

# KOLKATA KINDLE

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# Message from the President – NHRDN Kolkata Chapter



# My dear friends

First of all, on behalf of NHRD Kolkata Chapter, I wish each one of you and your families, a happy new year. Gratitude to the year that has gone by which has taught us "a new normal" & with hopes we shall look forward to a year of new opportunities. As always, NHRD Kolkata Chapter has always evolved and innovated to ensure that our members received value in this association and shall continue to do.

I would be failing in my duties if I do not thank my Executive Committee members, who despite the limitations of the pandemic have never 'backed down' in churning out value based programs.

I wish each of you a year full of opportunities and good health.

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# Editor's Message

# **Dear Readers**

Being in the first month of the year, it's still time to wish you a happy new year! May this year be safe and promising for all of us. Year 2020 has been historic in more ways than one, with the negativities outweighing the positives. While most of us have got used to the 'new normal', the urge to go back to the 'old normal' is inherent; hope 2021 is a step in that direction. However, we need to carry with us the new found learnings of the pandemic and build on the compassion for the people around us.

This issue of Kindle is dedicated to the various aspects of leadership....the effectiveness viewed from multiple lenses by different practitioners! While some of the articles are dedicated to leadership and employee engagement in the pandemic, others are more

generic. There are two case studies highlighting the critical role of HR leaders in situations that were unprecedented. Given the need to keep pace with the changing times, this issue also brings opinions of the practitioners on the labor reforms.

This issue brings a unique section on Student articles. The idea is to give a platform to the future HR professionals to share their thoughts and receive valuable feedback from industry professionals helping them to widen their horizon of knowledge.

Wishing you all happy reading, imploring, exploring ....in the eternal quest for knowledge...

Dr. Meenakshi Khemka

Editor

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# **Employee Engagement to Employee Reassurance – A Natural Progression**



Madhavi Lall

#### The Black Swan

Nassim Nicholas Taleb, the famous economist and scholar used the term 'Black Swan' as an event or events which come as a surprise, have a major effect and tend to get rationalized with the benefit of hindsight. The current situation due to the pandemic is just that – A black swan event, and each and every day becomes a situation of living with ambiguity and dealing with each day and situation as and when it arises. Superimpose this against employee engagement, then it's not just about working remotely, but working remotely with the fear of a virus looming over, coupled with an almost absolute absence of social infrastructure and support systems. What was a once a distant, almost implausible reality of having more than 90% people work from home is happening as we speak.

#### **Work from Home**

Remote work is demanding – There are no two ways about it. If it has to work successfully and deliver the quality results it should, then there are a few challenges posed by remote work which need to be overcome –

- Lack of face-to-face contact and supervision
- Lack of access to information
- Social isolation and loneliness
- Distractions at home

There is a veritable concern which arises — The absence of social warmth and interaction, which has a waterfall effect on efficiency, communication and most importantly, empathy. We cannot underestimate the impact a handshake, cup of coffee, chat in the cafeteria or the walk around office premises with a colleague would have. Managers may feel that there is no 'intent' or 'commitment', whereas employees may feel that managers are 'out of touch' with their needs or are not supportive enough. Furthermore, new employees may feel burdened by the large time/effort investment to get or share information with their colleagues.

While it is inevitable that the maelstrom of the pandemic would seep into our personal and professional lives, this can be mitigated as we have learnt over the last few months.

### **Employee Engagement during Covid**

We all know the four stages of change – Denial, Fear, Acceptance and then Commitment. These four stages of the Curve cover the multiple spectrums of emotions that so many of us are going through as we witnesses and lives through the 'new" and what I think as the "temporary" normal. These four stages can and should help re-define and re-imagine our approach towards Employee Experience and Engagement.

Some time back, Deutsche Bank had launched the #PositiveImpact initiative which encouraged employees to keep inspired by sharing and celebrating positive experiences not just as employees but also as





members of the society at large. Continuing with this theme and with its relevance in the current environment, the India Employee Engagement story is committed to learn, adapt and leverage technology to create innovative ways to stay connected internally. I would like to share a few of the Employee Engagement initiatives at Deutsche Bank India which have received tremendously positive feedback and continue to evolve as we listen in and prioritizes our needs and voices of our colleagues.

# 1. Knowledge building on Covid and related issues

# • Communicate. Communicate. - COVID-19 specific sessions

To support employees who are going through the first two phases of adapting to the change which is 'fear' and 'denial', the solution is clear, regular and consistent communication of relevant information. This will help employees to understand and assess risks, take necessary precautions and safeguard the health of themselves and their family members. As the number of COVID-19 cases surges across India, organizations must continue to provide support not just to its employees but also to their families through various forums and sessions which can be hosted by medical professionals and experts in this field.

#### Mental health

Many of us have never experienced something of this scale and magnitude and are trying to adapt to situations such as continuous working from home, limited to no social interaction with family or friends and absence of school or social playtime for children. Mental health has become an integral part of everyday lives and to raise awareness and support employees, three initiatives were launched:

(I) One of the key initiatives was the "R U OK?" campaign which aimed to remove the stigma around mental health and spread the word that everyone needs a helping hand and its completely OK to reach out for support during these difficult times. Messages and personal experiences from leaders, volunteers and vendor partners gave tips on how to know whether you are okay, how to reach out and offer assistance to family members, friends and colleagues and what to do next.

- (ii) Extensive communication to raise awareness about the bank's 'Employee Assistance Programmes' that offer professional guidance on mental health was done.
- (iii) Sessions such as 'Ergonomics Adapting to available workstation', 'Musical Mindfulness' and 'Yoga for Peace' by ISHA Foundation were held

# • Stay Active - Physical fitness

As the COVID-19 pandemic situation continuously evolves, disrupting daily life and changing the way people work, it is important to take care of the well-being. Whether it is getting the right diet, or the most effective exercise routine, or looking after our family, the challenges require some deft handling, which were attempted to address through the following:

- (I) To help cope with this situation, a series of well-being sessions that covered different topics were organised by expert professionals in their fields. These were organised by the our insurance broking partners and included sessions such as 'Yoga for Body, Mind and Soul', 'Eat for your heart: Know the right diet to keep heart healthy', 'The head heart connection be calm and pump your heart', 'Fitness regime to keep your heart strong' and sessions to 'Identify the early signs of heart attack and how to give first response'
- (ii) The 'PlusMySteps' challenge which was a CSR plus physical well-being initiative, enabled employees to work as teams and form connections by working towards a common goal to have the highest number of steps per day to win. In addition to driving a team spirit there was also a larger purpose to contribute to society wherein every step helped in supporting a child impacted by the pandemic through provision of an essentials kit via The Akshaya Patra Foundation.

## 2. Inclusion of the new extended workplace

# • New 'Work Neighbors' – Elderly, children, flat mates and pets

The arena of engaging employees is no longer confined to a typical work environment. We now need to be mindful that this extends to an employee's home environment as well. Recent studies have shown a





majority of the caregiver activities at home have been taken up by women and it has become a challenge for many to strike and sustain that balance between home and work. We don't have crèches where we can send out kids to, and schools are closed so you have children at home. While some have older parents who can't be allowed to step out, one has to make sure that they are kept occupied at home which can be very challenging, given that we are social animals and we love interacting with others.

# (i) Keeping children engaged in a socially isolated environment

- elderly parents and children at home, many of us are juggling our work, childcare and family care responsibilities. We often find it difficult to even spare time to read a story. To support such families 'Story trails' which is story telling by Senior Leaders of the bank, with the audience being an employee's 2-7 year old child was launched in India. We all know that stories stimulate imagination and passion and create a sense of community among listeners and tellers alike and these sessions received huge number of enrolments and have been a great success.
- Building a connection between children and nature: There are specially curated webinar workshops which are one-hour sessions where children learn the basics about Birds, Butterflies, Trees, and even Marine Life, all from the comfort of their homes. Each session comprises of an interactive presentation, quiz and a Do-It-Yourself activity with a contest towards the end where children could win exciting prizes. Topics include 'Backyard Birding', 'Wonderful World of Butterflies', 'Leafy Friends' and 'Hidden Creatures of the Shore'.
- Python Coding for Girls: Python as a programming language is used in web development, data science and creating software prototypes. With its simple and easy-to-use syntax, it makes an excellent programming language for beginners. This session was targeted for girls aged between 12-15 years and was led by the in-house technology experts. This was a great opportunity for children to enhance their creativity and learn this unique skill while at home.

(ii) Support to elderly parents: In an effort to keep colleagues and their families informed, regular awareness session for the elderly by senior doctors who have experience in renowned organizations have been arranged. Taking into consideration that some of the elderly may prefer regional languages, sessions are being conducted in Hindi and Kannada, in addition to English.

# 3. Keep the fun alive

- (i) Initiatives such as 'DB's Got Superstars' was set up to draw talented employees out of possible isolation and provide them with an opportunity to showcase their talent to colleagues across the India franchise, albeit virtually. This gave them the opportunity to be recognized by the Leadership team, their peers and also to encourage and energize others to continue to pursue their passion even in this challenging environment.'
- (ii) Deutche Bank India Fantasy Cricket League 2020' was launched to create a community of cricket enthusiasts who would work as teams to achieve the top honors. Participants stood a chance to win exciting weekly prizes and a grand prize at the end of the season.

# 4. Belonging to the Bank and keeping learning live virtually

We found managers engaging with staff much more via virtual calls or skype connects. They provided opportunities for remote social interaction via nonformal and informal conversations about non-work topics. They offered encouragement and emotional support and acknowledged the stress and struggles. These types of events may sound artificial or forced – however virtual social events help reduce feelings of isolation and promote a sense of belonging.

We also did our bit in setting up people development sessions virtually. Some of them are below:

### • Employee connect with the Leadership team

'The Leaders as Teachers' sessions leveraged Deutsche Bank's leadership team with their immense collective experience, gained over the years, as the session not only focused on knowledge sharing but was also an opportunity for leaders to listen in and connect with employees. For example, I was a speaker





for the session on "Behaviour and Managing expectations (professional & personal) in the virtual world". This session addressed the need for employees to develop new strategies for managing performance in a virtual world as businesses have had to rapidly move to a predominantly virtual workforce. A few of the other sessions by Senior Leaders included 'Pursuit of Excellence' and 'Road to Success-short-term and long-term' etc.

- Mentoring Matters and Reverse Mentoring This is a highly successful internal program which we continued virtually. The 'Mentoring Matters' programme provides a platform for mutually beneficial and rewarding partnership between senior leadership within the Bank and talent across businesses with an objective to transform potential to performance. This gives an opportunity for Mentors to become trusted advisors by sharing knowledge and continue their own learning journey by building their leadership skills and new perspectives. More than 100 pairs of mentors/mentees are currently a part of this program. Reverse Mentoring is when the looking glass gets flipped, with senior leaders in the seat of the mentee, and more junior employees fill the role of Mentor. This helps provide a senior leader a different lens on business challenges, helps them generate ideas, and understand preferences of generations.
- Mystery coffee is an online application that pairs registered employees together from across different business divisions, functions and corporate titles for informal connect. Employees are paired with colleagues across the globe. As the name suggests, this is a face to face catch up over a coffee which was not possible so we continued virtually and the connects have been equally effective.

# Managing performance conversations virtually

Given that managers, some of whom were new, were going to conduct performance conversations virtually and in such testing times, briefing sessions were organized. The sessions reiterated the importance of regular feedback, shared tips for conducting conversations virtually, using interactive and innovative methodology such as a quiz and case study discussions. These served in highlighting the nuances of performance management that managers face this year; such as team members who have never interacted face to face with the managers and team, employees struggling to come to terms with loss or trauma, employees forced to be off-work due to lockdown related exigencies or facing basic infrastructure issues. The case studies also created sensitivity and need for support for mental health issues, persons with disability and for colleagues returning from parental leave. Employees participated actively in the case study discussions and shared their perspectives with the leaders who were facilitating the sessions.

#### Conclusion

The above initiatives have continued to evolve with the changing needs and priorities of employees in this challenging environment. Through continued efforts in redefining the Employee Engagement experience, a resilient work force that is equipped with the necessary resources to adapt to new ways quickly. The ultimate aim is for employees to be physically energised, mentally focused and emotionally connected on a day to day basis and to understand that we are all in this together.

The caveat for any proposed solution during fair weather or otherwise, is listening to what our employees have to say and then crafting it keeping them at the centre of the perspective. What has been put together and are carrying out in Deutsche Bank is basically a summation of three very simple principles – Translating feedback into action, solving for the long term and keeping the doors open.

