A Culture of Involving the Vox Populi for Evolution of Workforce Policy

Deepa Athle
Tata Consultancy Services
54B Hadapsar Industrial Estate
Pune, India 411013
91 20 6608 6420
deeapa.athle@tcs.com

Aditi Kumar
Tata Consultancy Services
54B Hadapsar Industrial Estate
Pune, India 411013
91 20 6608 6333
aditi.kumar@tcs.com

Vinay Katiyar
Tata Consultancy Services
54B Hadapsar Industrial Estate
Pune, India 411013
91 20 6608 6442
vinay.katiyar@tcs.com

ABSTRACT
In this paper, we present a study planned to evaluate software and other industries – such as research, advertising and education – in order to understand factors that influence work ethics, policy, employee engagement and organizational culture, and the interaction effects thereof. Past research reveals that these factors are relevant to productivity and attrition. We collected and analyzed data from 56 employees via a survey on self-beliefs and reports of work ethics related to both self and team. In-depth analyses using both demographics and psychographics were done. We found that the two industries differed significantly on very few variables. An interactionist perspective – according to which human attitude and behavior are a function of the fit between personality and the environment – and paying close heed to the voice of the employees or the vox populi are recommended.

Categories and Subject Descriptors

General Terms
Measurement, Human Factors, Management, Performance

Keywords
Workforce Policy, Organizational Culture, Employee Engagement, Human Aspects, Work Ethics, Interaction Effects

1. INTRODUCTION
All employees are consumers and creators of a company culture. Both internal and external factors are at play in determining their attitudes and behavior. Social forces act on the employee from the outside-in via the work environment and personality acts from the inside-out on the environment via the employee. According to Hofstede [1], culture is the collective programming that differentiates members of one organization from the other. To the extent that an employee’s responses are less individualistic and more emulated – whether influenced by the actions of peers or supervisors – it reveals impact of the work culture that the person has been exposed to. This paper suggests the evolution of an employee-centric workforce policy. We take the holistic view that a lateral-out spread of culture occurs at the intersection of top-down and bottom-up initiatives. Whether for small shifts or big transformations in the prevalent culture, it seems wise to take the current thoughts, feelings and behavior of employees into consideration. The voice of employees is significant to the organization for they are close to ground realities and it may be prudent to involve them in policy- and culture-creation. This, in turn, could facilitate their aligning with the work ethics generated.

2. PAST RESEARCH
The notion of employee engagement has recently gained more academic attention. Levels of engagement have been found to predict employee outcomes, organizational success and financial performance. It is also well known that there has been a deepening disengagement among employees all over the world in recent times [2]. Employee engagement has been defined as a two-way relationship between the employer and employee. Schaufeli and Bakker [3] defined it as “a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption.” They noted that engaged employees are more attached to the organization and have lower rates of attrition. Pugh and Dietz [4] suggest that leadership is a significant antecedent of engagement and that effectiveness is a consequence thereof. The best performing organizations display cultural alignment between the employees and the company, coupled with a strategic alignment between activities and company goals. Sensitive employee surveys, that preserve confidentiality of the respondent, can help enhance the level of communication across strata and silos of the company.

