SIDE EFFECTS OF CORPORATE CULTURE IN TECHNICAL SERVICES FIRMS ON THE EMPLOYEE TYPOLOGY

− Leadership Goes Beyond Management −

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Abstract

This article is about people and their interaction with corporate culture in technical service enterprises which are in our technical environment of an essence. These enterprises should guarantee a consistent function of all technical processes in firms, private households and the public sector. For example call centers ensure that the products from the Telecom deliver the use they are supposed to.

In times of the growing globalization and the change to knowledge based services professions together with a change of social values, companies and their employees have to face different demands than before. The pressure on employees rises, because they need higher qualifications, always needing to learn and adapt to the quickly changing structures. This creates in some cases a very unhealthy working environment for some of our colleagues. This is where leadership goes beyond management. Leadership, away from analyzing figures and structural measures, means to create an environment, where working atmosphere turns from degenerative pressure to and healthy and competitive working atmosphere although the demands are very high. One honourable professor said: "Successful leadership is maximizing the talent and resources available within the team to meet common goals that align with the team and their resources." This is the demand for the following discussion. The style of leadership and corporate culture are a very important instrument in the changing business structure of technical services and its transformation process. A different style in leadership can employees guide through this transformation process but it can on the other hand evoke frustration. This permanent frustration can lead to occupational diseases as there are for example physiological symptoms as lung and skin diseases or even worse mental diseases as the well known burn-out syndrome.

In technical based services firms, management is mainly focused on the zero tolerance solution of a technical problem, as this is the main mission of these services firms. But, employees are humans and will not be able to function without any tolerance. Negative side effects can be varying as mentioned before from lack of motivation to the beginning of a serious

disease. What is meant by saying, leadership goes beyond management. As we can state, management is fulfils the task of management controls or allocates people and resources in a group according to principles or values that have already been established. Leadership is setting a new direction or vision for a group that they follow, etc.: a leader is the spearhead for that new direction. On the focus of a healthy working atmosphere where efficiency and effectiveness are from an essence, we can categorize 4 dimensions to obtain this aim.
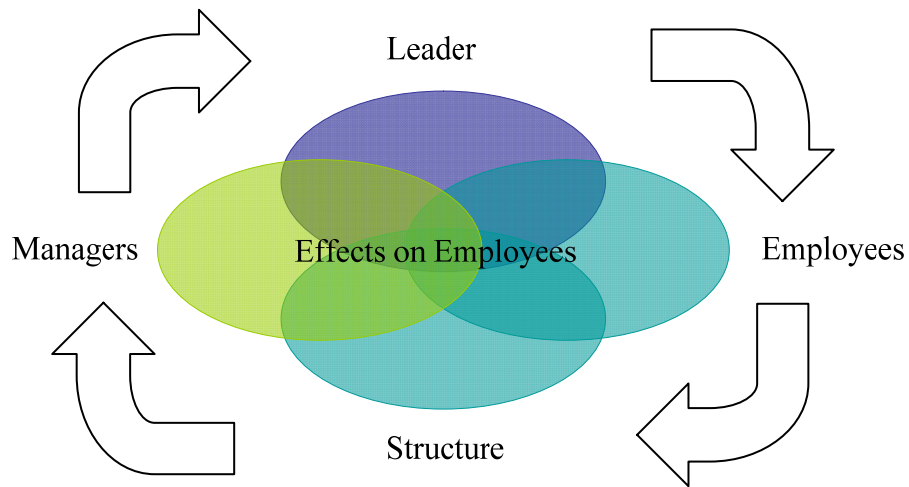
Figure 1. Impact from the four dimensions to create healthy working athmosphere
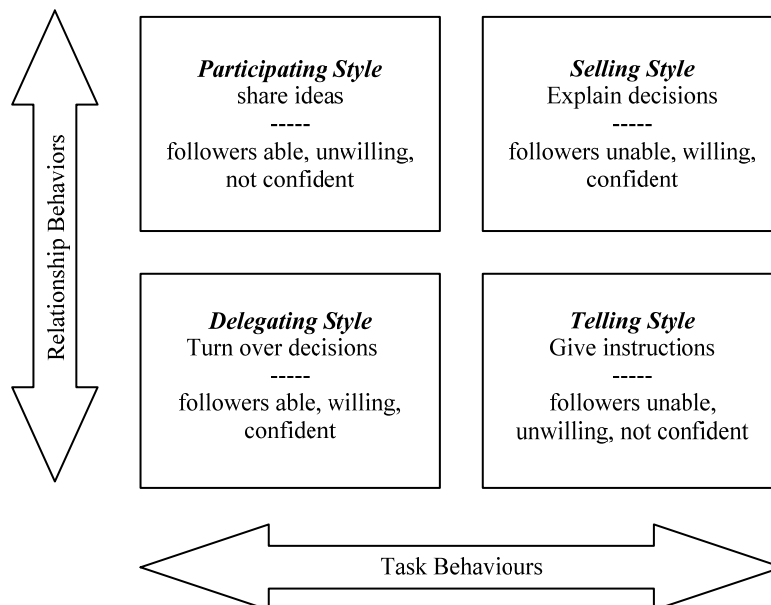
Figure 2. Hersey-Blanchard situational leadership model

