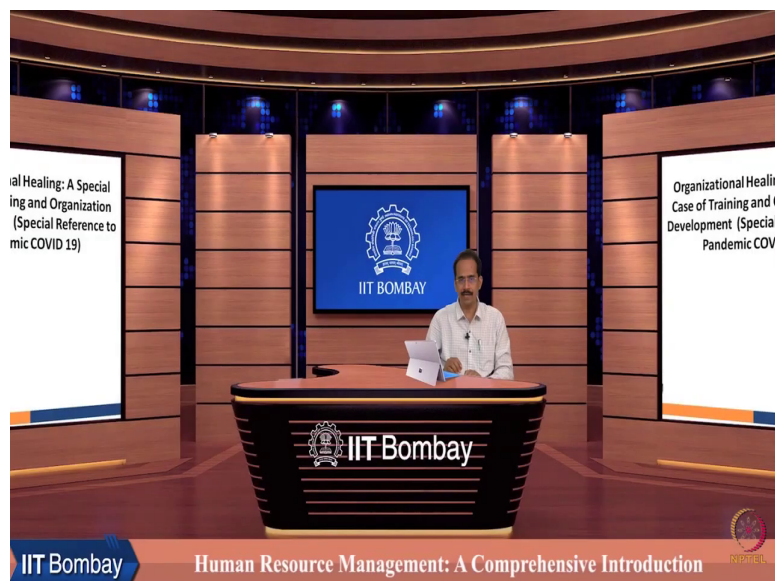


Advances in Strategic Human Resource Management
Prof. Ashish Pandey
Shailesh J. Mehta School of Management
Indian Institute of Technology, Bombay

Organizational Healing
Lecture - 02 A
Organizational Healing: An Introduction

(Refer Slide Time: 00:16)



Today, we are going to look at a special case of training in organizational development the process is called Organizational Healing. You might notice that we are recording this session at the time of pandemic caused by a COVID-19 virus.

So, in this situation, many organizations are trying to remain afloat, trying to remain in business. Many organizations are struggling to reset up their processes and systems many of

them are struggling to manage their human resources, also to interact with the customers, managing their systems and processes.

And they are facing challenge not only on the business front, which is severely hit, but also on the operational front. An operational that includes the manpower-related issues, material, money-related issues, and also the issues related to the use of technology. So, in today's session, we are going to look at a process called organizational healing and what HR function has to play a role in it.

(Refer Slide Time: 01:23)



HR Professionals holding Organizations Together at the time of Crisis

- Especially at a time like this, the expectations from HR professionals are extremely high.
- HR professionals have been keeping teams together and ensuring that the organizations are still running.
- It has been a challenge to balance out business growth and employee interests together in the current circumstances.

IIT Bombay SIMSON

Human Resource Management: A Comprehensive Introduction

In the current time, HR professionals are holding organizations together. This is a time of crisis and they have to work in exceptional situations. As a result of that, they have to work not only to build and keep the morale high or keep the positive environment in the organization, but they also have to manage their own well being. So, this has been a challenge

to balance out the business growth as well as the employees interest together in the organization.

(Refer Slide Time: 02:01)



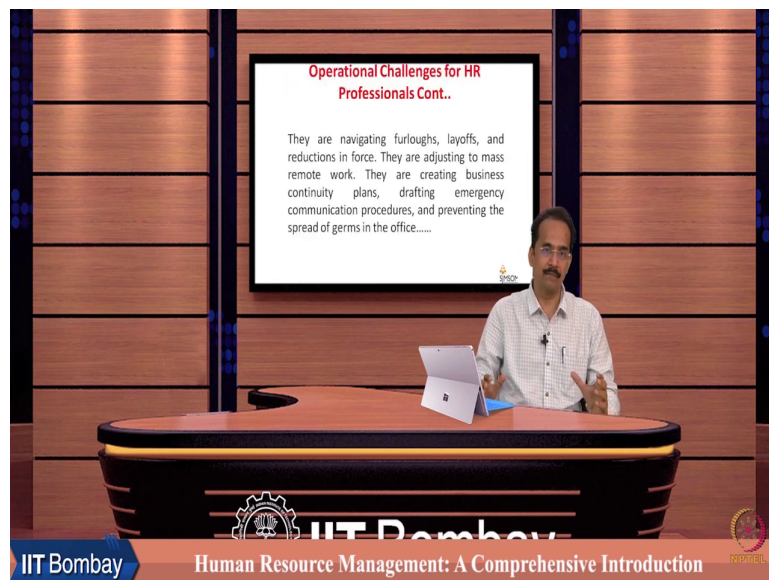
There have been new people challenges and inevitable restructuring in organizations. Many organizations cannot afford to have large number of manpower. In spite of their best intentions, many organizations have to ask people to leave. Particularly, in the industries related to tourism, hospitality, and many other services. In that situation, it is the role of HR to oversee that the retrenchment or the layoff takes place in a justifiable and fair manner.