The statement 'If you want to be understood – Listen' could not be more true at a time like this, and at times like these - intent, effort and execution – the three basic building blocks of any solution cannot be underestimated.

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# **Unveiling Employee Relations (Industrial Relations) post Covid-19 and Imagine NEXT**



Suman Mitra

#### Introduction

The black swan Covid-19 has created unprecedented scenario in everyday life of human beings and it is likely to continue for some more months. People are continuously adapting to live in the new normal along with Covid-19. Scientists all over the world are searching for vaccine and each and everyone is waiting for the same to combat this once in a lifetime experience. The world is searching for new normal in everything including the businesses.

Employee Relations / Industrial Relations will also undergo drastic changes to cater to the new business models. In this article, the author captures his views / understanding to share with the larger audience to start a discussion and learn from each other.

There is an effort to portray reshaping of Industrial Relations / Employee Relations in the new normal business model based on the author's understanding as a practicing manager.

Before commenting on the learning and understanding on reimagining handling of IR/ER in the midst of unprecedented situation created by Covid-19 and beyond, reference is provided to two statements which attracted the author's attention the most:

(1) "Navigating through uncertainty has surely been challenging, but in retrospect, it has been a great opportunity to innovate and adapt, in more ways than one," says Neerja Bhatia, Etihad Airways' VP, Indian Sub-continent."

(2) "If there was ever a moment in recent history where human capital leaders were challenged to play a strategic part in their organization's survival and growth, that defining moment is now", says Cindy Keaveney, Chief People Officer, Randstad Global Businesses.

# **Business Expectation in Future from IR Managers**

Business will continue to witness the VUCA environment. The market will behave unnaturally, sales forecasts will continuously change and struggle to give the right predictions, the business volumes and production will continue to witness a roller coaster ride. To meet this unnatural scenario, business managers will look for agile, flexible manpower with maximum adaptability to meet the ever changing challenging scenarios. Businesses will expect trade unions in industrial establishments to behave like real business partners. The manpower, which will embrace digital infrastructures and contactless technology, and skills, will be the key requirements for the business. Businesses will not have affordability to employ permanent manpower on a large scale unless talent possesses a niche skill. Any investment in manpower will be more and more looked into from the lens of ROI (Return on Investment). Businesses will have no patience or affordability to lose man-days / production /business loss even for a shorter duration.

Businesses will look for Chinese productivity at the manpower cost of Vietnam to establish and grow business in India as an alternative location.





# **Future of Work – Industrial Relations (Employee Relations)**

The industrial relation has to depend on fundamentals and recreate everything through the lens of unprecedented pandemic scenario where "TRUST" is going to be the key enabler for harmonious Industrial Relations. Some of the author's thoughts are as follows:

## • Safety, Health & Well-being of Employees

The organization must ensure safety of the work place, safe transportation along with safety of the employees to build up confidence among employees to ensure that they come to the factories to produce – they are one of the key players in the supply chain. Safety standards have to be at the highest level with the support of sufficient medical cover along-with special cover for any such pandemic. Employers have to think about the well-being of employees. Touchless, geo fenced attendance system is recommended.

## • Employment & Training Models

The organization has to deeply look into its employment and training models as it will undergo changes.

The organization needs to examine its permanent manpower and core jobs and look at whether there is a need to Restructure, Reskill and Redeploy. Organizations have to look at the percentage of full time employment required for core jobs where employment liability will be up to the age of superannuation or whether a fixed term would be enough. The definition of a so called permanent nature of job is going to undergo a radical change in near future and employees / new talents need to adapt to those circumstances.

The organized sector has minimum flexibility and high security which is only 20% of Indian manufacturing sector. Efforts have to be made to promote some form of security for 80% workmen engaged in the unorganized sector as they provide maximum flexibility.

How can support be provided through skill India initiative to plants to generate employability of future candidates? The training process will more depend on AR (Augmented reality) & VR (Virtual reality) modes of training.

# • Compensation & Benefits Philosophy Models

The organization has to reimagine the compensation and benefit philosophy for workmen in the new age industries.

The organizations need to examine their compensation and benefits philosophy for workmen. So far in Indian industries, the wages of blue collar workmen increased based on years of service – but that era has now gone. World is operating on skill based compensation and benefit structure – India cannot afford to operate through older models if it has to compete with the world market, especially with countries like Vietnam, Indonesia etc.

The organizations need to identify their core jobs and non-core jobs and then have to bring in the concept of "MJV" – Maximum Job Value for each of the jobs which has to be in line with the market and affordability of the company to pay. Union leaders are scared of accepting these ideas as they will not win in trade union elections but it should be a continuous endeavor to educate, and handhold them in this journey.

## • Communication Models

The communication model is going to undergo a drastic change. The new channels of communication for the so called blue collar workmen, as well as everyone today, are using smart phones – receiving and approving leave applications through mobile app and storing the data.

Optimum use of AI in canteen to understand how many employees entered into the factory and accordingly information to be fed in to the Canteen enabling an automatic allotment on the production machine. Using AI to analyze the quantity and food habits of employees, over a period of time, and create predictive analytics to prepare the right quantity of food and minimize waste.

## • Legal Models and Capability Building

Maximum leveraging of Labour codes which are going to become the Acts and guiding principles in the days to come. The need is there to amend the existing Standing Orders which will support E-communication instead of written notices. Training needs to be imparted to the managers on PDP (Personal Data Protection) Bill which is going to





come in India very soon. There is a need to train managers to handle risk in Social Media. Also, there is a need to discuss and educate Unions on business transparency with top line and bottom line and how cash gets generated for a business.

The new employment model – is it possible to create, discuss and negotiate with the unions on reduced pay for reduced work (when businesses volumes are not there) and protect the job? Labour codes are changing, industry should leverage on these welcome changes which is happening after 70 years of Indian Independence.

#### Conclusion

In conclusion, this is a testing time for all. We are going through another phase of evolution of Human Resource jobs and roles. The challenge for Employee Relation Managers becomes more challenging as they deal with most uncertainty. It is the ER Managers who have to educate their important stakeholders —

Managers, Union and workmen. The role of HR/ER Managers will be again proven effective and continue to be in limelight as they are going to create bedrock towards an agile organization with agile people, lead "Transformation", educate themselves in reshaping digital transformation besides educating the important stakeholder - like Union - on digital platform.

The ER Managers are the leaders who will create innovative ways of employment in Permanent and Flexible manpower within industry to support in VUCA world, going to advise organization to handle crisis in social media, contribute as a key player in the team to steer the organization towards achieving its EBIT and protect Employee Well being.

Therefore, there is a great opportunity for the Employee Relation community to innovate, to reinvent its role, and adopt new style, build capability and work as a catalyst to run the business effectively.

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# Toxic Leadership – Impact on Work Culture



Sujoy Samaddar

#### **Abstract**

Toxic leadership could be a combination of egoistic attitudes, motivations, and behaviours that have adverse effects on subordinates, the organization, and performance. Such a leader lacks concern for others and therefore the climate of the organization, that becomes negative in a semi-permanent manner, is a poisonous workplace. This can be outlined in any job wherever the work, the atmosphere, the people, or any combination of these things, cause serious disruptions to the rest of an employee's life. These disruptions usually get manifested in a variety of physical symptoms. The objective of the article is to explain the dark side of toxic leadership and how it can destroy the work culture of an organization.

**Key Words:** Toxic Leadership, Cliquishness, Cyanogenic, Narcissist, Control Freak

# What is Toxic Leadership?

Leadership in general has been defined by Mavranic (2005) as "a relationship between leaders and followers, both individual and group, in mutual pursuit of organizational outcomes and in the fulfillment of individual wants and needs". An ideal leadership is usually characterised by a strong intent perceived by the leader to ensure positive outcomes for the country, organization, and the fellow companions. A leader is bestowed upon with numerous powers that allow him/her to execute work with increased dynamicity and flexibility depending upon the circumstantial requirements. However, abuse of such powers leads to the emergence of toxic

leadership. A toxic leadership can be defined as the egregious actions that are taken up by the leaders against their peers. Such actions make a deep and long lasting impact not only on the followers but also on the work culture of the organization even when the perpetrator is disassociated with the organization.

Demonstration of toxic leadership in the workplace could be reflected via a myriad of actions executed by the leaders. The most predominant has been the practice of abusive behaviors such as humiliation, bullying, ridicule, and belittling both publicly and privately (Schyns & Schilling, 2013; Tepper, 2007; 2000). Singh et al., (2018) in their study cited the reports from the workforce consulting firm "Life Meets Work" that claims that 56% of the employees experience obnoxious behaviors of a toxic leader. The study also quotes the observations of psychologist Nathan Brooks and Dr. Katarina Fritzon of Bond University and Dr. Simon Croom of the University of San Diego. The psychologists claimed that one out of five upper echelon bosses were toxic. High prevalence of toxic leadership in the corporate corridors results in gradual decay of the subordinates' morale, quality of life, motivation for work, and selfesteem (Schyns& Schilling, 2013; Kellerman, 2004; Pelletier, 2010).

Early identification of the toxic leadership traits could aid in maintenance of a healthy work environment that promotes growth and development of both the organization and its employees. The traits and behaviours that serve as an indicator for potential development into a toxic leadership can be listed as





#### follows-

- Unwillingness to listen to feedback: A continued unwillingness to hear or respond to the concerns of the followers meaningfully can lead to many conflicts and problems down the line, as well as employee dissatisfaction, resentment, and attrition.
- Excessive self-promotion and self-interest: While it is important for leaders to provide guidance and clear goals to their employees, it should not be at the expense of any other goal except their own self-advancement. The fame of an organization is largely dictated by its working employees. Considering employees just as pawns to execute the tasks limits their potential to explore which at the end hampers the overall growth of the organization itself.
- Lying and inconsistency: Nothing undermines a leader more than backtracking or shuffling on rules or guidelines they set up for their employees. This is not to say there shouldn't be any room for flexibility or amendment on established protocols or procedures at a workplace, but those potential changes should be part of organized dialogue and reasonable consensus around a core of consistent philosophies and principles, communicated clearly and directly to everyone. Dishonesty always poisons morale and nearly always comes to light.
- Lack of moral philosophy: Leaders need to have a guiding ethical core that informs their decisions and how they decide to prioritize and work with the people around them. They need to care about values like fairness, social justice, equitable behaviour, empathy, and humanism. Sometimes these values can run directly in the face of other priorities like profit-building, fame, publicity, or whatever inspires people to seek power.
- Rewarding incompetence and lack of accountability: At times leaders themselves may not be toxic but remain as supporters of toxic work culture. They refuse to see and identify the toxic or incompetent employees thereby allowing poisoning of the overall workplace. When employees observe that a leader is ignoring or even rewarding and protecting bad behaviour,

- their morale falls and dissatisfaction in the organization rises.
- Lack of general support and mentoring: Leaders can sometimes be negative through indifference; if they don't take time to nurture or help others under them develop their own career tracks or paths for future development, employees will feel stagnant and will also not work to their full potential.
- Cliquishness: Insecure leaders will often surround themselves with a small cadre of "yes" people who parrot and mirror themselves completely. Cliquish behaviour causes dissent and splitting within an organization, and breeds resentment. General unity, diversity and openness of perspectives within an inner circle, and fluidity with all employee levels should be a more harmonious goal.
- Bullying and harassment: In the worst-case scenario, a leader may become abusive and belittling people around them, using foul language, threats, or coercion. This behaviour should not be condoned at any level of any organization.

Black (2015) in his research concluded, "the experience of a toxic leadership is an institutional cancer with the high-propensity to metastasize, leaving destruction, poison, and scars in its path and beyond." The leaders are the ones who have the decision-making power to institute positive and helpful dynamics among the people in a workplace but sadly the toxic leaders choose to use power to just exert their own sense of control or self-serving goals. Such misuse of power can easily trickle down into their employees' psyches, causing incredible distress, betrayal, anger, and eventually can even lead to mental illnesses like depression, anxiety, and even trauma. It is thus an established fact now that the influence of toxic leadership is severely damaging and its effects are far beyond the subordinates, project goals and organization. It has the ability to percolate deep into the very roots of society jeopardizing growth of a progressive nation. Given the far reaching consequences of a toxic work culture, it has become inevitable that leaders ensure maintenance of high standard leadership quality not just for the people they work together with but also for the betterment of the organization and the nation, on a larger scale.





