

ROTTERDAM SCHOOL OF MANAGEMENT, ERASMUS UNIVERSITY

▶ **A broader scope of influence**

by Lesa Sawahata

▶ **The competitive advantage of private label branding in FMCG**

by Maciej Szymanowski

▶ **The effect of blockholders in corporate governance**

by Hans van Oosterhout, Pursey Heugens and Marc van Essen

▶ **Making business sense of cross-industry innovation**

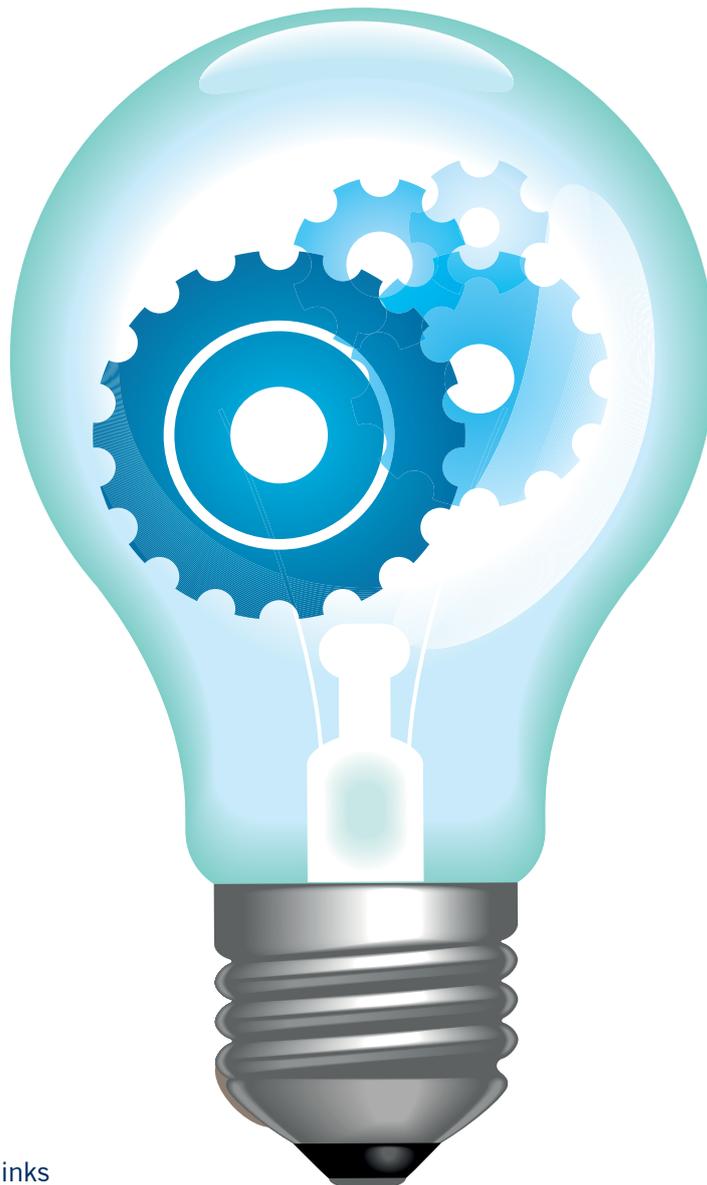
by Ferdinand Jaspers and Jan van den Ende

▶ **A broader perspective: harmonising leadership activities**

by Marius van Dijke

▶ **Private equity and public-to-private transactions**

by Peter Roosenboom



A broader perspective: harmonising leadership activities

by Marius van Dijke

It is common for companies to seek advice on how to motivate employees. At the same time, and in the interests of efficiency and competitiveness, most companies continually look for ways to improve work processes. The question is: how do these different types of activity relate to each other? Are they mutually supportive, or in conflict with each other, and what are the consequences?

Without the voluntary co-operation of their employees (known as Organisational Citizenship Behaviour), companies would have a hard time to prosper, or even to survive. Co-operation refers to behaviour that is intended to support the organisation and it goes well beyond the letter of the employment contract and job description. For example, co-operation refers to putting extra effort into one's work and doing it with care and attention.

