Leadership, Workteam Climate and the Management of Psychosocial Risk

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Background

• 10 year **Organisational Health** research program based at the University of Melbourne;

• Research team led by Professor Peter Hart;

• National Health & Medical Research Council funding;

• Developed metrics to accurately and reliably measure a range of ‘soft people’ indicators;

• Focus on key drivers of staff motivation, wellbeing and performance outcomes.
Information on Organisational Health

Through a range of research and commercial projects, we have examined the key drivers of organisational health with data from over 1,300,000 employees.

<table>
<thead>
<tr>
<th>Public Sector</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountants and Economists</td>
<td>Airline Employees</td>
</tr>
<tr>
<td>Community Services Workers</td>
<td>Engineering Employees</td>
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<tr>
<td>Emergency Services Workers</td>
<td>Finance Sector Employees</td>
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<tr>
<td>Hospital &amp; Healthcare Staff</td>
<td>Information Technology Employees</td>
</tr>
<tr>
<td>Local Government Employees</td>
<td>Insurance Employees</td>
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<td>Police Officers</td>
<td>Resource Industry Employees</td>
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<tr>
<td>Primary &amp; Secondary Teachers</td>
<td>Retail Employees</td>
</tr>
<tr>
<td>University Staff</td>
<td>Telecommunications Employees</td>
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<tr>
<td>Technical/Scientific Staff</td>
<td>Utilities Employees</td>
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Defining Organisational Health

• Building the people-related elements required to sustain organisational excellence

  Keller & Price (2011)

• Balancing and optimising both performance and wellbeing imperatives

Impact of Organisational Health

• 70 percent of failed organisational change processes are due to ‘poor organisational health’.

McKinsey (2011)
Organisational Factors, Employee Wellbeing and Performance

- Leadership Behaviours → Workteam Climate → Employee Morale & Motivation → Business Performance

Core Business
- Change Management
- Coaching & Development
- People

Empathy
- Clarity
- Engagement
- Learning

Energy
- Enthusiasm
- Pride
- Passion

Symptoms

Issues
<table>
<thead>
<tr>
<th>Withdrawal Behaviours:</th>
<th>Mental Health Problems:</th>
<th>Counterproductive Behaviours:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Turnover</td>
<td>• Anxiety</td>
<td>• Gossip,</td>
</tr>
<tr>
<td>• Discretionary absenteeism</td>
<td>• Depression</td>
<td>• Scapegoating</td>
</tr>
<tr>
<td>• Cynicism</td>
<td>• Substance abuse</td>
<td>• Nepotism</td>
</tr>
<tr>
<td>• Psychological injury</td>
<td></td>
<td>• Misuse of confidential information,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Incivility,</td>
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<tr>
<td></td>
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<td>• Harassment,</td>
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<tr>
<td></td>
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<td>• Bullying</td>
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<tr>
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<td>• Violence</td>
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</tbody>
</table>
The Structure of Occupational Wellbeing

- Mental Health Disorders
- Psychological Injury
- Motivation
- Resilience

- Distress
- Morale
- Job Satisfaction

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Key Drivers of Staff Motivation and Wellbeing

- Appraisal & Recognition
- Teamwork
- Professional Development
- Goal Alignment
- Participative Decision-Making
- Role Clarity
- Supportive Leadership
- Work Demands

Causes

- 60% of Individual Morale
- 80% of Workgroup Morale
- 80% of Workgroup Distress
- 30% of Individual Distress
The Science Underpinning Resilience

Professor Barbara Fredrickson (1998, 2009)

A leading researcher on how positive emotions (morale) build resilience.

Through a series of research studies over the past 20 years (including individuals exposed to 2001 terrorist attacks in New York) has demonstrated that positive emotions:

• Have real physiological effects (e.g., return heart rate to baseline much more rapidly than otherwise);

• Prevent tunnel vision and focusing only on negatives in a situation;

• Promote resource building and effective coping
Effective leader behaviours ...

Focus on People
- Manages People
- Seeks Feedback
- Builds Relationships
- Supports Staff

Focus on Development
- Coaches Staff
- Effectively Manages Change
- Values Training & Development

Focus on Core Business
- Builds Own Skills
- Is Entrepreneurial
- Creates a Quality Environment
- Provides Direction
- Effectively Manages Projects

Supportive Leadership
- Being approachable
- Knowing the problems staff face
- Supporting staff
- Role modeling
- Proactive engagement
Leadership Style and Workplace Behaviours

high behavioural integrity:
consistency between words & actions
extent to which a leader actually models
organisational values

(Dineen, Lewicki & Tomlinson, 2005)
Variation in Organisational Health at the Work Team Level

**LEGEND**

1. Individual Morale
2. Workgroup Morale
3. Supportive Leadership
4. Role Clarity
5. Teamwork
6. Empowerment
7. Ownership
8. Feedback
9. Employee Development
10. Job Satisfaction
11. Excessive Work Demands
12. Individual Distress
13. Workgroup Distress