#### **Toxic Leaders**

Toxic leaders are key enablers in the making and upholding of a cyanogenic work surrounding. cyanogenic leader will be delineated as somebody who is governed by self-interest, has a clear lack of concern, and negatively affects structure climate (Seeger et al., 2005). Seeger et al. (2005) contemplated toxic leaders to excel in fighting instead of making significant attempts that ensures elevation of the followers. They are considered destructive when they are primarily focussed on achieving shortterm accomplishments. Lacking the ability of rational decision making ability, the toxic leaders usually climb the ladder of success by pulling down others. Further enlightening on the destructive nature of toxic leadership, Lubit (2004) put forward narcissism to be a central personality trait of many toxic managers. Toxic leaders have been found to be grandiose. narcissistic, and ruthless bullies. Such leaders threaten the welfare of the stakeholders. In the opinion of Jowers (2015), toxic leaders are a combination of selfcentered attitudes, motivations and behaviors that adversely affect the performance of the management on an overall basis. Despite the majority of the views that claim toxic leaders to be a threat to the organizational work culture, the study by Steele (2011) proposes that all toxic leaders are not incompetent or ineffective. Instead, they are strong leaders with the right qualities. However, unjustified use of such qualities or using them in the wrong intensity results in an undesired end-state.

#### **Toxic Culture**

Culture poses as the key factor that enables prediction of behaviours and outcomes. An organization's leadership and its culture are related elements of organizational life, because they directly and indirectly influence each other, and serve similar functions. Every organization develops a culture that is influenced by its leaders, including managers. Its culture is a combination of symbols, languages, assumptions and behaviours that manifest themselves in a work setting. In other words, they are the written(explicit) and unwritten(implicit) rules that employees use when interacting with one another, making decisions, or performing tasks. Broadly defined, an organization's culture is a relatively stable set of values, norms, and behaviors universally held by its members. An organization's culture may have a

moderating effect on the behavior of its members and may ultimately serve to promote toxic behavior. E. Schnider's theory of attraction-selection-attrition (ASA) suggests that senior leaders imbue an organization's culture with their own personal characteristics by establishing goals, values, and norms that attract people with similar personal characteristics. Therefore, toxic leaders create toxic climates by changing the content of the culture. The resulting damage to the organization's culture and climate may last for many years after the individual toxic leader has gone.

## **Discussion and Suggestions**

The focus of the contemporary business world is no longer on creating a stable organization, but instead to continuously prioritize profit at any cost. Organizations are now embracing new and creative ways that allows achieving their financial goals. Unknowingly, the increased greed of the shareholders has resulted in a toxic work culture within the organization that is only concerned with attainment of the organizational goals and objectives. In this environment, both leaders and employees are rewarded for their short-term accomplishments, which promote competitiveness, unethical practices, and a disregard for co-workers among the employees. It would be foolish to presume that this toxic culture was responsible for deviant behaviour exhibited by the organization's leaders and employees. Organizations whether they are cognizant of it or not, may be promoting and nourishing these deviant behaviours even at unconscious levels. The era where all organizations, their clients, and shareholders were seen as big happy families based on trust, honesty, and morals are memories. Today, most organizations can be perceived as large dysfunctional families that are characterized by frequent tendencies tolie, backstab, and cheat. Also, winning the bottom line is ultimate. The question remains: how did organizations let this happen? Research has suggested that people respond more quickly to negative behaviour than positive behaviour with strategized motivators to support this. However, this is only a short-term effect, employees will eventually resist these tactics and either quit, or become corrupt or disinterested.

The toxic work culture and its associated consequences could be well explained via real life demonstrations. Sameer is a fresh graduate and a new





entrant at an XYZ organization. His work profile is that of a fresher and is designated a morning shift of 9 hours which meant that employees would usually leave by 7 pm. However, with passing days he observed that despite finishing all the assigned tasks in due time, leaving at 7 was considered as a sign of insincerity. The reporting manager would get biased about people who would stay late, say until 10 or 11 pm, and appreciated them even if they did nothing productive. However, the manager himself did not make any effort to stay extra hours to keep an eye on the actual productive work being performed post the office hours. Not following the trend resulted in a meeting room conversation for Sameer wherein he was confronted by the CEO and was informed that his salary would be decreased as it was perceived by the CEO that his pay scale did not match his existing skills. Not just limited to late working hours, entering the office late even by a single minute resulted in a salary cut. The employees who nodded their heads to every authority decision without reflecting on the pros or cons were favoured by the managers and thus secured an opportunity to handle challenging roles, even if they were not competent enough to qualify for the same. Sameer, at times, did try hard to point out the gaps in the existing working policies and propose innovative ideas as per the dynamic needs of the market to grab the attention of the manager. He was also joined in by his fellow mates who had a similar outlook. However, being a junior, their opinions were not even heard. Instead they were bullied by the seniors for being authoritative and pointing out errors or gaps in the existing work culture. Promoting the undeserving candidates and resistance towards innovation created discontent within Sameer. However, Sameer did not give up and attempted to reach out to the high rank officers. One of them even acknowledged his ideas and praised him for the extra efforts to analyze the work patterns. However, it was not always easy to reach out to the high officials without the support of the manager. Encouragement received by Sameer made his manager grow jealous and thereafter the bullying increased. The manager even bad-mouthed Sameer. Although everybody knew in the office that the manager was being unfair, no one made an effort to do anything because of his good terms with the CEO. At the quarter ending, during evaluation of the employees, Sameer was reviewed negatively by his manager but received a

good review from the Department Head. However, the CEO ended up supporting the manager as he possessed powerful links with the media. Sameer, although not removed from the company, was cornered and continued to experience unfair assessments of his capabilities. Lastly, Sameer decided to resign and join another organization. Of course, the organization did not make an attempt to ensure that the toxic work culture is rectified. Instead the manager was rewarded for his accomplishments which in turn justified his behaviour. It is critical for the governing bodies to realize that the toxic behaviour, which they now disregard, will trickle down and affect everyone in the organization. Moreover, promoting undeserving candidates just out of personal propaganda would backstab the organizations reputation at the work front. The major problem here is that in the long run the organization will be damaged by the behaviour and decisions of this toxin and may continue to suffer even after the toxin is removed. This becomes the proverbial vicious cycle. While it is clear that a toxic organization cannot exist without toxic leaders, it is also clear that toxic organizations need certain conditions in order to remain toxic. A toxic leader in a healthy organization will most probably not last very long. The glue that keeps this toxicity together is the culture of the organization. The culture (system of values) of an organization appears to be dependent on the behaviour of all groups within the organization. Obviously, the higher up the toxic group is in the organization, the greater they would be able to influence the culture.

Knowing that the work culture is toxic one must prepare to confront the same, as it is not always possible to walk away immediately without even making an effort or without a backup. The following steps could ensure survival within a toxic work environment.

- Always look out for people who have similar perceptions as you do. Make efforts to develop friendships with such people so that when you are being bullied for an unfair reason you have someone to watch your back.
- Engage yourselves in stress busting activities so that the toxic culture does not make a permanent imprint on your brain.
- Create daily work lists so that at the end of the day





when you are done within the due time none can point or question your sincerity at work. Further listing out the tasks would restrict your focus on the work instead of the toxic atmosphere surrounding the work environment.

- Documentation of daily work is of key importance in a toxic work environment. It helps justify your abilities during quarter reports and team meetings. Further, when you wish to point out the gaps you will need the evidence to back your claim.
- When you see no hope of sustaining in the toxic work culture, start preparing your exit strategy. There remains a possibility that situations may improve at work, but in the worst case scenario you should have a backup plan to save your future. Further, engagement in a new job would help you stay positive when things get rough.

#### Conclusion

Toxic leadership may be present in every part of organizations, however, it attracts much less attention than it should. Inevitably, the pacesetter as a social personality is constantly being pushed aside at risk regardless of position, professional experience and education, and strength. Too often, the employee or a group may be victims of such toxic leadership, which affects the performance of the individual and the organization. Toxic leadership can be portrayed as a silent assassin as it sets leaders as invincible, to give up, and to punish those who question such superiority. In short, toxic leadership is a cheap problem. It cripples individuals, groups, and organizations. Ignoring the trivial negotiations that promote our recognition of the multi-faceted forces of toxic leaders will only wipe out those leaders.

People are requested to open their eyes and fight against the poison around them, it must be remembered that toxic leadership is deceptive not only to people who are heavily burdened but also to the structure of the affected organization. It may not bother any people directly, but the ashes of the fire will surely bother and hamper the work environment. Therefore, make an effort not to allow people who show signs of poisoning or immorality to catch individuals or a workgroup and pollute the organizational culture, the work environment, and the Organization as a whole. The growth of such weeds

should not be allowed in the organization under any circumstances. This article has tried to generate an understanding and create a negative image of the most threatening type of leadership - toxic leadership. Efforts need to be put in implementing processes and methods to identify, control, and eliminate toxic behaviors before they become a new organizational culture.

The primary purpose of this article is to raise awareness and promote positive social and cultural change in organizations. This event can encourage and help others to hold hands with those under the influence of toxic leadership and reduce the pressure on those under their control. This will give a message to the disadvantaged people to improve the skills to make the toxic leader more accountable and ethical, this good practice can reduce the increase in toxic leadership and increase the success and well-being of the organization.

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# **Experiential Learning – Learning to Learn**



Ananya Dutta Chowdhury

"Pleasure is the state of being Brought about by what you Learn.

Learning is the process of Entering into the experience of this

Kind of pleasure.

No pleasure, no learning.

No learning, no pleasure"

- Wang Ken, Song of Joy

#### Introduction

We learn through our experiences. Our survival depends on our ability to adapt not only in the reactive sense, but also in the proactive sense of creating and shaping our environment. The experiential learning is a model for strengthening the linkage among traditional education of an individual, their work and their personal development. Experiential learning theory in training field pictures the workplace as a learning environment that can enhance and supplement formal education and foster personal development for achieving the organisational goal. It appreciates the principle of learner-centred approach in training and enables learners to learn through their experiential learning cycle.

#### SAT Model - Critical Analysis

An organisation can grow through continuous learning. Experiential learning model promotes

learning in both structured and unstructured manner. The traditional definition of training described training as "a planned process to modify attitude, knowledge or skill (behaviour) through learning experience to achieve effective performance in an activity or range of activities. Its purpose in the work situation is to develop the abilities of the individual and to satisfy current and future manpower needs of the organisation." Therefore, it can be said that training requires proper planning. The Systematic Approach to Training (SAT) model infers that training is done in a planned, systematic way, and that is directed towards improving job performance. Systematic training is one of the options that may be used to solve performance problems of the employees. The four steps in the SAT model are closely associated with real and tangible performance problems.

The **first stage** of SAT is to identify the nature of problems. The techniques used for identifying training needs range from general to specific. Thus it starts from organisational training needs analysis, then job analysis and ends with task analysis.

The **second stage** is planning and design of training. This stage is concerned with planning the best use of available training resources and using them to design training activities. This has to be planned within constraints such as budget, operational demands, availability of trainees, trainers and training administrators.

Then comes implementation of training in the third





**stage**. This is a stage where people undertake learning activities. This requires active participation of the learners, supported by skilled trainers.

The **fourth** and final stage is to assess and evaluate the results obtained from training activities. This may depend upon the terms of reference and data being used for measurement of the level of performance before and after the training session. It also assesses the involvement and effectiveness of trainers, trainees, line managers, general managers, training organisation/agency, etc.

The systematic training process, as described above, represents a major contribution to learning and development activities in an organisation.

Though this SAT model exemplified professionalism in training for a number of decades since 1960s, still some weaknesses have been identified in this model. One criticism is the inability of trainees to apply their learning from off-the-job training sessions to their jobs. In such a training, the trainer has control over the objective of training, the content, delivery and assessment of training. Thus the trainees become passive and dependent on the trainer, so they fail to transfer their learning from training hall to real workplace.

The original systematic, structured training model is suitable for the following situation, which is characterised by:

- 1. A stable environment and a clear set of goals
- 2. A high degree of employee identification with the goals of the organisation
- 3. Routine job
- 4. Outcome can be measured

SAT, being a highly structured model of training, fails to satisfy the organisational training needs in today's VUCA (volatility, uncertainty, complexity and ambiguity) world of work.

