



The right's rights and the wrong's might

The predicament of what is right and what is wrong is an eternal question. To some, it may be the differences of perspectives while to some others it could be societal norms or even a trend. We often see the uncontrollable effect and analyse in retrospect, most often ignoring the cause which is far more controllable if **intended** to be controlled. In the contemporary world of sub-prime crises and rampant **employee retrenchment**, the right's rights are often shadowed by the wrong's might. The cascading effect of the crisis is shared by the people who were probably least involved in the **'mighty' game**.

The human tendency was metaphorically described by Peter Lynch in an interesting way. Accordingly, *"in Mayan mythology, the Universe was destroyed four times, and every time the Mayans learned a sad lesson and vowed to be better protected- but it was always for the previous menace.....2000 years later we are still looking backward for signs of the upcoming menace but that is only if we can decide what the upcoming menace is....."*

To cope up with the economic downturn many organizations are closing down particular business units that were affected during the crises or that they think are not significant for the future growth. Big and strong fishes are eating away the weaker ones. The question arises...is it a necessary measure...or are there any bigger fallacies in the system? Let's take a look into a few of the many instances from the Human Resources perspective and stimulate our thinking process. Probably, a collective thinking will enable us to act quite unlike people from Mayan Civilisation. The instances may look a bit skewed towards the Investment Banking Sector, which I feel is quite obvious as they are the growth engines for any economy.

One: Talent shortage

Even though *'human resources'* are being termed as *'assets'*, in a recent hostile takeover up to 60% of the employees of the organisation being acquired lost their jobs. As per many contemporary global studies, organisations across the world are facing a major challenge of talent shortage. Talent shortage?



Fig. 1- Source: SHRI Research Centre Online Poll Dec 2008

Two: Employee turnover

Another concern for the organisations across the world is that of *'employee turnover'*. Why turnover? Who is to be blamed... the employee, the employer, the economic conditions or other external factors...? In an ideal situation turnover would be controlled if there is equilibrium among all the afore-mentioned factors.

When the going is good and employees have more options to move around resulting in high turnover rates, employers blame employees for being disloyal. Contrarily, if the company's business is not doing well in times of economic downturn, the first measure that companies resort to is retrench employees (Fig. 1).

In yet another online poll conducted by the SHRI Research Centre, over 73% of the 366 respondents mentioned that retrenching employees in times of recession would affect the employer brand. It would certainly facilitate turnover as employees would prefer to leave such organisations once the external conditions are a bit stable.

Three: Simultaneous Recruitment and Retrenchment

Retrenchment of employees by companies at one location and simultaneous recruitment at the other is a very common phenomenon. The pretext- reducing cost. Reducing cost, but at what expense? Have we chucked the *'human'* dimensions from the term *'human resources'*? Are we sensitive enough to deal with *'human resources'*? How as organisations we expect loyalty and integrity from the employees? If there are non-performers can they not be converted to performers? If they are regarded as non-performers how have they come into the *'performers only'* system?

Four: Making easy deal with the retrenched employees

In the mighty corporate games retrenched employees often find themselves accepting offers which are much below their standards. They lower their expectations to fulfill their basic *'safety/security needs'*.

In Conclusion

One of the very basic needs as per Maslow's theory of motivation is *'security' (includes security of job/employment)*. These needs have to do with man's yearning for a predictable, orderly world in which injustice and inconsistency are under control. How do we expect an employee who is entangled in the rat-race for fulfilling his *'security needs'* to think ahead and perform well? Human potentials are being wasted in such inaccuracy filled systems. Are we bothered about it? Are the right's rights really being overshadowed by the wrong's might?

Though it is fashionable to state that *'talent'* is a scare resource, there is abundance of talent. It is all about talent positioning where people are provided with a right environment and context.

A contemporary management thinker says, *'Leadership is the metaphor through which we see the scope and aspirational aspect of a human being. Leaders should look at a person as a 'source' - someone who can create a solution that is unique, not just a resource who is doing a job'*.

This is a call to the industry leaders to reconnect itself to the *'source'* and revive the state!

By

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