- Superior Workgroups
- Developing /Effective Workgroups
- Needing Improvement Workgroups

**Variation in Organisational Health at the Work Team Level**

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Leadership Styles and Psychosocial Risk

**Liaissez-Faire**
- Leader as Technical Advisor

**Team Environment:**
- Low support
- Low clarity
- Low Engagement
- Don’t communicate views about important issues
- Neglect Feedback
- Fail to follow up on requests for assistance
- Avoidance of leadership responsibilities

**Popular Leader**

**Team Environment:**
- High Support
- Lower Clarity
- Focus on positive interpersonal relationships
- Don’t address behavioural issues
- Neglect performance management
- Avoid tough conversations

**Excessively Directive Leader**

**Team Environment:**
- High Clarity
- Low Support
- Low engagement
- Poor communication
- Neglect of Developmental Feedback
- Over-emphasis on Corrective Feedback
- Perceived Stigma About Reporting Personal Problems
Climate and Engagement in the Tertiary Education Sector

N = 592 academic staff
Research in a wide variety of private and public sector organisations, demonstrates that the four key elements of Empathy, Clarity, Engagement and Learning underpin the quality of the team environment. More importantly, the evaluation of development practices in a range of organisations has shown that these key elements underpin employee well-being, motivation, discretionary effort, and customer experience.

The Four Cultural Pillars of the Team Environment...

- **Empathy**
  - Trustworthy
  - Even-handed
  - Understanding
  - Proactive

- **Clarity**
  - Clear goals
  - Micro & Macro Objectives
  - Delegations

- **Engagement**
  - Ownership
  - Empowerment
  - Teamwork

- **Learning**
  - Feedback
  - Coaching
  - Development
Four key drivers of motivation and wellbeing

Empathy: (supportive leadership)
The extent to which team leaders and managers actively listen to employees in order to build their understanding of the work related challenges, difficulties, aspirations and motivations for all staff. This understanding should influence how leaders make decisions, delegate tasks, allocate resources, and provide feedback to staff. Leaders also need to build trust and respect by demonstrating that they not only understand what staff are experiencing, but provide practical support to get the work done and communicate well with staff.

Clarity: (role clarity)
The extent to which staff understand individual and team roles, responsibilities, performance expectations, and how these contribute to the overall goals and direction of the team and organisation. This requires two-way communication between leaders and staff regarding day-to-day task requirements, quality standards, how their efforts contribute to broader objectives, and ways in which they need to work with others. This leads to a better connection between individuals, the work of others, overall team performance and critical business outcomes.

Engagement: (teamwork, participative decision-making, goal alignment)
The extent to which staff engage in professional debate, discussion and collaborative effort with each other. This should lead to more involvement in decisions about how to get the work done, and more effective resolutions of issues or problems the team is facing. When done openly and cooperatively, this will bring about a stronger sense of shared goals, values and direction (ownership). This is critical to staff working effectively as a team.

Learning: (feedback, staff development)
The extent to which the efforts of staff are recognised, and the quality of feedback they receive about their performance. This needs to be done frequently, with clarity about the value of what has been achieved, and incorporate a strong focus on providing constructive development and learning of staff. Most importantly, it should come predominantly from colleagues during day-to-day discussions about how to improve the way the job is done (both individually and as a team). For this to happen, leaders need to build a team culture in which challenging professional debate and feedback is actively sought and accepted by staff.
Supportive Leadership

- Keeping a finger on the ‘team pulse’; making an effort to get to know staff
- Use of active listening skills
- Encourage and be open to two way feedback
- Role modeling
Clarity

• Mutual expectations discussion

• Proactive management of behaviour in team environment
Incivility = low level negative behaviours such as rudeness, disregard for others

Reported increased levels of incivility in workplaces:
- Broader social changes e.g., ‘societal irreverence’
- Casualisation of workforce
- Reduced loyalty and increased ‘self interest’
- Poor leadership
- Organisational change

Incivility as a precursor to more serious counterproductive behaviours?

Pearson, Anderson & Porath (2005)
Without limits, incivility leads to increased risk

Establishment of defacto norms sanctioning incivility

Facilitates occurrence of major counterproductive behaviours (e.g., harassment)

- Perceived lack of managerial support;
- Lack of clarity re expected behaviours;
- Tolerance of low level deviant behaviour (e.g., rudeness, conflict, other negative behaviours).

After Pearson, Anderson & Porath (2005)
Clarity and The Role of Organisational Values & Code of Behaviour?

Tools to be used proactively to shape workplace culture & influence behaviour?