#### **Alternate Model**

Transitional model of Harry Taylor is capable of dealing with the VUCA situation. This model takes care of the various interest of stakeholders in the oraganisation and their interaction with each other. Harry Taylor model identifies different types of learning at different levels and times, varies from highly structured skill learning to highly unstructured, attitudinal, "learning to learn" kind of learning. The transitional model consists of a double-loop of corporate strategy and learning.

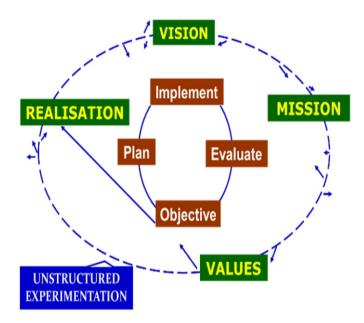


Figure 1: Harry Taylor Model

The inner loop is associated with SAT model and caters to a situation which is stable and routine. Here organisational strategy has four visible stages objective, plan, implement and evaluate. This inner loop is nested within an outer loop of strategy and learning. This represents a real alternative to rational, systematic approach of the inner loop and can be seen as complementary to it in the same fashion as the right side of brain (creative) complementing the left side (logical). The notion of strategy is to get an intuitive feel through experience of phenomena rather than measuring it for manipulation. This loosely structured approach is highly individually distinctive rather than "one best way" to do a job or task. Since experimentation and intuition are more valued than argument and debate is encouraged, it may result into backtracking in first three stages of outer loop i.e. vision, mission, values. The outer loop deals with more nebulous concepts of turning a desired scenario (vision) into a statement of "why" the organisation exists (mission), to communicating and negotiating





this to employees and clients in the form of organisational ideals (values). Depending on the nature of values and the task requirements, objectives are formulated. However, this is not the only option. It may happen that instead of formulating any specific objective, the organisation plays around with ideas on the basis of unstructured experimentation and intuition. Then comes the fourth stage i.e. realisation which is not merely checking whether specific objectives have been met, but is a much more fundamental process of review, reinforcement and / or replacement of values and realignment of vision.

# **Experiential Learning in Organizations**

The whole process helps an organisation to transform itself into a learning organisation. The employees of the learning organisation learn through their real life experiences. The Kolb model of experiential learning cycle recognises four learning abilities — Direct experience (of something problematic, challenging, pleasant, bitter etc.), reflecting on experience (reflecting on own experience or other person's direct experience, analysing it and reviewing it), generalisation about experience (thinking about experience and making a hypothesis of all the experience) and testing out new experience (applying new learning from their experiences).

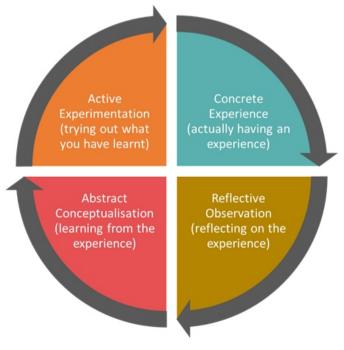


Figure 2: Kolb's Learning Cycle

There are numbers of experiential learning tools which deals with each pattern of experience connected to different learning styles of different people. Techniques like role play (playing part), hands on, group problem solving, field visit (while in field), OJT are used for creating a situation to the learner for real or simulated experience. Some examples of experiential learning tools in reflecting on experience stage are case study analysis, role play (viewer), group observation, story-telling (listeners) etc. Lecture, seminar, guided reading, presentation, dissertation are the methods that are used in the stage of generalisation about experiences. In the fourth stage, testing out new experience of an experiential learning cycle, techniques used are coaching (practice part), simulation, projects, and assignments.

Some of the above mentioned experiential learning methods have wide use in modern industries. Audio role play method is used during the training of call center employees. For better understanding the issues of safety, construction companies run through case studies of natural disaster like earthquakes so that they can offer safer building technology.

The whole process helps an organization to transform itself into a learning organization. The employees of the learning organization learn through their real life experiences. Learning organization and their employees learn continuously from everything they do. They use their own experience and that of others to improve their performance. They learn from their success and also from their failure. The value of learning is driven and modeled by the top management. People are rewarded for their learning. Employees are rewarded with recognition, growth in career and financial benefits. We can take example of Microsoft which enabled a massive shift in mind-set from desktop to Internet when its marketplace changed and it was possible for the practice of continuous learning in the organization.

In "The Toyota Way", Jeffrey Liker identified fourteen management principles. One of these is "Become a Learning Organisation". According to Liker, Toyota consistently makes high quality cars with the fewest defects of any competing manufacturer, while using fewer man-hours, less on-hand inventory and half the floor space of its competitors.





Thus by using experiential learning in the field of organisational learning, a paradigm shift may be brought about in the training process, from the trainer-centred approach to the learner centred approach and transform an organisation into a learning organisation which will be ready to sustain in this VUCA world.

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# Transformative Coaching – An Effective Tool for Executive Development



Subhamay Chatterjee

## **Need for Coaching**

John Whitmore (1996) stated, "Coaching is unlocking the hidden potential of a person". Hargrove (1995), in his book, emphasized on dealing with personal transformation i.e. the coach and client challenge and support scenarios. He gave steps for achieving coaching mastery, which included personal transformation and reinvent, expanding people's capacity to take effective action, honesty etc. Self-reported changes in clients' leadership behaviours are the most frequently assessed coaching outcome, followed by client's perceptions of the effectiveness of coaching (Boyce and Hernez-Broome, 2010).

#### The Process

Often executives join coaching programme not only to address the inefficient or ineffective operations but to gain knowledge to mitigate the gaps between their current status and the desired state, and also to address the self-perception (self-regard, self-actualization, emotional self- awareness) and self-expression (emotional expression, assertiveness and independence). Because of the rapid changing business scenario, today executives are subject to dysfunctional behavioural patterns (fantasies, contradictory wishes, anxieties, frustrations) and they do not know how to handle them. It is often seen that executives are falling prey to eating or behavioural disorders, family life problems, sexual disorders, unfulfilled wishes and insomnia. Hence, the

executives like to see the transformative coaching interaction as a chance for self-renewal and being better prepared for the future.

While there is an attempt to understand the development need of the executives, it is imperative to have knowledge of the adult learning process and transformation in adult behaviour or thought process. In this context, a coaching programme needs to be designed which addresses the professional as well as personal life of the executives to take care of a mental life triangle, which deals with cognition, emotion and behaviour of the executives. To deal with this, coaches normally need to identify ways which are nontraditional and which help the coaches to overcome the resistance of the executives. Executives, when they have reached the threshold level, and are no further capable of handling or managing the unbearable situations and they try to seek help of the third parties in form of coaches. Very few executives are ready to take help of the professional coaches, unless they are in this type of situation. Once they see the desired outcome in themselves, they then try to instill that feeling in others, not otherwise.

The contradictory wishes, some conscious and mostly sub-conscious, often lead to the triangle of conflict which deals with hidden feeling, defensive behaviour and conflict. For the executives, the challenge here is to identify and then to overcome this stubborn behavior, after finding the core issues. The executives





alone cannot take this journey. The coach intervenes here with the process of confrontation and clarification, without any hidden agenda. This process if taken by the coach effectively, leads to address the inner self of the executives. The coach needs to show empathy to help the executives eradicate confusion in their mind, thus leading to a transformed human being/professional. In this process of transformational program, the coach needs to enhance the support from the peer group.

In the transformation process, the third angle - the role of relationships — is very important to understand. One is real or inherent and the other is masked. The coach's role is to help the executives deal with different types of relationships. It is important for the executives to remember that one pattern does not hold good for the other type. By blindly following the same, the executives may fall in the trap of dysfunctional behaviors in the family life. The coach helps by deep diving into past relationships, assessing and addressing the present relationships and helps to find out the way to deal with future relationships. This leads to individual as well as organizational transformation.

Currently in India, there is a dearth of trained professionals to make this transformational coaching effective, though the scope is enormous. The organizations should be acquainted well about the design, structure, and process as well as the desired positive outcome of these transformative coaching programmes, before their implementation. The hierarchical position, criticality of the job, position in talent matrix and individual competencies must be taken into consideration while selection of the individual for the transformative coaching programme. It will be important for the executives to look into their focal issues. The coach needs to ensure the creation of a safe transition space, which will help the executives to transform both personally and professionally.

It is also important for the executives to understand that transformation should be long lasting. This transformation may have been done in the organizational scenario, but needs to be practiced and sustained in real life as well. Here transformation invariably relates to internalization. Normally, in the transformative coaching process, it is known as internal awareness. It helps to get more clarity on one's inner self thereby making a choice with a clear-cut realization.

Not all coaches can be made responsible or accountable for this transformative coaching. They will require certain competencies in them before they are assigned the job of a transformative coach. The competencies may be earmarked like:

- Establishing trust and intimacy with the client
- Coaching presence, being in the present moment
- Well aware of the positive psychology
- Active listening and powerful questioning
- Creating and expanding awareness, making the clarity and choice more clear
- Working with the coachee to design actions, or activities outside of coaching sessions to continue exploring and to increase awareness to move forward to the goal.

It should be noted that the cost of this type of transformative programme is very high but then, so is the reward. The return of investment is a powerful indicator of the desired outcomes. Organizations must take conscious decisions to take part in this transformative process where "the journey counts and not the destination". The executives need to constantly explore and experiment with themselves in this process. Once the process benefits them, organizations might make them responsible to propagate and do mentoring of the process to enhance the acceptability. Executives will be transformed and different leaders at various levels will be born.

Organizations and coachees in India anticipate that the coach should be educated, experienced, sustaining and a senior who can guide, mentor and offer pertinent examples. Simultaneously coaches have to make appreciative inquiries to help the coachee ponder close to home "bits of knowledge" to follow up on their own feelings and choices. Trust, confidence and





regard for coaches with long haul connections are one of a kind part of the Indian system. Coachees in India anticipate empathy in the relationship. Cold authoritative connections dependent on logical questioning (as happens in the western country's coaching practices) do not make the belief in the coachee in the Indian scenario (Kishore Rao, Business and Executive Coach, India)

In a field research with sample size of 300, 80% of those who were using executive coaching for the last 5 years revealed that the way to measure the Return of Investment is "Coachee Change In Behaviour".

#### **Conclusion**

To summarize, every executive brings their inner theater, with all its dramas and comedies, to the workplace. Dysfunctional behaviour arises when there is an effort to keep the curtain closed; with an aim that the show must go on. Transformation of self is required to cater to the issues which otherwise could

not have been addressed. The effectiveness of transformative coaching is seen in getting the realization and helping to make a choice and being accountable for the choice made.

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# Essence of True Leadership - Learnings from BHAGWAD GITA



Rakhi Dutta

#### Introduction

One of the easiest way to understand the below article is to have a clear headed mindset and know, that Krishna was not only a God but also a normal person like us. He had faced much more problems in life and had given sacrifices for the benefit of others. Mahabharata and Ramayana are not myths or mythology; they are part of history with tested and proven techniques and strategies of management and leadership at its best, compared to anything else. Even the top class universities and B-schools have realized it of late and, hence, adopted these management learnings as courses in their education system. One should make an effort to grab the opportunity to learn from the world history, world's biggest epic and actual wisdom needed in its true form, taught before 1000s of years.

## **Actual Leadership - Meaning**

Leadership isn't that easy as it is seen in the real world. If one may go back to the past and reflect on leaders like Ram, Krishna, Ram Krishna Paramhans, Jesus Christ, Prophet Mohammad, Swami Vivekananda, Lord Buddha...and many more, one can find real examples of true leadership. Try to see closely the life they led, the way they maintained themselves, the way they contributed to the entire mankind and not only to one single society or religion. They never spoke about any one religion or showed bias based on favouritism.

The reason for mentioning 'true leadership and its

consequences' is that they all had to pay on behalf of their own life just to serve dedicatedly.

That is how a leader is supposed to be. Leaders aren't the ones who command, rather, the ones whom people willingly advocate and follow their path. Every true leader had to prove their own knowledge in front of their followers and hence they were respected from their core.

## Leadership

Krishna – had given numerous examples of being a true 'yogi', being a part of the society but remaining detached at the same time. He always taught the true knowledge equally to every one whether it is Arjuna or Duryodhan or Shakuni or the rest of the Pandavas and his own friends. His main motto was to serve and love without being attached to things, objects, people and feelings, whatever name you may give. The reason behind that was very clear and apt. If one tends to get attached to things, then one will serve out of that attachment and not selflessly as one's duty. Also one main reason was, attachment always brings pain and gives the goal a very different direction all together, which may or may not be good for health and the process of implementing the work.