As there are a lot of definitions of leadership and management, the main question is to find out, how to integrate leadership effective. In the **first dimension** this question arises, because leadership is not an impersonal tool which can be applied on any situation and any employee. Management and management tools can be integrated impersonal, depending on hard facts as figures, technical processes and material resources or to control organizations. Leadership is build on human resources and immaterial resources as there are effective teams, visions, relationships between employees and their personal profile. This question becomes even more interesting when we raise the thesis that not every type of employee reacts in the same way to a certain style of leadership or is there an important rule while applying a specific style of leadership – one to analyze the employee topology first, one to analyze the appropriate leadership style.

In contrast to Fiedler's contingency leadership model and its underlying assumption that leadership style is hard to change, the Hersey-Blanchard situational leadership model suggests that successful leaders do adjust their styles. But which leadership style is appropriate for which employee type. Employees can be categorized in 4 different main types. This model, people performance potential model of profiling people points out the different behavior schemes of people.
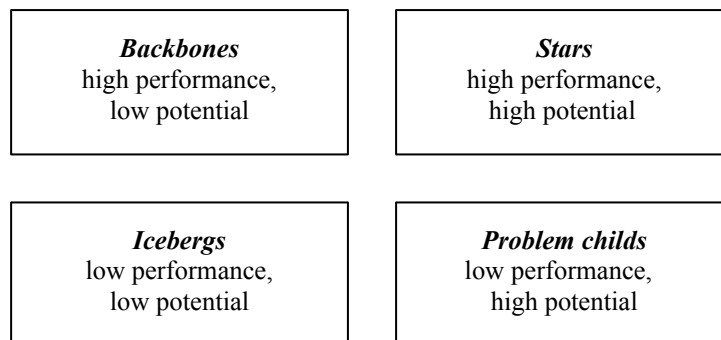
Backbones high performance, low potential	**Stars** high performance, high potential
Icebergs low performance, low potential	**Problem childs** low performance, high potential

Figure 3. People Performance Potential Model

So does every type of employee react in the same negative situation derived from bad corporate culture and inappropriate leadership style like his college, his supervisor or the whole team? Is there a correlation between the type of employee and the style of leadership which you won't discover in the management level? And how can this correlation be described? For example, if the management says, that the working days from now on end at 8 pm, does every employee starts to rebel against it, as the longer working times are a negative side effect of the transformation process or is it at first the icebergs and problem child who react in a sensitive way. But on the other hand are these two the first, who are likely to get ill from this new directive or is it the stars and backbones that always get the short end of the stick. The style of leadership can make a difference, what type of employee is more likely to be affected from the negative side effects by corporate culture and management and compensates this negative side effect. If the style of leadership is appropriate to the management situation, we can let our working day end at 8 pm without facing unmotivated fellows and in the worst case upcoming

occupational diseases. To bring the formulated problem statement to a success, I need to describe, what types of management issues in technical based services firms exist and what positive and negative side effects derivate from it. In the mid 1900s, psychosomatic medicine began to place importance on identifying specific psychological characteristics that might be considered as authentic risk factors in relation to diseases. From this research very interesting data emerged regarding the relationship between the personality and tolerance towards stress. In particular, with reference to the ways in which people cope with stress, it was found convenient to postulate the existence of two separate personality types characterized by differing sets of behavior patterns known as Type A or Type B behavior (Friedman and Rosenman, 1959).

