# Career Development and Planning





# CAREER DEVELOPMENT AND PLANNING



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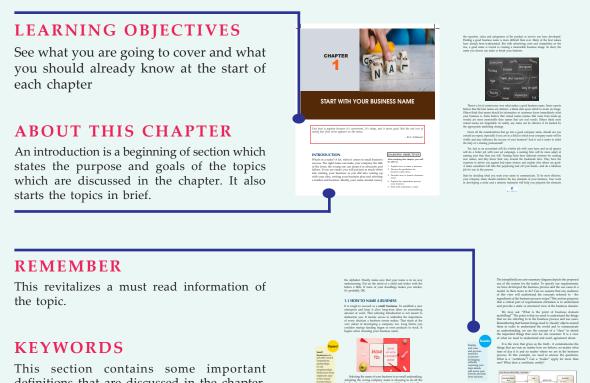
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# HOW TO USE THE BOOK

This book has been divided into many chapters. Chapter gives the motivation for this book and the use of templates. The text is presented in the simplest language. Each paragraph has been arranged under a suitable heading for easy retention of concept. Keywords are the words that academics use to reveal the internal structure of an author's reasoning. Review questions at the end of each chapter ask students to review or explain the concepts. References provides the reader an additional source through which he/she can obtain more information regarding the topic.



definitions that are discussed in the chapter. A keyword is an index entry that identifies a specific record or document. It also gives the extra information to the reader and an easy way to remember the word definition.



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#### **DID YOU KNOW?**

This section equip readers the interesting facts and figures of the topic.

#### **EXAMPLE**

The book cabinets' examples to illustrate specific ideas in each chapter.



a trademark in the U.S., you have to file an application United States Patent Trademark Office (USPTO), the rency that governs the enforceability of trademark 48

# d on a certain area, you might select a broad name that can

re a couple of things that you can do inst domain, consider buying it. It's p you, but a search-friendly

#### 1.3 BRANDING A BUSINESS NAME

which mean that companies as decisions regarding bus gistered and may independ - 49



# **ROLE MODEL**

A biography of someone who has/had acquired remarkable success in their respective field as Role Models are important because they give

us the ability to imagine our future selves.

## CASE STUDY

This reveals what students need to create and provide an opportunity for the development of key skills such as communication, group working and problem solving.



was an MIT for the Architecture M imulation work at D arly multiprocessor operating system fo ine operating systems for IBM; and sin At UC Irvine for his PhD, Paul worked on the Distributed Computer Syst ere he built one of the earliest ring LAN hardware systems and matching netw

retaring system. At USC's line/meaning Science Institute, Paul started as a research as entaally baded the Communications division. During this time Paur Inded work on many of the fundamental internet protocols, including d the first MIT server, and later the investion of the Dourini Name S ployment of early root servers and DNS operating very application on the in all web and emails disferses and seisentiapit years. The DNS is an es-

active in internet community service, spending 3 years working at ARPA, and 2 years as IETF chair, as well as In 1995, Paul left academia, and took leadership roles at tternet at @Home, email at Software.com/Openwave, integrate t Fiberlane/Cerent/Siara.

At present, he is Chairman and Chief Scientist a to his interest in DNS, advancing naming and dir also serves and advisor and board member for var to believe that the internet's future is ahead of it. Paul is a member of the ACM and IEEE.

#### CASE STUDY

GLOBAL BUSINESS SERVICES COMPANY

Company owns a corporate domain portfolio of several hundred don neumbent corporate registrar provided their domain management and ra company also used several retail registrars from legacy relationships be years by IT, digital marketing and as a result of M&A activity.

#### Business Challenges

In 2016, Company domain management stakeholders in IT and marketing exp number of challenges managing their domain assets. With multiple service their domain management coas were excessive and asveral vendors presente and management problems. Internal processes for ordering, managing and domains were inefficient, requiring manual steps and administrative work a asset management and support was depende es combined with external professional services

The rapid expansion of generic top-level domains (gTLDs mpany leadership that domain management was becoming n of ownership was increasing, in part due to ha recognized that slow, manual and non-integrat impeding business objectives such as becard ined to find a solution that would offer

Vendor consolidation for greater operational efficiency; Cost reduction (internal and vendor cost); Enhanced business intelligence (to gain competitive advantage in the ma

#### Solution and Outcomes

Company's brand and IT management decided to consolidate their domain po on a single, integrated digital asset management platform that would meet the of internal stakeholders: digital marketing, brand management, IT, finance, legal (intellectual property) teams. Company selected Authentic Web Inc. in: turphene, movies two systems to movies to movies the direct direct and in systems. legal (intellectual prop turnkey project manag to a single platform.

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#### **MULTIPLECHOICEQUESTIONS**

This is given to the students for progress check at the end of each chapter.

#### **REVIEW QUESTIONS**

This section is to analyze the knowledge and ability of the reader.

#### REFERENCES

References refer those books which discuss the topics given in the chapters in almost same manner.



## **REVIEW QUESTIONS**

Answer to Multiple Choice Questions 2. (b) 3. (d) 4. (a) 7. (a) 8. (c) 9. (b) 5. (c) 10. (c)

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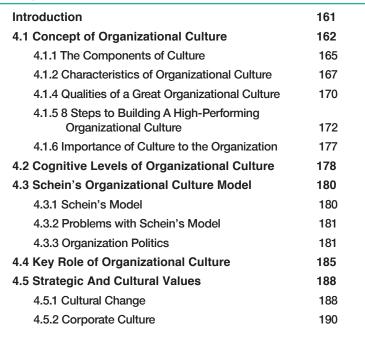


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# PREFACE

Today, challenging organizations have developed new concerns regarding the development of their employee's careers. In such a situation, employees and employers should prepare to maintain the changing environment and work accordingly. To meet existing demands, employees are required to constantly upgrade their skills and competencies, while the organization should prepare with those employees who may be able to handle the pressure and the risk of fall prey to the changed scenario close; can do. Career development and career planning are very significant in the current age of technology, because current century and global changes have given birth to an atmosphere in which nearly everything is in competition with each other. This case is also valid for educators. On one side, everything is changing very fast; on the other side, they are supposed to adopt themselves these rapid changes. Such an adaptation requires some certain commitment, motivation and planning concerning themselves and their students. In this sense, being just a good teacher will not be enough. Engaged employees invest in career planning and development on their own in addition to any offered by an employer. Some employers do not offer planning and development so it is up to the individual to ensure growth needs are a priority. Career development is a win-win focusing on the employee's needs for growth along with providing benefits to the business.

## Organization of the Book

The book provides foundational concepts in career planning and professional development. It evaluates current career management issues and their implications on professional career plans and development.

**Chapter 1** is an introduction to career planning that presents an overview of career planning. Furthermore, career planning process, steps and stages are covered. It also focuses on career development theories.

**Chapter 2** details on the career concept, paths and perspectives. It also explain career development strategy and clarify the decision-making in career development.

**Chapter 3** presents working in a global economy that sheds light on how to working in the new global economy. Furthermore, it presents on need and importance of quality of work life. Additionally, a focus on international trade in economic growth is given.

**Chapter 4** presents a focus on organizational culture. A great culture exemplifies positive traits that lead to improved performance, while a dysfunctional company culture brings out qualities that can hinder even the most successful organizations.

**Chapter 5** sheds light on career and family roles. The work-family interface issues started by focusing on the 'conflict' aspects between work and family domains. In the past decade or so, research has been plentiful to endeavor also to comprehend the positive aspects emanating from work-family dynamics.

**Chapter 6** focuses on organization of training and development programs. Since training is intertwined with development, the two words are generally used in tandem with each other to define the continual enhancement of employees in order to reach organizational goals. Without training and development initiatives, an organization can fail to reach its full potential.

**Chapter 7** focuses on interpersonal communication process through which people exchange information, feelings, and meaning through verbal and non-verbal messages: it is face-to-face communication.





# **INTRODUCTION TO CAREER PLANNING**

"It's not what you achieve, it's what you overcome. That's what defines your career."

- Carlton Fisk

# **INTRODUCTION**

Choosing a career is unquestionably one of the most important decisions you'll ever make. It impacts just about every facet of your life. It determines how much money you'll make, how much you'll work each week, where you'll live, when you can retire, and quite possibly whether or not you pursue a family. On average, we're at work over 70% of each year, which equates to nearly 35 years over an average life time. Making a good career choice can be the difference between a life filled with

## LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. Give an overview of career planning
- 2. Explain career planning: process, steps and stages
- 3. Focus on career development theories

satisfaction or a life filled with disatisfaction and disappointment. While you don't need to stress over choosing a career, it isn't a decision to be taken lightly either.



There are those individuals that know from a young age what they wanted to be when they grow up, but they are the exception. Most of us don't know what we want to be when we grow up, even after we've grown up. It's not uncommon for people to choose a career simply because they have too. They put very little effort into choosing an occupation or they choose an occupation for the wrong reason. High pay, prestige, recommendation by a friend, and security are just few wrong reasons people choose careers. Then they end up feeling stuck and unhappy. Proper and thorough career planning is the key to choosing an occupation that will lead to many years of fulfillment and satisfaction.

The career planning process has four components: (1) Self Assessment, (2) Career Exploration, (3) Career Identification, and (4) Action Plan. If you're driven, you can easily go through these steps on your own. You also have the option of working with a career development counselor who will help facilitate the career planning process. Whether you go at it on your own or work with a career development professional, the thought and energy you put into the process will determine how successful you are.

# **1.1 AN OVERVIEW OF CAREER PLANNING**

Career planning refers to the process of planning career choices, establishing career objectives and deciding on educational and developmental programs to improve the skills required to achieve career objectives.



# **1.1.1 Definitions**

- A career may be defined as ' a sequence of jobs that constitute what a person does for a living'.
- According to Schermerborn, Hunt, and Osborn, 'Career planning is a process of systematically matching career goals and individual capabilities with opportunities for their fulfillment'.
- Career planning is the process of enhancing an employee's future value.
- A career plan is an individual's choice of occupation, organization and career path.

Career planning encourages individuals to explore and gather information, which enables them to synthesize, gain competencies, make decisions, set goals and take action. It is a crucial phase of human resource development that helps the employees in making strategy for work-life balance.

# **1.1.2 Features of Career Planning and Career Development**

Let's look at some of the features of career planning:

- Self-analysis: The first and foremost among the features of career planning is the need for self-analysis. You need to analyze your strengths, abilities, knowledge, and personal preferences.
- **Opportunity analysis:** Once you determine your career choice, you need to analyze the available opportunities.
- **Goal setting:** Among the features of career planning, goal setting is probably the most important. You need to set realistic short- and long-term career goals.

#### 4 Career Development and Planning

• Creating a strategy and implementing the action plan: Once you have set your eyes on your goals, you need to chart out the course and acquire the skills or resources necessary for achieving those goals.

# 1.1.3 Objectives of Career Planning

The major objectives of career planning are as follows:

- To identify positive characteristics of the employees.
- To develop awareness about each employee's uniqueness.
- To respect feelings of other employees.
- To attract talented employees to the organization.
- To train employees towards team-building skills.
- To create healthy ways of dealing with conflicts, emotions, and stress.



# 1.1.4 Nature of Career Planning

The following are the salient features of career planning:

• A Process: Career planning is a process of developing human resources rather than an event.

- Upward movement: It involve upward movement in the organisational hierarchy, or special assignments, project work which require abilities to handle recurring problems, human relations issued and so on.
- Mutuality of Interest: The individual's interest is served as his needs and aspirations are met to a great extent and the organisation's interest is served as each of its human resources is provided an opportunity to develop and contribute to the organisational goals and objectives to the optimum of its ability and **confidence**.
- Dynamic: Career planning is dynamic in nature due to an ever changing environment.



Keyword

**Confidence** is a state of being clear-headed either that a hypothesis or prediction is correct or that a chosen course of action is the best or most effective.

# **1.1.5 Importance of Career Planning**

Career planning is a step-wise process which enables an individual to focus on where to want to be in life professionally. With the short-term goal and the long-term goals in place, It can help to plan their journey in their professional life. Selfassessment is necessary to understand one's capabilities and drawbacks. The various career options should be explored in detail to find a fit between one's abilities and the opportunities provided by a career option. It involves continuous learning and improvement to build and growth in the chosen career path. A good career planning helps a person grow in life in their professional career, which also help them grow personally.



# 1.1.6 Benefits of Career Planning

The HR department should take an active interest in employee career planning. They often handle career planning because their human resource plans indicate the organization's future employment needs and related career opportunities.

D. B. Miller says that organizations have a different perspective on **careers**.

They want to assure that managerial succession is orderly and efficient so that when managers need to be replaced because of promotion, retirement, accident or illness, termination or resignation, high-qualified people can replace them quickly and easily.





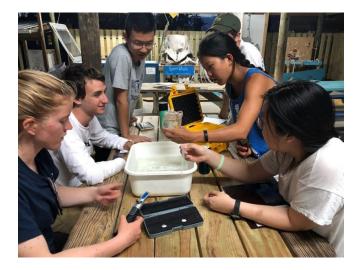
Everett Hughes occupies a unique space in the history of career theory, since he is often designated as one of the founders of the field and was writing about the sociology of occupations as early as 1928. The involvement of HR manager in career planning has grown during recent years because of its benefits. Here is a partial list of those benefits:

- Career planning helps to develop internal supplies of promotable talent. If vacancies occur, it is easy to locate a good successor.
- The increased attention and concern for individual careers generate more organizational loyalty, and therefore, lower employee turnover. Career planning improves the organization's ability to attract and retain high talent personnel.
- Career planning encourages employees to tap more of their potential abilities because they have specific career goals.
- Career plans and goals motivate employees to grow and develop, without career planning, it is easier for managers to hoard key subordinates. Career planning causes employees, managers, and the HR department to become aware of employee qualifications. Key subordinates can be placed in different departments.
- It reduces employee frustration as the employee knows what he should do to the career goal. Assists affirmative action plans. Career planning can help members of protected groups prepare for more important jobs. This preparation can contribute to meeting affirmative action timetables.
- It-ensures needed talents and promotes organizational goodwill.
- Career planning helps the individual have the knowledge of various career opportunities, his priorities, etc.
- It helps him select the career which is suitable to his lifestyle, preference, family environment, the scope for self-development, etc.

# Keyword

#### Self**development** is a conscious process of improving oneself in various aspects of life. It's a constant pursuit of growth by developing skills, competencies and knowledge. The ultimate goal for selfdevelopment is to be a selffulfilled person.





- It helps the organization identify talented employees who can be promoted.
- Internal promotions, up gradation and transfers motivate the employees, boost their morale and also result in increased job satisfaction.
- Each employee will await his turn of promotion rather than changing to another organization. This would lower employee turnover.
- It improves employee's performance on the job by tapping their potential abilities and stimulating their personal growth.
- Increased job satisfaction due to career planning enhances employee commitment and creates a sense of belongingness and loyalty to the organization.
- Being an integral part of the manpower planning and corporate planning, career planning contributes towards individual development and organizational development and effective achievement of corporate goals.
- An organization with well-designed career plans is able to have a better image in the employment market, and it will attract and retain competent people.

# 1.1.7 Limitations of Career Planning

Though career planning helps an organization in numerous ways, it has a few limitations that undermine the importance and relevance of career planning.

These are;

- Time factor.
- Unsuitable for a large workforce.
- Lack of objectivity.
- External interventions.



- Lack of knowledge and awareness.
- Lack of flexibility.
- Difficulty in measuring career success.



#### **Time Factor**

Career planning is usually a long-term and time-consuming process.

#### Unsuitable for Large Workforce

It may not be possible for organizations with a large workforce to develop individual career plans breach and every employee of the organization.

This is because the career planning process requires an in-depth analysis of each employee's strengths and weaknesses on a sustained basis.

## Lack of Objectivity

Only those organizations which belief in strict observance of objectivity in promotion and transfers can succeed in career planning.

In contrast, favoritism and nepotism in promotions often make career planning an unsuccessful exercise.

#### **External** interventions

Government rules and regulations can also affect the career planning options of an organization.



For example, the government may make it mandatory for the organization to adopt reservations in promotions.

#### Lack of Knowledge and Awareness

Career planning by an employee is essentially a self-management process. It requires employees to be aware of the basics of career planning and management activities.

## Lack of Flexibility

Many organizations treat career planning as a ritualistic and rigid exercise. They often fail to consider the uncertainties caused to the career planning activities by the changes in the situation.

In fact, the absence of dynamic career planning programs may limit the applicability of the career plans in uncertain and changing situations.

#### Difficulty in Measuring Career Success

Since career success is an abstract concept, it is interpreted differently by different persons. Some may consider a good performance on the job as career success.

Others may consider the quality of life as an indicator of career success. Still, others may consider vertical mobility in the organizational structure as career success.

This divergence of opinions may cause confusion and vagueness in interpreting career success.

# 1.1.8 What Do Employees Want in Organizational Career Planning?

Over the past two decades organizations have encouraged their employees to be career self-reliant. They have been telling employees to "take charge" of their own careers and not rely on the organization to provide guidance.

Career paths can entail promotions or lateral transfers. A solid career path program requires detailed job descriptions and support through

management coaching.

Remember





While this worked to some extent, the changing expectations of employees in the workplace require greater collaboration. But organizations should avoid their responsibilities. An organization needs to help facilitate the process by providing clarity and opportunity.

New generation employees are more educated and demanding.

## Meaningful and challenging job

The job must be interesting and challenging to make employee satisfied.

#### **Career equity**

Employees want to perceive equity in the organization's performance and promotion system with respect to career advancement opportunities.

## Clearly communicate the strategy, direction of the organization:

In order to ensure an employee's career goals are aligned with the company's goals, the company needs to be open about its strategy and future directions.

Employees cannot be in charge of their career and make good career decisions if they don't understand where the organization is going.

Remember

Organizations must consider the new expectations, different perceptions, and desires of new employees while making career planning. Employees want the following factors in organizational career planning:



#### Supervisory concern

Employee wants his supervisors will play an active role in career development and to provide timely performance feedback. Supervisors assist them to develop skills and abilities.

## Awareness of opportunities

Employees want knowledge of the career advancement opportunities that exist in their organizations. An organization must help its employees to learn about new opportunities within the organization.

#### **Employee** interest

Employees need a different amount of information and have different degrees of interest in career advancement depending on a variety of factors (age, sex, occupation, education).



## Help employees customize their own career

Employees have different cycles in their lives and the employers who are most able to attract them are those that will allow employees to ramp up or ramp down during their career depending on different events going on in their personal lives.

This allows the individual to integrate themselves with their work as opposed to choosing work or family.



For some organizations, this may mean redesigning some roles to allow for individuals to be successful as they define success.

#### Clearly articulate expectations at different levels

Employees often get frustrated when they don't know how to get ahead and they don't understand how to develop themselves for the future.

By being clear about performance expectations for the future, and at different levels of the organization, employees will be able to more accurately self-assess if they have what it takes to move ahead in the organization.

#### Transparent process for career advancement

There should not be any discrimination. The employee should be made aware of the advancement criteria.

#### **Career** satisfaction

Employees, depending on their age and occupation, have different levels of career satisfaction. Some are happy with good performance while others are happy with quick advancement opportunities.

Comparative studies have shown that employees in the 21st century are more likely to remain and work productively in large organizations that clearly articulate and communicate the purpose and value of the roles staff are asked to perform, and that mentor those staff as they progress in those roles.





These types of organizations are said to foster a high level of employee 'engagement'.

# **1.2 CAREER PLANNING: PROCESS, STEPS AND STAGES**

Everything you need to know about the process of career planning. Career Planning is the process of setting up career objectives and determining appropriate developmental programs to further ones progress in an organization.

Such a planning involves setting up of career objectives, and determining appropriate educational and developmental programs to improve the skills needed to achieve short and long-range career objectives. It is an on-going process to help an employee manage his or her work.

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Career planning involves a series of steps. They are:- 1. Analysing Employee's Needs and Aspirations 2. Analysing Career Opportunity 3. Matching Needs and Opportunities 4. Placement on Career Path 5. Action Plan and Periodic Review 6. Review of Career Plans.

Additionally, also learn about the process of career planning for women employees and graduate students.



# **1.2.1 Process of Career Planning – 5 Main Stages of Career Planning**

Employees join an organization to fulfill their career goals and aspirations and organizations provide opportunities to fulfill them. Where there is a mismatch between the two, employees experience dissatisfaction and withdraw from the organization to join another where such opportunity exists. It underlines the need for career planning. It helps the employees to achieve a better match between their career goals and the opportunities available in the organization.

It involves the following stages:

# Stage 1. Analysing Employee's Needs and Aspirations

Traditionally, career planning was considered to be the responsibility of the employee. However, employees may lack information required for determining career goals and skills to develop career plans. This leads to blocked ambition, frustration and lowered morale. Therefore, organizations themselves provide resource and support to help employees identify career path and plan accordingly.



Organizations should first analyse employee's anchors i.e., urge to lose a particular career and aspirations. This assessment should be based on personnel inventory. Since most employees may not have a clear knowledge about career anchors and aspirations, the following method are used to spread career planning information.

Communication of Career Information:

 Provides career related information and disseminates information about career opportunities and career path.  Gives information about resources available to employees such as scholarship assistance, training, etc.

#### **Career Counselling**

Some organizations arrange counselling for employees to help them assess their personal interest, aptitude and capabilities, and interpret their self-assessment.

- Career planning workshop Workshops are held to disseminate career planning information in order to enable the employees know what kind of work would suit them.
- Reading materials Employees are provided with reading materials and other media aimed at career planning.
- Assessment programmes A number of tests are conducted to help employees know what they should do to build their skills and what personal abilities fit in with their career path. All these methods helps employee set career goal, identify career paths and uncover specific career development activities.



#### Stage 2. Analysing Career Opportunity

Once career needs and aspirations are known, organizations have to provide career path for each position. It indicates various

Keyword

A career goal is a well-defined statement explaining the profession that an individual intends to pursue throughout his career. It is important for every employee or job seeker to define their career goals clearly. It helps them to come up with effective action plans.



positions a job holder can hold over a period of time. Career path changes overtime in tune with employee's needs and organizational requirements.

#### Stage 3. Matching Needs and Opportunities

This process consists of two steps. Organizations should identify the potential of the employee and undertake career development programmes. Performance management system is a good tool to assess strength and weakness of an employee. This tool would reveal who needs additional training and who can shoulder added burdens. Suitable development techniques like special assignments, supervisory coaching, job enrichment, under study, position rotation etc., can be applied after assessing the potential.

#### Stage 4. Action Plan and Periodic Review

The matching process would reveal skill gaps which need to be bridged through individual development efforts and organization supported efforts from time to time. Thus, this continuous appraisal reveals in which direction an employee is going and what skills are needed to face challenges. This assessment is needed for the organization to know the level of performance, goals and aspirations of employees and how far the career path is in tune with individual needs and serve the overall corporate objective

# **1.2.2 Process of Career Planning – Sequential Process: From Identifying Individual Needs and Goals to Formulating Action Plans and Performing Periodic Review**

Career planning can also be termed as a process because it is carried out in a particular sequence.

The career planning process involves the following steps:

## Identifying Individual Needs and Goals

Refers to the reorganization of the career goals of individuals. Most individuals do not have a clear-cut idea about their career objectives, anchors, and goals. Thus, the human resource professionals of organizations must help the employees by providing as much information as possible. The career planning professionals should counsel the employees on matters such as the kind of work that suits the employees, after taking into consideration their skills, experience, and aptitude.

Such assistance is extended through workshops or seminars, where the employees are subjected to psychological testing and simulation exercises. The basic purpose of such exercises is to guide the employees in determining what they should do to build and



advance their careers within an organization. Workshops and seminars may increase employees' interest in career planning by helping them to set career goals, identify career paths, and uncover specific career development activities.

## **Analysing Career Opportunities**

Refers to the careful examination of career paths available to employees after identifying their career aspirations. Career paths show the possibilities of career progression and indicate the various positions that employees can hold in the organization over a period of time, if they perform well. Career paths change over time in tune with employees' needs and organizational requirements.



## Aligning Needs and Opportunities

Refers to highlighting and aligning the gaps between the employees' needs and the opportunities provided by the organization. The alignment of needs and opportunities consists of two steps, namely identifying the potential of employees and aligning employee needs with organizational opportunities.

The potential of employees can be accessed through performance appraisal, which reveals the need for further training for some employees After identifying the potential of employees, certain development techniques, such as special assignments, planned position rotation, supervisory coaching, job enrichment, and understudy programs, can be undertaken to upgrade their knowledge and skills.

#### Formulating Action Plans and Performing Periodic Review:

Refers to designing the actions plans and reviewing periodic performance for the career development of an individual. After initiating the preceding steps, it is necessary to review the whole career plan and its implementation.

The formulation of action plans helps the employees in determining the direction of their career paths, the changes required in their careers and the skills needed to face new and emerging organizational challenges. It is also necessary from an organizational standpoint to find out how employees are doing, what are their goals and aspirations, and whether the career paths are in tune with individual needs and serve the overall corporate objectives.

# **1.2.3 Process of Career Planning – For Employees, Women Employees and Graduating Students: With Myths**

It is the process of setting up career objectives and determining appropriate developmental programs to further ones progress in an organization. Such a planning involves setting up of career objectives, and determining appropriate educational and developmental programs to improve the skills needed to achieve short and long-range career objectives. It is an on-going process to help an employee manage his or her work. Career planning involves a series of steps.

These are:

- Knowledge of oneself- Such knowledge includes skills, likes, and dislikes preferred activities and so on.
- Finding out- Explaining what is available for an individual in the organization.
- Making Decisions- Comparing choices, opinions, and alternatives available.
- Taking Action- Working towards goals.

Career planning is not a one shot approach. It is an on-going process to help employees manage and adapt to their work and work environment. It is a sub-set of career management.

Basically this management involves a series of steps such as:

- Understanding where an individual is currently
- Deciding where he or she wants to be
- Making needed changes

Of course all career plans are not made permanently. They do change as circumstances and conditions change. When plans are made some degree of flexibility is built into them to accommodate the changes in conditions. How individuals manage their



future within an organization from the company's point of view, and how employee careers are structured to assure their stay and progress in the company come under the purview of career planning.

In recent years, many organizations in various industries are giving importance to what is known as, Succession Planning, a new name for Career Planning. A number of research studies have been carried out to identify the methods of retaining talented employees or people with high potential to meet business needs and changing environmental conditions. In 2007, Canadian Pacific Railway Company launched "Career Tracks", an innovative career development method with a development of competency assessment to help employees develop their skills that will allow them to achieve their performance objectives.

Marshall Goldsmith suggests four types of efficient succession planning.

These are:

- Change the name of the process from Succession Planning to Succession Development
- Measure outcomes, not process
- Keep it simple
- Stay realistic

In setting up your career plans the best advice is to be flexible but don't be influenced yourself by the crowd. In other words be flexible but not too rigid. As things, circumstances and environmental conditions change, one must be prepared to make necessary adjustments accordingly. Career involves a series of decisions, continually adding new inputs and information since conditions do change.

There are certain myths when it comes to making career plans and decisions. Some of these myths are:

1. Determining your career choice is the first choice

No, it is not really true

Start with your Education and thus create a base.

2. Your career plans once made cannot be changed No, it is not true

The direction of your plans can be changed due to be changing conditions.

Career plans start with the self-assessment based on the information you have which are mostly educational accomplishments, activities, experiences, and other achievements in various areas.



Based on your strengths, the individual explores career choices, and then comes placement, if you are a fresh candidate and upward movement for an existing employee. Since women are new entrants to career planning, let us see how career progression makes a difference in their work life. Of course, they don't get extra help but fairness is extended to them.

#### **Career Planning for Women Employees**

For a very long time, in industry and business, women were employed only for lower level jobs in the organizations. In banks, women were usually being seen at the counters and in retail establishments, looking after the sales floors and merchandising areas of the store. In hospitals, at the most one can get to be a nursing supervisor or training manager. Their roles are mostly confined to window-dressing and being secretaries among other jobs in the lower hierarchy of the organization.



After passing legislation favourable to women in many countries, a number of managerial and other professional jobs were opened up for them. Some progressive companies such as. Hewlett-Packard, Pepsi, and ICICI Bank, elevated women to the Chief Executive positions in their organizations. In fact, they met up to the expectations of the Boards, Employees, and the customers of their respective companies.

Some theorists believe that women may have an enormous advantage over men in future management situations. Since a good framework has been established among women at all levels of management, there is a scope as well as hope that career path will be opened up for more women to move up in the hierarchy? Thanks for the new and emerging legislative measures undertaken in many countries across the Globe, including India. The challenge is not just to recruit them for various levels of organizational hierarchy but to design a career path and engage actively in career planning activities with a positive approach. The prospect of women being in higher levels of management has changed in a decade but not to an appreciable extent.

The following are some steps companies can take to provide more opportunities for women to move into higher levels of managerial hierarchy:

- Make sure that women employees know the strategic goals of the company.
- Women professionals have a clear understanding of career plans.
- Teach, train, and develop them how to manage their time.
- Provide them with good and open-minded mentors.
- Arrange career seminars and discussions for potential women.
- Enhance their community involvement and
- Encourage them to be proactive in building their skills.

As more and more women come into the work force, not all solutions are solved; rather the situation has created new problems for the employees, companies and the society at large, especially where it involves dual-career couples. Many companies are trying to cope with these emerging situations with some innovative and productive approaches by providing various kinds of activities to the younger children. Time will tell whether such activities provide permanent solutions or postpone the existing problems.

#### **Career Planning for Graduating Students**

One may wonder whether there are any such models for those who are about to graduate from colleges and universities and other educational institutions, and planning to enter work organizations. A few models and ideas have been developed by educational institutions, academics, and consulting agencies.

Let us look at the career planning model developed by Internship Career Center at the University of California in Davis, California. The six step model is designed to help an individual to make career decisions not only as one begins his or her career search but also throughout ones lifelong career path.





Let us look at these steps:

- Step—I Self-Exploration- Examine who you are where you are and what you like to do; identify your values, interests, and skills. Describe your personality.
- Step—II World of work Research- Examine the world you want to work in and to find a career that meets your needs. Job tide, job market trends, employers, work environments, informational interviews, asking people who are currently employed may help.
- Step—III Experiential Education-Try to work as an intern or volunteer. Part-time jobs or serving and learning where you can apply academic work.
- Step—IV Decision making-Prioritize your career needs, Determine goals, Set objectives, Create an action, and plan Do reality testing (apply).
- Step—V Job Search-Once narrow the focus and set goals, prepare resume and cover better Attend on-campus interviews apply through job-links.
- Step—VI Career Management-Ready to start your new job actively planning and managing your career will help to be on track and lead you in the right direction you want to go.

Try to be realistic about your expectations. Over-expectations may lead you to disappointments and discouragements. You have to earn the promotions and not to engage in politicking. Qualities such as, being conscientious, punctuality, **professionalism** and

# Keyword

#### Professionalism

is the conduct, behavior and attitude of someone in a work or business environment. A person doesn't have to work in a specific profession to demonstrate the important qualities and characteristics of a professional.



sense of responsibility are preferred. Be a team player. Participate in professional associations, clubs and meetings. Maintain high ethical standards.

What kinds of career opportunities are available for an MBA degree? Of course it can open up the door for a number of job opportunities ranging from a senior manager in some banks to opening own enterprise.

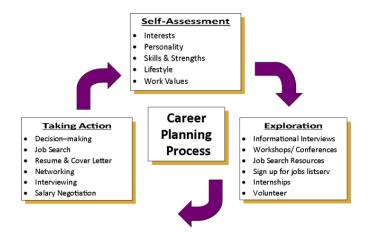
The following list suggests a few areas generally MBA students go into:

- Manager or Senior Manager in some business organization
- Investment banker
- Consultant Business, Investment,
- Analyst Banking, marketing, finance
- Entrepreneur -Start or join business operated by parents

# **1.2.4 Process of Career Planning – 3 Main Steps in Creating a Career Goal: With Guidelines**

From an individual's point of view there is a number of different things that can happen in career planning. You will be able to get an understanding of what the career you are considering has to offer. Or, if you are unsure of what you would like to learn and do, you can take a wide variety of testing solutions that will help you to determine what you are interested in as well as careers that you are talented for.

You will also find that in some college level classes of career planning you will be able to learn about many different careers and test your hand at what they have to offer you. This is an excellent way to see what's out there. If you are a college student and planning to have a great career, you will need to develop tangible career goals, which will enable you to reach your coveted career position.





But if someone asks you about your career goals, do you have a concrete answer for that tricky question? Most of us have a tough time answering this dicey question. When you have a right career goal and a clear cut action plan to achieve those goals, you are probably on your way to a career success.

How easy is to develop a career goal? With right attitude and mind, anyone can create a career goal for future success in life. Choosing your preferred career is a dynamic decision, which is a continuously ongoing process, demanding your dedication and attention.

You may also need to apply your knowledge of self, academic interest, professional acumen, financial obligations and physical requirements. It also demands your power to apply some tricky logistical techniques and work ethics to reach some sort of career goals.

The three steps in creating a career goal are:

- Test, examine and identify all those personal values before arriving at a career goal. Check out for any loopholes and deficiencies in your understanding of the real situation. Be specific to define any problems or potential obstacles to reach the goal. Never deceive yourself by deducing wrong or improper conclusions.
- Assign, identify, pool and use correct information; wrong information may create havoc at a later date. Thus you may need to accumulate only relevant and rational data and information while choosing your career goals.
- Develop, understand and use an effective action strategy for transforming all those information in to action. This step is almost like the heart of your career goal setting, as you will consider all practical aspects of career goal setting.

Once you have prepared these guidelines, you will plunge into creating a concrete action plan to achieve your goals.

The following guidelines will help you to create a fool-proof action plan:

- 1. State the problem and its objectives in clear terms.
- 2. Define your goal in your own words.
- 3. Prepare a temporary action plan containing every essential step.
- 4. Get ready with several alternatives and choices.
- 5. Now develop a solid final action plan to achieve your career goals. Be prepared to change the plan midway to suit to any changing conditions.
- 6. Set up midterm appraisal studies to check any deviations



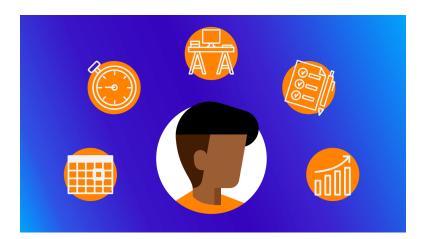
7. Replace old decisions with new, more practical decisions.

When you are through the college, create excellent resume and credential reports to provide them to your future employers. If you are not interested in a job and if you want to set up your own business, get ready for the action as a final plunge to chase that elusive career goal.

Career planning is important because it allows you to be able to get a good idea of what you would like to do with your life. Counsellors and teachers can help you to find the answers that you need to your questions and give you options to consider. Career planning can help anyone, at anytime in their lives to find solutions to their needs. Beyond being able to help you plan for the classes you will take, career planning can help you to begin your future.

# **1.2.5 Process of Career Planning – For an Individual: Step by Step Process – Self-Assessment, Goal Setting, Career Options, Plan of Action and Catch Hold of Opportunities**

The systematic process by which one selects career goals and the path to these goals is called as career planning. From the organisation's viewpoint, career planning means helping the employees to plan their career in terms of their capabilities within the context of organisation's needs.



It requires discovery, development, planned employment and re-employment of talents. It comprises designing an organisational system of career movement and growth opportunities for employees from the employment stage to the retirement stage.

The individuals who can fill planned future positions are identified and prepared to take up these positions. It is a managerial technique for mapping out the entire career of young employees.



A career planning process involves the following steps:

#### **Process 1. Self-Assessment**

The first and foremost step in career planning is to know and assess yourself. You need to collect information about yourself while deciding about a particular career option. You must analyze your interests, abilities, aptitudes, desired lifestyle, and personal traits and then study the relationship between the career opted for and self.

#### **Process 2. Goal Setting**

Set your goals according to your academic qualification, work experience, priorities and expectations in life. Once your goal is identified, then you determine the feasible ways and objectives how to realize it.

#### **Process 3. Academic/Career Options**

Narrow your general occupational direction to a particular one by an informatory decision making process. Analyze the career option by keeping in mind your present educational qualifications and what more academic degrees you need to acquire for it.

#### **Process 4. Plan of Action**

Recognize those industries and particular companies where you want to get into. Make the plan a detailed one so that you can determine for how many years you are going to work in a company in order to achieve maximum success, and then switch to another. Decide where you would like to see yourself after five years and in which position.

#### **Process 5. Catch Hold of Opportunities**

Opportunity comes but once. So, whenever you get any opportunity to prove yourself and get into your desired career, try to convert it in every way for suiting your purpose. Remember, a successful professional is also quite opportunistic in his moves, examining every opening to turn to his favour.

# **1.2.6 Process of Career Planning – 5 Main Stages: Exploration, Establishment, Mid Career, Late Career and Decline Stage**

Career planning is the life-long process a person goes through to learn about himself (his purpose, personality, interests, skills and talents) develop a self-concept, learn

about careers, and work situations and then make a career choice based on information gathered while developing coping and social skills.



It involves designing an organizational system of career movement and growth opportunities for employees from the employment stage to the retirement stage. It is in fact a managerial technique for mapping out the entire career of young employees.

The major focus of career planning is on assisting the employees achieve a better match between personal goals and the opportunities that are available in the organization. It also includes the skills a person employs in finding and keeping the job that is right for him or her.

The major focus of career planning should be on matching personal goals and opportunities that are realistically available. A term worth defining is "Career Path". A Career path is a flexible line of movement through which an employee may move during employment with an organization.

The various stages are as follows:

#### **Exploration Stage**

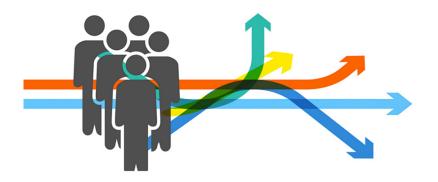
This stage starts after completion of formal or professional education from a college or university and involves the transition period from academics to work life. Generally this stage covers the mid-twenties of an individual's life. The candidate explores

# Remember

A career includes many positions, stages and transitions just as a person's life does. relevant opportunities for a job either with the help of his/her institutions help or those from a job consultant.

#### **Establishment Stage**

This stage begins when one individual gets his/her first job. The establishment stage is more of a preparation or learning stage, where an individual accumulates experiences and learnings from his/her employer, colleagues, customers etc. Although this stage might be characterized by committing mistakes; yet it forms an integral part of the learning process of the candidate.



#### Mid Career

This is the stage which spans from the early or mid-30s to the 50s of an individual's age. This stage may be characterized either by steady and improved performance or may exhibit declining performance. In case the organization or the peer or support groups provide counsel, help or additional training and development-the performance may also increase leading the candidate back on his/her career track.

#### Late Career

Late career can be described as a maturity stage of one's career, where an individual is characterized for attaining a relatively good position and status in the organization where he/she is being employed. The individual at this stage takes up the role of an elder statesperson.

#### **Decline** Stage

In this the individual prepares himself/herself for retirement.

### **1.2.7 Process of Career Planning – Steps Involved**

The steps in career planning are as follows:

- 1. Preparation of Personnel Inventory status, duties, qualifications, age, aptitude, ability and acceptability (surplus or shortage). HR planning forms the strong foundation of this stage.
- 2. Identifying Career Needs (HR Manager may assist) This stage involves identifying individual career needs and assessing the potential of the candidates so as to utilize the same for identifying areas of development and growth.
- 3. Identifying career opportunities in terms of responsibilities and positions within the organization based on individual talents and capabilities.
- 4. Matching of Employee's Aspirations with Career Opportunities
- 5. Formulating and Implementing Career Planning Strategies
  - i. Changes in the career systems by creating new career paths
  - ii. Changing employee needs and aspirations to help scale down unrealistic goals and/or creating new aspirations
- iii. Seeking new basis of integration through problem solving, negotiations and compromise
- iv. Training and development to meet individual and organizational needs
- 6. Reviewing Career Plans

# 1.2.8 Process of Career Planning and Development – Steps Involved in Establishing a Career Development System: With Policies

The various steps included in career planning and development are as follows:

- Analysing the skills, aptitudes, knowledge, competence and so on of the employee.
- Identifying and analysing the career opportunities available in the organisation as well as outside the organisation.
- Analysing career demands such as skill, knowledge and competence.



- Relating specific jobs to different careers.
- Working out both short-term and long-term goals.
- Working out career strategies in the area of change or adjustment.
- Preparing action plan and acquiring resources.
- Executing the action plan.



#### Steps and Policies in Establishing a Career Development System

A brief description of the steps and tasks involved in establishing a career development system and for which companies formulate policies is as follows:

#### Needs

To start with, an attempt is made to define the existing system and establish roles and responsibilities of all the employees including managerial personnel as also of the organisation. Then needs are worked out and target groups are identified. It is also found out that whether the company's policies to support career development programme are assessed. The philosophy of the career development programme is established. Thereafter, criteria of success are established.

#### Vision

The company then establishes the vision and objectives of the career development programme and designs interventions for itself as well as for employees and managers. The company then organises and makes the career information available, which is needed to support the programme.



#### **Action Plan**

An action plan is formulated so as to achieve the vision. Resources and competencies available are assessed. An advisory group is also constituted and involved in various activities such as designing the programme, implementation, evaluation and monitoring. The company which believes in career development programme is supposed to have a policy of supporting the programme.

#### Results

The next step is to integrate the career development programme with the ongoing employee training and development programmes of the organisation. The programme is evaluated and redesigned, if necessary. Future trends and directions for the programme are examined.

# **1.2.9 Process of Career Planning – 5 Step Process: With their Functions**

Career planning is a process of human resource development. It is not an end in itself. Being a process, career planning involves certain steps.

The functions involved in each of these steps are as under:

#### **Process 1. Identification of Individual Needs and Aspirations**

Generally an individual joins an organisation as an employee with the aim to satisfy his own needs and fulfill his aspirations. From the individual side, generally, personalising process works with a much greater force. The personalising process is defined as



the process through which an individual actualises himself by making the organisation as its agent.



In this context the term actualise means to fulfill the goals of life, that is, fulfilling needs and aspirations these may be expressed in many forms, such as earning more money, achieving status viewed highly by the society, challenging jobs, higher responsibility, career progression and so on.

Career planning is meant for an individual that should aim at providing such a satisfaction. Therefore, identification of these needs and **aspirations** may be taken as a starting point from the view of an individual.

### **Process 2. Identification of Organisational Needs and Opportunities**

While going through career planning process, the organisation is concerned with own needs and the opportunities that it can provide to individual employees. In case an organisation makes preparation of its long term human resource plan, it will come to know what kind of opportunities it can provide to employees.

Therefore, the organisation may not be in a position to provide career desired and demanded by every individual in the organisation. This phenomenon maybe causing frustration to both the organisation and individuals.

However, much of its frustrating impact can be reduced at the stage of employee recruitment and selection where emphasis can be placed on matching between individual needs and aspirations An aspiration is a strong hope, dream, or goal. The idea of aspiration has a positive, upward connotation.

Keyword



and organisational needs and opportunities. The nature of organisational jobs are changing rapidly in which people have to match jobs with their multi-skilling rather than matching jobs with individuals.

#### **Process 3. Assessing Individual Strengths and Weaknesses**

It is necessary to assess his strengths and weaknesses before finalising the career plan for an individual and placing him on career path, strengths and weaknesses. Every individual has certain strengths and weaknesses. Specific feature of strength helps him in achieving his life's goals (in the context of work-life, career goals).



On the contrary to it the feature of weakness produces hindrance in achieving life's goals. While making assessment of strengths, it should be remembered that strengths are not fixed features. Instead they go on changing over the period of time because of continuous learning. Hence the assessment of strength should be made both in terms of present and potential.

#### **Process 4. Placement on Career Path**

A career path is the logical possible sequence of positions that an individual can hold on the basis of his performance in the organisation. Career path consists of two important elements line and ladder. Line is the field of specialty in which an individual placed like production, marketing, finance, human resource, etc.

Within each line, there are various positions arranged in hierarchical order. Placing an individual on a career path indicates how the individual will progress to those positions. This placing is essentially determined by the alignment of individual needs, his strengths and weaknesses and organisational opportunities.

#### **Process 5. Review of Career Plans**

Career plans that emerge out of career planning exercise, have long term orientation. A career plan is developed on the basis of assumptions about how the environment relevant to human resource management will behave in future. However, whatever the techniques for forecasting HRM environment are set to use such a forecast may not always match with the actual environmental happenings. Consequently, the career plans may be disturbed.

As such, Review enables the employees to know in which direction the organisation is moving, what changes are likely to take place and what sort of skills are needed to adapt to the organisational needs. So, there must be in-built system of reviewing the career plans periodically in the career planning itself.

# **1.3 CAREER DEVELOPMENT THEORIES**

Career development theory studies paths toward improving professional growth, career trajectory and overall job satisfaction. Understanding career development theory can be an important step in determining your core values, strengths, weaknesses and desired path. While there are varying claims in different career development theories, all of these theories acknowledge the importance of cultivating a positive emotional relationship with work and of developing meaningful professional ambitions.

#### 1.3.1 Meaning

Career development theory is the study of career paths, success and behavior. It aims to explain why a person might be a good fit for a certain career and provide advice on how to attain a promising trajectory. It also focuses on identifying common career stages when education, guidance and other interventions are necessary.

Career development theories come from four main areas of study:

- Differential psychology
- Personality

A periodic review of career plans is essential for knowing whether the career plans are contributing to the effective utilization of human resources by matching employee needs and job needs.

Remember



- Sociology
- Developmental psychology

Frank Parsons pioneered career development theory with the release of his trait and factor theory in the early 1900s. Since then, the study of career development has produced various theories and captured much public interest. In the following sections, we examine five of the most influential career development theories.

Here is a list of the most popular career development theories:

# **1.3.2 Frank Parsons' Trait and Factor Theory**

Trait and Factor Theory entails three actions. First, examine the personality traits of the person whose career is being planned. Second, inventory the character traits of the job. Third, measure the personality traits of the individual against the traits of the job.

The Trait and Factor Theory is used in several aptitude tests, including:

- Interest-Kuder Career Search (KCS)
- Aptitude-Differential Aptitude Tests (DAT)
- General Aptitude Test Battery (GATB)

# **1.3.3 Holland Theory of Vocational Types**

The Holland Theory of Vocational Types focuses on personality types as the main factor in career choice and development. John L. Holland developed his theory on the idea that career choice is based on personality. He believed that a person's work satisfaction is linked to similarities between their personality and job environment.

Holland's theory has six personality types, sometimes call the Holland Codes or Holland Occupational Themes:

#### Realistic (R)

Also called "Doers," people in this type solve problems by taking action rather than discussing it. Realistic types are interested in work that requires skill and strength. Carpenters, chefs and personal trainers all fit into the realistic personality type.

#### Investigative (I)

Also called "Thinkers," people in this type like to work with information. Investigative types enjoy working by themselves rather than with a group. Actuaries, lawyers and doctors all fit into the investigative personality type.



#### Artistic (A)

Also called "Creators," people in this type are creative, inventive and typically more emotionally aware than other Holland Types. Artistic types are independent but enjoy working with other people. Graphic Designers, writers and musicians all fit in the investigative personality type.

#### Social (S)

Also called "Helpers," people in this type enjoy teaching or helping others. Social types value working with others and creating relationships. Teachers, counselors and human resource professionals all fit in the social personality type.

#### Enterprising (E)

Also called "Persuaders," people in this type enjoy working with people and information. Enterprising types of value status and security. Entrepreneurs, stockbrokers and salespeople all fit in the enterprising personality type.

#### **Conventional** (C)

Also called "Organizers," people in this type enjoy rules and regulations. Like enterprising types, they put a value on status and money. However, they have a dislike for unclear or unstructured work. COOs, personal financial planners and economists fit in the conventional personality type.

# **1.3.4 Bandura's Social Cognitive Theory**

Social Cognitive Theory, developed by Albert Bandura, is the idea that an individual's motives and behaviors are based on experience. These experiences can break into three main categories:

- A person is influenced by self-efficacy, or what they believe they can achieve.
- A person is influenced by what they see other people achieve and the actions they take.
- A person is influenced by factors around them that they cannot control.

In career development, Social Cognitive Theory helps to explain how a person can set up their career development plan for success. Through a positive view of their own abilities and surrounding themselves with a positive network of mentors, a person has a better chance of achieving their career goals. The framework for this theory is called Bandura's Triadic Reciprocal Model of Casualty. This model says a person's output is based on a mixture of:

- Personal characteristics
- Behaviors and actions they see from other people
- Outside factors

# **1.3.5 Super's Developmental Self-Concept Theory**

Donald Super built his developmental theory on the idea that your view of yourself changes. Time and experience help shape the way a person values their career and the goals they set. This theory defines a "career" as the entire lifetime of a person.

Super broke career development into five stages:

#### Growth

This stage starts at birth and continues through age 14. A person develops their sense of self and attitude toward work.

#### **Exploration**

This stage starts at age 15 and continues through age 25. A person tries out different career paths through classes, hobbies and actual work.

#### Establishment

This stage starts at age 25 and continues through age 44. A person develops entrylevel job skills and develops work experience.

#### Maintenance

This stage starts at 45 and continues through age 64. A person changes elements of their career to improve their position.

#### Decline

This stage begins at age 65. A person reduces the amount of work they do and prepares for retirement.

Super believed that people found career satisfaction based on their view of themselves at each of these five stages of development. For example, a person may value a worklife balance more in their maintenance stage than they do in their establishment phase.



The career can be the same, but time and experience change how the person perceives their profession.

# **1.3.6 Roe's Personality Theory**

Anne Roe's Personality Theory states that a person chooses their career based on their interaction with their parents. Roe believed that the way a child interacts with their parents would lead them to pursue either person-oriented or non-person-oriented jobs. Person-oriented jobs have a high amount of interaction with other people. Non-person-oriented jobs are more independent. Roe created several categories of careers that could be person-oriented or non-person-oriented based on the skill level of the job. Roe broke careers into eight categories:

- Service
- Business Contact
- Organization
- Technology
- Outdoor
- Science
- General Culture
- Arts and Entertainment

Each of these categories, Roe stated, has six levels based on how much skill is required for the job:

- Independent responsibility
- Less independence
- Moderate responsibility
- Training required
- Special training
- Follow basic instructions

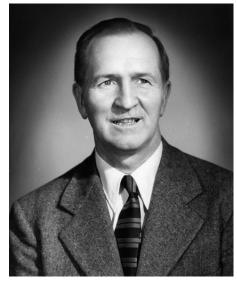
An individual is then classified into eight categories and six levels based on the interaction they had with their parents as a child.

Career development theory can help you gain a better understanding of yourself and your career. Many people find a combination of several theories enables them to gain better insight. While learning about these theories can help people begin to understand their interest in a career path, a career counselor can more specifically guide you using tools and tests based on these theories, as well as their own professional expertise.

# **ROLE MODEL**

# EVERETT HUGHES: AN AMERICAN SOCIOLOGIST BEST KNOWN FOR HIS WORK ON ETHNIC RELATIONS, WORK AND OCCUPATIONS AND THE METH-ODOLOGY OF FIELDWORK

Everett Cherrington Hughes (November 30, 1897, Beaver, Ohio – January 4, 1983, Cambridge, Massachusetts) was an American sociologist best known for his work on ethnic relations, work and occupations and the methodology of fieldwork. His take on sociology was, however, very broad. In recent scholarship, his



theoretical contribution to sociology has been discussed as interpretive institutional ecology, forming a theoretical frame of reference that combines elements of the classical ecological theory of class (human ecology, functionalism, Georg Simmel, aspects of a Max Weber-inspired analysis of class, status and political power), and elements of a proto-dependency analysis of Quebec's industrialization in the 1930s (Helmes-Hayes 2000). The efforts to look for a broader theoretical framework in Hughes's work have also been criticized as anachronistic search for coherent theoretical core when Hughes is more easily associated with a methodological orientation. Hughes's pathbreaking contribution to the development of fieldwork as a sociological method is, however, unquestionable.

Hughes is often discussed only in relation to his contribution to the Chicago school. Therefore, it is seldom noted that he was one of the early contributors to the sociological analysis of Nazi Germany. Two classical essays, "Good People and Dirty Work" and "The Gleichschaltung of the German Statistical Yearbook: A Case in Professional Political Neutrality" witness of his lifelong commitment in sociology as a humanistic enterprise. In his preface to a collection of his papers entitled *The Sociological Eye* Hughes writes

I heard the Brown Shirts in the streets of Nuremberg in 1930 singing, "The German youth is never so happy as when Jewish blood spurts from his knife;" I wrote "Good People and Dirty Work" and used it as a special lecture at McGill University where in the 1930s I taught a course on Social Movements that came to be known as "Hughes on the Nazis." (Hughes 1984, xv).

Hughes's essays reflect his insight into German society, the developments of which he keenly followed during a long time. He spent a year there 1930–1931 when he was preparing a study on the Catholic labour movement (Chapoulie 1996, 14) and returned after the war for visits together with a delegation of U.S. scholars. He was fluent in German. He also had a keen interest in Canadian society, where his fluent knowledge of French language allowed him to develop ties to French-speaking sociology in Canada and support its development (Chapoulie 1996, Helmes-Hayes 2000).

Hughes's sociological prose is original in its avoidance of complex concepts. He never published explicitly theoretical work. However, his essays are analytically dense and he often discusses the task of sociology more broadly. In his preface for *The Sociological Eye*, first published in 1971 (transaction edition published in 1984), he describes his approach to sociology with reference to C. Wright Mills's phrase the sociological imagination (Hughes 1984, xvi). In his final paragraphs to that preface he outlines his view of sociology and sociological method:

Some say that sociology is a normative science. If they mean that social norms are one of its main objects of study, I agree. If they mean anything else, I do not agree. Many branches of human learning have suffered from taking norms too seriously. Departments of language in universities are often so normative that they kill and pin up their delicate moth of poetry and stuff their beasts of powerful living profes before letting students examine them. Language, as living communication, is one of the promising fields of study; it is not quite the same as the study of languages. Men constantly make and break norms; there is never a moment when the norms are fixed and unchanging. If they do appear to remain unchanged for some time in some place, that, too, is to be accounted for as much as change itself. Certainly, I have never sat down to write systematically about how to study society. I am suspicious of any method said to be the one and only. But among the methods I should recommend is the intensive, penetrating look with an imagination as lively and as sociological as it can be made. One of my basic assumptions is that if one quite clearly sees something happen once, it is almost certain to have happened again and again. The burden of proof is on those who claim a thing once seen is an exception; if they look hard, they may find it everywhere, although with some interesting differences in each case.

### **Biography**

Born in 1897 in Ohio, Hughes was son of a Methodist minister who came from a family of farmers. He was the third son, and recalled sitting on his father's lap and watching the family's interactions: the basis for his later work. After studying Latin, French and German at Ohio Wesleyan University, Hughes left for Chicago in 1917. For five years he worked teaching English to a mixed population of immigrants (Coser 1994). In 1923 he enrolled in the University of Chicago Department of Sociology and Anthropology, but continued working as public park director, a job that again put him in contact with immigrant communities (Chapoulie 1996). He was married to Canadian sociologist Helen MacGill Hughes, whom he met when they had both been

PhD students in Chicago. They had two daughters. In addition to some independent research, Helen MacGill Hughes took part in several of Hughes's studies and also worked as managing editor for American Journal of Sociology from 1944 to 1961 (Abbott 1999). Everett Hughes died of Alzheimer's disease at the Mount Auburn Hospital in Cambridge, Massachusetts, where he had lived.

#### Academic career

Hughes studied at the University of Chicago under Robert Ezra Park, Ernest W. Burgess, Ellsworth Faris, Robert Redfield, Ruth Shonle Cavan, Nels Anderson, and other noted scholars, of whom he considered Park as his primary mentor (Chapoulie 1996). He defended his thesis, entitled *The Growth of an Institution: The Chicago Real Estate Board* in 1928. After his graduation he took a job at McGill University, where he, together with Carl Dawson, had the task to develop the sociology department at a time when it still was in its infancy. In Canada Hughes is recognized as one of the central figures of early Canadian sociology (Helmes-Hayes 2000).

Hughes is, however, more commonly associated with the Chicago school, as he returned to the University of Chicago in 1938 and became a core figure at its sociology department (Abbott 1999). He is recognized as either teacher or mentor to numerous well-known scholars associated with the Chicago tradition of qualitative, interactionist sociology, including Howard S. Becker, Erving Goffman, Anselm Strauss and Eliot Freidson (Chapoulie 1996). In the late 1950s, the research style that Hughes represented withered in Chicago (Abbott 1999) and in 1961, Hughes accepted a position as professor of sociology at Brandeis University, where he helped to found the school's Graduate Department of Sociology. Under Hughes's influence, the Chicago tradition of fieldwork-oriented interactionism continued in Brandeis, where scholars such as Irving Kenneth Zola came to be "changed forever" (Conrad et al. 1995). In 1968, he left Brandeis University for Boston College (Chapoulie 1996).

During the years 1952 to 1961 Hughes served as editor to the American Journal of Sociology during an era when the journal remained closely linked to the University of Chicago and its sociology department. During Hughes' era, the journal was traditional in the sense that double-blind review was not applied. When this was implemented in 1961 after Hughes' resignation, he strongly opposed what he perceived as a project of making sociological research appear as disembodied and detached from the social context where it was carried out (Abbott 1999, 146–147). In a letter to Peter Blau who had taken over editorship from him Hughes expressed his view as follows:

A given piece of a man's work has to be judged not merely by itself but as one item in his complete or growing production (...) and a man's ongoing work is by the nature of the case a very personal product and by no means anonymous (quoted in Abbott 1999, 146–147).

In 1963, Hughes was elected by his peers to serve as the 53rd President of the American Sociological Association. His Presidential Address, entitled Race Relations and the Sociological Imagination, was delivered on August 28, 1963 at the Association's Annual Meeting in Los Angeles. This address was later published in the December 1963 issue of American Sociological Review (ASR Vol. 28 No. 6 pp 879–890). In 1964, he was elected a member of the American Academy of Arts and Sciences. In 1966, he received an honorary doctorate from Sir George Williams University, which later became Concordia University. In 1974, he was awarded the Malinowski Award. The American Sociological Association, also cited him in 1982 for his contributions to education. His contributions to the training of sociologists during his time in McGill and in Chicago are well-known (Chapoulie 1996, Helmes-Hayes 1998, 2000, Abbott 1999), but his mentorship and teaching at Brandeis are also acclaimed (Homstrom 1984, Conrad et al. 1995, Weiss 1996). Indeed, he still advised students at Boston College when he was in his late seventies (Manning 2000).



# SUMMARY

- Career planning refers to the process of planning career choices, establishing career objectives and deciding on educational and developmental programs to improve the skills required to achieve career objectives.
- Career planning encourages individuals to explore and gather information, which enables them to synthesize, gain competencies, make decisions, set goals and take action. It is a crucial phase of human resource development that helps the employees in making strategy for work-life balance.
- Career planning is a step-wise process which enables an individual to focus on where to want to be in life professionally.
- Though career planning helps an organization in numerous ways, it has a few limitations that undermine the importance and relevance of career planning.
- Over the past two decades organizations have encouraged their employees to be career self-reliant. They have been telling employees to "take charge" of their own careers and not rely on the organization to provide guidance.
- Everything you need to know about the process of career planning. Career Planning is the process of setting up career objectives and determining appropriate developmental programs to further ones progress in an organization.
- Employees join an organization to fulfill their career goals and aspirations and organizations provide opportunities to fulfill them.
- In setting up your career plans the best advice is to be flexible but don't be influenced yourself by the crowd. In other words be flexible but not too rigid. As things, circumstances and environmental conditions change, one must be prepared to make necessary adjustments accordingly. Career involves a series of decisions, continually adding new inputs and information since conditions do change.
- From an individual's point of view there is a number of different things that can happen in career planning. You will be able to get an understanding of what the career you are considering has to offer.
- The systematic process by which one selects career goals and the path to these goals is called as career planning. From the organisation's viewpoint, career planning means helping the employees to plan their career in terms of their capabilities within the context of organisation's needs.
- Career planning is the life-long process a person goes through to learn about himself (his purpose, personality, interests, skills and talents) develop a selfconcept, learn about careers, and work situations and then make a career choice based on information gathered while developing coping and social skills.