#### Detachment

Karma yoga is the most propounded one amongst all the other yogas in 'Bhagwad Gita'. It is also one of the definite ways to achieve *moksh* and getting rid of the





worldly dualities. Rest all the other yogas too are brilliant in themselves.

Krishna explained all this to Arjuna not only because he was his friend or brother in law, but also because he was one of the prince/part of kingdom and kingship. 'Bhagwad Gita' is for everyone in the world beyond religion and belief. Anyone can read and learn the concepts of reality and truth from it. But if the leadership team learns and tries to implement these skills first, then the others would always follow, as – "YadYadacharate" both aratishresh haha, Tad Taddevetarojanaha, saayatpramanamkurute, lokas tad anuvartate" BG: 3.21 meaning – 'Whatever action is performed by the leaders is followed by their people. And whatever the leader puts and specifies as a standard by his own acts, the world follows'.

Hence it's the responsibility of the leader to learn the 'Bhagwad Gita' and follow the preaching given by Shri Krishna to Arjuna.

#### **Selflessness**

Lord Ram had walked on the path of sacrifice for his father and also the society. He never bothered for his own happiness, beyond certain limits, and that too was never at the cost of his *praja*'s (kingdom) happiness and trust. He made sure, that the administration and operation of the *rajya* (organization/country) is purely ethical and the wellbeing and justice due to his people is provided at all cost.

A team too, looks up at the leader with the same expectation, as a guardian, in the presence of whom no one can do anything wrong to it and also under whose able guidance it can prosper. In spite of being on the Kauravas side, the soldiers gave their heart and soul to Bhishmapitamah, since they knew and trusted him. Similarly, under the able guidance of a true leader one can never lose the battle and even if they do, their family won't suffer and they would be remembered as true warriors.

There should be an effort to become that leader which the world seeks, and not to serve the intentions and expectation of wrong people. Trying to forget oneself for certain duration of time gives the opportunity to feel the happiness derived by living for others. That is what true happiness for every individual is. Ravana was also a very powerful leader and had full of knowledge of shastras and scriptures. But due to his arrogance and false pride, he lost his own kingdom to his younger brother Vibhishana. He was so self-centered that instead of taking care of his people, he used them for fulfilling his personal demands and at the end of the day he lost not only his kingdom but his self-respect too.

This is a clear example that services of employees are not to be used for any personal benefit or to boost one's ego, but for the benefit of the organization, including the leader.

#### Organization (Nation) vs. Self

Yudhishthira was extremely truth based and learned and followed dharma beyond everything. He answered all the questions of Yaksha (his father) while all his brothers died ignoring the same. He had also done the rajsuyayagna after winning the war. But yet it was because of him and the game of dice that Draupadi was humiliated and disrobed in front of the whole raj sabha and elders of the family, the pandavas suffered so much and also was one of the main reason for Mahabharata war.

The reason was none other than the lack of true knowledge, as to what is 'dharma'. He was known as *dharmaraj* yet lacked the understanding of the same in its true sense. It was later Krishna who had explained them the true meaning of responsibility and dharma.

## Roles of the Leader

For a true leader, the most important attribute is being 'responsible' for the people - be the father, the grandfather, the mother and the friend, for one's employees and subordinates. In the same spirit, Krishna had said in 'Bhagwad Gita' that He too is all of these for this universe.

#### **Feedback**

Feedback should be given to the people in a way that they feel the need to improve, and not the way at times leaders tend to give. Once in a reputed organization, the Ex-Director was giving a feedback based on his personal terms and perceptions and insulted the person at the other end in such a way that it could have led to a revengeful outcome from the employee,





instead of the employee trying to improve his performance.

Responsibility has to be taken to bring the change in the organization, to take it upwards and not degrade the company values. This is reflected in the company culture as well the way in which leaders behave with their people. During the F&F or even the retention tenure, the authorized people should make the employee feel good and valued, first as a human being and then, for his contribution to the company, rather than a straight good bye.

Shri Ram appreciated the contribution of even the small squirrel which picked up minute stones and threw in the sea along with the huge *vanar* (monkey) sena who had moved even the mountains like stones for completing the bridge work.

# Long-term Approach

One should try to become more acceptable and not demanding. Politics and favoritism can give leverage for a very short term, but it's the conduct of character which makes or breaks one. One should be the role model for the people, children, family, students and all other dependents who look up to learn from you and implement their own actions accordingly.

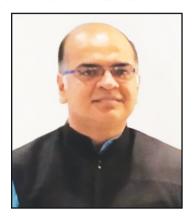
## 4 Capsules of Life and Beyond

One should remember the 3 main yogas of 'Bhagwad Gita' namely, Karma yoga, Gyan yoga and Bhakti yoga with one additional dhyan yoga. Any one of these can be followed as per the capability, to enhance oneself and grow from inside for reaching and achieving the ultimate true destination and goal of human life, which is meant for each one of us.

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# **Discontents of Labour Reforms in the Context of Formulations of Labour Codes**



Kingshuk Sarkar\*

#### Introduction

The subject of labour reforms has been under debate over the last two decades in India. The dominant narrative is that there are too many labour laws and most of those are quite old and they are adversely affecting India's employment potential. Liberalization of the economy started happening since 1991. In line with the changing scenario of a liberalizing economy there was a growing demand to have broad-based labour reforms as part of the second generation reform from late nineties and early 2000. Thereafter, the idea of labour reform is in wide circulation evoking debates in public domain. Although academicians, policy makers, the civil society and other stakeholders are part of this debate nothing much happened till recently when Centre came up with the idea of four Codes in 2017 namely on four broad categories wage, industrial relation, social security and occupational safety health working condition. These Paper looks into the critical areas of the proposed Codes.

# **Background and Context**

During the last two decades and half, India has witnessed significant changes in the world of work. There has been large-scale informalization of the labour force (93 per cent being the share of informal labour) and a corresponding growth in non-standard employment, an increase in decent work deficits, a decline in social dialogue and tripartism, a weakening of trade unions, and a shift in focus from enforcement of labour laws to redistribution through various social security schemes. During the same time period, India

has experienced considerable reforms in labour administration as well as labour legislation. Such reform initiatives have included increasing use of technology, greater focus on skill development and employment generation, introduction of social security and welfare schemes, and amendments of certain provisions of labour laws. The reforms have been primarily administrative in nature. State vis-àvis citizen client relation has already replaced the erstwhile tripartite structure (State-Employer-Employee) based on redistribution in an environment of stagnating labour market regime.

### Labour and Employment Outlook

India experienced a period of strong economic growth in the 2000s and this has continued to a certain extent. But the situation in the labour market was paradoxical. Data from this period suggested that employment growth was meagre and consequently this period was described as a period of 'jobless growth' (Alessandrini, 2019). Moreover, most of the new jobs created in India were informal—either in the unorganized sector or even in the formal sector—as a result of the rise of contract labour and other forms of non-standard employment.

Since the process of liberalization started in 1991, India has been undergoing structural transformation by the way of a shift of labour and overall economic activity out of agriculture and into manufacturing and service sectors. In the successful developing countries in East Asia in the second half of the 20th Century and earlier in the West during the industrial revolution,

<sup>\*</sup>Views expressed here belong to that of the author and not necessarily that of the organization that he belongs to





that shift was accompanied by rapid job creation in manufacturing. However, in India and in a number of other middle-income countries, the growth of manufacturing has not followed that path.

Manufacturing globally has become more capital and skill intensive and this is true even in India where labour is abundant. Even though the contribution of the primary sector towards GDP fell to 15 per cent in 2014-15, the primary sector still provides livelihood options to about 45 per cent of the working population. In India, occupational transformation did not match sectoral transformation (Venkatanarayan and Naik Suresh, 2013).

Regular employment is on the decline. This happened within formal sector too. It's a testimony to the fact that labour market in India has in-built flexibility. Informalization continues to increase in spite of some protective labour laws being in place. Share of contract labour kept on increasing. Proportion of contract workers in organized manufacturing increased from 12 percent in 1990-91 to 33.6 percent in 2013-14. Share of contract workers' wage out of total wage increased from 58.7 percent in 1999-00 to 81.5 percent in 2013-14. Proportion of informal sector workers out of total workforce is more than 90 percent.

#### Code on Industrial Relation

Introduction of FTE in the Code on Industrial Relation will make the labour market a bit more flexible. Along with growing contractualization/informalization, whatever few regular employments that still remain, might now go the FTE way. Employers are also free not to renew contract if they are not happy with the performances. Employers in India in general believe permanency make employees complacent and as a result productivity suffers. FTE would keep employees on tenterhook and they would be always eager to contribute more on the expectation that contract would get renewed. There are certain core positions where you require regular employees. Such positions might go to FTE as this becomes legally tenable.

In the draft Code on Industrial Relation it is proposed that employers of industrial establishments with at least 300 workers are required to take prior permission of the appropriate government before lay-off, retrenchment or closure. Appropriate government can modify this threshold number of workers by

notification. Earlier enhancing threshold required amendment of law but now it is possible to increase threshold through administrative decree. Few states like Rajasthan, Haryana, Andhra Pradesh have already amended Industrial Dispute Act 1947 where threshold had been increased from 100 to 300 workers. In a globalized deregulated production environment dominated by global supply chain, production process is getting decentralized and scattered. Production is getting out-sourced and spread out. Production is shifting from factories to homes. In such an environment, giving more flexibility in the form of enhancing threshold limit would certainly jeopardize little job security that exists presently.

Also such decentralization of production structure would make unionization a more difficult proposition as workers disperse and lose identity to a great extent. Employer-employee relation becomes mystified as production structure disintegrates. Proposed Code on Industrial Relation provides encouragement towards a unitary trade union structure. The proposed Code on Industrial Relation provides for a negotiation union in an industrial establishment for negotiating with the employer. If there is only one trade union in an industrial establishment, then the employer is required to recognize such trade union as the sole negotiating union of the workers. In case of multiple trade unions, the trade union with support of at least 51% of workers will be recognized as the negotiating union by the central or state government. This implies that registered trade unions with less than 49% members would be outside the purview of collective bargaining process if there exists a union with 51% membership. During the last three decades, Trade unions in India are gradually suffering weakening bargaining power because of various factors (Sengupta, 2003). This provision in the proposed Code will further aggravate the situation and has the potential to adversely impact trade union diversity.

# **Code on Occupational Health and Safety Working Condition**

The Code covers establishments with 10 or more workers. It excludes establishments with less than 10 workers. This raises the question of whether workers in smaller establishments should be covered by health and safety laws. It has been argued that application of labour laws based on the number of employees is





desirable to reduce the compliance burden on infant industries and to promote their economic growth. To promote the growth of smaller establishments, some states have amended their labour laws to increase the threshold of their application. For instance, Rajasthan has increased the threshold of applicability of the Factories Act, 1948, from 10 workers to 20 workers, and from 20 workers to 40 workers. Note that a similar amendment was proposed in the Factories (Amendment) Bill, 2014, which lapsed with the dissolution of the 16th Lok Sabha. These elements are being brought back in the new proposed Code. Occupational health and safety and working conditions of basic minimum standard are something which should be universally provided to all workers irrespective of their numbers in any particular establishments. This is also mandatory under ILO Occupational Safety and Health Convention, 1981 (No. 155). However, India is yet to ratify this Convention.

# **Code on Social Security**

The draft social security code is an amalgamation of existing legislations. Universalization of social security across sectors as a legislative right have not been explicitly incorporated. Hints are there but it skirted the matter tangentially and trivializes the existing provisions. For example, the definition of the 'factory' in the proposed Code still retains the threshold limits of 10 workers when activities are carried out with the aid of power. Majority of factories in small and mediums enterprises (SME) categories employ less than 10 permanent workers. This implies that unorganized sector workers still remain outside the realm of social security.

The fact that provision of social security could have been used towards formalization of workforce to a certain extent, is something which is disappointingly missing in the Code. Employers should be made to own up the fact they have responsibility in providing social security to their workers. State has a responsibility but the primary responsibility still lies with employers since they are taking advantage of workers' productivity. State can provide the basic ecosystem but labour market relation should prevail in specific micro context. Code did not go into those terrains.

At the end, this Code remained a collage of existing legislations without that interweaving thread of

integration. It provided hints of progression but stopped well short of attaining those aspirations. It promised but could not meet those expectations. For example, maternity benefit is provided for women employees of establishments employing ten or more workers. Thus, in all practical purposes maternity benefit remains accessible to miniscule number of employees in formal sector. Large number of women workers in unorganized sector remain outside the purview of maternity benefit. Such exclusion violates the basic principles enshrined in the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102). Universalization of entitlements of social security instruments figure as the priority concern of Convention 102. Code on social security didn't do justice towards achieving this objective. India has not yet ratified this particular Convention too.

