January - March 2023

leading the way

Management & Leadership News from the AAMO Region
Volume, 8 Issue 1

PRESIDENT'S MESSAGE

Warm greetings to readers and fellow members of the Asian Association of Management Organizations (AAMO).

S K Cheong
President
Asian Association of Management Organizations

After three years of lockdown, travel restrictions, the variants of Covid and business uncertainty, we are beginning to see the light at the end of the tunnel. I want to express my heartfelt thanks and gratitude to our readers and members of AAMO who have worked extremely hard to stay on course with your work and personal lives. The challenges we are facing in the post-pandemic periods require even clearer vision, more decisiveness, flexibility, adaptiveness and empathy. Leaders today sometimes need to make decisions counterintuitively to be successful. In this issue of "Leading the Way", I am pleased that we try to address some of the pressing issues facing our leaders today.

In "A Matter of Empathy", the author J. Devaprakash stresses the importance of human resource management in the age of robotics and artificial intelligence. He further offers five practical ways to handle and manage critical employee situations.

In "On The Right Track", Dr Debasish Sur and Pramit Sur summarize the devastating effects of Covid on the unemployment rate, business investment, consumer confidence and the economy in India. Yet, there are encouraging signs in the post-pandemic period as evidenced by India's maintaining the ranking in World Bank's Ease of Doing Business Ranking.

In "How Can We Future Proof Organisations Against the Consequences of Destructive Leadership?", Dr Vicki Webster discusses the many consequences of Destructive Leadership such as financial costs, employees' mental health, employees' retention, brand erosion, absenteeism and presenteeism. Dr Webster offers many practical ways to address these consequences as well as to prevent the creation of destructive leadership.

In "Why Bystanders Create Toxic Cultures", Jessica Hickman discusses the need for leaders to intervene when they see situations such as bully or assault occur. When leaders become bystanders to these situations, they not only become harmful perpetrators, but they also create a toxic culture.

In "Thinking Counterintuitively in Business", Brian Tang discusses the importance of using counterintuitive thinking in business. He cites Kodak and Spotify as examples of failure and success in applying counterintuitive thinking respectively.

In "Lessons from My Boss" Tan Sri Dato' Sri Dr Tay Ah Lek shares, generously, the lessons he learnt from the late Tan Sri Dato' Sri Dr Teh Hong Piow, Founder and Chairman of Public Bank Berhad. Despite numerous financial crises since the founding of the bank in 1966, under Tan Sri Teh's leadership, Public Bank Berhad has had an unbroken track record in profitability and shareholders' return. The author discusses three lessons on passion, purpose, the importance of employees, competency and complacency.

There is a wealth of pertinent information and knowledge discussed by these authors. I hope you find them helpful.

CONTENTS

A MATTER OF EMPATHY

Challenging as it may be, human resources management is an interesting job, provided one does it with passion and patience.

J DEVAPRAKASH, TARAPUR ATOMIC POWER STATION

Twenty-first century is witnessing the age of robotics and artificial intelligence (AI). With an exploding growth in the dig ital field, computers have begun to influence human life deeply, replacing them in numerous industries. Robotic surgeries have become common in the healthcare sector. Robots and AI are ruling our homes too - from the vacuum cleaner to mood based lighting system, mankind's dependency on machines is surging largely. What's more, robots that can mimic many human activities, have already been put into service. Still, human brain is the best in the world. With about 100 million neurons - the information messengers - the mind of a human is superior to a computer in many aspects. It has the ability to think and has senses like logical reasoning, judgment, and creativity. Besides, emotions make humans a breed apart. So, handling of humans, particularly in organisations, is no simple task. When handling a machine or a computer that does not think, the human operator remains authoritative, but when handling a human who has cognitive abilities identical to any other human, the manager or the handler goes diffident.

According to whatishumanresource.com, there are five 'M's - management, money, machines, materials, and methods - in an organisation. Human resource management (HRM) is all about first M, the men. From recruitment to retirement, HRM is involved in every facet of the workforce, but this is not an easy task. Every individual is unique, and has with the ability to manipulate the other four 'M's, which makes HRM a crucial aspect of any organisation. Smooth handling of HRM also streamlines other aspects such as production, sales, marketing, purchase, etc.

Over a century, HRM has been studied in depth and practitioners of human resources have developed numerous strategies to effectively deal with workforce which is the foremost asset of a company. Here are some of the ways HR managers can rely upon for fruitful human resource management:

Listening is caring

We have two ears and one mouth. If these are used in 'this same proportion', particularly by HR managers, it will lead to genial employee relations. Listening is the key to problem solving. Even if a manager is in a helpless state, if he just listens to the employee, the situation he could turn the situation from hostile to placid. Showing interest in understanding the issue will give the employee a feeling of repose.

Make them feel comfortable

Often, employees visit HR department when they believe that some injustice has taken place - toward themselves or towards other employees. During such truculent times, the HR manager must remain calm and attempt to make pacify the complainant first - get them seated, offer something to drink or eat, etc. Once peace prevails, the HR officer can crack a conversation in a calm tone. Respect is always a two way street; being an employee manager, you make the start. And you will see the flow of respect from the other side as well. This may guide to a good-tempered conversation. If their issue is genuine, it can be taken up to the management. Else, things can be put in the right perspective.

Align decisions with values

At times, people blow up trivial things - particularly a new decision of the management - into a big controversy. HR managers have to make the employees understand how important that decision to the organisation and its growth is. They can also try to connect the decision with the organisation's values and the longterm benefits of that decision. Besides, HR managers can elucidate how important the employees' role is in executing the decision.

General to specific

HR analysts believe that not understanding or half understanding of HR functions by others is one of the major reasons why HR is always blamed. Because of this, an employee may beat around the bush. But, the employee may wait to catch some point from the discussion. During such circumstances, the HR manager may try to avoid general discussion and insist on to be specific. This will help avert unnecessary confusions.