# **MULTIPLE CHOICE QUESTIONS**

- 1. Positions held by an individual throughout his work life are normally referred to as
  - a. job
  - b. task
  - c. career
  - d. none of the above
- 2. Which of the following perspectives looks at the career of an individual from the future positions he is likely to hold?
  - a. subjective perspective
  - b. objective perspective
  - c. neutral perspective
  - d. none of the above
- 3. The systematic and deliberate advancement made by an individual in his career in the entire work life is known as
  - a career path
  - b. career goals
  - c. career guidance
  - d. career anchoring
- 4. The factors that influence the selection of individuals' career choices are usually referred to as
  - a. career anchoring
  - b. career path
  - c. career goals
  - d. mentoring
- 5. Which of the following is used as a self-assessment technique by the employees?
  - a. The strength and weakness balance sheet
  - b. The likes and dislikes survey
  - c. The type focus assessment
  - d. All of the above
- 6. The career development programme which enables the employees to gain multiskills and diverse experience before being considered for any promotion in the future is called
  - a. Dual-skills path
  - b. conventional career path



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- c. lateral career path
- d. network career path
- 7. A process in which the manager, supervisors or an external expert acts as the advisor, philosopher and guide is called
  - a. career anchoring
  - b. career development
  - c. mentoring
  - d. none of the above
- 8. A series of processes aimed at assisting the employees make informed career decisions is known as
  - a. career guidance
  - b. career anchoring
  - c. mentoring
  - d. career goals

# **Review Questions**

- 1. What is the meaning of career planning?
- 2. What is the importance of career planning?
- 3. What are the steps in career planning?
- 4. What is the career planning process?
- 5. What do employees want in organizational career planning?

#### Answer to Multiple Choice Questions

- 1. (c) 2. (a) 3. (a) 4. (a) 5. (d)
- 6. (d) 7. (c) 8. (a)



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# **CAREER DECISION-MAKING**

"People have a much greater chance of finding something they'll enjoy doing and making those greatest contributions when they trust themselves and are free to make their own life choices (are not marionettes in the hands of their parents)."

— Lukasz Laniecki

# **INTRODUCTION**

A career means you stay in the same type of work. A career can be one job or many jobs. You can work for one company or many companies. A career is sometimes called a "career path."

A career includes education, training, and work experience. In a career, you need to think about how you can grow in your job or move into another job.

#### LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. Define the career: concept, paths and perspectives
- 2. Explain career development strategy
- 3. Clarify the decision-making in career development

According to Behling and others, an individual's decision to join a firm may depend on any of the three factors viz. objective factor, subjective factor and critical contact.

- **Objective factor theory** assumes that the applicants are rational. The choice, therefore, is exercised after an objective assessment of the tangible benefits of the job. Factors may include the salary, other benefits, location, opportunities for career advancement, etc.
- Subjective factor theory suggests that decision making is dominated by social and psychological factors. The status of the job, reputation of the organization, and other similar factors plays an important role.
- **Critical contact theory** advances the idea that a candidate>s observations while interacting with the organization plays a vital role in decision making. For example, how the recruiter keeps in touch with the candidate, the promptness of response and similar factors are important. This theory is more valid with experienced professionals.



These theories assume that candidates have a free choice of employers and careers. In reality, the scarcity of jobs and strong competition for desirable jobs severely skews the decision-making process. In many markets, employees work particular careers simply because they were forced to accept whatever work was available to them.



# 2.1 CAREER: CONCEPT, PATHS AND PERSPECTIVES

Any individual coming of age and getting the adequate qualifications want to build up his career. He plans for his career. He works hard to get the desired position in his life. Once he enters the appropriate area we say, 'he has a bright career.' It means he has chances to go up. He can be a very big man in his life. Career has multiple meanings.

In ordinary sense it means upward advances in the job or profession or he has chances to go up. If he is studying we say he has chosen a career in medicine or in engineering or in law or in administration or in management etc. But career simply does not mean advancement or success, it means pursuing any work for a longer period in life.

David A Decenzo and Stephen P Robbins have defined career as, "a sequence of positions occupied by a person during the course of life time." Everyone has a career. It may be different for different people. Career of a person involves a sequence, jobs he got, positions he has held and occupations or professions he entered into during his work life.

#### 2.1.1 Career Perspective

Career can be viewed from the individual and organizational points of views. An individual will plan his career according to his own aspiration. He will assess his talent, capabilities and potentials and join the organization where he feels he has better prospects to advance further. He may leave the organization and join the other one where he finds still better chances than the former.

From the organization's point of view career development involves going along hierarchical career paths. Organization's interest is to seek managerial talents and give fair chance to each talented individual to go along who fulfils the organization's need.

Organization gives chances to all who are working for it. It builds up their career by providing them with training within and outside the organization and developing their skills managerial talents as well as working.





While building up and developing the work careers of individual employees and managerial staff the organization will nurture its interests first and there is nothing wrong in it. Everyone survives because of organization. Who lives if organization dies? People have to search for jobs elsewhere. Human resource management's basic requirement is to look for needs and interest of the organization. Organizations comes first hence its needs are preferred.

### 2.1.2 Things to Consider When Choosing a Career

Choosing a career is a very different thing from choosing a job or choosing which company to work for. While a job, in essence, is a way to trade time for money, and a company is the place where you do it, a career is a much bigger and more important concept. Your career is what you hope to be doing throughout your working life. While a a career usually consists of multiple jobs, it has a unifying theme.

**Your Skills:** The first step to choosing a career is figuring out what your skills are. There are a number of online tests you can take, while also taking stock of yourself and your skills can give you some guidance. If you do not like children, for instance, teaching and child care are not good careers for you. If you faint at the sight of blood, you won't become a surgeon. If you are extremely good at mathematics, a career in the sciences or in finance could be an excellent choice.

**Your Passions:** Once you have figured out what your skills are, take some stock of what you love doing. Your goal should be to find a career in an area that you love that also puts your skills to good use. For example, if you enjoy looking at buildings and are good at mathematics, your dream career could be in structural engineering. When you do this, keep in mind the saying that "If you follow your passion, the money will follow." While it is true that some jobs pay significantly more than others,

most careers can lead to a salary of around \$75,000 per year in their middle and upper echelons, a level of income that maximizes happiness, according to a Princeton University study. In other words, it is possible to do what you love and have enough money to be happy.

The Market: Once you have determined your dream career, do some research. If your dream job is to be a crab fisherman and you live in Iowa, you know you need to relocate. Doing research also provides a sense of what degrees, certifications or experience you need to enter a particular industry. It also should help you begin to map out your career path, according to the various options and specialties within a field.

Your Experiences: The two best types of research you can do when considering a career are talking to as many people in your chosen field as possible and getting as much experience as you can. Talking to people is usually a simple matter of booking informational interviews, asking a few good questions and listening carefully. One of the best ways to get experience is to volunteer for a related nonprofit organization or to find an internship; you even can do temporary work through an agency for a company in your desired industry. After you have gotten some experience and spoken to a few people, step back and reflect on what you have learned. If everything is as you expected, you should be ready to commence your new career.

#### 2.1.3 Problems with Choosing a Career

Financial concerns, job uncertainty and fear of failure are all common challenges students face when choosing a career. The truth is, no one knows what the world will look like 10 or 15 years from now. Nearly 40 percent of workers fear that their jobs will be obsolete within five years, reports the World Economic Forum. Young people also have additional concerns, such as balancing work and studies.

**Career Issues Faced by Students:** Millions of employees are unhappy with their jobs. A 2019 survey conducted by Indeed found that nearly half of U.S. workers have changed careers over the past years. Some wanted bigger paychecks or greater flexibility, while others were looking to grow professionally. About 78 percent of respondents said they no longer felt satisfied with their work.

As a student, you want to pursue a career path that aligns with your values, passions and skills, but that's not always possible. For example, it can take up to 16 years to become a surgeon, according to the U.S. Bureau of Labor Statistics. Meanwhile, you may need to juggle multiple jobs to pay the bills. Not everyone is willing to make these sacrifices.



Many students are concerned about their future, too. Technology is moving at a fast pace, and many jobs will be lost permanently. The Brookings Institution reports that automation poses major challenges to middle-class work. Bank tellers, for instance, are gradually being replaced by automated systems.

You may also want to choose a career that gives you a sense of purpose. Perhaps you want to become a firefighter, but you may not meet the job requirements. Some people dream of exploring the world and helping animals in need. Sadly, these positions are often underpaid, so you may end up struggling to make ends meet. Finding the right career path becomes even more difficult if your parents or friends are putting pressure on you.

**Focus on Your Priorities:** The challenges students face when choosing a career can be related to their life goals, personal values or finances. If, say, you plan to start a business at some point, it's important to pursue a career that aligns with your goals. A makeup artist, for instance, may find it easier to open and manage a beauty salon than someone with a different professional background.

For starters, assess your priorities and keep an open mind. Chances are, you won't get it right the first time – and that's perfectly fine. What matters most is to continually improve your skills and create opportunities rather than wait for them. The average person goes through about four job changes before the age of 32, notes Longwood University. Some people switch careers completely or return to school.

If you make the wrong choice, you can always try something new. Even if you pursue a career that ticks all the boxes, your priorities may change later in life. Focus on what you can do today and take small steps to a better future. Florida State University recommends that students explore their values, strengths and interests when choosing a career path. Think about what you are good at, what you enjoy and what you care about.

**Keep an Open Mind:** Define your deal-breakers, too. Some professions require over 10 years of study, followed by apprenticeships, internships or training programs. Others involve night shifts, long hours or frequent travel, making it difficult to maintain a healthy work-life balance.

For example, nearly 50 percent of new nurses work overtime, reports a February 2019 study published in the Journal of Advanced Nursing. But there are plenty of other health care careers that provide greater flexibility. Depending on your goals, you could work as a lab tech assistant, dietician, dentist or physical therapist.

Think about where you want to work, too. Interior designers, for instance, are in high demand in Miami, Seattle and other big cities. If that's something you would like to do, you may need to relocate for work. Research your career options before making a choice; consider the salary, job duties, work schedule and advancement opportunities. Most importantly, follow your passion and pursue a career that will allow you to grow as a person.

## 2.1.4 Key Factors to Choosing a Successful Career

While you can always switch careers if you choose one you find little success in, it's considerably easier and less stressful to choose a career that will bring you success and happiness for the long-term, suggests Fredonia State University of New York. Ask yourself what you enjoy in life, what you do well and what you want out of life, and you'll start on the path toward a rewarding career. Paying attention to industry trends doesn't hurt either when weighing important factors in choosing a job.

**Find Your Passion:** It's almost always easier to complete tasks if those tasks revolve around your interests. Someone with no interest in math probably won't find much success or happiness in a math-intensive career. You don't have to choose a dream career that matches up perfectly with your interests -- doing so is sometimes exceedingly difficult -- but you should choose a career that you're somewhat passionate about.

If you're not interested in the duties or responsibilities that come with the career you choose, it's going to show. The lack of interest, passion and motivation often lead to **poor productivity**, which can adversely affect your advancement opportunities, salary and even job security.



#### Poor

productivity in the workplace refers to a condition where one or more workers complete tasks, processes, production or sales inefficiently. **Build on Your Skills:** Choosing a career that matches your skill set might seem like common sense, but you'll likely face situations where you enjoy a certain aspect of a career but you don't have the right crop of skills. Without the necessary skills, you'll likely struggle and fail to produce. And production is the name of the game for a successful employee.

If you don't produce at a high level, you're replaceable. For instance, if you enjoy the idea of making commissions as a salesperson but you lack communication skills, you won't be able to effectively highlight why a client should invest money into what you're selling. If you can't close sales, you won't earn a commission and you're ultimately a liability to the company.

If you don't currently possess the skills for the career you're interested in, acquire them, whether through higher education, training programs or identifying strategies to develop them in everyday situations.

**Consider Lifestyle Factors:** Questions to ask when choosing a career include how strongly do you feel about maintaining a certain lifestyle, such as being your own boss or working outdoors. Different lifestyles call for different careers. If being home with your family at around the same time every day is important to you, a career that sees you on the road or requires you to work overtime frequently might create problems and leave you unhappy.

Don't just brush it off and try to convince yourself you'll get used to the change. Think about it hard and long. If your career threatens a certain aspect of your lifestyle that's exceptionally important to you, that might not be something you can easily adjust to, and it can ultimately affect your performance at work.

Analyze Industry Trends: Important factors in choosing a career include projected growth of the occupation you're considering. It's difficult to experience success in the career of your choosing if you can't even get your foot in the door, or if the future is bleak. Some careers lack demand, which creates little growth. The U.S. Bureau of Labor Statistics expects jobs for craft and fine artists, for example, to grow just 1 percent between 2018 and 2028, which is slower than average.



Some industries are greatly impacted by the economy, such as the construction industry. Technological and societal shifts away from certain industries have hurt others. The BLS expects news reporters and correspondents, for instance, to suffer a 12 percent decline in growth between 2018 and 2028. The Bureau attributes the negative growth to a declining audience for both newspapers and news television shows and fewer news organizations.

You can pursue these types of careers, but be aware the chances your success will be interrupted by layoffs, pay freezes and fewer opportunities will be higher.

# 2.1.5 Career Paths

Career path is a line, a route or a course along which an employee moves upward in organization's hierarchical structure. The career paths are affected by the organization's strategy or policy. Organization has to change with the times that demands restructuring, downsizing or rightsizing. These changes change the career paths for individual employees. Gone are the days when an individual joined the organization at the lowest level used to retire by reaching the highest level in his work career.

The diagram below shows traditional career paths:

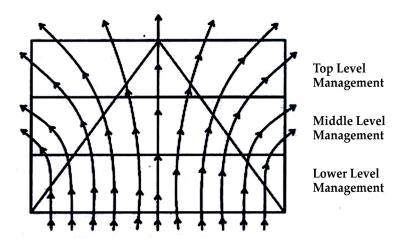


Figure 1. Traditional career paths.

#### **Traditional Career Paths**

The diagram shows different career paths for different individuals. Some have entered the organization at the lowest level and retired after achieving little height in their career, some have retired after attaining the level of middle management. A few fortunate and able individuals have retired after attaining the positions at top level



of organizational hierarchy. These organizations have stable growth. They require a fixed number of employees every year. This number may go up on expansion of the business.

Career paths change with the changes in the pattern and size of the organization. This certainly happens with the changing times. New posts get created having different career paths. All these changes lead to changes in individual's career path. Some organization considers the demands of the unions to grant some kind of promotion to those whose career reached stagnation. Organizations after granting promotions transfer the employees to other departments. This also changes the work career path.

The diagram given below depicts these changes in career paths:

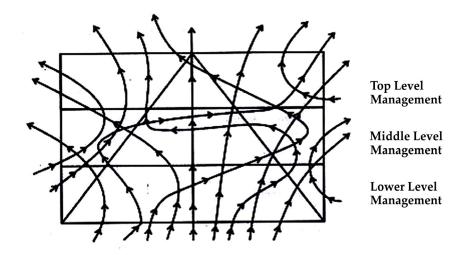


Figure 2. Future career paths.

Spiral paths in career indicate that the employee has been transferred from one department to other department after granting promotion or without promotion. These transfers are horizontal transfers. Such transfers become essential to the organization for its smooth running and to make necessary human resource adjustment or to meet organizational HR strategic requirements.

Some executives who always aspire high join the organization in the area of middle or top level management and leave the organization early. Such people do not stay with one organization. They have a volatile fidelity. Now some organizations prefer part time or temporary staff to escape the financial burden of full wage payments and other benefits during the tenure and after formal retirement of the employee.

#### **Employee Career Planning:**

Planning for careers makes employee grow in his working life time while unplanned careers flop. First and foremost step in career planning is to make one's SWOT analysis. He should assess his strength, weaknesses, opportunities and possible threats. He should then collect information regarding opportunities available in various organizations because they offer employment. He should trace the career paths in the organizations available and compare them and then join the organization with complete devotion for they want hard work for the salaries they pay.

The organizations help the young promising people for they provide necessary information through various ways as per their need to plan the career. Organization will not take any interest in the person who does not fulfill their needs by coming up to the standard.

Advantages of Career Planning:

- (1) Employees become loyal and committed to the organization when career planning is pursued by the enterprise.
- (2) It helps in gathering knowledge of career opportunities by the employees.
- (3) It boosts up morale of the employees. They perform better.
- (4) It helps in retaining the employees. They do not leave the organization in search of green pastures.
- (5) It facilitates individual and organizational development. Also corporate goals are effectively achieved.
- (6) Effective career planning improves the image of the organization. Competent people get attracted towards it.
- (7) Career planning enables organization to identify competent employees and promote them.
- (8) It helps in planning for training of the staff to promote them in future.
- (9) It enhances job satisfaction and promotes sense of belonging to the organization among employees.
- (10) Career planning leads employees to success.

## 2.1.6 The Importance of Choosing a Career Path

Today's students have a dizzying array of career avenues not available to earlier generations. On the one hand, it is exciting to have so many possibilities. But it can also feel stressful and overwhelming, especially with people unrelentingly asking, "What are you planning on doing with your life?" If you have no sense of purpose

or direction, you could waste precious time in low-paying, dead-end jobs. Choosing a career path early can give you a jump-start on a bright future.

Salary and Earning Potential: Following a career path paves the way for economic security throughout your lifespan. Most people do not fall into their dream job by sheer luck. Completing a 2-or-4-year degree opens the door to your membership in the middle-or-upper class. Only a sliver of the population achieves fame and fortune through extraordinary talent alone. A high school education is required for most jobs that pay above minimum wage. In 2016, Georgetown University's Center on Education and the Workforce found that high school graduates make an average of \$1.4 million total earnings during their workforce years. College graduates have a lifetime earnings potential of \$2.5 million and those with a master's degree can make \$2.9 million. The path to a gratifying job with a good salary starts with matching your talents to college majors and technical programs of interest to you.

**Job Satisfaction:** Getting out of bed on a cold, cloudy Monday morning is easier when you don't hate your job. Workers are most content when given an opportunity to use their skills and talents in a meaningful way. More than any other generation, 88 percent of millennials find it especially important to work at a job that supports their career development, according to job satisfaction surveys reported by the Society for **Human Resource Management**. Other key contributors to job happiness include feeling respected by everyone at work and receiving good wages and benefits. Choosing a career path will likely involve postsecondary training with internships or apprenticeships, which can offer assurance that you are on the right track to finding a job you will enjoy for many years.

**Job Security:** High-paying, appealing careers are within your reach if you develop a career path and follow it. A good job can buffer anxiety over the high cost of living, especially skyrocketing rent or mortgage payments. Also, college graduates have the highest rate of employment. For example, the National

#### Keyword

Human resource management is the strategic approach to the effective and efficient management of people in a company or organization such that they help their business gain a competitive advantage.

Center for Education Statistics reports that 88 percent of college-educated adults were employed in 2016. Having a job that won't go away during a recession is critical. The risk of being unemployed is greatest for high school dropouts who have a dismal employment rate of 48 percent because so many jobs require some type of postsecondary training. Meandering about in various unskilled jobs may suit your present lifestyle but cost you later in terms of job security.

**Freedom to Retire One Day:** Goal-oriented students who know where they are heading in life can settle into an interesting, lucrative career after successfully completing an associate or bachelor's degree. Professional and highly skilled jobs typically come with attractive benefits that include retirement plans. Retirement may be the last thing on your mind, but more and more people are indefinitely delaying retirement because of cuts to social security and pensions. The day may come when you want the option of retiring. The Economic Policy Institute reports that increasing segments of the population will struggle to make ends meet in their retirement years. Single retired women earn less than men but tend to live longer, so they may run out of retirement savings, which forces many elderly women back into the workforce.

#### 2.1.7 Advice on Choosing a Career Path

Choosing a career is one of the most important decisions most of us ever make. Depending on the individual, the choice of career may be decided by following in the footsteps of a parent or taking over a family business. For others, it is the pursuit of a passion or lifelong dream. Whether your path is clear or uncertain, careful planning may lead to the job of a lifetime.

**Examine Your Interests:** The first step in choosing the right career is to think about your interests. Decide if you prefer analyzing numbers to working with your hands. Evaluate your creativity or your desire to work with people. Don't worry if you have the education or experience for a specific career or how much money you might make.

Use an interactive interest profile like that found on the My Next Move website. Created by the U.S. Department of Labor, the profile will help you identify possible career paths that agree with your interests. The Career Path website provides similar services.





**Focus Your Search:** After you've identified your interests, search for occupations. For example, if you like children or reading, explore a career in early education or library sciences. Careers such as daycare worker or pediatric nurse are also options that allow you to work with children.

The U.S. Bureau of Labor Statistics provides information on thousands of jobs including salary, requirements and work environment; so that you can glean a more realistic view of what your life would be like if you choose specific paths. This information can be a lot more accurate than media portrayals of some careers, and could save you a lot of time, resources and frustration!

**Evaluate Your Preparedness:** Now that you've focused on a specific career based on your interests, identify the education, knowledge and skills it requires. Some careers may be started with a high school diploma; others may require a two-year or four-year degree. Some fields require certification for your chosen path. For example, if you chose a career in project management, you may find that certain positions require a certification.

**Explore Careers:** Your next step is to explore job possibilities in your chosen career. Online job boards are useful tools to see if jobs matching your career path are available in your area. Look across different industries to see how the jobs vary in terms of salary and responsibility. Ask friends and family members who work in your chosen profession if you can job shadow them or visit with a human resources associate at their companies.



It is also helpful to look at what qualifications and skills the job posters are looking for in the specific openings you are looking at. This will help give you a realistic idea of what is in demand in the current job market.

**Other Resources:** Local colleges and universities provide career information to their students. If the service is open to the public, visit the career services department. Ask the staff to provide you with information on employers in your area. Also, investigate state or local employment agencies in your town. These agencies work closely with local employers and may provide training for certain careers.

When you decide on a specific career path as a result of your research, make the decision to secure the necessary education and skills for the jobs in your field. With proper planning, you should be on your way to your dream job.

#### 2.1.8 Succession Planning

Organization has perpetual existence. For its survival and growth it requires people to succeed and occupy vacant positions at higher level. Higher level jobs fall vacant because of retirement, transfer, promotion, death or resignation. Succession is by two ways internal and external.

**Internal Source:** The vacant posts at higher level are filled up by granting promotions to the able and competent employees of the organization. It is advantageous to the organization to fill up vacancies at higher level from the senior executives because they are well known to the organization.

Their strengths and weaknesses are also known. Organization can remove the weaknesses of executives by providing them adequate training and removing their weaknesses before granting them promotions. They have sense of belonging to the organization, commitment and are loyal to the organization.

**External Source:** Another way to fill vacancies at higher level with the people from outside who may be competent but take time to adjust with the environment in the organization. There is no guarantee that they can stay with the organization because such people are always in search for greener pastures and when they get better opportunity they desert the organization. However from external source better executives can be obtained. The organization has to hunt for such people.

Career planning on the other hand covers all levels of employees. Career planning shows career paths for various types of jobs while succession planning shows a succession chart i.e. an executive who will succeed after retirement of his senior executive.

#### 2.1.9 Career Development

Career development is an activity of the organization considering the long term benefits and success of personnel and organizational effectiveness. Career development is undertaken by the organization according to its human resource needs and the skill and potentials require manning the various jobs and increasing its effectiveness and make it strong to face the competition from other organization.

A long term career development program can be chalked out to reap various benefits. The organization spends heavy amount on training the staff and development of its executives so that it get the required talents from within the organization. It does not have to search them from outside.

The following are the advantages of career development:

1. Required talents and potentials are easily available from within the organization itself. Career development becomes essential because of changing job requirements due to changes in technology. Instead of searching the resources elsewhere it is always better to develop the resources from the organization.

It will benefit both the organization as well as the employees for they get better prospects in the same organization as their career is further developed by their organization. This increases the sense of belonging to the organization and boost up their morale.

- 2. Career development helps in retaining the present staff for they feel further advancement in the same organization. They do not leave the organization hence arresting employee turnover. Employee's respect for their employer goes up as he feels obliged. Through career development employer expresses its concern for the employees and helps them planning their own career. Personnel development is attained through career development.
- 3. Career development helps in attracting the talents from other organization. Any talented person wants the opportunity which is challenging and satisfies him.

Remember

Succession planning and career planning appear to be similar but there is a difference between the two. Succession planning is meant for higher level executives. It involves search for people with potentials as probable successors to fill up vacancies at higher level.



For meeting the challenges talents get attracted towards the organization which gives scope and further develop their talents to suit the job requirements.

4. There are certain jobs that can be perfumed by disabled and women. Organization through effective career development programs can develop their talents and give them a fair chance to go up and contribute to the organization.

They can get the opportunities to build up their career. Women are emerging very strong on every field. They do not need sympathies or anybody's help. They have tremendous potentials in them. The need is to exploit that potential for productive purposes. Career development can play significant role in this respect.

5. Career development boosts up morale of the employees and removes frustration from their minds. The career development gives chance to highly educated to move upward. The employees can match their expectations with career advancement.

Career development should give due weight age to the individual aspirations and career dimensions of the employees by giving them the opportunities to reach their goals. Through effective career counseling the question of aspirations and career dimensions can easily be tackled. All these efforts should result into effective management of human resources.'

#### 2.1.10 Career and Age

Career and age go together. As you go up in the organization hierarchy your age increases. With increase in age you gain in experience and command respect from junior employees. Up to the age of 35 an employee is in the initial stages of his career.

He learns and commits mistakes too but learn by them. After the 35 up to 45 plus an employee is in the middle of his career and an experienced person commanding respect from his juniors. The errors on the part of senior employee are not tolerated and can be penalized.

As career graph goes up along with the age of 55 plus an employee is a senior most person commands still more respect and given a lot to the organization. He plans, others execute. He is to guide the senior employees in their work and can render advice.

His word has value to the organization. After 55 he is fast marching towards his retirement. Efficiency goes down. Highly experienced person has to fade away from the scene at the age of 60 accepting the best wishes for rest of his life from his colleagues of the organization.



#### 2.1.11 Challenges in Initial Career

There are some fortunate young employees who get tough and challenging assignment and responsibility in the early stages of their career. If they accept and complete the assignment successfully then there is no looking back for them as they become hard worker accepting toughest assignment. Their efficiency is naturally more than others. In later stages of their career they seem to be more efficient than their colleagues. The career graph of such employees sore high early.

**Dual Career:** Dual career is the situation where both spouses are employed. Under the circumstances if one partner is promoted and transferred the other faces problem. Organization also faces a problem. If both are working in different organizations in the same city the problem is meager but when one of them gets transferred in some other city problem becomes severe. Nowadays women are becoming ambitious. They are getting higher education and want to accept every challenge... Such dual career needs careful studies.

**Career Counseling:** An individual has a work career of 30 long years on an average. During his career he has to face many challenges and crises. If the crisis is related to his career then he is a disturbed man. Career counseling can help him a lot. Human resource department plays a significant role in this respect by providing an expert who is known as counselor who is a psychologist, **psychiatrist** or a social worker.

He comes to the rescue of such a disturbed employee. A counselor must be well adept in the skill of counseling. He must collect all the information related to counselee, his attitude, aptitude, experience, character, weak and strong points, his place in the organization, his friends and foes, habits, motives, his career paths and patterns etc. Counselor then makes and assessment of the situation and makes suggestions regarding career alternatives. Discuss in friendly environment.

**Workshops:** Career workshops also serve the purpose. Such workshops should be held at regular interval. Employees know their career objectives and individual aspirations through workshops. They understand how to cope up with situation of change in their career.



**Psychiatrist** is a medical doctor who specializes in mental health, including substance use disorders. Participants are usually outsiders and create the atmosphere of confidence. Through group discussion their myths and misconception in respect of career, career paths and opportunities are cleared. They understand the real situation and make their life worth living through these workshops.

#### 2.1.12 Career Plateau

Career plateau is a temporary stable state reached in course of upward progress in the career path. In certain cases this state may be permanent. Career plateau is the common phenomenon in most of the organization. This may be because of the pyramidal structure of the organizations. The organization structure is flatter at the bottom and narrower at the top as a result very few posts are available at the top resulting into a fierce competition among the executives. Only a few can ride the ladder others have to be content on the plateau.

Career plateau is shown in the diagram given below:

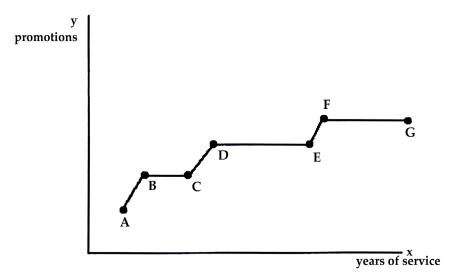


Figure 3. Career plateau.

The employee has to wait for more time to get promotion as his length of service increases. This is a common feature in India in almost all organizations and especially in government organizations and public sector units. Employees have to wait for 10 to 15 years to get first promotion in their career. The distance between the two promotions is increasing.

Career plateau leads to poor performance, dissatisfaction among employees. Some may think of leaving the organization because of plateaued career. Career plateau has serious effects executives. Lack of further chances to go up frustrate them, their



efficiency goes down considerably. This results into leaving the organization and joining the other.

Organizations must select executives whose career goals match with the career path in the organization. Also the organization must frankly make the situation clear to executives regarding their growth of career in the organization. To save employees and executives from such a embarrassing position, the organization should create more promotional posts carrying higher pay, higher status and responsibility both laterally and vertically so that most of the staff be accommodated in the career path after a short interval of time.

# 2.2 CAREER DEVELOPMENT STRATEGY

People are the most important resource an organization can have. So, it becomes prime responsibility of the organizations to take care of their employees and give them an opportunity to grow especially to those who are career conscious and deliver performance. Career in 21st century is measured by continuous learning of the employees and identity changes in due course of time rather than changes in age and life stages. Career development of employees is not a mere responsibility of organizations, rather it is their obligation to address the ambitions of employees and create such job positions where they can accommodate their growing ambitions.

Employees are career conscious and they'll stick to an organization where they feel that they have an opportunity to showcase their talent, grow to the maximum possible level and achieve their objectives. When we talk about growth, it can have different meanings to different people. Some may look at it as a fat package, some may want to climb up the ladder in the hierarchy and reach the topmost position while some want to acquire higher skills and competencies along with their growth as a human being. Some people may take it as an opportunity to avail some exclusive perks and benefits. Depending upon one's own thinking, different people take different actions in order achieve their objectives.



Given the present situations, if employees want their organization to give them an opportunity to grow and achieve their ambitions, they need to be prepared for the future jobs. The main focus of organizations is on the employability of their people. Therefore, individuals should make sure that they have skills and competencies plus willingness to perform a specific job efficiently. Although the organizations can hire employees from outside but they require portable competencies in order to get the job done. For this, they will need to impart training to them and develop skills and competencies according to the job profile. But this is a troublesome process and takes hell lot of time to prepare the employees for a specific job. In order to avoid this situation to the maximum possible extent, organizations take control of the careers of their already existing employees and foster succession planning to fill the topmost positions.

Individuals need to develop new and better skills so that they are fit for promotion and reach to a higher level in the organization. Organizations likewise need to become proactive in designing and implementing career development programs for their employees. It is the best thing they can do to decrease employee turnover. Although it is employees responsibility to plan their career but in today's turbulent and terrifically ambiguous world of work it is the employers' responsibility to provide them with opportunities achieve their ambitions. They need to create that environment and culture for continuous learning and support their employees by motivating and rewarding them.

Career development is a continuous process where both employees as well as employers have to put efforts in order to create conducive environment so that they can achieve their objectives at the same time.

#### 2.2.1 Importance of Career Development

Although the business environment has been endlessly experiencing negative changes such as economic downsizing and restructuring resulting in fewer hierarchical positions but at the same time the need for improving productivity while keeping a pace with continuously changing technology has also increased. Organizations, therefore, instead of hiring a new individual from the market prefer to promote their already existing employee to a specific position as he or she is already aware of the organizational culture and does not need to be trained. This requires a careful succession planning of employees and developing and preparing them continuously for filling topmost designations in future.

The process of organizational career development is important for both employees and employers. There may be several unintended and undesired changes as well as consequences that can change the entire scenario. In such a situation both employees and employers must be ready to keep with the changing environment and act accordingly. Employees continuously need to upgrade their skills and competencies to meet the



current demands where as organizations must be ready with those employees who can handle the pressure efficiently and cease the risk of falling prey to the changed scenario. Therefore, understanding the importance of career development is very necessary for both the parties.

Business Environment Factors that can Bring Undesired Changes

- Economic Downsizing: The biggest of all the factors that has badly affected the careers of millions of individuals is economic downsizing. The jobs are cut from the organizations and the fittest of all employees survive. If employees continuously learn new and better skills, chances are that economic conditions won't hurt them that badly as compared to other individuals.
- De-layering: De-layering means reclassification of jobs. This is an organizational change initiative where a company decides to reclassify the jobs more broadly. However, old reporting lines do exist in order to maintain managerial control but some jobs may be removed or cut down during the process. Again, those individuals have to leave the organizations that are not competent enough to be shifted to other job with different nature.
- Cost Reduction Strategies of the Organization: Cost-reduction strategies of the organizations are again very dangerous for those individuals who are not prepared to move on to the next level. If organizations have to cut down their operating costs, the employment of those individuals is at stake who are not employable or who have not performed up to the mark in past. Employees continuously need to upgrade themselves and show their talent in order to remain in the organizations till long.
- IT Innovations: Continuous changes and up gradation in the technology is also one of the major factors that bring change. Some individuals can keep a pace with the changing technology and are always ready to learn and adopt new IT applications while some show immense resistance which is not acceptable to the organizations. Employees need to keep themselves updated and show willingness to accept changes as and when they occur and mould themselves accordingly.

The business changes affect both organizations and employees. The need is to understand them and find a way to cope with them effectively.

# 2.2.2 Components of a Career Development System

A career development system includes a variety of components for use in the organizations. In order to increase the efficiency of the system, the HR mangers must have complete knowledge about these tools since they play a role of consultant when employees and supervisors use this system. Plus, they are responsible for designing

and developing an effective career development system for their organization. Some activities or components are known as individual career planning tools while some are used for organizational career management. To achieve greater efficiency, most organizations use a right combination of both types of activities. Let us understand these tools and activities to learn in-depth about career development system:

- Self Assessment Tools: This is the first technique that is widely used by organizations in their efforts to career management of their employees. This is a career exploration tool where individuals complete self-assessment exercises and fill information about their skills, interests, competencies, work attitudes and preferences, long and short term goals and obstacles and opportunities. The whole exercise helps them understand their own desires and aspirations and likes and dislikes.
- Career Planning Workshops: Once employees are through their self-assessment, they share their findings with other individuals and their supervisors in career-planning workshops. It allows them to receive feedback from others and check the reality of their plans and aspirations. They may change their plans if they find them unrealistic and move in new direction.
- Individual Counseling: It is one of the most common activities that are undertaken by almost all people developing organizations. Generally, individual counseling is provided by career development specialists, HR specialists or life skills development trainers. Some organizations hire them from outside while some have their own full fledged departments where they recruit and hire trainers for full time. It helps employees in understanding their own goals, making a change in them if required and working on improving their skills and competencies.
- Organizational Assessment Programs: Organizational assessment programs include tools and methods for evaluating employees' potential for growth within the organization. Johnson & Johnson is one company that uses these programs to assess the careers of their employees and evaluate their potential in order to facilitate the staffing and development of special teams known as "tiger teams". These special teams are formed to speed up the development of new products. The most popular programs under this category include assessment centers, psychological testing, 360 degree appraisal, promotability forecasts and succession planning.
- Developmental Programs: Developmental programs are used by an organization to develop their employees for future positions. They can be internal as well as external and can be performed under the supervision of human resource staff or trainers and specialists from outside. These programs include assessment centers, job rotation programs, tuition refund plans, internal training programs, external training seminars and formal mentoring programs.

In addition to these programs, there are several other components of a career development system such as career programs for special target groups, fast-track or high potential employees, supervisors, senior-level employees, women, **technical employees**, minorities and employees with disabilities, etc.

# Keyword

Technical Employees means those employees having special and specific engineering, geological or other professional skills, and whose primary function in Joint Operations is the handling of specific operating conditions and problems for the benefit of the Joint Property.

#### 2.2.3 Objectives of Career Development Systems

Career development has become primary activity of organizations in order to create a pool of talented employees as well as enhance their career satisfaction. Along with this, it is also considered as an organized and planned process to improve the efficiency of organization. In common terms, we may look upon it as an effort to strike a balance between organizational workforce requirements and individual career needs. Employees have their own personal desires and aspirations and need to effectively utilize their personal skills to attain their career goals and objectives. On the other hand, organizations have needs for staffing and meeting present and future human resource requirements. A career development system is a mechanism that takes both the parties in to consideration and helps them meet their requirements as well as objectives.



Fostering Better Communication in Organization: The main objective of designing a career development system is to foster better communication within the organization as a whole. It promotes communication at all levels of organizations for example manager and employee and managers and top management. Proper communication is the lifeblood of any organization and helps in solving several big issues.

- Assisting with Career Decisions: A career development system provides employees as well as managers with helpful assistance with career decisions. They get an opportunity to assess their skills and competencies and know their goals and future aspirations. It helps them give a direction so that they can focus on achieving their long term career goals.
- Better Use of Employee Skills: A career development system helps organization make better use of employee skills. Since managers know their skills and competencies and therefore, can put them at a job where they will be able to produce maximum output.
- Setting Realistic Goals: Setting realistic goals and expectations is another main objective of a career development system. It helps both employees and organization to understand what is feasible for them and how they can achieve their goals.
- **Creating a Pool of Talented Employees:** Creating a pool of talented employees is the main objective of organizations. After all, they need to meet their staffing needs in present and future and a career development system helps them fulfill their requirements.
- Enhancing the Career Satisfaction: Organizations especially design career development systems for enhancing the career satisfaction of their employees. Since they have to retain their valuable assets and prepare them for top notch positions in future, they need to understand their career requirements and expectations from their organization.
- Feedback: Giving feedback on every step is also required within an organization to measure the success rate of a specific policy implemented and initiatives taken by the organization. In addition to this, it also helps managers to give feedback for employees' performance so that they can understand what is expected of them.

## 2.2.4 Career Development Issues with Teams

Teams are increasingly being considered as a unit of work world over. Organizations seek harmony, coordination and oneness in teams for growth and prosperity. More emphasis is laid on group and team dynamics, still however career development issues concerning the teams are neglected somewhere, which is truer for organizations in the developing world and multinational corporations.

Individuals are being replaced at a rapid pace and there are both positive and negative facets of the same. There has been sufficient amount of discussion surrounding individual issues like the selection procedures, designing the training programs, the appraisal systems and rewards and recognition. All these fall within the ambit



of individual career development issues. However, as mentioned earlier, not much attention has been paid to career development issues pertaining to teams! This write up is dedicated to the same.

Teams play a very important role in the individual and career development of the team members. If team dynamics are understood and exploited properly, individual and collective development will happen exponentially. For example one simple way of development of team members would be through benchmarking with team members who exhibit better competencies and skills. Teams can use these member skills and competencies to develop the same in other members who lag behind in certain areas where others excel.



Taking the above mentioned example further and assuming a team of people from across various departments. Different people from different departments make up for an interesting mix in terms of skills, competencies and attitude. People from quality, for example, can teach or introduce various quality concepts to those who are naive to the latter e.g. the marketing department. People from operations would be reasonably good in quality concepts and HR may or not be up to the mark depending upon the kind of organization. Marketing people can similarly share their competencies in marketing communication which may be a weak link in the productions department.

This exchange of skills and competencies can lead to better staffing flexibility. In yet another way, team members may help in identification of training needs for members. Even if team members do not make a conscious effort on acquiring of new skills, a simple rotation of tasks or assignments among the team members will facilitate the skills exchange.

The need analysis program can lead to a developmental plan for each member of the team. In highly empowered teams the execution of the developmental plan also lies on the team members. In Cadillac, for example, each plant and work unit has



a training needs analysis program in place that reminds the members of the KSA's required to achieve targets or goals.

Teams can thus be geared towards acting as a very powerful tool for individual career development, where team members can enhance their own work skills and those of their peers. One strong reason why teams fail is an inappropriate staff / member selection for the team, which creates barriers for skills transfer. Once this is overcome development issues within a team is taken care of.

#### 2.2.5 Mentoring and Career Development

Mentoring is one of the most effective career development programs these days. In India it is gaining popularity even among SMEs (Small medium enterprises). It is in fact one of the better ways to foster relationship within individuals across the organizational hierarchy.

Mentoring is a process of developing formal relationships between junior and senior members of the organization, in certain cases mentoring also takes place between peers. In other words it is a process of developing relationships between more experienced members of an organization and the less experienced ones for transfer of knowledge and skills. These associations are developed with the intent of developing career functions. For example, coaching, sponsorship, protection to peer, challenging assignments, introduction to important contacts and resources are certain ways in which mentoring may happen.

Mentoring is also targeted to psychological functions; role modeling, counseling, benchmarking individual practices are various ways in which the latter is achieved. It is no doubt an important tool that apart from employee development also leads to increased job satisfaction, organizational dedication and career achievement.

The process of mentoring works both ways i.e. it benefits the parties, the mentor and the mentee. It increases the job involvement and satisfaction of the mentor. In case of the one mentored, he feels valuable, the job satisfaction increases and there is essentially a transfer of knowledge and skills.

Lots of organizations are using mentoring programs as means of career development. Federal express, bank of America and Merrill lynch are some organization that have formal mentoring programs in place. Bank of America for example has developed quad squads which comprises of a mentor and three mentees (also called as protégé for 'males' and 'protegee' for female). Many organizations have also developed like to like mentoring relationships (for example Anglo-Indian mentors with Anglo-Indian mentees). Mentoring requires an exercise of great wisdom, caution and expertise on the part of the mentor. There are many techniques that are used these days, some of which have been briefly explained below:

- Mentors are assigned with the responsibility of preparing their mentee for change. The focus is to prepare the individual mentally before he/she is asked for change, so that the change is not taken as negative and instead a developmental process. This mentoring technique s called sowing.
- The other entering technique is called as accompanying, wherein the mentor is involved in the learning process of mentee side by side explicitly, guiding all the time.
- Doing is yet another mentoring technique in which the mentor uses his own example to make something understand. It is also called leading.
- Harvesting is one technique that is essentially aimed at evaluation of the past learning's and to extract conclusions from the same.
- Catalyzing is one technique wherein the process of learning or knowledge transfer is speeded. This is done only when a significant amount of change is achieved.

For mentoring it is important to understand the learning requirements and the style of the mentee. An inappropriate mentoring methodology can act reverse. As mentioned at the beginning of the write up, you require great deal of expertise for the mentoring process. Handle with care is the mantra!

#### 2.2.6 Career Programs for Special Target Groups

Career development programs are designed to meet specific needs and requirements of a particular group of employees. They can be developed for a particular department of special target groups. Depending upon the group for which the program is to be designed, the activities and workshops involved in it also change accordingly. Therefore, before designing and developing a career development program, it is very essential to analyze the requirements of the targeted group. However, there can be some common programs that can be used for all groups within the organizations. There are several different groups in

# Remember

A career development system can be very effective in creating a supportive culture in the organization and help employees grow and utilize their skills to achieve their desires and aspirations related to their career. Both organization and employees can meet their goals simultaneously.



an organization including Fast-track Employees, entrenched employees, supervisors, executives, new employees, women, employees with disabilities and many more.

**Career Programs for Fast-Track Employees.** Fast-track employees are the star performers who have potential to do more that what they are supposed to. The organizations place such employees in fast fast-track groups for quick and upward moves. These are specially selected employees from various groups and departments who are given an opportunity for rapid and intensive development.

These employees require continuous technical as well as psychological training in order to expand their horizons and develop such skills that they can perform more challenging jobs of different kinds. Fast-track employees are also able to manage quicker job changes particularly in the time of crisis. The organization can design high-ended career development programs for them to ensure their quick and intensive development.

**Career Programs for Entrenched Employees.** Since organizations undergo a lot of restructuring and cutback due to recession and streamlining of their activities and operations. Because of this, many employees are asked to leave the organization and explore some other career opportunity. In order to eliminate negative consequences, organizations can start career programs for this special group in order to help them find a new job. Organizations can offer generous severance pay packages to them to fund their career explorations. Along with this, they can also introduce schemes such as pension funds and accrued time off. They can also provide ongoing career development training and counseling and outplacement assistance to them.

**Career Programs for Supervisors.** When every group requires different career development programs, obviously the needs of supervisors will also be different from other employees. The can be provided with continuous training, counseling and coaching on how to lead teams and recognize special skills in an employee. Since they act as mentors of their subordinates, they should be provided with an integrated counseling on performance appraisal system and how to use it in order to measure the performance of their subordinates.

**Career Programs for Women.** With increasing numbers of women entering the workplace, the organizations must develop special career programs for them. Organizations need to identify their problems and challenges that they face on regular basis and try to develop special programs while keeping all these points and considerations in mind. Since women are good multi-takers, the HR specialists should make special efforts to enhance their abilities and capabilities and motivate them to perform better regardless of the circumstances and difficulties in their personal lives. They have different problems and different requirements when it comes to career. This should be kept in mind while designing specialized programs for them.

# 2.3 DECISION-MAKING IN CAREER DEVELOPMENT

The career decision making process requires you to think carefully about your interests, talents, abilities and values. Usually what you are good at indicates your career interests.

The arrows in the decision-making diagram point in both directions, indicating that there is movement in the process. Throughout your life, you may find yourself revisiting this process on several occasions. Just as people and their individual situations change, so can their career decisions.

Studies show that most of us will spend more time planning a vacation than planning or managing our career development, yet making career decisions requires a commitment of time and energy that is well worth the effort. Although there are no quick fixes or sudden answers, taking a proactive approach to career-decision making will help to strengthen the correlation between career fulfillment and life satisfaction.

The career decision-making components explained below can offer valuable assistance in helping you make well-informed career decisions.

Step 1: Discovering Yourself

- What are my interests? Values? Skills? Personality preferences? Strengths?
- What are careers that interest me?
- What are college majors that I want to explore?

Step 2: Exploring Options

- What information or individuals can help me to explore my college or career options?
- What classes or activities can help me to develop my strengths?
- How can I learn more about informational interviews, job shadowing, internships, service learning, or student organizations to gain firsthand experience about a field?

Step 3: Making a Decision

- How much time and energy am I willing to invest to make a career decision?
- Who is part of my support system to help me evaluate the pros and cons?
- What are my top priorities to consider for this decision?

Step 4: Taking Action

- How can I strengthen my readiness for success in a college major?
- What is one goal that I have? How can I reach it? What action can I take now?
- Which one of my talents can I develop through classes or outside activities?



Step 5: Evaluating the Decision

- Is my decision a realistic option?
- Is there anything preventing me from achieving this goal?
- Who in my support system can assist me with achieving this goal?

# 2.3.1 Meaning of Decision Making

Decision Making is a process of selection from a set of alternative courses of action, which is thought to fulfill the objectives of the decision problem more satisfactorily than others. It is a course of action, which is consciously chosen for achieving a desired result. A decision is a process that takes place prior to the actual performance of a course of action that has been chosen. In terms of managerial decision making, it is an act of choice, wherein a manager selects a particular course of action from the available alternatives in a given situation. Managerial decision making process involves establishing of goals, defining tasks, searching for alternatives and developing plans in order to find the best answer for the decision problem.

The essential elements in a decision making process includes the following:

- The decision maker,
- The decision problem,
- The environment in which the decision is to be made,
- The objectives of the decision maker,
- The alternative courses of action,
- The outcomes expected from various alternatives, and
- The final choice of the alternative.

These stages explain how decision making should take place logically. In practice, the influence of various behavioral issues cannot be overlooked. Moreover, the four steps, instead of occurring sequentially, may overlap. And in many cases, decision making takes place in iterative fashion, accepting things that work and rejecting those that do not. Three key factors that are an impediment to good decisions are information quality, human filters and resistance to change. Information may not be accurate, complete, consistent or available on a timely basis. Managers have selective attention, various biases and focus on some dimensions of the problem while ignoring others. Last, but not the least, people are resistant to change. So, decisions often tend to be a balancing of the firm's various interest groups rather than the most optimal solution.

The way people think, both as individuals and in groups, affects the decisions that they make. Bad decisions take place when the alternatives are not clearly defined; the right information is not collected and the costs and benefits are not accurately weighed. Sometimes the fault lies not in the decision-making process, but in the mind of the decision-maker. Managers often do not realize the various traps that exist while taking decisions. Some common traps include:

- **The anchoring trap.** Managers tend to give disproportionate weight to the first piece of information they receive.
- **The status quo trap.** People like to maintain the status quo, even when better alternatives exist.
- The sunk-cost trap. Companies often perpetuate the mistakes of the past because they have invested so much in an approach or decision that they find it difficult to alter course.
- **The confirming-evidence trap.** Managers tend to seek information to support an existing tendency and discount opposing information.
- **The overconfidence trap.** Most people have an exaggerated belief in their ability to understand situations and predict the future.
- **The framing trap.** People's roles in an organization influence the way problems are framed. So often a problem or situation is incorrectly stated.

Characteristics of Decision Making

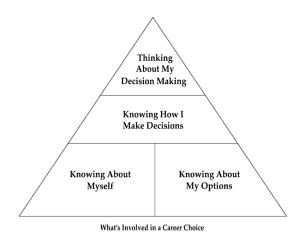
- It is a process of choosing a course of action from among the alternative courses of action.
- It is a human process involving to a great extent the application of intellectual abilities.
- It is the end process preceded by deliberation and reasoning.
- It is always related to the environment. A manager may take one decision in a particular set of circumstances and another in a different set of circumstances.
- It involves a time dimension and a time lag.
- It always has a purpose. Keeping this in view, there may just be a decision not to decide.
- It involves all actions like defining the problem and probing and analyzing the various alternatives, which take place before a final choice is made.

# 2.3.2 Career Decision Making

The first step to solving a career problem is to bridge the gap between where you are and where you want to be. Exploring your values, interests, and skills will help you find educational and career options that match up with your goals. Whether you are choosing a major, searching for a job, or applying to grad schools, our theory-based services can help you develop and implement a plan for the future.



Know About Yourself: Knowing what is important to you (your values), what you enjoy (your interests), and what you do well (your skills) will make it easier for you to make a career decision. Think of values, interests, and skills as the three legs of a stool. You will sit more comfortably with your decision if each leg is equally strong. The pyramid below is a simple way to remember what is important in making career decisions.



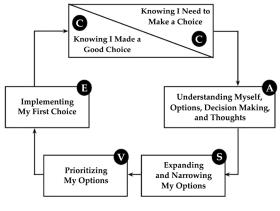
## Keyword

Engage in some or all of the activities below to learn more about your values, interests, and skills:

- Use a Computer Assisted Career Guidance System (SIGI3, or FOCUS2) and complete an interest, skills, or values assessment by creating a free account.
- Complete the Self-Directed Search (SDS) with the help of a Career Advisor at the Career Center. The SDS is an instrument designed to help you organize information about your interests and abilities. After you complete the inventory, you will be able to see how this information about yourself connects to occupations and fields of study.
- Complete the "Module III: Exploring Your Interests, Values, & Skills" activities.

**Know About Your Options:** Now that you have explored information about yourself, it's time to connect that knowledge to what you have learned about your options. If you have yet to explore your educational or career options.

Self-Directed Search (SDS) is a career interest test that asks questions about your aspirations, activities, skills, and interests in different jobs. The Decision Making Process: Once you have a clear understanding of your options and self-knowledge, you can use this information to reflect on your decision-making process.



The CASVE Cycle

Thinking about Your Decision Making: Have you ever had stage fright before a big performance or experienced butterflies before giving a presentation? These experiences are a natural reaction to stressful events in your environment. Similarly, some people become anxious or overwhelmed when thinking about career decisions they must make.

If you feel unsure about your career decision, a career advisor can help. The Career Thoughts Inventory (CTI) is assessments available to you at the Career Center that can help you learn more about the way you think about your career choices and explore new ways of thinking about this decision.

# 2.3.3 The Decision-Making Process and Evaluation of Decision Effectiveness

Making decisions for your small business might seem to require wisdom beyond your capabilities. However, if you are methodical about your decision-making process, there is a better chance that your resulting determinations will lead to success. To ensure that your decisions benefit your company, properly evaluating their effectiveness will help you know if you should stay on track or make subsequent changes.

**Pinpoint the Issue:** As a business owner, you are faced with a variety of decisions every day. Some are important and affect the course of your company's future, while others are not as vital but must be acknowledged. For minor issues, quick thinking and experience can direct your response. However, matters needing more thought and discernment should be closely analyzed. You must pinpoint the issue requiring a

decision. You may have found a problem that needs resolving, but upon closer analysis, you've identified an underlying situation needing to be addressed. For example, if a customer complains about inadequate service, it may not be the fault of your employee but rather the poor implementation of a company policy.

**Determine Solutions:** Once you have adequately identified the decision that must be made, determine if the solution will be isolated to one situation or become a company-wide policy. If your decision will affect employees and customers through comprehensive changes in systems or processes, ask for input from management. Make a list of the advantages and disadvantages of viable decisions. Project the impact of the decision to your sales, revenues and profits. Even minor decisions that are not far-reaching should be considered carefully in case implementation affects other areas of business.

**Implement Decision:** You may be tempted to implement an important decision before conducting an analysis of its merits. Your insight as an experienced small business owner can give you confidence that you are making the right decision without thinking of the ramifications. Instead of being hasty, carefully consider all aspects of your decision and its application. If you are changing a company policy, notify your employees and meet with them to answer questions and discuss the implementation strategy. If customers are affected, send letters and post a notice on your website explaining the changes and benefits involved. Be confident in your decision so others will not question its validity.

**Evaluate Effectiveness:** Perform online surveys and ask customers to answers questions to evaluate the effectiveness of your decisions. Document workplace data if your decision involves employees, manufacturing, or processes and systems. Expect complaints from customers and employees. Determine if they do not like changes in general and eventually will adapt to them or if you have made a mistake that needs further analysis to resolve. Don't overlook serious feedback that can have a negative impact on your profits, but be open to suggestions and continue the process of decision-making and implementation until all departments run smoothly.

#### 2.3.4 Decision-Making and Management

If you're the type of person who shies away from making an important decision in a timely fashion, you'll have to resolve that issue before you start your small business. Decision-making is an extremely significant element of successfully managing a company. Educate yourself on the process of making effective management decisions for your company.

**Significance:** As the owner or manager of a small business, you are the point person for all major decisions regarding the company. That includes hiring decisions,

investments in advertising or promotions, and decisions related to overall direction of the business. Managing your decision-making process is also an important element of project management for you and your employees.

**Techniques:** You can approach the decision-making process from a number of perspectives. You can make your decision after conducting a benefit versus cost analysis; if the benefits outweigh the cost, that indicates the choice might be the right decision. You can also use a modeling technique as another way to make your decisions, which allows you to make your final choice based on a chart or visual model. For instance, flowcharts or decision trees are helpful tools for managers in the decision-making process. Forecasting, the process of making future predictions about the business or industry based on research and trends, can also help you make important business decisions.

**Types:** You may face a number of specific dilemmas when making decisions for your business, as some choices do not always have simple yes or no answers. For instance, you may have made a preliminary decision but find that uncertainty holds you back from pulling the trigger. Some decisions come with high-risk consequences, like the loss of a customer, loss of a substantial amount of revenue, or even business closure. You may also find yourself faced with too many viable alternatives or a decision that contains many factors to consider.

**Considerations:** Ethics sometimes plays a part in the decision-making process for a business owner. For example, the owner may have to make a decision on whether to use a product that is potentially harmful to the environment but necessary for the cost-effectiveness of the business. Santa Clara University offers a process that you can follow in order to make an ethical decision as a business owner. First, recognize that you're facing an ethical issue, obtain all of the facts about the circumstances involved, evaluate all of your alternatives, make the decision, test your decision, and then reflect on the outcome.

**Expert Insight:** Though not everyone will agree with your business decisions, it's important to enforce them as the owner. It's smart to accept advice and opinions from other parties, but you are the final word. Debbie Schachter suggests a consensusbuilding approach, which involves the other parties but allows you to move forward with your final decision. Schacter says, "Remember, consensus is not about everyone agreeing on one idea, but ensuring that the process to reach a solution is universally understood to be valid."

# 2.3.5 Designing Career Development Systems

Organizational career development process includes both individuals and institutions. Individuals plan their own careers whereas institutions or organizations manage the careers of the employees. Career planning by an individual includes several sub processes such as occupational choices, organizational choices, job assignment choices and career self-development. While the major sub processes of career management by organizations include recruitment and selection, human resource allocation, appraisal and evaluation and training and development. In order to have effective career development attempts by the organizations, designing automated career development systems plays a crucial role as it integrates a series of activities related to individual career planning and organizational career management involving employees, management and the organization.

An individual's career is a series or sequence of work-related activities as well as his or her future aspirations. It is affected by several factors such as his or her behavior, attitude, values, ambitions and desires and opportunities and threats and weaknesses and strengths plus the outer environment and economic conditions. It is a deliberate process followed by an individual depending upon his or her desires and aspirations over the span of one's life.

Career management is an ongoing process that takes into account a particular job title or designation while preparing, implementing and monitoring succession planning depending upon the future requirements of an organization. Obviously, it also takes human factors in account but the entire process is directed and operated as per the needs and convenience of an organization. The best planning takes into account both organization's and individual's aspirations and creates a perfect mix where both the parties can be benefited.

Designing career development systems according to specific needs and requirements of an organization can help HR specialists in bringing efficiency to the entire process of career management. Since the system tries to integrate all the activities of an employee, management as well as an organization, it has to be tailor-designed. There is nothing that fits all since the nature of the every business is different and aspirations of every employee in every industry are different. Most companies along with career management programs also involve career assessment process by the employee. If they have supportive environment such as a facilitator and properly automated system, they will properly assess their careers and fill genuine information about themselves.

Most organizations such as Xerox, IBM, Wal-Mart, Lincoln electric and Bell Atlantic have their own specific career development systems. Along with this, they provide their employees with supportive environment and a culture that supports the whole process of career development. This is the reason why these companies are considered as the best places to work. Since they manage the careers of their employees seriously and treat them as the most valuable assets of the organization, a very high percentage of university graduates prefer joining them even if they offer low compensation. While designing career development system for an organization, the nature of their business, the industry and the business environment they are operating in should also be considered. Although it is an internal process of an organization but outer environment factors such as job market, current trends, economic conditions, etc affect the entire process.

#### 2.3.6 Career Personality Tests

A career personality test centers on finding what a particular individual is best at and for what types of jobs he or she will be suitable. This test helps professionals in understanding their priorities, career aspirations, desires and values and goals. It is not necessary to choose a career in a particular domain which you have studied at university level.

Different individuals have different mind setups and different needs and requirements and skills and competencies when it comes to their career. Not all individuals having same educational qualifications are competent to handle the same type of job. If you want to change your career but don't know which way to go, do not worry! A career personality test will help you in defining your goals and objectives more clearly and finding the career opportunities that would suit you according to your personality type.

Career personality tests can be broken into different parts including career assessment tests, personality assessment tests and assessment on how to have a successful professional life, personality tests for career paths. All these components play an important role in helping individuals make their career choices.

These tests are not popular in small organizations but several industry giants known as people developers regularly provide opportunities to their employees to understand their competencies and career interests so that they can put at the right place and be used effectively.

Career personality test deals in identifying the interests, abilities, likes, values and desires and aspirations of the individuals related to diverse jobs or occupations. The main objective of conducting these tests is to enable people to identify the careers they can excel into by analyzing their strengths and weaknesses, likes and dislikes, interests and disinterests, skills and competencies. It is good to conduct these tests prior to taking admission in a particular course but since most people don't do that, many big organizations help their employees find what they are best at.

The second main component is personality assessment test which is comprised of different questions and scenarios. The main objective of this test is to determine the personality, character, capability, emotional quotient, willingness and preferences of an individual inside various professional fields. The personality patterns can be used to identify which particular line of work is ideal for an individual where he or she can



give their best. Based upon the results of test, the individuals are told what careers match their personality. Organizations use this test to determine the competency of an individual within a chosen area.