### **Code on Wages**

The determination of minimum wages crucially depends on calorie requirement. In the new enacted Code on Wages 2019, the specified energy requirement is 2700 K Calorie. As per the convention, the standard working class family includes a spouse and two children apart from the earning worker; and equivalent of three adult consumption units. However, standard working class family should be equivalent to 3.5 consumption units. Present calculation is based on 1+.8+.6+.6=3. It should be 1+1+.75+.75=3.5. Gender discrimination in the form lower consumption (.8 instead of 1) of the female adult member of the family should be avoided. Further, child calorie requirement is not as low as .6 and should be at least enhanced to .75. Children require greater calorie during their growing-up period.

Existing practice is that non-food consumption is taken as a dependent of food expenditure. Food consumption is given the paramount importance in consumption basket and non-food consumption is taken as a residual and derivative. Non-food consumption is taken as certain per cent of food consumption (like HRA as 10 per cent of food, fuel consumption as 20 per cent etc). However, consumption pattern has undergone significant changes over the years and non-food items are presently important in their own rights and no longer are derivative demand. Quantum of non-food items should be determined independently.





The Code on wages provides for equal remuneration for equal work for both men and women. This Code incorporated this particular aspect from the existing Equal Remuneration Act 1976. However, the proposed Code did not specifically mention equal wage for similar work across different categories of workers. In State of Punjab v. Jagjit Singh, (2017) 1 SCC 148, the Supreme Court held that principle of 'equal pay for equal work' is applicable to all temporarily engaged employees (daily-wage employees, ad-hoc appointees, employees appointed on casual basis, contractual employees and the like) who are entitled to minimum of the regular pay-scale, on account of their performing the same duties, which are discharged by those engaged on regular basis against sanctioned posts. The spirit of this verdict of Supreme Court was not incorporated explicitly in propose Code. Such incorporation would have disincentivized engagement of contract and casual workers in work/processes where regular workers were also deployed. Further as per ILO Convention 111 of 1958 on Discrimination (Employment and Occupation), wage discrimination is not tenable between two workers who are essentially doing the same work. India has ratified this Convention and committed to its effective implementation.

#### **Conclusion**

Formulation of Codes is a step in a right direction. There are too many labour laws. Basic definitions are different in different acts. These cause lots of confusion among the stakeholders. Most of the labour laws are old and some of the provisions do not fit into the contemporary reality. Also, world of work has undergone significant changes over the years. Indian labour market too had undergone structural transformations. However, certain limitations and rigidities still remain. Code are being construed in a very critical juncture. It's not mere reformulation of existing labour laws but it is an opportunity to address various fundamental issues confronting Indian labour market. However, Codes as proposed have certain

prominent shortcomings in many aspects like ensuring minimum job security, trade union participation in collective bargaining, fixation of minimum wages, gender discrimination in calorie entitlement, universalization of social security and occupational safety and health. To make Codes more balanced, robust and aligned to prevailing labour market realities in India and the world, more deliberations and fine tuning are needed. Code in their present proposed forms fall significantly short of the aspirations.

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# Fixed Term Employment- Advantage or Ado: An Overview



Deepanjan Dey

#### Introduction

The ease of doing business has been the buzzword of the successive government/s at centre and states as well. Outdated and archaic labour laws have been a major roadblock for doing business at ease and labour reforms have been long overdue. One of the major concern arenas for labour reforms is simplification of compliance under the various labour legislations and the other being to provide industries with necessary freedom to operate without government interference. In the sphere of labour reforms, abrogation of Chapter VB of Industrial Disputes Act has been a longstanding demand of the industries as it infringes and interferes with the right of the industry to take decision on redundant manpower in accordance to the needs of the business. The provision acts as a deterrent for many investors from investing in new enterprise/s.

Chapter VB of the Industrial Disputes Act deals with layoff, retrenchment and closure of an industrial establishment employing hundred or more workmen. Industrial Establishment has been defined in section 25L as a factory under the Factories Act 1948, a mine under the Mines Act, 1952 and a plantation under the Plantation Labour Act, 1951. The various sections of this chapter make it incumbent upon the employer to seek prior permission from the appropriate Government before effectuating any layoff, retrenchment or closure in the respective industrial establishment. In recent times, in order to attract

investments, few state government/s have increased the applicability threshold limit from hundred to three hundred workmen. Various successive central government/s from time to time had mulled to amend this provision but could not do so for the lack of political will and courage in view of stiff opposition from trade unions and political parties. It may not be out of place to mention that the abrogation or amendment of this provision is sine qua non to allow industries to do business at ease for which every government, be at centre or state, stand committed.

Under the above backdrop, it was expected that the present government, while dealing with labour reforms holistically, would deal with this provision appropriately. However, regrettably this section has been retained in chapter X in the newly enacted Industrial Relations Code 2020. However, the threshold limit for applicability has been increased from hundred to three hundred workmen. The question that arises is whether the increase in the threshold limit enough for the manufacturing industries (which are grappling with various challenges and their survival sometimes appears to be at stake in the VUCA scenario)? The threshold limit may be of some help to small scale industries but will certainly not help the medium and large-scale industries. However, one good thing in this provision has been that the appropriate government has been





empowered to increase the threshold limit without any further reference to the legislature. As the provision in chapter VB of the Industrial Dispute Act continued to be retained in the Industrial Relations Code 2020, the government, in order to balance the cart, has inserted a new provision termed as 'fixed term employment' with an objective to provide some flexibility to industries. 'Fixed term employment' in the Industrial Relations code 2020 has been defined as engagement of a worker on the basis of a written contract of employment for a fixed period but his hours of work, wages, allowances and other benefits shall not be less than that of a permanent worker doing the same work or work of similar nature. He shall also be eligible for all statutory benefits including gratuity if he works for a period of one year. Many experts are of the opinion that the government has made a delicate balance between the need of the industries to have flexibility and to protect the worker from exploitation. Can then the proviso pertaining to fixed term employment be deemed as an alternative remedy to industries from the dragnet of Chapter VB of Industrial Disputes Act or Chapter X of the Industrial Relations Code 2020, when it gets operational? The article attempts to find an answer to this question.

# Fixed Term Contract Exist in the ID Act With a Rider

It may be recalled that the government, in the year 2018, had brought in an amendment in the Industrial Employment (Standing Orders) Central Rules, 1946 and had inserted a clause 'Fixed term Employment' in the said rule. However, it has its own drawbacks, as for taking advantage of this provision the appropriate government for the establishment should be central government, and the other basic requirement is to get the clause inserted in the respective standing orders before it get effectuated. In view of these hindrances, the government might have felt the need to incorporate it in the law. Nevertheless, the question that needs to be asked is whether the concept of fixed term employment is a new insertion in the Act. The answer to it will be surprisingly in the negative. The

essence of fixed term employment is inherently present in the Industrial Dispute Act. Section 2 (00) of the Industrial Disputes Act defines retrenchment as follows:

(200) "retrenchment" means the termination by the employer of the service of a workman for any reason whatsoever, otherwise than as a punishment inflicted by way of disciplinary action but does not include-

- (a) voluntary retirement of the workman; or
- (b) retirement of the workman on reaching the age of superannuation if the contract of employment between the employer and the workman concerned contains a stipulation in that behalf; or
- (bb) termination of the service of the workman as a result of the nonrenewal of the contract of employment between the employer and the workman concerned on its expiry or of such contract being terminated under a stipulation on that behalf contained therein; or
- (c) termination of the service of a workman on the ground of continued ill-health

A bare reading of section 2 (oo)(bb) will entail that termination of the service of the workman for nonrenewal of contract will not tantamount to retrenchment under the Industrial Disputes Act. Reference in this regard may be made to a Supreme Court judgment in Punjab State Electricity Board Vs Darbara Singh (2006) 1 SCC 121 = AIR 2006SC 387 = 2006 LLR 68 (SC) wherein it was held that the engagement of workman for specific period, his termination will fall under the ambit of section 2 (oo)(bb) and therefore no retrenchment compensation is required to be paid even when he has worked for 240 days. There are also many other cases of various High Courts where it has been held that non-renewal of contractor termination of contract of a workman engaged on fixed term contract will not be deemed as retrenchment under the Industrial Disputes Act (ref. Sudhir R Koli V Maharashtra Pollution Control Board 2004 LLR982 (Bom HC) & Management, Presiding Officer, Labour Court, Bokaro 2005 LLR





514 (Jhar HC). However, there is catch to this proviso. The fifth schedule of the ID Act which deals with unfair labour practice has the provision in clause 10 (herein after referred to as the said clause) making appointment of workman on temporaries for years as unfair labour practice. The said clause reads as follows:

"To employ workman as "badlis", casuals or temporaries and to continue them as such for years, with the object of depriving them of the status and privileges of permanent workman."

Reference in this context maybe made to Ferozepur Central Cooperative Bank Ltd V. Labour Court, Bhatinda, 1985(67) FJR 367 (P&H HC) wherein it has been held that repeated appointments with breaks for short duration to deprive rights of the workman the rights under section 25 F will amount to Unfair Labour Practice in terms of clause 10 of the fifth schedule of the Industrial Disputes Act. In The Kurukshetra Central Co-op Bank Ltd. vs State of Harvana, 1993LLR 67 the Punjab & Harvana High Court had set aside the termination of a workman who has been working for eighteen years with notional breaks by giving appointment year after year. The High Court was of the opinion that such breaks were given with the intention to deprive the workman the status of permanency and therefore the Court held that the workman will be entitled to reinstatement (also refer Pritam Singh vs Cancer Hospital & Research Institute, Gwalior, 2009 LLR 275 (MPHC). Reference may be made also to Zilla Prashad, Nagpur Vs Moreshwar s/o Vithobaji Mendhekar, 2004 LLR 957 (Bom HC) wherein it was held that an initial appointment of 29 days but extending after artificial breaks for 18 times within a span of one and half years will amount to unfair labour practice and such termination of workman will be treated as illegal. The Delhi High Court in Kirloskar Electric Company Ltd vs Government of NCT of Delhi 2010 LLR 6 (Del HC) held that extending service of the employee for depriving permanency will tantamount to unfair labour practice. The Punjab and Haryana High Court

in Krishan Lal Vs General Manager, Harvana Roadways Rohtak, 2011 LLR 359 had opined that repeated breaks will amount to unfair labour practice under the ID Act. Reference may be also made to the case of Management of Tamil Nadu State Transport Corporation (MadrasDivision-1) Ltd. Vs Presiding Officer Labour Court, Madurai & Anr., 2016LLR 736 (Mad HC) whereby it was held that if the contract of a workman is renewed periodically, required perennially for a long time, termination of his service would amount to unfair labour practice and it will not attract Section 2 (oo)(bb) of ID Act. The Supreme Court in Harvana State Electronics Dev corp. vs Mamni, 2009 LLR 667 (SC) held that where the appointment of 89 days were terminated on regular basis with a break of one or two days and the workman has completed 240 days in a year such breaks will tantamount to unfair labour practice. The Court was of the opinion in such event section 2 (oo)(bb) would not apply.

#### Retention of Similar Proviso in the IR Code

So, from the discussion above, it is found that fixed term contract was in built in the definition of 'Retrenchment' under the said Act, but renewal and continuance of such appointment for years has been deemed as unfair labour practice. The Industrial Relations Code 2020 has retained the definition of 'Retrenchment' almost in verbatim from Industrial Disputes Act but has inserted one more clause wherein the termination of service of the worker as a result of completion of tenure of fixed term employment will not be deemed as retrenchment. The said code in second Schedule which deals with unfair labour practice has also retained the said clause making the employment of workers as 'badli' workers, casuals or temporaries and to continue them as such for years to deprive them of the status and privileges of permanent workers as unfair labour practice. Now the question that arises whether the engagement of a workman (which is now 'Worker' in the Code) on fixed term employment over the years or intermittently with breaks will be deemed as unfair labour practice





especially in light of the above discussed judgements? It will not be an understatement to say that the proviso pertaining to fixed term employment is in direct conflict with the aforesaid clause 10 in schedule two of the Industrial Relations Code 2020. Hence, the government would have done well not to retain the said clause in the Industrial Relations Code in order to give impetus to fixed term employment. As there is no change in the definition of 'Retrenchment', the retention of the said clause will make the judgement/s discussed above applicable and engagement of workmen on fixed term employment for a considerable period or over the time may be deemed as unfair labour practice. Hence, it will be out of place to mention that more than the insertion of the definition of fixed term employment what would have been more appropriate for the industries is the abrogation or non-retention of the said clause in the second schedule of the Industrial Relations Code 2020 as fixed term employment is already inherently inbuilt in the definition of 'Retrenchment'. Hence, more than a silver lining, the definition of fixed term employment may increase the financial burden on the industry owing to the obligation cast upon the employers for treating this category of employees at par with the permanent employees doing similar jobs including payment of gratuity and other statutory obligations.

