



Gallup Pakistan HR Newsletter

enhancing performance through
empirical understanding of HR issues

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Welcome

to Gallup Pakistan's 2nd edition of a series of monthly HR Newsletter. In this series we principally aim to encourage empirical understanding of HR problems faced by organizations today. **By disseminating international and local research findings, Gallup Pakistan aspires to create a knowledge hub that HR practitioners in Pakistan can benefit from. In this regard, we would be borrowing extensive research from other member countries as well.**

This edition will focus on **'Change Management'** which helps in transitioning individuals, teams and organizations to a desired goal. Two of the articles featured in this month's newsletter are borrowed from the **Harvard Business Review**. The first article discusses the **importance of informal networks** for implementing change in an organization, and the kind of approach an employer should adopt depending on the preexisting network at the workplace. The second article discusses the importance influence and persuasion play in the workplace and **how employers can become more effective at persuasion**. Additionally, the newsletter also presents some **interesting global HR facts**.

Don't forget, your valuable suggestions and ideas are much waited for and appreciated. Also, we are open for partnerships with other teams working in similar domain.

Gallup Pakistan Team



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The Network Secrets of Great Change Agents*

Change is hard, especially in a large organization. However, some leaders do succeed—often spectacularly—at transforming their workplaces. So many organizations are contemplating turnarounds, restructurings, and strategic shifts these days that it's essential to understand what successful change agents do differently. This article will focus on organization in which size, complexity, and tradition make it difficult to achieve reform.

It is obvious that centrally positioned people make successful change agents. Informal connections give people access to information, knowledge, opportunities and personal support, and thus the ability to mobilize others. Research, surprisingly, indicates how little formal authority matters relative to network centrality. This does not mean that hierarchy is not important – it is, but, it is necessary to realize that to exert influence, change agents should be central to the organization's informal network.

Idea in Brief

THE QUESTION

Large organizations—and the people working in them—tend to resist change. Yet some people are remarkably successful at leading transformation efforts. What makes them so effective?

THE RESEARCH

An in-depth analysis of change initiatives at the UK's National Health Service revealed that the likelihood of adoption often depended on three characteristics of change agents' networks of informal relationships.

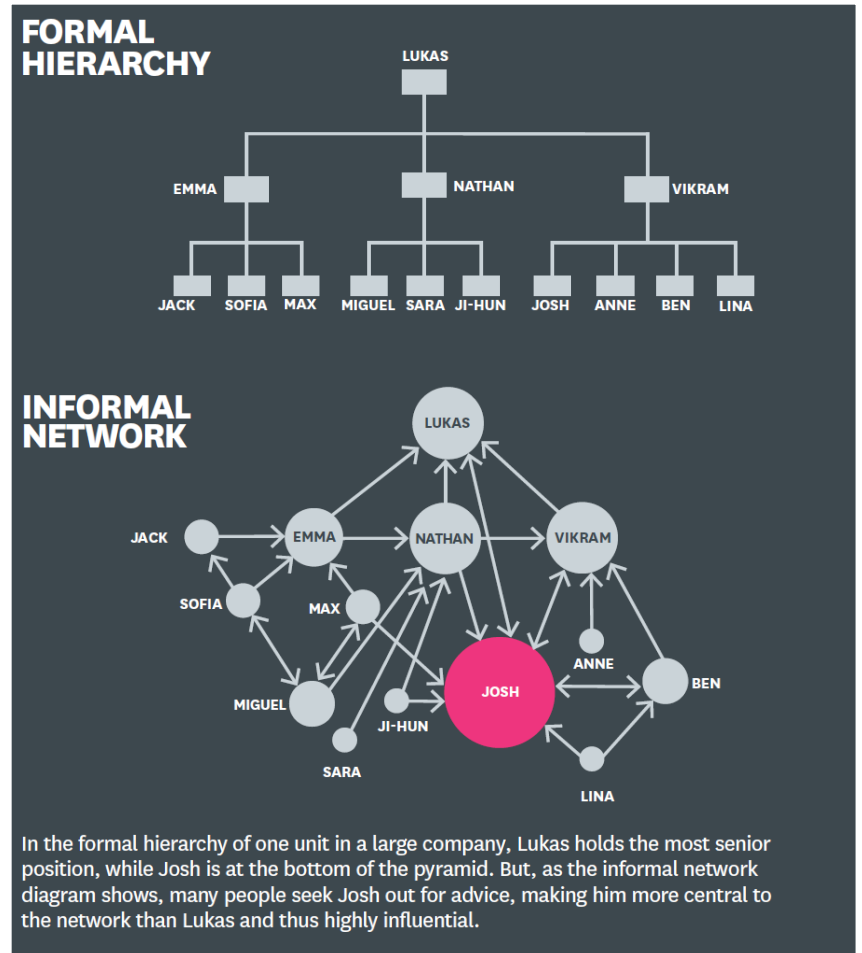
THE FINDINGS

Change agents were more successful in the following situations:

1. when they were central in the informal network, regardless of their position in the formal hierarchy;
2. when the nature of their network (either bridging or cohesive) matched the type of change they were pursuing; and
3. when they had close relationships with fence-sitters, or people ambivalent about the change.