Keep your personal emotions aside

Remember, as HR manager, you are dealing with human beings, who too have emotions. If your personal emotions crop up, it may lead to embarrassment. The anger or displeasure of an employee is not on you, but on the system or on policy or on something else. You may be right, but exhibiting your emotional outburst will only worsen things rather than dousing the fire.

The art of saying no

As a human resource manager, one cannot say yes to everyone every time. Owing to lack of clear policy or inadmissibility, the HR person may sometimes be coerced to say no to the employee. Hearing "no", especially when said bluntly or authoritatively, can cause dejection or even unrest among employees. But, if the rejection is announced sympathetically, in a non-imperious manner, respecting the feelings of employees, it is quite possible to placate them, or even make them agree with you.

These are some of the best means for effective human capital management. However, some or all of these will not work in case an employee is a pessimistic moaner (who complains about everything every time) or a stubborn non-listener. Though challenging, the handling of human assets is an interesting job, provided if one does it with passion and patience.

About the Author
J Devaprakash is Deputy General Manager (HR), Tarapur Atomic Power Station.

Disclaimer
The article was first published in Indian Management Journal (Issue 11 Volume 61) an AIMA & Spenta Multimedia publication

ON THE RIGHT TRACK

The World Bank's Ease of Doing Business Ranking reflects that India has been able to retrieve its status in respect of keeping favourable business environment in the post-pandemic period.

DR DEBASISH SUR, UNIVERSITY OF BURDWAN
PRAMIT SUR, GREAT LAKES INSTITUTE OF MANAGEMENT

More than three years have passed since the outbreak of the COVID pandemic that started in Wuhan city. The subsequent lockdowns that followed had a tremendous impact on the world economy. Even USA, financially, the strongest country in the world, could not escape the adverse effects of COVID. As per the data provided by the US Bureau of Labor Statistics, the unemployment rate in the country rose to a record high of 14.7 per cent with the number of jobless people standing at 23.1 million in April, 2020. In this respect, the India's scenario was more alarming. The records published by the Centre for Monitoring Indian Economy (CMIE) show that the unemployment rate in India which was less than 7 per cent in the mid-March, 2020 went up to 27.11 per cent the first week of May, 2020. At that time, it was about 29 per in the urban areas and 26 per cent in the rural areas.

During the phases of complete lockdown, about 14 crore people became jobless. A study which was carried out in April, 2020 by the Federation of Indian Chamber of Commerce and Industry (FICCI) in collaboration with Dhruva Advisors, a renowned tax and regulatory firm in India, taking 380 companies across the sectors revealed that 72 per cent of these companies were placed in the category of very high level of risk during the COVID-19 period. This study also witnessed that 61 per cent of the sample companies postponed their expansion programme for a period of six to 12 months and 33 per cent of the companies under study postponed their expansion programme for a period of one year. So, 94 per cent, ie, most of the sample companies postponed their expansion programme due to the COVID-19 outbreak and subsequent lockdown.

Another noticeable outcome of the study was that 60 per cent of the companies under study put off their fundraising plan for a period of 6 to 12 months while a similar plan was held over by 25 per cent of the sample companies for a period of more than 12 months. Thus, 85 per cent, ie, the majority of the companies postponed their fund-raising plan. These outcomes, as derived from the study, prove that India's business sector faced immense threat emanated from the COVID-19 outbreak. Another mentionable information regarding the status of the India's business sector during the COVID-19 pandemic is that about 6600 firms belonging to the Indian corporate sector were legally connected with companies in countries with a large number of confirmed COVID-19 cases. In this context, the example of China can be cited. China has established itself as the world's largest exporter since 2009. It accounts for about 15 per cent of the world's total exports. Similarly, China is the second largest importer (after USA) in the world during the last 11 years. It accounts for about 11 per cent of the world's total imports. India has a strong linkage with China in respect of international trade. China contributes more than 15 per cent of the India's total imports. The COVID-2019 was first found in China on 17th November, 2019. It showed huge negative impact on Chinese economy leading to disruption in the international trade. As a consequence, the India's business sector was also severely affected.

There is a strong association between largescale businesses (LSBs) and micro, small, and medium enterprises (MSMEs). The LSBs largely depend on the supplies made by the M0053MEs while the MSMEs cannot flourish without the demand of the LSBs. So, they are interrelated and interdependent. It is also notable that the MSMEs, generally, contribute more than 30 per cent of the India's GDP and follow a growth rate of at least 10 per cent per annum. Another noticeable point in favour of the India's MSMEs is that about 45 per cent of the India's total exports are contributed by the MSMEs. So, the MSMEs have great contribution to the well-being of the India's business world. Due to the COVID-19 pandemic, not only LSBs but also MSMEs were in acute crisis. According to the report of a survey which was jointly conducted by non-banking financial firm, Magma Fincorp and business school, Bhavan's SPJIMR on the basis of 14,444 MSMEs in May, 2020, nearly 50 per cent of the sample MSMEs witnessed a 20 to 50 per cent reduction in their earnings and smaller-sized firms' earnings were more affected due to the COVID-19 pandemic.

Post-pandemic scenario

Some positive changes have taken place in the post-pandemic period. In this context, at least two points can be mentioned. First, if the report published by the National Statistical Office (NSO) under the Ministry of Statistics and Programme Implementation, Government of India is considered, it is observed that the India's Gross Domestic Product (GDP) growth rate which was (-) 6.6 per cent in 2020-21 (ie, in the pandemic period) went up to 8.7 per cent in 2021-22 (ie, in the post-pandemic period). It is definitely a positive sign for the India's economy. Secondly, as per the CMIE reports, the unemployment rate which exceeded 27 per cent (May, 2020) went down significantly to 8.28 per cent in August, 2022. However, this information may not reflect the true status of the India's business environment during the post pandemic period. In this context, two points can be highlighted. First, as per the Reserve Bank of India (RBI) reports, the government debt to GDP ratio in India has been increasing with the passage of time during the post-pandemic period. This ratio which was 73.95 per cent in 2019-20 (ie, in the pre-pandemic period) has stepped up to 84 per cent in 2021-22 (ie, in the post-pandemic period). Moreover, as per a World Bank projection, it is expected that the government debt to GDP ratio in India would be 89 per cent in 2022-23. It is obviously considered as a negative sign for the India's economy. Secondly, if the NSO report for the year 2021-22 is considered, it is found that 53.89 per cent of the India's Gross Value Added (GVA) was contributed by the service sector, 25.92 per cent by the manufacturing sector, and the remaining 20.19 per cent by the agriculture and allied sector.