Individuals belonging to the Type-A group are those more exposed to stress and present a higher chance of suffering from a physical or mental disorder on account of the pressure of stressful events. For example, Type-A people are very vulnerable with respect to cardiovascular disease (heart attack, stroke, hypertension etc.). Those in the Type-B category on the other hand reveal a greater capacity to cope with potentially stressful situations, consequently reducing their risk of becoming ill. The difference between the two types does not depend on the fact they present two different and well-defined personality structures but rather on the way in which they organize their responses to stressful situations. Type A individuals also suffer to a higher degree from work stress. The pressures of work, deadlines, being overburdened with professional activities, conflicts with colleagues and duties or tasks that are difficult to cope with may in fact have a profound effect on the way in which a person perceives and considers his or her work. Feeling under great pressure is a negative outcome, while feeling challenged and feeling capable of responding to such challenges represents a positive result. In other words, the impact of work stressors (see previous page) and one's personal response are modulated by the way in which an individual perceives stress factors. It is not exactly an easy thing to judge what impact stress may have in a professional or occupational context; however some estimates suggest that about half of the work days lost in the United States on account of absenteeism can be linked to the effects of stress (Elkin and Rosch, 1990). The term "mobbing" was coined in the early 1970s by the ethnologist Konrad Lorenz to describe a behavior typical of certain animal species that may form a group and surround and noisily attack an animal so as to expel it from the herd. Two types of mobbing occur in the workplace: hierarchical mobbing and environmental mobbing. In the first case, the abuse is perpetrated by individuals that hold a position of superiority over the victim, who is forced to carry out humiliating tasks and duties. In the second case, the victim's colleagues themselves will isolate the individual and openly deprive him or her of ordinary forms of collaboration, the customary dialogue and any kind of respect.

The practice of mobbing consists in vexing a subordinate work colleague or employee by means of a variety of methods of psychological and physical coercion. For example, taking away gratifying work to give it to colleagues or through some form of disqualification of a worker's contribution, which would be reduced to such boring duties as preparing coffee or doing the photocopying or in any case carrying out very dull tasks requiring practically no decisional autonomy. Another widespread practice is that of reprimanding and complaints, expressed both privately and in public, following what would be normally considered as insignificant errors. The mobbing phenomenon can be identified in situations where workers have been deliberately provided with poor-quality equipment or computers and printers that continuously break down, uncomfortable furniture and where they have to spend time in poorly-

lit environments. In such cases it will often occur that no form of technical assistance is available. In other cases, if a worker stays at home on account of illness, company managers or owners will make sure they are visited by public officials or others invested with the power to check up on and monitor the authenticity of their employees' claims. When the victim returns to work, he may do so only to find that his desk has been cleared away or even removed and his computer has been disconnected from the company network.

But not only the leadership and management issues prohibit a healthy and sustainable working atmosphere. The **second dimension**, grown structures within the enterprise create a situation, in which managers and leaders cannot react as they are supposed to, because these structures are hard to change in a short period of time. For example:

- Excessive noise, which makes it much more difficult to concentrate and communicate with one's colleagues.
- Being overburdened with professional duties, i.e., a period of work exceeding 40 hours per week.
- Lack of time that would be normally required to carry out a task. Having to consequently work quickly and not very precisely.
- Little variety in one's occupational activities. Always performing the same duties.
- The monotony of one's professional activities. Duties are carried out mechanically without real participation or interest.
- Insufficient or total absence of recognition or rewards for good performance.
- The absence of any power of discretion or control. When it is not possible to control one's activities directly and there is no chance to perform them in the way one would really desire to.
- Too much responsibility.
- An ambiguous role. The lack of precise information regarding one's professional duties or unpredictable consequences and outcomes in relation to the tasks performed.
- Conflicts with colleagues or one's superiors. A lack of agreement with work colleagues about work procedures and interferences on the part of others in one's activities.
- A lack of satisfaction and no personal achievement. For example, when one cannot be sure of the continuity of one's employment or of the possibility of professional advancement or when we find ourselves in situations in which it is not possible to express our talents, skills and capacities.
- Being the object of prejudice, threats and vexation. Situations that lead to what is often defined as mobbing.

The **third dimension** is the employee itself. If the leadership, the management, the structures do not fail, the employee might be the issue. An engaged employee is the one who:

- Is enthusiastic and is inspired by his/her work;
- Is committed and is fascinated by his/her work;
- Cares about the future of the organization;
- Shares a strong emotional bond with the organization;
- Is loyal to the organization and the customers;
- Makes more money for the organization by putting in his 100% efforts;
- Is productive, ethical, accountable and dependable.

According to a study, the percentage of employees in an organization who are actively engaged, not engaged and actively disengaged in their jobs are 30%, 55%, 15% respectively. Employee Engagement Levels in an Average Organization. Engaged employees need less focus and attention from managers as they know their duties and perform their tasks efficiently. They set their aim and meet the expectations. But sometimes, due to some reasons, it hardly takes time for engaged employees to turn into disengaged employees. At this point of time we need to identify the symptoms of budding employee disengagement and take preventive measures to limit it from growing further. This problem can be solved by having a conversation with the employee and discussing the problem that the employee is facing. The management should be put in correlation to the above mentioned people performance potential model and the employee engagement. The backbones do have a lot of acknowledge effort and contribution. They can be utilized as coaches and mentors. The appropriate style of leadership would focus to look for each person's hidden high potential, undiscovered passions and offer new challenges and responsibilities as appropriate, so these people too can be stars, to any extent they are comfortable. The stars agree to challenging and stretching work, projects, career development, responsibilities. On the other hand these people are likely to leave. Leaders should offer an appropriate stretching coaching, mentoring and training to explore and encourage leadership and role-model opportunities, to set and raise standards of other staff. The icebergs counsel, build trust and understand issues. They identify hidden potential. Leaders should facilitate more fitting roles, direction, purpose, opportunities, linked with and perhaps dependent on performance improvement. Failing this, assist or enable move out of organization if best for all concerned. The problem child confirms and acknowledges potential. They counsel, build trust and understand issues. To lead this type of employee leadership means to explore and agree ways to utilize and develop identified potential via fitting tasks and responsibilities, linked with and perhaps dependent on performance improvement by exploring attachment to backbone or star mentors and coaches.

To manifest the importance of this discussion we need to look into the newspapers, see it on TV and hear on radio. The shivering news, that another employee of the France Telecom brings his life to an end, in plain view of his or her colleges. As this incident was not the last and 20+ employees did the same, organizational study is the key to hunt the factors down, which caused this sad human tragedy. First the management was blamed. But is it really a question of a management failure or is it the misunderstanding of the physiological dynamics of human behavior − better known as the soft facts. The theoretical background would justify a research on an existing object, for example a technical service enterprise. Where would we begin with the research? Keys to a successful program leadership are the understanding of the role as a leader and the understanding of the work and the types of employees with their characteristics. To understand the role as a leader means to understand the work, to build a team with co-accountability, to develop key staff, to create an enjoyable work environment, to create sup portative personnel practices and to put emphasis on quality and customer satisfaction. At the beginning I point out the management principles and compare them to the monthly conducted trend questionnaire by the management because it shows the current mood of the personnel structure. Secondly I will engage an interview of the team colleges to find out the percentage of the different types of employees in relation to the People Potential Profile Model. At this point, my focus will be on the different reaction of the different types of employees on

