

Management Ideas



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RESULTS

RELATIONS

REPUTATION

a monthly newsletter to key executive-leaders
on practices, possibilities and ideas generally
for stepped up performance
edited by
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on problem-solving and creative ideas

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3054 A TAX SERVICE TO EMPLOYEES: One of the Bombay Companies extends a welcome tax planning service to its employees. The Company's accountants go to each employee during the first week of February to advise him/her on tax planning. The employee comes to know what action, if taken, will give him/her whatever relief is permissible under the current law. It is a tailored service. The employees, many of whom are technical people, value this service greatly.

3055 WHY EMPLOYEES STAY: *Conventionally, companies have been analysing, through exit interviews and the like, why employees leave.*

Equally, if not more important, is the question: Why do employees stay?

The belief that a low turnover rate means the employees are happy and consequently productive deserves a second look. The mere fact an employee stays is not as important as why that person remains.

A pilot U.S. study was instituted in 1973. This was followed by extensive studies in several hundred organisations.

Here are some findings:

* Why do employees stay?

Employees tend to stay where they are until some force causes them to leave, in other words "inertia." As in physics, a body will remain as it is until acted upon by an external force.

* What causes inertia?

Two factors inside organisations and two outside make people stay. Job satisfaction and satisfaction with the working environment produces the internal inertia and is directly affected by the positive or negative correlation between the employee's personal value system and that of management.

A disparity between personal and organisational values reduces the desire to stay, while compatibility between these two values increases the desire to stay.

The external factors increasing inertia include perceptions of other job opportunities and personal and family reasons. Some employees stay because they like the schools or the neighbourhood, but what if both of these deteriorate and become less appealing? Other job opportunities become more attractive.

Other employees report they stayed in an unpleasant job because they could not leave the community in which they or their spouse was born and spent all of their lives. Despite low job satisfaction, they stayed.

Want to stay versus have to stay?

Progressive management should try to improve retention by reinforcing positive reasons for staying, while at the same time making it easier for people who are staying for negative reasons — to quit. Turnover **quality**, as opposed to turnover **quantity**, might improve.

Improving employee retention will be more effective over the long run than the ordinary, negative approach of simply reducing turnover. The key is improving attitudes about the work itself, supervisor competence, confidence in the fairness of management, work group cooperation, consistency in treatment, feedback about performance, opportunities to get ahead and other positive aspects that relate to the work context. Work content factors - those aspects of the job inside the organisation -- include pay, benefits, facilities, attendance rules and other environmental aspects.

External factors include outside job opportunities, the community, financial obligations, family ties and even the annual weather patterns. As a result of the combinations of external and internal factors influencing employees' job decisions, employees can be identified as one of four types:

Turnovers are not happy with their jobs, have few external reasons to stay and will leave at the first opportunity. Employees may not start out in this position, but a gradual erosion of their inertia causes them to slide into this area.

Turn-offs are candidates for union, employee relations and productivity problems. These employees have negative attitudes about their jobs and stay because of golden handcuffs. They may feel they are too old to start over again and are locked in by benefit programmes and high rates of pay. Productivity may suffer.

Turn-ons have positive attitudes and remain with the company almost exclusively for reasons associated with the work itself. From management's point of view, as well as the individual employee's, this is the most desirable situation.

If management actions lower attitudes and the positive, work - related reasons to stay, turnover will probably jump. Because the turn-ons are not affected by environmental factors, they will not stay without continual job satisfaction.

Turn-on-plus employees are likely to stay for the long run because they have work and environmental satisfaction. A short-term drop in satisfaction does not lead to resignation. If attitudes drop permanently, however, these employees become turn-offs. This does not raise turnover, but increases employee relations problems.

The traditional approach to measuring and understanding terminations has focused on turnovers. These employees generally represent a small percentage of the total employee population, therefore, emphasising retention efforts on them exclusively ignores the reasons the majority of the work force stays with the company. Employees wanting to improve their working environments should stop assuming exit interviews are providing a meaningful picture of why other employees stay.

The point worth emphasising is that it is the quality of turnover that matters, not the mere quantity.

