CHALLENGES AND OPPORTUNITIES IN OB

1. ECONOMIC PRESSURES (Robbins, et al. 2019)

- The recession, of 2008- managers are on the front lines with employees who are asked to make do with less, who worry about their futures, and who sometimes must be fired.

- The difference between good and bad management can be the difference between profit and loss or, ultimately, between business survival and failure.

- In good times, understanding how to reward, satisfy, and retain employees is important .

- In bad times, issues like stress, decision making, and coping are emphasized.

- Remember the case on : Taleo?

CONTINUED GLOBALIZATION

- **Globalization**—the process of interconnecting the world's people with respect to the cultural, economic, political, technological, and environmental aspects of their lives (Lodge, 1995)

- Samsung, the largest South Korean business conglomerate, sells most of its products to organizations in other countries

- Burger King is owned by a Brazilian firm, and McDonald's sells hamburgers in more than 118 countries on six continents.

- Apple— employs twice as many workers outside the United States as it does inside the country.

- And all major automobile makers now manufacture cars outside their borders; Honda builds cars in Ohio, Ford in Brazil, Volkswagen in Mexico, and both Mercedes and BMW in the United States and South Africa.

- Tata and Sons owns Jaguar Land rover- traditionally a British company

- Symphony from Ahmedabad has manufacturing plant in Mexico

- Infosys employs people from 89 countries!

CHALLENGES OF GLOBALIZATION

- **International Trade**

- **Drivers are- Multinational enterprises (MNEs)**—organizations that have significant operations (typically 25 percent or more of their output capacity) spread throughout various nations but are headquartered in a single nation.

- **Increased Foreign Assignments**

- **Expatriates,** or **expats –** citizens of one country but live and work in another for extended periods – get exposed to different cultures

-Demonstrate cultural sensitivity before introducing alternate practices

- **Culture shock-** The tendency for people to become confused and disoriented as they attempt to adjust to a new culture. Results from having a parochial view of the world. E.g. mostly Americans use English; and ethnocentric view of the world- their way is the best way (Greenberg, 2018)

- **Repatriation-** The process of readjusting to one's own culture after spending time away from it.

ADJUSTING TO FOREIGN CULTURE – STAGES

- **Working with people from different cultures** requires an understanding of how their culture and background have shaped them. E.g. motivation - Japan and India; Japan and USA

- Managers also need to be cognizant of differences in **regulations** for competitors in that country; example, -

- Holidays

- Financial regulations

- Local banking laws allowed one multinational firm—the Bank of China—to seize control of a storied (and very valuable) London building, Grosvenor Housethe from the Indian hotel group Sahara.
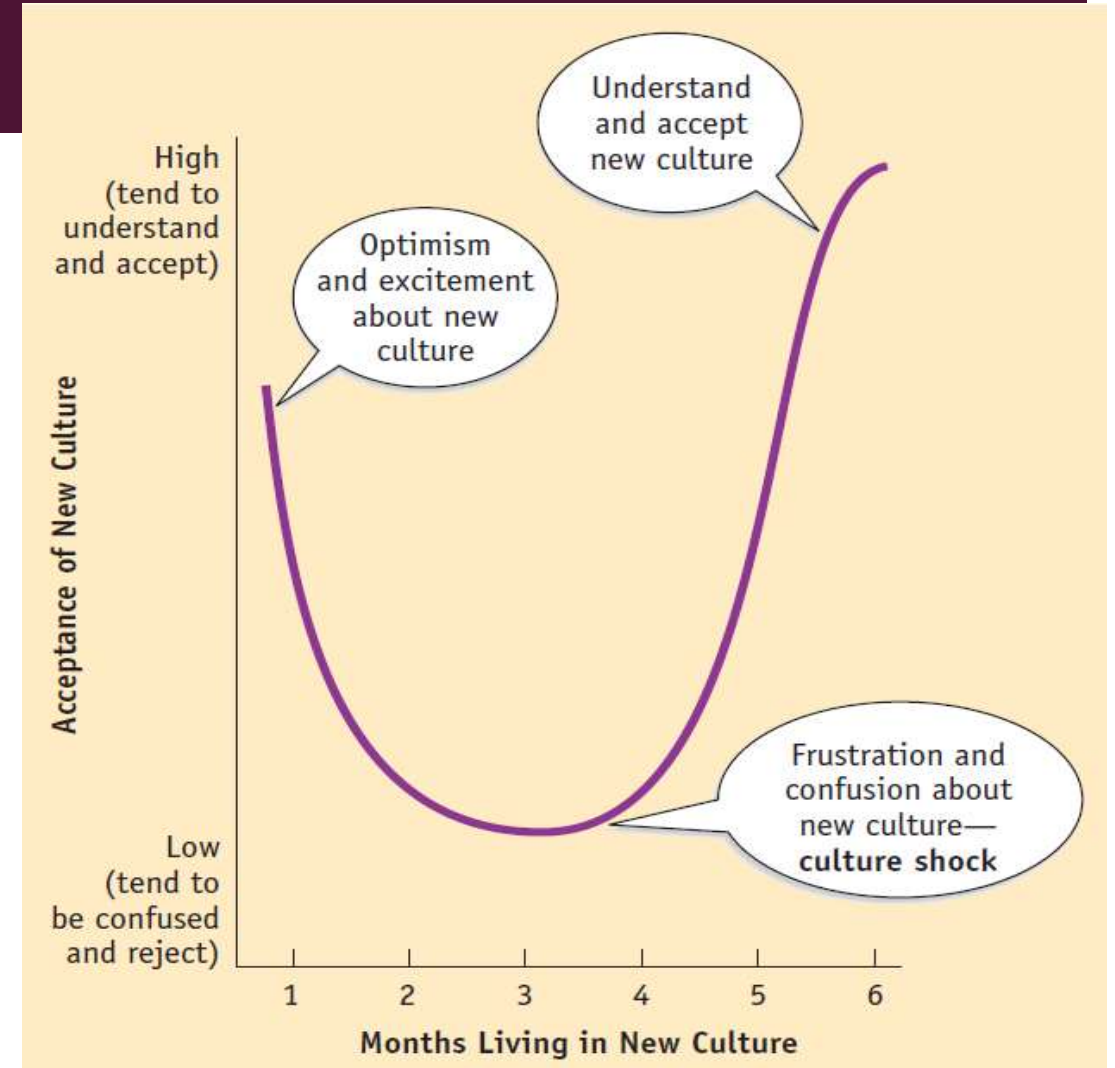
Hesketh and Bochner, (1994)

