Open University Business School:
A year of insight

MOST
HR
INFLUENTIAL 2016

IN PARTNERSHIP WITH

The Open University
Business School

About us

Editor's note

Hello, and welcome to this special ebook which collates a year of thinking from our HR Most Influential partner, Open University Business School (OUBS).

The HR Most Influential Thinkers list celebrates those academics whose work makes HR practitioners think – and act – a little bit differently. Practical relevance is critical, as HR practitioners search for insight that will help them operate more effectively in an uncertain world, rather than something that is simply a good read.

The pieces from OUBS, contributed throughout the year, reflect this, offering as they do a variety of fresh perspectives on a wide range of business-critical areas. From women on boards to the dark side of productivity, the importance of HR becoming a whole systems thinker to effective leadership, this book collates the best thinking from OUBS academics over the year 2015/16.

Bringing HR leaders and academic thinking together is a key part of HR magazine's HR Most Influential. It is important that in uncertain and challenging times, HR practitioners do not simply turn inwards, focusing so much on the minutiae of their own organisations that they fail to engage with the wider macro socio, political and economic climate. Taking the time to read widely and voraciously, to explore the fresh thinking coming out of academic institutions and beyond is essential if HR is to understand the wider world and add more value to its businesses.

I would like to thank our partners at Open University Business School for their ongoing support for HR Most Influential. I hope you enjoy this resource and that engaging with it gives you the time and space to think a little differently.

Katie Jacobs
Editor
HR magazine

IN PARTNERSHIP WITH
The Open University Business School

Contents

Political astuteness: an essential workplace skill

Political astuteness is about working with conflict to achieve organisational goals, writes JEAN HARTLEY

Increasingly leaders need to deal with and manage a range of stakeholders with diverse goals, values and priorities; political astuteness, aka understanding the lay of the land and using it to your advantage, is a valuable tool in influencing and engaging stakeholders. It also helps leaders to understand others and achieve organisational outcomes.

Historically politics has been a dirty word in management circles, used only by those who are manipulative, devious and self-serving. This view is changing; politics is not only about conflict but also about creating sufficient agreement to work more productively as an organisation. Dubbed the 'art of getting things done', political astuteness is about working with contest and conflict to achieve organisational and social goals.

Research evidence has shown that people use their political astuteness in a variety of work-based situations. Such skills are invaluable when leaders are dealing with people within their organisation, including factions and disagreeing tribes; leaders can also apply them when liaising with partners and in strategic alliances.

In a UK survey we asked 1,500 people to identify situations where political skills were most often applied, out of 15 choices. The following percentages indicate where people found such skills to be valuable or very valuable.

- 76% working with influential people within the organisation
- 73% working with partners and strategic alliances
- 68% thinking about how public opinion impacts upon the organisation
- 62% working with regional or local government
- 62% influencing regulators / influencer within the sector

As part of an internationally collaborative research project we have recently created a skills framework, identifying what political astuteness skills are and how they can best be utilised by leaders.

Personal Skills
- Having self awareness
- Being able to exert self control
- Having a pro-active disposition i.e. someone who tried to anticipate and develop the agenda

Interpersonal Skills
- Listening to others
- Encouraging people to be open with you
- Being curious with people, making them feel valued

Reading people and situations
- Being able to see others' perspectives: what their values, motives, interests and goals are
- Understanding organisational goals and power structures
- Recognising the threat you (individually or organisationally) cause others

Building alignment and alliances
- Understanding who you can work with and who to exclude in order to achieve organisational goals
- Making alliances in situations of competition
- Knowing when to collaborate or compete
- Understanding organisations differences in alliances

Strategic direction and scanning
- Retaining a sense of purpose
- Understanding when to move fast on your agenda and when to hold of as the timing is wrong

Jean Hartley

Jean is professor of public leadership at The Open University and also director of the Open University Centre for Policing Research and Learning, as well as director of the OU Policing Research Consortium. She leads the public leadership stream of research in the Citizenship and Governance strategic research area of the University. Jean researches and teaches in the field of public leadership and management and over two decades this research, teaching and development work has shaped thinking and ideas in the field, for example the value and use of leadership with political astuteness for public servants, the interplay between political and managerial leadership, the evaluation of leadership development, and leadership in healthcare and in local government. Her work on the processes and outcomes of innovation in public services is widely cited. She has written seven books and numerous articles on leadership, innovation and organisational change, including on how employees experience organisational change.

- Picking up signals from others (trade press, colleagues, external sources) highlighting changes in situation and helping you to identify what is over the horizon

A key part of understanding how to develop political astuteness in leaders is identifying how people acquire and enhance these skills. Our research has shown some surprising and shocking results; when people were given 24 choices on how people developed their political astuteness skills the most frequent learning opportunities came about through failure or mismanagement.

- 88% learnt from their mistakes
- 86% gained on the job experience
- 85% learnt from handling a crisis
- 77% followed the good example of a senior manager
- 70% learnt through observing bad behaviour from a senior manager

Interestingly hardly anyone developed their political astuteness skills through training courses, and where they had these were negotiation courses. Experience, either good or bad, has been identified as the best source for developing this vital leadership skill.

However, mistakes within organisations are often swept under the carpet or managers shift the blame, instead of taking an objective view of their own role and how they could have handled situations to deliver better organisational outcomes.

There is obviously a training gap in the market in this respect, that we at the Open University Business School are looking to fill. In the meantime, however, it seems that the best way to develop political astuteness, and enhance leaders' effectiveness at delivering organisational outcomes, is to examine how the past can teach us what we need to know to understand and predict the future. **HR**

Financial education and the benefits of good citizenship

Should businesses be providing general financial education to their staff? Yes, argues MARTIN UPTON

Martin Upton,
Martin is director of the True Potential Centre for the Public Understanding of Finance and senior lecturer in Finance. Before being appointed director of PUFin, Martin occupied the post of head of the department of accounting and economics at The Open University Business School (OUBS). Prior to joining the Business School Martin spent twenty years in financial services – including twelve as treasurer of Nationwide Building Society. He has also worked in local government (Coventry City Council) and higher education (University of Aston and Leeds Polytechnic). From 2010 to 2013 Martin was also a non-executive director and vice chairman of the Shepshed Building Society. He has run treasury workshops for the Building Societies Association (BSA) for several years and regularly undertakes external presentations on treasury and financial markets issues.

Research undertaken by Secondsight (1) found that 67% of the working population receive no financial education from their employers. Only 20% of employees had a coherent financial plan and a third claimed to have only a vague idea about money management. Half of employers surveyed said that their staff had asked for help with financial education.

Clearly there is a financial education gap that needs filling – but why should this be the responsibility of employers and their HR functions?

With the roll-out of auto-enrolment workplace pensions by 2018 all employers will have responsibility to offer access to pension schemes. With this should come guidance on the schemes offered and on the need for employees to augment their state pensions – particularly with the state pension age moving higher. Supplementing pension provision with workplace savings schemes is a logical further development employers should consider. Additionally the process of providing guidance on pensions and savings feeds through to other aspects of financial education. Assessing how much income is needed in retirement requires budgeting skills and an understanding of taxation. In effect pension guidance is a stepping stone to wider financial education.

Providing help is clearly good citizenship but it is good business sense too. Money worries are anecdotally one of the most common causes of keeping people awake at night. Certainly financial competence reduces the risk of getting into money problems and is therefore conducive to greater productivity by reducing stress levels. Research by the University of Warwick shows that happy employees are 12% more productive than the 'average' employee (2).

There are other potential benefits. Providing financial education is perceived as an employee benefit and can help with employee retention. Additionally, assisting with pension planning will help the transition to retirement of older employees. This would help with succession planning by providing further options for younger employees that might otherwise not be available given that the compulsory retirement age has been abolished.

Although most employers do not have the resources and skills to provide financial education there are freely available services to help provide support. The Money Advice Service and Age UK provide simple and easy to use on-line financial tools.