# The Other Perspective to the Definition

However, despite the aforesaid hitches, there is another aspect to this definition of fixed term employment which should also be appreciated. The Fixed term Employment for the first time has been inserted in the Industrial Relation Code 2020. This illustrates the legislative intent to bring such a proviso in the code so that the industry can take advantage of it and at the same time to provide adequate measures to protect the interest of the workmen. The statement of objects and reasons of the Industrial Relations Code

2020 in clause 5 sub clause (ii) states as follows:

"to provide for fixed term employment with the objective that the employee gets all the benefits like that of a permanent worker (including gratuity), except for the notice period after conclusion of a fixed period, and retrenchment compensation. The employer has been provided with the flexibility to employ workers on fixed term basis on basis of requirement and without restriction on any sector."

A bare reading of this object and reasons of Code will entail the legislative intent as to why this proviso has been inserted in the code. In addition, as this proviso provides for equal treatment of this category of workman with that of permanent workman doing similar job and extends all benefits including gratuity, it cannot be deemed any more the engagement of temporaries, casual for considerable period to as unfair labour practice as it cures the infirmity in depriving the benefits of a permanent workman. Under this backdrop, though there remains an inherent conflict between the definition of 'fixed term employment' with that of clause 10 in schedule 3 of the Code, the legislative intent and the protecting the interest of the workmen has added a different dimension to the definition of 'fixed term employment'.

### **Conclusion**

Hence, it appears industries can now take advantage of this proviso pertaining to fixed term employment without much concern and it will give them the desired flexibility to operate in the VUCA world. Despite the aforesaid judgements discussed above, the Courts will ostensibly take these new dimensions pertaining to fixed term employment into cognizance before arriving at a conclusion. Nevertheless, a caveat needs to be added as nothing can be said with certainty at present till the proviso is put to judicial scrutiny for the conundrum to get resolved.





# **Beyond Fait Accompli....**



Debapi Basu

## The Beginning

In the summer evening of 2008, the author got confirmation of selection as the Head HR for the company's project in Sultanate of Oman.

The assignment was all about leading an international project on the HR front where the confectionary major decided to shift one of the lines from its Dubai plant to its Oman operations. Decision was purely on commercial grounds as the cost benefit / what if analysis for running the line was not supporting continuity. The business needed an alternate but strong option to survive and excel in the competitive Gulf market.

Industrial policy of Oman which happened to be very manufacturing industry friendly in terms of subsidies, restrictions, etc. came up as the plan B.

# **Challenges**

- 1. The project timeline, basis men and machinery, was in July 2008 and July-August, for that year, were the Ramadan months when government works for only 50% of the working time.
- 2. In just about a month, the project had to undertake dismantling of the Dubai line, have 200+ operators from India, who had been working there for 10-12 years, crossing borders with all procedural requirements (on visa/insurance) and

setting up the line and producing the first piece in the new place!

Sounds mathematically absurd thereby making this project the toughest one undertaken by any company, not only in India but also across South Asia.

The biggest challenge was to get the technical team ready for it. The activities were:

- a. The dismantling of the entire line from the Dubai Setup and packing it separately with separate codes that would later help in assembling. Even one missing screw could become critical as spares were not available like in Indian Markets. Concept of use and throw would have killed time as procurement of spare parts need to go through a minimal procedure, which is a luxury in the hands of the Project Team.
- b. Team A had to be specialist in dismantling. It was led by the Howrah based engineering firm who, along with its operating team, flew to Dubai a week ahead of day zero, when the dismantling started. Best of the teamwork was seen with German brain and Indian execution in surgical precision.
- c. Team B of the technical team, flew from India, based itself in Dubai and tried to understand the A to Z of the machines, entered Oman by road to see





the micro details of the arrangement of placing the new line in the existing taken over plant, so that the entire team can swing into action from the very minute of reaching the Sultanate of Oman.

- d. The managerial team chief officer, logistics head, production head were already in Oman so that proper coordination could be ensured with the sponsor, existing staff in the plant in Sohar Industrial Estate. Sohar is termed as a small town at the midpoint between Dubai and Muscat.
- e. As mentioned before, the two German engineers moved along with the local Liasioning officer from Oman and the major part of the dismantled machineries and they started exploring the feasibility of starting the exercise, depending completely on the expert team as the local workforce did not have that mechanical specialization.

### Role of HR in the Project

The realization of the criticality of the project emerged only after landing in Dubai, that being the first time in Gulf with zero knowledge of customs, language, rituals, barring some reference works on the applicable laws.

The task for HR was simple. The CEO, a St. Stephens and IIMA alumnus, explained that the plan was to ensure a smooth transit of Dubai based operators and few others from the Howrah based engineering firm dismantling to the Sultanate of Oman (as per the blue print under Operation Sindbad), acclimatize them to the situations and start off the job as they get settled down. A day was broken into hours; tasks were broken into a number of activities during and after the crossing of Dubai-Oman border.

As expected, the immigration officials mainly in Dubai started asking questions in local language. Luckily, the interaction could successfully take place with their in-charge and along with the Omani liasioning officer, the HR team managed to be there in Sohar after a journey of four hours, covering a distance of 252kms roughly.

The team got the operators into their camps in Sohar.

The camps were housed in newly built three storied buildings. Cooks from Andhra/Kerala, along with the helping team, had taken command of meals. The very next day, the HR manager visited the people, met the staff, workmen (70%) and saw the running of the plant. Surprisingly, the men folk were seen once in the morning for an hour and then again after breaking the fast.

The German engineers, after the initial morning briefing had already swung into action with proper division of task among the Indian operators and the vendor firm. Things seemed to be fine with the logistics and environment.

As the HR Head of the assignment, it was the author's responsibility to ensure total team formation of people involved in the project cum manufacturing, acclimatization to the local people, culture and process. Luckily, there were small notes on the crux of what's yes and what's no and that helped.

Now the local Omanis preferred to be on their own, not gelling with the Indian operators and as it was Ramadan time, they had the scope to work half day.

At this juncture, the team members came to the rescue. There was a ten member team, two of whom were local ladies. They recommended a direct talk to the floor workmen, ladies and gents separately. With broken Arabic on our side and broken English on their side, finally on the fourth day at Sohar, it felt like an ice-breaking. Somehow they started feeling the pulse that some great job is in the making. The smartest one (her brother had his education in India, Pune) replied with "Mudir" (manager, very respectable term) and an expression which meant 'you guide, we are with you'. That was on the ninth day. Of the two local women in the team, one of them happened to be the daughter of the General Manager of the Industrial Estate. An individual development plan was started for each, with a separate prescription for each.

They started trusting and confiding in the HR manager. The next target was plant workmen. To break the ice further, the author, along with other managers, started attending all social functions.

On the tenth day, a team of about seven officials





(Omani, with a few of them holding degrees from European Universities) came to the plant all of a sudden and wanted to know from the ladies first, about the Indian company, the managers, how they treated them, etc. And the report was overwhelmingly positive! The process had taken momentum with the ladies focusing into production in the continuing lines while supporting the group's engineering. A few boys started showing interest. In between, we had to participate in the biggest craze in Oman - in night football. Our team won and the medal is still there!

As days went by, the technical and commercial counterpart along with the old hats of the plant were taken by surprise when they found a very uncommon synergy gaining momentum among the team members, where the Omani boys took it easy to work with small core teams assigned, where functions linked directly or indirectly with the success of the project. There were a few technical hassles in getting some shipments on time which again, through the PRO got managed.

While this seems to be a matter of months, all this happened in a few weeks. The day used to start at 3:00 am once the cooks confirmed that breakfast is ready as one cannot take food throughout the day during Ramadan, not even a glass of water, publicly. There was a need to monitor disbursement of food packets in all the camps where expat operators where staying.

The first half of the day was dedicated in reviewing the progress in HoD meetings after which meetings took place with my department for the task at hand, particularly compliance and immigration (pre and post joining) related, as executives used to get deputed for a senior management review. The second half would be mostly used in the plant, interacting with small work groups who were critical in hitting the deadline. The first production in the assimilated line was on the 23<sup>rd</sup> day. *This record has been intact for the last 12 years!* 

Looking back, it looks good to think of the role which a couple of veterans denied and the author, too, looked destined to fail.

### **Game Changers**

For young friends in particular, it would be good to share a few points which were the game changers:

- 1. **Micro planning :** There was virtually no Plan B. The doables for the next 6/12/24 hours were decomposed and improvised with the help of senior management ideas, but mainly over phone.
- 2. Oman had **nationalisation guideline**: This meant that a certain percentage of the workforce must be localized. Knowing that manufacturing was only 35%, the ministry of Manpower was directly approached to grant an exemption for the next 3 months till the company settled down; with a commitment to skill up the Omani workmen in a phased manner. This was a rarest of rare case as the young director had trusted the HR team that in return of this help; the company would constantly try to skill up the localites.
- Know the history of the place where one is going: The then ruler and head of State of Oman, late His Excellency Sultan Quaboos, was a student of the late Indian President Dr. Shankar Dayal Sharma. He always had a high respect for Indian culture. It was also known that when Dr. Shankar Dayal Sharma visited Oman as President of India, His Excellency drove the car himself to the tarmac, breaking all protocols, to receive not the President of India, but his teacher. A normal Omani person also displays that warmth in his /her behavior. As an HR operating in an international project, this homework can catalyse the speed of implementation through winning the hearts by making the people believe that you are there for them.
- 4. **Have a mentor:** When faced with a situation, think of someone whom one considers as a role model. One should just put himself in his chair and chase his thoughts how would he have responded to this and thereafter the execution path becomes smooth, year after year, assignment after assignment.

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# Student Article Hybrid Working Environment - The New Normal



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## **Background of the Study**

Mr. X dreamt of the day when he would be able to work sitting in the comfort of his home, wearing comfy pajamas, a shirt and would not have the trouble of travelling by train to reach his office. He thought of the money he would save by not having to travel daily and also the excess amount of energy he would have if he didn't have to travel to his workplace which would definitely increase his productivity and put him in the race of getting that extra year-end bonus. However, this wasn't a dream anymore for him, it was his reality. In March 2020, the entire world came to a standstill. People started to Work from Home and everything went online. Going back to the office physically seemed like a distant dream then, but now slowly we are adapting to the new normal, and employers are starting to go back to the office physically a couple of days in a week.

Hybrid teams have existed in the workplace for quite a period of time, but their applicability has been very low, however, this pandemic has seen a rise in this particular area. The timeline for accommodating 100% workforce is still unknown, so organizations have adapted to the new normal and hybrid teams have become a way of life. Hybrid teams are a type of virtual team in which some team members are collocated (i.e., work together in the same location) and have face-to-face interactions while other members are not collocated and rarely or never have face-to-face interactions.

Employees are not Working From Home but they are rather Working At Home.

# **Emergence of Hybrid Teams**

However, having 100% of the workforce back in the office is still a distant dream and this new normal has given rise to hybrid teams in the workplace. A survey conducted by Hays Group, a global recruiting expert company says that - "Variations in employee circumstances, preferences or requirements within the same workforce could lead to the rise of hybrid teams, which are teams in which some members work in the one co-located workplace while others work remotely. So, each day at your workplace could look very different, with part of your team coming into the office on some days, and others staying at home. This is an entirely new challenge for most leaders, so it's important to think now about how you might best lead your newly hybrid team in the not-too-distant future." As discussed earlier, hybrid teams are a distributed workforce comprising of flexible workers. It means that the employee has the option to choose whether to work from the office, whether to work from home or both. The choice of the working environment depends upon the employees' responsibilities and personal environment. Organizations need to deal with the fact that hybrid teams are no longer the future like it was a year back, but it is already here and is here to stay for quite a while. The digital change which is being witnessed has less to do with changing technology but





is more about the people involved in the process. In any change project, regardless of being a big or a small one, there will be resistance to change and that is a fact. In a situation where organizations need to adapt rapidly to the external environment, there will be a significant resistance for change, but the impact of external environment in this current pandemic situation is far more significant to implement the change than that of internal factors. However, the organization cannot shy away from facilitating the change process for holistic survival. The HR Manager needs to understand that the needs of the employees are varied, and the company needs to figure out as to how they will manage the various circumstances while treating everyone's' individual needs. With or without the pandemic, a manager's primary role is to retain happy and productive employees. In a year with a global health crisis, economic uncertainty, and ongoing social unrest, the role of a manager increases leaps and bounds. Research has shown that people are still resentful when they are being asked to return to the workplace. At the same time some feel that working from home leaves them with a professional disadvantage. Prioritizing health and security of the employees is of prime importance for the management, so difficulties of working at home needs to be addressed from both ends and initiative needs to be taken to make remote working sustainable and successful.