It also includes helping co-workers and supervisors who need this. It involves taking the initiative to suggest process improvements, and speaking up about decisions or actions when one disagrees with them. Co-operation thus refers to being motivated to support and defend the company when necessary.

Obviously then, given the enormous difference it makes to the success of a company, a burning issue for leaders

is how to generate employee co-operation. But how do you encourage people to behave in this way, since it is voluntary activity? It is vital for leaders to look closely at this; indeed it is an inherent part of empowerment leadership techniques.

not based on their own self-interest, or based on stereotypes. It also refers to taking all relevant information into consideration, and making sure the decision-making process is transparent and open.

Fair decisions have pervasive and positive effects, including stimulating employee co-operation, because they alleviate a deeply held – and realistic – fear: the fear of being taken advantage of by one's leader.

It's simple: when people know they are being treated fairly, they feel valued as members of the organisation, which makes them want to contribute to the organisation's welfare in return.

“...when people know they are being treated fairly, they feel valued as members of the organisation, which makes them want to contribute to the organisation's welfare in return.”

Fair rules

As various scientific studies show, fair decision-making plays a powerful role in encouraging co-operation among employees. Fairness refers to managers who make decisions that are

Effective empowerment

Empowering leadership techniques have been proven to stimulate co-operative behaviour among employees. Part of empowerment, for example, is giving employees more independence.



.....

This means providing them with the necessary authority and resources, so that they can make autonomous decisions without always needing the approval of their leaders. In itself, this is of course a good thing when handled wisely. However, it is important to bear in mind the impact of greater autonomy. It can lessen the fear of being taken advantage of – again a good thing – but it makes procedural fairness less important – and indeed, less effective.

On the other hand, encouraging personal development – another empowering technique – often leads to greater importance being given to feedback. Naturally, since they want to learn and grow, employees will want feedback on how well they're doing. Employees consider fair treatment as feedback that they are valuable staff members who contribute to the organisation in important ways.

Being encouraged towards personal development therefore makes fair procedures and treatment *more* effective in stimulating co-operation. In other words, one empowerment technique makes procedural fairness less important and less effective; the other makes it more important, and more effective.

Harmonising activities

There are many more management techniques in use within companies, of

course, but the above examples serve to illustrate the question introduced at the outset: when different types of leader activity are seen *in relation to each other*, are they effective? A simple comparison is medicine. Two different types of medication may be good for you when taken singly, but taken together, they could interact in a way that has dire consequences. The point is, it is essential for leaders to take a broader perspective on the different activities being introduced within the company.

We know from our research that co-operation is hugely important, and that it is possible to generate voluntary co-operation among employees. But it's not something that can be approached mechanically.

My recommendation is to take the time to reflect and observe the actual circumstances, and get a clear picture of the situation. As a leader, and as a complete person, you need to take a step back sometimes, and really consider all the angles. You need to look at what you actually come across in your daily activities, and what decisions you are making. Make sure that some of the techniques you are using don't result in hampering the effectiveness of parallel techniques. Synchronise your activities. Make sure you are structuring the environment to support employee co-operation: it really is vital for the success of your organisation. ■

Marius van Dijke is Associate Professor of Behavioural Ethics, Department of Business-Society Management, Rotterdam School of Management, Erasmus University.

EMAIL mvandijke@rsm.nl

This article draws its inspiration from the paper *When does procedural fairness promote organizational citizenship behaviour? Integrating empowering leadership types in relational justice models*, written by Marius van Dijke, David De Cremer, David M. Mayer and Niels Van Quaquebeke, and published in *Organizational Behavior and Human Decision Processes*, 117 (2012) 235-248.

▶ RSM Expertise

The Department of Business-Society Management at RSM specialises in researching, teaching and advising on the complex and challenging relationships between business and society.

WEB www.rsm.nl/bsm