Additionally the Open University Business School's True Potential Centre for the Public Understanding of Finance (True Potential PUFin) provides a suite of short courses on personal financial management that are free for everyone. These can readily be used to support employer-based financial education programmes.

Such approaches don't just help develop employees' confidence in financial matters, they are good for business - and for that reason, HR should get involved. **HR**

References

- (1) Secondsight/Foster Denovo (2014) 'Secondsight research highlights more than half of UK companies do not provide financial education to their staff', http://www.businesswire.com/news/home/20141007005466/en/Secondsight-Research-Highlights-UK-Companies-Provide-Financial#.VgUrh0uFODY
- (Accessed 14th October 2014)
- (2) Oswald, A. J., Proto, E. and Sgroi, D (2014) 'Happiness and productivity'
- Journal of Labor Economics (JOLE), 3rd Version, February 2014

Female representation on public service boards – where does responsibility lie?

There are now no all-male boards in FTSE 100 companies, marking a watershed in women's representation. So why are these successes not mirrored in the public sector?

There are now no all-male boards in FTSE 100 companies, marking a watershed in women's representation, according to the launch of the Female FTSE Board Report 2015. Since the Davies Report set a target of 25% of women serving on boards of FTSE 100 companies four years ago, women's representation has almost doubled.

But the successes of the FTSE 100 are not mirrored in the public sector. Despite a number of government interventions since 2010, representation of women, ethnic minorities and those with disabilities remains challenging to say the least.

In health, although women account for 77% of the NHS workforce they hold only 37% of board positions. A mere 30% reach the position of chair, compared to 70% of men.

In policing, the picture is even bleaker: the system of elected Police and Crime Commissioners (PCC) introduced in 2012 was driven by the need for greater transparency and public accountability. But the elections resulted in only six women PCCS compared with 35 men.

Combined with a total lack of representation of ethnic minorities this led to the system being described as a "monoculture". And it makes the government plans to extend the remit of PCCs to include all emergency services concerning, to say the least.

In spite of the fact that there are around 22,000 schools in England, governed by an estimated 300,000 volunteer governors, we have no idea how representative these boards are. No statistics have ever been kept.

Since September 1, 2015, schools have been required to post certain information regarding their governing body on their websites. The Department for Education is currently looking at ways that this can be made easier, but there is no indication of how this will be monitored or whether diversity data would be gathered at any point.

The government's current emphasis on recruiting people with "business skills" as school governors runs the risk of creating exactly the same issues around diversity as have occurred in corporate public boards – the very same issue that the FTSE 100 project sought to eradicate.

In higher education the outlook appears to be more positive with a fifth of the boards of governing bodies in the UK possessing a 40-60% split between men and women members. Out of 166 higher education institutions in the UK, women make up 37% of all governing body members. But only 12% of chairs of these boards are women.

Quotas or no quotas?

The FTSE report is impressive, not least because it demonstrates what can be achieved without the introduction of quotas. But it also indicates that achieving diversity on boards doesn't come without hard work and collaboration.

Lack of supply of qualified female candidates is often quoted as a reason for the lack of diversity on public sector boards. An important part of the FTSE 100 experience lay in encouraging and supporting the pipeline of women as potential leaders. It carries the additional benefit of encouraging women to fulfil their potential on merit rather than relying on quotas to do the job.

The substantial body of research into quotas – largely relating to their use in political appointments – has shown that although they act immediately, they also have the potential to reinforce the status quo. This is because they recruit a "particular type of candidate", which then provides too much "group think".

Group think is recognised by psychologists as being a strong desire for harmony or conformity within a group which can result in an irrational or dysfunctional decision-making. In the worst case scenario, members go to extraordinary lengths to minimise conflict by suppressing dissenting viewpoints and isolating themselves from "outside influences". In the case of boards, the phenomenon is found far more frequently in those that lack diversity in their membership.

Research suggests there are also problems in the appointment process: organisations often employ a narrow definition of experience, essentially seeking candidates with prior board or executive experience. This restricts the access of qualified female candidates, whose backgrounds might not fit this narrow profile.

Interpersonal dynamics are often found to play a part, largely in terms of recruiters' preference for similar candidates and narrow perceptions of who fits and who doesn't. Social capital and relationships have also been found to be critical and organisations such as Women on Boards (WOB) have been set up to provide formal and informal support through referencing and sponsorship.

There is little doubt that diversity on boards is a good thing. A recent report by McKinsey argued that advancing womens' equality could add US$12 trillion to global growth.

Other evidence shows that companies with mixed boards outperform those with all male ones. There is also substantial evidence to support the fact that women also bring particular skills to the table.

Evidence from the FTSE 100 project shows that mentoring works and organisations such as Women on Boards provide a number of events which hone and refine the ability of women to rise to the challenge of chair from initial introductory sessions on pathways to directorship and access to board vacancies to guidance on crafting your CV and a full mentoring service.

But it's not just about 'opening' doors for women, the kind of boardroom cultures that greet them when they are appointed are also important factors in retaining female non execs and chairs. The Mothers of Innovation report (2014), evidences the fact that the mentoring process is just as important once in post-if not more so- as it is in the period leading up to taking on a board role. A report published in 2008 looking at transforming boardroom cultures in STEM subjects recommended a number of strategies in relation to access including the development of board members and boardroom practices, exercises to promote team building and explicit guidance on the conduct of board members during meetings.

So, with ample evidence that women on boards increase performance how can the public services replicate the efforts made by their FTSE counterparts to ensure far greater diversity on public service boards?

But in times of austerity when women have been hit hardest by cuts to public services, who is responsible for rebalancing the Boards? Should we be reliant on and developing more external mentorship programmes such as the one offered by WOB, or should the responsibility fall to HR within public service organisations to make the change? **HR**
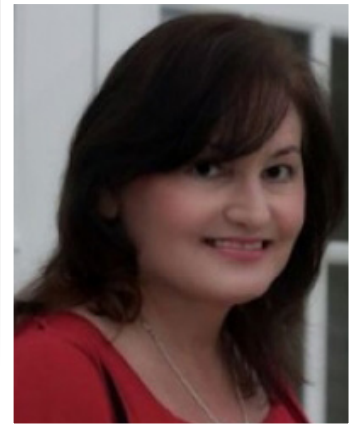
Jacqueline Baxter

Jacqueline has been working for The Open University for 10 years and during this time has held a variety of roles, the most recent of these as lecturer in social policy in The Faculty of Social Sciences. She moved to The Faculty of Business and Law in 2015 to take up a post as lecturer in public policy and management. Jacqueline chairs the final module in the MBA and is on the course teams for B123, Management Practice and part of the production team for the new level two course - B207. She began her career working in The City of London for a commodity trading information firm based on Fleet Street, London. From there she trained in teaching and set up a consultancy specialising in training and development. Jacqueline moved into higher education with a position in teacher training (further education and training) and joined the OU as educational developer for tutors in 2005.

Why HR leaders need to be systems thinkers

Systems thinking should be applied to organisation design and management, writes PAUL WALLEY

Systems thinking is an approach to problem-solving that sees complex entities as a series of components with each part interacting with and influencing the rest. The approach can be applied to managing organisations: the various divisions, units and teams – the components – of a large organisation are seen to continually interact with and affect each other. In effect, they behave collectively as a system.

The performance of the system is largely determined by the ways in which this system is configured and the elements interact, not simply by the results of individuals' actions or effort. As such, business leaders need to take a 'whole-system' perspective if they're to maximise organisational performance, instead of just looking at the efforts of each employee.

Seeing the whole

To get the complete picture, leaders need an in-depth knowledge of the entire organisation, its various moving parts, and how each component has an impact on the rest. But there's more to systems thinking than that. Business leaders need to understand the adaptive nature of systems. As dynamic entities, systems adjust to changes imposed on them – often with unpredictable results. Leaders therefore need to know how the actions they take in any one part of the system will cascade down to affect the whole. It is still rare for the most senior managers to take sufficient time to understand their system, given the inevitable pressures on their time.