They also need to look at the new organization structure has to be suitable for the new environment. There is a concern about well being of others and also in the current times, HR have to take care of their own well being. HR is also involved in making very difficult choices. The choices which can make the severe impact on the lives of the employees.

For example, many people have to be asked to leave, many people have to take the salary cut, many people have to forego at times even the substantial part of the salary. All these financial implications and the implications on the career is going to happen and it is happening in the in during this pandemic crisis.

And because of that, it is HR who has to find ways to ensure that processes are fair and they are able to live the value of care and justice along with taking care of the business requirements and the need for organization to remain in existence even if with the lesser size.

(Refer Slide Time: 03:51)



So, we see HR function has to navigate the furlough, they have to engage in the layoff reduction in the forces, adjusting to the mass remote work. They are creating business

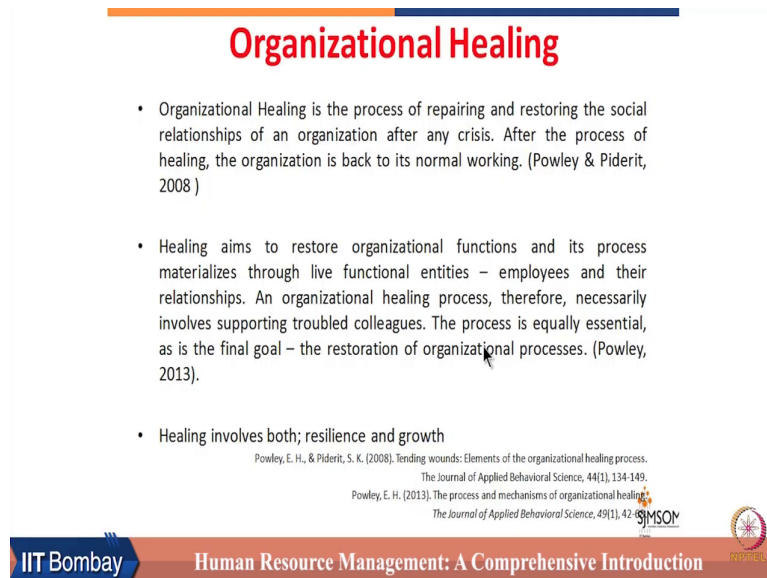
continuity plans, drafting emergency communication procedures and preventing spread of germs in the office at the same time.

Most of these things are those which HR function is not aware of. They do not have the experience of managing so many activities at the same time. So, it is very important to look at the process of the organizational healing and what HR can play a very important role in it.

So, it is important to look at the role of HRM in the time of the pandemic crisis and to understand the role of HRM, there is one concept we have find very useful to explain what is desirable from the organizations and what is desirable on the part of HR function. That concept is organizational healing.

Organizational healing is the process of repairing and restoring the social relationships of the of an organization after any crisis. After the process of healing, organization is back to its normal working.

(Refer Slide Time: 05:17)



Organizational Healing

- Organizational Healing is the process of repairing and restoring the social relationships of an organization after any crisis. After the process of healing, the organization is back to its normal working. (Powley & Piderit, 2008)
- Healing aims to restore organizational functions and its process materializes through live functional entities – employees and their relationships. An organizational healing process, therefore, necessarily involves supporting troubled colleagues. The process is equally essential, as is the final goal – the restoration of organizational processes. (Powley, 2013).
- Healing involves both; resilience and growth

Powley, E. H., & Piderit, S. K. (2008). Tending wounds: Elements of the organizational healing process. *The Journal of Applied Behavioral Science*, 44(1), 134-149.