- **Movement is primarily due to low cost labor:** In a global economy, jobs tend to flow where lower costs give businesses a comparative advantage, though labor groups, politicians, and local community leaders see the exporting of jobs as undermining the job market at home. E.g Apple- shorter lead times and faster manufacturing processes in China than the U.S. labour force (Chen 2015).

- Managers face the difficult task of balancing the interests of their organizations with their responsibilities to the communities in which they operate.

- India traditionally hub for low cost labor- now shifting to Bangladesh and Philippines due to their emphasis on customer service (Hindustan Times)

WORKFORCE DEMOGRAPHICS

Source: U.S. Department of Labor (2009)
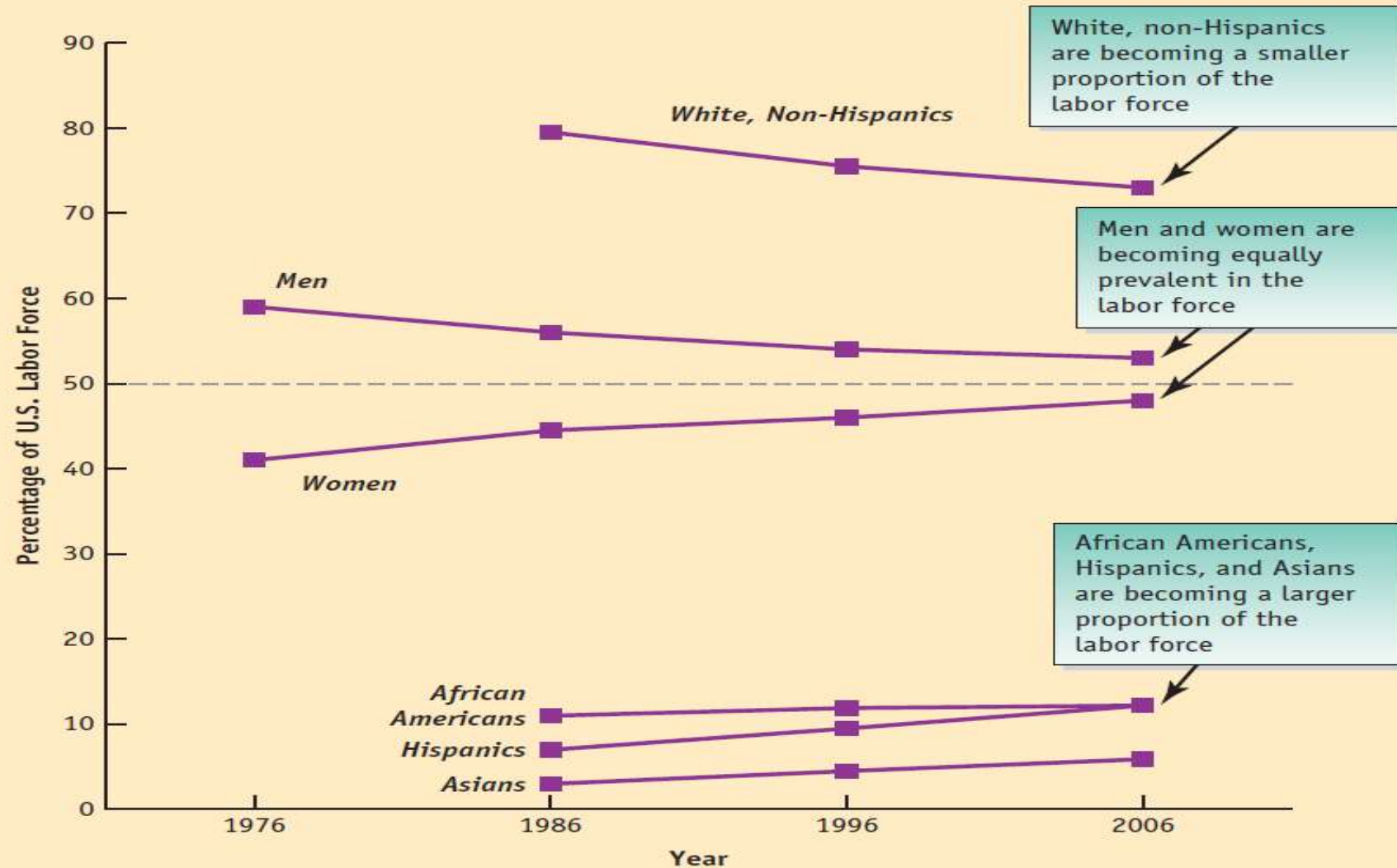
- The share of women in the labor force in 2019:

- Globally: 39.0% (The World Bank, "Labor Force, Female (% of Total Labor Force), World," *The World Bank Databank* 2019).

- Canada: 47.3% (The World Bank, "Labor Force, Female (% of Total Labor Force), Canada," *The World Bank Databank* 2019).

- India: 21.8% (The World Bank, "Labor Force, Female (% of Total Labor Force), India," *The World Bank Databank* 2019).

- Japan: 43.7% (The World Bank, "Labor Force, Female (% of Total Labor Force), Japan," *The World Bank Databank* 2019).

- United States: 46.0% (The World Bank, "Labor Force, Female (% of Total Labor Force), United States," *The World Bank Databank* (2019).

DISCRIMINATION ON THE BASIS OF GENDER

- Women still earn less money than men for the same positions (World Bank)

- Even in traditionally female roles (Hindu Business lines)

- In a recent experiment, experienced managers allocated 71 percent of the fictional pay raise funds for male employees, leaving only 29 percent for females (Hindu Business lines).

- Working mothers also face "maternal wall bias," meaning they often are not considered for new positions after they have children, and both men and women experience discrimination for their family caregiving roles (Weshler, 2015)

- Women who receive fewer challenging assignments and development opportunities from biased managers tend to curtail their management aspirations (Damast, 2012)

- Research continues to underline that sex discrimination is detrimental to organizational performance (Joshi et al. 2015)

ACCENTURE VAAHINI

Globally, Accenture has more than 130,000 female employees. In India, it has more than 130,000 workers, of which over 45,000 are women. The firm aims to grow its percentage of female hires to at least 40 percent worldwide by 2017. In addition to hiring a large number of women, Accenture is also tackling the problem of having fewer women in the middle and senior levels in various ways.

There is a program that has been put in place to encourage women to become technology architects and not fall into the trap of being assigned to softer roles as they grow in the organization. In 2017, 1,100 women completed the technical architect course.

Analysis revealed that women often dropped off the organization pipeline after completing their maternity leave. Coaches have been provided to women going away on maternity leave so that they can stay focused on coming back and solve personal as well as social issues that they might be facing. A manager also speaks to the woman on maternity leave of the possible roles that she can expect to commensurate with her experience on coming back. Women on maternity leave are also encouraged to enroll themselves in a course that would keep them abreast of the developments in technology. Once the woman comes back, she is also given the necessary leeway to be able to manage the pressures on her.

In addition, Accenture has introduced several women leadership programs to enable its female workers compete for senior management positions. High potential women are identified, tracked, mentored, and trained for their growth and development.

Accenture India has pioneered in creating a network of working women within and outside of the company with the aim to increase women's inclusion and nurture their leadership development in the country. Started a little over a year ago, this network named *Vaahini* (meaning "a brigade" in Sanskrit) boasts of over 100,000 members. It is open to all female employees of Accenture India and any female professional and student through registration. In 2017, a mobile application was launched of this thriving network.

The experience of launching Vaahini has been so positive for Accenture that it has now kickstarted other successful networks such as Persons with Disabilities Champion with 4,000 active members and LGBT Allies Network with over 5,000 allies and more than 50 executive council members.

In 2017, Accenture India was rated as the best company for women to work in the country. Globally, 32 percent of the new promotees to senior positions were women in Accenture, and the company is committed to take this figure to 50 percent by 2025. For this purpose, it is tracking its progress each year and is transparent in sharing the same.

PEOPLE ARE LIVING—AND WORKING—LONGER THAN EVER BEFORE.

- **Baby boom generation-** aged baby boomers will comprise a growing part of the population in the next few years. In fact, by 2030 almost 20 percent of the U.S. population will be at least 65. Already, people over 85 years of age are the fastest-growing segment of the U.S. population.

- Two consequences:

1. **Strain on Healthcare facilities:** limits the physical nature of the work they can perform, which can be an issue for some manual labor jobs. But technology has mad such things redundant.

