

Advances in Strategic Human Resource Management

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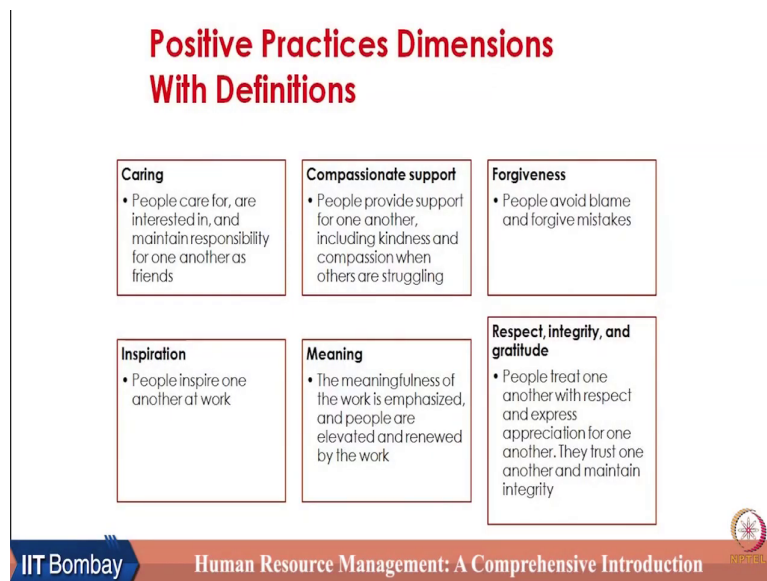
Indian Institute of Technology, Bombay

Positive Organizational Scholarship and HRM

Lecture - 04 B

Positive Work Practices in Organization

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Cameron and his colleague have looked at what are the prominent Positive Practices in various Organizations. The study which was quoted in the previous slide was expeditory in nature. They compiled various positive practices being discussed in the literature and based on the existing literature; they prepare the battery of 114 – 114 questions about positive practices.

They run this data through large number of respondents in in a financial sector company in their first study, we are going to look at that study little in in more detail in just a minute from now. Based on the responses of the data from a financial company and the many, I think, about 40 units, 40 subunits of that organization, they called out these six positive practices. These positive practices are about caring, compassionate support, forgiveness, inspiration, meaning, respect, integrity and gratitude.

These were the six factors emerged through exploratory factor analysis exploratory factor analysis of the data collected on 114 items related to various positive practices. Caring here means people care for and are interested and maintain the responsibility for one another as friends, not as competitors. Compassionate support is about people providing support for one another, including kindness and compassion when others are struggling in their professional or personal front.

Forgiveness, many a time people are not able to give their best and even at times with their good intentions, intentions for the benefit of the organization and the stakeholders, these at times make mistakes and make errors. Be practice of forgiveness about those errors. That is another very important practice identified as the positive practice in the POS.

Inspiration, people being inspired to contribute to the greater cause, people being inspired to contribute for the greater cause and inspiring each other to give their best performance, to realize that cause, to meet that cause. Meaning is another positive practice; that means, people finding their work meaningful. They are able to see that their work, they are not just a cog in the huge wheel called organization, but they can see their performance, their role has a positive impact on their organization and also on the society.

Respect, integrity and gratitude is another practice, another set of practice rather. It is about people treating each other with the respect, with dignity and helping each other to maintain their integrity. They are having trust in each other and having gratitude towards organization

and towards each other. So, these are the positive practices, dimensions identified in the Cameron's work, in the work of Cameron and his colleagues.

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Do Positive Practices Make Business Sense

In Study 1

- Site: Financial service business units
- Findings: Significantly associated with financial performance, work climate, turnover, and senior executive evaluations of effectiveness.

In Study 2,

- Site: Health care units
- Findings: Improvements in turnover, patient satisfaction, organizational climate, employee participation in the organization, quality of care, managerial support, and resource adequacy.

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And, they conducted this study on two very different sites. The objective of this study was to look at whether positive practices make business organizations have to un-profit. If they do not un-profit, they cannot survive, they cannot conduct their business, they cannot exist. And if they cannot exist, what good they can do to their employees, to their internal who are the internal stake holders or to their customers, suppliers or society, which are the external stakeholders.

So, we need not to look at positive organization practice as instrument to real to earn more profit, but nonetheless, we need to examine whether we need to examine that profitability and positive organization practice head need not be at the lower head to each other. They should

not be the zero-sum game. And, this is an open question, whether these good things also support or at least do not hinder earning profit and achieving business results.

So, the first study was in the financial service business unit. Paper, authors write that they chose financial service business unit because by nature of the business, organization processes and organization conversations were predominantly focused on wealth creation. For them, making profit is the most important objective because of the very nature of the function was like that.

So, they conducted the survey in that organization, whereby nature people have to talk about money, people have to be very very conscious about the financial profit and generating financial wealth for the internal stakeholders. And when they conducted this study in the in about 40 subunits of the financial service business unit, they found that there was a significant association between financial performance, work, positive work climate and that has a negative association with the employee turnover and turnover intentions.