Powley, E. H. (2013). The process and mechanisms of organizational healing. *The Journal of Applied Behavioral Science*, 49(1), 42-50.

SIMSON

IIT Bombay **Human Resource Management: A Comprehensive Introduction**

Powley and Piderit in the 2008, they wrote about the organizational healing and they compare organizational healing with coping and the healing process as it is understood in the medical sciences.

In 2013, the concept was further refined and there it was defined as the process which has aimed to restore the organizational functions and its processes materializes through live functional entities. And that is where the employee and their relationship matters the most. An organizational healing process is therefore, necessarily involves supporting troubled colleagues.

The process is equally essential as is the final goal, the restoration of the organizational processes. We need to look at the process as a combination of resilience and growth. Resilience meaning ability of organization to rebound, ability of the organization to restart the

process after a major setback and growth is the process of scaling up the operations, making the processes more robust, meeting the heightened expectations of the customers and scaling up their operations.

So, organizational healing can be understood to be successful only if after the crisis organization not only able to revise its operations, not only able to resume its operations, but also able to do certain things or inculcate certain processes and systems which were not there before and which can make the organization to grow. As they say never let any crisis go unutilized.

So, the organizational healing also is the process of utilizing the crisis. What kind of utilization? Utilization in terms of thinking about new systems and processes. For example, many organizations are realizing the potential and power of working from home.

Many organizations are realizing that digitization is more practical than they assume it can be. Many organizations are also realizing that task or the different jobs they were doing with x number of people can be managed with x minus certain percentage of the x in the given setup or in a particular work category or in particular work station.

So, many revolutions are happening; there are situations where organization have to take unfortunate decisions, but at the same time organizations are also realizing the potential of enhancing their systems and processes which can make them more productive. So, organizational healing requires to understand taking stock of the new processes and system which can make organization to work even better post crisis.

(Refer Slide Time: 08:29)

Three Stages in Organizational Healing

Resource Deployment: First stage, the organization deploys resources (internal or external) to contain and minimize the damage. In this stage, the organization needs to portray solidarity with the affected people and take concrete actions to restore processes.

Reconnecting with Stakeholders: Second stage, connections with other organizational entities are re-established. During this integration process, some new systems and processes may also emerge.

Reintegration: In the third stage, new systems integrate with the remaining organization, and normal operations are restored.

Powley (2013)

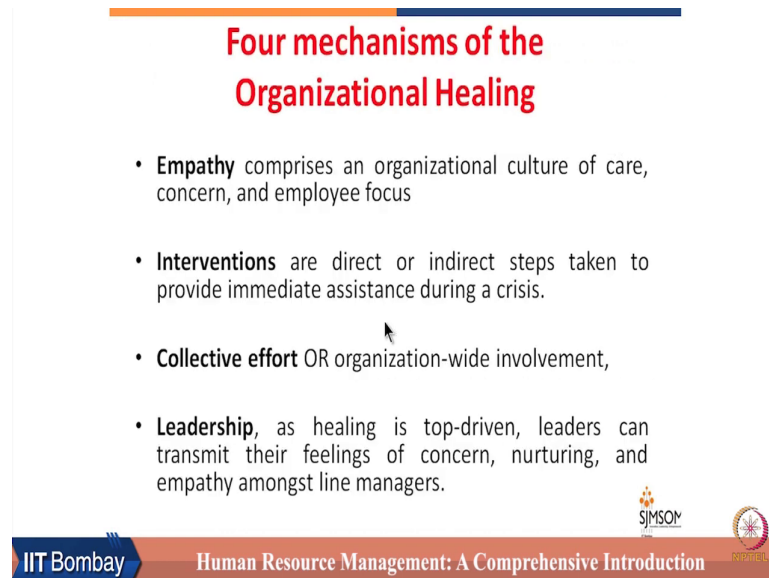
IIT Bombay Human Resource Management: A Comprehensive Introduction SIMSON [Circular Logo]

Generally, an organizational healing process passes through three stages. First is resource deployment, second reconnecting with the stakeholders and third reintegration. Resource deployment is the first stage. In this stage, organizations deploy resources that can be those can be internal resources as well as external resources to contain and minimize the damage.