There is evidence to suggest that human resource management has a significant impact on the bottom line and can be a source of major competitive advantage [5]. In our study, we have divided work ethics embodied by people into two broad groups, viz. soft and hard. This dichotomy maps closely on to Herzberg’s two-factor theory, pertaining to ‘motivators’ and ‘hygiene factors’ [6]. Generally, hard ethics are seen as prerequisites for building a professional and productive organizational culture (punctuality, regular reviews etc.) and are often mandated. Soft ethics, on the other hand, are generally not strictly enforced, but are desirable qualities in an employee or manager (bonding with team, attitudes etc.). Personality and attitudes of employees could be used as data for informing employee policy, and these factors seem to be important to understanding and influencing employee engagement. Variables such as personality-job fit and personality-organization fit are exceedingly important for sustained engagement. O’Reilly et al [7] found similar results that “attest to the importance of understanding the fit between individuals’ preferences and organizational cultures.” They also found a strong impact of person-organization fit on the turnover 12 months later.
A framework within which one can look at employee engagement fruitfully is self-determination theory [8]. This theory posits two sources of motivation, viz. intrinsic (undertaking an activity for the sake of doing it, and deriving satisfaction from the act of doing it) and extrinsic (undertaking an activity for some instrumental reason or reward, perhaps unconnected from the process of the act itself). Employee engagement can be ensured and sustained if the motivation is somehow made intrinsic. This is linked in part with types of leadership and related differences in involvement of the workforce in policy making. The conventional transactional style of leadership relies more on tangible rewards or punishment. Among others, Yammarino and Bass [9], have shed light on a management style called transformational leadership. This kind of leader articulates a realistic vision of the future, stimulates subordinates intellectually, pays attention to the differences among the subordinates, and models appropriate behaviors for employees. Explicit persuasion via charisma, and symbolic communication through leading by example, and other soft approaches are hallmarks of more progressive styles of leadership.

3. DATA AND ANALYSES
We surveyed professionals from a range of organizations as part of this pilot study. Efforts were made to not restrict the sample to any one organization in particular. Respondents were from several software companies of varying sizes, as well as companies from a range of industries other than software. We ensured complete confidentiality in order to minimize the chance of image management. The aim was to tap in to variables related to employee psychology and to assay the work culture of which they are a part. We also included some performance-related variables and a few open-ended questions. Average time of completing the online survey was 20 minutes.

3.1 Measurement of Variables
Here is a list of variables classified in to four categories. Examples are provided but, for the sake of brevity, not all items per category are included. Apart from the demographics and open-ended items, scales used for all other items ranged from 1 (low) to 5 (high).

3.1.1 Demographics
The items included were age, gender, industry, size of the team, work experience, and role within the company.

3.1.2 Psychographics
The five personality measures of the Five Factor Model were included using 2 items per trait. An example of each is provided: Openness (“I see myself as someone who has an active imagination”), Conscientiousness (“I see myself as someone who does a thorough job”), Extraversion (“I see myself as someone who is outgoing and sociable”), Agreeableness (“I see myself as someone who is generally trusting”) and Emotional Stability (“I see myself as someone who is relaxed and handles stress well”). In addition, we also tapped in to Self Regard (“I see myself as someone who is highly effective at the things I do”) and Influence (“I am more of a leader than a follower”) using 3 items each.

3.1.3 Satisfaction and Performance
We measured each respondent’s sense of bonding within their team, their satisfaction with the project, and their satisfaction with team management. Based on these three, we calculated estimated employee satisfaction. We also asked them for self-reported performance for self and team both. In the future, we would like to ask for peer reviews, in order to more accurately measure performance within teams.

3.1.4 Level of Work Ethics and Mode of Spread
We requested participants to rate themselves and their teams on 10 work ethics. Of these 5 were classified as being predominantly hard and the other 5 as being primarily soft. Hard ethics included were: [i] Punctuality [ii] Time management [iii] Regular review of code / work and versioning [iv] Use of office resources for work only [v] Taking responsibility for one’s role and mistakes made. Soft ethics were as follows: [vi] Offering help where needed [vii] Sharing credit where it belongs [viii] Respecting differences of opinion [ix] Ensuring clarity of goals [x] Having freedom of expression. Besides this, they also indicated by what mode they believed each of these work ethics best spreads, and the options provided were: [a] By company directive [b] Via one-to-one communication [c] By observation of colleagues.

3.1.5 Open-ended Items
In order to give respondents a real voice, and to add qualitative dimensions to the data, we asked a few open-ended questions. The first was about the top three ethics they believe are vital for excellence of the team output. We made sure to state they could write about ethics not included in the list of 10 above. For the other two open-ended items, we asked them to elaborate on their views about one hard ethic (coming to work on time) and one soft work ethic (respecting differences of opinion). We coded the data obtained in order to get a quantitative sense, but also report on some of the sentiments expressed, for a more subjective feel.