According to the principles followed in Economics, if the share of manufacturing sector's contribution to GVA does not grow sufficiently, overall economic development cannot be made possible in developing countries like India. Moreover, out of the four basic components of GDP, such as personal consumption expenditure (PCE), business investment, government spending and net export, the first one i.e. PCE is the biggest component of GDP. The PCE which generally contributes more than 60 per cent of the India's GDP has reduced notably in the post pandemic period. The ratio of PCE to GDP in India was 60.5 per cent in 2019-20, and it went down to 58.6 per cent in 2020-21 and 57.5 per cent in 2021-22. So, the PCE has failed to contribute adequately to improve the country's GDP during the post-pandemic era.

It is a well-accepted principle in Economics that if the PCE goes down, the real sector's (which includes manufacturing sector) growth rate decreases. As the ratio of PCE to GDP in India declined during the post-pandemic period, the same trend in the growth rate of the India's manufacturing sector has been noticed. There are numerous reasons for decline of the ratio of PCE to GDP in India. Two of the vital ones can be hinted at. First, the public distribution system (PDS) in India in which about 80 crore people (58 per cent of the total population) are the beneficiaries does not run properly. So, people do not get adequate amount of food grains and other essential commodities. Thus, people are not in a position to spend some money for acquisition of non-essential commodities. As a result, the PCE has not gone up. The main cause of inefficient running of the PDS in India is corruption. The fund allocated by the central government for providing food subsidy in the financial year 2020-21 was R115,570 crore (ie, about 3.8 per cent of the total estimated expenditure as per the budget estimates relating to the fiscal year 2020-21) which has stepped up to R294,000 in 2021-22 (which is about 8.4 per cent of the total estimated expenditure as per the budget estimates relating to the fiscal year 2021-22). So, huge amount of fund is involved in the PDS in India which induces the presence of high level of corruption in the system. Secondly, the confidence level of people in India has not improved significantly in the post-pandemic period. As per the RBI survey reports, the future expectations index (FEI) in India measuring consumers' perception of the economy was 97.9 in May, 2020. In fact, a score of the FEI below 100 indicates consumers' pessimism. So, the people were pessimist in the pandemic period.

Though several positive changes have taken place in the post-pandemic period, the confidence level of people in India has not improved considerably. During the post pandemic period, the FEI values in India were 103.3 (January,2022) 115.2 (March,2022), 112.9 (May,2022) and 113.3 (July,2022) whereas in the pre-pandemic period, the FEI in India was 133.4 (March,2019). Thus, as compared to the pre-pandemic period the confidence level of people has declined in the post-pandemic era. So, people intend to save a substantial portion of their earnings for future consumption resulting in the reduction of PCE to GDP in India.

Concluding remarks

One encouraging phenomenon observed in India in the post-pandemic period is mentioned here. As per the World Investment Reports published by the United Nations Conference on Trade & Development, a clear upward trend in the foreign direct investment (FDI) inflows has been noticed in the post - pandemic period. The FDI in India have stepped up by about 10 per cent and 23 per cent in 2020-21 and 2021-22, respectively, as compared to the previous years' figures. Moreover, the FDI equity inflows in the Indian manufacturing sector have also gone up by 76 per cent in 2021-22. The COVID-19 first broke out in China in November, 2019 which had a great negative impact on Chinese economy. As a result, China lost its dominance, at least to some extent, over international trade.

India has been able to exploit the situation a bit by initiating major reform measures associated with FDI policy in some sectors like pharmaceuticals, automobiles, food processing, construction, defence, civil aviation, etc. Apart from this, India enjoys certain inherent benefits, such as availability of cheap labour force, abundance of skilled IT personnel, higher political stability, etc. This is also reflected in the World Bank's Ease of Doing Business Ranking (EDBR). As per the EDBR, the India's rank was 142 in 2014 out of 190 countries in the world which reduced to 63 in 2019. Even in 2022 India has been able to maintain status quo in terms of EDBR. In fact, India has retrieved its status in the post-pandemic period in respect of providing favourable business environment despite towering menace stemmed from the COVID-19 pandemic.

REFERENCES:

1. Nearly half MSMEs witness 20-50% impact on earnings due to COVID-19 pandemic: Survey, The Economic Times, E-Paper, June 16, 2020. Sur, D.(2020).
2. COVID-19 and Indian Business: A Synoptic View, The Management Account, Vol.55 No.08, pp.99-103. https://unemploymentinindia.cmie.com
3. https://www.bls.gov
4. https://m.rbi.org.in
5. https://www.indiabudget.gov.in
6. https://www.mospi.gov.in › national-statistical-office-nso-...
7. https://www.worldbank.org
8. https://unctad.org › topic › world-investment-report

About The Author

Pramit Sur is pursuing PGDM at Great Lakes Institute of Management, Gurgaon.

Disclaimer

The article was first published in Indian Management Journal (Issue 1 Volume 62) an AIMA & Spenta Multimedia publication.