In the stage of the resource deployment, organizations need to portray solidarity with the affected people and take concrete actions to restore the processes. Reconnecting with the stakeholder is the next process. That stage is about connections with other organizational entities and re-establishing the connections. During this integration process, some new systems and processes may also emerge as we discussed just short while ago.

Third stage of the organizational healing is reintegration. In this stage new systems are integrated with the remaining organization. The normal operations are restored and organization looks new in certain aspects.

(Refer Slide Time: 09:52)



Four mechanisms of the Organizational Healing

- **Empathy** comprises an organizational culture of care, concern, and employee focus
- **Interventions** are direct or indirect steps taken to provide immediate assistance during a crisis.
- **Collective effort** OR organization-wide involvement,
- **Leadership**, as healing is top-driven, leaders can transmit their feelings of concern, nurturing, and empathy amongst line managers.

IIT Bombay Human Resource Management: A Comprehensive Introduction

These stages or for organization to pass through these three stages successfully, there are four mechanisms identified by Powley and his colleagues. Empathy, intervention, collective effort and leadership.

Empathy comprises an organizational culture of care, concern and employee focus. Empathy on the part of HRM is of special relevance because it is HR who has to who has to work as a employee champion. HR function is supposed to have the pulse of the HR, all the human resources of the organization. So, they are in a special situation to know what people are

going through and what is the best way of handling their experience, handling their emotions and helping them to pass through a difficult situation.

HR supposed to play a very important role in conveying about these findings to the business leaders. They have a special responsibility to make the management decisions and management processes built out of concerns and the out of the understanding of the plight of the human resources, which is going through a crisis. Only understanding and being caring is not enough there has to be interventions. These interventions can be extrinsic as well as intrinsic intervention.

Intrinsic interventions can be just in the form of empathic communication, addressing by the leaders to the people in the organization, organizing the circles of sharing and those processes, which may not have very formal foundations, but which have the capacity, which have the potential. These are the processes where employees get opportunity for sharing what they are feeling, what they are going through and also coming to know what they can learn from each other.

Then there are some extrinsic processes, which are related to the immediate assistance, maybe in the form of taking care of some of their financial needs, quickly organizing some training for the coping process, quickly organizing the learning sessions for people to learn new systems and processes or using new technology so on and so forth.

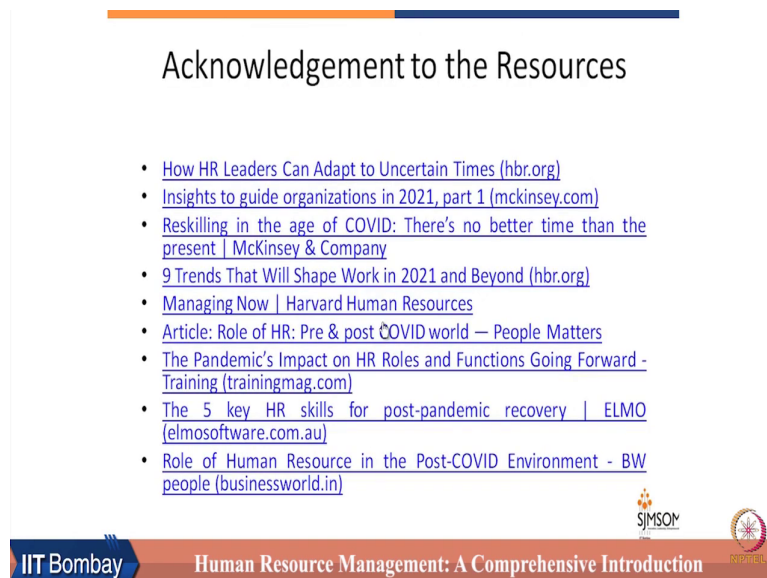
So, interventions are essential because, interventions convert empathy into actionable points. Third is collective effort. Organizational healing cannot be dependent only on the role of HRM. Organizational healing is the process where all the stakeholders have to be involved. So, interventions have to be organization wide. We need to engage as many stakeholders as possible in communication, in helping each other, in sourcing the ideas, in learning from each other, so, that people can find the best way of going through the crisis.

Leadership is a is of a special relevance in the organizational healing. In the previous sessions, we discussed that leadership is the driver of organizational culture. This is perhaps the most important force of setting and forming the organizational culture. Leadership is a

process wherein people get influenced by looking at their behavior and also by being affected because of the decisions being made at that level.