3056 BENEFITS GALORE: *Following are extracts from the article "Beyond Self" in a recent issue of AMERICAN HEALTH. Recent research shows that doing good may be good for your heart, for your immune system and your overall vitality.*

This article has triggered another new feature which we introduced in the July issue of Management Ideas. Described as "Voluntary Sector," we are tempted to call it "the mutliplier model". When we thought of this feature, we thought that the concerned others will benefit. We thought that the one who organizes will get only the skill benefit. Now we have the welcome news that it benefits personally in terms of overall vitality the one who seeks to extend a helping hand.

"There's more evidence than ever that helping others has definite health benefits for those who lend a helping hand. In an explosion of new research, the benefits of altruism -- long praised by moralists -- are being proven by psychologists, epidemiologists and neuroscientists.

"Helping other people brings real physical benefits as well as psychological ones, according to epidemiologist James House and his colleagues at the University of Michigan's Survey Research Centre. They studied 2,700 people in Tecumseh, MI, for more than a decade to see how their social relationship affected their health.

"The researchers found that doing regular volunteer work, more than any other activity, dramatically increased life expectancy (and probably vitality). Men who did no volunteer work were two and a half times as likely to die during the study as men who volunteered at least once a week. (The health benefits of volunteering were less clear for women - perhaps because most women already spend a lot of time looking after other people, whether they join a volunteer group or not.)

"Several studies have shown that people need other people for their health's sake. In one of the largest surveys, epidemiologists Lisa Berkman of Yale and H. Leonard Syme of the University of California, Berkeley studied nearly 5,000 residents of Alameda County, CA. Over nine years, they found that those who were unmarried, had few friends or relatives and shunned community organizations were more than twice as likely to die during that time than people who had these social relationships. This was true regardless of race, income, level of activity and other lifestyle factors....

"Though researchers now agree that social involvement is good for your health, they're just starting to figure out why. The late Hans Selye, who founded modern stress research thought that helping others could keep your nervous system from going into overdrive. By doing good for people, Dr. Selye reasoned, you inspire their gratitude and affection, and this warmth will help protect you from the stress of life. Altruism is the currency with which we buy the social support that sustains us. In his classic, The Stress of Life, Selye coined the phrase "altruistic egoism" -- or, as we might call it, selfish altruism -- to describe this idea...

"Scientists are also finding that doing good may be good for your immune system as well as your nervous system. These two regulators of health are turning out to be intimately linked. Nerve cells connect the brain to parts of the body, like the bone marrow and spleen, that produce the immune-system cells needed to fight off infection. Researchers like Candace Pert, who has worked at Johns Hopkins University and the National Institute of Mental Health, have shown the blood cells making up the immune system are exquisitely sensitive to "neuropeptides" -- chemicals produced by the brain....

"Doing good -- or even thinking about altruistic action -- may give the immune system a boost.

"In one striking and still controversial study at Harvard, psychologist David McClelland showed students a film of Mother Teresa, the embodiment of altruism, working among Calcutta's sick and poor. Tests revealed an increase in immunoglobulin A, an antibody that helps defend the body against respiratory infections. Even some students who said they didn't like the saintly nun showed the enhanced immune response. Researchers aren't certain what the findings means, but it hints at a link between altruism and immunity.

"Whether or not this connection holds up, it's clear that your risk of heart disease is dramatically affected by your attitudes towards other people. Hostility -- the opposite of altruism -- definitely multiplies your risk....

"Some will resist the notion that altruism is a form of selfishness; science, they may feel, is depriving humanity of something noble. To profit by doing something nice for someone might seem to cheapen the act. But the reality is that we are first and foremost a communal species, designed by nature to be utterly dependent upon our neighbours. If helping a neighbour is in our own best interest, so much the better."

3057 WHAT BUGS SECRETARIES: What bugs secretaries the most about their bosses? According to a recent survey, these are some of the most common complaints.....

- The boss who keeps his or her secretary overtime without previous notice.
- The boss who dawdles around until five P.M., then decides to begin the day's dictation.
- The boss who marks up work that could be corrected, or slashes a line through a four-page letter because one word is incorrectly spelled.
- The boss who hovers over a secretary while she is typing, pointing out errors before she has had a chance to notice them herself.
- The boss who never appreciates what is done—who takes good work for granted.

3058 LAUGHING MATTER?

An angry voter told a candidate seeking her vote, "I wouldn't vote for you if you were St. Peter guarding the pearly gates."

"If I were St. Peter," said the candidate, "you wouldn't be able to vote for me. You'd be in the other constituency."