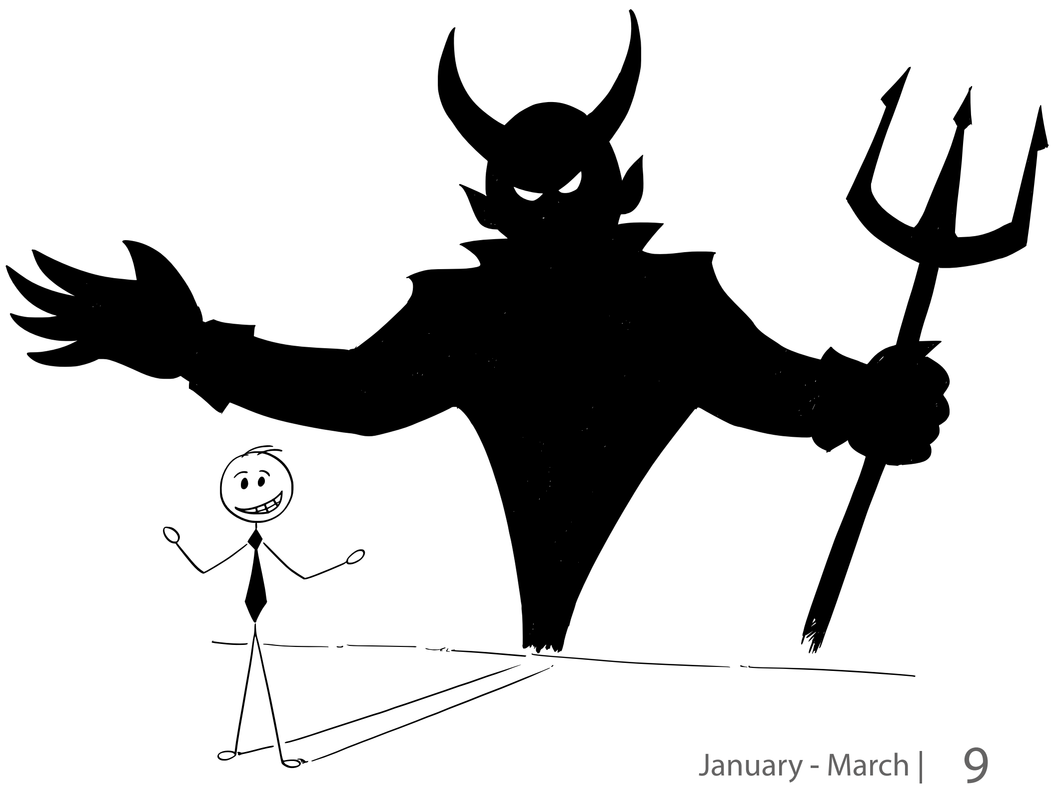
HOW CAN WE FUTURE PROOF ORGANISATIONS AGAINST THE CONSEQUENCES OF DESTRUCTIVE LEADERSHIP?

DR VICKI WEBSTER, FIML

It is difficult to specify the direct financial costs of destructive leadership, but stress claims, disengagement, withdrawal, presenteeism and absenteeism costs as a result of mental health conditions have been estimated. Occupational stress is a major public health problem in Australia. Costs incurred as a result of mental stress claims have been estimated at A$543 million per annum, occupational stress claims at A$15 billion per annum and absenteeism at A$5 billion per annum. Substantial litigation and counselling costs may be incurred to address the effects of the abusive leadership behaviour. Many more indirect costs are also incurred. For example, a damaged brand, lost organisational knowledge, replacement costs due to turnover, to name a few. So, it is important to have a strategy to future proof your organisation against destructive leadership.

Most organisations have prevention strategies in place to clearly articulate expected leadership behaviour and to manage destructive and unethical behaviour. These include:

- Codes of Conduct, including published organisational values with underpinning behaviours
- Strong governance frameworks
- Policies, procedures and practices that promote the psychological, emotional and physical safety and wellbeing of managers and employees
- Processes to sanction or remove leaders regularly demonstrating destructive leadership behaviours



However, such primary prevention strategies appear to be insufficient on their own in preventing destructive leadership behaviours from being demonstrated or experienced.

Destructive leadership in a hybrid work environment

Restrictions as a result of COVID-19 have caused a major change in work circumstances, with many workers now regularly working from home. Little research has assessed the consequences of destructive leadership for employees working remotely full-time, or for those working a hybrid model. Working from home for many has increased the volume of work they undertake within non-work hours. Some workers have reported receiving excessive, unreasonable or unattainable requests from their managers, are expected to be constantly available for work, and have been subjected to unethical monitoring by their manager. It is also easier for a manager to withhold important information and isolate employees from their colleagues, when working in a virtual environment.

The role of HR

The role of Human Resources (HR) in addressing destructive leadership in a hybrid working environment clear is also not clear. It is hard enough to gather evidence of wrongdoing in the physical workplace, especially when it happens behind closed doors, let alone in a virtual workplace. HR professionals are charged with the duty of helping employees reduce their psychological and emotional pain (e.g. when they are the target of abuse), while being aware of the need to maximise productivity and keep the organisation profitable. Working confidentially, their work is virtually invisible. They are often unable to reduce the anxiety and fear being experienced by workers, and they may even contribute to employees' anxiety and stress by implementing official policies and processes that produce more distress (i.e. investigations). HR professionals are in the invidious position of being expected to provide a solution when they are part of the organisational system.

The role of executives

Executives are required to scan for good conduct in their managers, recognizing and rewarding it, and notice bad conduct, calling it out, putting in place boundaries and appropriate consequences for misconduct. Working together with HR professionals, they need to be aware of the indicators of destructive leadership at individual, team, departmental and executive levels. Such indicators include poor organisational survey results, higher employee use of Employee Assistance Programs (EAP), and increased rates of employee's absenteeism, stress leave and turnover.

Once a concern has been identified, clear policies and procedures must be followed to address destructive behaviours or even remove the perpetrators from the organisation. Studies have shown that often employees perceive that nothing happens to those responsible for the destructive behaviours. Some employees report that these types of leaders are even promoted. Therefore, it is essential that executive and senior management are seen to be directly, promptly and effectively dealing with managers displaying destructive behaviours.