Supply and demand

Within the public sector especially, one of the big gaps in knowledge is a genuine understanding of both sides of the demand and supply equation.

Firstly, how much demand is there on the system? When and where will the organisation's output be required? What are the likely peaks, troughs and seasonal variations in demand? What external factors will affect demand, and how?

And importantly, how much demand is due to the system not supplying what it should in the first place? In the UK public sector, some estimates put this so-called 'failure demand' at 80% of the total.

On the supply side, leaders need to understand their organisation's capacity to provide the goods and/or services it offers. How much staff time is wasted through non-core activity or simply spent on doing unnecessary work?

Systems theory can help leaders to understand capacity constraints. This means they're better placed to identify the resources needed for work to move effectively through the system and not apply resource in the wrong places.

Behaviour

Leaders need to adopt the right management style, moving away from a purely command-and-control mentality. They must accept the notion that the performance of their system is as much a factor of its design as of the work done by its employees. Issues such as poor performance, low morale or stress among the workforce often result from problems within the system itself. Their focus must be on making the systems problems visible – and not blaming the workforce for problems that are, in practice, design flaws in how the processes and systems are configured.

Barriers to systems thinking

So what's stopping leaders from gaining a systems perspective? Organisations are structured into divisions and sub-divisions, each with its own managers, objectives, priorities, budgets and performance management targets. As a result, people understandably focus on the piece of the puzzle they're responsible for. So it's rare for leaders to be able to see the entire system.

Additionally, managers in each part of the organisation may not be incentivised to work with the other components to help meet the overall aim. As such, there may be no common vision; no shared 'map' of the system.

The performance targets that are often implemented in organisations can act as a barrier to systems thinking. They can bring about behaviours that are counterproductive to the overarching mission.

And in the public sector especially, targets can be a tool for stakeholders to label units as a 'success' or 'failure' – rather than a measure of how the system is performing. To make matters worse, solutions to failure tend to focus on the part of the system where the target was missed, not the system as a whole.

Moreover, as most organisations are managed in a top-down, command-and-control way, leaders struggle to allow frontline staff to develop a thorough understanding of the organisation, and empower them to improve processes from within.

This change in management style is difficult for many senior leaders to accommodate.

Can HR lead systems thinking in organisations?

Creating a culture of systems thinking isn't a quick task. It takes time to embed the knowledge and behaviours needed to make decisions, and take actions, that will benefit the system as a whole.

With this in mind, systems thinking shouldn't be the preserve of a select group of senior leaders. A whole-system perspective can only be achieved by developing the ability to map work flows and processes among the entire workforce. In this way, any changes to the system can start with a clear idea of the organisation's aims and purpose – and crucially, the needs of its end-users.

HR teams are already well placed to lead systems thinking in organisations, usually having a less target driven approach than their counterparts and a better view across all departments. Although shifting an organisation's culture can be a slow process, HR can initiate a whole-system approach through processes they own, including recruitment induction and reflecting in performance appraisals the right kinds of systems thinking and improvement behaviour. **HR**

Are you a systems thinker?

- Do you see the whole system, rather than trying to optimise your local resources? A 'local' perspective can damage the performance of the system as a whole
- Do you regularly walk through the process that your customers experience? If not, it will be impossible to generate a map of your system, and identify its potential failure points
- Do you regularly map your user experience, and make the map available to all who need it? Process-mapping should produce shared knowledge about the way the system is configured, and how its performance is influenced by its design. This can then act as a reference for everyone involved in improving the system
- How do you measure demand and capacity? Many organisations – especially public bodies – measure activity (the work done), instead of demand (the work coming in). This leads to a lack of understanding of capacity constraints
- Are your performance management measures used for improvement, rather than judgement? Their purpose should be to prevent errors and improve processes, not to find culprits when things go wrong
- What actions occurred as a consequence of any process analysis? Good systems thinking practice is often characterised by fast decision-making and process change. Decision by committee isn't conducive to systems thinking
- Is system design a top-down or bottom-up process? System design is at its most effective when it involves the people who know the system best: frontline staff and service users

Paul Walley

Paul Walley joined The Open University in September 2015. Up to September 2011, Paul worked at Warwick University as an associate professor in operations management. At Warwick he was academic director for their distance learning MBA programme, where he also obtained his PhD in 2012. He then took time away from academic life to work as a hospital senior manager in the Middle East. Paul has worked as a specialist in operations management for over 25 years, with expertise in areas such as lean thinking, quality management, capacity planning and capacity management in both manufacturing and service settings.

The rise and rise of the 'always on' workplace

It's now common to telework or to reply to work-related emails away from the physical office. But what does this 'always on' culture mean for employee wellbeing?

Sophisticated but increasingly accessible technology is enabling many of us to work away from the office and even on the go. There are jobs, particularly those in customer-facing roles within the hospitality industry, where this 'luxury' can simply not be afforded. But for an increasing number of workers, including self-employed and a variety of professionals, it is becoming relatively common to telework for part of the working week, or at least, to reply to work-related emails out of the traditional 9 to 5 office hours and away from the physical office.

Prior to pervasive presence of the internet in our personal life, switching-off after work was physically possible to a great extent. Thus, offices shut down over night and those using computers kept their work within those offices, this made it easier for many to 'switch off' psychologically from work. Today there is potentially an 'always on workplace', and this introduces exciting possibilities of better balance between work and leisure with many reporting increase levels of satisfaction. However, a potential increase in work intensification, and people's struggles to detach from work, reminds us that with the possibilities come the problems. From an HR viewpoint, it is paramount that we are 'switched on' and understand the impact of the always on workplace on employee wellbeing so that organisations can reap the benefits from a satisfied workforce while ensuring these are sustainable long term.

Work intensification

Traditional command and control management practices and a pervasive presenteeism culture did not sit well with the possibility of working away from the office in the early days. Against these concerns, more and more evidence began to confirm that most of those who work away from the office were becoming their own most demanding bosses.

For instance, in a study conducted by Kelliher and Anderson (2010), the authors explored and compared the experiences of workers from large multinational IT, pharmaceutical and consulting companies who were offered remote working for a number of years and had taken the offer, versus those who had the offer but continue working on-site. The authors found remote workers would work harder and/or longer than their on-site counterparts.

Interestingly, this is not an isolated finding in the literature. There is in fact a strong body of evidence showing intensification of work in terms of both quantity (more hours) or quality (more effort) in people working away from the office.

So if this is true, why are people working longer or putting more effort while being away from the watchful eye of managers and peers?

First, physical monitoring is not needed in many cases as practices such as management by objectives has usefully replaced the need for this. This is not to say that direct monitoring can-and in many ways is-being practised through smart technological developments. Interestingly though, it is not direct monitoring nor even the need to meet objectives which caused respondents in Kelliher and Anderson's study to increase their work effort and hours whilst working from home. Some of the key reasons respondents cited in that study, and others conducted in this field, are the following:

- There is an increased energy available from removing stressful and long commutes which is in turn applied to work
- The increased time available from not engaging in frequent office distractions
- The need to address concerns from on-site colleagues, as there is often a lower co-worker satisfaction in stronger teleworked organisations
- To reciprocate the organisation's gesture

Explaining work-intensification through psychology

The apparent self-imposed work intensification might raise some eyebrows to the incredulous manager, but there are well established psychological theories which can explain that behaviour. Looking at the four reasons

identified earlier, the respondents indicate an increase in their energy levels. This is a rather obvious statement we might think. From classic stress theory for example, we can argue that we have a limited amount of energy to get us through the day and cope with demands placed on us. If we are able to not lose mental and physical energy in a certain task (e.g. commuting) we are able to put that energy in other tasks (eg get work done).