The media gives the impression that good and heart warming events are not happening in India. They are. The media people are yet to realise that as Readers and Viewers we are as much interested in positive excitement as in negative excitement. Research has conclusively proved that good news is good business for those who write about it, talk about it and think about it. Here is a sample for you to experience. Editor

SUPER SCRAP BIN

WHAT is the difference between a 'garbage pile' and a 'scrap heap'? It is as subtle as that between 'bhangis' and 'sanitation staff'. The latter versions invest the waste and the waste collector with a certain amount of respectability.

Now Mr. Jayant G. Phadke, a city-based production engineer, has gone one step further and literally turned the garbage bins more decent. The Bombay Municipal Corporation is right now busy installing the clean-look 'dry waste collection boxes' devised by him in its parks and gardens.

The biggest plus point is that the 4-ft-high, 15-cubic-ft fibreglass boxes will never rust or rot. Nor will they require either painting or maintenance, unlike in the case of the metal waste bins in vogue till now. What is more, their neat, clean and compact look is easy on the eye and is likely to be fancied by even business houses and others all over the city.

Mr. Phadke's achievement, in fact, goes beyond an individual feat. It belies the traditional belief that most Maharashtrians are merely service-minded, meaning they are content holding cosy jobs which entail a good pension and other perks. Because Mr. Phadke is one of those rare cases of a self-made entrepreneur.

When Mr. Phadke approached the Bank of Maharashtra with his fibreglass project, the bank officials were so impressed with his novel venture that they sanctioned him financial help without a second thought. As a result, the enterprising young man is busy experimenting with fibreglass fabrications as steel substitutes at his unit in the NIGO Industrial Estate in Goregaon East.

If all goes well, Mr. Phadke will soon have another feather in his cap — a fibreglass photo processing tank for Photophones. That just goes to show that with the right push at the right time, talent could bloom even on a garbage dump.

Experts frowned on prodigy

The Times of India News Service

CUTTACK:

When a young man with formal education up to Class X resolved to author a 75-volume Oriya Encyclopaedia most people sniggered at his daring. Scholars took it as an affront to their domain.

Today, that youth from Mallipur, Mr. Binode Kanungo, now turned 73, rises above them all, like a colossus with 36 of the 75 volumes of his "Popular Oriya Encyclopaedia" and 40 of the projected 500 books for children already published. This is exclusive of the manuscripts for a four-volume history of the freedom movement in Oriya and a 1,30,000-word technical dictionary. All this was done in a span of 30 years—a classic effort by a lone man.

Mahatma Gandhi's call "No nation grows without education" and "Basic education is the real education" rung in the ears of the Mallipur youth. This was followed by spells of imprisonment—a blessing in disguise when he pondered over people's ignorance and poverty, over the need for adult education and over books for neo-literates. He had read hundreds of books taken copious notes and written 10,000 pages on subjects ranging from evolution to electronics.

When he came out of his last prison term in 1945, Mr. Kanungo resolved to write books for adult education. He started reading oraciously at the legendary Ravenshaw Collegiate School library in Cuttack and inched towards the realisation of his dream.

MONUMENTAL PROJECT

By 1954, he had embarked on his monumental encyclopaedia project and the first volume appeared in 1961. Mr. Kanungo is no longer bitter that the only "patrons" he had then found were moneylenders, who came to his rescue with funds at 120 per cent interest. He still possesses the receipts. Mr. Kanungo has not looked back ever since.

Today he is busy penning volume of the encyclopaedia for the vast Oriya-speaking population himself confined to the samal library of the local Jnanmandal foundation. "I am a symbol of adult education," says Mr. Kanungo in all humility as he refers to his incomplete formal education while leafing through the 36th and latest volume of the "Popular Oriya encyclopaedia." Each volume, titled "Jnanmandal", is priced as low as Rs. 20 and marketed on a no-profit no-loss basis.

On completion, the 75 volume of the encyclopaedia will have thousands of pages on 15,000 items with 10,000 illustrations. Out of the estimated cost of Rs. 40 lakhs over the encyclopaedia project, Rs. 15 lakhs is claimed to have been spent so far.

Scholars have hailed his mission as "fundamental work in language and literature" and "a valuable contribution to human society". Prof. Hiren Mukherjee, a scholar, once regretted that neither the Central nor the state government had assisted this stupendous work the way it should have been and expressed the hope that "the lag will be made up some day."

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