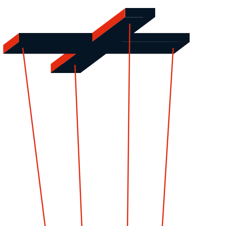
So, executives must decide how they will deal with the identified destructive leader. Lengthy investigations can make the situation worse. Destructive leaders often have good relationships with people in powerful positions, are politically and socially astute, and are likely to become litigious when challenged; thus, removing them can be difficult, time consuming, and costly. Careful planning, with expert legal advice, is often necessary. As a result, prevention is the best strategy for executive teams to protect their organisation.

Preventing destructive leadership

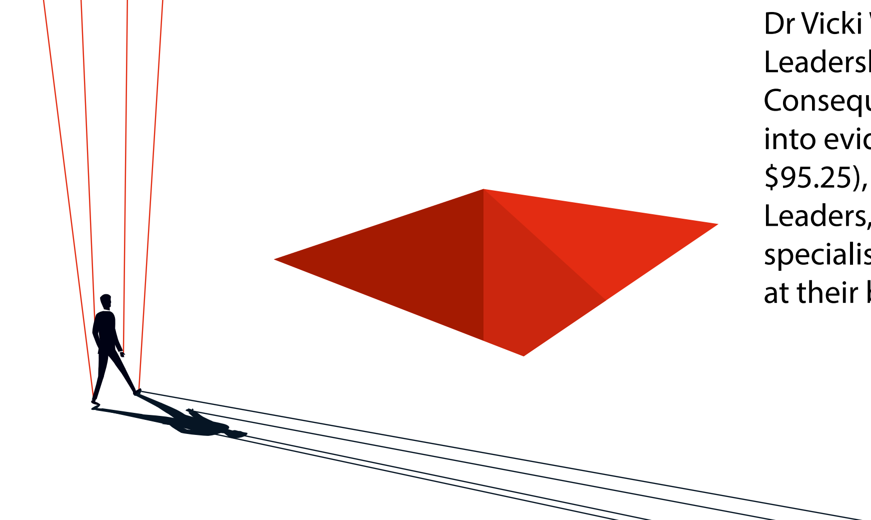
When engaging in a selection process, whether for a management role or for a place on a leadership development program, screening out unsuitable candidates is the most effective way of preventing destructive leadership. Assessing candidates via multiple measures may guard against a poor selection. As destructive leaders are likely to be charming and self-enhancing at interviews, a combination of interviews, leadership self-report inventories (valid and reliable diagnostics that measure dark side characteristics, with guards against faking), simulations and/or assessment centre activities over an extended period are likely to be more effective in identifying potentially harmful characteristics in candidates.

Addressing destructive leadership in organisations
Evidence-based interventions designed to address destructive leadership include running leader development programs with a focus on both the bright and dark side of leadership and providing initiatives and programs to protect potential targets of destructive leadership.

To build a culture that protects employee wellbeing, organisations require evidence-based, practical interventions to assist managers to lead at their best. It is recommended that leader development programs, at all levels from frontline to executive, include mechanisms to enable managers to increase self-awareness of the impact of their leadership style and hold up the mirror to any blind spots they may have. Understanding their triggers, and their capacity to effectively self-manage their impulsivity when triggered, can be enhanced through activities such as self-reflection journaling.



Providing a mentor who can facilitate learning from failures and mistakes can also reduce psychological distress for manager participants, if they are actively willing to learn.



To manage employees' occupational stress as a result of destructive leadership, it is recommended that consideration be given to offering stress management, resiliency and wellbeing assessments and programs. These can include programs designed for creating a mentally healthy workplace, identifying ways to make organisational and social support (e.g. practical and emotional support) easily accessible to all employees, irrespective of their work location, and considering restorative approaches to repairing harm.

After the fact …

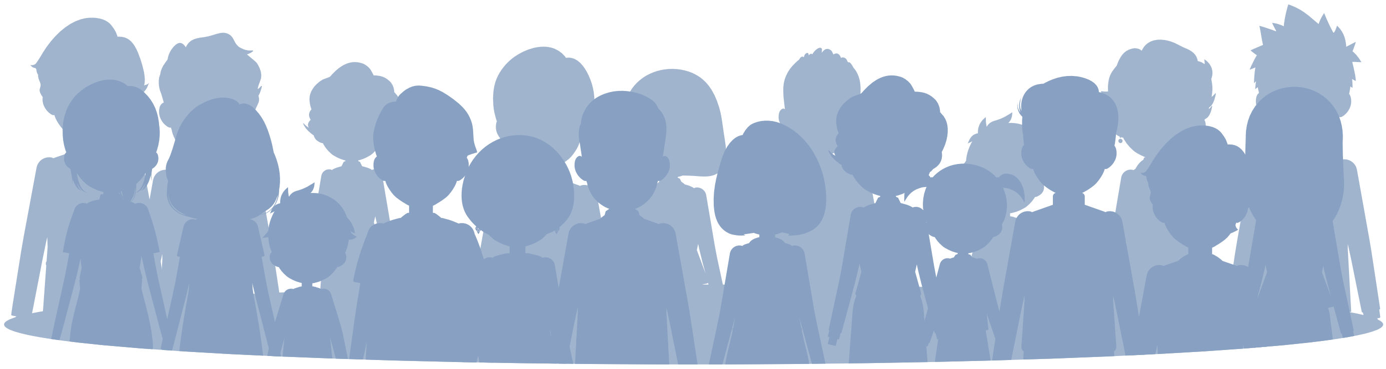
Worst case scenario, where harm has already been experienced, organisations typically offer formal complaint or grievance processes, investigations of allegations of abuse, conflict resolution processes, and/or mediation, with limited effectiveness, especially in low trust environments. These mechanisms focus on apportioning fault and blame and may be found to be abusive by all parties.

An alternative process that may prove useful in dealing with the aftermath of destructive leadership is workplace conferencing. Workplace Conferencing is based on restorative justice principles and focuses on hearing the stories and experiences of all parties, before working together to find ways to prevent harm happening again in future.