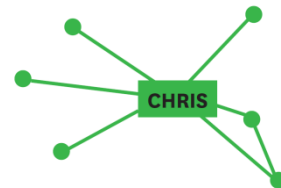
Change is hard, especially in a large organization. However, some leaders do succeed—often spectacularly—at transforming their workplaces. So many organizations are contemplating turnarounds, restructurings, and strategic shifts these days that it's essential to understand what successful change agents do differently. This article will focus on organization in which size, complexity, and tradition make it difficult to achieve reform.

Both network position and network type play an important role in change management. A cohesive network can be important because social cohesion leads to high levels of trust and support, and make coordination easier. A bridging network has its advantages because you are able to get novel information and knowledge, and you control when and how to pass information along. As to which type of network is better for implementing change; the answer is: it depends. It depends on how much the change causes the organization to diverge from its traditional ways, and how much resistance it generates as a result.



COHESIVE NETWORK

The people in your network are connected to one another. This builds trust and mutual support, facilitating communication and coordination.



BRIDGING NETWORK

Your network contacts are not connected to one another. You are the bridge between disparate individuals and groups, giving you control over what, when, and how you communicate with them.

A divergent change violates a deeply entrenched norm, whereas a non-divergent change builds rather than disrupts existing norms and practices. A cohesive network works well when the change is not particularly divergent. Most people in the change agent's network will trust his or her intention and those who are harder to convince will be persuaded by others to cooperate because the change is not too disruptive. However, for more dramatic transformations, a bridging network works better for two reasons. One, because unconnected resisters are less likely to form a coalition; two, because the change agent can vary the timing and framing of messages for different contacts, highlighting issues that speak to individuals' need and goals.

An executive whose informal network isn't right for the change initiative can appoint a "cochair" whose relationships offer a better fit.

Comparing the results of two NHS managers, both of whom had to convince colleagues of the merits of a new non-divergent change, is telling. Martin, who had a cohesive network, succeeded because his contacts trusted him and one another, even if they were initially reluctant to make the switch. But Robert, whose bridging network meant that his key contacts weren't connected to one another, struggled to build support.

Change agents must be sure that the shape of their networks suits the type of change they want to pursue. If there's a mismatch, they can enlist people with not just the right skills and competencies but also the right kind of network to act on their behalf.

Diagnose Your Network

How central am I in my organization's informal network?

Ask yourself: "Do people come to me for work-related advice?" When colleagues rely on you, it signals that they trust you and respect your competence, wisdom, and influence.

Do I have a cohesive or a bridging network?

Ask yourself: "Are my network contacts connected to one another?" You may not be able to answer this question with 100% accuracy, but it is worth investigating. Your network type can affect your success.

Which influential fence-sitters and resisters am I close to?

Ask yourself: "Who in my network is ambivalent about a proposed change and who is strongly opposed to it?" If it's not obvious where your contacts stand, use the OAR principle—observe, analyze, record—to sort them into groups. Pay attention to how people behave; ask questions, both direct and indirect, to gauge their sentiments; and keep a mental record of your observations. Research shows that managers can learn to map the networks around them—and network insight is, in itself, a source of power.

Identifying influential people who can convert others is crucial for successful change. Organizations generally include three types of people who can enable or block an initiative: endorsers, who are positive about the change; resisters, who take a purely negative view; and fencesitters, who see both potential benefits and potential drawbacks. Being close to endorsers has no impact on the success of either divergent or nondivergent change. With fence-sitters, the opposite is true. Being personally close to them can tip their influence in your favor no matter the type of change. As for resisters, there is no universal rule; again, it depends on how divergent the change is and the intensity of the opposition to it.

The important point is to be mindful of your relationships with influencers. Being close to endorsers certainly won't hurt, but it won't make them more engaged, either. Fence-sitters can always help but you need to handle resisters with care.

These findings underscore the importance of networks in influencing change. First, formal authority may give you the illusion of power, but informal networks always matter, whether you are the boss or a middle manager. Second, think about what kind of network you have—or your appointed change agent has—and make sure it matches the type of change you're after. A bridging network helps drive divergent change; a cohesive network is preferable for nondivergent change. Third, always identify and cultivate fence-sitters, but handle resisters on a case-by-case basis.

MATCH YOUR NETWORK TO THE TYPE OF CHANGE YOU'RE PURSUING				CONSIDER HOW BEING CLOSE TO INFLUENCERS CAN AFFECT YOUR SUCCESS			
CHANGE DIVERGENCE	NETWORK TYPE		CHANGE DIVERGENCE	INFLUENCERS			CHANGE DIVERGENCE
	BRIDGING	COHESIVE		ENDORSERS	FENCE-SITTERS	RESISTERS	
	HIGH			HIGH			
	LOW			LOW			
	+	-		NO IMPACT	+	-	
	-	+		NO IMPACT	+	+	

HOW CAN THIS STUDY BE CONDUCTED *

The findings in this study are based on in-depth studies of 68 change initiatives over 12 months at the UK's National Health Service (NHS). Gallup Pakistan conducts similar work through its **Gallup Heroes Product**. It begins by mapping the formal rank and informal networks of the middle and senior managers spearheading the changes. Data on their demographics, position, and professional trajectories come from their curriculum vitae and organization's human resource records, while informal network data come from surveys, field visits, and interviews with them and their colleagues. It then uses scientific qualitative assessment methods to identify heroes within an organization that can play a pivotal role in bringing about change.

