate that can contribute up to 85 per cent of the market values of these companies.

Fourth, a different set of stakeholders are interested in talent management; the financial community, investors, analysts, and the media. Since talent and intangible assets are now so vital, these stakeholders are interested in knowing which companies are better managing talent.

Fifth, talent management helps attract and retain talent. Fresher's from educational institutions look for organisations that are known for nurturing talent. They join such firms and with them.

Finally, talent management is good business too. Organisations specialize in talent management practices and render their expertise to those in need. Taleo, a US based company is specialist in the talent management field with just 900 employees. Taleo is managing taken for as many as 46 of the Fortune 500 and over 400 other organisations.

It was Winston Churchill who probably predicted the importance of talent management when he said "The empires of the future will be empires of the mind", This statement in 1997, it was McKinsey who coined the phrase -"The War for Talent", since then talent management has gained relevance and significance.

### **1.3.4 Globalization**

Growing internationalization of business has its impact on people management. The management is required to cope up with problems of unfamiliar laws, languages, practices, Competitors, attitudes, management styles, work ethics, and more. Personnel functions such as hiring, training, compensating, maintaining, and the like must acquire a global perspective. To face this challenge, the management must be flexible and proactive. By being flexible and proactive, management can make significant contribution to the company's growth. By helping the best-qualified people execute the company's strategy on a global scale, management can become a source of competitive advantage for the company.

1. Specifically, internationalization of business presents at least four challenges:
2. Globalization affects an increasing number of managers and professionals,
3. Internationalization puts a premium on certain competencies (or skills),
4. Managerial learning is a critical process in internationalization, bringing teamwork strongly to the fore, and
5. Management of careers in the context of globalization brings about peculiar difficulties.

#### **Summary on the effects of globalization;**

1. OB experts need to take care of the increasing globalization of business.
2. Cross-Cultural impact is noticed on employee behaviour.
3. Culture clusters are of great help to international managers. Host of cultural dimensions are highly relevant for international organisational behaviour.
4. Motivational principles and practices vary across cultures.
5. Compensation too varies across countries.
6. Interpersonal behaviour also varies across culture.
7. Negotiating across cultures is the single most important business skill.
8. Successful negotiation requires equally successful communication.
9. Organisational designs are influenced by multicultural.

10. International OB is a vast area.

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