So, leaders can transmit the feeling of concern. Leaders can role model, leaders have to adopt the nurturing attitude and they have to be empathic to all the stakeholders of the organization. HR has to keep reminding leaders about their role. HR can also take the pulse of people about their perception. They can track the perception of the employees about all these four aspects of the organizational healing and accordingly they can convey these things, they can convey these insights to the different stakeholders.



(Refer Slide Time: 14:54)



Acknowledgement to the Resources

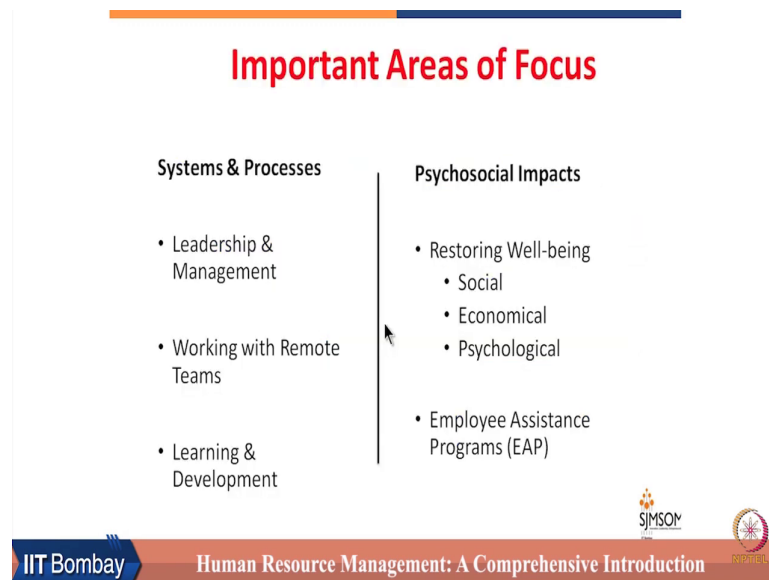
- [How HR Leaders Can Adapt to Uncertain Times \(hbr.org\)](https://hbr.org)
- [Insights to guide organizations in 2021, part 1 \(mckinsey.com\)](https://mckinsey.com)
- [Reskilling in the age of COVID: There's no better time than the present | McKinsey & Company](https://mckinsey.com)
- [9 Trends That Will Shape Work in 2021 and Beyond \(hbr.org\)](https://hbr.org)
- [Managing Now | Harvard Human Resources](https://hbr.org)
- [Article: Role of HR: Pre & post COVID world — People Matters](https://peoplematters.com)
- [The Pandemic's Impact on HR Roles and Functions Going Forward - Training \(trainingmag.com\)](https://trainingmag.com)
- [The 5 key HR skills for post-pandemic recovery | ELMO \(elmosoftware.com.au\)](https://elmosoftware.com.au)
- [Role of Human Resource in the Post-COVID Environment - BW people \(businessworld.in\)](https://businessworld.in)

IIT Bombay **Human Resource Management: A Comprehensive Introduction**

In the next part, we are going to look at some of the systems and processes which can be helpful for organization and particularly the HR function to help organizational healing. These are the list of the resources from where most of these concepts are drawn.

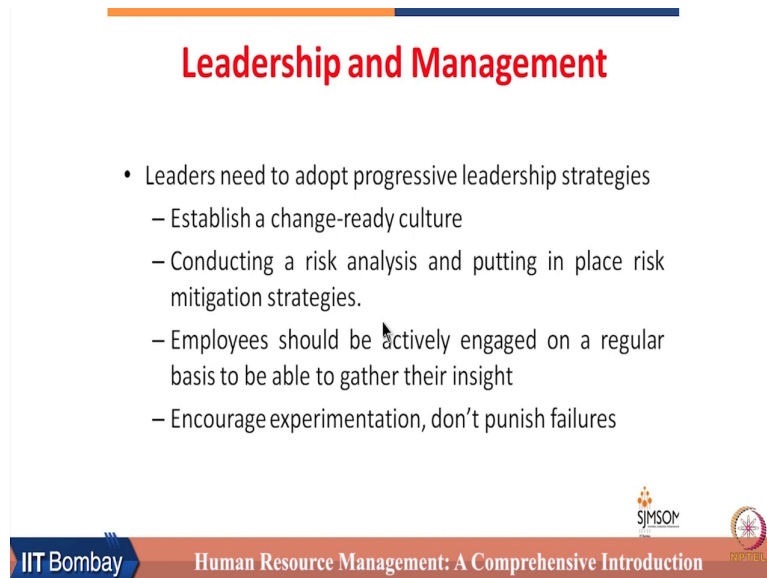
(Refer Slide Time: 15:15)