3.2 Initial Findings from Current Data
3.2.1 Descriptive Statistics per Industry
There were employees both from the software industry (N=33) and other industries as well (N=223). Approximately a third of the software sample and half of the other sample was female. Although we would have liked to compare across industries, we found that the differences between industries are few (see Table 1) and so we used all collected responses (N=56) in order to analyze this pilot data – as a first step. The variables measured and computed are included in the table below.

<table>
<thead>
<tr>
<th>List of Variables Based on Survey</th>
<th>Software (N=33) Mean</th>
<th>SD</th>
<th>Other Industries (N=223) Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age *</td>
<td>29.21</td>
<td>9.27</td>
<td>31.74</td>
<td>11.63</td>
</tr>
<tr>
<td>Work Experience *</td>
<td>5.05</td>
<td>2.79</td>
<td>6.02</td>
<td>0.11</td>
</tr>
<tr>
<td>Size of Team</td>
<td>7.48</td>
<td>9.92</td>
<td>9.91</td>
<td>7.97</td>
</tr>
<tr>
<td>Openness</td>
<td>3.33</td>
<td>75</td>
<td>3.48</td>
<td>83</td>
</tr>
<tr>
<td>Conscientiousness</td>
<td>3.74</td>
<td>83</td>
<td>3.61</td>
<td>74</td>
</tr>
<tr>
<td>Extraversion</td>
<td>3.62</td>
<td>101</td>
<td>3.59</td>
<td>1.06</td>
</tr>
<tr>
<td>Agreeableness</td>
<td>2.62</td>
<td>65</td>
<td>2.63</td>
<td>56</td>
</tr>
<tr>
<td>Emotional Stability</td>
<td>3.35</td>
<td>92</td>
<td>3.59</td>
<td>56</td>
</tr>
<tr>
<td>Self Regard</td>
<td>3.70</td>
<td>67</td>
<td>3.68</td>
<td>57</td>
</tr>
<tr>
<td>Influnce</td>
<td>3.57</td>
<td>56</td>
<td>3.77</td>
<td>54</td>
</tr>
<tr>
<td>Performance Self</td>
<td>3.70</td>
<td>61</td>
<td>3.87</td>
<td>76</td>
</tr>
<tr>
<td>Performance Team</td>
<td>4.00</td>
<td>47</td>
<td>3.91</td>
<td>73</td>
</tr>
<tr>
<td>Bonding in Team</td>
<td>4.00</td>
<td>76</td>
<td>3.83</td>
<td>78</td>
</tr>
<tr>
<td>Satisfaction with Project</td>
<td>3.79</td>
<td>85</td>
<td>3.55</td>
<td>86</td>
</tr>
<tr>
<td>Satisfaction with Management</td>
<td>3.67</td>
<td>85</td>
<td>3.55</td>
<td>1.23</td>
</tr>
<tr>
<td>Hard Ethics Self</td>
<td>4.01</td>
<td>45</td>
<td>3.86</td>
<td>53</td>
</tr>
<tr>
<td>Soft Ethics Self</td>
<td>4.23</td>
<td>45</td>
<td>4.22</td>
<td>46</td>
</tr>
<tr>
<td>Hard Ethics Team</td>
<td>3.87</td>
<td>48</td>
<td>3.64</td>
<td>56</td>
</tr>
<tr>
<td>Soft Ethics Team *</td>
<td>4.00</td>
<td>60</td>
<td>3.71</td>
<td>57</td>
</tr>
</tbody>
</table>

* Means of industries are significantly different at the p<0.05 level for these variables

3.2.2 Ethics Stated as Vital for Team Outcomes
Self-reported top three ethics considered crucial for excellence of outcomes reveal several interesting patterns. In Figure 2, we plot the percentage of people against the number of hard or soft ethics.