the primarily worked out positive and negative side effects of the management principles using the risk assessment. With this data I can analyze the varying impacts of these side effects on the personnel typology. I will stay within the organizational systems level between the Group Level and the Individual Level. My approach will be from the spectator's point of view to assure objectiveness. To collect necessary data I would primarily chose a quantitative research method. To identify the existing types of employees and the styles of leadership we would start with a questionnaire over a 2 week period and distribute the sheets using our interoffice mail and collect them manually from the colleges to check, if something is missing or if there is a misunderstanding. I will be guided most generally by the interpretive perspective, and more specifically by Alvesson's (1996) situational approach. The interpretive perspective places the focus on interpreting the meanings and perspectives of cultural members, and how these meanings are negotiated. I am exploring the meanings the employees have for themselves as individuals as well as they have for the organization, group, and profession of which they are members. In combination with my survey I will be able to reconstruct the current correlation between the soft facts and the hard facts provided by the management principles. The same procedure should be done with the leaders in the enterprise to identify the existing leadership styles. We could additionally use interviews for a more qualitative insight. At this point we will not start with the research, as this would not fit into this discussion. But I will put forward some assumptions which can be verified or falsified by the research. There is a catalogue of ten different styles of leadership.
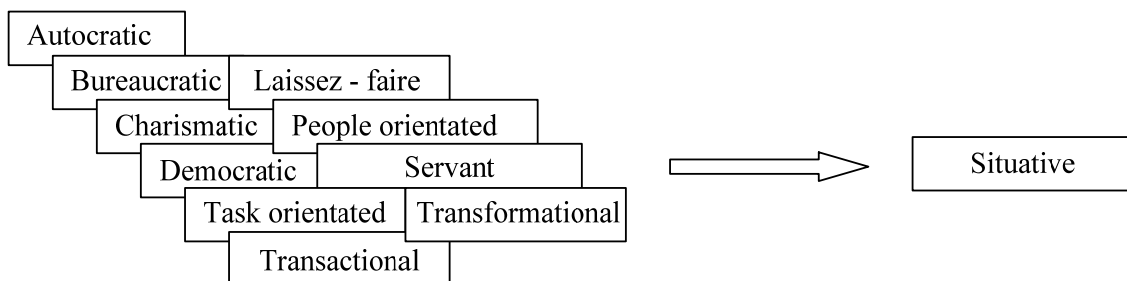

Figure 4. Styles of Leadership

Acknowledging the current leadership style and knowing the task will help you to create a situational leadership. As mentioned before, for the most effective approach you must consider the skill levels and experience of the members of your team, the work involved, the organizational environment and the own natural style. A good leader will find himself switching instinctively between styles according to the people and work they are dealing with.

In the above paragraph I mentioned the appropriate style of leadership in correlation with the type of employee goes beyond management. But is there something, management can do to enforce a healthy work environment. The focus was primarily on the leader, but is there something the employee can do, or better, the management. One term is the so called "work life balance". Work life balance describes mainly two life domains: work and life. It assumes that work and life are different life domains and have to get into balance for a healthy work life. This gain this balance, the management is asked to create, besides the leader, some prerequisites

within the enterprise. For human resource management, work life balance can create an advantage for the enterprise on the technical services market, because it reduces the fluctuation of employees and raises the efficiency of the people and teams. A. Hochschild contested with her book "Time blind" that in the United States organizations which are family friendly and promote work life balance are more or less rejected. In Germany E. Thadden stated the contrary development and puts the human into a family perspective. In the past years, health programs, motivation trainings and retirement programs came into the focus of the management, because the remedies for an unhealthy employee are very high and the payments for recreation are very high. This has effect on the profit. The enterprise performs these tasks by installing cafeterias, sport programs and psychological prevention. It lives the work life balance by its managers and creates motivation and loyalty for the employees without career disadvantages. We can state that the health and satisfaction within the working environment and the work life balance create a more efficient and effective output of the technical services enterprises and might be valid for any other enterprise, where people are an essential resource. The conclusion of this discussion is that not only the leaders are responsible for a healthy working atmosphere – it is also the managers, the structures and the employee himself.

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