2. **Experience:** they offer skills that only time alone can provide.

- Programs designed to help keep older employees working a little longer before ceasing employment completely

1. *Phased-retirement:* These are plans in which individuals who are approaching the usual retirement age of 65 can make a transition to full retirement by continuing to work, usually with a reduced workload, as a transition to full-time retirement. This arrangement, which presumably allows the best of both work and retirement, can take the form of permitting part-time or seasonal work (in which employees work only on occasion), and offering extended leaves of absence (in which employees can take off time but can return to work when ready to do so).

2. *Deferred retirement option plan (DROP).* This arrangement allows a person who has reached retirement age to continue working while depositing his or her retirement benefit into a separate account that he or she can claim as a lump sum when formally retired, usually one to five years later. This provides a tax incentive for people who want to extend their working years a bit beyond the usual retirement age.

- In India, retirement at an early age is necessary to make way for youth (Judge et al., 2019)

CHALLENGES:

- Discrimination based on Gender, ethnicity and age

- Though men may have slightly higher math ability and women slightly higher verbal ability, the differences are fairly small, and there are no consistent male–female differences in problem-solving ability, analytical skills, or learning ability (Allendorfer et al., 2012). Men are more likely to be chosen for leadership roles even though men and women are equally effective leaders. A study of 20 organizations in Spain, for example, suggested that men are generally selected for leadership roles that require handling organizational crises. According to Naomi Sutherland, senior partner in diversity at recruiter Korn Ferry,

"Consciously or subconsciously, companies are still hesitant to take the risk on someone who looks different from their standard leadership profile."

- Healthcare, education, NGOs welcome older experienced individuals (Shellenbarger, 2014). But many a time they are perceived to be less adaptable and less motivated to learn new technology (Wolfson, et al. 2014)

Gender Pay Gap in India: Narrowing but Still There*
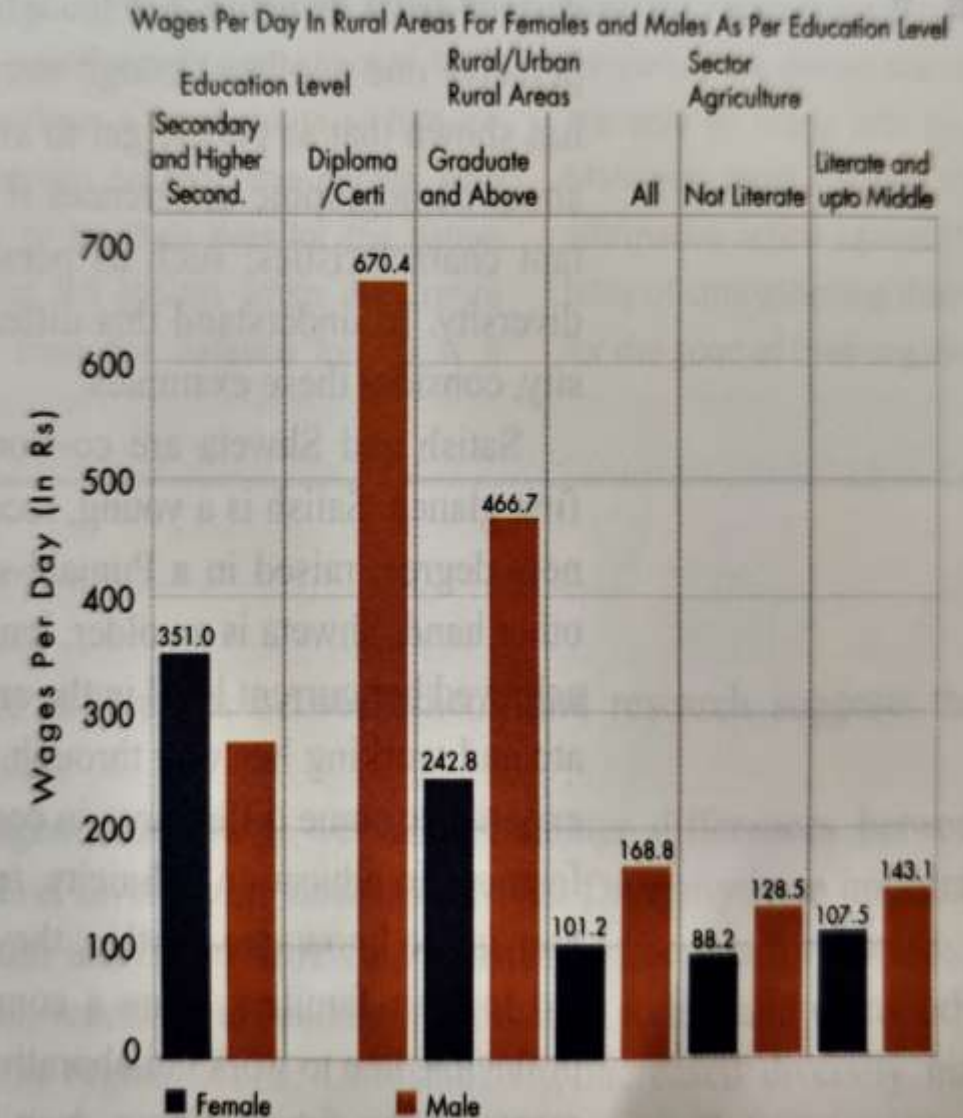
TABLE 1.3 Employee Support Policies