Table1: Differences in variables based on industry
that they listed as their top 3 ethics. This shows that 57% of the people had no hard ethics listed in their top 3, while 49% of the people had listed only soft ethics as their top 3 ethics – a clear tilt in the balance in favour of soft work ethics which constitute 84% of the responses. This result appears to be an extremely stable and robust trend cutting across the dimensions of age, sex, industry and work experience. Respondents are unanimous in their view of how important soft ethics are in comparison with the hard ethics.

3.2.2 Management, Satisfaction, and Performance
Employee Satisfaction is a variable we computed based on the satisfaction reported with the project and with the management. The extent to which the five soft ethics are followed by the team is correlated significantly ($r=0.52$, $p<0.01$) with employee satisfaction. Although our performance-related measures were self-reports and not peer reviews, we found that employees high on satisfaction overall also reported their teams as being better performers than those who were more dissatisfied ($t=-2.11$, $p<0.05$). It could be hypothesized that team bonding mediates the relationship between social aspects of management of the team and group performance; however we cannot say so with certainty till we run the appropriate analyses and build a psychological model accordingly.

3.2.3 Spread of Ethics and Type of Teams

A few elaborations on specific ethics – a couple each for punctuality and respecting differences – that we thought were worthy of mention: [i] “Punctuality is needed in a few industries and needlessly enforced in most. The output is key, not man hours. Flexitime is the future.” [ii] “I struggle to enforce timings. The new generation wants to come and go when it likes.” [iii] “Everyone has a say in meetings, and all ideas are pondered on and discussed. This must be initiated by the senior members.” [iv] “Open discussion. No snide remarks to be made. Practice what you preach!”
on following soft ethics. According to most participants, and for most ethics, observation of colleagues was stated as being the primary way a certain aspect of work culture spreads. Overall, the patterns seem similar, except for the difference reported in clarity of goals – while those from teams high in soft ethics report observation as a prime influence, respondents from teams low in soft ethics seem to think it comes about more via company directive. The reason this ethic was classified as soft is because of human aspects such as communication being precedents.

3.2.4 Interaction Effects between Personality and Environment

If we consider just a main effect of Emotional Stability, there is no difference in reported Satisfaction with Team Management, between members who are highly stable versus those of low stability. Similarly, if we consider a main effect simply of Level of Team Soft Ethics, there is no significant difference in Satisfaction with Team Management as reported by those who are members of teams low on soft ethics or those high on them. However, if we consider the interaction [10] between Emotional Stability (high, low) and Level of Soft Ethics of Team (high, low), the effect is close to significant (F=3.52, p=0.06). What this means is that when an employee has low Emotional Stability, the Level of Team Soft Ethics make no difference to their Satisfaction with Management – as indicated by the light blue dotted line in Figure 7. However, when we consider those with high Emotional Stability, their mean reported level of Satisfaction with Management is significantly greater when the team is high on soft ethics as opposed to low on them. As stated, these are initial analyses and more such effects may be discovered with in-depth views of the data and, importantly, with a larger pool of people. and environment for an outcome of interest. This was just one finding which signals the importance of assaying different aspects of employee psychology and considering the fit between person and context at every point along the way. Several comments from respondents alluded to the necessity of this fit. One surprise was that of the 56 respondents only two referred to training and keeping up with industry standards as contributing to a great work culture. To summarize, our study suggests that policy evolution be informed by quantitative as well as qualitative data, collected regularly from employees, and that this is likely to promote a democratic culture conducive to excellence, as per respondents. Next on the agenda is the development of a deeper understanding of a larger number of employees and their opinions, and to find ways of incorporating the findings into policy making.

We end this paper with a quote by Ricardo Semler, for it sums up our thinking and findings so far aptly: “There is no contest between a company that buys the grudging compliance of its workforce and the company that enjoys the enterprising participation of its employees.”

5. ACKNOWLEDGMENTS

The authors wish to thank Ch Sathya, Meghendra Singh, Niranjan Pedanekar, Vivek Balaraman and Uma Narayanan for their insights.

6. REFERENCES