Perhaps a more controversial point is, why would we use this energy to work? One powerful reason here for many is probably the threat of job insecurity and fierce competition in the current labour market. From a psychological viewpoint, and looking at the four reasons respondents often report for increased intensification, the reciprocation component towards the colleagues and towards the workplace seems to be key. Social exchange theory can explain these findings. Thus, workers feel the organisation is enabling them to exert control over their working hours and in exchange they are prepared to give back additional effort or longer hours without the organisation explicitly asking for it. Importantly, in Kelliher and Anderson's study the authors found that in the give and take game, the winner was the

organisation every time.

Work intensification has been traditionally recognised as a powerful stressor. However, in Kelliher and Anderson's study employees were more satisfied than those who were working from the office.

The common thread from the variety of advantages cited in the literature and summarised in the box above is the increased sense of control and autonomy over work and life in general. Perceived sense of control over work and autonomy have consistently been reported strongly related to job satisfaction, engagement and commitment. In this sense, the fact technology allows people to satisfy the need for autonomy is likely to explain why people tend to be more satisfied though working more intensely. It is also not surprising to see the links between ability to work in different times and spaces with the sought after happiness. Golden and Okulicz-Kozaryn found that setting one's work schedule was strongly associated with greater happiness and this was true regardless of the income level and occupation. Working remotely and more broadly the choice of flexible working (which includes for instance reduced working hours) featured in the Third European Survey on working conditions with 21,505

Advantages of the always on workplace

BENEFITS

Personal
▷ Increased sense of control over one's work
▷ Opportunity for better integration of work and life commitments
▷ Avoid the hassles of commuting
▷ More time available that could potentially be spend in leisure

Employer
▷ Increased productivity
▷ Savings in office space, lighting, equipment
▷ Increased commitment
▷ Lower staff turnover rates

(SOURCE: Mazmanian, Orlikowski, & Yates, 2013; Keiller and Anderson 2010)

RISKS

Personal
▷ Individual choice can be a nice 'wrap' for work intensification
▷ Lack of account for the greater forces shaping our choice: cultural norms, gender inequalities
▷ Short-term evaluation of gains without concern for long-term (eg high costs of stress)
▷ Interference with strategies for psychological detachment to enable recovery and prevent stress
▷ Risk of adopting compulsive internet use and compulsive work behaviours which reinforce each other

Employers
▷ Negative long term impact of work intensification on productivity
▷ New forms of presenteeism- can there be a new 'virtual check-in'?
▷ Lack of control over health and safety issues

Source: Bloom (2013; 2015); Quinones& Griffiths (2015) Quinones & Kakabadse (2014, 2015)

participants as the first variable predicting job satisfaction, and among the top three related to physical health including heart disease, anxiety and the perception of health risk as a result of work.

While the benefits of being able to work away from the office seem to be quite powerful, the question is, how does this self-imposed work intensification impact employees' wellbeing? This of course is not just a benevolent question for an organisation to ask, or a check point in a CSR strategy. It is also about long-term productivity and sustainable performance. Therefore, there are potential threats which should be considered. Some of the most significant ones are summarised below:

Living in an always on workplace and in general an 'always on culture' poses particular risks for our need to recover which is paramount to prevent stress. While there is some evidence suggesting that some activities found online, such as

gaming, can help us recover from work related efforts, there is also evidence suggesting that for many switching off is difficult and to the extent to which this influences meaningful relationships in our lives and our own physical health, this cannot be overlooked.

What can HR do to help?

As we saw earlier, those working remotely were more committed and satisfied and there is a strong element of reciprocity employees feel driven to. Thus, offering workers the possibility to work remotely can be used as part of a commitment enhancement strategy. This offering shows the organisation understands the complexity in their lives and therefore they feel a stronger connection to them. However, this needs to be balanced with the understanding that remote working can be associated with stronger work intensification and that measures need to be put in place to avoid the long term costs associated with this:

● First and foremost understand your remote workers. Ask what support they need and what can be done to improve your support to them-if you don't ask, you don't know
● Use the information above to inform health and safety guidelines beyond the traditional (and necessary) use of office equipment guidelines. These may include recommendations on logging working hours and objectives achieved during the day. This can enable more efficient use of working time and self-checked they don't over-

reciprocate at the expense of their health (and eventually your organisation's)
● Provide information leaflets your employees can access about potential struggles with switching off from work or from technology (they are definitely not alone!) and guidance on how to seek help if needed

What can you do for yourself?

As a remote worker, mindfulness teacher in progress, and researcher psychologist in this field I have my own tips to stay afloat which may help you too:

● Keep a log of your hours and objectives-work smarter not longer
● Get some mindfulness in your life. Yes, it has become a bit of a fashionable thing to do but before you discard it give it a go. You don't need an awful lot of time or preparation (of course there is plenty of reading to do if you wish). Start by taking some conscious deep breaths for a few minutes every day perhaps before or after work. Research suggests that those who integrate mindfulness into their lives – e.g. focusing on direct experience, being mindful or consciously aware of the present moment – experience more positive emotions, health and higher productivity.
● Try to do fun things outside work – this helps with psychological recovery, dancing works for me!
● Above all, be your own assertive but kind and compassionate boss. **HR**
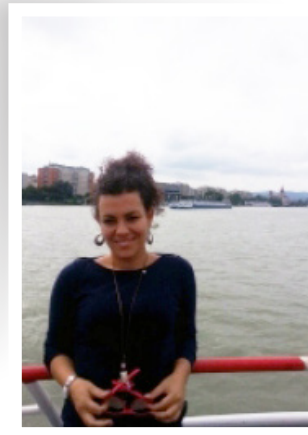
Cristina Quinones
Cristina Quinones
Cristina joined the Open University Business School in February 2014 as a lecturer in organisation studies. Prior to that, she worked as a lecturer at Northampton Business School from 2011, after receiving her PhD from the University of Southampton. Cristina is a chartered psychologist from the British Psychology Society and CIPD graduate with background in both occupational psychology and human resource management. She has recently completed her PGCTHE and become Fellow member of the Higher Education Academy. During her PhD and academic roles, Cristina has also engaged on consultancy activities including stress audits, conflict management, communication and emotion skills training for companies in Spain and UK. Prior to her full time academic posts, Cristina worked in different HR roles in the UK (at the NHS and the University of Southampton) and as an occupational psychologist in Spain (HC Energy).

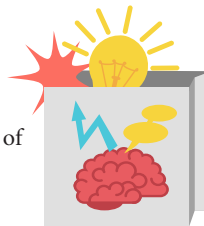# Working carers: Why are they viewed as a problem for organisations?

There is still an assumption that becoming a working carer is basically a problem – both for the organisation and for the individual. But they should be viewed as an opportunity, says LEAH TOMKINS

In the West, we are all living longer. Indeed, the fact our retirement ages keep getting pushed back suggests we are expected to have many more years of productive life than was the case in previous generations. While this is undoubtedly a triumph in terms of advances in medicine, nutrition and lifestyle, at the same time, it has thrown up a huge challenge for families, communities and institutions who have to work out how to care for elderly people for much longer periods of time than ever before. In particular, it has created a generation of 'working carers' who balance caring for an elderly relative with trying to build and sustain a career themselves.

It is easy to see why the increasing numbers of working carers might create difficulties for organisations, and for HR and resource planning departments in particular. The advent of caring responsibilities often comes unexpectedly, as an elderly relative suddenly becomes less capable of looking after him- or herself. Caring responsibilities can feel open-ended and unpredictable, and it is impossible to know whether they are going to last for months, years or even decades. It is not easy to adjust workload allocations and expectations when it is unclear how long-lasting or how intensive an employee's caring duties will be.