Important areas of focus for organizational healing are systems and processes and psychosocial aspects. In the systems and processes, leadership and management, working with remote team, learning and development are considered to be the most important processes of HR function.

In order to impact the psychosocial aspect of the people and groups, they need to work on restoring well-being, and responsible for ideating and carrying forward the employee assistance program.

(Refer Slide Time: 16:00)



Leadership and Management

- Leaders need to adopt progressive leadership strategies
 - Establish a change-ready culture
 - Conducting a risk analysis and putting in place risk mitigation strategies.
 - Employees should be actively engaged on a regular basis to be able to gather their insight
 - Encourage experimentation, don't punish failures

IIT Bombay SIMSON

Human Resource Management: A Comprehensive Introduction

In the leadership and management, which is perhaps the most important aspect of organizational process, leaders need to adopt the progressive leadership strategies. HR has to work with the leader to establish a change ready culture, a culture where new things are initiated, a culture which supports the initiative.

You might remember in the very first session of this course, we discussed PCMM model, competency maturity model. In the level 5 of CMM, we talked about that level where organization developed the inherent capacity to renew themselves.

(Refer Slide Time: 16:53)



So, organization has to develop a culture where people have the capacity to pick up the weak signals, understand and identify how and what has to be changed in the organization and should be communicative and having the sufficient level of teamwork and mentoring etcetera, which can help the organization to renew itself.

Conducting a risk analysis and putting in place the risk mitigation strategies. These are the aspects of the management which should be done when there is no crisis. Leadership and management need to develop the thinking as well as some processes wherein preconceiving or thinking about the imminent crisis and designing the protocol to address those crisis are the part of the general management process and system. Employee should be actively engaged on the regular basis to be able to gather their insights.

We talked about ability of organization to pick up the weak signals. The most important or perhaps the most prominent source of picking up the weak signal are those employees of the organization who are either working directly in the market or which are at the interface of two organizations or which are operating and working on the shop floor.

Organizations have to have that kind of climate and culture and of course, supported by the processes; wherein employees even at the frontline level are constantly consulted or they had the opportunity to convey their reading about the market or reading about some organizational processes in the organization.

So, they have to be actively engaged on a regular basis. An organization which is capable of picking up the weak signals and accordingly can think about changing their processing system or even the strategy is it is not possible for an organization to come up with these points in the action without active experimentation. So, organization need to have the culture of experimentation for that support of leadership and management is inevitable. This is a simple framework to look at the and to identify the risk and creating the mitigation plan.

First step is identifying the potential risk that is identifying the potential events and sequences where the risk is presented. And then it can be in the form of existing vulnerabilities in the organization or known threats. Organizations in the second step need to perform the risk assessment. They need to look at the each factor and calculate what are the risk involved in context of those factors.

So, they need to find some quantitative risk of each event by weighing its potential impact and likelihood of its occurring. According to the different threats they need to prioritize their effort. Once the risk assessment has been completed, rank the potential risk from most severe to the least one. Areas with the lowest level of acceptable risk should be the priority and that should be properly communicated to the in the organization.

Only prioritization is not going to help. We have to have a constant tracking system. So, organizations need to have a system which tracks the risk. If the risk can be followed, keep

the track of it and threat it possesses. For example, monitor the frequency of the cyber attacks in your industry, monitoring the financial frauds, monitoring if it is a bank, then monitoring the rate of NPAs so on.

So, different organizations have to identify their potential risk and they have to have a system to track those risk. Last, but not the least is implementation and monitoring the progress. Organizations need to constantly watch whether their capability to mitigate the risk, their capability to foresee the risk is improving or not. If it is not improving, they need to build the capacity to foresee the risk and to prioritize those factors and also to develop the risk mitigation plan.