* This section has been appended by Gallup Pakistan and was not part of the actual text.

The Uses (and Abuses) of Influence*

Robert Cialdini, considered the leading social scientist in the field of influence, was initially drawn to the topic because he saw how easily people could step over an ethical line into manipulation or even abuse. His 2001 book *Influence*, which laid out six principles of persuasion, was eloquent about the dangers of persuasive techniques in the wrong hands. A best-selling article he wrote for HBR the same year, “Harnessing the Science of Persuasion,” looked at the positive side of persuasion: how managers could use those principles to run their organizations more effectively. Cialdini is the Regents’ Professor Emeritus of Psychology and Marketing at Arizona State University and the president of the consulting firm Influence at Work. In this edited interview with HBR executive editor Sarah Cliffe, he drills deeper into everyday uses of persuasion inside businesses and describes new research on the ethics of influence.

IN ORDER TO IMPLEMENT CHANGE in any organization, a certain level of influence is required, be it from a figure of authority or from fellow workers. The level of influence one can achieve depends, amongst other things, on one’s ability to pursue. Robert Cialdini, in his book *Influence*, has identified six principles of persuasion.

The Six Principles of Persuasion

Persuasion works by appealing to certain deeply rooted human responses. Experiments in social psychology by Robert Cialdini and others have identified six of those responses, which Cialdini initially described in his book *Influence*.

Liking

If people like you—because they sense that you like them, or because of things you have in common—they’re more apt to say yes to you.

Reciprocity

People tend to return favors. If you help people, they’ll help you. If you behave in a certain way (cooperatively, for example), they’ll respond in kind.

Social proof

People will do things they see other people doing—especially if those people seem similar to them.

Commitment and consistency

People want to be consistent, or at least to appear to be. If they make a public, voluntary commitment, they’ll try to follow through.

Authority

People defer to experts and to those in positions of authority (and typically underestimate their tendency to do so).

Scarcity

People value things more if they perceive them to be scarce.

HBR ran a few scenarios by Cialdini to explore how people can influence others more effectively at work.

SCENARIO 1:

An executive needs to convince a group that a big change in direction is necessary. What should be done?

Moving people under conditions of uncertainty is difficult—the first thing they do is freeze. Daniel Kahneman won a Nobel Prize for showing that if you're trying to mobilize people under conditions of uncertainty, notions of loss are psychologically more powerful than notions of gain. They're scared of what they might lose. Therefore, it's good to tell people what they will lose if they fail to move.

A second thing that happens when people are uncertain is that they don't look inside themselves for answers—all they see is ambiguity and their own lack of confidence. Instead, they look outside for sources of information that can reduce their uncertainty. The first thing they look to is authority: What do the experts think about this topic? That's not necessarily the boss. It could be the person who knows the subject best. That's an important distinction. We're not talking about being in authority but about being an authority. The manager needs to marshal evidence from acknowledged experts—they could be outsiders—that aligns with the rationale for the initiative. The other place people look is to peers. Peers are often more convincing than executives when we're deciding what we should do.

SCENARIO 2:

If you want to build up your informal networks, how do you go about it?

Here the internet helps. We can find out a lot about people by checking their Facebook or LinkedIn pages. Look for things you have in common with others. Finding something in common is powerful, because we like people who are like us; that's another principle of influence. If you use that similarity as a point of departure, and if you do it honestly, they'll like you, and you'll come to like them. Now you have people who are willing to be part of your network because of commonalities that were under the surface.

“Moving people under conditions of uncertainty is difficult – they freeze. They're scared of what they might lose. It's good to tell people what they will lose if they fail to move.”



HR Facts across the Globe

2/3

of employees believe their employer is not doing enough to invest on their skills, according to a UK study

(Source: Hays and Accenture)

Even though 50% of business professionals around the world indicate that they are dissatisfied with their jobs, a significant number of them plan to stay on with their companies and create new opportunities. This year in an effort to enhance their careers, more than half of those interviewed in a global study, reported that they will work on developing their knowledge and skill set to achieve career objectives.

\$37 billion

damaged caused by Disengaged Employees to Australian Economy last year

(Source: Gallup and Human Capital Magazine)

And that's just the beginning. Not only will disengagement cost an organisation significantly but it can also have serious detrimental effects to the individual - a study has recently found that men who are engaged at work are 30% less likely to suffer from coronary heart disease than employees who are disengaged in the workplace.

70%

of graduates ranked professional development on the top of their list for choosing employer

(Source: Cubic Consulting)

Generation Y graduates consider training and company culture more important than salary and traditional perks when selecting an employer. Interestingly only 6% ranked salary as a very important factor in choosing employer.

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