Given the cost of destructive leadership to organisational finances, organisational brand, attraction and retention of the workforce, and the wellbeing of managers and employees, it's time to think again about how you are protecting your organisation from destructive leadership, into the future.

About the Author
Dr Vicki Webster, author of Destructive Leadership in the Workplace and its Consequences: Translating theory and research into evidence-based practice (Sage Swifts, $95.25), is the founder and director of Incisive Leaders, executive and leadership coach, specialising in partnering with managers to lead at their best.

WHY BYSTANDERS CREATE TOXIC CULTURES



JESSICA HICKMAN, FOUNDER AND DIRECTOR, BULLYOLOGY

The bystander effect is the enemy of a positive and thriving workplace culture. Bystanders allow toxic culture to be dismissed, worsening the problem within many organisations and industries.

It is vital for you, as a leader, to understand the bystander effect as a disease. If left unchecked, toxic culture festers, spreads and leads to serious harm for employees, leaders and businesses.

This article will give you the opportunity to conduct a self-inquiry about situations in which you've become a passive bystander in your workplace and reflect on your own workplace's culture, including the behaviours that you have witnessed, tolerated and accepted as a leader.

Understanding the bystander effect will aid you to become a more conscious leader. It will help you nip problems in the bud, and allow you to be proactive rather than reactive. A strong and proactive consciousness of your environment will help you recognise the extent and impact of toxic workplace cultures, and build an upstander culture.

Unpacking the bystander effect

The bystander effect occurs when the presence of others discourages an individual (or several individuals) from intervening in an emergency situation, such as against a bully, or during an assault or other crime. The greater the number of bystanders, the less likely it is for any one of them to help the person in distress.

Let me give you an example. You're driving down the highway and see a car on the side of the road that has had an accident. There seem to be witnesses attending to the car. You drive past, automatically thinking, 'They'll be all right' (or the Aussie standard, 'She'll be right, mate').

Reflecting on this led me to think about my own workplace bullying experience. I reported the bullying 32 times, and the more successful I became in the workplace, the more my manager bullied and harassed me. The prolonged distress from three-and-a-half years of bullying and harassment ultimately caused me to collapse at work.

How many people witnessed, walked by and tolerated the bullying I experienced – the verbal abuse, the folders being thrown across the room? I realised that, at times, there were 10 to 13 people that could have witnessed the bullying in that open-plan office.

This also led me to think about deferred responsibility in managers' meetings, when there would be seven or eight people around the table witnessing toxic comments being directed at me. My colleagues would roll their eyes or look away, or come and quietly chat to me afterwards to demonstrate that they were uncomfortable with the bully's actions. However, on reflection, they always looked to the highest-paid person in the room – the project manager, the leader or the CEO – to deal with the behaviour.

The term 'bystander effect' was coined by social psychologists Bibb Latané and John Darley following the 1964 murder of a 28-year-old woman called Kitty Genovese in New York City. Kitty was brutally stabbed to death outside her apartment as she arrived home from work. At the time, it was reported that there were dozens of neighbours who failed to step in and assist her or call the police. Some reports even mentioned up to 38 witnesses who had observed, heard or walked by the scene.

Latané and Darley attributed the bystander effect, this deferring of responsibility or social influence, to two factors:

1. The more onlookers there are, the less personal responsibility an individual feels to take action.
2. Individuals monitor the behaviours of others around them to determine how to act.

This is important for us to understand because it is present in our day-to-day behaviours and in workplaces across Australia.

Your closest bystanders

As a leader, think about why bystanders don't intervene in your workplace. Reflect on the times in your career when you have been a bystander and not spoken up, intervened in or challenged toxic behaviours.

Here are some of the reasons I have heard from leaders at my workshops:

- 'We did not know what to do or how to report it, because we had a lack of training.'
- 'We were unsure about what constitutes unacceptable behaviour, or whether it was bullying or harassment.'

- 'We feared speaking up may lead to the bully turning on us, or the bully's cronies or upper management targeting us.'
- 'We didn't feel that we had the numbers on our side.'
- 'We had inadequate peer support.'
- 'I thought it was none of my business because it wasn't affecting me personally and my team.'
- 'I wasn't confident that management would support me if I spoke up.'
- 'I thought that speaking up would make things worse.'
- 'I didn't want to draw attention to myself.'
- 'I felt that the victim may deserve it, because they had a personal agenda against the bully.'
- 'I was worried that the workplace's "my way or the highway" leadership style could effectively make me lose my job for speaking up.'

Whatever the reason for not speaking up, I have found in my work and research that the consequences of doing nothing are worse. A lack of intervention from peers can give the bullies the green light to continue the toxic behaviour, which may spiral out of control. The bystanders themselves may also feel increased anxiety about their failure to report or negligence in dealing with the incident, which ultimately causes more harm.

Being a bystander can also lead you to become an actively harmful perpetrator: because you choose not to intervene, the perpetrator may pressure you into participating in the bullying, harassment or toxic behaviour.

Avoiding the bystander trap

As leaders, we can often fall into the trap of the bystander effect unknowingly, simply because we are busy and fail to observe some of the dynamics happening around us. Alternatively, sometimes we just don't have the skills, knowledge, tools or understanding to know how to be an upstander rather than a bystander (which is why proactive workplace training is critical for leadership success).

The cold, hard truth is that one bad apple can spoil a whole bunch. Just take my workplace bullying experience, for example: the bully caused the other employees to operate in a state of fear, discomfort and unease, and drove many valuable employees to leave.

It's important as a leader to identify these situations, because being in tune with what's happening in your environment can help make you a better leader and create a psychologically safe environment, and even potentially save lives. By questioning your blind spots and bystander behaviours, you can become an upstander leader.
Ultimately, the standard you walk by is the standard you accept.