Understanding how to have a successful, long and fulfilling professional life is very important. Most people who are not satisfied with their professional lives are not happy in their personal lives too. Therefore, striking a balance is very important. It can be achieved only when individuals do what they like. A career personality test helps them understand how they can bring efficiency and effectiveness in their work to live a fulfilling and satisfying life.

There are numerous types of career personality test. You can conduct an online research to find out which one is the most authentic and gives genuine results. You can determine more suitable career options according to your personality.

#### 2.3.7 Identify Career Ladders and Career Paths

Typically a career involves a growth path which takes an individual to a higher position in the organizational hierarchy over a certain period of time. It is called the career ladder or the career path. Most of the organizations map out various steps in the lifetime of an organization in advance. This is done to proactively assess various job movements, vertical and lateral or cross functional moves.

Career ladders are part of the information services which in turn is a component of the career development systems. It is a part of the **career management** process. According to one survey conducted among 182 of the fortune 500 firms, career ladders or career path was considered as one of the effective tools of retention, work motivation and having the communication.

The process of chalking the career path is beneficial to both the employees and the organization. From the perspective of the organization, they are able to preempt future job opportunities for the employees and for answering employee queries about their career progression. Lots of organizations group jobs by job families. General Motors for instance employs one such strategy.

#### Keyword

Career management is the combination of structured planning and the active management choice of one's own professional career. They group marketing, HR, Engineering and production etc to draft a picture of future prospects for the employee in each group.

For an employee the career path or the ladder helps him set targets for himself throughout his career; evaluate himself continually and develop new skills required at the time of transition from one position to a higher. The career path carries the time line, the intermediate goals and the skills and competencies or the qualifications. It thus serves as a guide map. For example the career path in a sales department may look like:

Executive Business Development  $\Rightarrow$  Senior Executive Business Development  $\Rightarrow$  Assistant Manager  $\Rightarrow$  Deputy Manager  $\Rightarrow$  Manager  $\Rightarrow$  Area Sales Manager  $\Rightarrow$  Senior Manager  $\Rightarrow$  Deputy General Manager  $\Rightarrow$  General Manager  $\Rightarrow$  Vice President and so forth.

At each level an employee may be required to spend a certain amount of time and give a certain level of productivity. Unless the individual performs brilliantly the time frame is not compromised upon. In a research survey it was found out that, those organization who picked up very young professionals from top business schools and escalated them to senior positions failed miserably despite their rich skills and qualifications! It is thus necessary to spend certain time at each level, which prepares you for the next.

Employees who outperform others are placed on fast track development tracks where they are provided training inputs so that they are able to move up the ladder and assume leadership positions soon. For such cases multiple or dual career paths have come up in the recent years! This is especially true for scientists and engineers who lacked managerial skills and were regarded as misfits for leadership or managerial positions, not anymore. Nowadays organizations have dual career paths so that a person in a technical position can move up through any of the desired paths.

It therefore appears that career paths and ladders are good contributors to the career development system within organizations. Apart from the above mentioned benefits they also act as agents of motivation by helping the employees remain focused.

# 2.3.8 The Decision-Making Process in an Organization

Decision-making is one of the most important aspects of your small business, but the process of arriving at a decision must be precise, so that it will yield the best results. It's also important to remember that even though you and your executive team will make the major decisions, there are a number of smaller decisions that your managers and staff members will make, sometimes without your input. To ensure that decision-making is uniform throughout your organization, you should implement a process that everyone can follow.

**Understand the Decision You Have to Make:** This may seem obvious, but the first step in making a decision is the realization that a decision is necessary. In other words, you have to identify and define the type of decision that needs to be made, and how it will change your work process, or improve a product or service for your customers.

**Collect All the Information:** Proper decision-making requires an evaluation of all the information and data that you can gather.

If you own a marketing consulting firm and you're considering a pay-per-click advertising campaign, you would want to have information, such as which keywords do customers use the most when searching results related to consulting. In some instances, the information you need is internal (within your organization), and in other instances, you will obtain that information from external sources.

**Identify All Alternatives:** After you've analyzed the information, you must develop several different options regarding the decision you have to make. Using the same example from earlier, you may decide on alternatives, such as display ads, cost-per-thousand ads or re-marketing.

**Evaluate the Pros and Cons:** Analyzing each alternative for its pluses and minuses can help you eliminate which possible decision is the wrong one. Your goal in this step is to identify the options that give you the best chance of success and the least chance of failure. In some instances, there isn't much difference between two options, which means you should consult with your executive leaders to determine which option they like best, and then to rank them in descending order.

Select the Best Alternative: After you've ranked your options, you must choose the one that you think has the strongest chance of achieving your goal. In some instances, you can combine several options, but in most cases, there will be a clear-cut direction you want to take.

**Make the Decision:** A decision is simply a choice until you put it into action. This means that you must understand the resources available to help that decision become successful. You may need to have several meetings with your managers





and team leaders to explain your decision to them, and how it will affect their daily tasks or how it will affect your clients and customers.

**Evaluate the Impact of Your Decision:** It's critical for you to evaluate your decision after sufficient time has passed, so that you can analyze the effectiveness of the choice you made. The biggest question you must ask is this: Did your decision resolve the problem, the need or the issue it was meant to address? If you can answer, "Yes" to this question, then your work is done. If the answer is "No," then you may need to identify what went wrong and repeat the decision-making process.

#### 2.3.9 Employee Involvement in Decision Making

The solid foundation of any successful company is its people. Employees represent a source of knowledge and ideas, but oftentimes that resource remains untapped. Involving employees in the decision-making process not only empowers them to contribute to the success of an organization, but also saves the company time and money in increased productivity and reduced outsourcing.

A Stake at the Table: When employees are involved in making decisions, they gain a professional and personal stake in the organization and its overall success. This commitment leads to increased productivity as employees are actively participating in various aspects of the company and wish to see their efforts succeed overall. This is not only beneficial to company growth, but is also on-the-job training for workers. The increase in responsibility expands employee skill sets, preparing them for additional responsibility in the future.

**Empowerment Improves Morale:** Actively engaging workers in the decisionmaking process increases overall company morale. Many companies have a distinct separation of power between management and workers; however, active employee involvement lowers that gap, opening the lines of communication between supervisors and employees. As a functioning participant in the decision-making process, employees understand their ideas are an important contribution to the company, and give them the power to influence the outcome of their work, leading to increased job satisfaction and a positive attitude, not only toward their position but also to the company itself.

**Taps into Internal Resources:** Using employees in the decision-making process, rather than outsourcing, saves money, time and offers the company long-term reliable assistance from those who know the corporation well. Hiring an outside consulting firm is expensive and can take up valuable resources in fees and the time spent updating outside consultants in various aspects of the company. However, employees are already aware of these processes, offer insightful knowledge of the company needs, and understand the policies of the company overall.

**Improves Workplace Relationships:** Participation in the decision-making process gives each employee the opportunity to voice their opinions, and to share their knowledge with others. While this improves the relationship between manager and employee, it also encourages a strong sense of teamwork among workers. The expression of viewpoints opens dialogue between co-workers, with each worker bringing their individual strengths to a project.

It is also a good way to gather information about the employees as to how they work in a team environment, and where training may be necessary, all of which leads to an increase in effectiveness, and ultimately an increase in good teamwork and performance.



# **CASE STUDY**

# CASE STUDY OF NESTLE: TRAINING AND CAREER DEVELOPMENT

Nestle is world's leading food company, with a 135-year history and operations in virtually every country in the world. Nestle's principal assets are not office buildings, factories, or even brands. Rather, it is the fact that they are a global organization comprised of many nationalities, religions, and ethnic backgrounds all working together in one single unifying corporate culture.

# **Culture at Nestle and Human Resources Policy**

Nestle culture unifies people on all continents. The most important parts of Nestle's business strategy and culture are the development of human capacity in each country where they operate. Learning is an integral part of Nestle's culture. This is firmly stated in The Nestle Human Resources Policy, a totally new policy that encompasses the guidelines that constitute a sound basis for efficient and effective human resource management. People development is the driving force of the policy, which includes clear principles on non-discrimination, the right of collective bargaining as well as the strict prohibition of any form of harassment. The policy deals with recruitment, remuneration and training and development and emphasizes individual responsibility, strong leadership and a commitment to life-long learning as required characteristics for Nestle managers.

# **Training Programs at Nestle**

The willingness to learn is therefore an essential condition to be employed by Nestle. First and foremost, training is done on-the-job. Guiding and coaching is part of the responsibility of each manager and is crucial to make each one progress in his/her position. Formal training programs are generally purpose-oriented and designed to improve relevant skills and competencies. Therefore they are proposed in the framework of individual development programs and not as a reward.

## **Literacy Training**

Most of Nestle's people development programs assume a good basic education on the part of employees. However, in a number of countries, we have decided to offer employees the opportunity to upgrade their essential literacy skills. A number of Nestle companies have therefore set up special programs for those who, for one reason or another, missed a large part of their elementary schooling.



These programs are especially important as they introduce increasingly sophisticated production techniques into each country where they operate. As the level of technology in Nestle factories has steadily risen, the need for training has increased at all levels. Much of this is on-the-job training to develop the specific skills to operate more advanced equipment. But it's not only new technical abilities that are required. It's sometimes new working practices. For example, more flexibility and more independence among work teams are sometimes needed if equipment is to operate at maximum efficiency.

"Sometimes we have debates in class and we are afraid to stand up. But our facilitators tell us to stand up because one day we might be in the parliament!" (Maria Modiba, Production line worker, Babelegi factory, Nestle South Africa).

#### Nestle Apprenticeship Program

Apprenticeship programs have been an essential part of Nestle training where the young trainees spent three days a week at work and two at school. Positive results observed but some of these soon ran into a problem. At the end of training, many students were hired away by other companies which provided no training of their own.

"My two elder brothers worked here before me. Like them, for me the Nestle Apprenticeship Program in Nigeria will not be the end of my training but it will provide me with the right base for further advancement. We should have more apprentices here as we are trained so well!" (John Edobor Eghoghon, Apprentice Mechanic, Agbara Factory, Nestle Nigeria)

"It's not only a matter of learning bakery; we also learn about microbiology, finance, budgeting, costs, sales, how to treat the customer, and so on. That is the reason I think that this is really something that is going to give meaning to my life. It will be very useful for everything." (Jair Andres Santa, Apprentice Baker, La Rosa Factory Dosquebradas, Nestle Columbia).

## Local Training

Two-thirds of all Nestle employees work in factories, most of which organize continuous training to meet their specific needs. In addition, a number of Nestle operating companies run their own residential training centers. The result is that local training is the largest component of Nestle's people development activities worldwide and a substantial majority of the company's 240000 employees receive training every year. Ensuring appropriate and continuous training is an official part of every manager's responsibilities and, in many cases; the manager is personally involved in the teaching. For this reason, part of the training structure in every company is focused on developing managers own coaching skills. Additional courses are held outside the factory when required, generally in connection with the operation of new technology.

The variety of programs is very extensive. They start with continuation training for ex-apprentices who have the potential to become supervisors or section leaders, and continue through several levels of technical, electrical and maintenance engineering as well as IT management. The degree to which factories develop "home-grown" specialists varies considerably, reflecting the availability of trained people on the job market in each country. On-the-job training is also a key element of career development in commercial and administrative positions. Here too, most courses are delivered inhouse by Nestle trainers but, as the level rises, collaboration with external institutes increases.

"As part of the Young Managers' Training Program I was sent to a different part of the country and began by selling small portions of our Maggi bouillon cubes to the street stalls, the 'sari sari' stores, in my country. Even though most of my main key accounts are now supermarkets, this early exposure were an invaluable learning experience and will help me all my life." (Diane Jennifer Zabala, Key Account Specialist, Sales, Nestle Philippines).

"Through its education and training program, Nestle manifests its belief that people are the most important asset. In my case, I was fortunate to participate in Nestle's Young Managers Program at the start of my Nestle career, in 1967. This foundation has sustained me all these years up to my present position of CEO of one of the top 12 Nestle companies in the world." (Juan Santos, CEO, Nestle Philippines)

Virtually every national Nestle company organizes management-training courses for new employees with High school or university qualifications. But their approaches vary considerably. In Japan, for example, they consist of a series of short courses typically lasting three days each. Subjects include human assessment skills, leadership and strategy as well as courses for new supervisors and new key staff. In Mexico, Nestle set up a national training center in 1965. In addition to those following regular training programs, some 100 people follow programs for young managers there every year. These are based on a series of modules that allows tailored courses to be offered to each participant. Nestle India runs 12-month programs for management trainees in sales and marketing, finance and human resources, as well as in milk collection and agricultural services. These involve periods of fieldwork, not only to develop a broad range of skills but also to introduce new employees to company organization and systems. The scope of local training is expanding. The growing familiarity with information technology has enabled "distance learning" to become a valuable resource, and many Nestle companies have appointed corporate training assistants in this area. It has the great advantage of allowing students to select courses that meet their individual needs and do the work at their own pace, at convenient times. In Singapore, to quote just one example, staff is given financial help to take evening courses in job-related subjects. Fees and expenses are reimbursed for successfully following courses leading to a trade certificate, a high school diploma, university entrance qualifications, and a bachelor's degree.

#### International Training

Nestle's success in growing local companies in each country has been highly influenced by the functioning of its International Training Centre, located near company's corporate headquarters in Switzerland. For over 30 years, the Rive-Reine International Training Centre has brought together managers from around the world to learn from senior Nestle managers and from each other.Country managers decide who attends which course, although there is central screening for qualifications, and classes are carefully composed to include people with a range of geographic and functional backgrounds. Typically a class contains 15–20 nationalities. The Centre delivers some 70 courses, attended by about 1700 managers each year from over 80 countries. All course leaders are Nestle managers with many years of experience in a range of countries. Only 25% of the teaching is done by outside professionals, as the primary faculty is the Nestle senior management. The programs can be broadly divided into two groups:

- Management courses: these account for about 66% of all courses at Rive-Reine. The participants have typically been with the company for four to five years. The intention is to develop a real appreciation of Nestle values and business approaches. These courses focus on internal activities.
- Executive courses: these classes often contain people who have attended a management course five to ten years earlier. The focus is on developing the ability to represent Nestle externally and to work with outsiders. It emphasizes industry analysis, often asking: "What would you do if you were a competitor?"

# SUMMARY

- A career means you stay in the same type of work. A career can be one job or many jobs. You can work for one company or many companies. A career is sometimes called a "career path."
- From the organization's point of view career development involves going along hierarchical career paths. Organization's interest is to seek managerial talents and give fair chance to each talented individual to go along who fulfils the organization's need.
- Choosing a career is a very different thing from choosing a job or choosing which company to work for.
- Career path is a line, a route or a course along which an employee moves upward in organization's hierarchical structure. The career paths are affected by the organization's strategy or policy.
- Spiral paths in career indicate that the employee has been transferred from one department to other department after granting promotion or without promotion. These transfers are horizontal transfers. Such transfers become essential to the organization for its smooth running and to make necessary human resource adjustment or to meet organizational HR strategic requirements.
- Choosing a career is one of the most important decisions most of us ever make. Depending on the individual, the choice of career may be decided by following in the footsteps of a parent or taking over a family business.
- Organization has perpetual existence. For its survival and growth it requires people to succeed and occupy vacant positions at higher level. Higher level jobs fall vacant because of retirement, transfer, promotion, death or resignation. Succession is by two ways internal and external.
- Career and age go together. As you go up in the organization hierarchy your age increases. With increase in age you gain in experience and command respect from junior employees. Up to the age of 35 an employee is in the initial stages of his career.



# **MULTIPLE CHOICE QUESTIONS**

- 1. Which of the following is/are suggested way(s) take control of yourself and getting ahead in your career?
  - a. Develop passion and pride for your work
  - b. Develop expertise that employers seek
  - c. Develop outstanding interpersonal skills
  - d. All of the above.
- 2. Which of the following is/are suggested way(s) take control of yourself and getting ahead in your career?
  - a. Practice good organization citizenship behavior
  - b. Perform in an outstanding manner on all parts of your job
  - c. Create good first impressions
  - d. All of the above.
- 3. The \_\_\_\_\_\_ is a pattern in which the worker performs one assignment well and then has the confidence to take on an even more difficult assignment.
  - a. Work-peak syndrome
  - b. Success syndrome
  - c. Competent syndrome
  - d. Avoid-fail syndrome
- 4. In developing a code of professional ethics which of the following is not likely to be a question one would ask when deciding if his or her action is ethical?
  - a. Can I get away with my actions?
  - b. Is it right?
  - c. Is it legal?
  - d. Is it balanced?
- 5. Which one of the following is not one of the components included in the model for career advancement that was presented in the text?
  - a. Climbing the ladder of self-fulfillment.
  - b. More emphasis on temporary leadership assignments.
  - c. Being promoted as much for learn-how as know-how.
  - d. More emphasis on vertical growth than horizontal growth.

# **Review Questions**

- 1. What things to consider when choosing a career?
- 2. Clarify the key factors to choosing a successful career.
- 3. Give an overview on career paths.
- 4. Write the role of career plateau in career development.
- 5. Elaborate the components of a career development system.

## Answer to Multiple Choice Questions

1. (d) 2. (d) 3. (b) 4. (a) 5. (d)



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# WORKING IN A GLOBAL ECONOMY

"The whole of the global economy is based on supplying the cravings of two per cent of the world's population."

- Bill Bryson

# **INTRODUCTION**

The global economy is the economy of all humans of the world, referring to the global economic system which includes all economic activities which are conducted both within and between nations, including production, consumption, economic management, work in general, exchange of financial values and trade of goods and services. In some contexts, the two terms are distinct "international" or "global economy" being measured separately and distinguished from national economies while the "world economy" is simply an aggregate of

## LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. How to working in the new global economy
- 2. Discuss concept of quality of work life
- 3. Explain the needs of quality of work life
- 4. Focus on international trade in economic growth
- 5. Learn about international trade services

the separate countries' measurements. Beyond the minimum standard concerning value in production, use and exchange, the definitions, representations, models and valuations of the world economy vary widely. It is inseparable from the geography and ecology of planet Earth.

It is common to limit questions of the world economy exclusively to human economic activity and the world economy is typically judged in monetary terms, even in cases in which there is no efficient market to help valuate certain goods or services, or in cases in which a lack of independent research, genuine data or government cooperation makes establishing figures difficult. Typical examples are illegal drugs and other black-market goods, which by any standard are a part of the world economy, but for which there is by definition no legal market of any kind.

However, even in cases in which there is a clear and efficient market to establish a monetary value, economists do not typically use the current or official exchange rate to translate the monetary units of this market into a single unit for the world economy since exchange rates typically do not closely reflect worldwide value, for example in cases where the volume or price of transactions is closely regulated by the government. Rather, market valuations in a local currency are typically translated to a single monetary unit using the idea of purchasing power. This is the method used below, which is used for estimating worldwide economic activity in terms of real United States dollars or euros. However, the world economy can be evaluated and expressed in many more ways. It is unclear, for example, how many of the world's 7.8 billion people have most of their economic activity reflected in these valuations.

# **3.1 WORKING IN THE NEW GLOBAL ECONOMY**

The global economy has changed significantly over the past few decades, in the way that it is organized and governed by collaborating nations. These changes have repercussions that not only affect the flow of goods and services between countries, but also the movement of people. As we've seen on occasions over the last century, too great a fluctuation in this international economic system can lead to a global economic crisis.

While globalization has led to the convergence of more developed economies, many argue that the welfare gap between the more and less developed economies is growing. 'Global economics' looks at how trade has shaped the global economy and considers the costs and benefits of free trade – it also provides an analysis of the major problems facing the global economy in the 21st Century, and provides an analysis of the financial crisis and the rise of powerful trading blocs. Globalization has, however, enabled powerful multinationals to avoid taxes by employing complex tax systems. The implications of Brexit for the global economy are also considered.



# 3.1.1 What is a global economy?

The global economy refers to the interconnected worldwide economic activities that take place between multiple countries. These economic activities can have either a positive or negative impact on the countries involved.

The global economy comprises several characteristics, such as:

- Globalization: Globalization describes a process by which national and regional economies, societies, and cultures have become integrated through the global network of trade, communication, immigration, and transportation. These developments led to the advent of the global economy. Due to the global economy and globalization, domestic economies have become cohesive, leading to an improvement in their performances.
- International trade: International trade is considered to be an impact of globalization. It refers to the exchange of goods and services between different countries, and it has also helped countries to specialize in products which they have a comparative advantage in. This is an economic theory that refers to an economy's ability to produce goods and services at a lower opportunity cost than its trade partners.
- International finance: Money can be transferred at a faster rate between countries compared to goods, services, and people; making international finance one of the primary features of a global economy. International finance consists of topics like currency exchange rates and monetary policy.
- Global investment: This refers to an investment strategy that is not constrained by geographical boundaries. Global investment mainly takes place via foreign direct investment (FDI).

Economic globalization is one of the three main dimensions of globalization commonly found in academic literature, with the two others being political globalization and cultural globalization, as well as the general term of globalization. Economic globalization refers to the widespread international movement of goods, capital, services, technology and information. It is the increasing economic integration and interdependence of national, regional, and local economies across the world through an intensification of cross-border movement of goods, services, technologies and capital. Economic globalization primarily comprises the globalization of production, finance, markets, technology, organizational regimes, institutions, corporations, and labor.

While economic globalization has been expanding since the emergence of transnational trade, it has grown at an increased rate due to improvements in the efficiency of long-distance transportation, advances in telecommunication, the importance of information rather than physical capital in the modern economy, and by developments in science and technology. The rate of globalization has also increased under the framework of the General Agreement on Tariffs and Trade and the World Trade Organization, in which countries gradually cut down trade barriers and opened up their current accounts and capital accounts. This recent boom has been largely supported by developed economies integrating with developing countries through foreign direct investment, lowering costs of doing business, the reduction of trade barriers, and in many cases cross-border migration.

# 3.1.2 Why is the global economy important?

We can understand the importance of the global economy by looking at it in relation to emerging markets:

- Economic importance at a micro and macro level: The increase in the world's population has led to emerging markets growing economically, making them one of the primary engines of world economic growth. The growth and resilience shown by emerging markets is a good sign for the world economy. Before delving into the next point, you need to understand the concept of microeconomics. It refers to the study of the behavior of households, individuals, and firms with respect to the allocation of resources and decision-making. In simpler terms, this branch of economics studies how people make decisions, what factors affect their decisions, and how these decisions affect the price, demand, and supply of goods in the market. Therefore, from the perspective of microeconomics, some of the largest firms with high market value and a few of the richest individuals in the world hail from these emerging markets, which has helped in the higher distribution of income in these countries. However, many of these emerging countries are still plagued by poverty, and work still needs to be done to work towards eradicating it.
- Long-term world economic outlook: According to financial and economic projections based on demographic trends and capital productivity models, the GDP in emerging market economies in 2019 are likely to keep increasing at a positive rate. According to an emerging markets economic forecast for 2019 conducted by Focus Economics, the economy is set to increase by 7.5% in India, 6.6% in Philippines, 6.3% in China, 5.3% in Indonesia, 5.1% in Egypt, 4.9% in Malaysia, 3.8% in Peru and 3.7% in Morocco.

# 3.1.3 Controls the Global Economy

Many people think that the global economy is controlled by governments of the largest economies in the world, but this a common misconception. Although governments do hold power over countries' economies, it is the big banks and large corporations that control and essentially fund these governments. This means that the global economy is dominated by large financial institutions. According to world economic news, US



banks participate in many traditional government businesses like power production, oil refining and distribution, and also the operating of public assets such as airports and train stations. This was proven when certain members of the US Congress sent a letter to the Federal Reserve Chairman Ben Bernanke. An excerpt from the letter:

- "Morgan Stanley imported 4 million barrels of oil and petroleum products into the United States in June, 2012. Goldman Sachs stores aluminium in vast warehouses in Detroit as well as serving as a commodities derivatives dealer. This "bank" is also expanding into the ownership and operation of airports, toll roads, and ports. JP Morgan markets electricity in California.
- In other words, Goldman Sachs, JP Morgan and Morgan Stanley are no longer just banks – they have effectively become oil companies, port and airport operators, commodities dealers, and electric utilities as well."

# 3.1.4 How does the global economy work?

The functioning of the global economy can be explained through one word —transactions. International transactions taking place between top economies in the world help in the continuance of the global **economy**. These transactions mainly comprise trade taking place between different countries. International trade includes the exchange of a variety of products between countries. It ranges all the way from fruits and foods, to natural oil and weapons. Such transactions have a number of benefits including:

- Providing a foundation for worldwide economic growth, with the international economy set to grow by 4% in 2019 (World Trade Organization);
- Encouraging competitiveness between countries in various markets;
- Raising productivity and efficiency across countries;
- Helping in the development of underdeveloped countries by allowing them to import capital goods (machinery and industrial raw materials) and export primary goods (natural resources and raw materials).

Keyword

economy

An

is an area of the production, distribution and trade, as well as consumption of goods and services by different agents.



## What are the effects of global economy?

Nearly every country in the world is in some way affected by things that happen in what may seem at times, like unrelated countries - due to the influence of the global economy. A good example of this is the economic impact that the Brexit vote will have other countries, not only in Europe, but across the globe. Brexit was referendum decision for the United Kingdom to withdraw from the European Union (EU).

The main cause of these effects is economics — based on the production and exchange of goods and services. Restrictions on the import and export of goods and services can potentially hamper the economic stability of countries who choose to impose too many.

The purpose of international trade is similar to that of trading within a country. However, international trade differs from domestic trade in two aspects:

- The currencies of at least two countries are involved in international trade, so they must be exchanged before goods and services can be exported or imported;
- Occasionally, countries enforce barriers on the international trade of certain goods or services which can disrupt the relations between two countries.

Countries usually specialize in those products that they can produce efficiently, which helps in reducing overall manufacturing costs. Then, countries trade these products with other countries, whose product specialization is something else altogether. Having greater specialization helps countries take advantage of economies of scale. Economies of scale refer to the proportionate saving in costs gained by an increased level of production. Manufacturers in these countries can focus all their efforts on building factories for specialized production, instead of spending additional money on the production of various types of goods.

Occasionally countries add barriers to international trade. Some of these barriers include trade tariffs (taxes on imports) and trade quotas (limitation on the number of products that can be imported into a country). Trade barriers often affect the economies of the trading countries, and in the long run, it becomes difficult to keep employing such barriers.

# 3.1.5 Benefits of Global Economy

There are numerous benefits of a global economy, which include:

- *Free trade:* Free trade is an excellent method for countries to exchange goods and services. It also allows countries to specialize in the production of those goods in which they have a comparative advantage.
- *Movement of labor:* Increased migration of the labor force is advantageous for



the recipient country as well as for the workers. If a country is going through a phase of high unemployment, workers can look for jobs in other countries. This also helps in reducing geographical inequality.

- Increased economies of scale: The specialization of goods production in most countries has led to advantageous economic factors such as lower average costs and lower prices for customers.
- *Increased investment:* Due to the presence of global economy, it has become easier for countries to attract short-term and long-term investment. Investments in developing countries go a long way in improving their economies.

# 3.1.6 Factors Affecting Global Economy

According to the latest economic news, here are some of the key factors that influence and affect how well the global economy works:

- Natural resources;
- Infrastructure;
- Population;
- Labor;
- Human capital;
- Technology;
- Law.

If you are interested in learning more about the global economy and how it works, Edology offers a Certificate Course for Policy Issues in the Global Economy.

# 3.1.7 Globalization's Impact on the Labor Market

If globalization were put to a popular vote in the United States, it would lose, according to Jeffrey Immelt, CEO of General Electric, one of the world's largest multinational employers. Opponents of globalization contend that an economic race to the bottom is under way as workers in First World economies will be forced to cut their standard of living to compete with workers in Third World economies. Opponents also claim that only the wealthy benefit from globalization and the poor are not keeping pace. Yet unless you are a skilled economist, it's not always clear how globalization generates more rather than fewer job opportunities for skilled workers worldwide.

## Where Do We Stand?

Even as globalization's effects are debated, plenty of data suggest the pie is getting larger for nearly everyone:



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- The International Monetary Fund, which lends money to governments with struggling economies, claims that more than 200 million people have been lifted out of poverty in India and China since the 1990s in the wake of deregulation that has fueled high GDP growth in those countries.
- Despite the recent addition of tens of millions of globally connected workers in Asia, the US unemployment rate hovers at about 4.6 percent (only 2.3 percent for college graduates), which, in a major economy, is considered close to full employment.
- Fears about offshore outsourcing causing widespread job loss in the US are greatly exaggerated. According to the *Washington Post's* analysis of this Bureau of Labor Statistics data for 2006, "Only about 12 percent of layoffs stemmed from 'movement of work' -- a category that would include offshore outsourcing." Two-thirds of those outsourcing-related layoffs were domestic.
- Far from being a concern, multinationals add considerable value to the American economy. "Foreign employers tend to pay generally better wages across all different sectors in the US and essentially everywhere else in the world, when compared to local, domestic-only companies," says Jacob Kirkegaard, research associate at the Peterson Institute for International Economics in Washington, DC. "It is always great to get a job with a multinational."

The wage gap between rich and poor nations is narrowing quickly, thanks in part to the rise of offshore outsourcing and corporate investment in company-owned offices called "captives," primarily in Asia, Europe and South America. "Wages for top Indian software engineers rise by 20 to 30 percent a year, so that by some estimates, wages in Bangalore are now as high as 75 percent of US wages, though, of course, the costs of living are far lower," Kirkegaard says. "In short, there are plenty of extremely skilled Indians, but they are not going to remain cheap."

## **Globalization Hits Home**

During the 2008 US presidential election campaign, some thorny issues concerning the global labor market made news.

First, bipartisan immigration legislation that would have reformed US guest-worker programs went down to defeat.

Second, the Department of Labor is starting to enforce immigration laws requiring employers to pay imported temporary workers the prevailing industry wage. One company caught in violation of that law was Patni. The India-based outsourcing company was recently forced to pay \$2.4 million to 607 nonimmigrant workers it brought to the US on H-1B visas but systematically underpaid, according to Labor Department officials.

# Forces of Change

No one contends that globalization is a panacea for every economy or every worker in the world, and many questions remain, such as:

- Can the standard of living in India, China and other emerging economies grow without the standard of living in the US declining?
- In the US, will laid-off workers or those who lack technical skills, specialized training or certifications receive the training they need to better compete in the fast-changing and demanding global economy?
- And, finally, will the globalization of work -- and employment opportunities
   -- eventually raise the standard of living for less-skilled workers, too?

The "issue is not whether globalization itself is good or bad but how we can reshape it to make it work better." In other words, globalization, like nearly everyone's career, is a work in progress.

# 3.1.8 Gear Up to Compete in the Global Economy

Occasionally you meet people whose lifelong dream is to join the global economy. They speak foreign languages, travel abroad, study international relations and have scenic posters from France, Japan or Brazil adorning their walls. Yet expatriation or foreign business travel is a viable career path for less than 1 % of us. These days, most of us are thrust into global careers without having to learn another language or leave the comforts of our hometown. "It surprises lots of people to learn that about 80 % of international jobs that is, jobs with American employers that require you to deal extensively with other countries are located in the US," said Katherine Brooks, director of liberal arts career services at the University of Texas at Austin, in a Fortune interview.

Embracing career opportunities created outside the US is, well, foreign to many Americans. Few Americans have traveled and experienced diverse cultures outside our borders, says Lori Blackman, principal at DNL Global, a retained search firm that represents a number of multinational companies. "We tend to not have passports or be multilingual in the way workers in other countries are," she says. Less than onethird of Americans hold a passport; by contrast, twice as many Canadians carry them and every European Union citizen has one.

Most of us experience globalization in the corporate rush to find new markets, source suppliers and tap talent in emerging markets. Suddenly, we find ourselves dealing with or supporting customers, suppliers or coworkers located in other countries. We call an 800 line for computer support, reach a call center in Bangalore, India, and become flustered when the communication falters. In a way, that breakdown underscores our lack of preparation to deal with other cultures, languages, work styles and global standards. But a lack of preparation should not be confused with an inability to compete in global markets.

# **3.1.9 Challenges of Operating a Business in a Global Economy**

The world is becoming increasingly connected, and terms like 'global economy' are no longer of merely academic interest. In the modern world, even if you're confined to one country, you're still participating on the global stage and competing against similar countries from around the globe. As such, there are many challenges you will face as you operate your business in this economy.

#### Understanding Other Languages and Cultures

The global marketplace, coupled with the ubiquity of the internet, makes it possible for all businesses to play on fair ground. However, that doesn't mean your business will be prepared to deal with customers from all cultures and languages. While the culture is quite similar across most western countries, there can be stark differences when the cultures from other parts of the world are considered, such as the east, Africa, and the Middle-East.

You will have to take time to learn important cultural differences if your business is going to succeed across borders. While red may mean danger in most places on the globe, it is associated with good luck in China, so you might want to give your marketing color-scheme a different approach while you market to the Chinese. Meanwhile, you'll also have to invest in learning the languages of others, or at least have people on your teams, particularly the customer support team, that understand these languages to help you connect with all of your customers.

#### The Legal Landscape

As long as your business crosses borders, you will be subject to many laws, tax rules, and numerous regulations surrounding trade in different countries. It doesn't matter whether you're running an online store or are a large multinational corporation.

Remember

The challenges in operating a global company include languages and cultures, different legal landscapes, communication and technology and differing environmental concerns.



This compliance is challenging in the sense that it changes from country to country and requires you to keep up with different jurisdictions in order to ensure your business is always operating within the law.

## **Communication and Technology**

One of the greatest challenges facing companies that have staff and operations across borders is having a centralized communication system that makes it possible to compare notes across physically distanced departments and branches.

If you run different technological systems in different parts of your company, then it might be a challenge to synchronize them and enhance communication within the company. This can lead to a decline in efficiency and even hurt the sales and profitability of the company.

#### **Environmental Conservation**

Most of the world takes a keen interest in conserving the environment and reversing the effects of global warming. Your impact on the environment is, therefore, something you should consider no matter where in the world you go.

Different countries will generally have different rules surrounding such issues as energy consumption, recycling, and green packaging, all of which you must incorporate into your business operations in these countries. If you're planning on opening branches in any of these countries, you should undertake careful planning in the design and construction of your buildings so as to create an environmentally-friendly office.

# **3.1.10 Important for Companies to Become Competitive in the Global Business Environment**

There was a time when being a global company was an exotic idea. Small businesses tended to be local. Today, going global is not only a possibility, it is almost a necessity. Consumers, businesses and governments have become accustomed to searching for the best products and services worldwide. As business makes country boundaries less and less rigid, your company must learn to compete on a larger playing field.

# Increased Competition Through Technology

You are part of a global economy whether you want to be or not. Companies market goods and services across borders using the Internet. That means you may find welcome markets far from your doorstep. Customers don't care where you are, except for concerns about shipping costs. If you can find ways to ship affordably, you can



seek markets wherever they may be. You not only can market through the Internet, but you can collect payments electronically from almost anywhere in the world. You can also send payments for supplies and shipping to almost any location -- but so can your competition. It's important for you to master electronic transactions because the people who are trying to outdo you already know how to transfer money globally.

## Foreign Companies Compete with You Locally

Foreign companies are already in your backyard, so get in theirs. You may think you are dominant in your local market, but companies from around the world have access to your customers. Only by competing on a global scale can you secure market share. You face global competition daily. Be prepared to use your competitors' tactics, which means marketing globally.

## Innovation Goes Global Quickly

When you introduce innovations to the marketplace, copycats are waiting to pounce on your idea and introduce it to other markets. It's in your best interest to find those other markets before others do. There was a day when you could take your time exploring a local market and then move gradually into other markets. Today, you are more likely to succeed if you move into global markets simultaneously with your local market.

## **Global Brand Recognition**

Your brand can become recognized worldwide based on a simple website. In addition, any articles you publish as an expert in your field, along with marketing efforts, can promote your brand to people thousands of miles away. It's important to recognize that all of your brand promotion has a global audience, even if you tend to focus on needs in your region. Though international customers may not buy from you at the present moment, when you do start marketing to them, there's a chance they will recognize your brand. When you talk up your brand, speak to the world.

# 3.1.11 Major Trends in International Business

As the economy grows slowly at home, your business may have to look at selling internationally to remain profitable. Before examining foreign markets, you have to be aware of the major trends in international business so you can take advantage of those that might favor your company. International markets are evolving rapidly, and you can take advantage of the changing environment to create a niche for your company.

## **Growing Emerging Markets**

Developing countries will see the highest economic growth as they come closer to the standards of living of the developed world. If you want your business to grow rapidly, consider selling into one of these emerging markets. Language, financial stability, economic system and local cultural factors can influence which markets you should favor.

# Population and Demographic Shifts

The population of the industrialized world is aging while many developing countries still have very youthful populations. Businesses catering to well-off pensioners can profit from a focus on developed countries, while those targeting young families, mothers and children can look in Latin America, Africa and the Far East for growth.

# Speed of Innovation

The pace of innovation is increasing as many new companies develop new products and improved versions of traditional items. Western companies no longer can expect to be automatically at the forefront of technical development, and this trend will intensify as more businesses in developing countries acquire the expertise to innovate successfully.

# More Informed Buyers

More intense and more rapid communications allow customers everywhere to purchase products made anywhere around the globe and to access information about what to buy. As pricing and quality information become available across all markets, businesses will lose pricing power, especially the power to set different prices in different markets.

## **Increased Business Competition**

As more businesses enter international markets, Western companies will see increased competition. Because companies based in developing markets often have lower labor costs, the challenge for Western firms is to keep ahead with faster and more effective innovation as well as a high degree of automation.

## Slower Economic Growth

The motor of rapid growth has been the Western economies and the largest of the emerging markets, such as China and Brazil. Western economies are stagnating, and emerging market growth has slowed, so economic growth over the next several years



will be slower. International businesses must plan for profitability in the face of more slowly growing demand.

#### **Emergence of Clean Technology**

Environmental factors are already a major influence in the West and will become more so worldwide. Businesses must take into account the environmental impact of their normal operations. They can try to market environmentally friendly technologies internationally. The advantage of this market is that it is expected to grow more rapidly than the overall economy.

# **3.2 CONCEPT OF QUALITY OF WORK LIFE**

Quality of work life is a very broad concept with many different perceptions about it and, therefore, difficult to define. There are authors who are of the opinion that it is something that is defined by the people of the organization. Many authors, psychologists and management consultants agree that it is difficult to give a clear definition of the term quality of work life, other than that it has to do with the well-being of employees. In Davis and Cherns all the authors agree that quality of work life is not just job satisfaction, which is only one among its many aspects. All accept that different people will have different perspectives on what makes for high quality of work life. The impact of work life on the individual is the outcome of many interacting factors, of which the importance of each can differ from group to group and from time to time.

According to Davis, Levine and Taylor, quality of work life is defined by those aspects of work that the organization's members see as desirable and as enhancing the quality of life at work. This could mean that for no two organizations the definition of quality of work life could be exactly the same. There could be no well-developed or well-accepted definition of the quality of work life, because the concept takes on different meanings for different sectors of the working population. In other words, even in the same organization the perception of what quality of work life is can differ from group to group. Therefore, it is suggested that organizational members should participate in defining quality of work life in their own language and meaning. Although the nature and conditions of work vary

Remember Work is associated with beliefs of "must," "should" and "have to" and it is often described as difficult or stressful.



considerably, just as perceptions of what is satisfactorily differ from person to person, there are important similarities that cut across these differences. People depend on work for money. They have to maintain a minimum level of effectiveness.

Depending also what the vested interest is, quality of work life can be defined in terms of the degree to which an organization's work environment motivates effective job performance, alternatively with the degree to which it safeguards the physical as well as psychological well-being of employees, and in other cases in terms of the degree to which it limits stress inducing factors. High quality of working life has been equated with high employee motivation and also with a high level of employee satisfaction.

# 3.2.1 Importance of Quality of Work Life

Quality of work life is specifically related to the level of happiness a person derives for his career. Each person has different needs when it comes to their careers; the quality level of their work life is determined by whether those needs are being met. While some people might be content with a simple minimum wage job as long as it helps pay the bills, others would find such a job to be too tedious or involve too much physical labor and would find such a position to be highly unsatisfactory. Thus, requirements for having a high "quality of work life" vary from person to person. Regardless of their standards, those with a high quality of work life generally make enough to live comfortably, find their work to be interesting or engaging and achieve a level of personal satisfaction or fulfillment from the jobs that they do. In other words, employees who are generally happy with their work are said to have a high quality of work life, and those who are unhappy or unfulfilled by their work are said to have a low quality of work life.



Figure 1: Quality of work life.

#### Requirements

While requirements for a high quality of work life vary from person to person, certain factors are generally required for anyone to have a high quality of work life. These minimum factors are the equivalent of heath, food and shelter for standard quality of life; however, they are more specific to careers or jobs.



To have a high quality of work life, generally a person must be respected at work. Coworkers and senior level employees must treat them fairly and politely. The work must not cause the employee any physical discomfort or mental anguish. The employee must feel as though he is doing something enjoyable or at least not unpleasant. The worker must feel the salary he is paid is sufficient for the work he is doing.

## Achieving a High Quality of Work Life

To achieve a high quality of work life, it is essential to choose a job that fulfills our needs. First, we must determine what those needs are. If we want a job that engages their mind and challenges them, it is important to understand that in advance so we can earn the qualifications that will allow them to obtain such a job. It is helpful if we choose a job we are interested in; we need to consider what your interests are and research jobs within those areas. Make a list of things we are looking for in a job and speak with a career counselor or attend career fairs to determine which jobs are most likely to fulfill those needs. Finally, pay attention to their interaction with existing employees when we go for interviews the way we are treated by our boss and coworkers will have a tremendous impact on their quality of work life. They will want to ensure the culture of the business matches our own comfort level.

## Dealing with a Low Quality Work Life

Unfortunately, despite their best efforts, some people find themselves with a low quality of work life. They may be forced to take a job they do not enjoy because of personal or financial circumstances such as a lack of options or education or qualifications. For those with a low quality of work life who are unable or unwilling to change jobs, it is important to cope effectively with the situation. Unhappy employees can attempt to improve their quality of work life by choosing to focus on the



positive components of their jobs. A shift in mindset to focus on the benefits, even if those benefits are minimal, can improve the quality of work life. Unhappy employees can also explore opportunities to speak to coworkers and management to remove factors that reduce the quality of their work life, if possible depending on the job situation.

# 3.2.2 Meaning and Concept of QWL

The phrase 'Quality of Work Life' (QWL) connotes different meanings to different people. Some consider it an industrial democracy or co-determination with increased employee participation in the decision-making process. For others, particularly managers and administrators, the term denotes improvement in the psychological aspects of work to improve productivity. Unions and workers interpret it as more equitable sharing of profits, job security, healthy and congenial working conditions. Still others view it as improving social relationship at workplace through autonomous work groups. Finally, others take a broader view of changing the entire organizational climate by humanizing work, individualizing organizations and changing the structural and managerial systems. Management considers it as a broader view of changing the entire organizations, and developing the structural and managerial systems.

Quality of work life denotes all the organizational inputs which aim at the employee's satisfaction and enhancing organizational effectiveness. QWL refers to the favorableness or un-favorableness of a total job environment of the people. The basic purpose is to develop jobs and working conditions that are excellent for people as well as for the economic health of the organization. QWL provides a more humanized work environment.

It attempts to serve the higher order needs of workers as well as their more basic needs:

- Q Quest for excellence
- U Understanding
- A Action
- L Leadership
- I Involvement of the people
- T Team spirit
- Y Yardstick to measure progress

The above said are very essential things to improve the work life of employees in the organization.

# Defining Quality of work life

## What is quality?

"Quality is the ability of a product or service to consistently meet or exceed customer expectations."

The concept of quality is not apply to all goods and services created by human beings, but also for workplace where the employees were employed.

#### What is work?

"Work can be defined as the application of discretion within limits in order to produce a result"

#### What is work life?

Work life doesn't merely means the facility provided to the employees during office hours. It comprises of all the collective feelings, which reside in the mind of the employee, while he works in the organization, he is in the office or away from it.

## Principles of QWL

In order to humanize work and to improve the QWL, four basic principles may be helpful:

## 1. The Principle of Security

Quality of work life cannot be improved until employees are relieved of the anxiety, fear and loss of future employment.

The working conditions must be safe and fear of economic want should be eliminated. Job security and safety against occupational hazards is an essential precondition of humanization of work.

#### 2. The Principle of Equity

There should be a direct and positive relation between effort and reward. All types of discrimination between people doing similar work and with same level of performance must be eliminated. Equity also requires sharing the profits of the organization.

#### 3. The Principle of Individualism

Employees differ in terms of their attitudes, skill, potential, etc. Therefore, every individual should be provided the opportunity for development of his personality and potential. Humanization of work requires that employees are allowed to decide their own pace of activity and design of work operations.

#### 4. The Principle of Democracy

This means greater authority and responsibility to employees. Meaningful participation in the decision-making process improves the quality of work life.

# 3.2.3 Factors Influencing the Quality of Work Life

The factors that influence and decide the quality of work life are:

*Attitude*: The person who is entrusted with a particular job needs to have sufficient knowledge, required skill and expertise, enough experience, enthusiasm, energy level, willingness to learn new things, dynamism, sense of belongingness in the organization, involvement in the job, inter personnel relations, adaptability to changes in the situation, openness for innovative ideas, competitiveness, zeal, ability to work under pressure, leadership qualities and team-spirit.

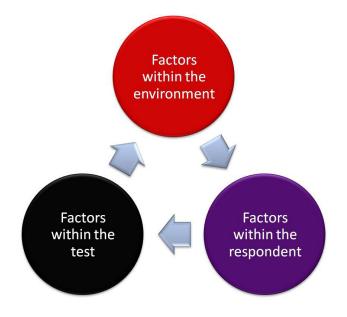


Figure 2: Factors on quality of work life.

*Environment*: The job may involve dealing with customers who have varied tolerance level, preferences, behavioral pattern, level of understanding; or it may involve working with dangerous machines like drilling pipes, cranes, lathe machines, welding and soldering machines, or even with animals where maximum safety precautions have to be observed which needs lot of concentration, alertness, presence of mind, quick with involuntary actions, synchronization of eyes, hands and body, sometimes high level of patience, tactfulness, empathy and compassion and control over emotions.

*Opportunities*: Some jobs offer opportunities for learning, research, discovery, selfdevelopment, enhancement of skills, room for innovation, public recognition, exploration, celebrity-status and loads and loads of fame. Others are monotonous, repetitive, dull, routine, no room for improvement and in every sense boring. Naturally the former ones are interesting and very much rewarding also.

*Nature of Job*: *For example*, a driller in the oil drilling unit, a diver, a fire-fighter, traffic policeman, tram engine driver, construction laborers, welder, miner, lathe mechanic have to do dangerous jobs and have to be more alert in order to avoid any loss of limb, or loss of life which is irreparable; whereas a pilot, doctor, judge, journalist have to be more prudent and tactful in handling the situation; a CEO, a professor, a teacher have more responsibility and accountability but safe working environment; a cashier or a security guard cannot afford to be careless in his job as it involves loss of money, property and wealth; a politician or a public figure cannot afford to be careless, for his reputation and goodwill is at stake. Some jobs need soft skills, leadership qualities, intelligence, decision making abilities, and abilities to tram and extract work from others; other jobs need forethought, vision and yet other jobs need motor skills, perfection and extreme carefulness.

*People*: Almost everyone has to deal with three set of people in the work place. Those are namely boss, co-workers in the same level and subordinates. Apart from this, some professions need interaction with people like patients, media persons, public, customers, thieves, robbers, physically disabled people, mentally challenged, children, foreign delegates, gangsters, politicians, public figures and celebrities. These situations demand high level of prudence, cool temper, tactfulness, humor, kindness, diplomacy and sensitiveness.

*Stress Level*: All these mentioned factors are inter-related and inter-dependent. Stress level need not be directly proportional to the compensation. Stress is of different types - mental stress/physical stress and psychological or emotional stress. A Managing Director of a company will have mental stress, a laborer will have physical stress, and a psychiatrist will have emotional stress. Mental stress and Emotional stress because more damage than physical stress.

*Career Prospects*: Every job should offer career development. That is an important factor which decides the quality of work life. Status improvement, more recognition



from the Management, appreciations is the motivating factors for anyone to take keen interest in his job. The work atmosphere should be conducive to achieve organizational goal as well as individual development. It is a win situation for both the parties; an employee should be rewarded appropriately for his good work, extra efforts, sincerity and at the same time a lethargic and careless employee should be penalized suitably; this will motivate the former to work with more zeal and deter the latter from being so, and strive for better performance.

*Challenges*: The job should offer some challenges at least to make it interesting; that enables an employee to upgrade his knowledge and skill and capabilities; whereas the monotony of the job makes a person dull, non-enthusiastic, dissatisfied, frustrating, complacent, initiative less and uninteresting. Challenge is the fire that keeps the innovation and thrill alive. A well-accomplished challenging job yields greater satisfaction than a monetary perk; it boosts the self-confidence also.

*Growth and Development*: If an organization does not give chance for growth and personal development it is very difficult to retain the talented personnel and also to find new talent with experience and skill.

*Risk involved and Reward*: Generally reward or compensation is directly proportional to the quantum of work, man-hours, nature and extent of responsibility, accountability, delegated powers, authority of position in the organizational chart, risk involved level of expected commitment, deadlines and targets, industry, country, demand and supply of skilled manpower and even political stability and economic policies of a nation. Although risk is involved in every job its nature and degree varies in them; all said and done, reward is a key criterion to lure a prospective worker to accept the offer.

# **3.3 NEEDS OF QUALITY OF WORK LIFE**

Maslow in his hierarchy of needs theory, all the five needs must be attended to in order to achieve a quality working life.

The needs are:

- *Physiological*: These are basic physical comfort or bodily needs: food, sex, drink, and sleep.
- In the workplace, these needs translate into a safe, ergonomically designed work environment with appropriate base salary compensation.
- *Security/Safety*: People want to feel safe, secure, and free from fear. They need stability, structure, and order.

In the workplace, job security and fringe benefits, along with an environment free of violence.



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■ *Belongingness and Love*: This is a need for friends, family, and intimacy—for social acceptance and affection from one's peers.

In the workplace, this need is satisfied by participation in work groups with good relationships among co-workers and between workers and managers.

• *Esteem*: People want the esteem of others and they want to be regarded as useful, competent, and important. People also desire self-esteem and need a good self-image.

In the workplace, increased responsibility, high status, and recognition for contributions satisfy these needs.

• *Self-actualization*: This highest motivation level involves people striving to actualize their full potential, to become more of what they are capable of being. They seek to attain self-fulfillment.

In the workplace, people satisfy this need by being creative, receiving training, or accepting challenging assignments.



Figure 3: Maslow hierarchy of needs theory.

# 3.3.1 Improvement of the Quality of Work Life

The earlier approach to human resource development emphasized individual development through training and proper supervision. However, with the increasing complexity of organizations and society, it was soon realized that training individuals plays only a limited role in the development of organizations. The need for improving the quality of work life through making the job more satisfying and productive has been greatly felt. Factors such as the nature of the job or the role and involvement of employees in work decisions are important for improving the quality of work life. The methods used to do so are job enrichment, job design, and role interventions.



An understanding of these methods and their application in extension organizations are essential for extension managers to improve the performance of extension agents. Studies have shown that the work environment of extension organizations is poor and needs improvement.

#### Job Enrichment and Job Design

Job enrichment refers to detailed analysis of the work to know the factors which make it a satisfying experience. Job enrichment uses the job as the medium of developing employees and changing organizational practices. Some of the factors which increase job satisfaction are a sense of achievement in the job, recognition for the job, the nature of the work itself, and opportunities to learn new things and grow.

The principles of job enrichment, according to Herzberg, are removing controls while retaining accountability, introducing new tasks, giving a complete unit of work, granting job freedom, and helping employees to become expert in their tasks. These principles can be practiced by extension managers to increase the quality of work and job satisfaction among extension personnel.

Job enrichment programmers' were successful in improving the quality of work and job satisfaction. However, it was found that **job enrichment** had a limited view of the job, and the need for greater emphasis on human values was realized. This led to the concept of job design, which refers to structuring a job to satisfy the technical, organizational, social, and human requirements of the person performing the work. Based on the humanization of work, job design aims at increasing the quality of work life through treating the employees as human beings and emphasizing their development and involvement in work decisions.

It emphasizes the use of extrinsic and intrinsic job factors, employee participation in management, autonomy, adaptability, and variety. The concept of job design can be used by extension managers to increase participation of extension personnel in the planning and management of extension programmes, which will improve the quality of their work life. Job Enrichment is an attempt to motivate employees by giving them the opportunity to use the range of their abilities.

Keyword

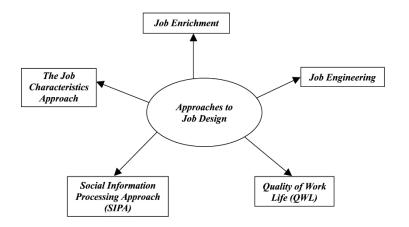


Figure 4: Model of job design.

# **Role Interventions**

The study of roles, which are the positions employees hold in an organization, as defined by the expectations of significant persons and the individuals occupying the positions, is a comparatively neglected aspect of organizations. Roles are an important dimension in increasing organizational effectiveness. Through their roles, people are linked with the organization. This linkage increases organizational effectiveness by integrating the individuals with the organization. Such integration increases mental well-being and personal effectiveness. The purpose of role-based intervention is to increase the mutuality of roles in organizations. Role-based interventions are done through learning situations such as process laboratory, group discussion, and use of questionnaires and schedules. Role-based interventions in extension organizations will result in increased work commitment, motivation, creativity, and team spirit.

# 3.3.2 Quality of Work Life as HR Strategy

Today's workforce consists of literate workers who expect more than just money from their work.

In the modern scenario, QWL as a strategy of human resource management is being recognized as the ultimate key for development among all the work systems, not merely as a concession.

This is integral to any organization towards its wholesome growth. This is attempted on par with strategies of customer relation management.

#### Strategy and Tactics

Over the years, since industrial revolution, much experimentation has gone into exploiting potential of human capital in work areas either explicitly or implicitly. Thanks to the revolution in advanced technology, the imperative need to look into QWL in a new perspective is felt and deliberated upon. Major companies are tirelessly implementing this paradigm in human resources development.



Figure 5: Strategy and tactics.

Globalization has lowered national boundaries, creating a knowledge-based economy that spins and spans the world. Major economies are converging technologically and economically, and are highly connected at present moment. The new global workplace demands certain prerequisites such as higher order of thinking skills like abstraction system thinking and experimental inquiry, problem-solving and team work. The needs are greater in the new systems, which are participative ventures involving workers managed by so-called fictional proprietors.

## Men Counted

In simple terms, all the requirements can be easily achieved by providing improved quality of work life to the workers available on rolls. Workers are often referred to as teams or groups in general parlance and whatever the do go to the credit of the teamwork.



The concept of teamwork has evolved from the organized toil that has its own social dimensions.

Good teams can hardly be imported from outside. They usually occur as an indigenous incidence at the workplace and nurturing the same over time is the responsibility of management.

Here, it may also be discerned that the composition of available workers in no more a local phenomenon as in the past. Mobility is caused by migration beyond culture barriers and isolation, relocation and globalizes deployment. This phenomenon has become universal and is causing great changes in the work environment at factories as well as offices. The new influx of skilled workers seeking greener pastures is even questioning the skills of new employers and thereby restructuring the new environs on par with those of best in the world, unwittingly though.

#### **Money Matters**

For good QWL, cash is not the only answer. Today, the workers are aware of the job requirements of job as also the fact that the performance of the same is measured against the basic goals and objectives of the organization and more importantly, wages are paid according to the larger picture specific to the industry and the employer's place in the same.

The increased share of workers in wages and benefits through legislation as well as competitive interplay of superior managements in various fields of industry and business on extensive levels has reshaped the worker's idea of quality of work life. Moreover, other things being equal, the employers are increasingly vying with their rivals in providing better working conditions and emoluments. This may be owing to many reasons besides the concern for the human angle of workers, like the employer's tendency to climb on the bandwagon, to reap to the desired dividends or to woo better talent into their fold as skill base addition and other no non-economic inputs like knowledge bases. Doubtlessly, the increased tendency of recruiting knowledge bases is giving the modern managements payoffs in myriad ways. Some of them are intended potentials for product innovations and cost cuttings. Talking of product, it may appear far-fetched to some that product is being assessed in the market for its quality and price by the environment created in the areas where workers and customers are dealt and transact, like ambience in facilities / amenities as also the company's pay scales. This goes to prove that QWL of manufacturer / service provider is synonymous with the quality of product.

### Non-economic – 'Job Security'

The changing workforce consists of literate workers who expect more than just money from their work life. Their idea of salvation lies in the respect they obtain in the work environment, like how they are individually dealt and communicated with by other members in the team as well as the employer, what kind of work he is entrusted with, etc. Some of these non-economic aspect are: Self-respect, satisfaction, recognition, merit compensation in job allocation, incompatibility of work conditions affecting health, bullying by older peers and boss, physical constraints like distance to work, lack of flexible working hours, work-life imbalances, invasion of privacy in case of certain cultural groups and gender discrimination and drug addiction. One or more of the problems like above can cast a 'job-insecurity' question, for no direct and visible fault of the employer. Yet, the employer has to identify the source of workers problems and try to mitigate the conditions and take supportive steps in the organization so that the workers will be easily retained and motivated and earn ROI. The loss of man-hours to the national income due to the above factors is simply overwhelming. Employer should instill in the worker the feeling of trust and confidence by creating appropriate channels and systems to alleviate the above shortcomings so that the workers use their best mental faculties on the achievement of goals and objectives of the employer. To cite some examples, employers in certain software companies have provided infrastructure to train the children of workers in vocational activities including computer education, so that the workers need not engage their attention on this aspect. Employee care initiatives taken by certain companies include creation of Hobby clubs, Fun and Leisure Clubs for the physical and psychological well-beingness of workers and their families. After all, the workers are inexorably linked to the welfare of their families, as it is their primary concern. Dual income workers, meaning both spouses working are the order of the day. The work life balance differs in this category and greater understanding and flexibility are required with respect to leave, compensation and working hours in the larger framework.

#### **Teamwork**

Teamwork is the new mantra of modern day people's excellence strategy. Today's teams are self-propelled ones. The modern manager has to strive at the group coherence for common cause of the project. The ideal team has wider discretion and sense of responsibility than before as how best to go about with its business. Here, each member can find a new sense of belonging to each other in the unit and concentrate on the group's new responsibility towards employer's goals. This will boost the coziness and morale of members in the positive environment created by each other's trust. Positive energies, free of workplace anxiety, will garner better working results. Involvement in teamwork deters deserters and employer need not bother himself over the detention exercises and save money on motivation and campaigns.



#### **Boss Factor**

Gone are the days when employers-controlled workers by suppressing the initiative and independence by berating their brilliance and skills, by designing and entrusting arduous and monotonous jobs and offer mere sops in terms of wages and weekly off. Trust develops when managers pay some attention to the welfare of the workers and treat them well by being honest in their relations. The employer should keep in mind that every unpaid hour of overtime the worker spends on work is an hour less spent with the family. New performance appraisals are put into vogue to assess a worker's contribution vis-à-vison employer's objectives and to find out the training and updating needs and levels of motivation and commitment. As observed in some advanced companies, the workers themselves are drawing their benefits by filing appraisal forms and drawing simultaneously the appropriate benefits by the click of the mouse directly from their drawing rooms, courtesy e-HR systems. In addition, there are quite a number of channels for informal reviews. Feedback on worker's performance, if well interpreted and analyzed, could go a long way in improving ethics at workplace.

#### Involvement and Communication

Multi-skilling and exposing workers to different lines of activity in the unit indirectly leads to the greater involvement and better **job security** of worker in the organization. The employer too, can make use of the varied skills to any altered situations of restructuring and other market adaptations. Thus, the monotony of work life can be alleviated. The employer, armed with the depth of cross-trained human resources, need not go hunting for new talent and thus save on the unspent pay packets, which can be spent usefully on the amenities for workers. No doubt, rivals should be envying him for this edge.