For working carers themselves, the advent of caring responsibilities can represent a serious challenge to their sense of identity. We live in a world where the idea that professionalism equals dedication reigns supreme. Corporate strategists and culture change specialists strive for high levels of organisational commitment from their employees. The business literature abounds with terms such as employee engagement and models of organisational transformation which emphasise the importance of employees being inspired by, even devoted to, their leaders and the corporate vision they espouse. Most management consultants and OD strategists would probably agree employees need to have 'skin in the game' if an organisation's objectives are to be achieved. And for working carers, of course, there is more than one 'game' making claims on their 'skin'.

Across both private and public sectors, organisations are working hard to try to help the increasing numbers of working carers in their midst. Many have established support networks, and introduced a range of policies including paid and unpaid leave to try to acknowledge the complexities of balancing work and care. Appraisal systems are being reworked to try to set performance in context, and to focus on quality rather than quantity of contribution. In some of the organisations I have visited, senior leaders talk openly and publically about their own caring responsibilities and about the practical and emotional impact these have had on their work and sense of professional identity. This is powerful stuff, because it can help to dissolve the shame and anxiety that employees feel when their domestic lives make it impossible to be the perfectly engaged employee that has traditionally been required for career success.

However, despite the valiant efforts of many organisational leaders, HR professionals and line managers, I think there is still an assumption that becoming a working carer is basically a problem – both for the organisation and for the individual. However sympathetic colleagues, managers and support staff try to be, there is an underlying sense that care disrupts, even destroys, careers.

An opportunity for organisational life?

I want to challenge this assumption that care necessarily

Caring in the UK: The facts

- 1 in eight adults (around 6.5 million people) is a carer
- By 2037, it's anticipated that the number of carers will increase to nine million
- Every day another 6,000 people take on a caring responsibility – that equals over two million people each year
- 58% of carers are women and 42% are men
- Carers save the economy £132 billion per year, an average of £19,336 per carer
- Over three million people juggle care with work
- As of 2014, 30% of working carers were earning at least £20,000 less than before as a result of caring
- And the significant demands of caring mean that one in five carers is forced to give up work altogether

destroys careers by asking the question:

"What is it that we experience as carers that might help, rather than hinder, us in our organisational lives?"

In other words, I think we might look at our experiences of care as a valuable resource and source of expertise. This relates to our experiences of both giving and receiving care, and to how these inform and shape our interpersonal relationships throughout our lives. I make this somewhat provocative suggestion not because I want to downplay how tough being a working carer is. Nor do I deny that having to incorporate different work patterns and unpredictable availabilities can be extremely disruptive in organisational life, and trigger all sorts of resentments among colleagues who are left holding the fort.

But there is an extraordinarily powerful upside to having the notion of care at the heart of our organisational lives. This is because care experiences are all about asymmetrical or unequal relationships – about the way in which people interact when one person has more power or capability or capacity than another. And this is precisely the kind of interaction that underpins many key debates in business, including:

● **Relationships between leaders and followers** - which are marked by differences in status, power, experience and/or expertise.
● **Decisions over leadership and change management methods** - especially those which involve deciding between 'transactional' and 'transformational' approaches.
● **Ideas about 'tame' and 'wicked' problems** - and the extent to which stakeholders are either directed or empowered to participate in their resolution.

All three of these examples involve understanding the power dynamics of asymmetrical or unequal relationships. All three of them have a noticeable presence on the curricula of both corporate and academic leadership and management development programmes. And, in my view, all three of them are illuminated through the prism of our experiences of care.

This is because caring involves taking decisions about how to manage differences in status, power and expertise, without dominating or infantilising the other person. Caring also means coming to terms with being on the receiving end of a whole host of projected emotions, often in the form of anger, resentment and frustration. These are often completely unfair and unreasonable, but then again, so are the feelings of fury and disappointment that are hurled at leaders when they let us down and prove to be mere mortals after all. Our expectations of both ourselves and others in caring relationships evoke incredibly strong and primitive emotions. Acknowledging and coming to terms with these in our private lives might – just might – help us to acknowledge and come to terms with them in our working lives, too.

These thoughts dovetail with increasing calls for organisational life to be infused by an 'ethic of care'. For me, the idea that care relates to ethics is really important, because it stimulates reflection on the meaning of our work and our organisational commitments, rather than pushing us always to be looking for ways to get more efficient. Indeed, my arguments about how care might enhance our working lives will lose their power and authenticity if they get leveraged into policies or procedures – or into jargon or sound-bites. In my view, an 'ethic of care' is not a shiny new model or theory that

can be turned into a recipe for business success. Instead, it involves reconnecting with what we already know as human beings - with our understandings of the emotional dynamics of ourselves and our relationships with others. Care is an opportunity, not in the sense that organisations can colonise and yoke it to issues of business performance, but more in the sense that, as human beings, we might reflect on how our experiences of our lives outside work might not be so different or disconnected from our experiences of our lives inside it.

An 'ethic of care' in organisational life involves:

▸ Challenging the assumption that care is purely a domestic issue, or something 'pink and fluffy'.
▸ Reconnecting our experiences across the so-called 'work/life boundary'.
▸ Acknowledging the emotional undercurrents of our working, as well as our private, relationships. **HR**

Leah Tomkins

Following an undergraduate degree in classics and modern languages at Jesus College, Oxford, Leah spent twenty years in the management consulting sector, working for Accenture, PWC and KPMG. She specialised in planning, designing and implementing change management and leadership programmes, both in the UK and internationally. She was appointed director of people strategy for the UK Civil Service (Cabinet Office, Whitehall), from where she initiated a range of organisational and leadership development projects across multiple government departments. While working in the Cabinet Office, Leah studied part-time for a BSc in Psychology, followed by a PhD in organisational psychology, at Birkbeck, University of London. Her PhD was on the experiences of working carers, their fears of being 'outed' as unreliable, and the tensions between the rhetoric of 'family-friendly' policies and the realities of everyday juggling of work and care. Upon completion of her PhD, she moved full-time into academia, where she now specialises in critical and philosophical approaches to organisation and leadership. Her work attempts to make sense of organisation in ways that chime with organisational practitioners, using her own corporate experience, as well as that of her research participants, to reflect on the lived experience of leadership and management in their less heroic, less glamorous moments.

When all that we count becomes all that counts

The new productivity culture replaces top-down coercion with bottom up empowerment strategies and HR is at its heart, but what is the dark-side of this shift?
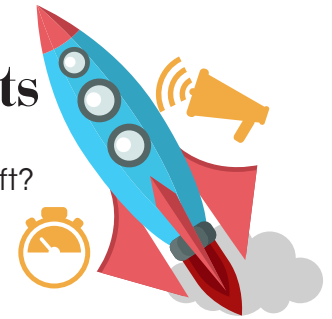
Productivity is considered a crucial 'value' for contemporary organisations. While the business world rapidly changes, the prioritisation of productivity remains the same. Indeed, if there is one way that the 21st century is the same of the 20th, it is in the widely accepted assumption that the more productive survive while the less productive die.

Modern organisations, therefore, must constantly find new ways to manage this relentless quest for productivity. On the one hand, companies rely on traditional methods of quantification and auditing to 'squeeze' the most out of their workforce. Yet, unlike the past, it is often now workers themselves who are responsible for improving their performance through personally accounting for their time and actions.

HR is at the heart of this cultural shift. The new productivity culture replaces top-down coercion with bottom up 'empowerment' strategies. The task of managers is to create conditions that will give workers the opportunities to maximise their own performance. It is tailor-made to the needs of each individual as they strive to increase their efficiency and output. Working on our 'productive selves' really can become a full-time job.

The results of this human-centred approach appear to be quite progressive. They justify increasing an employer's commitment to the physical and mental wellbeing of their workforce. If a healthy worker is a good worker, as the old saying goes, then in today's business the thinking is that a happy person is a productive person/employee. For this reason, even in an ultra competitive globalised marketplace, many employees are encouraged merely 'to be yourself' and to cultivate a strong work-life balance.