About the Author
As the founder and director of Bullyology and advocate of The Upstander Movement, Jessica Hickman provides individuals and companies with the tools and strategies that will enable them to create a thriving and respectful workplace. Jessica is the published author of Bullyologist: Breaking the Silence on Bullying and The Upstander Leader: How to develop a speak-up culture.

THINKING COUNTERINTUITIVELY IN BUSINESS

BRIAN TANG,
CORPORATE TRAINING CONSULTANT

All world class athletes have the same dream – win the gold medal in Olympic Games. When they finally win a medal in the Games, they would feel happy, undoubtedly. It makes sense to think that gold medalists would feel the happiest, next the silver medalists, and the bronze with the least amount of happiness among the three. Is that true?

In a famous study of the 1992 Summer Olympic Games, Medvec and Gilovick of Cornell University and Madey of the University of Toledo conducted a research[1] to measure the happiness of the medalists based on their facial expressions on the award podium. On a scale of score 1 – 10, with 1 being "Agony" and 10 being "Ecstasy", bronze medalists scored on average 7.1, while silver medalists achieved only 4.8, slightly below the neutral point. The same study has been replicated a few times after that and results were similar. Athletes who objectively performed better (silver medalists) were less happy than those who performed the worst (bronze medalists). Why is that?

The researchers concluded that these medalists have different ways to look at the result. The bronze winners thought "At Leasts". "At least I made it to the podium.", "At least I didn't finish the 4th." On the other hand, silver medalists pondered "If Onlys". "If only I ran a bit faster." "If only I didn't get distracted by the audience." Silver place is a tiny step away from the top – often in milliseconds. The "If Onlys" thinking hurts.

This is counterintuitive thinking – something that doesn't seem to make sense actually makes sense when we dig deeper. It provides fresh perspective. It gives us insight in how human think and behave, as well as how the world works. I have prepared two counterintuitive examples in business and offered the moral of the story. Let's explore.

1. Kodak and the digital photography

The Eastman Kodak Company (Kodak) was a well-known giant in the photography industry in the 1970s. It was almost impossible to find any photographers who haven't used Kodak's products back at the time. It achieved an astonishing 85% market share in camera sales and a whopping 90% market share in photographic films sales in the 70s. It literally pushed their competitors off the market[2]. Its sales went up to $10 billion in 1981. However, in 2012, the company filed for bankruptcy. What happened?

There exist many explanations of Kodak's downfall. Most attributed to its late adaptation to the uprising trend of digital photography. Although the company eventually jumped on the digital trend bandwagon, it never placed as much focus on it as its best-selling products – films.

Eventually, the company became obsolete and irrelevant in the market.

While it was widely accepted that Kodak died of the digital trend, not many people know that it was Kodak who invented the first digital camera in the world in 1975. Now let's think about it. Kodak had the next generation of product and all the resources and money on hand, why didn't they invest in it and make it "The next big thing"? You may call it management complacency or lack of organizational agility. Clayton Christensen, a professor at the Harvard Business School, had a theory in his best-selling book "The Innovator's Dilemma"[3]. Based on his research, he argued that company like Kodak which failed to capitalize on the next generation of products (he called it "Disruptive Technology") was not because of complacency or bad management. Counterintuitively, it was the opposite. They didn't pursue the disruptive technology because of good management practice. In business school, we were trained to "listen to the customers", and "maximize shareholders return". Let's put ourselves in the shoes of Kodak's senior management in the 70s. We were making huge profits and our market shares were unprecedented. Our customers love our products. Now we have this digital camera technology which was inferior compared to our existing products, its market potential was unknown, and no customers have expressed interest in it. Why would we want to spend our resources to develop this product with unknown potential instead of going "all in" with the best-selling products that generate humongous return? That just makes no sense at all.

Further, even if they decided to invest in it, it won't generate the "maximum return" for the company. Any new technology starts with a small market potential. The potential return from the digital photography would be so small to make an impact to the balance sheet of Kodak, at least initially. Hence it won't garner enough attention and resources needed in a big organization such as Kodak. That's the reason disruptive technology was best suited for start-ups, whose only product and attention was that disruptive technology.

In short, Kodak died of good management, not bad management.

Christensen further argued in his book that the organizational ecosystem created additional barriers to develop disruptive technology. For instance, you were the head of the engineer who invented the first digital camera. Would you propose to the senior management team to focus on this new product? With the benefit of hindsight, we know the answer should be "yes". But at that time, it was a new technology with uncertain potential. Would you risk your career path by betting on a new technology? What if it turns out sour? Your career would be in jeopardy. Therefore, many new technologies and opportunities never made it to the discussion item in the boardroom. They got sacked in mid-management.

Lesson of the story: Discard siloed thinking and practice Systems Thinking. Organizations are an ecosystem – everything is interconnected. Any input may create unintended results. The wholes are not the mere sum of its parts. Relationships are nonlinear and complex. Management must not only examine the viability of the technology but also think about the relationship and dynamic reactions by each component in the system, i.e., the organization. Failure to do so leads to myopic thinking and inability to see the full picture.

2. Spotify and "Discover Weekly"[4]

We all want to make the best decision. In order to do that we need to know the facts, and that's where big data and data science come in. When used correctly, data helps us understand the world better and make better judgement. However, just as any other things, there is always a chance of having too much of a good thing. If we overly rely on data and data alone, we blind ourselves to other perspectives and possibilities.

In 2015, Spotify, an online audio streaming and media services provider, launched a product called "Discover Weekly". On every Monday morning, Spotify will give you a unique list of 30 hot songs that you haven't heard of, based on your taste and preferences. The product was an instant hit. Spotify users loved this product. However, its success was intriguing to Spotify's management. The company didn't spend much effort promoting this product before launch. Compared to similar product such as "Feel Good Friday", "Discover Weekly" was not much different in terms of product nature. What made it so popular?
The data scientists at Spotify spent a great deal of effort to mine the data but to no avail. They couldn't figure out from the data what made "Discover Weekly" so hot. It was until they gave up on the data did they discover the answer. It was not because of the "what" or "how" of the product, but the "when". "Discover Weekly" generated a list of new songs for the users on every Monday, when the "Fresh Start Effect" is in effect. Psychologically, Mondays represent the fresh start of a weekly cycle. Hence a new playlist on Monday morning makes a lot of sense. Similar "Fresh Start Effect" can be found in January and first day of the month.