The change should be apparent in mutual trust and confidence towards effective understanding of the needs of worker and employer. The new knowledge-based workers are mostly young in the fields of technology and management. They are more forthcoming in trusting the boss and older peers. Now, all modern managements are cognizant of the innate desire of workers to be accepted as part of the organization for identity

#### Keyword

Job Security is the probability that an individual will keep his or her job; a job with a high level of job security is such that a person with the job would have a small chance of becoming unemployed.



and other social reasons. Effective dialogue is put into play between management and those who execute through well-organized communication channels paving the way for improved co-operation and participation on emotional level. The decision making level is nose diving to the floor level manager, where the poor guy has to think of n number of quick decisions on behalf of the organization. Unless the team is behind and involved with commitment, the manager cannot implement the new tasks in production, distribution, people's excellence, customer relations, etc., thanks to the 'e' factor prefixed to the names of majority of departments. Logically, harmony plays its part in cost efficiency. Successful managers are those who listen to their workers.

### Influences

Overwork is tolerated in emerging industries unlike government departments as part of the game and work culture. This is so, what with the soaring competition among the tightly contested players. The point is empowerment of workforce in the area of involvement. All said and one, the workers are considered as the invisible branch ambassadors and internal customers in certain industries. It is evident that most of the managements are increasingly realizing that quality alone stands to gain in the ultimate analysis. Restructuring the industrial relations in work area is the key for improving the quality of product and the price of the stock. Without creating supportive environment in restructured environment, higher quality of work cannot is extracted.

# 3.3.3 Worker's Participation in Management

According to Keith Davis participation refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share in the responsibility of achieving them."

Participation and involvement of workers in the management of industry is practiced in most countries of the world. In Yugoslavia it is called self-management while in Germany it is known as co-determination. The International Labor Organization (ILO) has been encouraging member nations to promote the schemes of workers' participation in management. Worker participation in management is an effective tool for prevention of industrial disputes. The level of workers' participation can vary from organization to organization. The basic objective of worker participation is to provide an opportunity to the workers to participate in the organizational decision-making.

By virtue of their participation, employees are bound to abide by all the decisions taken. This also helps in boosting the employee morale and enhancing their commitment to the organization. Some of the common forms of worker participation in management are works committees, joint management councils, joint councils, plant councils, shop councils etc. Worker participation has achieved only partial success due to factors like Did You

Know?

lack of proper education among workers, lack of understanding between the management and the workers and multi-unionism. A good organizational environment built on mutual trust and confidence between the management and the workers would help in effective and successful worker participation in management.

#### Career Development

Progression through a sequence of jobs, involving continually more advanced or diverse activities and resulting in wider or improved skills, greater responsibility and prestige, and higher income. Formerly, career development was seen as the responsibility of the employer, and many organizations had formal career development programs that marked an employee's advancement through the levels of management. It is a known fact that most professionals leave an organization due to lack of career growth. An active career development initiative by a company is a key retention tool to keep the best talent within its fold. It is one of the greatest motivators to keep an employee happy and engaged. But does career planning and development of employees actually make a difference to the productivity of a worker? Most organizations think so, and consider it a part of their critical human resource strategy. From the employees' point of view career development initiatives gives them a clear focus about their career track, the blind spots that they have to overcome and the final goal to be reached. This focused approach works to their advantage from their everyday work to longterm aspirations. The impact of career development/ succession planning programmes can be seen through the productivity indicator, engagement surveys and reduction in attrition rate. It is in fact a win-win situation for all. "The typical employee views a career development programme as a path to upward mobility, the manager sees it as a retention and motivational tool, and the top management view it as a tool for succession planning, These career development efforts bring into focus high potential candidates who can be groomed for greater responsibilities in the future.

This shows that the model that evolved during the early years called for formalizing labor management cooperation at the workplace by establishing joint committees at various levels to define, diagnose and devise solutions to day-to-day work

In November 1999, President Merten created the "Quality of Work Life" task force to address and make recommendations regarding the quality of work life for all George Mason University (United States) employees. problems. For instance, participation programs emerged from contract bargaining between General Motors Corporation and United Auto Workers Union was called Quality of Work Life in 1973 which was aimed at increasing workers' satisfaction with their jobs by giving them more information and a voice in decision making. Indeed, it is difficult to best conceptualize the quality of work life elements.

# **3.4 INTERNATIONAL TRADE IN ECONOMIC GROWTH**

International trade and economic growth are two concepts that go together, because international trade contributes to the growth of a country's economy in several ways. Some of these ways include the effects of import and export, specialization, increased productivity and improved infrastructure. The exportation of goods to other countries can contribute to the growth of the exporting country by increasing the earnings of that country.

The national economies of some countries are even dependent on and sustained by their exports. For instance, some oil-producing countries depend on the income from the export of crude oil and its derivatives to sustain their nations. Some of these countries actually plan their national budgets based on projections or calculations of expected income from the export of oil. Apart from crude oil, other countries also partially base their national budget on the income from items like agricultural products, precious stones and even technology. This represents one way in which international trade and economic growth are linked.



Apart from commodities, the international trade in labor is also an offshoot of globalization. Immigrants take much-needed skills to countries in which these skills are needed. Most immigrants from less-developed nations send money to relatives in their country of origin, contributing to the economic growth of those countries. They



also help increase the growth of the economies of the countries where they live by contributing to productivity. For instance, migrant workers often work on farms where they supply labor to help prepare food items for sale locally and internationally. More skilled immigrants like engineers, doctors and nurses contribute to the growth of the economy of their chosen country.

Another factor establishing a link between international trade and economic growth is the increase in productivity. When there is a high demand for a product, the countries that produce such a product will automatically increase production in order to meet up with the demand for the product. This increase translates to more revenue and an improvement in the economy of the country.

A vibrant culture of international trade also contributes to the building of an infrastructural framework in order to sustain the trade. For instance, the demand for groundnuts from a country may lead to the building of roads and an improved transportation system to support the production. If the groundnuts are cultivated in farms located in villages that previously had a poor network of roads, the government or other corporate interests might build better roads.

# 3.4.1 International Trade and Development

The relationship between international trade and development is a complicated one and varies widely based on the particular systems and structures in place in any given country. In a best-case scenario, international trade and development fuel one another, with gains made from beneficial trading arrangements being used to bolster internal economic development and increase overall gross domestic product. Other cases are possible, however, in which trade has little impact on development, or even serves to hinder development.

Ideally, trade allows developing nations to acquire capital from abroad in return for either natural resources or cheap labor. This foreign capital, when all goes well, can then be invested in local industry, agriculture, infrastructure, and social improvements. Gains in these fields, in turn, can foster additional profits and capital inflows from trade, and a positive feedback loop can be produced, leading to steadily rising standards of living and economic output.

This type of relationship between international trade and development can be seen in several nations. China is a textbook example of a development success story and managed to make excellent use of trade and foreign investment to enhance domestic economic conditions and living standards while also increasing the overall size and technical quality of its manufacturing base. Trade, was not free trade, as China followed an essentially mercantilist policy of using tariffs to aid domestic manufacturing against foreign competition. Free trade can produce similarly positive economic development outcomes, in some cases. Mexico is an international trade and development success story and has benefitted greatly from the easing of trade restrictions with the rest of North America. Trade brought more jobs to Mexico and led to rising standards of living and productivity in areas where jobs linked to international trade were concentrated.

Trade is not always a blessing for developing nations, however. In cases where corruption is rampant, the proceeds of foreign trade are often siphoned off through graft and corruption, and no significant economic development takes place. In some cases, the wealth generated by trade, especially trade based on extractive industries, such as oil or mining, actually destabilizes nations through civil wars and criminal activity and leaves nations weaker rather than stronger.

# 3.4.2 Patterns of Trade

Global growth has been accompanied by a change in the pattern of trade, which reflects ongoing changes in structure of the global economy. These changes include the rise of regional trading blocs, deindustrialization in many advanced economies, the increased participation of former communist countries, and the emergence of China and India.

### Degrees of national participation

Nations vary considerably in the extent of their foreign trade. As a very rough generalization, it may be said that the larger a country is in physical size and population, the less is its involvement in foreign trade, mainly because of the greater diversity of raw materials available within its borders and the greater size of its internal market. Thus, the participation of the United States has been relatively low, as measured by percentage of gross domestic product (GDP), and that of the former Soviet Union has been even lower. The U.S. GDP, however, is so immense by world standards that the United States still ranks as one of the world's most important trading countries. Some of the smaller countries of Western Europe (such as the Netherlands) have export and import totals that approximate half of their GDPs.

#### Trade among developed countries

The greatest volume of trade occurs between the developed, capital-rich countries, especially between industrial leaders such as Australia, Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Spain, Sweden, the United Kingdom, and the United States. Generally, as a country matures economically, its participation in foreign trade grows more rapidly than its GDP.

The EU affords an impressive example of the gains to be derived from freer trade between such countries. A major part of the increases in real income in EU countries is almost certainly attributable to the removal of trade barriers. The EU's formation cannot, however, be interpreted as reflecting an unqualified dedication to the free-trade principle, since EU countries maintain tariffs against goods from outside the Union.

# 3.4.3 Invisible Trade

Invisible trade, in economics, the exchange of physically intangible items between countries. Invisible trade can be distinguished from visible trade, which involves the export, import, and reexport of physically tangible goods. Basic categories of invisible trade include services (receipts and payments arising from activities such as customer service or shipping); income from foreign investment in the form of interest, profits, and dividends; private or government transfers of monies from one country to another; and intellectual property and patents.

Services account for the vast majority of invisible trade. Such services include freight and passenger transport; banking, other financial services, and insurance; scientific-technical exchange; and international tourism. Income gained by foreign investment is the second largest contributor to invisible trade, and private and government transfer is the smallest.

In many developing countries, receipts for invisibles are exceeded by payments for them. This deficit is closely tied to the foreign debt and interest payments often made by developing countries to the developed countries. The growing **external debt** of some developing countries—and their inability to repay the loans and interest—not only threatens the economies of those developing countries but also threatens the foreign-investment sector of invisible-trade earnings for many developed countries. Conditions such as these have brought calls for creditor countries to offer debt relief to debtor countries.

# 3.4.4 Trade Sanctions

Trade sanctions are trade-related penalties levied by one country against one or more other countries. These sanctions fall into the

# Keyword

Debt is the portion of a country's debt that was borrowed from foreign lenders including commercial banks, governments or international financial institutions.

External

broader category of economic sanctions, and they might be used to achieve economic policy objectives, political objectives or military objectives. Trade sanctions usually come in the form of tariffs on imports, quotas limiting the volume of imports, licensing costs or other administrative obstacles to trade.

A country that feels it has been treated unfairly by a trading partner often will implement trade sanctions that are aimed at economic objectives. Actions that might be considered unfair include subsidizing a domestic industry, dumping below-cost products on the international market or installing tariffs or nontariff barriers to trade. The United States often refers to these types of sanctions as "trade remedies" and has been known to use such sanctions to retaliate against unfair trading practices.

One example of the U.S. using trade sanctions against unfair practices occurred in 2002, when President George W. Bush placed tariffs on imported steel, claiming to protect the U.S. steel industry against illegal dumping of cheap steel by competitors in Europe and Asia. The World Trade Organization (WTO) judged the U.S. tariffs to be illegal, prompting several European countries to threaten retaliatory tariffs. This eventually caused the U.S. to withdraw its steel tariffs.

Trade sanctions also can be a political or military tool. Sanctions have been used in an attempt to get countries to change their political behavior, focusing on issues such as civil liberties protection, human rights, and threats of aggression and the development of weapons of mass destruction. The sanctions usually are part of a comprehensive diplomatic and military approach. In other cases, sanctions have been used to cut off financing for countries and organizations thought to be a threat to peace and security or in violation of international law.

Trade sanctions also are an important policy instrument for countries belonging to the WTO. This organization has a binding dispute resolution procedure enshrined in its bylaws that allows member countries to come to the WTO as an impartial third party to settle any trade-related disputes. When the WTO finds in a country's favor, it often will authorize it to implement sanctions against the guilty party.

Trade sanctions have been used with some regularity, but they notoriously are difficult to implement and rarely achieve their objectives. This is largely because most goods and services trade on global markets. If one trading partner places tariffs on a particular import, the target country simply can export the product to other trading partners. As a result, multilateral trade sanctions, those imposed by a bloc of countries, generally are more effective than unilateral sanctions.

# 3.4.5 Trade between Developed and Developing Countries

Difficult problems frequently arise out of trade between developed and developing countries. Most less-developed countries have agriculture-based economies, and many



are tropical, causing them to rely heavily upon the proceeds from export of one or two crops, such as coffee, cacao, or sugar. Markets for such goods are highly competitive (in the sense in which economists use the term competitive)—that is, prices are extremely sensitive to every change in demand or in supply. Conversely, the prices of manufactured goods, the typical exports of developed countries, are commonly much more stable. Hence, as the price of its export commodity fluctuates, the tropical country experiences large fluctuations in its "terms of trade," the ratio of export prices to import prices, often with painful effects on the domestic economy. With respect to almost all important primary commodities, efforts have been made at price stabilization and output control. These efforts have met with varied success.

Trade between developed and less-developed countries has been the subject of great controversy. Critics cite exploitation of foreign labor and of the environment and the abandonment of native labor needs as multinational corporations from developed countries transport business to countries with cheaper labor pools and relatively little economic or political clout. Especially after 1999, when trade talks were disrupted by globalization protesters during the WTO ministerial conference in Seattle, the work of the WTO came under increasing scrutiny from its critics. These critics voiced a number of concerns about the power and scope of the WTO, with the gravest criticisms clustering around issues such as environmental impact, health and safety, the rights of domestic workers, the democratic nature of the WTO, national sovereignty, and the long-term wisdom of endorsing commercialism and free trade to the neglect of other values.

# 3.4.6 International Trade Law

International trade law is the body of laws and agreements that governs how countries do business with each other. The economic health of many countries depends, at least in part, or the ability to import and export goods. International trade laws set out the parameters for how these trades take place. Most of the time, the laws are designed to ensure fairness to all parties, as well as to create something of a globally uniform and predictable set of rules.

There are three primary types of international trade law. The first is national: any country that makes its own internal rules about how trade will be conducted with other countries, or regulates how much of a certain resource can be exported, has created an international trade law. Second is bilateral. When two countries together agree to conduct their trade in a certain way, or to open trade freely between their borders, they create a bilateral trade agreement or trade law. Finally, countries often engage in multilateral agreement-making, which sets common rules and policies to be followed by a number of different global players.

Multilateral trade agreements are what most people think of when they think of trade law. The World Trade Organization (WTO) and the United Nations (UN) are the two foremost organizations involved in the creation of multilateral agreements. Each group is made up of representatives from around the world who attend meetings, brainstorm ideas, and come up with proposed laws and regulations that can shape the international trade landscape. It is through these meetings that the groundwork for most international trade law is set.

A majority of the world's most prominent traders are members of both the World Trade Organization and the UN's Commission on International Trade Law (UNCITRAL). The United States, Canada, most of the European Union, China, and Japan are among the most active participants. Both the WTO and the UNCITRAL make it their mission to facilitate broad discussion between countries. Not all discussions end in agreement, but many do.

When national representatives agree to certain standards or conditions of international trade, they are usually promising that their own national law aligns with the terms of the agreement. Sometimes, these agreements are relatively simple to implement. A promise to open trade with neighboring countries is an example. Agreements to restrict trade with countries known to deal in nuclear weapons, for instance, or promises to set trade rules against the export of certain goods to certain places, can take more time and legal weight to put in motion.

Before an international trade agreement can become trade law, it must be ratified at the national level. This means that each country must make sure that its own national laws reflect the terms and conditions of the agreement. **Ratification** often requires a lot of legal drafting and amendments, and can take years to finalize.

The process of international trade law can accordingly be quite slow, but it is continuous. There is no certain end point to when trade laws will be completed, in large part because trade customs have a tendency to shift with time. Much of trade law involves international economic law, which requires careful attention to fluctuations in currency and power dynamics between world leaders. As international markets change, new leaders come into power, and the global trade dynamics change, necessitating that international trade law evolve to stay relevant.

# Keyword

Ratification is a principal's approval of an act of its agent that lacked the authority to bind the principal legally. It defines the international act in which a state indicates its consent to be bound to a treaty if the parties intended to show their consent by such an act.



### 3.4.7 State Interference in International Trade

#### Methods of Interference

Regardless of what comparative-advantage theory may say about the virtues of unrestricted trade, all nations interfere with international transactions to some degree. Tariffs may be imposed on imports—in some instances making them so costly as to bar completely the entry of the good involved. Quotas may limit the permissible volume of imports. State subsidies may be offered to encourage exports. Money-capital exports may be restricted or prohibited. Investment by foreigners in domestic plant and equipment may be similarly restrained.

These interferences may be simply the result of special-interest pleading, because particular groups suffer as a consequence of import competition. Or a government may impose restrictions because it feels impelled to take account of factors that comparative advantage sets aside. It is of interest to note that insofar as goods and services are concerned, the general pattern of interference follows the old mercantilist dictum of discouraging imports and encouraging exports.

A company that finds itself barred from an attractive foreign market by tariffs or quotas may be able to sidestep the barrier simply by establishing a manufacturing plant within that foreign country. This policy of foreign plant investment expanded enormously after World War II, with U.S. companies taking the lead by investing particularly in Western Europe, Canada, Asia, and South America. Industry in other developed countries followed a similar pattern, with many foreign companies establishing plants within the United States as well as in other areas of the world.

The governments of countries subject to this new investment find themselves in an ambivalent position. The establishment of new foreign-owned plants may mean more than simply the creation of new employment opportunities and new productive capacity; it may also mean the introduction of new technologies and superior business-control methods. But the government that welcomes such benefits must also expect complaints of "foreign control," an argument that will inevitably be pressed by domestic owners of older plants who fear a new competition that cannot be blocked by tariffs. This has been a pressing problem for many governments, particularly insofar as investment by U.S. firms is involved, and it is a chief complaint of critics who view globalization as a form of economic exploitation. Some countries, such as the United Kingdom and Canada, have been liberal in their admissions policy; others, notably Japan, have imposed tight restrictions on foreign-owned plants.

# **Tariffs**

A tariff, or duty, is a tax levied on products when they cross the boundary of a customs area. The boundary may be that of a nation or a group of nations that has agreed to impose a common tax on goods entering its territory. Tariffs are often classified as either protective or revenue-producing. Protective tariffs are designed to shield domestic production from foreign competition by raising the price of the imported commodity. Revenue tariffs are designed to obtain revenue rather than to restrict imports. The two sets of objectives are, of course, not mutually exclusive. Protective tariffs—unless they are so high as to keep out imports yield revenue, while revenue tariffs give some protection to any domestic producer of the duty-bearing goods. A transit duty, or transit tax, is a tax levied on commodities passing through a customs area en route to another country. Similarly, an export duty, or export tax, is a tax imposed on commodities leaving a customs area. Finally, some countries provide export subsidies; import subsidies are rarely used.

• *How tariffs work.* Tariffs on imports may be applied in several ways. If they are imposed according to the physical quantity of an import (so much per ton, per yard, per item, etc.), they are called specific tariffs. If they are levied according to the value of the import, they are known as ad valorem tariffs.

Tariffs may differentiate among the countries from which the imports are obtained. They may, for instance, be lower between countries that entered into special arrangements, such as the trade preferences accorded to each other by members of the European Union.

Tariffs may be imposed in different ways, each of which will have a different effect on the economy of the country imposing them. By raising the prices of imported goods, tariffs may encourage domestic production. As expenditures on domestic products rise, domestic employment tends to do likewise. This is why tariffs are favored by industries that find themselves pressed by foreign competitors. The tariff may also encourage tendencies toward a monopolistic market structure to the extent that it lessens foreign competition, with a resulting decrease in the incentive to modernize or innovate. Because tariffs increase the price of an imported commodity, they may also reduce its consumption. The decrease in demand could be large enough in relation to the world market to force the price of the import down.

Measuring the effects of tariffs. It is difficult to gauge the effect of tariff barriers among countries. Clearly, the way in which import demand responds to changes in tariffs will depend on a variety of factors. These include the reaction of producers and consumers to price changes, the share of imports in domestic production and consumption, the substitutability of imports for domestic products, and so on. The reaction to tariff levels will differ from country to country as well as from commodity to commodity. Thus, the amount of a tariff does not necessarily determine its restrictive effect. Typically, such

comparisons apply only to products for which tariffs are the major protective device. This is generally true for nonagricultural products in developed countries (other strategies, such as import quotas, are a common means of protecting agricultural commodities). Although tariffs on imported raw materials will protect domestic producers of those commodities, such tariffs will also increase the costs to domestic manufacturers who use those raw materials. These conditions necessitate a distinction between nominal and effective rates of protection.

The nominal rate of protection is the percentage tariff imposed on a product as it enters the country. For example, if a tariff of 20 % of value is collected on clothing as it enters the country, then the nominal rate of protection is that same 20 %.

The effective rate of protection is a more complex concept: consider that the same product—clothing—costs \$100 on international markets. The material that is imported to make the clothing (material inputs) sells for \$60. In a free-trade situation, a firm can charge no more than \$100 for a similar piece of clothing (ignoring transportation costs). Importing the fabric for \$60, the clothing manufacturer can add a maximum of \$40 for labor, profit markup, rents, and the like. This \$40 difference between the \$60 cost of material inputs and the price of the product is called the value added.

The same situation may be considered with tariffs—say, 20 percent on clothing and 10 percent on fabric. The 20 percent tariff on clothing would raise the domestic price by \$20 to \$120, while a 10 percent tariff on fabrics would increase material costs to the domestic producer by \$6 to \$66. Protection would thus enable the firm to operate with a value-added margin of \$54—the difference between the domestic price of \$120 and the material cost of \$66. The difference between the value added of \$40 without tariff protection and that of \$54 with it provides a margin of \$14. This means that the effective rate of protection of the domestic processing activity—the ratio of \$14 to \$40—would be 35 percent. The effective rate of protection derived—35 percent—is greater than the nominal rate of only 20 percent. This will be the case whenever the tariff rate on the final product is greater than the tariff on inputs. Because countries generally do levy higher tariffs on final products than on inputs, effective rates of protection are usually higher than nominal rates—often much higher.

The effective rate of protection also depends on the share of value added in the product price. Effective rates can be very high if value added to the imported commodity is a small percentage or very low if value added is a large percentage of the total price. Thus, effective protection in one country may be much higher than that in another even though its nominal tariffs are lower, if it tends to import commodities of a high level of fabrication with correspondingly low ratios of value added to product price.

### Nontariff barriers

Other government regulations and practices may also act as barriers to trade. Quotas or quantitative restrictions may prohibit the importation of certain commodities or limit the amounts imported. Such quotas are usually administered by requiring importers to have licenses to import particular products. Quotas raise prices just as tariffs do, but, being set in physical terms, their impact on imports is direct, with an absolute ceiling set on quantity. Increased prices will not bring more goods in. There is also a difference between tariffs and quotas in their effect on revenues. With tariffs, the government receives the revenue: under quotas, the import license holders obtain a windfall in the form of the difference between the high domestic price and the low international price of the import.

Another barrier is the voluntary export restraint (VER), noted for having a lessdamaging effect on the political relations between countries. It is also relatively easy to remove. This approach was applied in the early 1980s when Japanese automakers, under pressure from U.S. competitors, "voluntarily" limited their exports of automobiles to the U.S. market. Like quotas, VERs limit the quantity of trade and therefore tend to raise the prices of imported goods. The VER made Japanese automobiles less available in the United States and raised the prices that U.S. consumers had to pay for them, thereby making domestically produced cars more attractive. This approach also allowed Japanese exporters to charge higher prices. As a result, the Japanese exporters, rather than U.S. importers, reaped much of the windfall from the VER. VERs are usually not voluntary in any meaningful sense. In this example, the Japanese automakers agreed to a VER in order to avoid a U.S. import quota.

Still other barriers include state trading organizations and government procurement practices that may be used preferentially. In the United States, "buy American" legislation requires government procurement agencies to favor domestic goods. Customs classification and valuation procedures, health regulations, and marking requirements may also have a restrictive effect on trade. Japan, for example, has restricted imports of U.S. apples on the grounds that the apples could be contaminated with the fire blight disease. Finally, excise taxes may act as a barrier to trade if they are levied at higher rates on imports than on domestic goods.

#### Protectionism in the less-developed countries

Much of the industrialization that took place in the late 20th Century in some lessdeveloped countries was characterized by the expansion of import-competing industries protected by high tariff walls. In many of those countries, tariffs and various quantitative restrictions on manufactured goods were high, but the effective rates of protection were often even higher, because the goods tended to be highly fabricated and the proportion of value added in production after importation was low. While countries such as Taiwan, Hong Kong, and South Korea oriented their manufacturing industries mainly toward export trade, they tended to be exceptional cases. More commonly, developing nations have mistakenly sought to compete with foreign-made goods for the domestic market. High protection in these countries has often contributed to a slowdown in production, while the export of primary commodities has discouraged expansion of exports of the more valuable manufactured goods. Although domestic production of nondurable consumer goods fosters rapid economic growth at an early stage, lessdeveloped countries have encountered considerable difficulties in producing moresophisticated, value-added commodities. They suffer all the disadvantages of small domestic markets, in addition to a lack of incentives for technological improvement.

# 3.4.8 Methods of International Trade Regulation

International trade regulation is a complex process because there are different rules governing the importing and exporting of goods that sometimes interfere with one another. In the U.S., the government establishes the policies and standards that are enforced throughout the country for trade commerce, and individual states have some authority, as well. The World Trade Organization (WTO) is expected to provide a global approach for enforcing regulation, and it seeks to protect trade nations from any fraudulent or unfair trade practices. Specific methods might include using rules to guard countries from receiving any harmful goods or items that might have been produced in an illegal manner, all the while keeping the markets competitive.

Before any methods of international trade regulation can be applied, regulators must become aware of potentially damaging behaviors that emerge. Governing bodies identify possible and existing threats to international trade, and set standards accordingly. These laws exist to protect the countries and businesses involved with trade in addition to the end consumer who ultimately may consume or otherwise use imported goods.

The methods used to enforce international trade regulation include the implementation of measures to prevent monopolies while still promoting fair competition. This might include barring any one organization from only participating in commerce with a single nation in what is deemed a closed-economy environment. Regulation is primarily established in a way that promotes an open economy where importing and exporting activity can occur more freely.

Protectionism can be highly damaging to any economy and especially threatening to a country that relies heavily on international trade. Occurrences of protectionism may arise more frequently under contracting economic conditions when a country may attempt to reduce competition from foreign nations by placing restrictions, quotas, and high taxes on trade goods. A method of international trade regulation could include an attempt to create and enforce laws that are designed to curb protectionist practices. Common goals between countries, however, may be supported with the creation of some voluntary agreement between participating trade nations. A document might outline certain practices that are deemed acceptable and unacceptable throughout international trade. These themes might include an agreement to import and export items that are produced in a way that is not harmful to the environment, for instance, and products that will similarly produce environmentally friendly results for consumers.

# **3.5 INTERNATIONAL TRADE SERVICES**

Businesses engaging in international trade can benefit from a range of services, including those that offer advice on export planning so the business can exploit its expertise and unique selling points in overseas markets. Advice also may be available on product standards and regulations in the overseas markets and on any required export licenses. Product pricing, methods of payment and the terms of freight contracts must be considered, and expert services are available to help with this. International trade services providers may find freight forwarders for a business and help with the terms and wording of international contracts. Assistance with participating in trade exhibitions, planning trade delegations and finding partners or agents in foreign markets also are among the available international trade services.

Enterprises intending to penetrate a new foreign market are likely to need the services of a market research company, which may produce an analysis of the foreign market, the competitors participating in that market, the best ways of penetrating the market and the correct marketing strategy. The market research company may perform social research to identify trends in public tastes in the overseas market and provide an analysis of business opportunities. An enterprise may benefit from research about robot is a type of service robot, an autonomous robot that is primarily used for household chores, but may also be used for education, entertainment or therapy.

Domestic



# Keyword

International marketing is simply the application of marketing principles to more than one country. However, there is a crossover between what is commonly expressed as international marketing and global marketing, which is a similar term.

the impact of its brand in the **international market**, its strengths and weaknesses, and the influence of competing brands.

Some organizations offer services in connection with trade promotions and exhibitions that may be used by enterprises looking to demonstrate their products and services in a foreign country. Intermediaries may help with booking spaces and setting up the exhibition, as well as with advertising the business in the other country. Other organizations specialize in organizing group tours of business executives who want to investigate conditions in their industry overseas, and the intermediary organization may arrange for them to meet representatives from industry and government. These organizations also may provide translation services and interpreters.

Other international trade services involve looking for potential local partners in a foreign country. A company may be looking for a partner in the other country because this is a requirement of local regulations or because the company needs to work with an enterprise that has local knowledge or a local distribution network. The company may need help in finding a suitable local business to participate in a contractual or equity joint venture or partnership. Other types of intermediary may offer international trade services that bring together buyers and sellers in a particular international market, or find agents to act for an enterprise in the foreign country.

# 3.5.1 Methods to Measure the Gain from International Trade

Economists have adopted various methods to measure the gains from international trade which are explained as under:

# 1. The Classical Method

Jacob Viner points out that the classical economists followed three different methods or criteria for measuring the gains from international trade: (1) differences in comparative costs; (2) increase in the level of national income; and (3) the terms of trade.

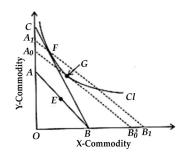
But they often intermixed these methods without specifying them clearly. We discuss them as under.



#### **Ricardo's Approach**

To take Ricardo's approach first, a country will export those commodities in which its comparative production costs are less, and will import those commodities in which its comparative production costs are high. "The country thus economizes in the use of its resources, obtaining for a given amount thereof a larger total income than if it attempted to produce everything itself."

Prof. Ronald Findlay in his Trade and Specialization has explained Ricardo's approach to the gains from international trade in terms of Figure 6. In the pre-trade situation, AB is the production possibility curve of a country which produces two commodities X and Y, given the quantity of labor input. On AS, the country is in equilibrium at point E.



#### Figure 6

After it enters into trade, its international price ratio is given by the slope of the line CB. Suppose that it is in equilibrium at point F on the line CB. If the quantities of X and Y represented by the combination at F are to be produced domestically, the quantity of labor input will have to increase sufficiently to shift the domestic production possibility curve up from AB to  $A_1B_1$  The gains from trade will thus be measured by BB<sub>1</sub>/OB.

But Malthus criticized Ricardo for greatly over-estimating the gains from trade. In terms of Figure 6, Malthus's view is that with the shifting of the domestic production possibility curve to  $A_1B_1$  F would not be the equilibrium point. Relative prices along  $A_1B_1$  would not be more favorable to the exported commodity X than along CB, so that consumer will prefer a point to the right of F on  $A_1B_1$ , rather than F itself. Hence the gains from trading along CB cannot be measured by an increase of labor input in the ratio  $BB_1/OB$ . This is because the change to the right of F on  $A_1B_1$  is preferable to that on CB.

Prof. Ronald Findlay has modified the Ricardo measure of the gains from trade using the community indifference curve Cl. If the labor input is increased sufficiently to push the production possibility curve to  $A_0B_0$  instead of to  $A_1B_1$  the point G on the



CI curve will make each individual as better as he is at the free trade point F. The gains from trade would, therefore, be equal to BBJOB instead of the larger BB<sub>1</sub>IOB. This measure satisfies Malthus's criticism of Ricardo.

#### Mill's Approach

J.S. Mill analyzed the gains as well as the distribution of the gains from international trade in terms of his theory of reciprocal demand. According to Mill, it is reciprocal demand that determines terms of trade which, in turn, determine the distribution of gains from trade of each country. The term 'terms of trade' refers to the barter terms of trade between the two countries i.e., the ratio of the quantity of imports for a given quantity of exports of a country. To take an example, in country A, 2 units of labor produce 10 units of X and 10 units of Y, while in country B the same labor produces 6X and 8K. The domestic exchange ratio (or domestic terms of trade) in country A is IX = 1 Y, and in country B, IX = 1.33Y. This means that one unit of X can be exchanged with one unit of Y in country A or 1.33 units of Y in country B. Thus the terms of trade between the two countries will lie between 1X or 1Y or 1.33 Y.

However, the actual exchange ratio will depend upon reciprocal demand, i.e., "the relative strength and elasticity of demand of the two trading countries for each other's product in terms of their own product." If A's demand for commodity Y is more intense (inelastic), then the terms of trade will be nearer IX = IK. The terms of trade will move in favor of B and against country A. B will gain more and A less. On the other hand, if A's demand for commodity Y is less intense (more elastic), then the terms of trade will be nearer IX = 1.33K. The terms of trade will move in favor of A and against B. A will gain more and B less. The distribution of gains from trade is explained in terms of the Marshall-Edge worth offer curves in Figure 7. OA is the offer curve of country A, and OB of country B. OP and OQ are the domestic constant cost ratios of producing o X and Y in country A and B respectively. These rays are, in fact, the limits within which the terms of trade between the two countries lie. However, the actual terms of trade are settled at E the point of inter-section of OA and OB.

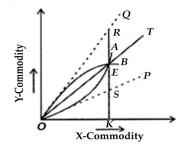


Figure 7.

The line OT represents equilibrium terms of trade at E. The cost ratio within country A is KS units of Y: OK units of X. But it gets KE units of Y through trade. SE units of Y is, therefore, its gain. The cost ratio within country B is KR units of Y: OK units of X. But it imports OK units of X from country A in exchange for only KE units of Y. EP units of Y is its gain. Thus both countries gain by entering into trade.

#### 2. The Modern Approach

In modern trade theory, the gains from international trade are clearly differentiated between the gain from exchange and the gain from specialization. The analysis is explained in terms of the general equilibrium of a closed economy by taking demand and supply. It is characterized by the tangency of a community indifference curve with the transformation curve, and the equality of the marginal rates of substitution between commodities in consumption and production with the domestic terms of trade or commodity price ratio. "The introduction of international trade permits the realization of a gain from exchange and gain from specialization. When equilibrium is established and these gains are maximized, the new marginal rate of transformation in production and the new marginal rate of substitution in consumption are equal to the international price ratio or terms of trade." Thus both producers and consumers gain from international trade by producing and consuming more than the pre-trade level.

Figure 8 explains the gains from inter-national trade. AB is the transformation curve representing the supply side and  $CI_0$  is the community indifference curve representing the demand side of an economy. The closed economy (no trade) equilibrium is shown by point E where the AB and  $CI_0$  curves are tangent to each other and both equal the domestic terms of trade or commodity price ratio (line) P.



Transformation curve is defined, in international economics, as the maximum amount of commodity X obtainable for any given amount of commodity Y, and vice versa. This concept is basically the same as the productionpossibility frontier studied in microeconomics.



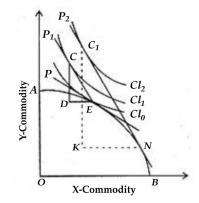


Figure 8.

With the introduction of international (or free) trade, the international price ratio (terms of trade) will be different from the domestic price ratio (terms of trade). It is shown as  $P_1$  and is steeper than the domestic price ratio P. It means that the price of commodity X has increased in relation to commodity Y in the world market. At the X-Commodity international price line  $P_1$  the consumers move to point C on a higher Figure 8 community indifference curve  $CI_0$  from point E on the  $CI_0$  curve. This movement from E to C measures the gain from exchange or consumption gain with no change in production.

Since the price of X has increased in the world market, producers increase its production and decrease that of Y. This leads to movement along the transformation curve from point E to N where a new international price line P, is tangent to the AB curve. In other words, at N the marginal rate of transformation in production equals the international price ratio. The new world terms of trade ratio  $P_2$  is the same as  $P_1$  because it is parallel to  $P_1$ . At N the country exports KN of X in exchange for KC<sub>x</sub> imports of Y.

As a result of increased specialization in the production of X, there is a shift in consumption from point C on the  $CI_1$  curve to point  $C_1$  on the  $CI_1$  curve, where consumers consume larger quantities of both X and Y. This movement from C to  $C_1$  measures the gain from specialization in production or production gain. At C, the marginal rate of substitution and the international price ratio are equal. Hence the gains from international trade are maximized at points N and C, because the marginal rate of transformation in production and the marginal rate of substitution in consumption are equal to the international price ratio  $P_2$ . The total gain from free trade is the sum of the consumption and production gains and is shown as improvement in welfare from  $CI_0$  to  $CI_2$ .

Increase in National Income. This analysis also explains the increase in the real income and hence the gains from trade. Point N on the price line  $P_2$  corresponds to a

higher real income than the pre-trade point E at the price line P. This is because at the new price line  $P_2$  there are production and consumption gains to the country after trade.

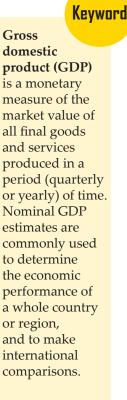
# 3.5.2 Role of International Trade

International trade plays an important role in every country's economy. The balance of trade, or the amount of imports versus exports, drives a country's evaluation of its **gross domestic product (GDP)** and ultimately impacts the public's perception of the health of the economy. More importantly, international trade opens up untapped markets for sellers and increases the home country's productivity as workers are employed to make the goods to sell globally.

It is a common axiom in business that 95% of a company's potential market is located overseas. A company that limits itself to sales generated within domestic borders is missing out on the potential to grow the business exponentially. From a business perspective, the role of international trade is to maximize profits for owners, the single most important mandate for corporations and many other types of businesses.

Governments consider the role of international trade from a larger perspective on the health of the economy. The ability of the business sector to manufacture goods for export means that more of the country's workforce is employed, producing a larger amount of inventory. It also means that the country is in a stronger position globally, as it is virtually exporting the country's values and lifestyle along with its products. Every domestic product that takes off in a foreign country makes it that much harder for the foreign country's government to risk damaging trade relations in international negotiations on unrelated issues.

Gross domestic product, an economic indicator that monitors a country's level of production, is impacted by international trade. If a country imports more than it exports, its GDP will likely decrease over time as the country becomes reliant on imported goods and loses the ability to employ its own citizenry in the production of goods the public wants to buy. The role of international trade in the economy is to find a balance between



importing and exporting that keeps the country's economy strong and its standard of living high.

Perhaps, the most important role of international trade is to keep the citizens of a country healthy and happy. International trade provides all of the goods and resources that a country cannot effectively produce itself. From making coffee available in Alaska to providing wood products to desert countries, many would be unhappy if they could only buy what their own country could produce. As people are better able to communicate across the globe, it has become harder for governments to convince the public that it should happily do without modern conveniences that people in other countries enjoy. The unavailability of modern goods over time has contributed to citizen uprisings in countries with governments that attempted to cut the country off from the world.

# 3.5.3 International Trade Strategies

Companies considering doing business overseas must give some thought to how their business is to be conducted and develop international trade strategies. Full information about the overseas markets must be obtained, future developments in the industry must be considered and a marketing strategy must be put in place. A business must decide if it is only to trade with importers in the other country or if it will be establishing a presence in that country. If so, the business must decide if it should establish a sales office or trade through a branch or a subsidiary company. If businesses are trading in a number of countries in a particular region, then the international trade strategy could include the formation of a regional holding company to maximize regional knowledge and coordination in hopes of qualifying for a favorable regulatory and tax position.

The potential overseas market must be analyzed in terms of all business risks that may be encountered. International trade strategies must take into account risks to revenue through a drop in demand resulting from changes in taste and fashion in the market. Risks such as rises in interest rates or property prices in the other country must be considered, and the exchange rate risk must be factored in if the overseas country uses a different currency. Political risk, such as the possibility of expropriation of assets by the foreign government or the consequences of political instability, must be recognized when developing international trade strategies.

If the company is to establish a presence in the other country through which it can trade, then the best legal form to adopt must be considered. While setting up a branch may be relatively easy, some countries will require foreign companies to set up a subsidiary company. A branch or a subsidiary will need to be registered in the foreign country, and registrations also may be required with the tax authorities. In some countries, the business may have to accept participation from a local company in the form of a joint venture or a shareholding in the company. The business also



must check to see if there are any restrictions on activities by foreign investors in the industry in which it intends to trade.

In deciding on the location of manufacturing facilities in other countries, enterprises developing international trade strategies should look for any free zones or special economic zones. These zones may offer advantages in terms of reduced rent, enhanced infrastructure or tax concessions. Such zones may be restricted to certain types of business, so it is important to ensure that a business qualifies for the concessions offered by the zone. International trade strategies should take into account the customs duties that may be payable on imports of goods and raw materials into another country. The tax position in the other country and its effect on the tax position in the home country also should be considered in developing the strategy.

# 3.5.4 Advantages of International Trade

International trade is an ancient concept that remains controversial in the 21st century. The trading of goods, services, and labor across borders can have many pitfalls, but can also result in many benefits for all involved. Some of the advantages of international trade include market diversity and consistency, independence from local monopolies, cultural exchange, technological exchange, and potential for increased human rights and environmental protection standards. The advantages of international trade are not always inherent; many can only be exploited with the assistance of governmental regulations and social activism.

The size of a market is often defined by how many consumers have reasonable access to the available goods. In pre-modern times, a market might only be accessible to those within walking or riding distance. As a result, people were limited to the goods and services produced locally. The vast technological advancements in transportation and preservation helped widen markets, an effect known as "globalization." One of the major advantages of international trade is that more consumers have access to a greater selection of goods, thanks to globalization.

One of the most helpful advantages of international trade in the agricultural market is the creation of consistent availability. Different climates mean that different areas can only produce certain fruits and vegetables at certain times of the year; for instance, in a temperate climate, strawberries may only be locally harvested in late spring. Thanks to warmer climates elsewhere and fast transportation, however, strawberries, as well as many other types of produce, can be supplied year-round, thanks to international trade.

The diversity of goods from international markets also helps protect consumers from the detrimental effects of monopolies. When there is healthy global competition, prices tend to drop, since consumers will gravitate toward the best deals. A lack of competition can lead to stagnation in the market, or worse, the cornering of the market by a single entity. When one local supplier controls the entire market, prices tend to skyrocket. One of the primary advantages of international trade is expanding consumer choice so that suppliers cannot establish monopolies.

Some people consider one of the most vital advantages to international trade to be the exchange of culture and technology that occurs through free trading. Sociologists frequently argue that cultural hatred and suspicion is bred from fear of the unknown; by giving different nations a chance to work with each other through trade, relationships can be strengthened and xenophobia dispelled. In technological areas, developing nations also frequently benefit from the influx of new technology from industrialized nations, which may allow faster improvement of infrastructure and business.

Though it is not always considered a priority, some environmental and social activists believe that one of the biggest benefits of international trade is the opportunity to improve environmental and labor standards throughout the world. By creating partnerships with nations that vow to use environmentally safe practices and provide fair wages and hours to workers, industrialized nations can help reduce ecological damage and improve human rights.

# 3.5.5 Terms of Trade

Terms of trade, relationship between the prices at which a country sells its exports and the prices paid for its imports. If the prices of a country's exports rise relative to the prices of its imports, one says that its terms of trade have moved in a favorable direction, because, in effect, it now receives more imports for each unit of goods exported. The terms of trade, which depend on the world supply of and demand for the goods involved, indicate how the gains from international trade will be distributed among trading countries. The concept is also applied to different sectors within an economy (e.g., agricultural and manufacturing sectors).

# Remember

An abrupt change in a country's terms of trade (e.g., a drastic fall in the price of a primary product that is a country's main export) can cause serious balanceof-payments problems if the country depends on the foreign exchange earned by its exports to pay for the import of its manufactured goods and capital equipment.

Many theories have been postulated to explain movements in the terms of trade, but none of them is really confirmed by close examination of trade statistics. One long-held belief was that the terms of trade tended to move against less-developed countries because their exports consisted chiefly of primary products (such as coffee or rubber) while their imports largely comprised manufactured and, consequently, more-expensive goods from developed countries. More-recent studies have examined what effects labor inflows (through immigration) and capital inflows (through foreign investment) might have on a country's terms of trade.

# 3.5.6 Facets of International Trade

International trade is conducted by businesses that are efficient enough to be competitive on the international market. Businesses in different countries tend to specialize in different sectors; for example, industrialized countries may have companies that specialize in high-tech manufacturing or financial services, while developing countries may export mainly agricultural products. Governments impose tariffs or quotas to protect some domestic industries from foreign imports, and these are a barrier to international trade. International agreements and organizations have aimed to increase trade by reducing tariff barriers and providing dispute resolution procedures. World trade also has benefited from improved means of transport, containerization and harmonized terms for international contracts.



Trading internationally has been facilitated by international agreements and organizations such as the World Trade Organization (WTO). Negotiations have led to reductions in tariffs and quotas that had been a brake on international trade. When disputes arise over the imposition of tariffs, there is a procedure for dispute resolution that includes the imposition of penalties on countries found to have broken the rules.

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Although international agreements are often hard to reach, negotiations in the WTO ensure that international trade issues are thoroughly considered. Issues remaining for world trade as of 2011 include reducing subsidies to farmers in industrialized countries and consideration of the need for protection for agriculture and other sectors in poorer developing countries.

The introduction of containerization has made the logistics of international freight much more straightforward. The development of large container seaports and inland dry ports, as well as rapid docking, loading and unloading have spurred international trade. Larger ships are guided to port by radar and carry larger loads. The ports have expanded in size to accommodate the freight and have developed infrastructure to move it on quickly.

International contract terms have been harmonized by the work of organizations such as the International Chamber of Commerce (ICC). Standard contracts reduce the possibility of misunderstanding between buyers and sellers with respect to the allocation of freight and insurance costs. The increased use of electronic means of payment has reduced concerns about payment, and letters of credit have been adapted accordingly to ensure that financial matters are expedited as quickly and smoothly as possible.

International trade disputes may be resolved more easily as a result of the introduction of mechanisms for dispute resolution through agencies such as the United Nations Commission on International Trade Law (UNCITRAL). Countries have facilitated international trade for businesses by signing bilateral investment protection agreements that make certain guarantees for investors and provide for dispute resolution. Similarly, bilateral double taxation agreements between countries aim to eliminate the possibility of double taxation on businesses trading internationally and provide a mechanism for resolution of tax disputes.

# 3.5.7 Role of International Trade Center

An international trade center facilitates world trade through collaborative and educational activities. These centers typically exist to give practical help to business interests, and to encourage vigorous trading relationships between nations. Centers may provide assistance at a local, national, or international level. An international trade center also offers assistance by creating a venue for business professionals and government officials to network. Advising local and national governments on how best to facilitate world trade is another aspect of the work of an international trade center.

Throughout the world, there exists a complex web of interactions between various business entities. Acting alone, a single business, even if it is a large corporation, may experience roadblocks and other barriers when attempting to ship or receive goods internationally. The staff at an international trade center may offer advice and practical assistance to businesses seeking to trade internationally. For example, a U.S. business in Washington State may seek to increase exports of wood products to Japan, but the business owner might have insufficient knowledge of trading customs and legal requirements that may be involved.

These trade centers offer businesses training in forming relationships with trading partners in other countries. Training may include an understanding of customs in the business practices of another country. For example, in the U.S. it is often considered impolite to take up a large amount of time socializing before business negotiations begin. In many Middle-Eastern countries, however, it may be considered rude to jump into trade discussions until certain social cordialities occur, which may take hours or even days to complete.

A local international trade center is often situated near a national border, but not always. The world's major ports frequently have these centers, as agents for exporters and importers may have offices nearby. These organizations may also be located in cities with international airports.

Facilities at an international trade center often include rooms for business trade professionals to meet so that they can network with one another. Those who have already achieved some experience in trading relationships can share with novices, forging collaborative partnerships. Information shared could include referrals to freight forwarding companies, or lawyers who specialize in crafting legal agreements for trading partners. Due to the scale and expense of establishing trade relationships with other nations, it is often helpful for individual businesses from a country to become members of a trade delegation.

Staff working for an international trade center may also educate and advise policy makers on how best to increase productive trading relationships. An innocent yet embarrassing faux pas may harm a productive trading partnership. If a politician utters the faux pas, the damage could be significant.

# **ROLE MODEL**

# **KENNETH ARROW**

Kenneth J. Arrow, in full Kenneth Joseph Arrow, (born August 23, 1921, New York, New York, U.S.—died February 21, 2017, Palo Alto, California), American economist known for his contributions to welfare economics and to general economic equilibrium theory. He was cowinner (with Sir John R. Hicks) of the Nobel Prize for



Economics in 1972. Perhaps his most startling thesis (built on elementary mathematics) was the "impossibility theorem" (or "Arrow's theorem"), which holds that, under certain conditions of rationality and equality, it is impossible to guarantee that a ranking of societal preferences will correspond to rankings of individual preferences when more than two individuals and alternative choices are involved.

In one of his earliest articles, published in 1951, Arrow showed that a competitive economy in equilibrium is efficient. Furthermore, he demonstrated that an efficient allocation could be reached if a government uses lump-sum taxes to transfer wealth and then lets the market work toward equilibrium. One implication of his findings is that, if a government chooses to redistribute income, it should do so directly rather than through price regulations that could hamper the free market. Arrow's early work on equilibrium still stands as one of the reasons many economists oppose price controls.

After receiving his Ph.D. from Columbia University in 1951, Arrow taught at the University of Chicago (1948–49), at Stanford University (1949–68), and at Harvard University (1968–79). In 1979 he returned to Stanford University as Joan Kenney Professor of Economics and Professor of Operations Research. Arrow became professor emeritus at Stanford in 1991.

Arrow received numerous honors and awards, including the John von Neumann Theory Prize (1986), for notable contributions to operations research and management science, and the National Medal of Science (2004), the highest scientific honor in the United States. He has also been a fellow of several academic societies, including the Econometric Society, the American Economic Association (AEA), the Institute of Mathematical Statistics, and the American Association for the Advancement of Science.



# **SUMMARY**

- The global economy has changed significantly over the past few decades, in the way that it is organized and governed by collaborating nations.
- Economic globalization is one of the three main dimensions of globalization commonly found in academic literature, with the two others being political globalization and cultural globalization, as well as the general term of globalization.
- Many people think that the global economy is controlled by governments of the largest economies in the world, but this a common misconception.
- The functioning of the global economy can be explained through one word — transactions. International transactions taking place between top economies in the world help in the continuance of the global economy.
- The global marketplace, coupled with the ubiquity of the internet, makes it possible for all businesses to play on fair ground.
- Quality of work life is a very broad concept with many different perceptions about it and, therefore, difficult to define. There are authors who are of the opinion that it is something that is defined by the people of the organization.
- Teamwork is the new mantra of modern-day people's excellence strategy. Today's teams are self-propelled ones. The modern manager has to strive at the group coherence for common cause of the project.
- Trade sanctions are trade-related penalties levied by one country against one or more other countries. These sanctions fall into the broader category of economic sanctions, and they might be used to achieve economic policy objectives, political objectives or military objectives.
- International trade law is the body of laws and agreements that governs how countries do business with each other.
- A tariff, or duty, is a tax levied on products when they cross the boundary of a customs area. The boundary may be that of a nation or a group of nations that has agreed to impose a common tax on goods entering its territory.
- International trade regulation is a complex process because there are different rules governing the importing and exporting of goods that sometimes interfere with one another.



# **MULTIPLE CHOICE QUESTIONS**

#### 1. Global economies of scale arise when:

- a. a product or a process can be globally performed using cheap labor.
- b. a product or a process can be performed more cheaply thanks to alliances with multinational firms in other sectors.
- c. a product or a process can be performed more cheaply at greater volume than at lesser volume.
- d. a product or a process can be performed more cheaply thanks to globally performed cross-business cost-saving activities.

### 2. Governments can encourage globalization of industries by:

- a. increasing tariffs and regulations
- b. creating common international technical standards
- c. subsidizing domestic firms that expand internationally
- d. subsidizing foreign firms that invest in their country

# 3. Economic development refers to

- a. Economic growth.
- b. Sustainable increases in Gross National Product.
- c. Economic growth plus changes in output distribution and economic structure.
- d. Improvement in the well-being of the urban population.

# 4. According to Lewis's model, the dual economy grows only when

- a. the modern sector increases its output share relative to the traditional sector.
- b. agricultural sector uses modern equipment.
- c. agricultural sector hires labor economically.
- d. modern manufacturing sector is labor-intensive.

# 5. Which of the following could not be considered a major economic system?

- a. capitalism.
- b. communism.
- c. socialism.
- d. physical quality of life index.



# **Review Questions**

- 1. What is a global economy?
- 2. How does the global economy work?
- 3. Explain the challenges of operating a business in a global economy.
- 4. Discuss about importance of quality of work life.
- 5. Focus on quality of work life as HR strategy.
- 6. Discuss the international trade and development.
- 7. Explain the methods to measure the gain from international trade.
- 8. Learn about international trade strategies.

### Answer to Multiple Choice Questions

1. (c) 2. (b) 3. (b) 4. (d) 5. (d)



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# **ORGANIZATIONAL CULTURE**

"Organizational culture begins in HR. This means to hire for attitude and train for skill."

— Bill Capodagli

# **INTRODUCTION**

Organizational culture is the collection of values, expectations, and practices that guide and inform the actions of all team members. Think of it as the collection of traits that make your company what it is. A great culture exemplifies positive traits that lead to improved performance, while a dysfunctional company culture brings out qualities that can hinder even the most successful organizations.

# LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. Understand the concept of organizational culture
- 2. Define cognitive levels of organizational culture
- 3. Explain the Schein's organizational culture model
- 4. Describe the key role of organizational culture
- 5. Define strategic and cultural values



Organizational culture is a widely used term but one that seems to give rise to a degree of ambiguity in terms of assessing its effectiveness on change variables in an organization. For the past number of decades, most academics and practitioners studying organizations suggest the concept of culture is the climate and practices that organizations develop around their handling of people.

# **4.1 CONCEPT OF ORGANIZATIONAL CULTURE**

The organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behavior of its members. There are clear-cut guidelines as to how employees are to behave generally within organization. The employees need to learn how the particular enterprise does things.



Edgar Schein defines organizational culture as "a pattern of basic assumptions - invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration that has worked well enough to be considered valuable and, therefore to be taught to new members as the correct way to perceive, think and fell in relation to those problems". According to Hersey, Blanchard and Johnson "Organizational culture is itself a complex phenomenon with many interpretations organizational culture is shared basic assumptions, or beliefs, about how to cope with the two fundamental problems that all groups and organizations face: survival and adaptation to the external environment and the internal integration and coordination of organizational functioning". From the above definitions, culture may be considered as the general pattern of behavior, shared beliefs, and values that organizational members have in common. Culture involves the learning and transmitting of knowledge, beliefs and patterns of behavior over a period of time. Culture can be inferred from what people say, do, and think within an organizational setting. It often sets tight tone for the organization and establishes implied rules for the way people should behave. It is important to recognize that culture is learned and helps people in their efforts to interact and communicate with others in the society. When placed in a culture where values and beliefs are different, some people have a great deal of difficulty in adjusting.

### Definition of Organizational culture

Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. Organizational culture includes an organization's expectations, experiences, philosophy, and values that hold it together, and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations.

It is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid.

These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs.



### Keyword

Decision making is the process of making choices by identifying a decision, gathering information, and assessing alternative resolutions. Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization.

Organizational culture/corporate culture includes-

- The ways the organization conducts its business, treats its employees, customers, and the wider community,
- The extent to which freedom is allowed in decision making, developing new ideas, and personal expression,
- How power and information flow through its hierarchy, and
- How committed employees are towards collective objectives.

Many Scholars had given the definition of organizational culture. Some of the popular definitions are given below:

According to Robbie Katanga, "Organizational Culture is how organizations do things."

According to Alec Haverstick, "In large part, Organizational culture is a product of compensation."

According to Bruce Perron, "Organizational culture defines a jointly shared description of an organization from within."

According to Richard Perrin, "Organizational culture is the sum of values and rituals which serve as a glue to integrate the members of the organization."

According to Alan Adler, "Organizational culture is civilization in the workplace."



According to Elizabeth Skringar, "Organizational culture is shaped by the main culture of the society we live in, albeit with greater emphasis on particular parts of it."

According to Abdi Osman Jama, "An organization is a living culture that can adapt to the reality 4s fast as possible."

Organizational, culture affects the organization's productivity and performance and provides guidelines on customer care and service, product quality and safety, attendance and punctuality, and concern for the environment.



# 4.1.1 The Components of Culture

Organizational culture can be described in terms of values, norms, artefacts and management style.

### Values

Values are beliefs in what is best or good for the organization and what should or ought to happen. The 'value set' of an organization may only be recognized at top level, or it may be shared throughout the business, in which case it could be described as 'value-driven'. The stronger the values the more they will influence behavior. This does not depend upon their having been articulated. Implicit values that are deeply embedded in the culture of an organization and are reinforced by the behavior of management can be highly influential, while espoused values that are idealistic and are not reflected in managerial behavior may have little or no effect. When values are acted on they are called 'values in use'. Values are translated into reality through norms and artefacts. They may also be expressed through the media of language (organizational jargon), rituals, stories and myths.



### Norms

Norms are the unwritten rules of behavior, the 'rules of the game' that provide informal guidelines on how to behave. Norms tell people what they are supposed to be doing, saying, believing, even wearing. They are never expressed in writing – if they were, they would be policies or procedures. They are passed on by word of mouth or behavior and can be enforced by the reactions of people if they are violated. They can exert very powerful pressure on behavior because of these reactions – we control others by the way we react to them.

### Artefacts

Artefacts are the visible and tangible aspects of an organization that people hear, see or feel and which contribute to their understanding of the organization's culture. Artefacts can include such things as the working environment, the tone and language used in e-mails, letters or memoranda, the manner in which people address each other at meetings, in e-mails or over the telephone, the welcome (or lack of welcome) given to visitors and the way in which telephonists deal with outside calls. Artefacts can be very revealing.

### Management style

Management style is the approach managers use to deal with people. It is also called 'leadership style'. As defined there, it consists of the following extremes:



- Charismatic/non-charismatic.
- Autocratic/democratic.
- Enabler/controller.
- Transactional/transformational.

Most managers adopt an approach somewhere between the extremes. Some will vary it according to the situation or their feelings at the time; others will stick to the same style whatever happens. A good case can be made for using an appropriate style according to the situation but it is undesirable to be inconsistent in the style used in similar situations. Every manager has his or her own style but this will be influenced by the organizational culture, which may produce a prevailing management style that represents the behavioral norm for managers that is generally expected and adopted.

The term 'management style' can also refer to the overall approach an organization adopts to the conduct of employee relations. Purcell and Sisson (1983) identified five typical styles: authoritarian, paternalistic, consultative, constitutional and opportunist.



### 4.1.2 Characteristics of Organizational Culture

Organizational culture is composed of seven characteristics that range in priority from high to low. Every organization has a distinct value for each of these characteristics.

Members of organizations make judgments on the value their organization places on these characteristics, and then adjust their behavior to match this perceived set of values. Characteristics of organizational culture are;

- Innovation (Risk Orientation).
- Attention to Detail (Precision Orientation).
- Emphasis on Outcome (Achievement Orientation).
- Emphasis on People (Fairness Orientation).
- Teamwork (Collaboration Orientation).
- Aggressiveness (Competitive Orientation).
- Stability (Rule Orientation).

### Innovation (Risk Orientation)

Companies with cultures that place a high value on innovation encourage their employees to take risks and innovate in the performance of their jobs.

Companies with cultures that place a low value on innovation expect their employees to do their jobs the same way that they have been trained to do them, without looking for ways to improve their performance.

#### Attention to Detail (Precision Orientation)

This characteristic of organizational culture dictates the degree to which employees are expected to be accurate in their work.

A culture that places a high value on attention to detail expects its employees to perform their work with precision. A culture that places a low value on this characteristic does not.

#### **Emphasis on Outcome (Achievement Orientation)**

Companies that focus on results, but not on how the results are achieved, place a high emphasis on this value of organizational culture.

A company that instructs its sales force to do whatever it takes to get sales orders has a culture that places a high value on the emphasis on outcome characteristics.

### **Emphasis on People (Fairness Orientation)**

Companies that place a high value on this characteristic of organizational culture place a great deal of importance on how their decisions will affect the people in their organizations. For these companies, it is important to treat their employees with respect and dignity.'

#### **Teamwork** (Collaboration Orientation)

Companies that organize work activities around teams instead of individuals place a high value on this characteristic of the organizational culture.