With increasing frequency, companies are taking proactive steps to help men and women meet their personal needs and family obligations. In so doing, they make it possible for employees to satisfy the demands imposed by their nonwork lives. This allows companies to draw on the talents of a diverse group of prospective employees who otherwise might not be able to lend their talents to the organization. The three practices identified here have proven especially useful in this regard.

Practice	Description	Example
Child-care facilities	Sites at or near company locations where parents can leave their children while they are working.	At Toyota's Georgetown, Kentucky, plant, a child-care center is open 24 hours a day, offering outstanding services at very reasonable fees.
Elder-care facilities	Centers where aged parents of employees can stay and be cared for while their adult children are working. Given the rapid aging of the population, this benefit is growing in popularity.	At its Armonk, New York, head-quarters, IBM has been offering elder care to employees for over two decades. Recently, the company expanded this service by launching an online support group for individuals taking care of elderly parents.
Personal support policies	Widely varied practices that help employees meet the demands of their family lives, freeing them to concentrate on their work.	The Wilton Connor Packaging Co. in Charlotte, North Carolina, offers an on-site laundry, high school equivalency classes, door-to-door transportation, and a children's clothing swap center.

Source: Greenberg (2018)

CHALLENGES OF SOCIAL MEDIA

- Organizations struggle with employees' use of social media in the workplace.

E.g. In June 2017, The India Today group fired a journalist who refused to remove a tweet criticizing media promoters who turned a blind eye towards TV anchors and editors for spreading "hate mongering, fake news:

E.g. On 17th April 2018, Kitak Mahindra Bank terminated the service of an employee for making an offensive statement on Facebook against the rape of a young girl which had stormed the country.

- Impact of social media on employee well-being?

Study by Jaffe (2014) studied subjects who woke up in a positive mood and then accessed Facebook frequently found their mood decreased during the day. Found that subjects who checked Facebook frequently over a two-week period reported a decreased level of satisfaction with their lives.

CHALLENGES AND OPPORTUNITIES OF TECHNOLOGY

- **Leaner Organizations: Downsizing and Outsourcing**

- *Automation*, the process of replacing people with machines, is not new, - is increasing steadily, for decades.

- **Informate** describes the process by which workers use computer information technology to transform a once-physical task into one that involves manipulating a sequence of digital commands. E.g. for example, today's auto workers can move around large hoods and trunk lids by pressing a few buttons on a keypad instead of physically manipulating them by hand. Sales orders are often is informated. Thanks to computer systems analysts, an order entered into a salesperson's laptop computer can trigger a chain of events involving everything associated with the job: placing a sales order, manufacturing the product to exact specifications, delivering the final product, sending out the bill, and even crediting the proper commission to the salesperson's payroll check. – MORE RAPID

- Many jobs are disappearing, leaving organizations smaller than before.

- **Downsizing:** organizations have been rapidly reducing the number of employees needed to operate effectively

- **Rightsizing:** directed at adjusting the number of employees needed to work in newly designed organizations,

CHALLENGES AND OPPORTUNITIES OF TECHNOLOGY

- **Outsourcing:** eliminating those parts of themselves that focus on noncore sectors of the business (i.e., tasks that are peripheral to the organization) and hiring outside firms to perform these functions instead – to focus on **core competency.** E.g. ServiceMaster, which provides janitorial services, and ADP, which provides payroll processing services.

- Sometimes leads to **"hollowing out"** of companies—a reduction of functions that weakens organizations by making them more dependent on others (Brown and Wilson, 2005)

- Others counter that outsourcing makes sense when the work that is outsourced is not highly critical to competitive success (e.g., janitorial services), or when it is so highly critical that it only can succeed by seeking outside assistance- outsource the manufacturing of various components (e.g., hard drives, CD-ROMs, and chips) to other companies.

CHALLENGES AND OPPORTUNITIES OF TECHNOLOGY

- **Virtual organization:**

Virtual organization is a highly flexible, temporary organization formed by a group of companies that join forces to exploit a specific opportunity. E.g creating a motion picture or making a mall

- **Telecommuting/ Networked organizations:**

Allows people to communicate and work together even though they may be thousands of miles apart. Independent contractors can telecommute via computer and change employers as the demand for their services changes. E.g. Software programmers, graphic designers, systems analysts, technical writers, photo researchers, book and media editors, and medical transcribers.