However, there is a potential dark side to these HR inspired productivity strategies. They ironically serve to increase individual anxiety by instrumentalising and colonising all aspects of our existence. Going for a run is no longer a way to relieve stress, it is now a moral duty, and working away from the office and having a flexible schedule far from freeing people from the drudgery of the 9-5 rat race, now makes them feel as if they 'check out but they can never leave'. Indeed, 'not working too hard' and balancing life becomes yet another responsibility the employee has to manage, ironically in a culture of intensified working practices, where, to paraphrase, we count the cost of everything but know the value of nothing.

There is a profound but often invisible danger in this accounting-for-ourselves productivity culture, because rather than the organisation confronting unfeasible objectives or serious structural problems, the workforce take the full brunt of responsibility for how they 'manage' or 'mismanage' their own productivity. The employee is nearly always complicit; striving to be more, do more, papering over the cracks of fundamental institutional flaws that rely largely on unpaid labour and goodwill. These conditions are exacerbated by the insatiable demands of 'time greedy' companies in a 21st capitalist world that never sleeps.

In the long term this threat goes to the very core of modern HR efforts to manage productivity. The ethics of accounting can lead to a reality of growing unaccountability and possible subversion within organisations. Present is a top down blame game, where executives pass the proverbial 'hot potato' onto middle managers who do the same to the employees they supervise. It is a vicious cycle where everyone is on the defensive, creating a culture of pointing the finger, instead of constructive problem solving and engagement with work.

This culture of distrust easily translates into a pervading cynicism and disaffection. Employees will perform to what is measured, as the appearance of productivity becomes privileged over all else, since that is what we are rewarded for. So, when we ask our employees to work 'smarter' when they are already at full tilt, produce more when the tank is empty, and halve the time to produce twice the output without any more resources, we cannot be surprised when this results in the

manipulation of accounting structures to reflect a picture of a performance that is at dramatic odds with reality. That is to say, the performance indicators/productivity measures become the ends in themselves, rather than the means to the ends, so they become confused with the original purpose because they become the purpose. One only has to recall the suspect credit ratings that helped cause the financial crisis to see the danger of these practices.

On a more personal level, employees can suffer from a severe paralysis linked to these productivity discourses and the accounting that it entails. No matter what they do or how they do it, it is never enough or good enough. Even in successes they can never relax, as everything they do can potentially be scrutinised as unproductive, requiring improvement, or be subject to moving goalposts. Mental health can suffer as employees become anxious, and in the face of such seemingly unrelenting pressures to do everything, sometimes the only response is to become detached, to give up and do nothing, or to exit the organisation.

HR managers, not surprisingly, are being active in responding to these concerns – trying to help employees cope with this difficult working reality. Already there is underway a 'new age' manager movement where individuals are encouraged to meditate, and be mindful, in order to reduce their job stress (which is their responsibility). The reasoning for these efforts goes beyond simple spirituality – again it speaks to willingness of employers to try anything to ensure their maximisation of their workforce's

productivity both in the short and long term.

Yet this cures the symptom not the disease, another doomed experiment in accounting for people's behavior to ensure their productivity. It continues to disguise the problems of the organisation, while masquerading as an individual's ability to 'cope'. An extreme form of denial perhaps? We must be careful that counting and measuring does not become the problem rather than the solution – as sometimes less is more, as evidenced by the problems experienced by Toyota when quantity trumped safety.

And it is precisely here that the painful paradox of modern productivity discourses become a collective threat, not only to social wellbeing but ultimately to the organisation's survival and success. Real possibilities for innovation are put aside for the sake of finding new ways to make individuals accountable, employee energies are used to be complicit in creating the illusion of new clothes for the emperor. The potential for new ideas and practices are immediately dismissed as the familiar but uncomfortable slippers of established strategies are put on; increasing 'productivity' without fundamentally upsetting the status quo, and usually without increasing productivity either. But then there is always the question 'productive for who?' to consider, but that is another story...

What gets lost in this accounting are the people who are being counted, and the broader and less trusting environment that this counting creates. When what we count is all that counts, there is a real danger that very soon, nothing will count for anything.**HR**

Peter Bloom

Peter Bloom joined The Open University Business School in 2014 from Swansea University. Peter is a lecturer in the Department of People and Organisations. His primary research interests include ideology, subjectivity and power, specifically as they relate to broader discourses and everyday practices of capitalism and democracy. He recently finished the book *Authoritarian Capitalism in the Age of Globalization*. His scholarly work has been published in *Human Relations*, *Organization, Theory and Event, Journal of Political Ideologies, Journal of Political Power, New Formations, Research on the Sociology of Organization, Culture and Organizations, Ephemera, Journal of Organizational Change Management, Organization* and *International Journal of Žižek Studies* among others. His writing has also been featured in *The Washington Post, The New Statesmen, The Week, The Conversation* and *Open Democracy* among others. He also serves as the academic adviser for the BBC radio show *The Bottom Line.*

Caroline Clarke

Caroline Clarke is a senior lecturer in Management at the Open University Business School. Caroline previously worked in Bristol Business School, and prior to that she spent five years as a researcher on the Change Management Consortium (previously at Bath and Cranfield University). Caroline's undergraduate degree was awarded by the Open University and her positive student experience meant that returning to the Open University some years later as an academic was an easy decision to take. Caroline's main research interests are located in identity and emotion, and she has also written about managers and change, and has presented on auto-ethnography as a methodology. Caroline has recently collaborated on a three year study of academics in business schools exploring concepts of identities, insecurities, gender, and career behaviours amid the increasingly performative demands of academia. Caroline is currently conducting research looking at the professional identities of veterinary surgeons with Professor David Knights. For this timely and important project they have been awarded several small grants and now hope to extend their work to include a cross-cultural study to help inform and make a comparison with the findings from the UK.

Business sectors must share management ideas

The public, private and non-profit spheres can learn more from each other than they realise

Imagine you could compare the performance of private, public and non-profit providers in fields where they are all competing together – such as hospitals, nursery provision, schools, and residential care for the elderly. What would the results show? Who is best at running human service organisations?

The answer is… none of the above! That is, no sector is 'best' – or worst.

The overall pattern of the results is very consistent: the differences within a sector are much greater than the differences between sectors. Although a particular sector may come out on top in a particular comparison, all three always provide a wide range of performance, from the very well run to the badly run.

What sense can we make of this finding? One point is obvious: given the spread of performance in each sector, management and leadership matter hugely. But it raises some wider questions about management as a field. Put simply: at any time, mainstream management – in other words, the favoured books and the extensive common content of management programmes – is defined partly by the origins and development of the field, and partly by the dominant thinking of the time and place where it is being practiced. So originally, management codified what had been found to be effective in handling the challenges of business administration – we're talking large, market-based, hierarchical organisations usually in manufacturing or heavy industry.

Then, with the restructuring of the state in the UK and the US, it broadened its remit to being, in effect, organisational management, apparently regardless of sector. And claims for private sector superiority are commonplace. But if we know anything for sure about management, it is that context is all; it's about who you are, in your situation with your people. And nowadays, the contexts of management vary hugely: from digital start-ups to franchises, network organisations, partnerships and social enterprises to name but a few.