People who work for these types of companies tend to have a positive relationship with their coworkers and managers.

#### Aggressiveness (Competitive Orientation)

This characteristic of organizational culture dictates whether group members are expected to be assertive or easygoing when dealing with companies they compete within the marketplace.

Companies with an aggressive culture place a high value on competitiveness and outperforming the competition at all costs.

#### Stability (Rule Orientation)

A company whose culture places a high value on stability is rule-oriented, predictable, and bureaucratic in nature. These types of companies typically provide consistent and predictable levels of output and operate best in non-changing market conditions.

These are the seven characteristics that are common in the context of organizational culture.

#### 4.1.3 Functions of Organizational Culture

Organizational culture is the personality of an organization - the "way things are done." It is defined as the informal values, norms and beliefs that control how individuals and groups interact internally and externally. An organizational culture is strong when there is a high shared commitment to core values, and weak when control has to be exercised through administrative orders. Organizational cultures serve two major functions: external adaptation and internal integration.

#### **External** Adaptation

"Organizational Culture and Leadership," The first is mission. In a strong culture, groups are committed to the company's mission and strategy to deal with the competitive environment and other external forces. The second and third elements are goals and



Keyword

An organizational structure defines how activities such as task allocation, coordination, and supervision are directed toward the achievement of organizational aims. means. Goals are derived from the mission but are more specific. For example, a company's mission could be to gain market share, but the goals would include specific percentages and schedules. The third element is the means to achieve the goals, including labor specialization, compensation systems and **organizational structure**. A consensus on the means leads to fewer turf wars. The fourth and fifth elements are measurement and correction. Using hard data (such as financial statements) and through internal and external consultations, a company's performance is measured against its mission so that corrective measures can be taken to address deficiencies. Correction is a gradual process of culture change by managing internal resistance and building consensus.

#### **Internal Integration**

Organizational culture also plays an important role in internal integration. The first is common language. To communicate effectively, group members develop a common set of actions and words. The second element is group boundaries - there should be consensus on who is or is not a member. Leadership may formally set these boundaries but the group ratifies them. In a mature organization, a person may belong to multiple groups and, for each group; makes the transition from being an outsider to an insider. The third element is the distribution of power and status, which is the process governing how power is earned and how to deal with authority and peers. The fourth element is the development of friendships, norms and customs within groups. The fifth element is a system of rewards and punishments for obeying and disobeying rules. The sixth element is that groups have ways sing religion, ideology, beliefs and myths to explain the unexplainable, such as a sharp change in business conditions, a tragic accident or a natural disaster.

### 4.1.4 Qualities of a Great Organizational Culture

Every organization's culture is different, and it's important to retain what makes your company unique. However, the cultures of high-performing organizations consistently reflect certain qualities that you should seek to cultivate:

- Alignment comes when the company's objectives and its employees' motivations are all pulling in the same direction. Exceptional organizations work to build continuous alignment to their vision, purpose, and goals.
- **Appreciation** can take many forms: a public kudos, a note of thanks, or a promotion. A culture of appreciation is one in which all team members frequently provide recognition and thanks for the contributions of others.
- Trust is vital to an organization. With a culture of trust, team members can express themselves and rely on others to have their back when they try something new.



- Performance is key, as great companies create a culture that means business. In these companies, talented employees motivate each other to excel, and, as shown above, greater profitability and productivity are the results.
- Resilience is a key quality in highly dynamic environments where change is continuous. A resilient culture will teach leaders to watch for and respond to change with ease.
- Teamwork encompasses collaboration, communication, and respect between team members. When everyone on the team supports each other, employees will get more done and feel happier while doing it.





- Integrity, like trust, is vital to all teams when they rely on each other to make decisions, interpret results, and form partnerships. Honesty and transparency are critical components of this aspect of culture.
- Innovation leads organizations to get the most out of available technologies, resources, and markets. A culture of innovation means that you apply creative thinking to all aspects of your business, even your own cultural initiatives.
- Psychological safety provides the support employees need to take risks and provide honest feedback. Remember that psychological safety starts at the team level, not the individual level, so managers need to take the lead in creating a safe environment where everyone feels comfortable contributing.

# 4.1.5 8 Steps to Building A High-Performing Organizational Culture

Creating a great organizational culture requires developing and executing a plan with clear objectives that you can work towards and measure. The 8 steps below should serve as a roadmap for building a culture of continuity that will deliver long-term benefits across your company.

Did You Know?

In the 19th century, humanists such as English poet and essayist Matthew Arnold used the word "culture" to refer to an ideal of individual human refinement, of "the best that has been thought and said in the world."



#### 1. Excel in Recognition

Recognizing the contributions of all team members has a far-reaching, positive effect on organizational culture. When everyone on the team recognizes the accomplishments of others, individuals start to see how they're part of a whole. Even the most jaded employees want to know their work matters, and they notice when they aren't appreciated — 76 percent of employees don't feel especially recognized by superiors. Experts agree that when an organization makes appreciating employees part of its culture, important metrics like employee engagement, retention, and productivity improve.

Making recognition part of your culture means it must be a regular occurrence, not something that is only reserved for major milestones or work anniversaries. Encourage team members to practice frequent social recognition in addition to monetary recognition. Providing social recognition on a consistent basis has a remarkable business impact: companies that invest in social recognition are four times more likely to increase stock prices, twice more likely to improve NPS scores, and twice more likely to improve individual performances.

Monetary recognition is valuable as well. Consider a points-based recognition program that will allow employees to easily build up substantial point balances. They'll enjoy looking forward to redeeming their points for a reward that's personally meaningful to them, rather than being handed a generic mug or a years of service award that will gather dust on a shelf.

To foster other cultural traits, recognition should also be clearly tied to company values and specific actions. After all, 92 percent of employees agree when they're recognized for a specific action, they're more likely to take that action again in the future.

#### 2. Enable Employee Voice

Creating a culture that values feedback and encourages employee voice is essential, as failing to do so can lead to lost revenue and demotivated employees.

First, you need to collect feedback using the right listening tools that make it easy for employees to express what they're feeling in the moment, like pulse surveys and workplace chatbots. Then analyze the results to see what's working and what isn't in your organization, and act on those findings while they're still relevant. Not only does this strengthen your culture, it leads to benefits like higher employee fulfillment and greater profitability. According to a Clutch survey, 68 percent of employees who receive regular feedback feel fulfilled in their jobs, and Gallup found that organizations with managers who received feedback on their strengths showed 8.9 percent greater profitability.



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In addition to gathering feedback using the methods described above, make sure you're paying attention to more subtle expressions of feedback that can reveal cultural deficiencies. For example, pay attention to body language, as it can tell you much even when employees aren't willing to share. If you're working with a remote team, video conferences can help keep this nonverbal channel of communication open. Managers should treat all their sessions with employees as opportunities to gather and respond to feedback and act as a trusted coach.



### 3. Make Your Leaders Culture Advocates

Your company's success in building a strong workplace culture rests in the hands of team leaders and managers. For example, if your workplace culture prioritizes certain values and your leadership team doesn't exemplify them — or even displays behaviors that go against them — it undermines the effort. Team members will recognize the dissonance between stated values and lived behaviors. They may even start to emulate negative behaviors because they believe those behaviors have been rewarded by management.

Your leadership team can help build the culture you need by prioritizing it in every aspect of their work lives. They need to openly and transparently discuss the organization's culture and values, and they should also be prepared to incorporate feedback from employees into their cultural advocacy efforts. Leaders need their employees' perspective on culture — while 76 percent of executives believe their organization has a well-communicated value system, only 31 percent of employees agree.



#### 4. Live by Your Company Values

Your company's values are the foundation of its culture. While crafting a mission statement is a great start, living by company values means weaving them into every aspect of your business. This includes support terms, HR policies, benefits programs, and even out-of-office initiatives like volunteering. Your employees, partners, and customers will recognize and appreciate that your organization puts its values into practice every day. You can also recognize employees for actions that exemplify your values to show that they're more than just words and incentivize employees to build the value-based culture you want to see.

#### 5. Forge Connections Between Team Members

Building a workplace culture that can handle adversity requires establishing strong connections between team members, but with increasingly remote and terse communication, creating those bonds can be challenging. Encouraging collaboration and engaging in team building activities — even when working remote — are two effective ways to bring your team together and promote communication.

Look for and encourage shared personal interests between team members as well, especially among those from different generations that might otherwise have a difficult time relating to each other. This can create new pathways for understanding and empathy that are vital to improving communication, creativity, and even conflict resolution.





#### 6. Focus on Learning and Development

Great workplace cultures are formed by employees who are continually learning and companies that invest in staff development. Training initiatives, coaching, and providing employees with new responsibilities are all great ways to show your team that you're invested in their success.

A culture of learning has a significant business impact. Find Courses' most recent benchmark study found that companies with highly engaged employees were 1.5 times more likely to prioritize soft skills development. It also found that companies that had experienced revenue growth in the previous financial year were twice more likely to use innovative learning technologies and three times more likely to increase their learning and development budgets.

#### 7. Keep Culture in Mind from Day One

When an employee's perspective doesn't match your company culture, internal discord is likely to be the result. Organizations should hire for culture and reinforce it during the on boarding process and beyond. Practices and procedures must be taught, and values should be shared.

When hiring, ask questions focused on cultural fit, like what matters to the interviewee and why they're attracted to working at your company. But these questions shouldn't be the sole determining factor when evaluating a candidate, as the best organizations keep an open mind to diverse perspectives that can help keep their culture fresh.

You should also prioritize building social relationships during the on boarding process so that employees have the insight necessary to understand your company's culture and values. These relationships will last throughout the employee's time at the company, so that cultural values are mutually reinforced on a continuous basis.

#### 8. Personalize the Employee Experience

As modern consumers, your employees expect personalized experiences, so you need to focus on ways to help each team member identify with your culture. Tools like pulse surveys and employee-journey mapping are great ways to discover what your employees value and what their ideal corporate culture looks like. Take what you learn and tailor your actions to personalize the employee experience for your team. Once you start treating your employees with the same care you treat your customers, a culture that motivates each individual at your organization is sure to follow.

### 4.1.6 Importance of Culture to the Organization

A common platform where individuals work in unison to earn profits as well as a livelihood for themselves is called an organization. A place where individuals realize the dream of making it big is called an organization. Every organization has its unique style of working which often contributes to its culture. The beliefs, ideologies, principles and values of an organization form its culture. The culture of the workplace controls the way employees behave amongst themselves as well as with people outside the organization.

- The culture decides the way employees interact at their workplace. A healthy culture encourages the employees to stay motivated and loyal towards the management.
- The culture of the workplace also goes a long way in promoting healthy competition at the workplace. Employees try their level best to perform better than their fellow workers and earn recognition and appreciation of the superiors. It is the culture of the workplace which actually motivates the employees to perform.
- Every organization must have set guidelines for the employees to work accordingly. The culture of an organization represents certain predefined policies which guide the employees and give them a sense of direction at the workplace. Every individual is clear about his roles and responsibilities in the organization and know how to accomplish the tasks ahead of the deadlines.
- No two organizations can have the same work culture. It is the culture of an organization which makes it distinct from others. The work culture goes a long way in creating the brand image of the organization. The work culture gives an identity to the organization. In other words, an organization is known by its culture.
- The organization culture brings all the employees on a common platform. The employees must be treated equally and no one should feel neglected or left out at the workplace. It is essential for the employees to adjust well in the organization culture for them to deliver their level best.
- The work culture unites the employees who are otherwise from different back grounds, families and have varied attitudes and mentalities. The culture gives the employees a sense of unity at the workplace. Certain organizations follow a culture where all the employees irrespective of their designations have to step into the office on time. Such a culture encourages the employees to be punctual which eventually benefits them in the long run. It is the culture of the organization which makes the individuals a successful professional.
- Every employee is clear with his roles and responsibilities and strives hard to accomplish the tasks within the desired time frame as per the set guidelines.

Implementation of policies is never a problem in organizations where people follow a set culture. The new employees also try their level best to understand the work culture and make the organization a better place to work.

- The work culture promotes healthy relationship amongst the employees. No one treats work as a burden and moulds himself according to the culture.
- It is the culture of the organization which extracts the best out of each team member. In a culture where management is very particular about the reporting system, the employees however busy they are would send their reports by end of the day. No one has to force anyone to work. The culture develops a habit in the individuals which makes them successful at the workplace.

# **4.2 COGNITIVE LEVELS OF ORGANIZATIONAL CULTURE**

Definitions of organizational culture initially focused on distinguishing levels of organizational culture and strong versus weak cultures.

### Levels of Organizational Culture

Many definitions of culture give primacy to the cognitive components, such as assumptions, beliefs, and values. Others expand the concept to include behavior s and artifacts, leading to a common distinction between the visible and the hidden levels of organizational culture – a distinction basically corresponding to the climate/ culture distinction noted above (Kotter and Heskett 1992). In contrast to the distinction between the visible and hidden levels, some theorists distinguished multiple levels. Schein (1985), one of the foremost experts in the area, identifies the following levels, as shown in Figure 1.

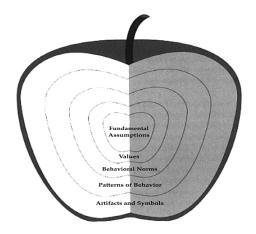


Figure 1: Levels of Organizational Culture.



In Schein's view, fundamental assumptions constitute the core and most important aspect of organizational culture. Accordingly, he offers the following formal definition of organizational culture:

A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.

While the deeper levels may have been somewhat invisible in the past, this may no longer be the case. As a result of greater attention being directed at managing culture, organizations are recognizing the importance of articulating and stressing their fundamental assumptions. This is similar to what later happens with knowledge management – greater attention becomes directed at making the tacit knowledge within an organization more explicit and accessible. This suggests a general trend toward more explicitly managing what previously was considered largely unmanageable.

#### Strong versus Weak Culture

Although all organizations have cultures, some appear to have stronger, more deeply rooted cultures than others. Initially, a strong culture was conceptualized as a coherent set of beliefs, values, assumptions, and practices embraced by most members of the organization. The emphasis was on (1) the degree of consistency of beliefs, values, assumptions, and practice across organizational members; and (2) the pervasiveness (number) of consistent beliefs, values, assumptions, and practices. Many early proponents of organizational culture tended to assume that a strong, pervasive culture was beneficial to all organizations because it fostered motivation, commitment, identity, solidarity, and sameness, which, in turn, facilitated internal integration and coordination. Some, however, noted that a strong culture might be more important for some types of organizations than others. For example, volunteer organizations may need to stress culture more than **business organizations**. Still others noted potential dysfunctions of a strong culture, to the point of suggesting that a strong culture may not always be desirable. For example, a strong culture and the internalized controls associated with it could result in individuals placing unconstrained demands on



**Business** organization, an entity formed for the purpose of carrying on commercial enterprise. Such an organization is predicated on systems of law governing contract and exchange, property rights, and incorporation.



themselves, as well as acting as a barrier to adaptation and change. A strong culture could also be a means of manipulation and co-optation. It could further contribute to a displacement of goals or subgoal formation, meaning that behavior al norms and ways of doing things become so important that they begin to overshadow the original purpose of the organization.

Culture was initially seen as a means of enhancing internal integration and coordination, but the open system view of organizations recognized that culture is also important in mediating adaptation to the environment. The traditional view of a strong culture could be contrary to the ability of organizations to adapt and change. Seeing culture as important for facilitating organizational innovation, the acceptance of new ideas and perspectives, and needed organizational change may require a different, or more nuanced, view of organizational culture notes that, indeed, a strong organizational culture has generally been viewed as a conservative force. However, in contrast to the view that a strong organizational culture may be dysfunctional for contemporary business organizations that need to be change-oriented, he argues that just because a strong organizational culture is fairly stable does not mean that the organization will be resistant to change. It is possible for the content of a strong culture to be change-oriented, even if strong organizational cultures in the past typically were not. He suggests that the culture of modern organizations should be strong but limited, differentiating fundamental assumptions that are pivotal (vital to organizational survival and success) from everything else that is merely relevant (desirable but not mandatory). Today's organizations, characterized by rapidly changing environments and internal workforce diversity, need a strong organizational culture but one that is less pervasive in terms of prescribing particular norms and behavior al patterns than may have existed in the past. This view was supported by Collins and in their famous study (Built to Last) of companies that had strong and lasting performance.

# **4.3 SCHEIN'S ORGANIZATIONAL CULTURE MODEL**

Schein model for describing and measuring organizational culture is a well known model which is being used variedly by organizational consulters. The model was published by Edgar Schein at the 80' of the 20th century. However, it has some uncertain aspects, in which Raz update of the model is taking care of.

### 4.3.1 Schein's Model

Schein model defines organizational culture as the deepest and strongest aspect of organization life. The culture has three cognitive levels which one can measure. The first level is where the organizational attributes that can be seen, felt and heard by the uninitiated observer - this level includes behavior, colors, furnishings, recognition. The attributes can be measured by observation of anyone that meets the culture. The next



level is about the professed culture of the organization members - this level includes slogans, flyers, lists, statements. One can measure there by interviews and reading papers of the organization. The last and deepest level is where lays the organization's tacit assumptions these elements are unseen, subconscious, the 'unspoken rules' of the organization. To find out those tacit assumptions, one needs to discover the in-depth of the organization by deep observation and interpretation of an expert. Schein's model gives an opportunity to measure these levels and to compare the links between them. If the links are strong's then there is a strong organizational culture.

### 4.3.2 Problems with Schein's Model

First problem - It is not really clear what is the difference between the professed culture and the tacit assumptions. It is hard to define when some kind of professed culture becomes a tacit assumption. For example, principle of discipline could be professed or tacit. Moreover, the saying that the tacit assumptions cannot be examined by interviews and questionnaires gives too much credit to the investigator to decide what he sees.

Second problem the term of organizational attributes is too vague and general. It includes almost everything that happens in the organization - from a smile to the color of a desk. By being too wide this term loses its power.

### 4.3.3 Organization Politics

Organizational politics is the process of one person exerting influence over another. Politics is the exchange relationship as acted out in the day-to-day forum of the organization. Politics and influence depends on the power relationship between the parties involved. The most effective political behavior s have been found to be rational persuasion, inspirational appeal, and consultation. Coalition, legitimating, and pressure are the least effective. Ingratiation and exchange are not effective strategies for influencing superiors but are moderately effective for influencing subordinates and peers.

Tactics used should be appropriate for the objective in mind, and the influencer must have the power to use that tactic in that situation. For example, a subordinate might use ingratiation and a personal appeal, if the superior has the power to make the decision and likes the subordinate. In choosing these tactics the subordinate must also consider any potential costs to their use, if the boss is likely to resist these tactics and local norms about their use for that purpose.

The effectiveness of the influence tactic chosen varies depending on the amount of resistance likely to be encountered, how usual it is to use that tactic in that situation, the likelihood that the tactic will change the target's attitudes, and the skill with which the tactic is used. For example, the subordinate who is blatant about ingratiating himself with his manager may irritate the manager.



Effective political influence is a skill that can be learned. Political skill in organizations, like other skills, can therefore be expected to vary between managers.

### **Politics of Performance Evaluation**

Executives admit that evaluations are sometimes affected by political considerations and by conditions in the organization as a whole. Politics played a role in the evaluation process because executives took into consideration the daily interpersonal dynamics between them and their subordinates; the formal appraisal process results in a permanent written document; and the formal appraisal can have considerable impact on the subordinate's career and advancement.

Executives sometimes inflated the appraisal to provide ratings that would effectively maintain or increase the subordinate's level of performance. Their primary concern was not the accuracy of the ratings. Inflated ratings occurred primarily on the overall performance rating, as opposed to the individual appraisal items. Executive justifications for inflating the appraisal were the following:

- 1. To maximize the merit increases a subordinate would be eligible to receive, especially when the merit ceiling was considered low.
- 2. To protect or encourage a subordinate whose performance was suffering because of personal problems (feeling sorry for a subordinate also resulted in an inflated appraisal).
- 3. To avoid hanging dirty laundry out in public if the performance appraisal would be reviewed by people outside the organization.
- 4. To avoid creating a written record of poor performance that would become a permanent part of a subordinate's personnel file.
- 5. To avoid a confrontation with a subordinate with whom the manager had recently had difficulties.
- 6. To give a break to a subordinate who had improved during the latter part of the performance period.
- 7. To promote a subordinate up and out when the subordinate was performing poorly or did not fit in the department.

These findings help to explain why pay and performance are sometimes not well related. Three other reasons why pay and performance may be weakly related are as follows:

- 1. People are paid to join the organization. At times a person's job is less important than the fact that that particular person be seen as part of the company.
- 2. People are paid an entry salary required by the market for their services, whether or not they can actually return that degree of performance to the



organization.

3. People who have been with an organization for many years and whose skills are not easily transported to another firm may be paid less than deserved because they have little choice but to accept it.

### **Conflict**

Organizations can be thought of as arenas for staging conflicts with conflict as the essence of what the organization is. In this way of thinking, conflict is not a by-product of normal operations or an unintended and unwanted consequence of day-to-day activities, but the way the organization makes choices for future action, makes changes in power relationships, and keeps itself flexible and adaptive.

Conflict in organizations occurs when an influence attempt is resisted, likely because of different preferences or goals of the parties involved, or because the influence would change the power dynamics between the parties involved.

When a conflict situation arises, the decision of how to react is an important one. There are five possibilities for an individual to deal with conflict.

- 1. Dominating. When the parties involved try to achieve their own goals with little or no concern for the goals or interests of the other party. Conflict is seen as a one must win and one must lose situation.
- 2. Integrating. When each of the parties in the conflict attempts to find a solution that satisfies the goals of all parties involved conflict is defined as a search for a win-win solution.
- 3. Compromising. When there is no clear winner and loser, but each party to the conflict gives up something. Neither party achieves all their goals.
- 4. Avoiding. When one or both parties refuses to recognize that conflict exists or refuses to become involved in an attempt to resolve the conflict. Avoidance may be accomplished by the physical separation of the parties involved or by suppressing any open display of conflict. Neither party's goals are addressed there is no change in the underlying situation causing the conflict.
- 5. Obliging. When one party to the conflict places the goals of the other party above his or her own interests. Conflict is dealt with by one party giving in to the other.

There are times when conflict and controversy are beneficial to the organization: when creativity is required; when there are only sufficient resources to support some proposed projects but not all; when it is important to find the best performers possible; and when training for future stressful and conflict-ridden situations is required.

### **Managing Conflict**

Several ways of reducing conflict or managing conflict are available to the manager.

*Structural Changes*: Conflict between groups is common in organizations. Often caused by task interdependence and differences in goals and perceptions, predictable changes are known to occur within each group and between groups. Within each group there is greater cohesion between group members, a lack of tolerance of members deviating from group norms and goals, and an emphasis on winning the conflict. A leader is likely to be selected or to emerge who is skilled at handling conflict. Between groups there is stereotyping of the member group as all good and the other group as all bad. There is less communication between groups that is aimed at resolving the conflict, and less accurate perceptions of the other group. Mechanisms for resolving these intergroup conflicts include the following:

- 1. Lessening the interdependence between the groups. Physical separation of groups can reduce their conflict. The separation of their workflows by buffering the creation of inventory between the units so their workflow is less interdependent will also reduce conflict.
- 2. Authoritative command from someone in the organization's hierarchy above both the groups. Essentially, an order is given to cooperate.
- 3. The use of integrators and boundary spanners who can effectively communicate the positions of both groups. These people need to be able to speak the language of their own group and the other group.
- 4. Direct confrontation and **negotiation**. Outsiders skilled at conflict mediation can be brought in to help the two sides confront the issues and come up with a solution acceptable to both.
- 5. The creation of interdependent tasks and goals super ordinate to both groups' tasks that can only be accomplished by working together. Given a super ordinate goal, individuals or groups will redefine their conflict as harmful to their own goal, in this case the larger goal.

### Keyword

Negotiation is a dialogue between two or more people or parties intended to reach a beneficial outcome over one or more issues where a conflict exists with respect to at least one of these issues. *Reward System*: When conflict is caused by competition for a limited pool of rewards the rewards available can be expanded so that all who qualify for a reward are able to obtain it. Or rewards can be allocated on the basis of individual accomplishment and not based on comparison to the achievements of other individuals. Reward systems can be designed to reward group effort and achievement rather than at the individual level in order to encourage cooperation between group members.

Individual Knowledge and Skills: When conflict occurs because members of the organization have different backgrounds, different values because of different socialization experiences, or different time spans of feedback from their work, exposure to these differences by cross-training or job rotation can help to reduce the conflict. Interpersonal communication skills and assertiveness skills can be taught so that small disagreements are dealt with as they arise and therefore do not accumulate over time into major conflicts.

*Assertiveness*: Assertive behavior is direct speaking about us needs, feelings, and goals. It tells the other party what we feel, and want without being aggressive or hurtful. Likewise, assertiveness is not self-sacrifice, denial, and the avoidance of the conflict situation. To be assertive one can do the following:

# **4.4 KEY ROLE OF ORGANIZATIONAL CULTURE**

Further work on defining how each of the four quadrants (formed by combining these two dimensions) is related to company characteristics was conducted by Kim Cameron and Robert Quinn Each quadrant represents those features a company feels is the best and most appropriate way to operate. In other words these quadrants represent their basic assumptions, beliefs, and value the stuff of culture. None of the quadrants collaborate (clan), create (adhocracy), control (hierarchy), and compete (market) is inherently better than another just as no culture is necessarily better than another. But, some cultures might be more appropriate in certain contexts than others. The key to using culture to improve performance lies in matching culture or attributes to organizational goals.

### **Control** (Hierarchy)

Hierarchical organizations share similarities with the stereotypical large, bureaucratic corporation. As in the values matrix, they are defined by stability and control as well as internal focus and integration. They value standardization, control, and a well-defined structure for authority and decision making. Effective leaders in hierarchical cultures are those that can organize, coordinate, and monitor people and processes. Good examples of companies with hierarchical cultures are McDonald's (think standardization and efficiency) and government agencies like the Department of Motor Vehicles (think

rules and bureaucracy). As well, having many layers of management like Ford Motor Company with their seventeen levels—is typical of a hierarchical organizational structure. Commitment and loyalty. Companies were made up of semi–autonomous teams that had the ability to hire and fire their own members and employees were encouraged to participate in determining how things would get done.

### Create (Adhocracy)

In the values matrix Create are similar to collaborate in that they emphasize flexibility and discretion; however, they do not share the same inward focus. Instead they are like Create (adhocracy) in their external focus and concern for differentiation. With the advent of the Information Age, a new approach developed to deal with the fastpaced and volatile business environment. Social, economic, and technological changes made older corporate attitudes and tactics less efficient. Success now was envisioned in terms of innovation and creativity with a future-forward posture. An entrepreneurial spirit reigns where profit lies in finding new opportunities to develop new products, new services, and new relationships—with little expectation that these will endure.

### **Spatial Implications**

Since each of these organizational types is distinguished by different attitudes, values, behavior s, and beliefs it is understandable that the same workspaces would the four organizational culture types offers a simple means of categorization and understanding; however, it is possible for a company or department to have subdominant elements. This means that an accounting department that is a Control (hierarchy) may still have substantial Compete (market) traits. In fact, pure Control (hierarchy), Compete (market), Collaborate (clan), or Create (adhocracy) are extremely rare. Most of the company cultures that have been diagnosed using Cameron and Quinn's Organizational Culture Assessment Instrument indeed have a strong secondary component. This is also the case at the department/group level. Their research has additionally shown that it is rare to have companies that share equal traits of all four culture types with no dominant or barely dominant type.

### Compete (Market)

While most major American companies throughout the 19th and much of the 20th centuries believed a hierarchical organization was most effective, the late 1960s gave rise to other popular approach Compete (market) organizations. These companies are similar to the Control (hierarchy) in that they value stability and control; however, instead of an inward focus they have an external orientation and they value differentiation over integration. This began largely because of the competitive challenges from overseas that forced American companies to search for a more effective business approach. With



their outward focus, Compete (market) organizations are focused on relationships more specifically, transactions with suppliers, customers, contractors, unions, legislators, consultants, regulators, etc. Through effective external relations they feel that they can best achieve success. While Control (hierarchy) optimize stability and control through rules, standard operating procedures, and specialized job functions, Compete (market) organizations are concerned with competitiveness and productivity through emphasis on partnerships

### Collaborate (Clan)

In the values matrix Collaborate (clan) are similar to Control (hierarchy) in that there is an inward focus with concern for integration. However, Collaborate (clan) emphasize flexibility and discretion rather than the stability and control of Control (hierarchy) and Compete (market) organizations. With the success of many Japanese firms in the late 1970 and 1980, American corporations began to take note of the different way they approached business. Unlike American national culture, which is founded upon individualism, Japanese firms had a more team-centered approach. This basic understanding affected the way that Japanese companies structured their companies and approached problems Their Collaborate (clan) organizations operated more like families—hence the name—and they valued cohesion, a humane working environment, group not best support their different cultures. A Collaborate (clan) organization, with its emphasis on teamwork and sociality, needs spaces that foster and reflect this. Rows of high paneled cubes, that might be appropriate in certain Compete (market) companies, would be incompatible with the way a Collaborate (clan) organization works and how it wants to present itself. The diagrams on the following page outline specific work space implications relative to the four organizational culture types.

### **Company Culture and Sub-Cultures**

It is very important to note that the substantial research that contributed to the development and validation of the organizational culture types focused on companies as a whole. Other research being conducted around the same time as the Competing Values Framework Martin and Siehl—emphasizes that the company culture is not homogeneous. Instead, other subcultures are present and often even contradict aspects of the company culture. In order to get a more accurate picture of the company, it is important to understand not only the company organizational type, but the cultures of departments or other important groups as well. The same organizational culture types — Control (hierarchy), compete (market), collaborate (clan), create (adhocracy)—apply at both levels. So, a Control (hierarchy) company may contain a research group that is a Create (adhocracy), an engineering department that is a Compete (market), and a human resources department that is a Collaborate (clan). The spatial implications for



these different groups may also compete with those of the company, so space planners are faced with greater complexity in space solutions.

# 4.5 STRATEGIC AND CULTURAL VALUES

As the company grows and becomes successful, it usually develops a culture that distinguishes it from other companies and that is one of the reasons for its success. In other words, a company succeeds as a result of what the company does, its strategy, and how it does it, its culture. The process of creating an organizational culture is really a process of linking its strategic values with its cultural values. Strategic values are the basic beliefs about an organization's environment that shape its strategy. Strategic analysis evaluates economic, demographic, public policy, technological, and. social trends to identify needs in the marketplace that the organization can meet. The cultural values are the values employees need to act on for the organization to carry out its strategic values. Organizations that attempt to develop cultural values that are not linked to strategic values may end up with an empty set of values that have little relationship to its business.

After developing its strategic and cultural values, the organization must establish a vision of the organization's direction. This "vision" is a picture of what the organization will be like at some point in the future. It portrays how the strategic and cultural values will combine to create the future. For example, an insurance company might establish a vision of "protecting the lifestyles" of two million families by the year 2005." In effect, it synthesizes both the strategic and cultural values as it communicates a performance target to employees.

Operationally, development of culture would involve developing a strong corporate identity, development of important values, building healthy traditions, and developing consistent management practices.

## 4.5.1 Cultural Change

There are a number of internal and external factors which are responsible for cultural change in an organization.

### **Composition of the Workforce**

Overtime, the people entering an organization may differ in important ways from those already in it, and these differences may impinge on the existing culture of the organization.

#### Mergers and Acquisitions

Another source of cultural change is mergers and acquisitions, events in which one organization purchases or otherwise absorbs another. In such cases, rare consideration is given to the acquired organization's culture. This is unfortunate because there have been several cases in which the merger of two organizations with incompatible cultures leads to serious problems, commonly known as culture clashes. In such cases, the larger and more powerful company attempts to dominate the smaller acquired company.

#### Planned organizational change

Even if an organization does not change by acquiring another, cultural change still may result from planned changes. One important force in planned organizational change is technology. Technology affects the behavior of people on the job. as well as the effective functioning of organizations.

A cultural change programme involves the following steps:

- Identify the basic assumptions and beliefs and challenge them if necessary.
- Define or re-define the core values stated or unstated.
- Analyse the organisational climate.
- Analyse the management style.
- Plan and implement what aspects of the culture needs to be changed and what
- aspects should be maintained or reinforced.

Specific approaches to achieve a cultural change are:

- Recognition to facilitate integration, to create departments or jobs which are responsible for new activities or to eliminate unnecessary layers of management.
- Organization development to improve the effectiveness with which an organization functions and responds to change.
- Communication to get the messages across about the values and to achieve the objectives.
- Training to help form new attitudes to such matters as customer service, quality, productivity, managing and motivating people.
- Recruitment to set out deliberately to change the type of people recruited.
- Management by objectives to ensure that managers know what they are expected to do.
- Performance management to ensure that managers, supervisors and staff are assessed on the basis of the results they achieve and that performance improvement programmes are used to capitalize on strengths or overcome

weaknesses.

Reward management to enhance the cultural assumption that rewards should be related to achievement by introducing performance-related bonus schemes and remuneration systems.

There are a variety of methods for developing, maintaining, or changing organizational cultures. The power to change company culture lies largely in the hands of management. Changing culture is not easy. However, when employees have been brought up in a particular tradition, they may find it difficult to recognize the need for and scope of the changes required. The organization culture has its deep roots and hence it cannot be changed overnight. It takes time and patience, nevertheless the journey has to be undertaken to reach a new era. The culture of a business is not formed by what management preach or publish, but by what they accept in practice. Cultural change needs clear vision, commitment, persistence and determination. It is people who will push for change - not systems or technology. Some organizations are better at sustaining a dynamic environment, one that can adapt and change to new demands and some organizations resist each change imposed on them.

### 4.5.2 Corporate Culture

Corporate culture has been defined as the personality of an organization. It encompasses the company's goals and dominant ideologies. It is a system of shared values that interact with a company's. people, organizational structure and control system to produce behavioral norms. The interest in corporate culture is derived from the organizational behavior specialists and from the empirical studies.

The corporate culture underlines much of the way in which things get done in the organization. It encompasses the company's goals and dominant ideologies. Environmental influences will make a strong impact on the corporate culture. The organization has to survive and thrive in an external environment which could be turbulent or steady. Against this background, corporate culture is created by organizational members with the values, philosophy, beliefs, assumptions and norms, with the top management playing a dominant role.

Remember

In today's increasingly uncertain and turbulent times, organizations must depend on the people in their systems to develop a culture of innovation and change.



Corporate culture contains assumptions about the nature of the business and its markets and customers, the way in which business should be carried out, how work should be organized, the sort of people the organization needs and how they should be treated. Among the factors that affect corporate culture are work groups, organizational characteristics, supervision, and administration. A corporate culture can be strong or weak, and a strong culture is not necessarily a good one - it could be a wrong culture and it could be difficult to change. A weak culture, even a practically non-existent culture, may be acceptable if the organization functions well. Within one organization, there may be a dominant culture, but there will certainly be many subcultures in different departments or locations.

Corporate culture manifests itself in organizational behavior - how managers and individual employees or groups behave in the context of the organization. Culture influences behavior in three areas:

- Corporate Values: Belief in what is best or good for the organization and what should or ought to happen. They are expressed by reference to both ends (goals) and means (action plans for achieving goals).
- Organizational Climate: The working atmosphere of the organization as perceived and experienced by its members. This will encompass how people feel about and react to the characteristics and quality of the corporate culture and its values.
- Management Style: It is the way in which managers behave and exercise authority. They may be autocratic or democratic, tough or easygoing, formal or informal. It also describes the way in which managers behave.

Corporate culture is a somewhat elusive concept, because it is based on the taken-for granted assumptions and beliefs about what is good and not good for the organization. There may not be a single culture but a number of cultures spread throughout the organization; and this does make managing the culture any easier. In any case, there is no such thing as a "good" or "bad" culture, but only cultures which are appropriate or inappropriate. If you have an appropriate culture, its management consists of no more than maintaining the existing values, climate and management style; change is not necessary. Cultural change in programmes may be required if the wrong assumptions have created an inappropriate culture affecting the performance of the individuals within an organization.

Corporate culture is a key factor in achieving success but it is not easy to get it. A deeply-rooted culture may be difficult to change -old habits die hard. The answer to the question, "Can it be changed?" is "Yes, but with difficulty." Every organization has its own unique culture or value set. Most organizations do not consciously try to create a certain culture. The culture of the organization is typically created unconsciously, based on the values of top management or the founders of an organization, for instance,

Hewlett-Packard is a company that has, long time, been conscious of its culture and has worked hard to maintain it over the years. Hewlett Packard's corporate culture is based on: (1) respect for others, (2) a sense of community, and (3) plain hard work. It has been developed and maintained through extensive training of managers and employees. HP's growth and success over the years has largely been due to its culture.

## 4.5.3 Work Culture

Culture, in the context of human civilization, is the way of life of a human group. Work culture, which in the context of an organization is also known as organizational culture, is essentially a learned and shared set of responses of constituent individuals and groups to the organization environment, tasks and problems (Sinclair, 1993). Stated another way, it consists of what people believe about how things work in their organization, and the behavioral and physical outcomes of such beliefs (Sinclair, 1993). It is thus a combination of attitudes, relationships, developed abilities, habits and other behavioral patterns of the individuals who belong to the organization. An important constituent of work culture is work ethos.

The attributes of work culture are:

Timing: Being punctual while reporting to office and attending meetings.

Responsiveness: Response to requests, queries and instructions from customers and colleagues.

Communication: Adherence to prescribed norms set for verbal/written means of communication such as face to face interaction, e-mail, telephone, voicemail.

Formal communication from the organization such as publications, presentations, official letters.

Informal parallel channels of communication like grapevine.

Professional Work Etiquette: Adherence to prescribed norms of behavior at work with respect to speech, grooming, punctuality, interpersonal interactions, use of office resources.

Housekeeping: Adherence to prescribed norms of hygiene and cleanliness with respect to workstations and public areas.

Infrastructure: Adherence to norms set for office layout, interiors, facilities.

Commitment to Results: Focus on results at an individual, group, functional level, which are in line with company objectives.



Performance Recognition: Standards of performance and ways and means of recognising performance.

Quality Cosciousness: Awareness of the quality standards and adherence to the same.

Process Orientation: Formulations of processes that are in line with the company objectives and adherence to the same

Proactivity: Anticipation of needs, problems, possibilities and taking appropriate steps to address them.

Sense of Belonging: A feeling of being an important part of the organisation.

Team Work: A group of people with complimentary skills, working synergistically in a mutually and positive environment towards a common objective.

Group Dynamics: Interactions within and across groups in the organisation.

Socialisation Practices: Informal interpersonal interactions at individual and group level that may or may not have an impact on the company objectives.

Decision-Making: A process of finding the most viable alternative from a set of possibilities in order to meet an objective. The process could be unilateral or participative.

Respect for Others: To recognise that each person in the organisation plays an important role and has a valuable contribution to make.

Caring: An attitude that reflects a genuine interest and concern for people at work or otherwise.

Interpersonal Sensitivity: Knowing and respecting likes and dislikes of people.

Informal Power Centres: Unofficial structures of influence created by individuals or groups to achieve their objectives.

Openness: Sharing of information and transparent decision making. Freedom to ask questions and offer differing views

Some of the important characteristics of work culture should be:

- Discipline
- Teamwork and cooperation
- Communication and consultation
- Flexibility and work innovation
- Delegation of authority
- Identity and a sense of belonging to the organisation



- Role of unions and associations
- Response of individuals and groups to changing environment.

Following are some of the important measures to be taken for developing work culture:

- Be fair but firm in dealings with subordinates.
- Take an active interest in the personal and family needs/ problems of subordinates.
- Discourage overemphasis on hierarchical status.
- Promote information-sharing and communication.
- Encourage the setting of goals/targets and decisionmaking through consultation and participative forums and ensure consistency in decision making.

The work culture represents the prevailing beliefs, mores, and values pertaining to work. Improvement in work culture can be achieved if we not only identify but also develop the talent of all employees in the organization to achieve improved performance. This can be achieved by trying to build a learning organization. Different approaches have been adopted to create a climate conducive to work.

The internal factors that influence the work culture of an organization can be broadly listed as:

- Management policies and practices.
- The extent of **job security** and physical facilities for ensuring the safety of employees at the workplace.
- The extent of inter-departmental cooperation within the organization.
- Cordiality in inter-personal relations between managerial personnel and rank and file workers.
- Adequacy of communication systems within the organization.
- Welfare services provided by the company to their employees and dependents.
- Recruitment and selection methods employed by the organization.
- Training and career development opportunities available within the organization.

Keyword

#### Job security

is the probability that an individual will keep their job; a job with a high level of security is such that a person with the job would have a small chance of losing it.



- Existence of performance nouns for employees at various levels and their effectiveness and promotion opportunities available.
- The pattern of compensation, recognition and reward systems in the organization.
- Norms governing discipline and effectiveness of the grievance handling system.
- Employee participation in the decision making process.
- Relations between trade unions and management and trade unions themselves.
- Meaningfulness and variety of technology involved in the work.

Broadly speaking, two types of change are required to bring about a change in work culture. First, appropriate organizational climate, innovative design, and an effective managerial style for which the onus will be entirely on the management. Second, employees' attitude to work, commitment to organizational goals, and motivation and morale.

A significant work culture is to be built up:

- To perform upto the highest measure of competence.
- To take initiatives and risks.
- To adapt to change.
- To make decisions.
- To work co-operatively as a team.
- To be open specially with information, knowledge, and news of forthcoming
- or actual "problems".
- To trust, and be trustworthy.
- To respect others (customers, suppliers, and colleagues) and oneself.
- To answer for actions and to accept responsibility.
- To judge and be judged, reward and be rewarded, on the basis of performance.



# **ROLE MODEL**

# EDGAR SCHEIN: PROFESSOR AT THE MIT SLOAN SCHOOL OF MANAGEMENT

Edgar Schein (1928) is a Society of Sloan Fellows Professor of Management Emeritus and a Professor Emeritus at the MIT Sloan School of Management. Edgar Schein made a notable mark on the field of organizational development. Edgar Schein is well known for his ground breaking work on the Organizational culture model.



Edgar Schein obtained in 1947 a Bachelor Degree (B.A.) from the University of Chicago. In 1949 he obtained his Master Degree (M.A.) in Psychology from the Stanford University. Eventually in 1952, Edgar Schein obtained his doctorate (Ph.D.) in social psychology from the Harvard University.

Previously, he was chief of the Social Psychology Section of the Walter Reed Army Institute of Research while serving in the U.S. Army as Captain from 1952 to 1956.

In 1956 he joined MIT Sloan School of Management and was made a professor of organizational psychology and management in 1964.

Between 1968 and 1971, Edgar Schein was the undergraduate planning professor for MIT, and in 1972 he became the chairman of the Organization Studies Group of the MIT Sloan School, a position he held until 1982.

During his career, Edgar Schein investigates organizational culture, process consultation, research process, career dynamics, and organization learning and change. Edgar Schein has been a prolific researcher, writer, teacher, and consultant. Besides his numerous articles in professional journals, he has authored fourteen books. Edgar Schein has received many honours and awards for his writing, most recently the distinguished Scholar-Practitioner Award of the Academy of Management, 2009, the Lifetime Achievement Award in Workplace Learning (2012)and a Honorary Doctorate from the IEDC Bled School of Management in Slovenia (2012).

# CASE STUDY

# **ORGANIZATIONAL CULTURE AT SOUTHWEST AIRLINES**

Southwest Airlines is well-known for its pared-down, unconventional business model. Its focus on punctual arrivals and departures, and no-frills, yet friendly service, has helped the airline to thrive in a time when many others are failing. Southwest's approach may not be for everyone, but those looking for a great value and dependability find southwest to be the perfect choice.

## Focus on Fun

Southwest is known for its flight attendants and pilots kooky in-flight announcements and playful attitudes. Even the CEO has a sense of humor; his Halloween costume choices are based on customer responses to his blog, and he has dressed as a rock star, a pirate and a woman with a beehive hairdo. Southwest proves that it is possible to have a good time while saving money.

# **Employee Satisfaction**

Southwest is dedicated to keeping its employees happy, and it shows in the lack of turnover, but Southwest kept all of its personnel. This loyalty, combined with a profit sharing program and a much higher ratio of supervisors to employees than most airlines, explains why employees perform so efficiently and enthusiastically.

# Aircraft

Southwest uses only one model of plane, the Boeing 737, and has a fleet of over 500. This means that the airline does not have to train mechanics on up to 20 different models, like some airlines, which helps to keep costs down.

## Seating

Southwest is famous for its lack of assigned seating. While some, especially those boarding last, lament the inability to choose a seat, it is one reason the airline is able to board its passengers so quickly. Southwest considered adopting assigned seating after complaints from frequent business travelers, but simply modified it instead. Open seating is still used, but now customers are assigned a number in line, so that less standing time is required when passengers go to the appropriate queue (A, B or C, depending on check-in time). The company found that people move much more

quickly when they need to find their own seats, rather than settle into assigned ones.

### **On-time Arrivals and Departures**

Southwest ranked second in the U.S. Department of Transportation's study of on-time performance. Hawaiian Airlines came in first, largely due to the lack of delays due to bad weather. Southwest was one of only three airlines with an on-time percentage of 80 or higher.

### **Ticket Purchases**

Tickets can only be bought directly through Southwest's secure site, either by phone or at Southwest.com, and vacation packages are available. The site always offers Internet specials.

### **Other Southwest Differences**

Southwest was the first airline to have its own website. An employee also came up with the pioneering idea of having an automated kiosk for checking in for a flight. Their Rapid Rewards program is different from most frequent flier systems in that it is based on flying a certain number of times in a specified period of time, rather than miles traveled. Southwest has recently maintained one highly competitive aspect of its service by keeping the first two checked bags free.



## **SUMMARY**

- The organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behavior of its members. There are clear-cut guidelines as to how employees are to behave generally within organization.
- Organizational culture includes an organization's expectations, experiences, philosophy, and values that hold it together, and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations.
- Values are beliefs in what is best or good for the organization and what should or ought to happen. The 'value set' of an organization may only be recognized at top level, or it may be shared throughout the business, in which case it could be described as 'value-driven'.
- Artefacts are the visible and tangible aspects of an organization that people hear, see or feel and which contribute to their understanding of the organization's culture.
- Organizational culture is the personality of an organization the "way things are done." It is defined as the informal values, norms and beliefs that control how individuals and groups interact internally and externally.
- Appreciation can take many forms: a public kudos, a note of thanks, or a promotion. A culture of appreciation is one in which all team members frequently provide recognition and thanks for the contributions of others.
- Teamwork encompasses collaboration, communication, and respect between team members. When everyone on the team supports each other, employees will get more done and feel happier while doing it.

## **MULTIPLE CHOICE QUESTIONS**

- 1. What is not one of the layers of cultural influence?
  - a. Social
  - b. Business
  - c. Organizational
  - d. Company

#### 2. Which of the following is not part of Schein's model of the formation of culture?

- a. Shared values
- b. Pre-conceptions
- c. Shared beliefs
- d. Norms
- 3. What type of organisational culture is most likely to deliver stability and efficiency?
  - a. Task culture
  - b. Role culture
  - c. Power culture
  - d. People culture
- 4. What is the term for an organisation that adapts to changes in the environment by quickly responding to shifts in supply and demand conditions?
  - a. Opportunistic organisation
  - b. Enterprising organisation
  - c. International organisation
  - d. Agile organisation
- 5. Workers' acceptance of change is characteristic of what type of culture?
  - a. Team culture
  - b. Collaborative culture
  - c. Group culture
  - d. Collective culture



## **Review Questions**

- 1. Define organizational culture and specify its characteristics.
- 2. Explain the type of actions managers can take to change organizational culture.
- 3. Describe the functions and effects of organizational culture.
- 4. Explain the levels of organizational culture.
- 5. Write short notes on:
  - Corporate culture
  - Work culture
  - Cultural change

## Answer to Multiple Choice Questions

1. (d) 2. (b) 3. (b) 4. (d) 5. (b)



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# CHAPTER 5



# **CAREER AND FAMILY ROLES**

"Be steady and well-ordered in your life so that you can be fierce and original in your work."

— Gustave Flaubert

## **INTRODUCTION**

The work-family interface issues started by focusing on the 'conflict' aspects between work and family domains. In the past decade or so, research has been plentiful to endeavor also to comprehend the positive aspects emanating from work-family dynamics. Investigators have studied a plethora of antecedents and outcomes related to work-family conflict and work-family balance/ work family enrichment. Studies have focused also on the role of work and family variables in predicting one's job or family satisfaction or work-family balance. However,

#### LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. Family background and careers
- 2. The parent's role in career selection
- 3. Family role in career development
- 4. Family factors influencing career choices
- 5. Work-life balance
- 6. How to balance work and family

what is evidently absent in the work-family dynamics literature are studies focusing on how work-related factors can possibly influence satisfaction in different domains of the academic faculty, such as career satisfaction or perception of success in one's life.



First, the mediating role of family, job satisfaction or work-family balance on career satisfaction or on one's perception of life success is sufficiently noteworthy to investigate and to comprehend how much they impact. To the best of our knowledge, such an inclusive analysis is lacking in the current literature. Second, what is the influence of work family conflict on career satisfaction and life success when gratification in one's work or family, or a balance between the work and family domains, act as mediators? Again, current literature does not offer an answer to this question. Third, given the plethora of research focusing only on the potentially negative effect of work-role ambiguity, how does work role ambiguity play a role in predicting career satisfaction or perception of life success, mediated through job or family satisfaction or work-family balance? Fourth, an attentiveness to the above is important to have a more realistic and profound understanding of the interplay between work and family dynamics. The outcomes studied here are not confined to immediate job or family satisfaction or creating a balance between the two but also extends beyond to one's professional satisfaction (career satisfaction) and perception of success in one's life. Work and family conflict and work-role ambiguity may be prevalent in the lives of many professionals, including academic faculty. How can we reduce the negative consequences of these variables and/or bring about career satisfaction and a feeling of being successful in one's life? We aim to find answers to such questions. Fifth, as this research is based in India, we trust this paper also sheds light on how a diverse cultural background may sway results that might be dissimilar from those found in Western studies. It is important that work-family studies branch out of the Western context and consider more local samples to comprehend the subtle variables more accurately and to be able to offer practical solutions to issues, keeping local dynamics in mind. Sixth, this explorative inquiry focuses on career/professional satisfaction as one

of the outcome variables since the sample is an academic faculty who hold advanced degrees and for whom professional or career satisfaction is vital in addition to the more 'proximal' variable of job satisfaction. Finally, and possibly most significantly, work-family interface research must also contemplate additional variables, including profession-specific variables, to advance our comprehension of the real bearing of such variables and the nuances experienced by professionals. Having such clarity supports the crafting of policies to diminish the effect of work-interference-family or work ambiguity and instead provide the required equilibrium and positive spillover that might contribute to a happier and productive labor force.

## **5.1 FAMILY BACKGROUND AND CAREERS**

Family background and careers are robust constructs, each of which subsumes a complex network of conditions and behaviors. They are interconnected; that is, the definition of one construct in isolation is somewhat limited because it depends on the other construct for complete meaning. The workings of a career are embedded within the workings of the family, and the workings of family are embedded within careers. Definitions of the linked constructs are complex and involve complicated webs of interactions. Family background and careers are applicable to all individuals. Indeed, all persons, notwithstanding their locations within cultures or nations, experience family and career, although the particular manifestations may vary across cultures.



Some authorities believe that families differ from other social units in that new members enter only by birth, adoption, or marriage and leave only by death. Like schools, workplaces, and communities, families have differentiated roles and functions, but they are unique in the social-emotional importance ascribed to interpersonal relationships. If family members die or depart, others can perform the lost members' roles and functions, but the relationships cannot be duplicated. The **emotional intensity** of the parent-child relationship has a distinctive influence on a person's life.



Emotional **intensity** is a mixed blessing. It means feelings a wide spectrum of emotions in a more vivid and profound way than most people do, and this includes both positive and negative emotions - pain, distress, despair, fear, excitement, love, sadness or happiness.

The family background construct definition herein is limited in scope to the single-generation family of origin, not the intergenerational family of the familiar family tree. Family background is further limited to psychosocial conditions and behaviors within the family and will not include the crossgenerational transmissions of psychobiological features through genetic inheritance. The focus is on nurture, not nature. This limiting assumption is typical in social science literature about family and careers, though not always acknowledged.

Family background has a time-extended influence on careers. The family of origin is the principal agent of socialization during childhood and, as such, exerts a pervasive and durable influence on long-term psychosocial development. This influence extends to experiences associated with the transformation from a dependent, nonworking child into an independent, working adult.

A general definition of careers was chosen from among many used in the social sciences because it has acceptance in most disciplines: A career is the evolving sequence of a person's work experiences over time. The definition's essential features are (a) its focus on work experiences rather than simply employment, thus including homemaking and other productive efforts; (b) limitation of experiences to those of one person; and (c) dimension of time required to encompass an "evolving sequence" of work experiences and thus necessitating historical or longitudinal conceptualizations. Careers thus defined are essentially occupational careers: literally, the work that occupies a person's time and efforts, whether remunerated or not.

Careers, as sequences of work experiences, can be thought of as one strand in life span development that is interwoven with, among things, social experiences, cognitive experiences, and emotional experiences to form a person's psychosocial life history. Careers are described as behavior patterns and sequences rather than single acts (e.g., choice or entry into an occupation).

Careers are most strongly connected with family background during the first decade of life, and therefore emphasis will be given to the early emergence of two broad activity patterns: habits of industry and occupational aspirations. Both activity patterns are recognized in psychology and sociology; both are multidimensional constructs; and both are believed to be shaped through social interactions within the family unit.

Habits of industry are the attitudes and behaviors that are exhibited on jobs required within a social system, whether it is the family, school, or workplace. For example, the nonworking child develops habits for organizing time and energy to complete tasks. Some theorists add that the child learns to habitually manage aggression and frustration, to put work ahead of play, to meet externally imposed standards for achievement, and to follow verbal instructions. Taken together, these behaviors form a pattern acceptable to community and employer norms. The family is instrumental in inculcating and shaping habits of industry.

Occupational aspirations refers to a broad construct that has multiple meanings in social science theory and research. Aspirations relate to several psychosocial functions:

- Goals, intentions, or orientations
- Manifestations of personality traits, such as interests, values, abilities
- Cognitive interactions among values and expectancies
- Reflections of past social experiences
- Representations of the self, self-concept, or identity

For purposes of this discussion, occupational aspirations will subsume all these functions. The content of occupational aspirations is often analyzed along three dimensions: (1) a status hierarchy, (2) an array of fields of work, and (3) role typing (occupations peopled by gender or racial/ethnic groups). Aspirations are dynamic, and the content changes frequently over time; that is, people aspire to a certain occupation at one time and another occupation at some other time.

Occupational aspirations are first formed within family social interactions and are clearly associated with the quality of interpersonal support and perceived societal norms, both of which may emanate from the family background. Aspirations formed at an early age shape later educational and occupational attainments. Some have argued that a feature of aspirations critical to their fulfillment is that they be "realistic," that is, "aligned" with the education planned. Families are also instrumental in fostering the values and expectancies that are central elements in independent, self-directed choices among occupational roles.



Habits of industry and occupational aspirations also represent forms of coping with social system demands peculiar to an age/stage in the life cycle, that is, following society's timetable for growing up. These age-graded social expectations are called developmental tasks and capture the predictable, socially impinged adaptive challenges within each stage. The major career developmental tasks to be mastered in childhood are often depicted as the acquisition of habits of industry and forming an identity as a worker, commonly expressed through occupational aspirations. The family is the primary setting in which children are first introduced to the demands of career development tasks and then taught how to cope with these tasks.

The complex mechanisms for transmitting the influences of family background experiences on a person's early career are generally grouped by two dominant family characteristics: (1) family structure, the internal organization of the family unit, and (2) family functions, the intrafamily unit relations and interactional processes required to carry out normal family responsibilities and duties. These two characteristics will be considered both separately and jointly.

Family structure characteristics linked to careers can be explained by describing three publicly observable differences among family units. The first difference occurs in family composition. Examples are the number of siblings and caretakers (i.e., family size), whether or not members are biologically related, and children's birth order and spacing. The second difference occurs in the physical surroundings. Examples include domicile space considerations, such as shared bedrooms, noise level, and the familyrelated circumstance of geographic location. Third are material differences among families, including conditions such as family wealth, prestige of caretakers' education and occupations, and number and type of media in the home. In summary, family structure characteristics set the parameters for children and youth to broaden and deepen experiences essential to careers.

Some would argue that the examples of material differences are simply indicators of the venerable sociological construct socioeconomic status (SES). The influence of family-of-origin SES on the offspring's entering high-status occupations, especially when educational achievement is controlled, has been demonstrated in several large-scale longitudinal research studies. In brief, more material and social resources enable families to provide opportunities for education, skill development, and social "contacts" that influence hiring. Conversely, less material and social resources can result in biases and barriers that reduce these opportunities.

Family functions are fulfilled through family interactions, and are the overt and covert communication processes both within dyads of family members and within the family unit as a whole.

Family members communicate work habits and attitudes to a child, which, in turn, the child generalizes to school and job settings. Consequently, these communications are sometimes called the initial social learning mechanisms for socialization into work roles.

These communications are further clarified by differentiating three family interactions in which they commonly occur: (1) activities that are taught, encouraged, or disciplined; (2) interpersonal relations among family members; and (3) social roles as taught directly and conveyed through models. These three opportunities for children's socialization experiences have obvious parallels with three adult experiences in occupational careers: work tasks and duties, worker relationships with bosses, coworkers and customers, and differentiated roles within work organizations.

Family activities, such as intrafamily games and household chores, allow children to learn about family social norms such as competition and cooperation, rewards and penalties, and the general "rules of the game": attitudes that serve as important foundations for a socialized worker. As children grow up, they engage in more complex activities that teach advanced lessons





about worker roles and attitudes as preparation for the habits of industry.

The family also directs activities at the person, such as parental child-rearing practices that train children both overtly and covertly in work habits and values. Some research evidence supports the proposition that parent child-rearing orientation and behaviors, for example, the kind of activities parents reward, influence children's developing interests and values and thus indirectly influence their occupational aspirations and the directions their careers take later in life.

Familial interpersonal relations are the fundamental qualities of the parent-child dyad, parent-parent relationships, and sibling relationships. Family conversations are important to the child's developing ideas and attitudes about careers. Some theorists argue that security and safety in relations with others as first experienced in the family are essential for coping with later developmental tasks. The content of these communications has been classified as either supportive (i.e., affective enabling) or challenging (i.e., cognitive enabling). Parental support and encouragement are manifested through showing appreciation, respect, and special attention. Such communication, sometimes portrayed as parental affirmation, strengthens the contentedness or emotional bond between parent and offspring. Support may also convey positive attitudes about the child's aspirations. High familial support has been shown to be critical for young women and lower-SES offspring who are forming and realizing nonnormative occupational aspirations. Conversely, low support and low challenge may impede the learning of habits of industry and occupational aspirations.

Parental challenges directed toward the child usually occur in purposeful, self conscious, and goal-directed activities and take the form of stimulation, discipline, or training. Challenge is communicated through competitive games and expectations of achievement, effort, and efficiency.

There has been considerable debate about the place of separation and individuation of offspring from parents in relation to careers. Separation is a part of the child's self-reflective processes, particularly how the child sees himself or herself as separate and distinct in the parent-child relationship. Some believe that adequate separation from parents is a necessary

#### Keyword

Occupational aspirations are generally defined as a set of preferences regarding future occupational roles and activities



condition for adult independence and self-direction, which are the hallmarks of careers in Western societies. Some believe that separation is valued only in particular cultures and that it can be the source of tension in families and in offspring growing up in dual cultures. Parental attachment, or close contact with parents, also seems to be associated with enhanced development. Although the evidence is mixed and largely retrospective and correlational, thus making the direction of causation unclear, there is a tendency for both separation/individuation and contentedness/attachment to be associated with mastery of adolescent and adult career-development tasks.

Sibling relationships are likely to be instrumental in careers, although there is little research or theory about these relationships. Commonly accepted examples are that older siblings may provide younger siblings with challenges and support much as parents do, and younger siblings may offer opportunities for older siblings to practice nurturing skills.