- Helps avoiding hassles and expenses of daily commute

- Save money on office spaces

- Challenge for managers: requires concentration, well—defined beginning and end points, minimal special equipment, mmotivating and leading people and making collaborative decisions online

3 WAYS TO MAKE FRIENDS REMOTELY – BY DAVID BURKUS-HARVARD BUSINESS REVIEW

Adjusting to the new normal

3 WAYS TO MAKE FRIENDS REMOTELY – BY DAVID BURKUS- HARVARD BUSINESS REVIEW

- **Cadence at work**- when someone has a clear understanding of who they are interacting with and therefore can more easily predict how to communicate with them

- Building Cadence:

1. Organize Work sprints

2. Set up a Fika meet

3. Shared virtual meals- E.g. Lawyerist holds "Taco Tuesdays"

EMPLOYEE WELL-BEING AT WORK

- Typically it was an 8-9 hour work day

- Changed with laptops of smart phones

- Employees work flexible hours at home or from half a continent away - managers need to consider their wellbeing at work.

- Challenge :

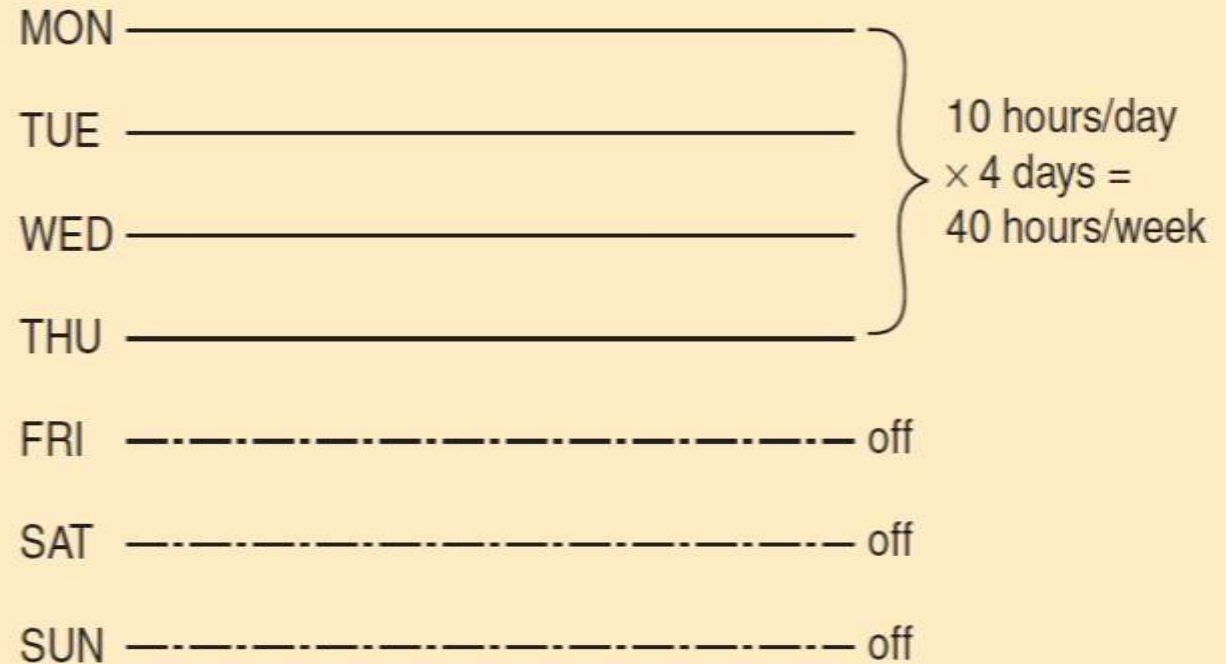1. Workers never get away from the virtual workplace. Many feel like they're not part of a team.

"The sense of belonging is very challenging for virtual workers, who seem to be all alone out in cyberland," - Ellen Raineri of Kaplan University

2. Organizations ask employees to put in longer hours: According to one study, one in four employees shows signs of burnout, and two in three report high stress levels and fatigue (Hirst, 2012). This may actually be an underestimate because workers report maintaining "always on" access for their managers through e-mail and texting.

- Outside work commitments: Single-parent employees and employees with dependent parents face significant challenges in balancing work and family responsibilities.

- Employees want jobs that give them flexibility in their work schedules so they can better manage work–life conflicts (Shellenbarger,, 2012).

- In fact, 56 % of men and women in a recent study reported that work–life balance was their definition of career success, more than money, recognition, and autonomy (Mithel, 2013)

- Most college and university students say attaining balance between personal life and work is a primary career goal; they want a life as well as a job.

- Challenge: Organizations that don't help their people achieve work–life balance will find it increasingly difficult to attract and retain the most capable and motivated individuals.

IN SEARCH OF FLEXIBILITY: RESPONDING TO NEEDS OF EMPLOYEES

THE COMPRESSED WORKWEEK.