And also, senior executive evaluation about the organization was higher, where the positive practices were more prevalent. So, this was one study and second study was conducted in an altogether different unit, which was by nature aimed at providing care and concern to the internal and external stakeholders – that is health care unit.

In the health care unit, we know the main internal stakeholders are the doctors and nurses, many of them or we can say most of them join this profession out of their love for humanity out of their inspiration to serve humanity.

So, this was naturally an organization, where some of the positive organization practices would be followed. So, in that is why they looked at this study, they looked at the positive organization practices in the health care unit, as well to see whether it is relevant.

These practices are relevant and add up to the organizational effectiveness, organizational effectiveness for the health care units would be about the customer satisfaction, service

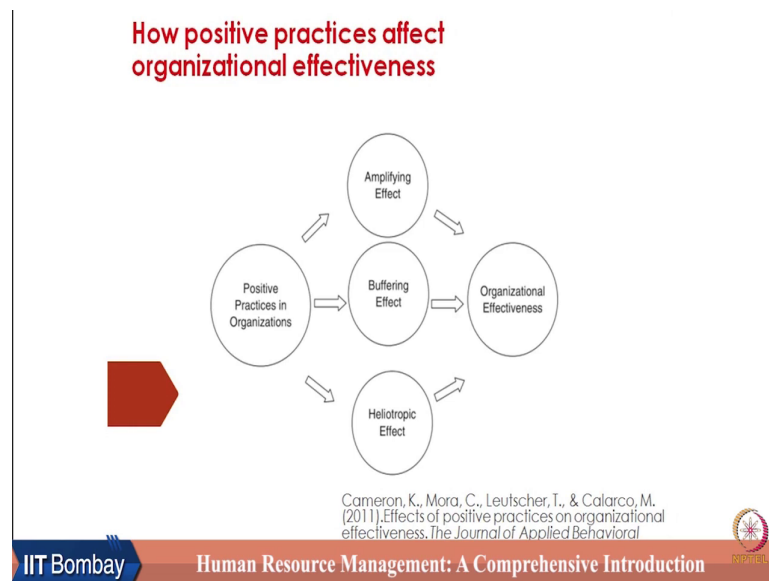
delivery and quality of the care, managerial support etcetera. So, those things are the outcome for the health care unit.

And, in this study also, authors found that positive organization practices result into improvement in the record, in improvement in the turnover numbers means the intention to quit amongst the employees, whether doctors or nurses that were that was lower in those health units, which were having more positive practices.

Patient satisfaction was high, organizational climate were was more positive. Employee participation in the organization was higher, where the positive practices were more prevalent. Quality of care, management support and resource adequacy were also higher in those units, where there was more positive organization practices.

So, we can see in this study that positive organization practices have positive impact on the or positive association on organizational effectiveness, where this organization which by nature focuses on wealth creation, financial wealth creation or whether it is an organization which by nature is oriented towards service and care.

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We need to understand as HR student, why these positive organization practices have positive impact or favourable impact on organizational effectiveness. So, in the same paper, Cameron and colleague talk about three lines or three aspects of the effects of the positive practices, amplifying effect, buffering effect and heliotropic effect.

Amplifying effect comes from a very basic theory of positive organization scholarship or positive psychology that theory is known as broadened and built theory. Broadened and built theory suggest that our ability and propensity to experience more positive emotions increases if we experience few positive emotions. Means if I experience one positive emotion like gratitude, there is a my propensity and ability to experience other positive emotion like wisdom or like courage that increases.

So, that logic also applies in the organizational setting. When there are positive practices about respect, care or compassion or forgiveness, even these few practices if they are started that result into other practices and other positive behaviours naturally. So, one positive characteristic build or leads to next positive characteristic and that virtuous cycle goes on and that is the amplifying effect of the positive practices in organizations.

What is the buffering effect? Buffering effect is that irrespective of the nature of industry or the nature of market or the economy, any organization faces or organizations have to sometime face some downturn. It may be because of the novel technology, may be because of the increasing competition, change in regulation or they can be so many other factors because of which organization face challenge.

Positive practices in the organization also work as buffer against negativity within and outside of the organizational environment. So, that builds the sense of solidarity and positive culture and resilience which is very helpful in the difficult times. So, it is important for organization to keep on looking, keep on investing, keep on promoting positive practices because it is not only helpful in the good times.

It builds resilience and solidarity which is very useful in the tough time, in the challenging times and no organization can say that they will never face any challenge irrespective of whatever resources they have or whatever attract, however, attractive market they are operating.

Third effect is heliotropic effect. Heliotropic word comes from helio and tropism. Helio means light, tropism means moment. Heliotropic effect is related to human tendency to be attracted towards positive aspects of life. That is why it is compared with lighting.

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So, when there are positive practices, organizations result into fostering the positive energy amongst the members and positive energy produces elevated performance. So, positive energy naturally results into better performance because the concentration is higher. People have less hassle about their work. People are more helpful to each other naturally and they feel like contributing.

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So, heliotropic effect is the another reason why positive organization practices result into organizational effectiveness.