Social roles and role expectations are communicated through family power relationships, family "rules," and family traditions. Roles are learned within the family setting directly through instruction and vicariously through work role and sex role models. Some authorities suggest that parents'/caregivers' workplace conditions have an indirect influence on their children's career development. Their argument is that the conditions of parents' jobs (e.g., degree of self-direction) shape parents' personalities and values (e.g., value of independence), which, in turn, influence parenting behaviors (e.g., arranging and rewarding independence). Whether or not the female caregiver works outside the home has been shown to influence daughters' aspirations and subsequent career directions.

Although often studied in isolation, family structure characteristics and family functions interact in everyday life to produce the essence of family background experiences that are linked with career experiences. For example, family material wealth distributed according to family size (two structural qualities) may set constraints on the transmission of occupational aspirations and habits of industry that takes place through family functions such as child-rearing practices and role models.

Empirically validated relationships between and among family background variables and career variables are extremely complex owing to several conditions. First, many family-career links are indirect; that is, family influences on career are mediated by a third set of factors. For example, the influence of family structure on an individual's career is not direct, but rather is enhanced or limited by the amount of education the individual attains. Second, the purported causation is not always unidirectional; that is, the child influences the family, and the family influences the child. For example, the influence of parents' activity interests on children's interests may be reciprocated by adaptation of parental activities to accommodate the child's interests. Third, the sheer number of variables involved makes data gathering and analyses complicated. When the necessity of longitudinal designs is added to study "experiences over time,"



research on family background and careers becomes an expensive and formidable venture.



Two specific examples of frequently studied family occupational socialization mechanisms that influence careers are called occupational inheritance and occupational linkage. Occupational inheritance is the general notion that a parent's occupation "begets" the child's occupations. Social scientists refer to occupational inheritance as the social induction mechanism by which offspring are prepared to enter the particular occupation of the parent. Families are believed to be instrumental in shaping the direction of the child's occupational aspirations. For example, professional entertainers provide their offspring with performance models, training, and "personal contacts" that prepare the child for work in the entertainment field. Evidence suggests that relatively few children enter the specific occupation of either parent; for example, in general, entertainers' children seldom become entertainers, though children tend toward broad fields of work similar to their parents'; for example, entertainers' children are more likely than other children to enter occupations in the arts.

Occupational linkage is a social induction mechanism for explaining the perpetuation of the occupational value structure across generations. Parental work values, such as valuing achievement or material wealth, are transferred to children through social learning experiences and, as a consequence, influence children's choices of occupations. The evidence is mixed; some studies have revealed a tendency for children to reflect their parents' occupational values and to apply these values in selecting occupations, but evidence from other studies is equivocal. Family background is linked with careers in powerful ways that are not completely explicated by theories or by research evidence. Families and careers each demonstrate wide-ranging interconnected qualities that, in turn, are linked with the other construct in a tangled, complicated fashion, analogous to the convergence of two nets. What seems irrefutable is that each touches the other to shape human and societal development.

## **5.2 THE PARENT'S ROLE IN CAREER SELECTION**

Parents serve as a major influence in their children's career development and career decision- making. Parents want their children to find happiness and success in life and one factor which influences happiness and success is **career choice**. Research also indicates that when students feel supported and loved by their parents, they have more confidence in their own ability to research careers and to choose a career that would be interesting and exciting. This is important because studies show that adolescents who feel competent regarding career decisionmaking, tend to make more satisfying career choices later in life. Career selection is an important stage in a student's life. It influences a number of decisions that he/ she takes based on their career choices.





Parents influence the level of education or training that their children achieve; the knowledge they have about work and different occupations; the beliefs and attitudes they have to working; and the motivation they have to succeed. Most of this is learned unconsciously – children and teenagers absorb their parents attitudes and expectations of them as they grow up.

Some of the key influencers are:

- The expectations parents have for their children's education and career.
- The example they set for their children.
- The values they show to their family, friends and to society.
- The opportunities they offer their children to learn and develop.
- The kind of parent-child relationship they develop

## 5.2.1 Tips to Help Your Child's Career Development

- Encourage your children to get as much education as possible.
- Help them to discover their innate talents and skills.
- Develop their knowledge of the world of work.
- Teach them decision- making skills.
- Value gender equity and cultural diversity.
- Become aware of career resources/ education and training opportunities.
- Observe the effects of work experience.

Parents can be an important and positive influence in decisions affecting a young person's vocational development. Though they also warn that over-involvement in the decision- making process can undermine parental effects as a positive source of influence. Excessive parental control regarding adolescents' occupational decision-making results in negative outcomes. Parents should be cautioned against imposing their own goals on to their children or seeing their child's accomplishments as a reflection on themselves. So while parents should show genuine interest and support for their adolescents' career plans, they must allow adolescents to discover who they are on their own. Some teenagers fear the disapproval of their parents if they pursue a career in art/drama/music as opposed to a practical high-earning occupation such as law or medicine. If parents make it clear that they have no specific expectations for their child's career, he/she will feel free to explore a greater variety of professions, choosing one based on their own preferences rather than those of their parents.

Choosing a career is an extremely important decision that impacts an individual's entire future, so parents can become very stressed. It is important to stay positive otherwise it can become a stressful time for all involved. Parents unwittingly can make

the past seem perfect and the future terrifying.

It is important for parents to give students support and encouragement to explore the many options available to find the best career fit. It is best to start the discussion as early as possible, don't wait until students are looking at CAO forms in sixth year. Much of the formative discussion should have happened well before this stage. If the process is started early, there is less likelihood of making unwise decisions.

Parents should guard against shooting down ideas their children may have about their future careers. If they react negatively, it may shut down the whole exploration process. Parents need to keep the lines of communication open, and encourage their child to gather as much information as possible on their career interest areas. A parent must recognize that their role is simply to act as a facilitator in their child's career journey and allowing independent career choices marks a young persons first real step into adulthood.

Look out for the danger signs in your child's approach:

- Waiting until the last minute to make decisions.
- Unrealistic expectations.
- Promises to work miracles with study next term.
- Carrying too many higher -level subjects in spite of poor reports from teachers.
- Lax approach to homework.
- Interference from social activities or a weekend job which is funding their social life.
- Selecting a course because the career is well paid. They are more likely to gain
  a good result in their degree if they enjoy and are interested in the course.

Things a parent can do to help:

- Read up on the relevant courses on the Qualifax website. From an adult perspective you may have some questions that your child has overlooked.
- Make sure your son/daughter goes to some Open Days. These are essential for students trying to come to terms with the vast array of colleges and courses. However an Open Day will be not be helpful if there has been no preparatory work beforehand.
- If possible introduce your son/daughter to someone currently doing the course/ working in the career area.
- Look at the list of proposed courses and find out if your son/daughter has researched each course thoroughly. Any course that has not been thoroughly researched should not be on the list.
- Have the CAO choices been discussed with a Guidance Counsellor?



Parental advice is invaluable, but school leavers must make their own particular career choices.

- What is the backup plan if the predicted results do not happen?
- If the school organises career talks for parents, make sure you are in attendance.
- Be aware of the risks of failing a crucial higher- level paper such as English or Maths. An E on a higher -level paper will not be accepted whereas a D on a lower level paper may be acceptable.
- Attend Parent/Teacher meetings.

## 5.3 FAMILY ROLE IN CAREER DEVELOPMENT

Family influence is an important force in preparing youth for their roles as workers. Young people form many of their attitudes about work and careers as a result of interactions with the family. Family background provides the basis from which their career planning and decision making evolve. However, within each family, the level of involvement can vary, offering both positive and negative influences. This Digest examines the research on family influences on career development and describes implications for practice.

## 5.3.1 The Influence of Family Background

"Family background factors found to be associated with career development include parents' socioeconomic status (SES), their educational level, and biogenetic factors such as physical size, gender, ability, and temperament". In a study of the influences on adolescents' vocational development reported, the variable that had the most effect on educational plans and occupational aspirations was parental education.

Parents with postsecondary education tend to pass along its importance to their children--a finding supported by other studies. Females talented in math viewed their career choices as reflective of interests that stemmed from early family influence and educational opportunities. The presence of teachers in the family was a significant factor influencing teacher candidates' decisions to teach. However, points out that lower levels of parent education can retard adolescents' career development. "Being born to parents with limited education and income reduces the likelihood of going to college or achieving a professional occupational goal and essentially predetermines the child's likely vocational choice".

Family income is another aspect of family background that influences the career development of youth, especially for girls. One reason for this may be that families with limited economic resources tend to direct them first to the males of the family, giving less hope and encouragement for further education to the daughters in the family. Also, some parents--especially working class or lower-income parents--may hold values that place girls in the homemaker role and reflect less emphasis on occupational preparation. Given this disposition, it is understandable that the self-efficacy of girls with respect to career opportunities is linked to the economic support they can expect to receive from their parents.

## 5.3.2 The Influence of Family Processes

Although much of the research on the role of family in vocational and career development has focused on family background, the investigation of family processes viewed in relation to life roles offers additional insight into the influences of the family. Family processes of interaction, communication, and behavior influence what the child learns about work and work experiences. Attitudes about school and work, educational and career goals and aspirations, and values have a long-term impact on a youth's career choices, decisions, and plans. "Parents as daily models provide cultural standards, attitudes, and expectations and, in many ways, determine the eventual adequacy of self-acceptance and confidence, of social skills and of sex roles. The attitudes and behaviors of parents while working or discussing their work is what the children respond to and learn".

Through the process of educating their children about life roles, parents can influence the employability skills and values that children subsequently adopt. Grinstad and Way (1993) report one mother's message to her daughter on the theme of becoming self-sufficient:

You have to have a way to take care of your family.

And she (her mother) says you cannot depend on a man.

And she said you have to think about number one and that's you. And she said how are you going to make a living, how are you going to support your children, if you don't have some kind of training.

The interaction of many individual variables in family process is a significant factor to consider in studying family influence on career development. Adolescents' career aspirations be examined from an interactionist perspective rather than a unilateral process of influence, "focusing on the context and situations in which adolescents' career development occurs".

#### 5.3.3 Ethnic Minority Parents and Career Development

Parents from certain minority groups have a great influence on the educational and occupational decisions of both boys and girls in the family. Two very different examples are Mexican American and Korean parents. "Mexican American parents want more education for their children than their children want for themselves". This is especially significant from a population that typically is undereducated and has high unemployment and dropout rates and low occupational status.

Although the aspirations Mexican American parents hold for their children may be high, continuing education is often unavailable due to lack of funds. In fact, "50 percent of the 8th and 12th graders and 55 percent of the community college students" in study cited lack of funds as a primary factor in their plans for continuing education. Mexican American parents should be made aware of the availability of financial aid that could support their children's continuing education.

Whereas Mexican American parents are focused on the role of continuing education in the career development process, Korean parents focus on career selection. "The strong desire of Korean immigrants for their children to be professionals and earn money and prestige is conveyed either in a rather demanding form or in a more subtle form that is just as clear". The pressure to choose certain careers is often initiated when the child is quite young. Stories by college students of Korean descent, confirm that their career choices both "explicitly and implicitly reflect the cultural model of success their parents share".

One student described how, when he was still young, his father announced at a potluck dinner that "Tim will be a lawyer and Don will be a doctor." Another student described how her father introduced each member of their family to his guests by stating what career each would pursue before any of them had made a career choice: "Ron, the future doctor; Ben, who will be an engineer before you know it, and Carrie, who is going into business". "As he announces the children's career plans proudly in public and as the guests at the party recognize and envy his success, the Korean immigrants' cultural model of success is also recognized, reinforced, and transmitted". As happens in other cultures, Korean parents distinguish between boys and girls in the careers they assign to their children. "Girls can choose careers that are considered less stressful and less demanding and that have more flexible schedules so that they can combine families with careers".

## 5.3.4 Negative Effects of Parental Influence

Three categories to describe types of parental involvement in adolescents' career development: (1) positive involvement, (2) noninvolvement, and (3) negative involvement. The greatest anxiety adolescents feel about their career decisions or exploration, quite understandably, is in response to parents' negative involvement.

Parents in the "negative involvement" category are often controlling and domineering in their interactions with their children. The children of such parents often pursue the careers selected by their parents rather than those they desire so as not to disappoint their parents or go against their wishes. Likewise, they feel a strong sense of frustration and guilt when they do not meet their parents' expectations.

The burden of following a parent's narrowly defined expectations of success has resulted in "mental health problems, estranged parent-child relationships, or in socially delinquent behaviors". "Adolescents from enmeshed families may have difficulty mastering career development tasks because they are unable to distinguish their own from parental goals and expectations". Disengagement of family and adolescents has similarly negative effects. "Adolescents from disengaged families may lack familial support and interaction, resulting in limits on self-knowledge and task orientation that interferes with mastery of career development tasks".

### 5.3.5 Implications for Practice

Structuring or guiding parental involvement in adolescent career development is increasingly seen as an important element of a school's career counseling. "Previous research has suggested that educational institutions are not the only source of learning related to occupational choice and enactments in this society. It has been found that the family plays an important role in the transmission of values such as independence, ambition, career orientation and actual career choice".

Counselors work directly with parents, collaborating with them and helping them to improve their effectiveness in guiding their children. He encourages parents not only to communicate about work and careers with their children, but to show faith in their children's abilities to be successful, providing them with encouragement and information. "They should help their children learn that basic work attitudes of promptness, respect, responsibility, and interest in schoolwork are expected both at home and at school".

Career development professionals can help parents by providing them with information and support. Counselors meet with parents "individually or collectively to disseminate information on how to facilitate their adolescents' career development and familiarize them with career resource materials". Keyword

Career development is the process of self-knowledge, exploration, and decision-making that shapes your career. Within the school setting, "vocational education at all levels should be placed within a contextual framework where the work of the world and the work of the family are integrated and explored simultaneously". By increasing communication between home and school regarding career development, it is possible that the positive aspects of family influence can be enhanced and the negative aspects can be offset, improving the **career development** outcomes of the workers of the future.

## 5.4 FAMILY FACTORS INFLUENCING CAREER CHOICES

A number of factors can shape and influence the career paths you choose, starting with how your family shapes your perceptions of different employment options. Whether you were raised with ideals of certain professions, or you're looking for a job that fits your adult family life, these issues need to be carefully considered. In making a career choice, it is important to come up with a sound decision that family can support.

## 5.4.1 Positive Parental Influence

Many children grow up idealizing the professions of their parents. If you always looked up to your mother and admired her teaching skills, that may influence you to pursue a career in education. Parents may also intentionally or unintentionally push a child toward a particular career path, especially in the cases of family-owned businesses, where parents expect their children to take over the company. Still other parents apply pressure on their offspring to strive for particular high-profile careers, feeling they are encouraging their children to reach high. Family influence on career choice is strongest in cultures where elders are given considerable respect and deference.

## 5.4.2 Negative Parental Influence

Just as a positive parental role model can influence career choice, so can negative parental influence. For example, parents can make career suggestions but they should avoid pressuring a child to pursue a particular occupation, cautions Qualifax. Pressure tactics can backfire and increase resistance to parental advice.



Upbringing also plays a role in career formation. If your parents were uneducated or always struggling to get by financially, you may decide you're never going to be in the same position. This may prompt you to pursue a vastly different career path, looking for stable, high-earning jobs. Likewise, if you have parents who were workaholics and were never around when you were a child, you may decide to pursue a line of work with flexibility that gives you more time with your children.

## 5.4.3 Spousal Influence

A spouse can have a significant impact on career choice. One spouse may encourage the other to pursue a line of work that allows for travel, so they can both see the country; another may want to stay home with young children, encouraging the working spouse to aim for higher roles in a particular profession to ensure adequate earnings. Married people who tie their social status to the occupation of a spouse may also influence the spouse's choice of occupation. In this case, the impact of family background on career choice may include an expectation of a college degree instead of vocational training.

## **5.4.4 Children's Influence**

Children often play a significant role in influencing career choices. The professional path you establish as a childless person may vastly change once you have children. You may opt to look for employment with flexible or telecommuting options, or a position that allows you to job-share. If you are a single parent or the sole supporter of your children, you may be led to have several jobs, a job with good insurance coverage or a single high-earning position with limited travel requirements. Maintaining work-life balance is an important factor in personal happiness, choice of job and career success.

## 5.4.5 Eldercare Influences

If you provide in-home care to an elderly or ailing relative, you may be attracted to positions that offer eldercare reimbursement, allow work-from-home options, or that have adult daycare as a benefit of employment. Continually changing family obligations can subtly or dramatically affect your professional choices throughout your career.

## **5.5 WORK-LIFE BALANCE**

Work-life balance is how you prioritize the time and energy you commit to your work and personal life and encourages you to divide your time in a way that is best for you. Achieving a healthy balance between work and life doesn't mean an equal balance, and the ideal work-life balance can vary. As priorities change, how you balance your work and personal commitments may also shift over time. However, achieving this



balance and adjusting it to your changing priorities will allow you to be more motivated and productive, while still being able to maintain a satisfying life outside of work.

Work-life balance is the relationship between your work and the other important things in your life, like your family, sport and social life, household chores, volunteer commitments and so on. If you feel like you have enough time for all of these things in your life, you probably have a good work-life balance.

Your work-life balance will probably change as your work, family and other responsibilities change. With realistic expectations, and some trial and error, you're likely to find an approach that helps you and your family achieve work-life balance in the long term.

#### 5.5.1 Work-life balance: why it's good

#### Good for children

To develop, learn and thrive, children need warm, loving attention and quality time with you.

If you have a work-life balance, you're more likely to have the mental and emotional energy to give your children the attention they need. You'll also have more opportunities for quality time with your children – that is, time when you're really focused on your child.

#### Good for you

Part of looking after yourself is making time for the things that are important to you, like work, hobbies, volunteer activities and family. When you find a good balance of all these things, you're likely to feel:

- less stressed and tired
- more in control of your time
- better able to make decisions and meet commitments
- physically healthier.

A well-balanced family life can actually help prevent burnout at work too.



The 19th century's technological advancements in machinery and manufacturing initiated the separation of work from family. However, it was not until the early 20th century that the first view of work–family theories started to shape.

#### Good for your relationships

Quality time spent together is the building block of all relationships, so a good work-life balance gives you the time and energy to develop better relationships with your children and your partner, if you have one.

# 5.5.2 Looking at Work Arrangements to Achieve Better Work-family Balance

Family-friendly work arrangements might help you achieve a better balance between work and family time. You can find out about your employer's family-friendly policies by looking at your workplace agreement or talking to your workmates. Then talk to your boss or manager about it.

Options might include:

- working flexible hours for example, you might be able to arrive late and work late or vice versa, which can make school drop-offs or family dinners easier
- working from home
- working fewer hours for example, by working part time or job-sharing
- negotiating shifts that give you a few days off in a row, or time at home before or after school.

It doesn't matter what your friends do or what other people think you should do – choose the option that's best for your family.

# **5.5.3 Changing Work Habits to Achieve a Better Work-life Balance**

If you're wondering how to get your work done and enjoy time with your children, it might help to look at your work habits. This is about approaching work differently, rather than spending less time on or at work – which isn't always possible.

Remember For some parents, long work hours or shift work can mean getting home after children are in bed, leaving before they wake up, or needing to sleep while everyone else is awake. You might not be able to control the hours you work or how busy your work is. But you can still build strong and positive family relationships with regular quality time, positive communication, and appreciation for each other.



Here are some ideas:

- Review the workday in your mind before you leave or finish work. This can help you shift gradually to thinking about home and family.
- Try to arrange your work so you take on the most challenging tasks at the beginning of the day, instead of at the end.
- Take a moment in your workday to think about your children. This could be just looking at a photo or thinking about a special thing you've done together recently. This can help you remember the reason you're trying to achieve a work-life balance.
- Try to set boundaries around how much work you do at home, including limits on checking and responding to emails or phone calls.
- Try to set boundaries about when you work at home. For example, you could try blocking out parts of the day for work, rather than constantly checking in with work.
- If you work from home, try to keep your work area separate from family areas. Put boundaries in place about start and finish times, and be clear with coworkers and clients about your work hours.

## 5.5.4 Switching from Work Mode to Family Focus

When you get home from work – or finish work if you work from home – it can be worth trying to put work to rest in your mind. This can help you feel more ready to give your children loving attention and quality time. It can also help you relax and make the most of time with your family.

Here are some ideas to help you switch from work mode to a family focus:

- Turn off your work phone and tune out of work on your way home by reading, or listening to music, the radio or a podcast.
- Try walking or riding a bike home if you can. Or if you work from home, walk around the block when you finish work or do a five-minute workout.
- Think about ways to make travel time more relaxing. For example, join a car pool or use public transport instead of battling traffic.
- Do a simple mindfulness exercise, perhaps before you finish or leave work or in your parked car.
- Call your partner, your child's carer or your child on the way home. This can take your mind off work and give you a chance to catch up on your family's day. It can also help you work out who or what needs your attention when you get home.



- Have a ritual or routine to mark the physical, mental and emotional move from work to home, from worker to parent. It can be as simple as changing out of your work clothes.
- Talk with your family, including older children, about the challenges of making the transition from work to family mode, especially during stressful times at work. Help them see things from your perspective and try to see things from theirs.

## 5.5.5 Why is work-life balance important?

The benefits of prioritizing work-life balance include increased productivity, higher work engagement, reduced stress and more time to devote to leisure activities. Employees who can find a healthy balance between work and life are generally happier, healthier, more focused and less likely to miss work. If you're struggling with balancing work and your personal life, talk to your supervisor about the ways advocating **work-life balance** as a company can be advantageous to you and your team as a whole.

## 5.5.6 Tips for Achieving Work-Life Balance

Like in developing new habits, achieving and maintaining worklife balance requires time and dedication. At times, you may find yourself committing more time to one thing than the other, but the goal is to find a healthy balance that works best for you. There are many different strategies for achieving a healthy work-life balance, including:

- Limit nonessential activities.
- Learn when to say "no."
- Establish boundaries and unplug.
- Consider your schedule.
- Communicate your needs.

#### 1. Limit nonessential activities

It can be tempting to engage in activities that limit the amount of time you have to work on more productive tasks without even



## Keyword

**balance** is the state of equilibrium where a person equally prioritizes the demands of one>s career and the demands of one>s personal life.

Work-life

realizing it, such as checking personal email, browsing social media and surfing the Internet. To better prioritize your time at work, consider assessing your daily activities to determine which are least productive. Minimizing how much time you spend on these activities can have a positive impact on your productivity and well-being.

#### 2. Learn when to say "no"

It can be challenging to say "no," especially when you're saying it to your boss or supervisor. However, learning when to say "no" can be essential to your work-life balance. When your answer is always "yes" to a task or project, you may start to feel overwhelmed by your increasing workload, which could result in stress and reduced productivity. To avoid this, evaluate your schedule and make sure there's room before taking on additional work. If you don't think you can take on another task, explain why to your boss and thank them for considering you.

#### 3. Establish boundaries and unplug

Modern technology has made it possible for employees to remain connected to their work through their mobile phones and computers. While this allows employers to offer flexible work schedules, it also means employees are accessible 24-hours-a-day, often taking work home or checking emails after normal business hours rather than waiting until they get back to work the next day. It's important to establish boundaries on your availability after hours and leave work at the office. Try to avoid checking work emails while you're at home and only respond to anything that can't wait until the next day.

#### 4. Consider your schedule

The key to improving your work-life balance is making sure there's enough space for both in your schedule. Revisit your schedule and make sure you have enough time to take care of your work obligations while also being able to recharge. Using a calendar will help keep you on track so your work doesn't extend into your personal or family time.

#### 5. Communicate your needs

Having open communication with your manager is key to achieving a work-life balance. If you're struggling with balancing your work and personal life, be honest with your manager and voice your needs. If you need to adjust your schedule or redistribute your workload, disclose those concerns and discuss possible solutions for managing your priorities.

#### 5.5.7 Techniques for Managing Stress at Work

If you feel like your work and home life are out of balance, it can be challenging to stay productive and be the best version of yourself that you can be without having the ability to recharge after a busy day. Make sure to dedicate time for yourself to participate in activities that will help you reduce stress and anxiety. Here are a few techniques for managing stress and anxiety so you can enjoy your time outside of the office:

- Regular exercise is a common stress-reliever, whether that means taking yoga classes, going for a daily run or spending 30 minutes in the gym every other day. Not only does it get your mind off work but it improves your mood and your overall health. Choose an activity you enjoy and make it a priority in your schedule every week.
- Another option for managing stress and anxiety caused by work is to practice relaxation techniques, such as focused breathing and meditation. Not only can these activities help reduce stress and control anxiety, but they can also help promote emotional health and even improve sleep.
- Eating healthy, well-balanced meals can help you manage stress by strengthening your immune system, improving your mood and reducing blood pressure.
- It's also important to make sure that you get enough sleep. When you've had a stressful day at work, your body needs time to mentally and physically recoup. Getting a good night's rest can ensure you stay energized and productive.
- Make time to participate in your own personal hobbies to relieve stress, whether it's 20 minutes to read a book or an hour-long bike ride after work. Even a few minutes of personal time can improve stress and anxiety.

The key to achieving work-life balance is learning how to prioritize your time and responsibilities. Establishing clear boundaries, leaving work at the office and being open with your supervisor about your needs can help you stay motivated, productive and happy at work. Achieving work-life balance can have a positive effect on both your career and your overall well-being.

## **5.6 HOW TO BALANCE WORK AND FAMILY**

Work and family are both central to our daily lives. Attempting to balance more numerous and complex work and family roles is a source of stress for many of us, mainly because it causes role strain and spillover. Role strain occurs when the responsibilities of one role interfere with your ability to fulfill the other roles in your life. Spillover happens when the conditions and relationships in one area of our your life impact you in another area. Finding a good balance between your work and home lives is not an easy task, but the benefits to your well-being are worth the effort.



## 5.6.1 Clarifying Your Values



*Decide what your values are for yourself and your family.* A value is a principle, standard, or quality considered worthwhile or desired. Values guide our actions and structure our lives.

- Areas where we often have strong values include housework, meal times, child care, car and house maintenance, relationships between spouses and parents and children, education, money, politics, religion, etc.
- Specifying your values is key to managing work and family demands. They tell you what is important in your life and what matters to you. All too frequently, we don't acknowledge or question our values until a problem arises.



*Think carefully and deeply.* Most of us have some general sense of our values, but this is often vague. Many of our values remain unconscious. These values - the ones we hold but are not entirely aware of - often contribute to feelings of stress; this stress can be understood and managed once we become more in tune with our values.



*Consider values that conflict with one another.* For example, what if you believe that one should be at work early and you also believe that the kitchen should always be clean before one leaves the house? How do you rectify these competing values? Such conflicts are stressful and can leave you feeling drained and unsatisfied until you examine these values and reflect on how they interact.

Modifying or prioritizing our values can be one way of easing role strain and conflicts between values. For example, do you value being at work early more or less than leaving the house clean? Decide which is more important to you and go from there.

## 5.6.2 Setting Goals and Expectations

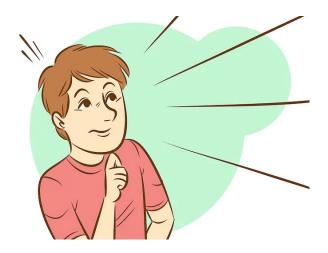


Set goals. Goals are important in our lives and help us decide how we use our time.



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Goals include statements such as "I want to own my own business by the time I am 40," or, "I want to finish college before I start a family." Our predetermined values shape our goals and give us the push needed to achieve those goals. The values underlying these two goals might include a high regard for initiative, achievement, and education.



*Distinguish between concrete goals and more abstract goals.* Some goals may be concrete and specific, like the two examples above. Other goals, however, will likely be more abstract, relational and more reflective of your well-being and place in the world. For example, you may strive to build supportive relationships with friends, raise healthy and responsible children, or cultivate a deeper and more spiritual understanding of yourself.



*Rank goals.* To ease role strain we can choose to put some goals on hold, let go of some, and modify others as needed. Think about the things you want most out of our life when determining this ranking.





*Consider social and individual expectations, perceptions, and attitudes.* Everyone has ideas about how things «should» be done and how people «should» behave in certain situations. Often these expectations, perceptions, and attitudes come from a combination of our own individual values and generally accepted social norms.

Identifying the "shoulds" in your life may be harder than figuring out our goals because the former often exist below the surface. However, holding onto attitudes and expectations that don't fit your current needs can cause conflict and stress. Many of us hold high expectations about "having it all," about being everything to everyone, and being "perfect" in every area of our lives. But in trying to reach these unrealistic expectations, we often find ourselves exhausted, burned out and incapable of effectively fulfilling any one part of our lives. Instead of getting to this point, pause and reflect on the attitudes and expectations you have and adjust those that do not support what you need at a given time.





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*Be flexible and adaptable.* Forgive yourself when things are missed and don>t get done. In other situations, accept that things will pop up that will require your attention and may result in you having to readjust your goals. Negotiate with your spouse, partner, co-workers, and boss for what you need.

Be open to and try to embrace change. Never get too comfortable, because just as soon as things seem to be under control, they can change at a whim!

## 5.6.3 Managing Time and Prioritizing



*Set priorities.* Prioritizing is central to effective time management. Juggling work and home life and trying to find time for time with friends and family and on your own is not easy. Even if we are using our time efficiently, this doesn't mean that we are using it effectively. In other words, we might be doing things right, but we aren't necessarily doing the right things. Often, we don't plan and schedule activities that move us toward our goals, especially those goals that aren't concrete. One way around this is to prioritize your goals and decide which are most important in the short-term, medium-term, and long-term.

- Once you have determined which goals are most important for you, start working towards those ones first and foremost. Don't lose sight of your other goals, but try to focus in on those that require your immediate attention.
- You may also need to realize when you must leave work at work.



*Measure your goals against your available time.* Ask yourself what you need to do on a given day to reach the goal you have set for yourself.

• Figure out a benchmark for your goal. How will you know when you've reached the goal?



*Set boundaries and limits.* These determine how you take charge of your time and space and help you get in touch with and manage your emotions. Boundaries express the extent of your responsibilities, power, and agency; they also inform others what you are willing to do and accept.

Be willing to say "no." Remember that being able to say "no" when pressed to take on additional responsibilities is your prerogative; in fact, it is what is key to effectively balancing work and family. For example, if your boss asks you to work over-time but you have already promised to attend your child's

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school event, you can say that you have already made a commitment and try to find an alternative solution that accommodates your existing commitments.

• Set boundaries literally on your time. Carve up your daily tasks into increments of time; figure out how long you can and are willing to spend on a given task.

## 5.6.4 Planning and Communicating Effectively



*Get organized on a day-to-day level.* Create daily routines and a structured plan each day rather than reacting to whatever comes up. Plan ahead and anticipate your needs.

- A good idea is to have a backup plan ready in case of emergencies so that you are prepared with a contingency plan should the need arise.
- Establish a supportive network that you can draw on. Connect with friends, relatives, neighbors, coworkers, and professionals. Be ready and willing to ask for help if you need it.



3G E-LEARNING

*Build breaks into your daily routine.* It's a good practice to make time for other activities besides work so that your days are balanced, enjoyable and fulfilling.

Make time healthy habits, such as eating health food, exercising, meditating and taking other forms of quiet time. Many gyms, for example, are open over the lunch hour and may offer a reduced corporate membership.



Block out time your calendar for your family and friends. You block out time for meetings at work, so apply the same principle to your home life? Scheduling this time with family in advance will make it hard to cancel at the last minute and helps set that time in stone. Treat your family as if they matter just as much as the most important business person in the world and don>t miss your «scheduled meetings» with them.

- Eat meals as a family. Studies have shown that sharing a family meal together benefits the spiritual, mental, and physical well being of the entire family. Families that eat together have lower rates of substance abuse, teen pregnancy, and depression, as well as higher grades and self-confidence. Eating together helps keep a family connected and engaged with one another; it can become one of the most enjoyable parts of the day for kids and parents alike.
- Make time for the big and small moments in life. Take time to celebrate major milestones, achievements, graduations, birthdays, and holidays together with your family. Even marking smaller accomplishments (e.g., your child's winning goal in the championships) with a small token or special gathering will help each family member feel special and valued.



#### Take evenings off.

- Do something basic with your partner and/or family. It doesn't have to be a special event or take long, just something where you are together with them, such as watering the garden or taking care of the lawn, going for a drive or walk together, etc. As long as you are relaxed and listening, they'll feel that they're getting the attention they need and want.
- Enjoy the bedtime routine if you have children, including bathing them, reading to them and putting them to bed. Spending these moments with them lets them know that you care and are available for them.
- Use the rest of the evening to catch up on the day with your spouse or partner. Consider this like a debriefing session; ask questions about one another's day and offer advice or guidance, or simply listen. The day-to-day is just as important to a healthy, mutually beneficial and sustaining romantic relationship as the grand gestures and proposals.





*Cut out time-wasting activities.* We waste a lot of time in our daily lives thanks to television, Internet, video games, etc. Try removing any unnecessary distractions that don>t really add any value to or enhance your live.

Set specific times for activities like web-surfing, watching TV, and playing video games. Pick and choose what you will do and for how long. For example, if you have a favorite TV show that airs on Thursday nights for an hour, set aside the time to watch it, but do other things before, rather than watch more TV as you wait. Consider TV-watching an activity that is time-bound, rather than a way to pass the time. When in doubt, ask yourself "what matters most in my life?" Returning to and reflecting on your core values is a good way to pull yourself away from wasting time and spend that time on something that matters.



*Talk to family and friends about your workload.* Address how they feel about your work-life balance. By keeping the lines of communication open, you are avoiding building up resentment among those affected by your actions.

Explain to your family and friends why sometimes you are not able to do everything they would like you to do (e.g., you have to miss a school event because of a work obligation). Openly explaining the situation can help others understand and empathize with your situation.

## 5.6.5 Letting Go



*Re-assess what it means to be in control.* Many times we feel we have more control if we do everything ourselves. However, this can keep us from reaching our real goals; we>re not super-humans after all!



Delegate or divide work to accomplish priority needs and wants. Although many of us resist reallocating home and work tasks for fear of losing control, we stand to gain from delegating work. We will not be overextended and will be better able to successfully meet the remaining and important tasks. Delegating is not easy work because it relies on trusting others with things that matter to us; however, it is key to finding that work-life balance.



For example, you may ask the babysitter to get started on cooking dinner before you get home from work or ask him or her to do some light cleaning. This will give you a bit of a jump ahead on your household responsibilities.



*Make compromises.* Try to find ways to simplify your life where possible and given your particular circumstances.

- For example, if you feel rushed for time to go grocery shopping each week, try online shopping. You can pick what you want and have it delivered to your house. A few extra dollars may be worth it to save a lot of time, depending on your situation.
- Look locally for projects, organizations, and businesses that might be able to help you save time, such as dry cleaners that offer early morning pickup and drop off or milk delivery services.





*Let go of the guilt.* Stop the burden of guilt from hanging over your day. Many people feel guilty for being at work instead of at home; the opposite is also true. This is a zero-sum game.

Accept that having or doing it all is a myth. Instead, realize that the most important thing is that you do the best you can given your situation and limitations. Rather than constantly feel guilty, re-focus your energy on doing the very best you can do everyday - in all capacities of your life - with the time you have.



#### Incorporate relaxation and downtime into your schedule.

- Do something that relaxes you as an individual. Exercise, go for a long walk, listen to music, read, cook or do a yoga class. Take downtime for yourself; this is necessary self-care that will make you more able to deal with the stresses of your day-to-day life.
- Consider starting meditation to achieve greater balance and deeper meaning.
- Make one night a week a fun night for yourself and your family. Plan a movie night, games night or family night out. Everyone gets caught up in their daily routines and schedules so it's a good idea to have one night a week where everything stops and the entire family comes to together to reconnect.





*Avoid negative people in your life.* Surround yourself with people who boost your energy and make you feel positive, directed, and grounded, while avoiding those who gossip, complain, or have generally negative attitudes.

## 5.6.6 Tips to Better Manage Your Work & Family Life

As the school year begins, families gear back up, filling their schedules and facing the challenge of managing multiple commitments. Balancing work and family is an issue for almost every family and finding the right balance can feel completely overwhelming. There are some strategies, however, that can help families cope.

- Set priorities. With so many demands on our time, it's hard to be everything to everyone. You may be juggling a number of roles and goals in your life. You want to be successful at work, enjoy a healthy couple relationship, be an involved parent. You may have goals of furthering your education, maintaining a home, contributing to your community, keeping to a fitness regimen, saving for early retirement. Further, you may be juggling extended family issues, like caring for aging parents or dealing with an illness in the family. All of these things take your time and energy and often run into conflict with each other. As there are only 24 hours in a day, you may have to think about your values and set some priorities based on those values. For example, if "being an involved parent" is a priority for you setting aside time each night to play with your children might take priority over working those over-time hours in order to finance a bigger home.
- Plan and do things in advance. Work weeks are when most of us tend to be the busiest. By preparing for Monday's arrival, you can ease the stress of the week ahead. Keep a family calendar posted on the fridge. On Sunday, look at what's on tap for the week and plan how you are going to manage the week. Where you can, make meals on the weekend and put them in the refrigerator

or freezer for a quick reheat on a busy evening. This can be an activity where you can involve and enlist your older children's help. Before shopping for groceries, get your cookbooks out and make a list of several meals for the following week and make your grocery list from your menu list. After work stress is often more in deciding what to make for supper than in actually making it. If you go home for lunch, do some initial meal preparation then so that it cuts down on your after-work meal prep time.

- Negotiate flex hours or part-time hours if possible. Flexibility in your work life can bring an incredible stress release to a household. If it's financially feasible, consider the option of part-time work. It may mean less financial freedom, but it may bring greater daily rewards and quality of life. Again, you need to consider your values and set your priorities. If possible, negotiate with your employer for flex hours or job-sharing that would be more conducive to your family life.
- *Find a number two and a number three person.* In the workplace and at home, you need to build tremendous supports. With the increased mobility of society, not all families have extended family support. If you don't have family available in town, seek out the help of co-workers, friends and neighbours. Line up a couple of co-workers that your children can call to deal with their questions or situations when you are unavailable.
- Share with other families. Share your issues with your neighbours and friends who are facing the same work/home balancing act. You will not only benefit from the mutual support, but can also share ideas on how you manage your busy schedules. Look to share responsibilities with other parents. Take turns walking the children to school, driving the kids to their outside activities, babysitting each other's children.
- Limit after-work and after-school involvements. While parents have good intentions and want to provide their children with a variety of skill sets, parents can get ensnarled in the unlimited opportunities available for children and can thereby create very busy schedules for both their children and themselves. Limit the number of outside activities your children participate in to one activity at a time. Instead, do things together as a family like skating or going for a bike ride. In addition, limit your own after-work activities. You don't need to sit on the church committee, coach your child's soccer team and volunteer for your favourite charity. It is wonderful and rewarding to contribute to your community, but you may not be able to do it all given your circumstances. Again, look to your values and set your priorities. Consider what you can manage now and what you may be able to do at a future stage in your life. Learn to say "no" and let go of the guilt.
- Build rituals into your life. Schedule time to ensure that family time happens.
   Establish a family movie or games night. Make meal time sacred family time



when you sit down together for dinner and take turns sharing the day's events.

- Take time for yourself. Taking time for yourself has to be a priority. It's something you should do no matter how tired you are. Drag yourself out the door to your fitness class, afterwards you will be in better humour and happy that you did something for yourself. Have your one favourite show a week and protect that time. After you tuck the kids in bed, make that bowl of popcorn and sit down and watch your weekly drama. Get out of the office over lunch, go for a walk and feel the sun on your face. If you take care of yourself, you will be better able to take care of those you love and deal with the stress that a busy schedule brings.
- Make room for couple time. In the work/home whirlwind, it is easy for two people, while living in the same household, to drift apart. Just as it is important to spend time interacting with your children, it's important to spend time interacting with your partner. Set aside time for one another. On Friday nights, book a baby-sitter whether you have plans or not. Even if it's just for an hour when you can get away and go for a walk together.
- Share your work experience with your children. Through your words and actions, your children should know that they are a priority in your life, but it is also helpful to let them know that your work is important to you too. Talk to your children about what you do at work and take them with you to see where you work. Children are more likely to be responsive to your work demands when you share that part of your life with them.
- *Find time for fun.* Keep in mind that work is only one part of you. We only go around once, so it's important to enjoy your life and make time for fun. Look for opportunities to enjoy life both at home and at work. Find the humour in things. Laugh.
- Be there for the moments. There will be special moments in your children's lives that may happen before 5:00 p.m. a football game, a school concert, a speech. Most employers, managers, clients have families too and understand these family situations. Talk to your boss, explain your need to be there, have a plan in place as to how they can deal with your absence or you can get the job done in another way or at another time. Perhaps you can work with a colleague and spell each other off for those important family occurrences.

# **ROLE MODEL**

# LESLIE MORGAN STEINER

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«Starving for Perfection», was written under the pseudonym Isabel Johnson and received over 4000 reader letters, at the time a record for *Seventeen*, and appeared in the 1993 anthology *The College Reader*.

Steiner went on to work in the Articles Department for *Seventeen* from 1987-1988. She was a freelance magazine writer and consultant from 1988-1990. She earned an MBA degree in Marketing from the Wharton School of Business at the University of Pennsylvania in 1992.

Her corporate marketing career included stints at the Leo Burnett advertising agency in Chicago and Johnson & Johnson in New Brunswick, New Jersey. At Johnson & Johnson she launched the low-calorie sweetener ingredient sucralose, also known as Splenda Brand Sweetener, internationally from 1994-2000. She oversaw the public relations program for the sweetener's United States Food and Drug Administration approval on April 1, 1999.

In early 2001 Steiner returned to her hometown of Washington, D.C., to become general manager of *The Washington Post Magazine*. While working for *The Washington Post*, Steiner became interested in the struggles of and tensions between American working and stay-at-home mothers. Her anthology *Mommy Wars: Stay-at-Home and Career Moms Face off on their Choices, Their Lives, Their Families* was published in 2006 by Random House and the essays by a range of at-home and working mothers such as Jane Smiley, Susan Cheever, Carolyn Hax and Jane Juska generated extensive media interest and controversy among conflicted American mothers, including mommy bloggers, daddy bloggers and publications such as *The Atlantic Monthly*, the *Los Angeles Times* and elsewhere. After the book>s publication, Steiner continued to interpret the mommy wars, including the controversy created by the nomination of Alaska governor Sarah Palin as the Republican Party>s vice presidential candidate and Michelle Obama>s position as the first African-American first lady.

From 2006 to 2008, Steiner wrote *On Balance*, an online column exploring work/ family conflicts for washingtonpost.com, the Internet site for her employer. *On Balance*, one of the site's first forays into the blogosphere, quickly became popular among a

diverse audience of men and women with and without children. Over the course of two years, Steiner's column became one of the most popular "mommy blogs" on the web. Steiner wrote over 500 columns, and the site accumulated over 100,000 comments from online posters. The readership weighed in with up to 700 comments per day. Over the course of 27 months, 112,898 total comments were submitted by 11,735 different posting names and 16,632 anonymous posters.

Steiner's 2009 memoir *Crazy Love*, about surviving domestic violence spent three weeks on The New York Times Best Seller list. Steiner is the author of a popular TED Talk which tries to explain why victims stay with abusive partners. Her third book, *The Baby Chase: How Surrogacy Is Transforming the American Family*, was published by St. Martin>s Press in 2013, and is the subject of a 2014 TEDTalk about the ethics of global surrogacy.

Steiner has three children and lives in the District of Columbia.

Leslie Morgan Steiner is an author, consultant and thought leader on women's leadership, work-life balance, inspirational parenting, overcoming adversity and surviving violence against women. She lives in Washington, DC. She recently completed her fourth nonfiction work, The Naked Truth, a memoir which explores female aging and sexuality after motherhood and divorce. Her corporate experience includes The Washington Post, Johnson & Johnson, Leo Burnett and Seventeen Magazine. Follow her on Facebook or LinkedIn via Leslie Morgan Steiner, or via @lesliebooks on Instagram and Twitter, or visit her Amazon page.

Her 2009 memoir about surviving domestic violence, Crazy Love, was a New York Times bestseller, People Pick, Book of the Week for The Week magazine, and subject of the first TED Talk by a domestic violence survivor.

She is the editor of the critically-acclaimed anthology Mommy Wars: Stay-at-Home and Career Moms Face Off on Their Choices, Their Lives, Their Families (Random House 2006) a frank, surprising, and refreshing look at American motherhood from 26 different perspectives. Her 2012 book, The Baby Chase, explores the ways that surrogacy is changing American families, and Steiner delivered another TED Talk at the Kennedy Center in Washington, DC exploring surrogacy's global impact.

From 2006-2008 she wrote over 500 columns for the Washington Post's popular daily on-line work/family column, "On Balance."

Steiner has been a guest on the Today Show, National Public Radio, ABC, NBC, CBS, Fox News, MSNBC, and has been profiled by Newsweek, BusinessWeek, Elle, Parenting, Parents, Self, Glamour, Vanity Fair, The New York Times, The Los Angeles Times and The Washington Post.

Steiner holds a BA in English from Harvard College. Her writing was first published in Seventeen Magazine when she was 21. As a writer and editor at Seventeen, she explored subjects ranging from eating disorders to teen runaways to family relationships. She went on to contribute to Mademoiselle, Money Magazine, and other magazines, and to work as a restaurant critic and feature writer for New England Monthly. Her essay "Starving for Perfection" appeared in the anthology The College Reader (Harper Collins).

In addition to years as a nonfiction magazine writer and editor, Steiner has an MBA degree in marketing from the Wharton School of Business. After graduating from Wharton in 1992 with an MBA in Marketing, she launched Splenda Brand Sweetener throughout Australia, the Mid-East and Latin America for Johnson & Johnson, the world's largest consumer healthcare company.

She returned to her hometown of Washington, DC in 2001 to become General Manager of the 1.1 million circulation Washington Post Magazine, a position she held for five years.

Over the years, she has turned her professional experience into advocacy for abused women as a spokeswoman at The Harriet Tubman Center in Minneapolis, and as a board member for The One Love Foundation and DC Volunteer Lawyers Project. Additionally, she offers private, personal dating coaching for men and women of all ages. Contact Leslie directly for more information.

## **SUMMARY**

- Family background and careers are robust constructs, each of which subsumes a complex network of conditions and behaviors.
- Careers, as sequences of work experiences, can be thought of as one strand in life span development that is interwoven with, among things, social experiences, cognitive experiences, and emotional experiences to form a person's psychosocial life history.
- Family structure characteristics linked to careers can be explained by describing three publicly observable differences among family units. The first difference occurs in family composition.
- Parents serve as a major influence in their children's career development and career decision- making.
- Parents can be an important and positive influence in decisions affecting a young person's vocational development. Though they also warn that overinvolvement in the decision- making process can undermine parental effects as a positive source of influence.
- Parents from certain minority groups have a great influence on the educational and occupational decisions of both boys and girls in the family.
- Work-life balance is how you prioritize the time and energy you commit to your work and personal life and encourages you to divide your time in a way that is best for you.



# **MULTIPLE CHOICE QUESTIONS**

- 1. The most accurate predictor of a student's achievement in school is
  - a. Family income
  - b. Two-parent family
  - c. Educational level of parent(s)
  - d. The family's high expectations, encouragement of learning at home, and involvement in the child's learning at school and in the community.

# 2. The two most common reasons parents give for not being involved with their children's education are (circle two)

- a. They don't have enough time
- b. They don't want to be involved
- c. It's the teacher's job, not theirs
- d. They don't know what to do.

#### 3. Involving parents in the education of their child will

- a. Make up for an inadequate reading program
- b. Compensate for low-quality teaching
- c. Mend the communication gap between administrators and teachers
- d. Be one important element in an effective school improvement plan.

# 4. Which of the following types of partnerships has research shown to most help student achievement?

- a. Parenting and family skills
- b. Learning at home
- c. Two-way communications between home and school
- d. Volunteering at school.

# 5. What is the best way for schools to encourage diverse families to be involved in the education of their children?

- a. Form trusting relationships with families
- b. Recognize and address families' needs
- c. Share power and responsibility with families
- d. All of the above.



### **Review Questions**

- 1. Discuss about the family background and careers.
- 2. Describe the parent's role in career selection.
- 3. Explain family factors influencing career choices.
- 4. What do you understand by work-life balance?
- 5. Elaborate how to balance work and family.

#### Answers to Multiple Choice Questions

1. (d) 2. (a) 3. (d) 4. (b) 5. (d)



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# DESIGNING TRAINING AND DEVELOPMENT PROGRAMS

CHAPTER

"Anyone who stops learning is old, whether at twenty or eighty. Anyone who keeps learning stays young."

- Henry Ford

# **INTRODUCTION**

The term "training and development" refers to the process of supporting additional learning, education and improvement in the performance of the human resources within an organization. Since training is intertwined with development, the two words are generally used in tandem with each other to define the continual enhancement of employees in order to reach organizational goals. Without training and development initiatives, an organization can fail to reach its full potential.

#### LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. Discuss about the organization of training and development programs
- 2. Understand the diversity training
- 3. Explain the training and development methods
- 4. Define the developing training materials



In most organizations, the task of learning and development is handled by human resources personnel in cooperation with departmental management. This relationship relies on everyone's cooperation, communication and clear set of work skills as defined by work descriptions among all levels of the company. When an organization values its employees and wishes to reach objectives, then an employee development program can be implemented to make this happen.

# 6.1 ORGANIZATION OF TRAINING AND DEVELOPMENT PROGRAMS

Training and development is one of the lowest things on the priority list of most companies. When it is organized, it is often at the persistence of the human resources department. There is, however, enormous value in organizing proper training and development sessions for employees. Training allows employees to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders. Since a company is the sum total of what employees achieve individually, organizations should do everything in their power to ensure that employees perform at their peak.





For the growing **organization**, creating a clear plan to handle the challenges of new development and training needs is left up to the human resources department. With the help and support of department managers, the human resources team can identify areas where additional training is needed in order to support this growth. In addition, existing employees can be evaluated to see where further development needs to take place.

In training and development, once an organization has determined that additional education and teaching needs are to take place, a structured plan is designed to address gaps. The human resources manager leads the way by finding out what key skills and aptitudes are needed to perform various tasks within each work team. Skills that are not present are highlighted against those that are already available in the workforce.

Here are a few reasons that demonstrate the importance of training and development.

#### New Hire Orientation

Training is particularly important for new employees. This can be conducted by someone within the company and should serve as a platform to get new employees up to speed with the processes of the company and address any skill gaps.

# Keyword

Organization is an entity comprising multiple people, such as an institution or an association that has a collective goal and is linked to an external environment.



#### Tackle Shortcomings

Every individual has some shortcomings and training and development helps employees iron them out. For example, at RateGain we have divided the entire headcount in several groups to provide focused training which is relevant to those groups - sales training, first time managers, middle management, senior leadership, executive leadership.

#### Improvement in Performance

If shortcomings and weaknesses are addressed, it is obvious that an employee's performance improves. Training and development, however, also goes on to amplify your strengths and acquire new skill sets. It is important for a company to break down the training and development needs to target relevant individuals. If I can draw examples from my organization, every department has targeted training groups. These generally revolve around product development training, QA training, PMP among others where internal and external process experts facilitate various programs.

#### **Employee** Satisfaction

A company that invests in training and development generally tends to have satisfied employees. However, the exercise has to be relevant to the employees and one from which they can learn and take back something. It will be futile if training and development become tedious and dull, and employees attend it merely because they have to. As a company, we stress on industry specific training and send many employees for international seminars and conferences that can be beneficial to them.

#### **Increased Productivity**

In a rapidly evolving landscape, productivity is not only dependent on employees, but also on the technology they use. Training and development goes a long way in getting employees up to date with new technology, use existing ones better and then discard the outdated ones. This goes a long way in getting things done efficiently and in the most productive way.

### 6.1.1 Training

Training constitutes a basic concept in human resource development. It is concerned with developing a particular skill to a desired standard by instruction and practice. Training is a highly useful tool that can bring an employee into a position where they can do their job correctly, effectively, and conscientiously. Training is the act of increasing the knowledge and skill of an employee for doing a particular job.





Training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organization acquire and apply the knowledge, skills, abilities, and attitudes needed by a particular job and organization.

#### Need for Training

Every organization should provide training to all the employees irrespective of their qualifications and skills.

Specifically the need for training arises because of following reasons:

#### **Environmental Changes**

Mechanization, computerization, and automation have resulted in many changes that require trained staff possessing enough skills. The organization should train the employees to enrich them with the latest technology and knowledge.

#### **Organizational Complexity**

With modern inventions, technological up gradation, and diversification most of the organizations have become very complex. This has aggravated the problems of coordination. So, in order to cope up with the complexities, training has become mandatory.

#### Human Relations

Every management has to maintain very good human relations, and this has made training as one of the basic conditions to deal with human problems.

# To Match Employee Specifications with the Job Requirements and Organizational Needs

An employee's specification may not exactly suit to the requirements of the job and the organization, irrespective of past experience and skills. There is always a gap between an employee's present specifications and the organization's requirements. For filling this gap training is required.

#### Change in the Job Assignment

Training is also necessary when the existing employee is promoted to the higher level or transferred to another department. Training is also required to equip the old employees with new techniques and technologies.

#### **Importance of Training**

Training of employees and managers are absolutely essential in this changing environment. It is an important activity of HRD which helps in improving the competency of employees. Training gives a lot of benefits to the employees such as improvement in efficiency and effectiveness, development of self-confidence and assists everyone in self-management.

The stability and progress of the organization always depends on the training imparted to the employees. Training becomes mandatory under each and every step of expansion and diversification. Only training can improve the quality and reduce the wastages to the minimum. Training and development is also very essential to adapt according to changing environment.

#### Types of Training

Various types of training can be given to the employees such as induction training, refresher training, on the job training, vestibule training, and training for promotions.

Some of the commonly used training programs are listed below:

#### Induction Training

Many businesses use induction training as a program to prepare new employees, enabling businesses to be sure that their newly hired workers are receiving adequate and sufficient preparation to effectively fulfill job duties. Even new employees who have previous work-related experience need induction training to help them become comfortable and adapt to the exact kind of work they will be doing in their new position. A large number of businesses find that their worker productivity is higher



from employees who have received sufficient training than those that have not. Effective **induction training** helps new employees to feel valued by providing them with basic organizational information which enables the workers to seamlessly integrate into their workplace.

Also known as orientation training given for the new recruits in order to make them familiarize with the internal environment of an organization. It helps the employees to understand the procedures, code of conduct, policies existing in that organization.

#### Job Instruction Training

This training provides an overview about the job and experienced trainers demonstrates the entire job. Addition training is offered to employees after evaluating their performance if necessary.

#### Vestibule Training

It is the training on actual work to be done by an employee but conducted away from the work place.

#### **Refresher Training**

This type of training is offered in order to incorporate the latest development in a particular field. This training is imparted to upgrade the skills of employees. This training can also be used for promoting an employee.

#### Apprenticeship Training

Apprentice is a worker who spends a prescribed period of time under a supervisor.

### 6.1.2 Training Design

Training design or instructional design is the process of creating a blueprint for the development of instruction. Whether the training is to be conducted in a classroom, delivered using an electronic format or using some combination of methods, the design process sets the stage for the development of a program that produces results.



job role within a

business.





#### Viewpoint

One key factor in designing training is viewpoint. The designer must consider the training from the viewpoint of the learner.

#### Elements

The design phase of developing training includes establishing learning objectives, planning the steps to achieve those objectives, sequencing and structuring the steps to be taken including projects, lectures, videos, assignments, presentations, readings or other activities, and determining evaluation procedures.

#### **Considerations**

In designing a training program, the designer considers a variety of factors that will impact the training, including the current knowledge level of the audience, availability of various technologies, time frames, available resources and how the training may complement or conflict with existing programs.

#### **Benefits**

The benefit of good design is effective training that engages learners with various methods, flows logically for better learning, uses resources wisely and meets learning objectives

#### Model

ADDIE, a common model used by training professionals, includes the design step. Steps in the model are analysis, design, development, implementation and evaluation.

#### 6.1.3 Roles and Responsibilities for the Trainers

A trainer has many roles to play in order to make any training effective. Unlike in education, where the guru acted as a friend, philosopher and a guide, the relationship between a trainee and a trainer is more professional. Still, a trainer has to wear many hats.

There are many classifications of a trainer's role, which can be stated as follows:

- The trainer
- The provider
- The consultant
- The innovator
- The manager

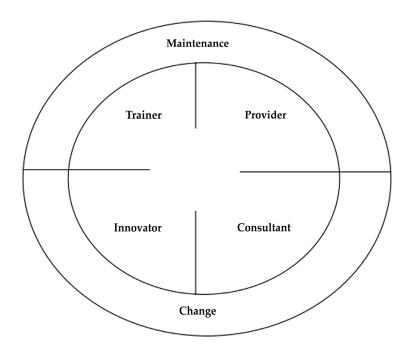


Figure 1: General trainer roles.

#### Trainer

A trainer's role is primarily concerned with actual direct training. It is a role that involves the trainer in helping people to learn, providing feedback about their learning and adopting course designs to meet trainees' needs. The trainer's role may involve classroom teaching and instruction, laboratory work, small group work, supervision of individual project work and all those activities that directly influence immediate learning experiences. In effect, the trainer is a learning specialist.

#### Provider

This training role relates to the design, maintenance and delivery of training programs. It involves training-needs analysis; setting objectives; designing courses; choosing appropriate methods; testing out and evaluating courses or training activities; and helping trainers to deliver the training.

#### **Consultant**

As a consultant, a trainer is primarily concerned with analyzing business problems and assessing/recommending solutions, some of which may require training. It may involve some elements of the provider role but specifically concentrates on liaising with line managers; identifying their performance problems; advising on possible training solutions (where appropriate); working with providers and/or trainers to establish training programs; advising training managers (where the roles are separated) on training goals: and policies; and ensuring evaluation takes place and the results are used.

#### Innovator

As an innovator, a trainer is concerned with helping the organizations to manage the change effectively and to solve performance problems.

It involves:

- Working with managers at senior/middle levels.
- Providing support and help to managers in coping with change.
- Identifying where seminars and workshops can be a useful means of educating managers for change.
- Facilitating change; identifying the real sources of power in the organization and linking with these to help bring about change.
- Advising the training function on how it can best help in the change process.

In organization development terms, such a role might be called 'change agent', 'catalyst', or 'interventionist'. The role frequently overlaps with that of the consultant.

#### Manager

A manager's role in training is primarily concerned with planning, organizing, controlling and developing the training and development activity or function.

It involves the following functions:

- Setting training goals, policies and plans.
- Liaising with other departments and with senior managers about the contribution training can and should make to improving performance.
- Ensuring that appropriate training activities are designed, developed, delivered and evaluated.
- Acquiring and developing training staff; establishing effective lines of authority and **communication** within the training function.
- Acquiring and effectively using non-staff resources.
- Monitoring quality standards and controlling activities against a total training plan.

Some provider roles may contain elements of the manager role in small organizations or in situations where providers have several training programs to deliver.

#### **Changing Role of the Training Manager**

Training managers are subject to several challenges which need to be met often within the parameters of reduced training budgets.



# Keyword

**Communication** is the act of conveying intended meanings from one entity or group to another through the use of mutually understood signs and semiotic rules.



*Technical Challenge*: It is to keep up-to-date with changes in legislation, company policy, new methods of training delivery and new subject matter (especially in Information Technology)

*Strategic Challenge*: It is to monitor and respond to expected changes in skill requirements, and to deliver training which provides demonstrable, measurable bottom line results, both short and the long term.

**Professional Challenge**: It is to keep up-to-date with changing practice, to manage ongoing continuing professional development, and to ensure that the organization's trainers and line managers are informed and practiced in applying the best in training ideas and methods.

Gordon Lippitt has identified four roles for training managers in modern organizations:

- Learning specialist and instructor
- Administrator of training and development staff and programs
- Information coordinator
- Internal consultant to the management of the organization.