FOUR-DAY WORK WEEK

MON ——————————	
TUE ——————————	10 hours/day
WED ——————————	× 4 days =
THU ——————————	40 hours/week
FRI —·—·—·—·—·—·—·— off	
SAT —·—·—·—·—·—·—·— off	
SUN —·—·—·—·—·—·—·— off	

THREE-DAY WORK WEEK

GROUP A

	GROUP B
MON ————————————	·—·—·—·—·—·—·—·— off
	13 hrs, 20 min/day × 3 days = 40 hrs/week
TUE ————————————	·—·—·—·—·—·—·—·— off
WED ————————————	·—·—·—·—·—·—·—·— off

GROUP A:
- MON ———————————— ┐
- TUE ———————————— ├ 13 hrs, 20 min/day × 3 days = 40 hrs/week
- WED ———————————— ┘
- THU ·—·—·—·—·—·—·— off
- FRI ·—·—·—·—·—·—·— off
- SAT ·—·—·—·—·—·—·— off
- SUN ·—·—·—·—·—·—·— off

GROUP B:
- MON ·—·—·—·—·—·—·— off
- TUE ·—·—·—·—·—·—·— off
- WED ·—·—·—·—·—·—·— off
- THU ———————————— ┐
- FRI ———————————— ├ 13 hrs, 20 min/day × 3 days = 40 hrs/week
- SAT ———————————— ┘
- SUN ·—·—·—·—·—·—·— off

5/4–9 COMPRESSED PLAN

GROUP A

	WEEK 1		WEEK 2
MON	8 hrs		off
TUE	9 hrs		9 hrs
WED	9 hrs		9 hrs
THU	9 hrs		9 hrs
FRI	9 hrs		9 hrs
SAT	off		off
SUN	off		off

44 hrs worked week 1   36 hrs worked week 2

80 hrs worked over 2 weeks

GROUP B

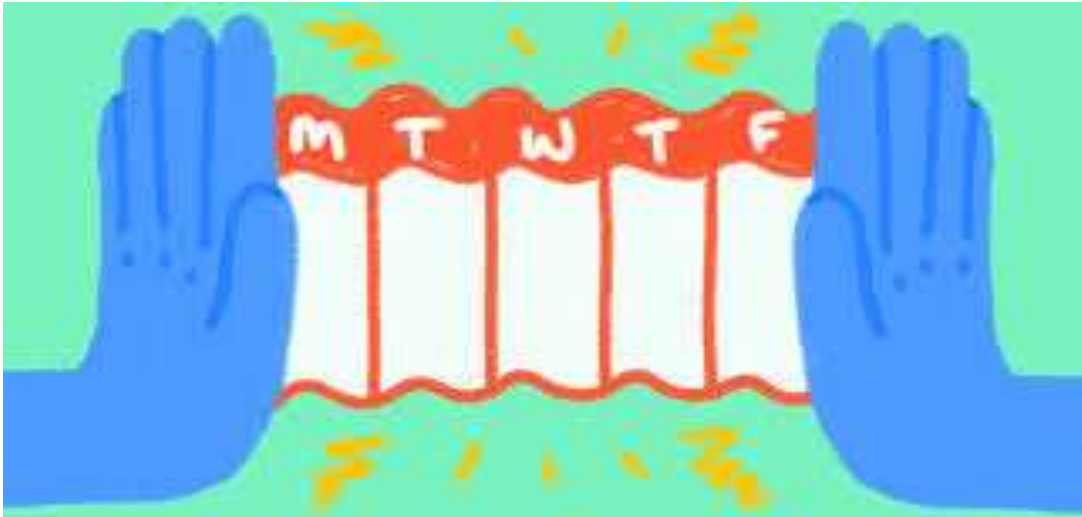|			
MON	off		8 hrs
TUE	9 hrs		9 hrs
WED	9 hrs		9 hrs
THU	9 hrs		9 hrs
FRI	9 hrs		9 hrs
SAT	off		off
SUN	off		off

36 hrs worked week 1   44 hrs worked week 2

80 hrs worked over 2 weeks

Advantages

- Saves commute costs
- Saves electricity bills for the company

Disadvantages

Not appropriate for all kinds of jobs.

- Obviously, such arrangements would not work in situations in which work must be performed only at certain times of day, such as when customers and suppliers are available to be contacted.

- Also, of course, we must **consider fatigue**. People may grow so tired working longer-than-usual days that their performance and safety may suffer. Under such conditions, lengthened days do not make good business sense.

- The benefit of improving balance between work and life schedules assumed to come from compressed workweeks does not always occur. In particular, parents who have to pick up their children after school find it difficult to work too late into the day.

FLEXIBLE HOURS.

- Different individuals are likely to require different working hours.

- **Flextime programs**—policies that give employees some discretion over when they can arrive at and leave work, thereby making it easier to adapt their work schedules to the demands of their personal lives. E.g., Flipkart

- Require employees to work a common core of hours, such as 9:00 A.M. to 12 noon and 1:00 P.M. to 3:00 P.M. Scheduling of the remaining hours, within certain spans (such as 6:00 A.M. to 9:00 A.M. and 3:00 P.M. to 6:00 P.M.), is then left up to the employees.

- This stands in contrast to compressed workweeks, which do not offer any such options.