# So, the only option left with managers is to adopt a hybrid model.

But adopting a hybrid model is easier said than done. Although many companies had the tools and infrastructure at the start of the crisis, still this pandemic has triggered them to think about introducing new solutions or whether to use the old solutions in a more innovative manner. The information technology industry was well acquainted with the model and the usage was dominant but there was flexibility. Now the model has become the only solution. Industries like education, medical, other services and to some extent manufacturing where noone has ever imagined this model as a tool has adopted and adapted to it in a transformative manner. Many companies are now preparing for a future workplace

which will be a combination of remote work and time in office. Consultancy giants like KPMG and Deloitte are exploring the option of adapting the "hub and spoke" model, where an employee can have an office location closer to their homes. The main aim in adopting the "hub and spoke" model is to attain centralization. Instead of multiple leaders trying to achieve the same thing, the models help in creating a hierarchy of control where centralized commands can be issued. Since everything in this model is centralized; the policies and procedures can be implemented with greater accuracy.

# "When we talk about hub-and-spoke during and after COVID-19, I'd call that version 2.0." - David Cairns, Senior Vice President, CBRE Canada

In a world of "hub-and-spoke 2.0," the physical office will become a critical component of a hybrid workplace and will act as the central nervous system for a more widely distributed network of employees.

# **HUB & SPOKE 2.0**



Figure 1: Hub-and-spoke Model Source: Cairns. 2020

Earlier, board members believed that working from home would hamper an employee's productivity. Companies have competed intensely to acquire prime office space in major urban cities across the globe and many focused on the solution of that were in place to





promote collaboration. Densification, open office designs, and co working were the common battle cries of every company in existence. But, COVID 19 has given us proof of the fact that no commute time and a few coffee breaks have resulted in increased productivity among the employees.

Companies have realized two important things -

- 1. Most meetings can be just emails or could be done over a phone call and
- 2. Renting an office space is the biggest expense of all and work from home can prove to be quite economical.

According to McKinsey research (2020), 80 percent of people questioned report that they enjoy working from home. Forty-one percent say that they are more productive than they had been before and 28 percent say that they are as productive (Brodie Boland, 2020). A study by Catalyst concluded that by 2025, Millennials will take up three-quarters of the global workforce (Generations-Demographic Trends in Population and Workforce: Quick Take, 2019). Additionally, a study by Inc shows that Gen-Z will surpass Millennials as the most populous generation (Gherini, 2018).

This means that in the upcoming years, Gen Z who will be laying their roots in the workforce near future are the ones who value freedom and flexibility over an in-office, traditional job, and the perks coming with it. Gen Z has grown up as a digital native and now Millennials have joined them and become highly dependent on technology for their everyday lives.

#### Road Ahead

Leading organizations around the world are now questioning their long-held assumptions about how work should be done and the role of the office. One thing is for certain - there is no one-size-fits-all solution. The answer will be different for every organization and will be based on what talent is needed, which roles are most important, how much collaboration is required for excellence. However, the one major problem with hybrid team will be that there is a probability that it might magnify existing inequalities in the workplace which are existing already. Employees having a home office setup might be able to concentrate better on the work at hand than

those living in shared accommodation housing facilities or staying in a one-bedroom apartment.

Kerber and Buono (Rethinking Organizational Change: Reframing the Challenge of Change Management, 2004) identified forces that pulled teams apart. In order of importance, these forces were (a) pressure to pursue local priorities, (b) lack of faceto face contact, (c) time differences, and (d) cultural differences. Technology failures, communication problems, increased conflict potential in working with different cultures, increased difficulties in building trust without face-to-face contact, higher coordination efforts across locations and time zones, and performance management are the key disadvantages virtual teams encounter (Gibson & Cohen, Virtual Teams That Work: Creating Conditions for Virtual Team Effectiveness 2003). The company needs to keep these factors in mind while designing the plan to manage hybrid teams. Edwards and Sridhar (Analyzing Factors that Affect Performance of Global Virtual Teams, 2005) submitted that different levels of technological proficiency among team members have a negative impact on the teams' effectiveness. Klein and Kleinhanns' (Klein JA, 2003) research indicated that virtual teams will require a large time investment when created to align with priorities, build relationships, and obtain a shared understanding.

#### Recommendations

The answer will vary from organizations to organizations and from managers to managers, but the following points are suggested for a possible solution:

- 1. <u>Set expectations and accountability</u> Managers need to have a talk with their employees in order to set new practices and protocols. Managers need to set expectations and accountability earlier with all the staff so that both home and office-based workers can work together productively and know who is doing what. Make sure that the employees understand the purpose of their work.
- 2. <u>Clearly define working hours</u> This will help the manager and his team to know who is working when and where. One way to do this is via sharing of work calendar to boost the visibility of vital information.
- 3. <u>Discouraging a "them and us" culture</u> When managing a hybrid team, it can be extremely easy





for unhelpful or negative attitudes about the 'other' group to slip in. Managers are to make sure that there is a culture of support and respect in the hybrid team.

- 4. <u>Commitment of equal time and focus to every team member</u> The amount of attention and help a manager should give to his employees shouldn't depend on where they are working and what their job role is.
- 5. <u>Measuring performance in a "fair-way"</u> The effort needs to be shifted from hours at the desk to output based on set objectives. No matter what the location of the team members, the manager should be focusing on the quality of work they produce and not the amount of time they spend doing the same.
- 6. <u>Recruit wisely</u> If the company is looking to hire new people, the manager should focus his attention on recruiting people who are result-focused, motivated and can work on their own initiative. Regardless of where people are based, adaptability will always be a key in-demand as well as soft skill post-crisis.
- 7. <u>Creating occasions to physically bring the team together</u> Once the crisis gets over and the government restrictions are lifted, the manager can look for opportunities to physically bring the team together, it can potentially lead to increased team unity, morale, and harmony.
- 8. <u>Keeping remote employees informed about the company and team decisions</u> This will give them a clearer overview of the strategic direction of the organization and wider team while minimizing any sense that they feel out of the loop.

As everyone is eagerly looking forward to a workplace in the new era of post-COVID 19, it is clear that the office space is about to become more fluid than before and this may cause the team dynamics in the future.

As the world around us changes, the leaders also must change. What worked last month might not work now. As a leader, then, it is important to put oneself on the front foot now, by starting to think about how one might best lead one's new hybrid team in the not-toodistant future.

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# Student Article Effects of Pandemic on the Indian Stock Market



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## Introduction

India being the fastest growing economy among all the developing nations during the mid-March, before the breakout of the pandemic all over the country, the stock market was at 39,500 points (approx). On the 23<sup>rd</sup> of March, the market had dropped to 25,981 points (approx) thereafter the Janta Curfew and the start of the lockdown period which was for an uncertain period of time. To understand the effect of the pandemic on the stock market, one needs to analyse the three main financial statements namely, the Profit & Loss, Balance Sheet and Cash Flow Statement of various listed companies operating in different sectors of the economy. Four sectors of the economy that are taken into consideration here are - Automobile, Pharmaceutical, Textile and FMCG.

In the study, the choice of the four sectors is on the basis of Necessary, Comfort and Luxury items for a common middle class man in the society. As one knows for any common man, FMCG and Pharmaceuticals comprises of the necessity items. The textile sector specifically ranges from necessity to luxury; it generally depends on the price range of the cloth item which differentiates the necessary, comfort and luxury textile items. And lastly the automobile sector which is a complete luxury sector for the middle-class man in India.

# History

The world wide Stock Market has a history of crash and recovery and the Indian Stock Market was no different from that. Sensex had dropped to 53% in one

year during the "Harshad Mehta Scam" in 1992 but eventually it recovered by 127% in the next 1.5 years. Next in the year 1996 during the Asian Crises, sensex dropped by 40% in four years but it recovered 115% in one year. Again in the year 2000 'Tech Bubble" the sensex crashed 56% in 1.5 years but recovered 138% in 2.5 years. And the last crisis of 2008 due to the US "Real Estate-Lehman Crises", sensex crashed 61% in one year but then recovered 157% in 1.5 years.

#### **Current Scenario**

### Background of the Study

The present date sensex has again crashed in less than three months due to the world wide pandemic of the Novel Corona Virus (COVID 19). Experts are comparing this economic slowdown with the "Great Depression" of 20<sup>th</sup> Century. During this time the GDP had fallen by 15%, as compared to the GDP during the "Great Recession" of 2008-2009 fell by less than 1%. Economists slashed the GDP rate for the foreseeable future due to the obvious impact of the lockdown. While presenting the Finance Bill of the year 2020-2021, the Union Government had been reasonably estimating India's nominal GDP growth rate which included both real and inflation to be 10%. However this figure now seems far away from reality and is thus highly uncertain. It is also expected that the lockdown can bring down India's growth rate from 4.5% to 2.5%. As per the Statement released by the Chief Indian Economists of Goldman Sachs on 09.04.2020, the economic growth of India has been estimated to be much lower figure at 1.6% only.





# Analysis of the present situation

The pandemic hit with uncertainty and implications on all the aspects of business across the world. Although India was ahead of many countries in the implication of work-from-home especially for the white collar employees, job and earning deficit, along with instability in prices was expected. During lockdown there had been free fall of employment in the country, which slowly stabilized after the economy started to reopen in late May in most part of the country. Due to the uncertainty about the cure of this worldwide spread pandemic backed by the lack of demand for various commodities in the market and no investment, the Indian Stock Market crashed, A UN report estimated a trade impact of more than USD 30 millions in India due to Corona Breakout, making India one of the top worst affected economies across the world. Another estimate done by the Asian Development Bank on the loss of Indian economy is estimated to be USD 29.9 billion. The single day crash in the stock market on 12.03.2020 by 2352.6 points was a great concern for the Indian economists and economic advisors. Although after the declaration of complete lockdown, Sensex and Nifty gained a little, adding value of about USD 66 billion to the investor's wealth. The trend however reveals that the curve has been absolutely uncertain.

If one would try to look at four of the above mentioned sectors of the stock market, how the sectors and how the individual companies operating in that sector perform., one can notice quite a few things. In the initial phase of the lockdown the textile and the automobile sector has been facing a huge drop in the market demand, as the consumers were more concerned about the necessities than luxuries of life. On the contrary what can be seen is that the FMCG sector had maintained a constant business throughout the period because during the time of emergency the necessities become the priority of any common man. And lastly the pharmaceutical sector has expectedly shown a huge rise in business, because there was a huge increase in the purchase of medical products like Hand Sanitizer, Personal Protective Kits and other medical products. Thus, it is clear that the effect on the business depends on what product or service does the business sell to the consumers.

### Conclusion

To conclude what one can say and recommend is that during situations like pandemic breakout, the market becomes totally dependent on those sectors which primarily cater to the necessities of the consumers. Therefore it is very necessary to not only have a balance between the different sectors in the markets and the role they play in the market, but also special care is to be taken that sectors like FMCG, Pharmaceuticals etc who supply the needs of the consumers grow more in the market. Government of the country should also try and support such sectors to grow, by providing them with assistance and support when and where required, because necessities comes before anything.

If one would think about the stock market as a whole the pandemic has created a huge gap in the business flow. A lot of sectors are facing huge losses due to the lockdown and many firms are going through complete shutdown or turning to sick units. The government with the help of various financial institutions can try to inject stimulus in the market so that the sectors can revive from their present situation. With the starting of the unlock procedure all over the country, a ray of hope could be seen for the recovery of the economy, but these recovery will require a huge support from the government and also the citizens of the country to return to its previous position.

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