Traditionally, the activities of training managers have focused primarily on the first two of these roles. As the need to contract out training projects and to equip managers with staff development skills has increased, so the focus has shifted significantly towards the last two of the roles listed:

- The training manager as information coordinator:
  - Managing and monitoring contractor relationships
  - Enabling and evaluating line manager effectiveness in developing their staff
  - Coordinating an organization-wide skills development effort.
- The training manager as internal consultant:
  - Identifying skill development needs for the future
  - Advising on staff development methods and best practice
  - Evaluating and improving the bottom line effectiveness of the organization's training and development effort

# 6.1.4 Competency-Based Training

Competency-based training (CBT) focuses on the skills and knowledge needed to improve performance in the workplace. Rather than simply testing an individual's book knowledge in a particular area, the focus of CBT is on performance of the competencies necessary in a given workplace setting. These competencies usually include a group of



attitudes, knowledge, and skills relevant for the role and responsibilities of a particular job. Training and professional development through either instructor-led training sessions or computer-based training can improve these competencies. Demonstration of proficiency in specific competencies is typically measured according to a designated set of standards.



Various types of competencies covered in competency-based training include essential or functional competencies, and universal competencies, sometimes called behavioral or core competencies. Essential or functional competencies are those crucial to performing specific job tasks or fulfilling specific roles with a particular employer. Universal, behavioral, or core competencies generalize or transfer to many workplace settings, and may include adhering to codes of conduct, agreeing with fundamental values, and complying with the company's stated mission and goals.

An individual's life experiences, educational background, and other skills acquired in job settings contribute to his or her overall competencies. Many times, however, the human resources department implements different types of competency-based training to address the specific skill sets needed for that company, and to assess the performance of employees. For this reason, CBT is often referred to as performance management, human resource management, or competency-based management.

Different types of competency-based training may be included as part of an employee's professional development. Depending on the company's size and needs, CBT may be conducted in a workshop or conference session, particularly if hands-on practice is necessary. Otherwise, computer-based or online learning modules may be appropriate and are usually accessible through the company's learning management system.

Instructor Led Training, or ILT, is conducted in live workshop or training sessions and can be more conducive to competency-based training when interactive exercises are essential to acquiring specific skills. For example, any position requiring knowledge of CPR and first aid necessitates hands-on application of a specific skill set. Studying CPR from a book does not provide the ability to practice applying the knowledge gained. In ILT, after providing the relevant information, the instructor facilitates application to ensure the learners acquire the necessary competencies to pass the assessment portion of the CBT.

Sometimes computer-based competency-based training is appropriate for employees who must enhance skills needed for their position. For instance, anyone whose job relies on operating a computer and navigating programs relevant to the company's services can typically complete his or her CBT and assessment individually. Computer-based training provides a more flexible and convenient method to train individual employees, as well as large numbers of employees, when live sessions may be logistically and financially less feasible.

### 6.1.5 Orientation and Socialization

Socialization and orientation are two processes that take place in any society. All of us undergo through the socialization process as we become part of the society. Orientation, however, is a bit different from socialization although it is also a form of introduction to a particular context. You may have heard of orientation programs being held in organizations and even at universities or similar places.

Orientation is the process of acquainting new employees with the organization. Orientation topics range from such basic items as the location of the company cafeteria to such concerns as various career paths within the firm.

Hence we can say that induction or orientation is the process through which a new employee is introduced to the job and the organization. In the words of Armstrong, induction is "the process of receiving and welcoming an employee when he first joins a company and giving him the basic information he needs to settle down quickly and start work.

Socialization is a process through which a new recruit begins to understand and accept the values, norms and beliefs held by others in the organization. HR department representatives help new recruits to internalize the way things are done in the organization". Orientation helps the newcomers to interact freely with employees working at various levels and learn behaviors that are acceptable. Through such formal and informal interaction and discussion, newcomers begin to understand how the department/ company is run, who holds power and who does not, who is politically active within the department, how to behave in the company, what is expected of them, etc. In short, if the new recruits wish to survive and prosper in their new work home, they must soon come to 'know the ropes'.

# **6.2 DIVERSITY TRAINING**

Diversity training is an educational tool used by corporations and businesses to teach employees about how to best be productive and innovative team members in a workplace that crosses cultural, socioeconomic, and gender barriers. The main goal is usually to educate employees about different backgrounds, cultures, customs, and points-of-view in order to prevent offense or harassment. When done properly, it can help prevent any form of antagonism, real or perceived, related to race, ethnicity, sexual orientation, or gender. Companies across all sectors make use of this sort of training, though the actual logistics can differ from place to place. Sometimes the exercises take the form of a lecture or informative pamphlet, but they can also involve role play, interactive seminars, and video presentations. Many companies make this sort of training mandatory and it is usually required at regular intervals, like once a year or once a quarter. The phrase "diversity training" can also be used to describe the sort of cultural training employees receive before they're posted abroad; the training is usually geared more towards learning about a specific culture and people rather than teaching tolerance and acceptance more generally.





#### 6.2.1 Basic Idea

Increasingly in many places, the modern workforce and society more generally are becoming more and more diverse. Another way of saying this is that they are becoming less *homogenous*, which basically means that employees and customers both are



coming from an ever wider spread of backgrounds. Sometimes the differences are essentially invisible, such as socioeconomic status, nationality, or marital and familial status, but other times they're evident right away; gender, race, and even age are usually apparent almost immediately. As a consequence, workers are more and more likely to work alongside, with, or for people who are markedly different from themselves. The main goal of diversity-oriented training is to help promote a workplace that's happy and accepting, and where *everyone* feels comfortable.

The training seeks to emphasize the advantages of employing people with various backgrounds and talents in order to provide a well-rounded working environment. Businesses typically can benefit from embracing diversity and taking advantage of skills that all the different types of employees possess. This type of training can provide a natural team building experience, increase the bond between co-workers, and remove unnecessary barriers.

#### 6.2.2 Resources and Approaches

There are usually a couple of different ways to approach the actual training, and most companies opt for something of a combination approach. Methods can change over time, as well, depending on what works and what seems to be the most effective for the people and groups at issue. Most of the time, the training involves a combination of video presentations, lectures, and opportunities for interactive role-playing and hands-on practice dealing and identifying potentially difficult situations. Sometimes employee participation is observed and rated by managers, and participants may also gent individualized feedback. More often, though, the training is more streamlined, seeking primarily to make people aware of situations that might require new or different approaches without requiring any direct participation.

#### 6.2.3 Internal Benefits

One of the most important things this sort of training is typically designed to achieve is to make all employees feel welcomed, appreciated, and utilized for their talents. It not only educates by pointing out practices or phrases to avoid, but it also emphasizes the positive qualities that diversity brings to the workplace. Multiple perspectives, problem-solving ideas, and a variety of life experiences can all strengthen the efficiency and profitability of many different types of businesses.



#### 6.2.4 Consumer-Facing Payoffs

There are also usually benefits when it comes to employee interactions with customers, particularly in service-oriented settings. Training receptionists, clerks, and service agents to be sensitive to and aware of the different backgrounds of their customers can prevent unintended offense, and can make the shopping and buying experience more accepting and, ideally, more profitable as a consequence.

It can also help save the company from discrimination lawsuits, which can sometimes arise if customers feel that they were treated differently because of something like race or gender. Training cannot necessarily prevent these sorts of claims, but helping employees be aware of triggering situations can make them less likely.

#### 6.2.5 Teaching Mediation

Additionally, diversity training can provide a middle ground for mediation and teaching people how to interact with those who are different. It can be challenging for a business to find a forum for communication and resolution of problems. This type of education can aid in the process and guide conflicting parties through reaching a compromise or mutual understanding.

#### 6.2.6 Special Considerations for Transnational Corporations

Diversity training can also be a useful tool to educate employees that are preparing to complete business transactions in other countries. The cultural differences between people in different places can be vast and might make it extremely difficult to communicate, even if all parties speak a common language. Misinterpretation of customs and differing social norms can create difficulties in business interactions and negotiations. Training is often much more focused and channeled than in other settings where the aim is to teach tolerance and respect more generally.

## **6.3 TRAINING AND DEVELOPMENT METHODS**

Training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. It has been known by several names, including "human resource development", and "learning and development.



Training and development is a subsystem of an organization. It ensures that randomness is reduced and learning or behavioral change takes place in structured format. Training and development is one of the most important aspects of our lives and our work. The official and ongoing educational activities within an organization designed to enhance the fulfillment and performance of employees. Training and development programs offered by a business might include a variety of educational techniques and programs that can be attended on a compulsory or voluntary basis by staff.

#### 6.3.1 Classroom Lecture Method

This is the most commonly used, simple, cost effective and conventional method. It is timesaving because it covers maximum number of people in a short period of time. It involves a speech by the instructor with very limited discussions. Clear and direct methods of presentation. Weaknesses of the method are that, lecture time is more than the normal human attention span of fifteen minutes and the contents of the lecture could be easily forgotten. Since the method does not provide for active participation on the part of the trainees, the extent of take-home learning is not to be known clearly. Moreover, lecture might be useful only if the presentation is made skillfully. While lecture is a useful method in so far as information dissemination is



the objective, it has not been highly successful in modifying human behavior or in building commitments in the audience's minds. An improvisation of this method is the lecture-cum-demonstration method in which the lecturer reemphasizes a skill or information by displaying the same in action.



### 6.3.2 Group Discussion Method

It is a method used to knowledge and attitudinal development of trainees. In this method, sets of people examine several empirical studies to find out commonalities to derive the underlying general principles. They then combine their ideas and focus their attention on a given problem at a time, speaking from multiple points of view within a group. An instructor is optional, while a leader is necessary in this method. The various advantages of the method are that more ideas can be generated from each session. Moreover each member gets an opportunity to present one's own ideas and get feedback from members of the same group. Peer pressure and commitments made to groups serve to ensure adherence to decisions jointly taken in the group. As a precaution, care must be taken to secure the participation of all members and make sure that a few members do not pre-determine the course of discussions or dominate the whole proceedings.





# 6.3.3 Simulation Exercises Method

Simulators are a group of training devices of varying degrees of complexity that model the real world. They range from simple paper mock-ups of mechanical devices to computerized creations of total environments. In fact, some argue that case-study, role-play and a host of other methods can be brought under the category of simulation. The advantage of simulation methods is that they improve the possibility of learning without damaging the equipment's or human life or facing the numerous risks involved in actual performance. For example, most of traffic rules, signals and procedures of driving could be taught in a park that resembles main road or through a video game featuring car or two-wheeler driving. Piloting planes are taught using more complex simulations. The methods are indirect but could also be expensive. The method calls for a certain level of grasp and information processing capability and transfer of learning on the part of the trainees.

## 6.3.4 Role Playing Method

Role is a set of expectations around a given position and is determined by the role partners. Roles are always reciprocal and described in pairs such as trainer-trainee, buyer seller, interviewer-interviewee and so on. Playing roles would entail practical problems like inter-role conflicts, intra-role dilemmas, role overloads and role under loads. As a result of these hurdles, role confusion ensues. In order to be trained to perform roles, trainees must attain role clarity. This may involve negotiation among the role senders and role receivers with regard to their expectations with counter expectations upon one another. Participants in role-play method are required to respond to specific problems and expectations of people that they might actually encounter in their jobs. Role-playing is often used to teach such skills as interviewing, negotiating, grievance



handling, performance appraisal, and buying and selling and effective communication. It promotes healthy human relations skills among people.

#### 6.3.5 Case Study Method

It is a written down, narrative description of a real situation or incident relating to an organization and its business, depicting any problem that participants could face in their employment. Participant trainees are required to propose any number of viable solutions or decisions that match the variables represented in the case. Case study can be interest creating and thought stimulating for the participants. It helps to develop analytical, reasoning and problem-solving skills of the participants. As it shows and reduces gaps in understanding, a holistic understanding of reality is made possible through case study method. It also helps to reemphasize messages provided during lectures, group discussions and other methods. The disadvantage of the method might be the difficulty in drawing adequate number of stimulating cases that actually represent the real life situations of the trainees.

## 6.3.6 Sensitivity Training or T Group Training or Laboratory Training Method

It is a set of experiences in unstructured agenda-less groups designed to make people aware of themselves (self-insight), their immediate situation and their own impact on others. Unlike many other programs, T-groups are concerned with the real problems existing within the group itself. People are helped to become more responsive to others' sensitivities and work more harmoniously and responsibly together by encouraging them to interact freely and actively. The members are enabled to recognize group dynamics and diagnose human relationship problems. The participants are encouraged to communicate thoughts and feelings with each other in an open, unstructured, warm and honest manner than is typically done in the usual work or social situation. A beneficial outcome of the method is that participants find better means of behavior for effective interpersonal relationships without the aid of power or authority over others. The method has to be used carefully as people may resent negative feedback and show anger in response. People have to be first prepared well to accept criticism in a constructive manner so that conflicts could be managed properly.

### 6.3.7 Management Games Method

Games are used as a training tool, than as mere pastimes or amusement. Trainees are divided into teams and are given common tasks on which they would be competing to arrive at decisions, and then jointly implementing and evaluating the decisions taken with regard to the games. For example, blocks of wood would be supplied to



every team and one of the members would be blind-folded with a piece of cloth. The person would have to arrange the blocks one above the other, as per the instructions and guidance of the other members. As they set on to reach greater target heights, the rewards would also grow exponentially. This game is used to bring out the nuances of teamwork, leadership styles and communication patterns exhibited by the members while playing the game. The demerits of the method are that, at times, games might result in lack of seriousness in some trainees and that the learning is indirect and slow. But it helps to convey messages in a non-threatening and fun-filled manner.

## 6.3.8 Outward Bound Training (OBT) Method

As part of OBT, managers and other staff members meet and cohabitate as teams at unfamiliar wilderness out of the workplace and away from the hustles and bustles of daily life, where they would live in cabins or tents for a certain number of days. They test their survival skills and learn about their own personality and hidden potentials for creativity, cooperation and leadership. Participants get opportunities to learn their limits and capabilities. Participants irrespective of their official position and seniority would have to learn to be natural in their behavior and get rid of masks worn in an office situation. It is an expensive method and the learning might not be transferable to others or to other situations.

## 6.3.9 In-basket Training (IBT) Method

IBT is a method where the trainee is required to examine a basket full of papers and files relating to his area of work and make recommendations on problems contained in them. This method is meant for trainees in a managerial level to improve their decision-making and problem-solving abilities. This is a form of simulation training designed around day to- day business situations and hence is transferable to the job experiences. The participant is usually asked to establish priorities for and then handle a number of office papers, such as memoranda, reports, telephone messages and emails that would typically cross a manager's desk. The method has at least two main stages. At the outset, the participant starts by working through the case within a specified time limit all by himself without discussing the details with anyone. Subsequently, other participants analyze and discuss the questions of who's, whish's, how's, what's, where's, why's and when's of each decision or step. The merits of this method include the best of traditional case study at the same time combining the refinements to allow greater flexibility, realism and involvement.

The emphasis here is to understand things thoroughly, which is an opportunity too rarely presented during busy working days. It is done in a permissive atmosphere of experimenting and learning, rather than within the confines of a boss subordinate relationship.

#### 6.3.10 Vestibule Training Method

This kind of training takes place away from the production area on equipment that closely resembles the actual ones used on the job. It is a type of off-the-job training in which employees get training in a realistic job setting but in a location different from the one in which they would be working. For example, a group of lathes may be located in a training center where the trainees will be instructed in their use. The method is used frequently for training typists and bank tellers, among others. The word 'vestibule' means entrance. Thus vestibule training serves to facilitate fullfledged entry into job. A primary advantage of vestibule training is that it removes the employee from the pressure of having to produce while learning. Disturbance of production or supervisor during training is minimized. The disadvantages include the extra investment on equipment and additional persons to be employed as trainers.

## 6.3.11 Apprenticeship Training Method

It combines classroom instructions with on-the-job training. It is a method in which trainees at a novice stage called 'apprentices', work under the guidance of skilled, licensed instructor and receive lower pay than workers. The method is a combination of education and employment and is aimed at preparing workforce with certain levels of qualification to meet the growing needs of the industry. The method develops special skills like mechanical, electronic, tailoring, etc. Apprenticeship is traditionally used in skilled jobs, such as those of plumber, carpenter, machinist and printer. The extensive nature of the training assures quality outputs, though time consumed is long. Employees recruited from the apprenticeship program are expected to hit the ground running, implying that they would have to start performing with efficiency. But uniform duration of apprenticeship training does not permit slow learners to reach the levels of mastery like others.

### 6.3.12 Work Shadowing Method

This training method is chosen while preparing a second-line leader to take up the role of the headship, in which case, the candidate could not benefit by sending them to any other formal training program. The best way to be trained for a future executive position would be through direct participant observation of the crucial events that take place in the present incumbent's work life. The trainees are made to remain in the company of the role model whose work is to be learnt by the trainees. Trainees learn the intricacies of a job of high level, by physically being in the presence of the job-holder. Closely following the styles of working permits greater degree of learning besides helping the trainee to imbibe the values and principles adhered to by the



model. Yet, care needs to be taken to avoid situations wherein trainees are not warmly welcomed and are seen by supervisors in the department as obstacles to their routines.

#### 6.3.13 Programmed Instruction Method (PIM)

PIM provides instruction without the face-to-face intervention of an instructor. To ensure a sequential approach to learning, instructions are designed in such a way that all future learning depends on acquisition and retention of previous learning. With this method, information is broken down into small portions called 'frames'. The learner reads each frame in sequence and responds to questions designed to verify learning. Based on the answers given by the trainees they are provided with immediate feedback on response accuracy. If the learners have got all the answers right, they proceed to the next frame. If not they repeat the frame. Primary features of this approach are immediate reinforcement and the ability of learners to proceed at their own pace. Programmed instructions may be presented in a book or in computers.

#### 6.3.14 Large Scale Interactive Events (LSIE) Method

The method has a lot of unique advantages when compared to other methods. First, this method stresses upon the sharing of expertise by all the participants, unlike other methods where the instructor supplies most of the inputs and might even look down upon trainees as people who are ignorant or unskilled in the topic being covered. LSIE is based on the belief that all the participants, by virtue of being in their job for a certain period of time, possess some degree of expertise that need to be shared and combined with that of others.

Second advantage is that this method transcends the limitation of other methods in terms of the number of people who could be trained per batch. The major advantage of this method is that a group as large as 300 – 400 members could be trained simultaneously without losing the effectiveness of other training methods. The third advantage is the use of group processes. While the trainer limits his role with a brief but inspiring presentation to stimulate thinking of the participant, the methods paves way for active involvement of all the participants who are assigned various roles such as sub-group leader, recorder, summarizer, presenter etc. A fourth advantage of the LSIE is that the group emphasizes on extensive on-the-spot documentation of viewpoints expressed by people. Finally, the method culminates in the entire large group addressing to the common issues. At this stage, priority is to be set on areas of intervention and a plan of action is drawn and accepted based on voting by members, thereby building commitment of all the participants to implement the agreed upon plans. A disadvantage of the method could be that it requires a lot of volunteers to assist the proceedings.

#### 6.3.15 Personal Coaching Method

It is an on-the-job approach in which a manager has the opportunity to teach an employee, usually his immediate subordinate, on a one-to-one basis. Coaching is helping self and others gain new perspectives their intentions and behaviors, to understand what's possible and how to access inner resources such as motivation, commitment, passion, etc. as a coach, the supervisor gently confronts employees with their shortcomings and makes suggestions for corrective actions. The supervisor is also alert to encouraging good performance. Coaching is considered to be one of the most effective management development techniques. Constant guidance makes the trainee learn quickly.

#### **6.3.16 Mentoring Method**

Mentoring is an on-the-job approach to training in which the trainee is given an opportunity to learn on a one-to-one basis from more experienced members of the organization. The mentor is usually an older, experienced executive who serves as a host, friend, confidant and advisor to a new member of the firm. The mentor is given the charge of protecting and responsibility of helping the new employee. The relationship may be formally planned or it may develop informally. For mentoring to be productive, the parties' interests must be compatible and they must understand each other's learning styles and personalities. If mentors form overly strong bonds with trainees, unwarranted favoritism might result. A highly successful mentor-protégé relationship might create feelings of jealousy among other colleagues who are not able to show equally good results out of the mentoring process.

#### 6.3.17 Job Rotation Method

This method of training involves the shifting of trainees from one job to another so as to widen their exposure and enable them to obtain a general understanding of the totality of the organization. Besides helping them to overcome boredom, job rotation permits direct interaction with a large number of individuals within the organization, thereby facilitating future working relationships. The method should be used at sufficient gaps to permit the development of a strong degree of expertise in the trainee in an assigned position. Care should be taken by the organization to ensure that work efficiency does not suffer when a few trainees are rotate into new jobs where they would be taking time to learn and perform. There could be some disadvantages of using the method of Job Rotation.

Trainees have to be prepared to face contrasting styles of operation and standards that vary according to superiors. Some trainees might feel more like visiting casual observers in the departments than being a part of the workforce, which would negate the



purpose of job rotation. Employees who are looking for more challenging assignments might feel frustrated when asked to perform different kinds of simple jobs at the same level.

#### 6.3.18 Computer-Based Training (CBT) Method

CBT is a technology-driven training method that takes full advantage of the speed, memory and data manipulation capabilities of the computer for greater flexibility of instruction. It involves the trainee sitting in front of a computer terminal rather than listening to an instructor. Learning is enhanced through presentations combining automation, stereophonic sound, full motion video and graphics. Increased speed and decreased dependence on instructor are the strengths of this method. Computer-Managed Instructions (CMI) is a system that automatically generates and scores tests, tracks trainees' performance and prescribes activities for students. An orderly, step-by-step manner is possible by using this method. As additional advantages, CBT allows reuse of the program for any number of time and allows for varying time for fast and slow learners.

But CBT method cannot reduce the learner's anxiety and fear, which can be done only by a trained instructor. CBT is well suited for teaching facts but is less useful for teaching human skills or changing attitudes.

#### 6.3.19 Behavior Modeling Method

This method involves emulation of behavior from a reference group or a role model whose behavior is shown live before the trainees or by using videotapes or Compact discs (VCD). The method entails recording and producing events or situations with clear descriptions in order to cover certain subjects. The footage could be viewed, reviewed and discussed to enhance learning quality. The advantages of using this method are many. Many events and discussions can be put on one tape or CD. It is a handy method for small firms that cannot afford more expensive approaches. It is particularly helpful for first-line supervisors.

Observing a powerful model in the audiovisual form could help learn activities like mediating during conflict situations, handling customer complaints and grievances. The challenges involved in using the method include the high level of one-time production costs in the initial stage. Moreover, projectors and other expensive gadgets would be required along with continuous power supply.

#### 6.3.20 Internship Method

Internships involve placing young college and university students in temporary jobs in which they can earn while they learn, with no obligations towards any regular employment from the side of the employer or from the trainee. Such an arrangement enables to provide a fresher the much-needed exposure to an organization and also to determine the person organization fit. Students divide their attention between academic activities and practical work assignments, which help them to internalize the theory and practices. However, care must be taken to prevent the whole process from getting reduced to the fulfillment of merely an academic requirement rather than being treated as a stepping-stone towards an illustrious career.

### 6.3.21 Development Centre Method

This method is designed based on the structure, styles and contents of assessment centers used to assess the potential of an individual to meet the demands of a higherlevel managerial position. Multiple facilitators observe the members performing multiple tasks according to multiple criteria, using multiple methods. However, the difference in development centers is that they focus their attention on helping to improve the potential of the persons participating in the sessions. This method of training is found effective in building leadership, decision-making, goal setting and counseling skills in experienced trainees.

## **6.4 DEVELOPING TRAINING MATERIALS**

Training materials are a necessary part of any program or activity that involves knowledge acquisition and retention. The best approach to developing instructional materials is to start by examining the training plan and available resources. Depending on the learning objectives and length of the training program, training materials may include workbooks, training manuals, computer-based lessons and audio-visual aids. Here are a few strategies for developing training materials.

### 6.4.1 Identify the Objectives of the Training Program

The goal may be to teach computer lab managers how to access and navigate various software programs. In a classroom of aspiring babysitters, the objective may be to help teenagers master the most critical aspects of caring for small children.



## 6.4.2 Develop a Training Plan

A plan is an overview or outline of how training will be approached. It typically includes the training program schedule, key learning objectives and a list of the available resources.

• *Estimate how much time to spend on each learning objective*. This will assist in the development of training materials and ensure that equal time is devoted to concepts of equal importance.





#### 6.4.3 Create a List of Necessary Training Materials

Participants in a software training program may need hands-on access to the software, screen shots of more complicated software elements, and a training manual that details software features in a step-by-step fashion.



#### 6.4.4 Write an Explanation of Core Skills to Be Learned

This is an overview of what class participants can expect to learn after progressing through the training materials. In a class for babysitters, for example, delivering first aid, changing diapers, providing meals for children and handling emergencies may be the main objectives.

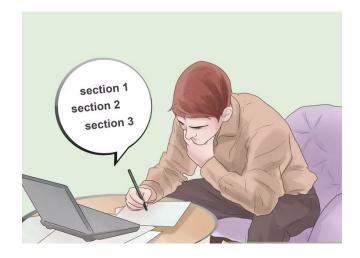


3G E-LEARNING

## 6.4.5 Dedicate a Separate Section to Each Learning Objective

When creating an online module for babysitters, you would provide an entire chapter consisting of various first aid lessons.

• *Create Individual Lessons*. In a software training class, if the main objective is to teach occupational trainers how to navigate instructional software, each lesson might focus on a different objective. *For example*, one lesson might introduce learners to the goal of the occupational software. The next lesson might demonstrate the function of each navigational button. The following lesson might address how to run performance reports after students have completed assigned lessons.



## 6.4.6 Integrate Visual Elements

Use graphics, videos, tables and other visual tools to reinforce important concepts.



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#### 6.4.7 Incorporate Review Exercises

To accommodate various learning styles, integrate review exercises in various formats. For example, training materials may include true or false or multiple choice questions to reinforce content. After watching an instructional video, ask students to break up into small groups to discuss the content.



#### 6.4.8 Establish an Assessment Component

If using videos or presentations to train students, assess students by asking learners to write down their impressions. When creating a training workbook, knowledge may be assessed through the use of quizzes.





## 6.4.9 Ask Learners for Feedback

Evaluate the effectiveness of the training materials by asking training program participants to share their opinions. Training material feedback forms could contain questions about organization, clarity, variety and usefulness, and may be used to revise and improve the materials.



## 6.4.10 E-learning Environment

E-learning is another term for online learning. As long as someone has access to a computer and a network, the ability to learn via the Internet is vast and can happen at any hour of the day without having to physically attend a class. It can include taking a class for a few hours to spending a significant amount of time on the course learning for fun or for the purpose of earning a certification or degree.



3G E-LEARNING

Managed learning environments, or MLEs, are software systems that are configured to help a facilitator manage the education process. This is in contrast to a virtual learning environment, where the focus is on the tools used in the process of teaching in an online setting. Essentially, a managed learning environment helps to set the perimeters of the learning experience, and makes it possible to standardize the resources used in learning in a manner that results in measured results.

#### 6.4.11 Flexible Learning

Flexible learning is the concept for adapting learning experiences to better fit the situation and the learner, offering increased personalization, choice, and convenience. Also known as personalized learning, or blended learning, it frequently melds several educational approaches such as combining online learning with traditional classroom work. It is especially well-suited to serving the diverse needs of adult learners who are often balancing continuing education with other demands.



In general, flexible learning approaches have a high degree of personalization in response to the preferences and needs of the learner. The methods chosen can be tailored to each learner's strengths; someone who learns best by using hands-on methods can do so, while a more visual learner might utilize a textbook or computerbased approach. Personalization can also allow for granting credit for life experience or on-the-job training.

Other important components of flexible learning are choice and convenience. Learners have choices about when and where learning occurs and about what methods to use to accomplish their goals. An example would be making a selection between in-person classroom time or utilizing e-learning tools. Another possibility would be deciding between learning in the workplace, at home, or in a formal setting. This flexibility allows the learner to choose the most convenient, effective option so that learning can occur at a time and place that is most advantageous.

An advantage of flexible learning is the ability to mix and match instructional methods to develop a custom approach for individual learning needs and situations. The method can be matched to the learner and to the environment to make education accessible to a wide range of students. It is also possible to combine several methods to create a multimedia experience that encompasses several facets of a subject in a compelling manner. An example may include receiving factual information via an online course, then putting the learning into action with a practical application on the job or during an **internship**. The learner could participate in classroom time to process the experience by sharing it with other students and professionals and receiving feedback.

For many reasons, flexible learning is ideally suited to adult learners. The elements of choice and convenience help to make education more manageable for busy people with many demands on their time. The inherent flexibility makes it a natural choice for the type of work-based continuing education coursework required in many careers. Along with the emphasis on choice and personalization, flexible learning approaches also place a lot of responsibility for success on the learner. This makes it more suited to adult learners who usually have high levels of motivation to succeed.

#### 6.4.12 Personal Development

Personal development is a way for an individual to set goals and improve his life. It typically requires a person to evaluate his life at the present, which helps to determine where he wants to be in the future. Every **personal development** is different, depending on the person. It usually, however, involves some sort of plan to get the most out of life.



Internship is a job training for white collar and professional careers. Internships for professional careers are similar in some ways to apprenticeships for trade and vocational jobs, but the lack of standardization and oversight leaves the term open to broad interpretation.





Positive growth is often the desired outcome of most personal development plans, and they are usually geared toward improving an individual's life. It often includes certain actions that a person must do to reach a certain goal in his life or, in some cases, multiple goals. This can include such things as education, career, lifestyle, or relationships. While some people may be more interested in a secure financial future, others may be more interested in being surrounded by love and friendship as they grow older.

Most life coaching experts agree that the first step to developing a decent personal development plan is to perform an honest self-evaluation. During this time, a person should try to get a better understanding of himself. Things such as priorities, strengths, weaknesses, values, and ethics should be explored by looking at the past and present. From there, a plan can be developed to help attain future goals and lead a more fulfilling, happy life.

Like personal development goals, every personal development plan is different. It is a highly individualized process, as many people have different goals and abilities and different ways they can achieve these goals. No matter how different, however, every plan of this sort requires patience, dedication, and consistency. Achieving goals hardly ever happens overnight, or even within a few months. It can take years, or even a lifetime, to happen. Personal

#### development

is a lifelong process. It is a way for people to assess their skills and qualities, consider their aims in life and set goals in order to realize and maximize their potential.



For a self-improvement plan to work properly, an individual must be willing to work hard to realize his aspirations. Doing it alone, though, can be a very overwhelming task. Many experts advise that individuals following a personal development plan enlist the help of family, friends, teachers, co-workers, or any other people that may be able to help and support them.

Some individuals may prefer to hire a life coach. While there is technically no training required to become a life coach, this practice follows many simple guidelines of psychology, sociology, mentoring, and different types of counseling. Instead of analyzing the past, life coaches claim to assist their clients by supporting them and helping them set and reach certain goals.

### 6.4.13 Outsourcing

Outsourcing is the act of one company contracting with another company to provide services that might otherwise be performed by in-house employees. Often the tasks that are outsourced could be performed by the company itself, but in many cases there are financial advantages that come from outsourcing. Many large companies now outsource jobs such as call center services, e-mail services, and payroll. These jobs are handled by separate companies that specialize in each service, and are often located overseas.



## 6.4.14 Reasons to Outsource

There are many reasons that companies outsource various jobs, but the most prominent advantage seems to be the fact that it often saves money. Many of the companies that provide outsourcing services are able to do the work for considerably less money, as they do not have to provide benefits to their workers and have fewer overhead



expenses to worry about. Depending on location, it may also be more affordable to outsource to companies located in different countries.

Outsourcing also allows companies to focus on other business issues while having the details taken care of by outside experts. This means that a large amount of resources and attention, which might fall on the shoulders of management professionals, can be used for more important, broader issues within the company. The specialized company that handles the outsourced work is often streamlined, and often has world-class capabilities and access to new technology that a company could not afford to buy on their own. Plus, if a company is looking to expand, outsourcing is a cost-effective way to start building foundations in other countries.

#### 6.4.15 Possible Disadvantages

There are some drawbacks to outsourcing as well. One of these is that it often eliminates direct communication between a company and its clients. This may prevent a company from building solid relationships with their customers, and often leads to dissatisfaction on one or both sides. There is also the danger of not being able to control some aspects of the company, as outsourcing may lead to delayed communications and project implementation. Any sensitive information is more vulnerable, and a company may become very dependent upon it is outsource providers, which could lead to problems should the outsource provider back out on their contract suddenly.

There are four types of outsourcing services: professional, manufacturing, processspecific and operational. Each of these services have grown in popularity as more businesses look to reduce their overhead costs while maintaining the same level of output or support. There are risks and benefits to outsourcing that must be considered when looking at different types of outsourcing services. The greatest benefit typically is cost reduction, because the company saves in both equipment and labor costs. The largest risks are related to quality and control.

#### 6.4.16 Training Efforts

Training should be evaluated to determine its effectiveness.

The basic criteria available to evaluate training programs are:

*Reactions of Participants:* One of the simplest and most common approaches to training evaluation is assessing participants' reactions. Participants can give us insights into the content and techniques that they find most useful.

Potential questions to trainees may include questions like:

What we're learning goals from this program?



- Did we achieve them?
- Would we recommend the same training program to others?
- What suggestions do we have for making the training program effective?

*Performance of Trainees:* Beyond what participants think about the training, it might be a good idea to see whether the trainees actually learned anything. Testing knowledge and skills before beginning a training program gives a baseline standard on trainees that can be measured again after training to determine improvement. The training program, trainer's ability and trainee's ability are evaluated on the basis of quantity of content learned and time in which it is learned and learner's ability to use or apply the content learned.

*Performance of the Training Itself*: It is necessary to evaluate the training program itself.

The methodology of evaluation consists of setting up a control group and an experimental group and follows a four-tier system:

- (i) By the subordinate
- (ii) By the superior
- (iii) By the peers, and
- (iv) By the trainee in terms of observed behavior before and after training.

*Behavioral Change in the Trainees:* Even after an effective training program the trainees may not demonstrate behavior change back on the job. Transfer of training refers to the effective application of principles learned to what is required on the job. There are several methods for assessing transfer of learned skills back to the job. These include observations of trainees, interviews with trainees' managers and examination of trainees' post-training performance appraisals.

*Organizational Effectiveness:* Some of the results-based criteria used in evaluating training include increased productivity, fewer employee complaints, decreased costs and waste and profitability. The ultimate result of the training program should contribute to the organizational goals. If the training is to be effective, the organization should be the prime object. For this, we should diagnose organization needs as a prerequisite. We have to find out the ills that challenge the organization's effectiveness (both now and in the future) and that should form the base for action.

### 6.4.17 Kirkpatrick Model of Training Effort Evaluation

Parties spend substantial amount of money, energy and time on training and development their employees. A four-level training evaluation proposed and developed by Donald Kirkpatrick remains a classic and most comprehensive model that has enormous practical. These four levels are given as:

*Level 1 Reactions*: One of the simplest and most common approaches to training evaluation assessing participants' reactions. Participants can give us insights into the content and techniques that they find most useful. Most of the trainers and training institutes perform level we evaluation.

*Level 2 Learning:* Beyond what participants think about the training, it might be a good idea to see whether the trainees actually learned anything. Testing knowledge and skills beginning a training program gives a baseline standard on trainees that can be measured again after training to determine improvement. The training program, trainer's and trainee's ability are evaluated on the basis of quantity of content learned and time in which it is learned and learner's ability to use or apply the content learned. Level 2 evaluations help to understand the effectiveness of training delivery in terms of participants learning.

*Level 3 Transfer: This* involves assessing the benefit of training to the work in the real world. Transfer of training refers to the effective application of principles learned to what is required on the job. There are several methods for assessing transfer of learned skills back to the job. These include observations of trainees, managers and examination of trainees' post-training performance appraisals. Level 3 evaluations are conducted any time after six weeks to six months of training delivery.

*Level 4 Business Results*: The ultimate result of the training program should contribute beside the organizational goals like increased productivity, fewer employee complaints, decreased costs and waste, profitability, etc., and the individual goals like personality development, and social benefit to the participant. This is the most difficult part of the evolution. This is usually carried out once in a year using survey techniques and business and training data.



Figure2: Kirkpatrick evaluation model.



# CASE STUDY

## EMPLOYEE TRAINING AND DEVELOPMENT AT MOTOROLA

US based Motorola is the world's leading electronics and telecom goods company. It has been adjudged as one of the top employee training companies in the world. Motorola gave utmost importance to training right from its inception. This case describes how training and a strong learning ethic has been an integral part of Motorola's culture.

It explains in detail the various employee training and education initiatives undertaken by Motorola University and examines how these initiatives helped in improving employees 'productivity, performance and quality of work. The case also describes Motorola's e-learning initiatives and highlights the benefits of e-learning for employee training and development.



#### Top Training Company in the World

For nearly eight decades, the US based Motorola Inc. (Motorola) has been recognized as one of the best providers of training to its employees in the world. Motorola began training its employees' right in 1928, the year of its inception, on the factory floor as purely technical product training.

Training, at that time, just meant teaching new recruits how to handle the manufacturing equipment to perform various predetermined tasks assigned to them. But by the 1980s, Motorola had emerged as a model organization in the corporate world for employee education, training and development.

The innovative training programs of Motorola turned training into a continuous learning process. In the 1980s, the training initiatives of the company culminated in the setting up of the Motorola Education and Training Center, an exclusive institute to look after the training and development requirements of Motorola's employees.



The institute was later elevated to the status of a university Motorola University in 1989. These training experiments became such a resounding success that employee productivity improved year after year and quality-wise Motorola's products became synonymous with perfection.

Leading companies all over the world visited Motorola's headquarters to study the high-performance work practices of the company. They discovered that Motorola's success was built on the strong foundations of corporate-wide learning practices and that Motorola University was the cornerstone of corporate learning.

In recognition of its excellent training and development practices, the American Society for Training and Development (ASTD) named Motorola the 'Top Training Company' and conferred on Robert Galvin (Galvin), the former CEO of the company, its 'Champion of Workplace Learning and Performance Award' for the year 1999. Speaking on Motorola's training initiatives and Galvin's contribution, Tina Sung, President and CEO of ASTD, said, "Galvin is a true champion of employees being an integral part of the organizational success. He set the corporate standard for investing in education and has demonstrated that training and development pay off in productivity, performance and quality."

#### Training and Development Initiatives

#### Initial Efforts

Motorola had started training its employees' way back in the 1920s, and the importance of training continued to grow. Till the early 1980s, Motorola had its own standard employee development activities in which training was the key element.

During those days, when people were recruited for manufacturing, the company looked for three essential qualities in the employees - the communication and computational skills of a seventh grader; basic problem solving abilities both in an individual capacity and as a team player; and willingness to accept work hours as the time it took to achieve quality output rather than regular clock hours.

The quality of the output was the primary consideration for Motorola, and employees were expected to make full efforts to achieve quality. Most of the employees learned their job through observing the seniors at work and learning through the trial and error method. The training lessons imparted to them involved techniques to improve their communication skills and sharpen their calculation skills.



#### Motorola University

After conducting various training experiments that spanned a few decades, Motorola came to understand that training involved more than designing and implementing one particular program for a set of employees. To keep improving performance, training should be a continuous learning process involving each and every person in the organization. Normally, training was an ad hoc measure, whereas education gave the recipient a vision. Education was viewed as an investment rather than a cost. Therefore, Motorola decide to elevate MTEC to the status of a university in 1989.

#### Focus one-Learning

Motorola University created a new internal institute named College of Learning Technologies (CLT) to develop educational delivery systems through satellite, Internet and virtual classrooms.

This department was responsible for providing innovative learning via virtual classrooms, online experiences, and use of CD-ROMS and through multimedia such as video and satellite conferences. The university placed a large selection of courses and training materials on its intranet, available around the world at any time to its employees.



## **SUMMARY**

- Training and development is one of the lowest things on the priority list of most companies.
- Training design or instructional design is the process of creating a blueprint for the development of instruction.
- Competency-based training (CBT) focuses on the skills and knowledge needed to improve performance in the workplace.
- Orientation is the process of acquainting new employees with the organization.
   Orientation topics range from such basic items as the location of the company cafeteria to such concerns as various career paths within the firm.
- Socialization is a process through which a new recruit begins to understand and accept the values, norms and beliefs held by others in the organization.
- Diversity training is an educational tool used by corporations and businesses to teach employees about how to best be productive and innovative team members in a workplace that crosses cultural, socioeconomic, and gender barriers.
- Training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings.
- Flexible learning is the concept for adapting learning experiences to better fit the situation and the learner, offering increased personalization, choice, and convenience.
- Personal development is a way for an individual to set goals and improve his life. It typically requires a person to evaluate his life at the present, which helps to determine where he wants to be in the future.



# **MULTIPLE CHOICE QUESTIONS**

#### 1. E-learning is all about

- a. computers and computing
- b. being technology-driven
- c. electronics
- d. experience

# 2. The planned use of networked information and communications technology for the delivery of training is called

- a. case study
- b. e-learning
- c. role playing
- d programmed learning

#### 3. Which one of the following is a source of assessing training needs?

- a. performance evaluation
- b. attitude survey
- c advisory panel
- d. All of the above
- 4. Laboratory training is also known by the name
  - a. sensitivity training
  - b. job instruction training
  - c. apprenticeship training
  - d None of the above
- 5. ..... method creates a situation that is as far as possible a replica of the real situation for imparting training.
  - a. The lecture
  - b. The case study
  - c. The Simulation
  - d. The programmed learning



#### **Review Questions**

- 1. What are the types of training?
- 2. Discuss about the competency-based training.
- 3. Define the diversity training.
- 4. Explain the flexible learning.
- 5. What do you understand by personal development?

#### Answer to Multiple Choice Questions

1. (d) 2. (b) 3. (d) 4. (a) 5. (c)



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# **INTERPERSONAL COMMUNICATION**

"The possibility of interpersonal communication has increased substantially with contemporary technology. But as compared with the major changes, which were long ago, these are not huge."

- Noam Chomsky

## **INTRODUCTION**

Interpersonal communication is the process by which people exchange information, feelings, and meaning through verbal and non-verbal messages: it is face-toface communication.

#### LEARNING OBJECTIVES

After studying this chapter, you will be able to:

- 1. Understand the interpersonal communication in the workplace
- 2. Define the basic interpersonal communicative skills
- 3. Learn about self-awareness
- 4. Describe the basic concepts for teamwork



Interpersonal communication is not just about what is actually said - the language used - but *how* it is said and the non-verbal messages sent through tone of voice, facial expressions, gestures and body language.

When two or more people are in the same place and are aware of each other's presence, then communication is taking place, no matter how subtle or unintentional.

Without speech, an observer may be using cues of posture, facial expression, and dress to form an impression of the other's role, emotional state, personality and/or intentions. Although no communication may be intended, people receive messages through such forms of non-verbal behavior.

## 7.1 INTERPERSONAL COMMUNICATION IN THE WORKPLACE

Interpersonal communication in the workplace plays an important role in employee satisfaction, motivation, collaboration and business success.



Interpersonal communication is the process of exchange of information, ideas and feelings between two or more people through verbal or non-verbal methods.

It often includes face-to-face exchange of information, in a form of voice, facial expressions, body language and gestures. The level of one's interpersonal communication skills is measured through the effectiveness of transferring messages to others.

Commonly used interpersonal communication within an organization include daily internal employee communication, client meetings, employee performance reviews and project discussions. In addition, online conversations today make a large portion of employees' interpersonal communication in the workplace.

# 7.1.1 The Importance of Interpersonal Communication in the Workplace

On a scale from 1 to 5, managers rate the importance of having good interpersonal skills at 4.37, just below the 'ability to work in teams.

There are many reasons why they are so valued; even though most workplace business is now conducted through online communication channels, it is still necessary to possess verbal skills in order to work effectively with your colleagues and bosses.

Therefore, interpersonal skills are crucial for business success. Let's now take a look into why interpersonal communication is crucial for your career development and productivity in the workplace.

Problem solving. Interpersonal communication skills are necessary because they allow people to discuss problems and weigh the pros and cons of alternatives before coming up with the final solution.

For example, brainstorming exercises are situations in which interpersonal communication comes into play as it is very important that everyone feels respected and free to **share their voice**, ideas and views.

Alignment with business goals. Poor communication between employers and employees can harm the business in many ways. When managers and leaders are unable to clearly communicate tasks, workers can quickly become frustrated and disconnected with the business goals.

Moreover, many employees say that their managers don't give them clear directions and goals for their work.

Keyword Body language is a type of nonverbal communication in which physical behaviors, as opposed to words, are used to express or convey the information.



Communication, a natural human behavior, became a topic of study in the 20th century.



Therefore, managers should be able to, with proper online and offline communication as well as the right internal communication tools, continuously align employees with the business strategy.

• **Trust.** According to the **American Psychological Association**, a quarter of employees in the US do not trust their employers, and only about 50% of them believe that their bosses are open with them.

Lack of trust and transparency are some of the most common causes of poor workplace communication.

Interpersonal communication skills are crucial for improving trust and workplace communication, and all employees, especially business leaders, should therefore improve communication with their employees.

• **Change management.** Good interpersonal communication is very important during change management efforts within organizations.

Effective employee communication helps employees better understand the change, align with it and collaboratively work towards implementing the change successfully.

• **Company culture.** Interpersonal relationships, especially when executed well, are important for an organizational culture to thrive.

When employees possess good interpersonal communication skills, organizational culture becomes more synergic and positive. With bad interpersonal relationships, on the other hand, negativity, confusion, and conflicts become inevitable.

This ultimately ruins the work environment, reduces employee productivity, and adversely affects the company's bottom line.

- **Employee recognition.** Good interpersonal communication drives more employee recognition. When employees have good interpersonal relationships with each other and their managers, they are more likely to recognize each others' good work and give constructive feedback.
- Workplace miscommunication. Managers who maintain professionalism, open workplace communication and a positive attitude are more likely to be seen as approachable by their employees.

When employees feel like they can speak openly with decision-makers, workplace miscommunication, gossip and rumors are much less likely to happen.

• **Personal relationships.** Interpersonal skills are extremely important for creating and maintaining meaningful personal relationships in the workplace.

People with good interpersonal communication skills can, therefore, build healthy relationships with their colleagues and work much better as a team.

• Effective management and leadership. The ability to foster interpersonal relationships, establish trust and communicate clearly are all crucial skills for an effective leader.

When a manager has poor interpersonal communication skills, they can expect to irritate and confuse employees. In fact, there is a greater need for managers to work on their interpersonal skills than there is for the average employee.

• **Employee success.** Good interpersonal communication skills are also necessary for managers to help their employees do their jobs successfully. Leaders need to be able to pass on the right skills to the employees that will enable them to perform their tasks and achieve business goals.

Moreover, they should be the ones to teach their employees interpersonal communication skills.

• **Conflict management.** Conflict is normal in the workplace, and we can't always expect from our employees to resolve conflicts in a calm and timely manner. When conflicts like this arise, interpersonal communication becomes crucial for resolving them.

Conflict management cannot happen without effective interpersonal communication. In fact, all conflict management strategies that use communication to soften situations in stressful environments are much more successful.

• **Career development.** As many employers are looking for workers with good communication skills, continuous improvements of interpersonal communication skills can bring career progressions for many employees.

Moreover, in a survey conducted by Workforce Solutions Group, it was revealed that more than **60% of employers** say that applicants are not demonstrating sufficient communication and interpersonal skills to be considered for jobs.

In addition, the increasing prevalence of communication technologies means that employees and communicators now have to adapt to the new employee communication trends.

Remote work. This year, we have all witnessed the importance of communication in the workplace. With the emergence of remote work, interpersonal communication among peers, colleagues, managers and leaders has been disrupted. Yet, it is more important than ever before.

In order to keep their cultures open and transparent, employers need to **continue to drive engaging workplace conversations** even when employees are physically dispersed.

• **Crisis management.** In addition to remote work, many employers will remember 2020 as the year of crisis management. One of the characteristics of companies

that manage crisis more successfully, is the ability to drive interpersonal communication within the workplace.

When employees are connected and have the ability to collaborate efficiently, it is much easier for organizations to communicate the impact of the crisis on both personal and company-wide levels.

#### 7.1.2 Interpersonal Communication and Remote Work

The fact that **remote work is becoming the new normal** for many organization, also rises many questions around how to adapt workplace communications to this new situation.

Even though interpersonal communication is often considered as an in-person communication, we all know that remote work is completely **reshaping the way our employees communicate**.

In order to adapt to this new trend, employers are now looking for new ways to keep their workforce connected, engaged and well informed. Also, as many employees are now experiencing extensive information overload, employers need to understand that, when it comes to internal communications, one size does not fit all.

They need to have a very good understanding about how internal communications channels are used, and they need to have the knowledge around how to make communication more personalized based on employees' locations, languages spoken, titles and responsibilities and well as employees interests.

Many are, therefore, implementing new, modern employee communication solutions that serve as a central place for keeping remote, blue collar as well as in-office employees together, as well as for driving meaningful, two-way company conversations on a daily basis.

#### 7.1.3 Elements of Interpersonal Communication

In communication theory, there are six key components of interpersonal communication.

#### The Communicators

Term communicator refers to both the sender of the information as well as the receiver. In interpersonal communication, there are at least two communicators involved in the conversation.

#### The Message

One of the most important parts of interpersonal communication is the message. Message can be conveyed in many ways: speech, body language, tone of voice, gestures and other indicators.

#### Noise

Noise refers to the gap between the message that is received and what it sent. Examples of noise include jargon, language barriers, inattention and more. Noise is the problem that many companies face in the workplace, and the reason why internal communicators are struggling to get the necessary employees' attention.

#### Feedback

Feedback is the response of the receiver. In other words, it's the message sent back to the sender. Feedback is important because it allows the sender to know whether the message has been received and interpreted correctly.

#### **Context**

Whether a message is received and interpreted correctly depends mostly on context. Therefore, interpersonal communication is contextual. Context is about the environmental factors that influence the outcomes of communication.

These include time and place, as well as factors like family relationships, gender, culture, personal interest and the environment.

#### Channel

Finally, this interpersonal communication element refers to how the communication occurs. A message is sent and received through a specific channel, or medium.

Besides face-to-face communication, some of the most common communication channels in the workplace include, emails and intranets. Identifying and understanding the performance of those communication channels is extremely important for employers.

As the communication ecosystem in the workplace is becoming extremely complex, and communication channels such as email are becoming more and more inefficient, companies are now looking for ways to consolidate all those channels into a single communication platform. Remember When you have the opportunity to observe some interpersonal communication, make a mental note of the behaviors used,

both verbal and

non-verbal.

Most of us engage in some form of interpersonal communication on a regular basis, often many times a day, how well we communicate with others is a measure of our interpersonal skills.

7.1.4 Uses of Interpersonal Communication

Interpersonal communication is a key life skill and can be used to:

- Give and collect information.
- Influence the attitudes and behaviour of others.
- Form contacts and maintain relationships.
- Make sense of the world and our experiences in it.
- Express personal needs and understand the needs of others.
- Give and receive emotional support.
- Make decisions and solve problems.
- Anticipate and predict behaviour.
- Regulate power.

# 7.1.5 How to Improve Interpersonal Communication Skills?

Lack of Interpersonal Communication Skills? Here's How You Can Improve.

- While interpersonal communication may not be the #1 skill any employer might want certification for, it certainly helps to know that you can be a perfect team player and feel connected to the corporate family if your communication skills are on point.
- If you do not have the talent for it currently, it does not mean that you cannot improve yourself in the communication sphere. What you perceive yourself to be, how others perceive you, and how you want to be perceived are three good factors to consider when improving your communication skill.
- To improve your interpersonal skills, you will require effort, time, and also useful feedback. The first two



can be manifested on your own, but the latter can be quite hard. It is an essential element and requires you to identify people who can do the same.

- Once you can understand these factors, you'll develop skills that help you move closer to your goals. With good feedback, you become aware of how specific messages you send out are interpreted.
- Keep trying and putting in the effort to be an effective communicator. You'll soon notice how people approach you for any help or even consider you to be a leader within your organization and, ultimately, helping you grow as a professional.

# 7.2 BASIC INTERPERSONAL COMMUNICATIVE SKILLS

Basic interpersonal communicative skills (BICS) are language skills needed to interact in social situations, for example, when speaking to a friend on the telephone. BICS refers primarily to context-bound, face-to-face communication, like the language first learned by toddlers and preschoolers, which is used in everyday social interaction.

## 7.2.1 Definition

The set of abilities enabling a person to interact positively and work effectively with others. Development of the interpersonal skills of employees is a key goal of training and development initiatives for many companies, and is considered a constructive manner in which to handle office disputes and other personnel issues. These skills include the areas of communication, listening, delegation of tasks and **leadership**.

# 7.2.2 Areas of Interpersonal Communication

Interpersonal skills are the tools people use to interact and communicate with individuals in an organizational environment. There are seven main areas of interpersonal communication that Fred fails at with his workers, and this has led to his immediate termination after working only one month.



Keyword

Leadership is both a research area and a practical skill encompassing the ability of an individual or organization to "lead" or guide other individuals, teams, or entire organizations.



You may want to ask your boss for more responsibility at your job. Instead of saying, "Hello, if you think it is a good idea, I have been thinking about how I would like the opportunity to maybe take on more responsibilities and tasks within our workplace" say, "I am hoping to take on more responsibilities as you see fit."

## Verbal Communication

Interpersonal Skills, for all the mystery and high-talk surrounding them, could be something as simple as handling a conversation. It is all about learning the art of giving in rather than giving up. It also could be understanding how to use facts and emotions to get people on your side.

To communicate effectively, the first thing we need is not only a good collection of words, but also a good selection of words. Indeed, knowing how to speak is fine, but what to speak is the backbone of any conversation. The Collection Selection Model of speech adds value and pleasure to any conversation you have. For example, take a look at the usage of the word astounding in the following sentences:

- *Incorrect*: This soup tastes astounding.
- *Correct*: What you have achieved is an astounding feat.

Proper usage of words and the right manner of communication will create ways of sharing opinions and expressing ideas in a positive manner. The objective of Interpersonal Skills is to have a pleasant, informative, and valuable conversation that leaves a lasting positive impression of you in others' minds. Business experts use well-honed communication skills to prepare their pitch for a deal, handle objections, and settle negotiations. A major part of successful bargaining depends on the rapport you manage to build with a prospect.

## **Active Listening**

Communication is a two-way process where active listening plays as major a role as speaking fluently. Speaking fluently without listening will make any conversation a very shortlived one. Hearing is simply picking up sound waves in our surrounding and realizing that there has been a source of sound, whether you have seen it or not. Listening, on the other hand, is not only picking up sound waves but also understanding the meaning of the words spoken, analyze them, interpret them, and act accordingly.



In addition to that, it also helps you to communicate more successfully and build a receptive, cooperative image in the mind of the speaker. The person will perceive you as a caring, attentive, and engaged listener with minute attention to details. Insurance Advisors and Investment Bankers all over the world have mastered this art as they understand that their customers are talking about the future of their earnings, which is a sensitive topic to most of them.

## Art of Asking

Many people shy away from putting their queries forward. They think that asking questions would create an impression about them being rude, intrusive, or pesky. Although there are certain situations where it is best to refrain from putting your queries forward, asking questions is not some scornful activity in itself. On the contrary, you could say that we human beings can attribute whatever we have learnt and our entire development curve to our propensity of asking questions. The trick is in seeking purposeful answers that the person can connect with and identify the thought behind the question.



## Keyword

Body language is a type of non-verbal communication in which physical behavior, as opposed to words, are used to express or convey information.



Questions can be broadly classified under two categories:

- **Open-ended questions** These questions are also known as the "Wh-questions" as they are usually preceded by "who, when, where, what, how, and why". While answering these questions, people tend to focus more on giving descriptive answers. Example: "Why did you think this was the best decision of your life?"
- Close-ended questions These questions can be easily answered in a few words, even with a simple 'yes' or 'no'. They are asked to get a quick response from the listener about facts and figures. The listener tends to put more stress on his memory as compared to processing thoughts while answering these questions. Example: "Are you a resident citizen of this country?"

#### Body Language

Jarod Kintz had once written that "I am bilingual. I speak English and Body." This statement stresses how important body language is to the image we project of ourselves, and the image we perceive of people around us. Body language helps us generate and transmit messages to observers through our posture, gestures, and body movements. Inconsistencies between verbal and non-verbal communication often confuses people, as they tend to put more emphasis on **body language** as compared to speech. If a person smiles while saying he is sad, his words will lose their value and the observer will take that statement as a lie.



The most important factors that sum up Body Language are:

- Eye Contact Steady eye contact (not continuous as in staring) indicates a sense of confidence and a willingness to connect with the discussion, as opposed to shying eyes and drooping eyes that give an impression of either under-preparedness, low confidence, or disinterest.
- Facial Expression A person can very easily give away his thoughts if one were to study his face. People who are genuinely happy tend to arch their eyebrows, as compared to those who smile only out of courtesy. These small hints can give many details and unspoken messages about people.
- Posture It is recommended that you always maintain a proper, straight, and crisp posture while standing or while sitting down. Slouchy posture is often associated with arrogance, sloth, and unproductivity. On the other hand, a person sitting straight in his chair will exude confidence and inspire respect.
- Specific Gestures Nodding is universally accepted as a signal for 'Yes', and five extended fingers denote the number 'five'. These are certain specific movements that you need to be careful of while speaking, so that there is no discrepancy in gesture and speech.
- Physical Proximity The way we shake hands and pat on the shoulders of other people give us either a friendly or amiable image. Standing too close or too far from a speaker could give a sense of intrusion or arrogance.

#### Small Talk and Its Benefits

Small Talk is the friendly, amiable conversation people have with one another on general topics such as weather or traffic that may open doorways to knowing each other better. Communication experts consider small talk as an art, and they believe a pleasant small talk can lead to many frank, detailed discussions on business too.

Although, it is easier said than done, walking up to a stranger and initiating a conversation may not be one of the easiest things for a lot of people, especially young sales-people and business development managers. Many think opening up a conversation as an arduous task and admit having no "small talk" skills at all.

Let's see how small talk leads two people to share details about each other:

- Initiation At this stage, the people in the conversation normally talk on general topics such as the weather, traffic, time of the day, busy schedule, etc. This gives an idea as to whether the other person is in a conversational mood or is avoiding conversation.
- *Knowing each other* This is where people introduce themselves to the other person and offer details about their name, work, and the reason they were at that particular place.



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- *Opinion Sharing* Here the discussion moves towards slightly more "weighty" topics like politics, corporate way of life, philosophy, where the opinions of each other are listened to and valued.
- *Expressing Thoughts* Once all the above stages have been cleared, you reach the final stage where both the persons can feel sufficiently comfortable in each other's company to be able to disclose intimate details about each other.

#### Proceeding with a Conversation

To improve your interpersonal skills, the most important step is to address the issues that prevent you from initiating a conversation with someone. It could be shyness, discomfort around authority figures, or lack of content. Knowing the reasons behind your hesitation could help you understand your areas of concern. To be able to start a conversation and hold it pleasantly over a length of time, you need to be really interested and involved in the conversation. That will only be possible if you have a genuine love for meeting and knowing new people.



Having a collection of conversation starters will help if you have a few witty lines and introductory lines ready that will help you in all occasions. Simple gestures like smiling and then waiting for a return smile before introducing yourself, commenting on something in the vicinity, commenting on a shared interest are just some of the starters that can get the other person in a conversational mood. The secret behind making a small talk is to relax. The more relaxed you are while talking, the more natural you will sound, and the more interested the other person will be in listening to what you are saying.



#### Tips While Talking

While talking to someone, remember that people like to talk to people who can receive and share information simultaneously. If you dominate the conversation without giving any stress to what the other person is saying, that will end the talk very quickly. On the other hand, if you only listen and do not provide any intelligent or reasonable contribution to the discussion, people will think of you as someone not worth their time talking to.

While having a conversation, make sure that you completely understand what the other person is saying before making any remark on it. Misunderstanding or even partial understanding of somebody's statement could cause a serious social error. It is always advisable to use repetition in conversation, both to clarify your statements and also to understand what the other person meant by his words. It is also important to keep summarizing the content as the conversation becomes more detail-oriented. There are times when a lot of facts are introduced which need to be kept in mind to understand the context of the discussion. Whenever you feel that the details are getting slightly difficult to understand, it is best to paraphrase and try to summarize the entire content so that any discrepancy can be addressed.