- promoting awareness, education re expected behaviours
- empowering staff re expectations of others & tolerance limits
- validation of positive behaviours, non reinforcement of negative behaviours,
- manager role modelling & accountability
- even-handed and consistent response to breaches

Or, documents in the bottom draw only dusted off and used in a punitive manner when interpersonal problems blow up?
Focusing on three models of engagement …

**Model 1**
Supervision

Leader

Staff member

**Model 2**
Consultation

Leader

Staff

**Model 3**
Facilitation

Leader

Staff
Moving the focus to active learning …

In changing behaviour, one of the key challenges is to move from triangle 1 to triangle 2 …

- Triangle 1 is often about ‘blame’ or ‘finger pointing’:
  - We can’t change anything, because it’s their fault!
- Triangle 2 is often about ‘taking responsibility’ and making things happen:
  - We can change things, because we can do something about it!
Using the matrix to improve the team environment…

<table>
<thead>
<tr>
<th>What behaviour am I reinforcing?</th>
<th>Model 1: Supervision</th>
<th>Model 2: Consultation</th>
<th>Model 3: Facilitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Triangle 1</td>
<td>example: authoritarian leadership</td>
<td>example: benevolent dictator</td>
<td>example: disengaged staff</td>
</tr>
<tr>
<td>Reactive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Triangle 2</td>
<td>example: strong coaching focus</td>
<td>example: empowered culture</td>
<td>example: high performing team</td>
</tr>
<tr>
<td>Proactive</td>
<td></td>
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</tbody>
</table>
Team meetings can be an effective vehicle to promote morale, engagement and learning …

• Discuss and ratify ‘agreed behaviours’;
• Accountability for attendance;
• Set fixed starting and conclusion times;
• Agree on proportion of time to be spent on strategic, development and operational matters;
• Clarify roles and responsibilities (e.g., chair, timekeeper, note taker, critical friend).
Learning

- Introduce critical friend in team meetings (e.g., five minute feedback at end of meeting re three positives and three suggested areas for improvement)

- Increase level of informal feedback

- Encourage peer to peer feedback, professional debate and constructive challenge of the status quo - around how to get the job done more effectively
Mental Health of the Australian Workforce

Epidemiological estimates suggest that approximately 14.1% of Australians in paid employment currently experience significant mental health problems.

Estimated loss of $5.9 billion in employee productivity each year. Hilton et al (2010)
Psychological distress decrements: low = 6.4%; moderate = 9.4%; high = 20.9%

Likely to be a high incidence disorder (most common in general community):
Anxiety, Depression, Substance Abuse

These disorders may potentially:

• manifest in the workplace without any work contribution;
• be contained through appropriate treatment and not apparent;
• be accelerated or aggravated by work factors;
The Burden of Depression (The WORC study)

- Earlier onset than other major health problems (i.e., heart disease and many cancers);

- Disrupts prime working years (impacts more detrimentally on attendance and performance than any other mental health issues);

- Undermines long term educational and professional advancement.

- WORC study: on average, 6.7 percent FTE employees exhibit clinical depressive symptoms each year.

Whiteford et al (2005; 2008)
Early Identification in the Workplace

Common early warning signs

- Excessive distress reactions (e.g. irritable, upset, teary, tense)
- Complaints of low energy and fatigue
- Increased use of negative/harsh/critical language
- Decline in performance or erratic performance
- Frequent fluctuating somatic symptoms including headaches, gastrointestinal discomfort, aches & pains and dizziness
- Disengagement and withdrawal (including excessive absenteeism)
- Increased use of nicotine, caffeine and alcohol

Remember: No one sign is definitive. A key indicator is a sustained change in usual behaviour. Act when persisting for more than two weeks.
Manager Early Intervention Protocol

A practical protocol for managers to use to proactively address individual employee behavioural issues:

Make Contact
Arrange meeting time
Allow sufficient time
Preparation
Private environment

Explore The Issues
Open questions, listen and attend.
State observations.
Define issues and discuss.

Remember: The legitimate area for enquiry is behaviour exhibited in the workplace

Develop Options
Explore what the person wants to do.
Consider in relation to operational demands.
Collaborative problem solving.
Constructive confrontation.

Agree on Action
Decide on a course of action.
Clear and specific steps need to be defined and communicated.
Follow up, review and feedback is crucial.
## General Helpful and Unhelpful Behaviours

### Unhelpful Behaviours:
- Tell the person that we all get stressed and to ‘snap out of it’.
- Suggest having a break or taking time off work (i.e., for depression).
- Tell the person not to think about it and everything will improve over time.
- Tell them that there is nothing to worry about and it ‘couldn’t be that bad’.
- Ignore the problem when you talk to the person.
- Tell the person to stop showing their personal weaknesses in the workplace.
- Avoiding talking about the ‘issues’.

### Helpful Behaviours:
- Encourage the person to talk about specific issues and problems they are experiencing rather than more generalised ‘complaining’.
- Assist the person in developing an action plan.
- Follow up and check how they are going with their concerns.
- Encourage them to access appropriate support.
- Reassure the person that you are genuinely concerned about them and that they can talk with you when they need to.
- Be understanding, patient and encouraging.
- Provide specific, honest, timely and development oriented feedback.