Much of mainstream management is still relevant in these contexts. The trouble is, it is incomplete or lopsided. It tends not to include approaches and practices that have arisen in these different settings. They may be highly relevant for others as well – but have often struggled to be acknowledged and accepted. Who says? Well, Peter Drucker, arguably the greatest American writer on management, for one. He recognised that management thinking trailed behind practice and was skewed towards the private sector; he repeatedly pointed to things that the private sector could learn from the non-profit
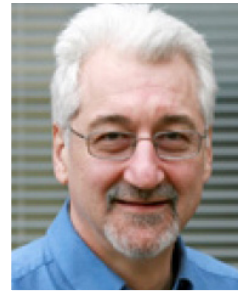
Rob Paton

Rob was born in Africa, schooled in Edinburgh, and has been a student at Oxford and the University of Pennsylvania's Wharton School. He has taught at the Open University for more than 30 years where he helped pioneer the use of supported open learning for management development and has led several major curriculum development and design exercises. He was instrumental in setting up the Centre for Public Leadership and Social Enterprise, where he is based. Starting with studies of worker co-operatives in the 1970s, he has had a long-standing interest in how value-based organisations can sustain their social commitments and still ensure effective, enterprising forms of management and organisation. For some years he has been working with nine chief executives in a study of the 'inner world' of leaders in public and non-profit settings, and he has consulted to, and taught in, a range of public and non-profit organisations. Rob's research interests lie in management, leadership & governance in public and third sector settings, especially post-conventional leadership and value dilemmas, and performance measurement and reporting. His teaching interests centre around providing activity-based and experiential learning, in ways that are culturally appropriate. Current interests include the development of an on-line negotiation training game, and work with African Business Schools to introduce peer assessment and other forms of active learning.

sector – eg, the management of professional staff, and governance practices.

Many of our Open University Business School students could also be called as witnesses: judging by what they say, ideas from beyond the mainstream – for example, adaptive leadership, which emerged in and for leaders in government – are often entirely appropriate in corporate settings, too. That's not surprising: there, senior figures must also often lead in situations where they have little authority. Plus, they have to deal with large concentrations of knowledge workers, extensive regulation, outsourcing to specialist service providers (who display very different business cultures), and must work with customers, suppliers and staff from a variety of different cultures and countries.

Perhaps most of all, senior leaders in our complex, mixed economies have to be "multilingual" in their management approaches – able to embrace competing values and uphold conflicting logics. Handling incompatible expectations and pressures, and balancing multiple accountabilities, are both at the heart of senior leadership. This "soft complexity" is not some obstacle between us and the real, no-nonsense work we must do. It is the real work. And tackling it is not helped if we draw only on the ideas we found so useful at earlier points in our career. Indeed, loyalty to those ideas can become a liability.

We need to carry our management thinking lightly, and be open to considering and trying out new practices for new circumstances. As a leader, you surely need to have management ideas. What is crucial is that they do not have you. **HR**

What you need to be an effective leader

You don't need expensive leadership courses to develop effective skills

Leadership is widely regarded as important and, if you want to develop a career in any organisation, you will certainly be expected to develop and demonstrate leadership skills. Unfortunately, there is much less unanimity about what constitutes good leadership, although many have tried to answer this important question.

One key characteristic of effective leadership, which is widely acknowledged and which I want to highlight here, is a concern for people and, closely allied to this, the ability to understand and manage the impact you are having on them. A good leader leaves those who work for her feeling better about their work after an interaction with her. This does not just mean being nice to people; you have also got to get the job done and this will sometimes require a manager to make tough decisions which people will not like.

However, it is also true that as the pace of competition quickens in the global economy and the pressure on spending in publicly funded bodies increases, all organisations will need to do more with fewer resources. This puts a considerable premium on motivating and energising those who work for you to make extra efforts to help your unit or department to succeed and to be willing to do more than is required. This is often referred to as 'employee engagement'.

How can you achieve this, though? Reporting to government on how to engage workers, Macleod and Clarke (2009) identified the importance of good communication, so that employees can see how their work is contributing to the organisation's purpose, can express their views and can feel confident that their opinions matter and are heard. They also emphasised the importance of motivating and supporting staff.

You might think that communications policies, motivation and employee support are all HR responsibilities – and of course they are. However, in reality HR responsibilities have been largely devolved to managers in the organisation, and even where policies themselves are well designed, the way they are experienced by your staff depends on how well you carry them out. There is a premium on that most essential of leadership skills: being aware of the impact of your behaviours on your staff and being able to manage your emotions and behaviours so that your impact on them is positive.

Goleman termed this 'emotional intelligence' and identified its characteristics as self-awareness, self-management, social awareness, and relationship management (see Box). Some people are naturally skilled in these areas; they are easy to work with and for and are often very successful. Others – probably most of us – have to develop these skills. You could do this by enrolling on a leadership development programme, which supports personal development through a combination of psychometric instruments, 360 degree feedback from workplace colleagues, and feedback from peers and tutors on the programme. I have been both student and tutor on programmes of this sort and am convinced of their value in developing awareness and self-management skills.

Leadership programmes are expensive, however, and I am equally convinced that you can develop all these skills in the workplace, using your experiences there as a resource. The two keys to learning in this way are feedback and reflection; you can ask for feedback about the way you perform from those you have a close working relationship with, or you can simply observe carefully the reactions of those who work for you. Your reflections on what you learn can and should lead you to try out new approaches, and you will want to go round this cycle of reflection again. Most of us need some help with this method of workplace learning and you may find a coach or mentor a good support in this.

This practice-based approach to learning is at the heart of the management education we provide at The Open University Business School. Students on our MSc in human resource management, for example, develop their professional skills, including leadership skills, through reflection on workplace practice.

I don't suggest that developing these leadership skills is easy, but then nor is leadership itself. Improving your ability to respond thoughtfully to the needs of those you lead is a great first step, and can produce significant rewards both for you and for your organisation. **HR**

Eileen Arney
Eileen Arney has worked as a senior civil servant including as assistant director of national police training and deputy director of the Police Standards Unit. She has designed and delivered leadership programmes for senior managers in the UK and overseas. She is currently academic lead for the development of a new MSc in HRM.

The components of emotional intelligence

▶ **Self-awareness** – being aware of your own moods and impact on others

▶ **Self-management** – being able to control emotions and not be taken over by negative moods

▶ **Social awareness** – using empathy to understand and respond to others' feelings

▶ **Relationship management** – includes communications skills, managing conflict positively, and relationship building

Making sense of MOOCS

Amid clouds of hyperbole heralding unprecedented global progress fuelled by free learning, the Massive Open Online Course was born. So how is it faring?

MOOCs first came into most people's consciousness in 2012, dubbed the year of the MOOC by the New York Times as a number of high profile American universities started doing the unthinkable in an increasingly exclusive and expensive education market – giving the product away.

Amid clouds of hyperbole heralding unprecedented global progress fuelled by free learning, the Massive Open Online Course was born. Sceptics tempered the euphoria, pointing to low completion rates and questioning the extent to which MOOCs were extending educational opportunity (given that most of those signing up for them were already graduates). For all that, by 2015 over 500 universities had joined the party, making well over 4,000 courses available and attracting 35 million registered learners. In spite of those early nay-sayers, MOOCs are here to stay.

The clue to what makes MOOCs different from other ways of learning is in the name. They are massive, unleashing the power of learning at scale – particularly the benefits of sharing insights with thousands of other people around the world. They are open – in other words they don't (with some exceptions) assume or require prior studies or experience for learners to benefit from them, and they are free at the point of delivery. They are online – born on the web, and increasingly studied on the move by learners using their mobile phones or tablets, squeezing study into their busy schedules. And they are courses –organised, with a beginning and an end, giving learners a sense of cohort as they work through the material together.

In a recent poll aimed at HR and Learning and Development professionals, over one in four respondents indicated that resources such as MOOCs were an established part of their repertoire (O'Sullivan and Wright, 2016). By contrast, over two thirds of respondents either needed to be convinced that MOOCs offer a credible alternative to more traditional methods, or felt they didn't know enough about MOOCs to be able to comment. Given that business and management represents the single biggest subject category of MOOCs, this avalanche of free learning constitutes an enormous opportunity for HR practitioners.