#### Using Names in Conversation

How do you feel when you are walking through a crowded street that is dense with strangers walking up and down the road, and amidst all that, you hear someone calling out your name? we guess you would drop whatever it is that you were doing – be it walking, crossing the road, or talking over the phone – to look at the direction your name was called from.

We all have experienced similar situations and the reason is – a human being's name is the shortest and quickest way to building an emotional attachment with him. Our names carry a powerful, emotional attachment with them. It is observed that people immediately start paying you more attention and giving you more chances of interaction if you mention their names correctly, especially when meeting them for a long time. Start the introduction by mentioning your first name and your last name. That will also give a cue to the listener(s) to state their names. Once they do that, repeat their names by acknowledging their presence by saying – "It is a pleasure meeting you, Francis." It will create an immediate friendly atmosphere and lend an air of familiarity to the discussion.

#### Making Up For Forgetting Names

We all have gone through times when somebody greets us and we have no idea as to what his name might be. It might be unnerving, especially so when he is referring



to you constantly using your name. But the worst situation is when he gives you some business opportunity and asks you to mail your response to him! What do you do then?



Remember that using a name can add many advantages to your interpersonal skills which can be as easily subtracted on forgetting it too. Many people forget names thinking they might not be that important. Others have a genuine issue with their memory. But the trick is to never let the person know that you are still searching for his name in your mind.

Now, how to handle this situation? Always ask for a business card. If the guy does not carry one, ask him which email he uses for business purpose? When he replies, say that you knew that one, you just thought he has come up with something else.

#### Influencing People's Thoughts

While we can safely agree that we do not have the power to control anyone telepathically, influencing people can give a powerful insight into the way they think and function, which helps you in approaching them in an agreeable way. This includes trying to understand their **business** and personal environment, knowing their business needs, personal feelings, and ethics.

Business is an organizational entity involved in the provision of goods and services to consumers.





- Active Listening and sharp observation are the two very important skills needed to know what can convince other people. We all send subconscious messages when we interact and reading between the lines may give us the hint that we were looking for so far.
- Empathizing, also known as "putting yourself in someone's shoes to see where the stone pinches", is a very effective way of understanding the other side of the story that the person wants to share with you. Understanding and addressing his needs will make him think highly of you as someone who cares.

#### Nurturing Common Grounds

A major part of the success you get in communicating with others depends on the style and language that you use in your communication. If you are talking to your supervisor explaining him a situation, you will agree that you would not use the sentences you use when you are talking to the neighborhood greengrocer. What you say, combined with the way you say it, determines how the listeners perceive your message. There are times when the speaker has to be firm, and there are times when he has to be friendly. There could also be times when you have to exercise authority, but it is advised to keep listening intently and empathize whenever needed in all these cases.

Always remember that a person reacts under certain circumstances. In other words, circumstances dictate a person's behavior. Trying to communicate with "hmmm" without trying to understand the condition he is in will only lead to a massive fall-out. Successful people have mastered the art of a "You win, I win" conversation, where they will listen, establish a common ground by empathizing and then finding a way to put their proposal through, without hurting anybody's sentiments. That is only possible due to their constant understanding of the issues the listener is facing and partly consoling, partly validating, and part realizing the issues themselves.

#### Maintaining Reliability and Trust

Many people complain that when they approach a business house to inquire about the services they need, the person talking to them treats them cordially, responds to their queries, builds a connection, and assures them of good service. The customers happily sign up for the deal, but after the papers have been signed and the payment done, nobody responds to their repeated calls and emails. And the person who talked to them and gave them their word has now been replaced by a man with a stern voice. What went wrong?

Impressive presentation of your points and influencing skills can help you get the proverbial foot in the door, i.e., give you the initial opportunity of creating a positive image, and this lays the foundation for a solid and long-lasting relationship. However, the most important part of it is to maintain the same relationship over a long period of time. That needs continuous commitment towards maintaining that relationship. You have to keep in touch with the people whom you have left a good impression on. For example, notification emails, emails or texts on birthdays and anniversaries will help build and maintain a long, steady, and productive business relationship.

#### The "You Win, I Win" Technique

While handling a negotiation, the most important thing to remember is that you are talking to a person who believes he has an equal right to opinion and an equal right to present his points. While you might be thoroughly prepared and be backed with facts, there will often be situations where the other person will choose to disagree with what you are saying for numerous reasons. Some of them could be his own long-held beliefs, unwillingness to change or adapt, or simply the fact that he feels threatened in the presence of someone who is intellectually superior and refuses this fact to dominate his thought.





We can never know what factors influence a person toward denying certain things that are clearly right or accepting certain things that do not make any sense, but fighting with them and always trying to be right is a very poor approach towards knowing. Instead of trying to sound and appear right at all times by trying to rain facts and figures, it is a great idea to ask him to present his points and contribute to the discussion so that he feels that he is also bringing equal weight to the table. There are times when we just have to concede a point or two, just so that the conversation, and subsequently the deal, does not fall through. It is no way being implied that you have to compromise on important points, but the very nature of a negotiation is to see that both sides win. When situations like these come, it is better to give in to a few changes, as compared to giving up on the deal altogether.

#### **Emotion Handling**

If you observe closely, you will realize that companies that produce beauty products like skin-enhancing creams, body lotions, and anti-ageing products get soaring responses from their target audience primarily due to the kind of advertising they do. The advertisements do not promote the product at all! They promote the results, the moral boost, the social acceptance, and the general improvement in standards of life that you get on using the product. The emotional quotient involved in them is very high. That results in a viewer getting immediately attached to the product.

It is found that the emotions run on a fixed path — first the advertisements start with negative emotions that talk about the current situation and stigma that the viewer might be facing, then they introduce the benefits of the product, and then they talk about the positive emotions that you are going to get by using the product. Addressing the initial insecurity, then assuring with a solution, and concluding with a feel-good high is the secret behind the successful conveying of the message.

#### How about we adapt the same method while conversing with people too?

The next time you have a conversation with someone, listen to what makes him worried, then add observations that corroborate with what he says so that he is convinced that you are familiar with his concerns, and then offer a solution that will result in a much better outcome. It is very important during this stage to show that this is an issue that affects you personally as well. If the listener does not feel that you are equally connected to his cause the way he is, you will start losing value and your words will start sounding hollow immediately.





Hence, you have to make sure that he understands your involvement too. The best way to do this will be through your body language. Your vibrant and energetic voice, your confident eye-contact, and your assured talking will do wonders to the reliability factor that the listener is trying to build with you.

## **Pitfalls of Emotions**

While emotions might help you build the trust and the engagement you desire, too much of it might make a listener think that you are too emotional to take a tough decision or a level-headed discussion. They might also think that you are riding on emotion alone for the success of your business, hence always back everything you are saying with facts and figures that prove what you are saying by providing a precedence.



Two skills are involved in introducing facts in a conversation in a manner that appears suitable and in accordance to what the listener is expecting to hear. One of them is separating the facts from opinion. At this stage of the discussion, people should be able to understand which statements can be proved and backed by facts, and which statements are only the thoughts of others. After that, the second (and more important) skill is to use the facts to enhance the **presentation** of your argument and to support your decision. When this is done, the listener will have no other option but to appreciate what you are saying as you are not only using facts but also giving a logical thread of explanation that connects and relates all of them. At this point, there is always a risk of the person feeling intellectually threatened, so back off a little and ask him for his opinion. Always keep the listener involved in a conversation.

# 7.2.3 Developing Interpersonal Abilities: How to Improve Interpersonal Skills

Interpersonal skills are those pertaining to relationships with people. Interpersonal skills gauge how good you are at interacting with others. For example, the interpersonal skill of knowing how to respectfully communicate with someone is called "active listening."

Interpersonal skills encompass many different important soft skills, including:

- Mentoring: Coaching one or more people
- Leadership: Leading and assisting others by example
- **Communication:** Conveying ideas effectively through verbal and non-verbal means
- Problem Solving: Resolving personal, group, and business conflict
- **Negotiation:** Coming to an agreement with others when opinions differ
- **Empathy:** Understanding individuals in the workspace
- **Teamwork:** Working together with various people to achieve a single goal

These skill sets require practice and awareness until they become habit. Here are just a few ways you can improve your interpersonal skills:

Practice active listening skills during all conversations: Whenever you have a conversation, a particularly workrelated or instructional one, be mindful of what the other person is saying. Repeat what they say in your own



Presentation

is the process of presenting a topic to an audience. It is typically a demonstration, introduction, lecture, or speech meant to inform, persuade, or build good will.



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words to ensure you understand. By showing them you are actively listening, you are fostering a better working relationship.

- Let coworkers know when you appreciate them: It feels great when you know those you work hard with or for appreciate your efforts. Rather than keeping your appreciation to yourself, let others know when they do a good job. When people know they are appreciated, they are motivated to keep up the good work.
- Smile and use positive body language: Body language is important in communication. Taking pride in your appearance is just the first step. Practice standing in a welcoming way and other non-verbal communication skills. Most of all, smile when interacting with others.
- Promote a positive work environment: Positive work environments equal happy coworkers. A positive work environment reduces stress, promotes creativity and innovation, and helps keep employees productive. Touch base with coworkers often and see how they are doing. If you have downtime, offer your assistance to those who need it.

# 7.2.4 Examples of Interpersonal Skills

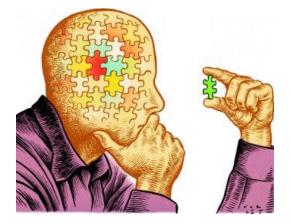
Let's look at a list of interpersonal skills that are essential to your communication dialogue.

- *Look.* While you are listening to what a person has to say you should also be looking at facial expressions, body language, well as dress, hair, and eyes. Develop your skills to look for this information and then use it. For example, are the lips clenched or is the body relaxed?
- *Ask.* Ask questions that are open-ended improving your ability to extract more information from the other person and quickly identify the value of that information. It is a great way to become extremely efficient at interpersonal skills.
- Listen. While it may sound simple, the fact of the matter is only a small percentage of people listen well. It is critical that you actually hear the person's message. Missing just a little piece can change the entire meaning or perception of that message. Listen for tone, inflection, and volume. For example, "what's your problem?" said in a soft tone would imply you want to assist someone, but said in a loud boisterous voice might indicate someone is angry.
- *Comprehend.* With the information gathered it must be processed and then learned. You must apply what you have learned to the person you are having a dialogue with. When you comprehend what their emotional state is, their mood, or how they are feeling you can better understand the true meaning of their message.

- *Learn.* When you look, listen, and ask you will generate a significant amount of information in a relatively short period of time, allowing you to quickly and efficiently process the information.
- *Identify.* After you have gathered the information, you need to process it and identify where the real value is. This enables you to see possible relationship opportunities and to identify the person's needs.
- *Commit.* Commitment is a key interpersonal skill requiring your time an effort. When you are committed to the development of your interpersonal skills, it will benefit everyone you communicate with.

# 7.3 SELF-AWARENESS

Self-Awareness is having a clear perception of your personality, including strengths, weaknesses, thoughts, beliefs, motivation, and emotions. Self-Awareness allows you to understand other people, how they perceive you, your attitude and your responses to them in the moment. People expect that they will be able to contribute to a conversation equally. Letting the other person speak means that you should try to be comfortable with silences, but not for more than a few seconds.



We might quickly assume that we are self-aware, but it is helpful to have a relative scale for awareness. If you have ever been in an auto accident you may have experienced everything happening in slow motion and noticed details of your thought process and the event. This is a state of heightened awareness. With practice we can learn to engage these types of heightened states and see new opportunities for interpretations in our thoughts, emotions, and conversations. Having awareness creates



the opportunity to make changes in behavior and beliefs. *For example,* knowing what we are good at and what we enjoy doing may help in selecting a career or job that is professionally satisfying and therefore financially and personally satisfying. Relying solely on others' thoughts or beliefs about what is best for we can lead to personal and professional unhappiness. It makes no sense to spend one-third (or more) of our precious time doing what we abhor! By knowing our self—our strengths, weaknesses, likes, and dislikes—we will know where we belong.

Self-awareness is also important for managers and organizations. Managers who have attained heightened states of self-awareness tend to be superior performers. Awareness of self often leads to a greater understanding of others. Managers who can relate to or empathize with co-workers tend to be more trusted and are perceived as being more competent. Because self-aware managers are in tune with the concerns of others, they are also able to reduce the potential for conflict and are more likely to be open to feedback. Self-aware managers who listen to feedback and make positive medications to personal behavior are able to create trusting and productive work environments. Working effectively with others will therefore increase managerial and organizational effectiveness. Self-awareness is also a crucial component in understanding the organization in which we are operating. The detail their belief that each of us can be thought of as an instrument for assessment and change. By asking ourselves a series of questions, we can diagnose our situation and develop some solutions to problems we or our organizations are experiencing. Doing this requires strong self-awareness of our emotional reactions, initial perceptions, biases, and judgments.

As important as self-assessment is in being effective and enjoying what we are doing, it is important to assess the negative effects of a lack of, or faulty, selfawareness. Lack of self-awareness can lead to poor decisions, to an unrealistic notion of one's competencies, and even to career derailment. Self-awareness enables people to make good decisions: a realistic appraisal of one's and others' needs, objectives, resources and capabilities can lead to more accurate judgments and more positive outcomes. Conversely, lack of self-awareness can result in decisions that lead to negative consequences. Self-awareness allows people to understand their strengths and core competencies-those core elements that contribute to one's success. Lack of self-awareness can result in the opposite – incompetence, because the individual does not realize what the gaps are between their perception of their strengths and the degree to which they actually possess the strengths in question. Lack of self-awareness has also proven to be correlated with career derailment. In a study by the Center for Creative Leadership, a common factor in derailed careers was "lack of accurate portrait of self." Those who lack self-awareness are less able to see themselves accurately and are therefore less able to "midcourse correct" and make improvements necessary for change and improvement.

## 7.3.1 Self-Awareness Gain

The first step to becoming aware of ourselves is to recognize our weaknesses, strengths, biases, attitudes, values, and perceptions. There are many ways to enhance our self-awareness. Some of these include analyzing our own experiences, looking at ourselves through the eyes of others, self-disclosure, acquiring diverse experiences, and increasing our emotional intelligence.



#### Self-Analysis

Self-analysis requires people to examine themselves as an object in an experience or event. It requires a person to step back and observe (as objectively as possible) the positive or negative impact that may have in fluency behaviors, attitudes, thoughts, or interactions. Self-analysis is not always an easy process, yet it is a necessary skill for synthesizing information relevant to professional and personal effectiveness.

The self-analysis process should begin with reflection on and exploration of thoughts and feelings associated with affective events. By reflecting on these feelings and thoughts, individuals can obtain new perspectives relevant to their lives based on these learning experiences. From obtaining new knowledge and perspectives, individuals can become more effective by implementing new behavioral and cognitive changes in future situations.

*Behavior* is the way in which we conduct ourselves—the way in which we act. Our behavior is influenced by our feelings, judgments, beliefs, motivations, needs, experience, and the opinions of others. Patterns of behavior develop through our reactions to events and actions over a period of time. Behavior consists of four components:

Motivation: The drive to pursue one action over another. What underlying factors move us to make a particular decision or choice? For example, what drives us to do a good job? The answer might be a competitive nature, strong



achievement orientation, or a difficult childhood experience. Being aware of our core drivers, those things that motivate us—positively and negatively— can help we understand the roots of our behavior and make adjustments as necessary to modify our behavior.

- Modes of thinking: The way of process the various inputs our brain receives. How do we analyze information and make judgments about how to use and apply that information? For example, do we process information quietly by reflecting on our own, or do we process information out loud by talking with others? Being aware of how us take in and make sense of information can help we understand how we make judgments and decisions that lead to choosing one behavior or course of action over another.
- Modes of acting: The course of action we apply in a given situation. What approach do us choose to apply in response to stimuli, events, people, thoughts, and feelings? For example, when someone does something that offends us, do us react in anger?

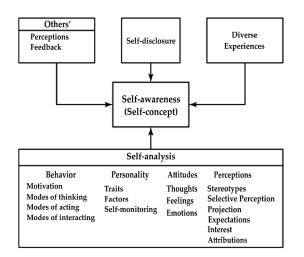


Figure 1. Means for obtaining self-awareness.

Or do us react quietly, assessing our options before acting? Being aware of how we express our reaction to the things that happen to and around we can help we understand the alternatives available to us when certain events arise.

Modes of interacting: The way in which we communicate and share ideas, opinions, and feelings with others. Whom do we feel comfortable relating to? How do we typically share our thoughts, feelings, and ideas with others?

*For example,* are we comfortable in large groups of people? In team situations or do we prefer to work on our own? Being aware of how we talk to and work with others can help we understand how our preferred style meshes with those with whom



we work and live.

Personality: Personality describes the relatively stable set of characteristics, tendencies, and temperaments that have been formed by heredity and by social, cultural, and environmental factors. These traits determine how we interact with and react to various people and situations. Some aspects of our personality are believed to be a result of nature—those traits with which we are born and that we possess through heredity. Other characteristics of our personality are thought to be a result of our environment—those factors that we acquire through exposure to people and events in our lives.

Personality traits are enduring characteristics that describe an individual's attitude and behavior. Examples are agreeableness, aggression, dominance, and shyness. Most of these traits have been found to be quite stable over time. This means a person who is cold and uncaring in one situation is likely to behave similarly in other situations. The "Big Five" Model is a powerful instrument because it organizes numerous concepts into a "short list" of just five factors that are representative of the characteristics that can be linked with satisfaction and success. The "Big Five" has five primary components: extroversion, agreeableness, emotional stability, conscientiousness, and openness to experience. Studies show these factors can be linked to job satisfaction, employee attitudes and behavior, stress, and job performance.

The "Big Five" also relates to overall life satisfaction. "Similar to job satisfaction, life satisfaction appears to be disposition ally based. Moreover, it appears the same traits that predict job satisfaction also predict life satisfaction." While some personality characteristics are inherited, some factors can be modified through training, experience, and a conscious attempt to change.

*Extroversion* represents the degree to which an individual is social or antisocial, outgoing or shy, assertive or passive, active or inactive, and talkative or quiet. A person who rates high for the first traits in these pairs is extroverted, while someone who rates high for the second traits is introverted. Extroversion or introversion, in itself, is not necessarily bad, but extremes at both ends of the spectrum can be equally dysfunctional. A person who is too outgoing could be perceived as overbearing and a person who is too reserved would lack the skills to relate to others.

Agreeableness measures the degree to which a person is friendly or reserved, cooperative or guarded, flexible or inflexible, trusting or cautious, good-natured or moody, soft-hearted or tough, and tolerant or judgmental. Those scoring high on the first element of these paired traits are viewed as agreeable and easy to work with, while those rating low are viewed as more disagreeable and difficult to work with. Being too agreeable could cause a person to be too accommodating, however, and others may take advantage of this weakness.

*Emotional stability* characterizes the degree, to which a person is consistent or inconsistent in how they react to certain events, reacts impulsively or weighs options before acting, and takes things personally or looks at a situation objectively. Those who rate high on emotional stability are viewed as generally calm, stable, having a positive attitude, able to manage their anger, secure, happy, and objective. Those who rate low are more likely to be anxious, depressed, angry, insecure, worried, and emotional.

*Conscientiousness* represents the degree to which an individual is dependable or inconsistent, can be counted on or is unreliable, follows through on commitments or reneges, and keeps promises or breaks them. Those who rate high on conscientiousness are generally perceived to be careful, thorough, organized, persistent, achievement oriented, hardworking, and persevering. Those who score lower on this dimension are more likely to be viewed as inattentive to detail, uncaring, disrespectful, not interested or motivated, unorganized, apt to give up easily, and lazy.

*Openness* to experience characterizes the degree to which people are interested in broadening their horizons or limiting them, learning new things or sticking with what they already know, meeting new people or associating with current friends and coworkers, going to new places or restricting themselves to known places. Individuals who score high on this factor tend to be highly intellectual, broad-minded, curious, imaginative, and cultured. Those who rate lower tend to be more narrow-minded, less interested in the outside world, and uncomfortable in unfamiliar surroundings and situations. Professionals who are open to experience are more willing to reflect on feedback for personal development.

*Self-Monitoring*: Self-monitoring is the tendency to adjust our behavior relative to the changing demands of social situations. It is many times studied in conjunction with the five broad factors of personality to examine how varying situations will affect a person's desire or ability to control aspects of their personality. The concept of monitoring our own personality can help us come to grips with both those qualities we view as positive and those we would like to change. By being aware of the role of self-monitoring, we can assess our own behaviors and attitudes, diagnose which elements we are satisfied with, and identify and develop plans for addressing those aspects we want to change. When self-monitoring, it is important to want to set personal standards in accordance with certain accepted norms. High self-monitors are very sensitive to external cues and constantly adapt (and often hide) their true selves to conform to a situation or set of expectations. Low self-monitors are more consistent, displaying their feelings, attitudes, and behaviors in every situation. In an organizational setting, it is probably best to avoid the extremes. We do not want to be a high self-monitor (solely concerned with what others think) or a low self-monitor (not at all interested in what others think). Always trying to please everyone or conforming to gain everyone's approval-while



it might facilitate getting what we want in the short-term—can be harmful to us in the long-term. Conversely, never adjusting our behavior relative to the audience or situation can be disastrous.

All of the personality dimensions can have a significant impact on job performance and interpersonal relationships. By understanding the meaning of these factors, we can pinpoint areas for personal and professional development and growth. Knowledge of our ratings on each of these dimensions can also help us in selecting a career. Much research in the area of person/job fit demonstrates that individuals who select professions that suit their personality are more likely to be satisfied and productive.

Finding work that matches our personal preferences may require a fair amount of investigation; this investment in time and resources pays big dividends—success and happiness. For example, a person who is low on the extroversion and agreeableness factors would probably not be happy (or successful) as a traveling sales representative. The basic nature of the job requires an outgoing, friendly individual in order to contact and build a rapport with clients. A poor fit between one's personality and job can be a recipe for disaster. Attitudes are evaluative statements or "learned predispositions to respond to an object, person or idea in a favorable or unfavorable way."

As human beings, we can choose how we think and feel about a situation or event. Imagine we are on an airplane that has been diverted to another airport due to bad weather. We can choose to become irritated and show our anger to the flight attendant, or we can be patient, acknowledge that nothing can be done to change the situation, and take out a good book to read while waiting for our flight to land. The emotions we choose to act on determine our attitude. This in turn is reflected in our behavior.

Attitudes are narrow in scope. They can vary from situation to situation.

*For example*, we might have a positive outlook when we are with our friends, feel negatively about our work, and have a neutral attitude toward our academic experience. Attitudes are derived from parents, teachers, peers, society, and our own experiences. Attitudes are one of the less stable facets of our personality, which means they are easier to influence and change than our behaviors or values. Some can change at will depending on the situation, the people involved, and other events that occurred to us in a particular day, how we are feeling as a situation unfolds, and how we respond as events evolve over time.

## 7.3.2 Self Esteem and Confidence

Self-esteem is a state of mind. It is the way we think and feel about our self. Having high self-esteem means having feelings of confidence, worthiness and positive regard for us, people with high self-esteem feel good about themselves. They feel a sense of belonging and security. They respect themselves and appreciate others. They tend to be successful in life because they feel confident in taking on challenges and risking failure to achieve what they want. They have more energy for positive pursuits because their energy is not wasted on negative emotions, feelings of inferiority or working hard to take care of or please others at the expense of their own self-care.

## Self Esteem

The amount of self-esteem we have depends on many factors -- how we were raised, parental attitudes, life experiences, etc. Sometimes people lose self-esteem and feel bad about themselves because of failures or disappointments in life, or because of the way others in their lives have treated them. It is important to know that self-esteem can be gained at any time in life. Ideally, it happens in childhood; realistically, most people have to cultivate it later in life.

Following are some outward signs of positive self-esteem:

- Confidence
- Self-direction
- Non-blaming behavior
- An awareness of personal strengths
- An ability to make mistakes and learn from them
- An ability to accept mistakes from others
- Optimism
- An ability to solve problems
- An independent and cooperative attitude
- Feeling comfortable with a wide range of emotions
- An ability to trust others
- A good sense of personal limitations
- Good self-care
- The ability to say no

## **Develop Self Esteem**

The rewards of developing self-esteem include being able to take risks, having positive relationships, not being held back by fears and insecurities, pursuing our dreams and desires, making good choices and reaching our goals. This module will give us practical methods to change the negative thoughts and behaviors that foster low self-esteem and replace them with positive ones that build self-esteem. Be sure to do all the exercises and d Discuss them with our counselor.



#### **Causes Low Self Esteem**

It is believed that low self-esteem is caused, in part, by negative emotional responses. Criticism, teasing, punishment and abuse, poverty, economic deprivation, failure in school and many other factors affect our feelings of self-worth. Even race, religion, the media, culture have an influence on how we feel about ourselves.

When negative thoughts and feelings take root early in life, they can become powerful thought patterns that form habits of thinking. Before long, we begin to think in ways that limit our growth and self-development. We begin to doubt ourselves and feel dissatisfied. We become afraid to accept challenges and feel unworthy, even when we do accomplish important things. The deeper these thought patterns take root, the lower our self-esteem falls, until we cannot envision what it is like to feel good about ourselves.

Some signs of low self-esteem:

- Negative view of life
- Perfectionist attitude
- Mistrusting others even those who show signs of affection
- Blaming behavior
- Fear of taking risks
- Feelings of being unloved and unlovable
- Dependence letting others make decisions
- Fear of being ridiculed

#### Raise Low Self-Esteem

Feelings of low self-esteem often build up over a lifetime, and letting go of ingrained feelings and behaviors is not an easy task. It may take time, hard work, and it may require professional counseling. But there are some simple, positive thinking techniques that can be used to help improve self-esteem. These are called affirmations. Using affirmations to stop negative self-talk is a simple, positive way to help increase self-esteem.

Affirmations are encouraging messages we can give ourselves every day until they become part of our feelings and beliefs.

Remember

Constructive criticism in the workplace should include suggestions for correcting a problem. The key to responding to criticism from a supervisor in an effective and professional way is to focus on getting all the information you need to understand the criticism and to improve your performance.



Affirmations work best when a person is relaxed. But since people are often upset when they are giving themselves negative self-messages, they may need to counter negative messages with positive ones.

## Self-Confidence

Self-confidence means believing in our self and our abilities. It means being ready and willing to face new situations and accomplish difficult tasks. Self-confident people are usually eager, assertive, motivated, willing to accept criticism, emotionally mature, optimistic, and productive. People who do not have self-confidence lack the inner belief in their ability to be successful. They tend to be withdrawn, unmotivated, overly sensitive to criticism, distrustful, and pessimistic. They do not feel good about themselves. Often they feel like failures.

## Affects Self-Confidence

Self-confidence is affected by life experiences. We are influenced by parents, siblings, friends, and teachers. From them, we learn how to think about our self and the world around us. It is the support and encouragement we receive from the people around us – or the lack of it – that helps shape our inner feelings about our self.

A nurturing environment that provides positive feedback improves self-confidence. People learn by making mistakes, and they need to feel that missteps along the way are to be expected. However, when friends, family, and others offer unfair criticism, hold unrealistic expectations, or put too much pressure on a person, self-confidence can be affected.

Several different types of behavior show a lack of self-confidence:

- We judge our self or our abilities too harshly, or we are overly critical of our performance.
- We focus too much on our failures and see them as negative events instead of learning experiences.
- We place too much pressure or stress on our self to succeed.
- We set goals that are unrealistic and above our abilities.
- We are fearful of not succeeding or making mistakes.

A lack of self-confidence can often keep people from achieving their full potential. That is why it is important to get help if we are affected by this problem.

## **Building Self-Confidence**

Self-confidence is not built overnight. It is a process that begins by first understanding why we lack confidence, then taking active steps to change our negative thinking and behaviors into positive ones.

First, think about why we lack confidence. Perhaps we are unhappy with our appearance, our social or academic achievements, or the way a relationship ended. Try to identify these feelings and perhaps talk about them with someone we trust. It may surprise us that others share the same kinds of self-doubts or have ones of their own. See our fears as challenges we can overcome – do not let them have power over us!

## Steps to Building Self-Confidence

Think of building self-confidence as a process. Aim to make small, positive steps toward success. Practice these strategies until they become our new habits. Think about our good qualities. Are we conscientious, loyal, reliable, and cooperative? Recognize our talents and abilities; these will help we feel better about our self.

- Think positively about our self and what we set out to do. Negative thoughts lead to worry, which can confuse us and keep us from achieving success.
- Set realistic goals that we can truly reach, both large and small. Praise our self when we reach even the smallest goals, but keep striving for the bigger ones.
- Focus on our successes and not on our failures. Realize that everyone makes mistakes, and let ours be tools for learning.
- It is essential for people to express their thoughts, feelings, and emotions to others. We are entitled to our opinion, and we have important things to say. Do not be afraid to say them. Find a creative outlet for self-expression.
- Find an activity that lets our abilities shine, such as music, art, cooking, crafts, or sports. We do not have to be the best at what we do, but the risks we take and the things we create provide a fast route to greater self-acceptance.

# 7.3.3 Assertiveness

Assertiveness is a skill regularly referred to in social and communication skills training. Being assertive means being able to stand up for your own or other people's rights in a calm and positive way, without being either aggressive, or passively accepting 'wrong'. Assertive individuals are able to get their point across without upsetting others, or becoming upset themselves.

## **Definition**

An assertive style of behavior is to interact with people while standing up for our rights. Being assertive is to one's benefit most of the time but it does not mean that one always gets what wants. The result of being assertive is that

- We feel good about us
- Other people know how to deal with us and there is nothing vague about dealing with us.

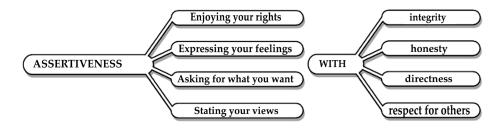


Figure 2. Assertiveness.

## Techniques

- Broken Record: A popular technique advocated by assertiveness experts is the broken record technique. This consists of simply repeating our requests every time we are met with illegitimate resistance. The term comes from vinyl records, the surface of which when scratched would lead the needle of a record player to loop over the same few seconds of the recording indefinitely. However, a disadvantage with this technique is that when resistance continues, our requests lose power every time we have to repeat them. If the requests are repeated too often it can backfire on the authority of our words. In these cases it is necessary to have some sanctions on hand.
- *Fogging*: Another technique some suggest is called Fogging this consists of finding some limited truth to agree with in what an antagonist is saying. More specifically, one can agree in part or agree in principle.
- *Negative Inquiry*: Negative inquiry consists of requesting further, more specific criticism. Negative assertion however, is agreement with criticism without letting up demand.

#### The Importance of Assertiveness

Expressing our thoughts, feelings, and opinions and standing up for our rights is important. We are our first and biggest supporter, so it is important that we speak up for our self.



Whether our behavior is unassertive (passive) or over assertive (aggressive), it is possible to change. But it is also important to understand the difference between expressing our self in a self-confident manner (being assertive) and forcing our ideas on others and intimidating them (being aggressive).

#### Assertive Behavior Includes:

- Starting, changing, or ending conversations
- Sharing feelings, opinions, and experiences with others
- Making requests and asking for favors
- Refusing others' requests if they are too demanding
- Questioning rules or traditions that do not make sense or do not seem fair
- Addressing problems or things that bother us
- Being firm so that our rights are respected
- Expressing positive emotions
- Expressing negative emotions

# 7.4 BASIC CONCEPTS FOR TEAMWORK

The concepts of teamwork, team building, and self-directed work teams have penetrated nearly every segment of the business world in recent decades. More and more businesses are introducing or expanding teamwork as part of their production processes, with varying results. Registering a dramatic change from the more overtly authoritarian structure of traditional firms, companies have focused on more effectively utilizing their human resources by reorganizing them into more autonomous, creative units and harnessing the most productive aspects of their competitive and cooperative instincts.





A team is a temporary or ongoing task group whose members work together to identify problems, form consensuses about actions to be taken, and implement the most viable ones. Their purposes and goals often differ. For example, they may be formed to develop new products, act as liaisons between and among different departments within a corporation, or resolve problems. Teams are not, however, intended to be a panacea to all business problems, nor do they always work smoothly.

Teams are not appropriate for all organizations or in all types of businesses. Behavioral scientists are still working to determine exactly when teams will be most effective, what motivates team members, what types of business can best benefit from the implementation of teams, etc. The study of the philosophy and psychology of teamwork is still in its infancy. While effective teams can produce extraordinary results, studies have found that an estimated 50% of self-directed work teams result in failure. But as more and more businesses introduce the team concept, the wrinkles in the process are being ironed out and team popularity is growing. Teamwork seems to be the wave of the future in the business world.

## 7.4.1 The Team Philosophy

The philosophy behind teamwork is simple: to mesh workers into cohesive groups in order to attain a common goal. The key word is "cohesive." If group members are not properly matched, they will be neither cohesive nor productive. A nonproductive team does not benefit the organization or the individuals. It becomes management's responsibility, then, to assure that teams are well managed and composed of individuals who manifest the necessary characteristics for group work.

Theoretically, if properly managed, people who work in groups will be more productive. In reality, the teamwork approach does not always work well. For example, the right type of team may not be created. One of the keys to success in the team approach is to select the precise type of team best suited to accomplish the intended task. There is a wide variety of teams available from which to choose.

# 7.4.2 Types of Teams

Depending on its needs and goals, a company may use different types of teams. Some efforts are limited in duration and have a well-defined outcome. Other work requires the participation of people from different locations. Still other projects depend on people with a broad and diverse range of knowledge and expertise.

When individuals with a common interest, goal, attitude, need and perception come together, a team is formed. Individuals need to come and work together to form a team for the accomplishment of complicated tasks. In a team, all team members contribute equally and strive hard to achieve the team's objective which should be predefined.



In any organization, no one works alone. Every employee is a part of a team and works in close coordination with the team members to perform his level best and in turn benefit the organization. The team members should complement each other and come to each other's need whenever required. Teams can be formed anywhere, anytime whenever the task is little difficult and complicated. Let us understand the various types of teams in detail.

 Permanent teams- These teams perform on a permanent basis and are not dissolved once the task is accomplished. Let us understand the concept with an example.

Mike, Peter, Joe and Ana had a strong inclination towards branding as well as promotions and hence were a part of the branding team with a leading organization. They were primarily responsible for promoting their brand and designing marketing strategies to generate maximum revenue for their organization. They worked extremely hard and always managed to achieve their targets well in advance, but their team was always in place and never dissolved. Their organization never asked them to leave or ever dissolved their team. Such teams are called permanent teams.

Work or no work, the human resources team, operation team, administration team always function effectively throughout the year and hence are permanent teams.

Temporary teams - Unlike permanent teams, temporary teams loose their importance, once the task is accomplished. Such teams are usually formed for a shorter duration either to assist the permanent team or work when the members of the permanent team are busy in some other project.

When organizations have excess of work, they generally form temporary teams which work in association with the members of the permanent team for the accomplishment of the task within the stipulated time.

**Task Force** - Such teams are formed for a special purpose of working on any specific project or finding a solution to a very critical problem.

The government generally appoints special teams to investigate critical issues like bomb blasts, terrorist attacks and so on. The task force explores all the possible reasons which led to a severe problem and tries to resolve it within a given deadline.

• **Committee -** Committees are generally formed to work on a particular assignment either permanently or on a temporary basis. Individuals with common interests, more or less from the same background, attitude come together on a common platform to form a committee and work on any matter.

To organize any cultural event, organizations generally make committees to raise funds, invite celebrities and all the major tasks involved to successfully organize any event. The committee members work together, design strategies to successfully accomplish the task. In educational institutes, various committees are formed where students with a common interest join hands to organize cultural events and various other activities required for the all-round development of students.

Organization/Work Force - Such groups are formed in organizations where team members work together under the expert guidance of leader. A leader or a supervisor is generally appointed among the members itself and he along with his team works hard to achieve a common goal. The leader all through must stand by his team and extract the best out of each team member. He must not underestimate any of his team members and take his team along to avoid conflicts.

Samuel was working with a leading advertising firm with two members reporting to him. Samuel always believed in his team members and worked together with his team and no doubts his team always did wonders and was way ahead of others.

Self-Managed Teams - Self Managed Teams consist of individuals who work together again for a common purpose but without the supervision of any leader. Here as the name suggests every individual is accountable for his individual performance. The team members of self-managed teams must respect each other and should never loose focus on their target. No leader is appointed and the team members have to take their own responsibility. Individuals take the initiative on their own and are their own guides and mentors.

• Cross Functional Team - Let us understand this with the help of an example.

Maria and Andy both were part of the branding team. They got an assignment from their superiors to be completed within two days. Unfortunately Andy met with an accident and was advised complete bed rest. To avoid delays, Peter from the operations team was shifted to the marketing team to assist Maria for the time being and form a team. Such teams are called cross functional teams. Ideally the employees should be more or less on the same level to avoid ego hassles. Individuals from different areas come and work together for a common objective to form a cross functional team. In such teams, people from different areas, interests and likings join hands to come out with a unique idea to successfully complete a task.

• Virtual Teams - Virtual teams consist of individuals who are separated by distances and connected through computer. Here individuals communicate with each other online through internet. Sam at Los Angeles can form a team with Mandy at Mexico and Sara at Denver all working for a common objective but the communication is totally digital through internet. Such teams are helpful when employees need to connect with each other and are located at different places. Individuals supporting any community in social networking sites such as Facebook also form a virtual team as all the members are from different

locations but support a common community. They all have a common objective -to support and promote their community.

## 7.4.3 Norms in the Team Concept

Teams cannot work effectively to accomplish their goals if they do not establish norms by which they will operate, i.e., behavioral rules of conduct. Norms provide each individual in a group with guidelines on how to predict the behavior of the other members of the group. Group norms are not designed to cover every conceivable situation in which a team might become involved. Rather, they address only those situations which are significant to the team. Similarly, not all norms apply to every team member. For example, all team members may have to adhere to norms regarding how much work they should do individually to help the group attain its goals. Perhaps only one member would be responsible for alerting the others to starting and ending times for a group session. There are times, however, when team members may deviate from norms, which can create dissension among them.



Once teams set norms, it is expected that each member will adhere to them. However, not all team members are willing at all times to contribute 100% to the group's efforts. Some are free riders, who exert less effort in groups than they do when working alone because they realize that when the team reaches its goal they will share in the glory and the rewards without regard to who actually completed the work.

Teams that include free riders must develop procedures to discipline individuals who do not perform their share of the work. Discipline can range from verbal warnings to firing or transferring the free rider. (Some teams, especially autonomous teams, have the power to hire and fire as they see fit without consulting management. Thus, it is within their province to handle free riders without overwhelming bureaucratic intervention.) The key to success for a team, then, is to get individual members to conform to the norms as closely as possible.



## 7.4.4 Teamwork Processes

Teamwork involves a set of tasks and activities performed by individuals who collaborate with each other to achieve a common objective. That objective can be creating a product, delivering a service, writing a report, or making a decision. Teamwork differs from individual work in that it involves shared responsibility for a final outcome.

While the substance of the tasks involved in teamwork may vary from team to team, there are three processes that are common to how teamwork gets done: the transition process, action processes, and interpersonal processes. During each of these processes, specific sets of activities occur.

- 1. The *transition process* is the phase during which a team is formed. Activities include:
  - Mission analysis: establishing an understanding of the overall objective
  - Goal specification: identifying and prioritizing the tasks and activities needed to achieve the mission
  - Strategy formulation: developing a course of action to reach the goals and achieve the mission
- 2. *Action processes* comprise the phase during which a team performs its work. Activities include:
  - Monitoring milestones and goals: tracking progress toward completion of tasks and activities
  - Monitoring systems: tracking the use of resources such as people, technology, and information
  - Coordination: organizing and managing the flow of team activities and tasks
  - Team monitoring and support: assisting individuals with their tasks by, for example, providing feedback and coaching
- 3. *Interpersonal processes* include activities that occur during both the transition and action processes. These include:
  - Conflict management: establishing conditions to avoid disagreement and resolving conflict when it occurs
  - Motivation and confidence building: generating the willingness and ability of individuals to work together to achieve the mission
  - Affect management: helping team members to regulate their emotions as they work together



## **Characteristics of Effective Teamwork**

An effective team accomplishes its goals in a way that meets the standards set by those who evaluate its performance. For instance, a team may have a goal of delivering a new product within six months on a budget of \$100,000. Even if the team finishes the project on time, it can be considered effective only if it stayed within its expected budget. Effective teamwork requires certain conditions to be in place that will increase the likelihood that each member's contributions—and the effort of the group as a whole—will lead to success. Effective teams share five characteristics:

- *Shared values*: a common set of beliefs and principles about how and why the team members will work together
- *Mutual trust*: confidence between team members that each puts the best interest of the team ahead of individual priorities
- Inspiring vision: a clear direction that motivates commitment to a collective effort
- *Skill/talent*: the combined abilities and expertise to accomplish the required tasks and work productively with others
- *Rewards*: recognition of achievement toward objectives and reinforcement of behavior that supports the team's work

Effective teamwork requires that people work as a cohesive unit. These five characteristics can help individuals collaborate with others by focusing their efforts in a common direction and achieving an outcome that can only be reached by working together.

# 7.4.5 Stages of Teamwork

Teamwork is becoming an increasing element of all areas of our lives and every team we are part of will be different to teams we have previously experienced. Teams are formed because they can achieve much more than individuals alone and can also be fun and supportive. When a new team is formed it takes time before its members can perform effectively it just does not happen overnight.

They are:

- Forming
- Storming
- Norming
- Performing
- Adjourning

By managing and supporting our team through these stages it is possible to increase its performance. Doing so may take patience on our behalf, but it will be well worth the effort and, ultimately, will make our work as a leader more productive.

## Forming

- The team meets for the first time.
- Members learn about the opportunity/challenge the team is facing.
- Team members are often extra polite to each other as they get to know each other, but often they are very focused on themselves.
- Roles and responsibilities have often not been agreed.
- Leaders have to direct the group to manage the dichotomy between team members who want to get on with the task and those who want to clarify and plan further.

The "forming" stage takes place when the team first meets each other. In this first meeting, team members are introduced to each. They share information about their backgrounds, interests and experience and form first impressions of each other. They learn about the project they will be working on, discuss the project's objectives/goals and start to think about what role they will play on the project team. They are not yet working on the project. They are, effectively, "feeling each other out" and finding their way around how they might work together.

During this initial stage of team growth, it is important for the team leader to be very clear about team goals and provide clear direction regarding the project. The team leader should ensure that all of the members are involved in determining team roles and responsibilities and should work with the team to help them establish how they will work together ("team norms".) The team is dependent on the team leader to guide them.

#### **Storming**

- Different ideas compete for consideration.
- The team considers solutions to perceived challenges and the leadership model they will accept.
- Team members may vie for influence and power in the group.
- Decisions often do not come quickly as relationships are tested and challenged.
- As a leader our leadership may be challenged.
- The ways in which the team will work start to be identified.
- Some team members may be overwhelmed at the amount of work to be done



while others may question the goals.

- Some teams never leave this stage and it is a common point of failure for teams.
- Some team members will focus on minutiae to evade real issues.
- Successful teams will be able to resolve real issues.
- Leaders need to remain accessible but directive in terms of decision-making, professional behavior and emotional intelligence.

As the team begins to work together, they move into the "storming" stage. This stage is not avoidable; every team - most especially a new team who has never worked together before - goes through this part of developing as a team. In this stage, the team members compete with each other for status and for acceptance of their ideas. They have different opinions on what should be done and how it should be done - which causes conflict within the team. As they go progress through this stage, with the guidance of the team leader, they learn how to solve problems together, function both independently and together as a team, and settle into roles and responsibilities on the team. For team members who do not like conflict, this is a difficult stage to go through.

The team leader needs to be adept at facilitating the team through this stage ensuring the team members learn to listen to each other and respect their differences and ideas. This includes not allowing any one team member to control all conversations and to facilitate contributions from all members of the team. The team leader will need to coach some team members to be more assertive and other team members on how to be more effective listeners.

This stage will come to a closure when the team becomes more accepting of each other and learns how to work together for the good of the project. At this point, the team leader should start transitioning some decision making to the team to allow them more independence, but still stay involved to resolve any conflicts as quickly as possible. Some teams, however, do not move beyond this stage and the entire project is spent in conflict and low morale and motivation, making it difficult to get the project completed. Usually teams comprised of members who are professionally immature will have a difficult time getting past this stage.

#### Norming

- Agreement and consensus form within the team which responds well to the leader's facilitation.
- Team members often work through this stage by agreeing on rules, values, professional behavior, shared methods, working tools and even taboos.
- The team members can be expected to take more responsibility for making decisions and for their professional behavior.



- Commitment and unity are strong.
- As new tasks come up, the team may lapse into typical storming stage behavior, but this eventually dies out.

When the team moves into the "Norming" stage, they are beginning to work more effectively as a team. They are no longer focused on their individual goals, but rather are focused on developing a way of working together (processes and procedures). They respect each other's opinions and value their differences. They begin to see the value in those differences on the team. Working together as a team seems more natural. In this stage, the team has agreed on their team rules for working together, how they will share information and resolve team conflict, and what tools and processes they will use to get the job done. The team members begin to trust each other and actively seek each other out for assistance and input. Rather than compete against each other, they are now helping each other to work toward a common goal. The team members also start to make significant progress on the project as they begin working together more effectively.

In this stage, the team leader may not be as involved in decision making and problem solving since the team members are working better together and can take on more responsibility in these areas. The team has greater self-direction and is able to resolve issues and conflict as a group. On occasion, however, the team leader may step in to move things along if the team gets stuck. The team leader should always ensure that the team members are working collaboratively and may begin to function as a coach to the members of the team.

## Performing

- Some teams will reach the performing stage. These high-performing teams function as a unit by finding ways to get the job done smoothly and effectively without inappropriate conflict or the need for external supervision.
- The team is more strategically aware. It knows clearly why it is doing what it is doing.
- As leader, we are able to delegate much of the work and can concentrate on developing team members. Being part of the team at this stage feels compared with earlier on.
- There is a focus on the achievement of goals

In the "performing" stage, teams are functioning at a very high level. The focus is on reaching the goal as a group. The team members have gotten to know each other, trust each other and rely on each other.

Not every team makes it to this level of team growth; Norming the highly performing team functions without oversight and the members have become interdependent. The



team is highly motivated to get the job done. They can make decisions and problem solve quickly and effectively. When they disagree, the team members can work through it and come to consensus without interrupting the project's progress. If there needs to be a change in team processes - the team will come to agreement on changing processes on their own without reliance on the team leader.

In this stage, the team leader is not involved in decision making, problem solving or other such activities involving the day-to-day work of the team. The team members work effectively as a group and do not need the oversight that is required at the other stages. The team leader will continue to monitor the progress of the team and celebrate milestone achievements with the team to continue to build team camaraderie. The team leader will also serve as the gateway when decisions need to be reached at a higher level within the organization.

Even in this stage, there is a possibility that the team may revert back to another stage. For example, it is possible for the team to revert back to the "storming" stage if one of the members starts working independently. Or, the team could revert back to the "forming" stage if a new member joins the team. If there are significant changes that throw a wrench into the works, it is possible for the team to revert back to an earlier stage until they are able to manage through the change.

### Adjourning

- No team lasts forever and the break-up of a team need to be planned to ensure organizational, team and individual goals are managed.
- Some team members may have entered their comfort zone and may resist the breakup of the team while others will be ready for the next challenge

In the "adjourning" stage the project is coming to an end and the team members are moving off into different directions. This stage looks at the team from the perspective of the well-being of the team rather than from the perspective of managing a team through the original four stages of team growth.

The team leader should ensure that there is time for the team to celebrate the success of the project and capture best practices for future use. This also provides the team the opportunity to say good-bye to each other and wish each other luck as they pursue their next endeavor. It is likely that any group that reached Stage 4: Performing will keep in touch with each other as they have become a very close knit group and there will be sadness at separating and moving on to other projects independently.

# 7.4.6 The Advantages of the Teamwork Concept in Organizations

Framed wall hangings extolling the value of "Teamwork" appear in offices everywhere, so the term might sound a bit cliched. However, small businesses that keep the teamwork concept at the forefront of how they operate can reap some real advantages. Teamwork is what keeps all parts of the business machine running smoothly.

# Motivation and Support

Utilizing teamwork in a business bolsters the weaknesses of some with the strengths of others. If one person excels at making conference calls, while another is great at typing up documents, then each can support each other with the talent that would be lacking if each were forced to work solo. Likewise, one worker is bound to have an off day where enthusiasm is lagging, so another member of the team can help encourage that worker to do a better job. The motivation team members can give each other creates greater camaraderie, leading to greater fulfillment within relationships at work.

# Accountability

Teamwork creates an environment in which workers are accountable for what they produce, because other team members are counting on each individual piece to make the puzzle -- or the project -- work to everyone's satisfaction. When all workers do their part, it lends them a sense of pride and belonging, as well as status among the team. An individual's accomplishment -- such as a catchy ad slogan idea -- gives that worker attention and recognition among his peers.

## **Creative Solutions**

As the old saying goes, two heads are better than one. And with a team, even more so. Solutions to problems and fresh ideas are generated by the brainstorming that teamwork fosters. Teams allow skills, knowledge, opinions and experiences to be pooled together for the benefit of the business as a whole. This leads to better productivity for every member of the team, and every task completed by each worker leads to one noticeable outcome that the whole team and company can take proud in.

# **Competition and Growth**

Teamwork allows individual workers to see how other workers do their jobs, and can be a source of education and inspiration. Less experienced workers can learn and grow from their interactions with senior-level team members. Opportunities to learn from each other's' strengths can also lead to a healthy sense of competition that motivates the team to produce greater quality or quantity of product or service.



# 7.4.7 Benefits of Teamwork in the Workplace

"Two heads are better than one." We have all heard the old adage encouraging teamwork, but what does working together really do for you? Salesmen thrive off healthy competition, but sometimes the use of teamwork in the workplace is a better answer for winning sales. Here are six ways that teamwork benefits you in the workplace.



• *Fosters Creativity and Learning.* Creativity thrives when people work together on a team. Brainstorming ideas as a group prevents stale viewpoints that often come out of working solo. Combining unique perspectives from each team member creates more effective selling solutions.

What you have learned from your individual experiences is entirely different from your coworkers. Thus, teamwork also maximizes shared knowledge in the workplace and helps you learn new skills you can use for the rest of your career. Collaborating on a project creates an enthusiasm for learning that solitary work usually lacks. Being able to share discoveries with the rest of your team excites employees and fosters both individual and team knowledge.

Blends Complementary Strengths/. Working together lets employees build on the talents of their teammates. While your strength may be creative thinking, a coworker might shine in organization and planning. Do not hesitate to share your abilities with the team.

Often, a team works well together because team members rely on each other to bring individual talents to the table. By observing the process behind these skills, you can learn how to combine your gifts and become a stronger team. Every time you see your coworkers utilize a different approach in sales, you have a chance to adjust or improve your methods.

**Builds Trust.** Relying on other people builds trust, and teamwork establishes strong relationships with coworkers. Despite occasional disagreements, an

effective team enjoys working together and shares a strong bond. When you put your trust in a coworker, you are establishing the foundation of a relationship that can endure minor conflicts.

Trusting your teammates also provides a feeling of safety that allows ideas to emerge. It helps employees open up and encourage each other. Open communication is key when working on a team and produces effective solutions in difficult group projects. Without trust, a team crumbles and cannot succeed on assigned projects. Great teams build each other up and strengthen individual members to create a cohesive group. By working together, employees learn that wins and losses affect everyone on the team. Teamwork necessitates confidence in each other's distinct abilities.

Teaches Conflict Resolution Skills. Conflicts inevitably happen when you put together a group of unique people. Employees come from varied backgrounds and have different work styles and habits. While these unique viewpoints create the most successful work, they can also generate resentment that quickly turns into conflict.

When conflict arises in teamwork situations, employees are forced to resolve the conflicts themselves instead of turning to management. Learning conflict resolution firsthand is a skill that employees can use to become efficient managers down the road.

Promotes a Wider Sense of Ownership. Team projects encourage employees to feel proud of their contributions. Tackling obstacles and creating notable work together makes team members feel fulfilled. Working toward achieving company goals allows employees to feel connected to the company. This builds loyalty, leading to a higher level of job satisfaction among employees.

Teamwork is not just helpful for employees. It benefits the employer in the long run as well. Employees that connect directly with their workplace are more likely to stay with the company. While employees leaving their jobs often cite a lacking salary, another common complaint is that their contributions do not seem to matter. Teamwork allows people to engage with the company and add to the bigger picture.

Encourages Healthy Risk-Taking. An employee working on a project alone will probably not want to stick their neck out for an off-the-wall idea. If the project fails when working solo, that employee takes the full brunt of the blame. While you may not get full credit for a successful team project, working with other people spreads out the responsibility for a failed assignment.

Working as a team allows team members to take more risks, as they have the support of the entire group to fall back on in case of failure. Conversely, sharing success as a team is a bonding experience. Once a team succeeds together, their brainstorming sessions will produce revolutionary ideas without hesitation. In many cases, the riskiest idea turns out to be the best idea.

# CASE STUDY

# INTERPERSONAL COMMUNICATION SKILLS IN WORKPLACE

Michael is an intern at a law firm. He is hired for a two-month internship program which includes assisting advocates, interacting with their clients and attending court sessions. However, after a few days, Michael's performance suffered greatly which led to inefficiency and client dissatisfaction. Upon examining Michael's work habits closely, the manager realized that he lacked interpersonal skills.

# Problems

- Verbal communication. Michael did not have good verbal communication skills. When interacting with his seniors, Michael often could not speak out his mind nor put his ideas across to his colleagues and seniors. His manner of speaking was flat and often lacked professionalism. He did not use professional language and sometimes ended up being rude to his seniors. This created confusion and a communication block between him and the others in the workplace.
- Non-verbal communication. Michael's non-verbal communication skills lacked miserably. His body language was off-putting and he often gave off a negative vibe. He would not make eye contact while speaking with others and often spoke in a somewhat rude tone. His gait was awkward and often sat in the wrong position, with one leg up the other.
- Listening skills. Michael was not a good listener. When meeting with clients, he did not take notes properly while they were talking. This was because he did not pay attention to what the clients had said. Hence, there were several instances of misunderstanding by Michael, which led to a communication gap with the client.
- Negotiation. Michael lacked negotiation skills. When talking with clients, Michael often spoke back without really understanding the clients' situation. He would often show signs of irritation and point out flaws in the client instead of talking over them.
- Problem-solving. When questioned about various legal solutions as part of his training, Michael often lacked the ability to solve problems efficiently. He could not come up with efficient solutions nor could he suggest ideas to the clients and seniors.
- Decision-making. Michael suffered from a lack of decision-making skills. Not only was he unable to solve given problems but he also lacked the ability to make decisions.

 Assertiveness. Finally, Michael's overall confidence was affected by his lack of assertiveness. He was often non-responsive when asked or told something. He also refrained from pointing out mistakes or suggest new ideas.

# Solution

In order to improve Michael's interpersonal skills, a few things need to be changed and followed. His verbal communication skills need to be worked on. For this, Michael needs to practise talking more often with his colleagues and clients to understand their demands and needs. He also need to be more professional in his approach and speak with clarity and use non-aggressive, positive and formal tones. His body language needs to change in order to give off a warm and assuring vibe to others. He has to sit upright, control his upper body movements and make eye contact while speaking. Michael also needs to increase his concentration by listening properly to what people say. This will lead to a better understanding of the people around him and also better efficiency. There would be better management of handling of the cases. With better verbal communication and listening skills, Michael can improve his negotiation skills. This will also lead to understanding flaws in others and discussing them in a proper manner. With negotiation, problem-solving skills will flow where a better understanding of the overall situation will add to general efficiency. Assertiveness, especially with clients, give a positive image of confidence. Michael can learn to be professional, amiable yet firm with his clients and colleagues.

# **SUMMARY**

- Interpersonal communication is the process by which people exchange information, feelings, and meaning through verbal and non-verbal messages: it is face-to-face communication.
- Interpersonal communication in the workplace plays an important role in employee satisfaction, motivation, collaboration and business success.
- Interpersonal communication is the process of exchange of information, ideas and feelings between two or more people through verbal or non-verbal methods.
- Term communicator refers to both the sender of the information as well as the receiver. In interpersonal communication, there are at least two communicators involved in the conversation.
- One of the most important parts of interpersonal communication is the message. Message can be conveyed in many ways: speech, body language, tone of voice, gestures and other indicators.
- Noise refers to the gap between the message that is received and what it sent. Examples of noise include jargon, language barriers, inattention and more. Noise is the problem that many companies face in the workplace, and the reason why internal communicators are struggling to get the necessary employees' attention.
- Feedback is the response of the receiver. In other words, it's the message sent back to the sender. Feedback is important because it allows the sender to know whether the message has been received and interpreted correctly.
- Basic interpersonal communicative skills (BICS) are language skills needed to interact in social situations, for example, when speaking to a friend on the telephone.
- Self-Awareness is having a clear perception of your personality, including strengths, weaknesses, thoughts, beliefs, motivation, and emotions.
- The concepts of teamwork, team building, and self-directed work teams have penetrated nearly every segment of the business world in recent decades. More and more businesses are introducing or expanding teamwork as part of their production processes, with varying results.

# **MULTIPLE CHOICE QUESTIONS**

- 1. Interpersonal communication is communication between two people who
  - a. share a relationship.
  - b. are connected in some way.
  - c. are aware of one another.
  - d. All of the above.

# 2. Interpersonal communication is

- a. verbal only.
- b. continuous.
- c. irreversible.
- d. static.
- 3. In interpersonal communication, the person who formulates and sends messages is called a
  - a. source.
  - b. decoder.
  - c. receiver.
  - d. channel.
- 4. Language differences and use of jargon are examples of what type of noise?
  - a. physical
  - b. physiological
  - c. psychological
  - d. semantic
- 5. The process of examining information and reaching a judgment or decision is called
  - a. ethics.
  - b. critical thinking.
  - c. feedback.
  - d. feedforward.



- 6. The status relationship between the people who are communicating relates to the
  - a social-psychological dimension.
  - b. cultural dimension.
  - c. temporal dimension.
  - d. physical dimension.
- 7. "Right away," "later," and "in a minute" are informal time terms that are
  - a. ambiguous.
  - b. irreversible.
  - c. adjusted.
  - d. unambiguous.
- 8. You cannot not communicate. This is the communication characteristic known as
  - a. inevitability.
  - b. unrepeatability.
  - c. ambiguity.
  - d. irreversibility.
- 9. An ambiguous message is one that can be interpreted as having more than \_\_\_\_\_ meaning
  - a. four
  - b. two
  - c. one
  - d. three

## 10. Feedforward refers to

- a. communication that follows a prior message.
- b. information about messages before they're sent.
- c. information about messages you sent.
- d. predictions about a communication outcome.



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# **Review Questions**

- 1. What is interpersonal communication? What are the importance of interpersonal communication in the workplace?
- 2. Describe the elements of interpersonal communication.
- 3. What are the factors of body language?
- 4. What do you understand by self-awareness?
- 5. Describe the types of teams.

## Answer to Multiple Choice Questions

1. (a)	2. (c)	3. (a)	4. (d)	5. (b)
6. (a)	7. (a)	8. (a)	9. (c)	10. (b)



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# **Career Development and Planning**

Today, challenging organizations have developed new concerns regarding the development of their employee's careers. In such a situation, employees and employers should prepare to maintain the changing environment and work accordingly. To meet existing demands, employees are required to constantly upgrade their skills and competencies, while the organization should prepare with those employees who may be able to handle the pressure and the risk of fall prey to the changed scenario close; can do. Career development and career planning are very significant in the current age of technology, because current century and global changes have given birth to an atmosphere in which nearly everything is in competition with each other. This case is also valid for educators. On one side, everything is changing very fast; on the other side, they are supposed to adopt themselves these rapid changes. Such an adaptation requires some certain commitment, motivation and planning concerning themselves and their students. In this sense, being just a good teacher will not be enough. Engaged employees invest in career planning and development on their own in addition to any offered by an employer. Some employers do not offer planning and development so it is up to the individual to ensure growth needs are a priority. Career development is a win-win focusing on the employee's needs for growth along with providing benefits to the business.

The book provides foundational concepts in career planning and professional development. It evaluates current career management issues and their implications on professional career plans and development.