- Generally, such programs have been well received and have been linked to improvements in performance and job satisfaction, as well as drops in employee turnover and absenteeism (Padgett et al, 2009)

THE CONTINGENT WORKFORCE: "PERMANENT TEMPORARY" EMPLOYEES.

- **Contingent workforce**—people hired by organizations temporarily, to work as needed for finite periods of time.

- This practice serves not only the needs of companies whose needs for employees grow and shrink over time and cannot afford to have full-time employees, but also individuals who are interested in working only occasionally.

- E.g. *freelancers* (i.e., independent contractors who are self-employed), *on-call workers* (i.e., people who are called into work only when needed), and workers provided by *temporary help agencies*.- ScoopWoop, Urban Clap

- **Cost to employee:** Contingent employees generally **do not receive such valuable fringe benefits** as health insurance and contributions to retirement. Salaries take a hit too. People who work half time, for example, typically earn less than half of those who work full time.

- Cost to Company: The lack of continuity and the time new employees spend "learning the ropes" only to leave shortly thereafter has productivity and effectivity costs.
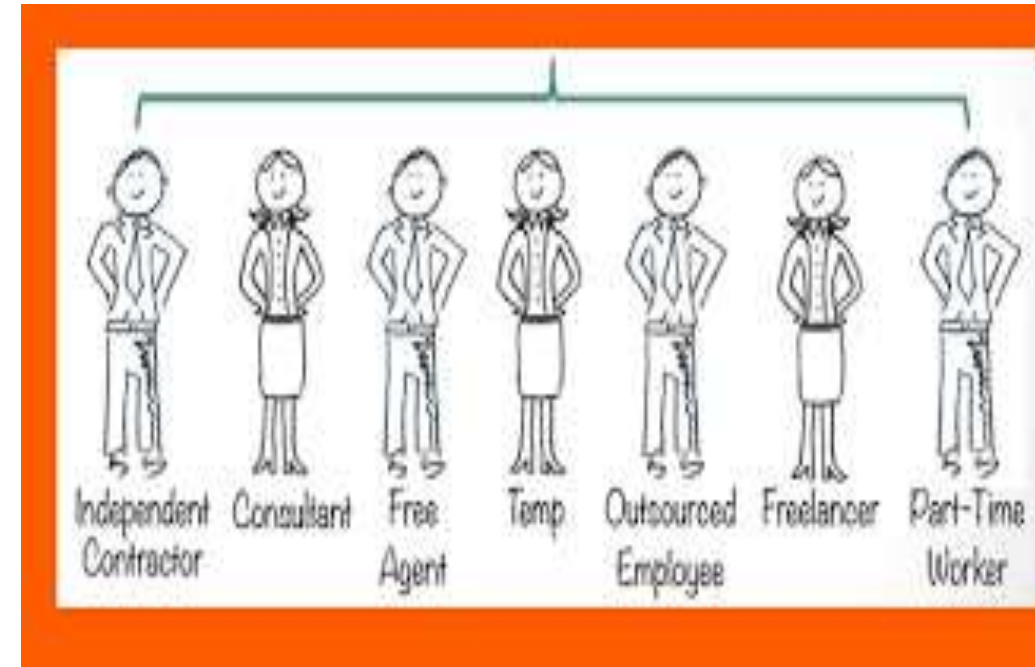
IDIOSYNCRATIC WORK ARRANGEMENTS.

- **i-deals:** uniquely customized agreements negotiated between individual employees and their employers with respect to employment terms benefiting each party. E.g. for example, a law firm hires a highly regarded attorney who, for personal reasons (e.g., having to take children to school), is allowed to come to the office at 9:30 A.M., an hour after everyone else.

- I-deals may take two forms.

1. *Ex ante i-deals* are negotiated before one begins a job, such as while negotiating the terms of employment (e.g., salary, fringe benefits, etc.).

2. *Ex post i-deals* are arrangements about employment terms made once a person already is working in an organization.

- Not only idiosyncratic in nature, but also reflect the fact that these arrangements are intended to be ideal for both employers and employees alike.

- **JOB SHARING.** Sometimes, two or more of employees assume the duties of a single job, splitting its responsibilities, salary, and some benefits in proportion to the time worked

- Such arrangements are rapidly growing in popularity as people enjoy the kind of work that full-time jobs allow, but require the flexibility of part-time work (Greenberg, 2016).

- It's not unusual for job sharing arrangements to be temporary, such as when people require time off for some personal reason for a fixed period of time.

- At Xerox, for example, several sets of employees share jobs, including two female employees who once were sales rivals, but who joined forces to share one job when they each faced the need to reduce their working hours so they could devote time to their new families (O'Hanlon, et al., 2003)

- **Voluntary reduced work time (V-time) programs** allow employees to reduce the amount of time they work by a certain amount (typically 10 or 20 percent), with a proportional reduction in pay.

- E.g., various employees of the New York State government have enjoyed having professional careers, but with hours that make it possible for them to also meet their family obligations.

- Not only does the state benefit from the money saved, but the employees also enjoy the extra time they gain for non-work pursuits.