MOOCs have long been popular with individuals as a form of demonstrating continuous professional development (CPD). The case for including them in the tools you bring to work as an HR professional gains weight from how the HR industry's approach to CPD is changing. According to a recent podcast from the Chartered Institute of Personnel and Development (Lamb, et al., 2015) outcomes-based models of professional development continue to supplant inputs-based ones (eg 'CPD hours') or even outputs-based ones (eg formal qualifications). MOOC learners know exactly what they want to get out of the experience. Once they have mastered the knowledge or skill they were looking for, many see no point in finishing the rest of the course. In this case the

Terry O'Sullivan

Terry is senior lecturer in management at The Open University Business School. Prior to joining The Open University Business School, Terry was principal lecturer in the Faculty of Media at Trinity and All Saints, a college of the University of Leeds where he had institution-wide responsibility for international links. His prior experience also includes marketing and advertising management at Nestle-Rowntree, and leading the marketing and publicity functions at two regional repertory theatres: Derby Playhouse and York Theatre Royal. He has written two popular marketing books, *Foundation Marketing* published by FT Pearson, and *Creative Arts Marketing* from Butterworth Heinemann, the leading UK text in its field. Until recently he was Senior Examiner for the Chartered Institute of Marketing, having developed and written the CIM Introductory Certificate in Marketing qualification.

low completion rates associated with MOOCs may be evidence of success rather than failure, as discriminating learners extract the nugget of knowledge they were after, translate it into the outcome of improved performance, and move on. This kind of individually-motivated learning, drawing flexibly from a range of resources, is highly attuned to what HR professionals are beginning to see as the key to CPD that pays dividends – tailored precisely to the needs of the person at a particular moment in their professional journey. HR's holy grail of congruence between personal and organisational benefit becomes a lot more approachable in a world of online plenty, as learners explore and select resources which work for them within a framework of organisational expectations set by managers.

Because of their enormous reach and accessibility MOOCs are uniquely well equipped to address rapid skills development in response to industry-wide demand. Employability skills, rated as the most important factor when recruiting graduates by 81% of employers in a 2012 CBI survey, are a case in point. Another crucial focus for development is 'the significant digital skills shortage' identified by a House of Lords Select Committee report in 2015 as a challenge for the UK.

In making sense of the rich world of resources offered by MOOCs you can also benefit from websites such as Class-Central.com which aggregate in one place all the MOOCs coming up each month – typically between four and five hundred – conveniently classed into subject categories and with Tripadvisor-like star ratings to help you find your way around. But the best way of understanding the potential of MOOCs in your work as an HR professional is to do one yourself. **HR**
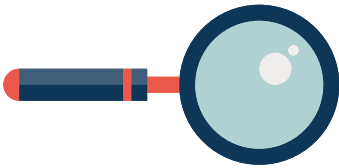
Pay for performance around the world

Performance-related pay is much more likely to be adopted in firms where HR management is seen as strategically important

It is very common in some successful economies such as the United States and the UK to use performance-related pay as a means to link employee behaviour to strategic goals and to support retention of top performers. At the same time there is much debate about whether a performance bonus culture has gone too far in some countries and sectors; leading to problematic levels of inequality. There are also important questions about whether what works in one country will automatically work in another.

Much has been written about the effects of national culture on the human resource management practices adopted by firms. Many scholars who research HR practices have argued that national culture has an important influence on the kinds of HR practices adopted around the world. However, few studies have looked systematically and simultaneously at the effect of both firm level variables and country level variables. In our recent study published in the Journal of Management (a top international research journal), we looked at one important HR practice – the use of individualised pay for performance.

Many firms use performance related pay to both align employee behaviours with firm strategy and as a mechanism to retain high performers. These pay approaches may also help in retaining top performers. Research shows that both the worst and best performers are the most likely to leave. Performance-related pay can pay a role in encouraging the exit of the worst and retaining the best. However, much of the research on performance-related pay has been conducted in countries with low regulation of employment and with a strong achievement orientation, where individuals expect rewards to relate to individual performance. The United States is the country with the earliest and strongest focus on performance-related pay, and arguably it has been so successful there because of particular features of the US economy and culture. Our research looked comparatively across countries with a wide range of cultures and employment regulation approaches.

We considered not just the effect of culture but also local employment regulation institutions, senior management belief in the strategic importance of HRM and country of ownership on firms' adoption of individualised pay for performance across all groups of employees. We drew on a large cross-national survey of HR practices and looked at data on more than 4,000 firms in 26 different countries.

We did find important national differences. Country explained nearly 20% of variation in adoption of performance-related pay. Culture did matter, higher levels of Hofstede's national culture dimension of 'Masculinity' (related to achievement orientation) did predict greater adoption of performance-related pay. This makes sense since countries low on this dimension tend to have more egalitarian cultures. So, for example, in a country like Slovakia, or the US, individualised performance-related pay may be a better cultural fit than in a country with a modest score on this dimension, such as Romania or with a low score such as in Denmark.

However, another country level variable was also very important, the extent of regulation of employment rights and collective bargaining rights. Performance-related pay was much less adopted in countries with high regulation in support of employment and collective representation rights. Typically

labour union wage policies within and across firms have an egalitarian focus which leads to significant resistance to individualised performance-related pay approaches; compressing the wage structure. Not only was regulation and union power important, but the effect of culture seemed to operate primarily through its effects on labour regulation and union influence on firms.

However, this was not just a story of legislation preventing adoption of a particular HR approach in some countries. Although legislation had an influence, it did not prevent firms from adopting performance-related pay. In all countries, including the most regulated, we found some firms making high use of individualised pay for performance. Employment regulation seems to reduce rather than prevent adoption of these practices.

We also found important evidence that the active exercise of strategic choice by managers really made a difference. First, performance-related pay was much more likely to be adopted in firms where human resource management was seen as strategically important. Second, foreign owned firms were more likely to adopt these practices

than domestic owned firms. Being foreign owned seemed to matter more than actual country of ownership, perhaps suggesting that it was the ability to stand back from local mindsets rather the active transfer of parent company practices that was important. Our results do clearly suggest that, for multinational firms, transferring management practices such as employment-related pay to other countries can be difficult. However, perhaps the most important conclusion we draw for managers is that although local culture and national legislation do matter to the shape of HR practices in firms, that firms have more scope for discretion than many managers assume. As we note in the conclusion to our paper: "In short, our advice to managers is that they should carefully analyse what part of their practices is simply a product of a 'taken-for-granted' mindset since they may have wider choice sets in management practice adoption than they habitually notice."

We also draw some conclusions for national policy-makers. Labour unions appear to exercise a 'watchdog' role on behalf of a country's labour regulation. We infer from this that when national policy makers consider developing labour

Mark Fenton-O'Creevy

Mark Fenton O'Creevy is professor of organisational behaviour and associate dean external engagement at Open University Business School**.** Mark has led a varied career. He has at various times worked as a school groundsman, a commis chef, a mathematician in a government research establishment, an outdoor pursuits instructor, a teacher of mathematics, a therapist with emotionally disturbed adolescents, a management consultant, and latterly a business school academic. His academic development has been equally varied. His first degree is in pure mathematics. Subsequently he studied psychotherapy and psychology before later taking an MBA and PhD at London Business School, where he joined the faculty to start his academic career. While his early research was firmly rooted in the traditions of occupational psychology, he increasingly draws on other disciplines (primarily economics and sociology). His recent research (on the role of traders in investment banks and management practices in multinational firms) contributes to fields such as international business, behavioural finance, the sociology of markets, industrial relations and cognitive psychology. He acts as a consultant to a range of organisations with a particular focus on change management and international HR management and on supporting and improving decision-making processes.

regulation they will have to reflect not only on whether the state has the capacity to influence firm behavior, but also whether there are other politically empowered national-level mediating bodies that can contribute to overseeing regulations. Employment regulation alone has less impact than the combination of regulation and the policing role played by labour organisations such as trades unions. **HR**

HR

For people-focused business leaders

MAB
MA BUSINESS

A MARK ALLEN GROUP COMPANY

www.markallengroup.com