Lesson of the story: Quantitative analysis should always be complemented by qualitative observation. Don't get attached to only one side of your input. Balance is the key. Be curious and observant. Moreover, humans are very complicated. Our decisions are not always rational. Understanding the soft stuff (behavioral economics and psychology) may just be as important as mining the hard data in judgements and decision making.

Counterintuitive thinking is not easy. It is like defying gravity. It requires us to challenge our mental model and status quo. Nobody wants to be wrong, but the counterintuitive thinking process may prove us wrong. How can we get past this sense of failure and challenge ourselves to think counterintuitively? I have got two tips for you.

First, focus on growth instead of being right. We all want to be right. We feel really good when we are right but awful when we are wrong. And this awful feeling may actually make us risk averse and stops us from being innovative. What if we don't care so much whether or not we are right, but whether we are growing and knowing something we didn't know before? We shift our attention to growth and development. Even if we fail, we have learned something we didn't know before.

Second, approach the issue on hand as a novice instead of a master. In this ever-changing world, there's no such thing as a master anymore. Everything is changing, and everyone is learning. As the saying goes, "In the beginner's mind there are many possibilities, in the master's mind there are few." Embrace humility and say to yourself: there is always something I don't know, despite how much I already know.

1. Medvec, Victoria Husted, Scott F. Madey, and Thomas Gilovich. "When less is more: counterfactual thinking and satisfaction among Olympic medalists." Journal of Personality and Social Psychology 69, no. 4 (1995): 603.
2. https://brand-minds.medium.com/why-did-kodak-fail-and-what-can-you-learn-from-its-failure-70b92793493c
3. Clayton M. Christensen, The Innovator's Dilemma, Boston, Harvard Business Review Press, 1997.
4. https://www.facebook.com/BW.CEO.YILING.KUO/posts/pfbid09Pj23c8KDWg33Q589A5R4t8XX9a7Y7ougLHHGWT6xZXYbvxfv3iU6VVXZ77NHDWxl

LESSONS FROM MY BOSS

A Tribute to the Late Public Bank Founder, Chairman Emeritus, Director and Adviser Tan Sri Dato' Sri Dr Teh Hong Piow

TAN SRI DATO' SRI DR TAY AH LEK,
MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER, PUBLIC BANK BERHAD

"As we strive for excellence, we must maintain a dedication to quality and an intense acute focus on our customers," were the words that Tan Sri Dato' Sri Dr. Teh Hong Piow used to remind branch managers when the Public Bank Group's visionary Founder, Chairman Emeritus, Director and Adviser visited the branches both domestic and overseas.

I have been one of the privileged few to have been up close and personal with the Tan Sri Teh who built a solid corporate culture anchored on customer centricity, integrity, prudence and other hallmarks that continues to stand the test of time, just like the banking group he founded on 6 August 1966.

Having stood side by side with Tan Sri Teh when we weathered through various financial crisis throughout the Group's 56 years of journey since opening its doors to business – including the Commodities Crisis in 1985, Asian Financial Crisis in 1997, the Global Financial Crisis in 2008 and recently, the 2019 COVID-19 pandemic, I am grateful of the opportunity to learn what it takes to build a sustainable organisation from the banking grandmaster himself.

To fully appreciate the learning points from Tan Sri Teh, let's go back to some of the most tumultuous times when uncertainties were high and both investor and consumer confidence were rock bottom.

When Malaysia was hit with the 1985 recession with banks and finance companies on the brink of insolvency due to high amounts of non-performing loans, Public Bank Group continued to remain profitable with a pre-tax profit of RM21 million in 1985 and RM32 million in 1986.

A decade later, the 1997 Asian Financial Crisis caused many businesses to close but Public Bank Group continued to register profits in the subsequent years and in year 2000, the Group hit a new milestone where pre-tax profit exceeded the RM1 billion mark.

The Public Bank Group continued to remain resilient to yet another financial crisis another decade later, this time larger than before.

The 2008 Global Financial Crisis, considered to be the worst financial crisis by many economists since the Great Depression, has resulted in the near collapse of the global banking and finance sector.

Established financial services provider, such as the century old Lehman Brothers and other financial giants such as Merrill Lynch, AIG and others either went bankrupt or came within a whisker of doing so and had to be rescued. With Tan Sri Teh's careful, assured and confident steps, the Public Bank Group weathered the storm and remained profitable with a pre-tax profit of RM3.32 billion in 2009 and RM4.09

billion in 2010.

Public Bank Group had consistently maintained an unbroken track record in profitability and generated stable returns for its shareholders.

As the saying goes, first time's a fluke, second time's a coincidence and well, third time's tradition.

Lesson 1 – Nurture Your Passion, and Know Your Purpose

I am fondly reminded of this quote, "Learning without thinking is useless. Thinking without learning is dangerous." by Confucius. Likewise, I would humbly say "Passion without purpose is dangerous, purpose without passion is useless."

Tan Sri Teh's success can only be attributable to his high level of commitment placed in ensuring that integrity is in place in everything the Group does.

"In Public Bank, we want to be the true winner, observing professional ethics, such as honesty and integrity in our dealings," Tan Sri Teh was fond of saying.

Tan Sri Teh's passion is clearly in banking, as can be seen in the hard work he pours in to ensure that he knows the inside out about the industry. While he had a meteoric rise in his banking career, from a clerk to reach the position of a general manager at the age of 34, one needs something else to reach the next level.

Purpose.

It was a moment that it became clear to Tan Sri Teh that he wanted to start his own bank to take his passion in banking to the next level. Because of a clear purpose, he had plans and deadlines to keep moving in the right direction to achieve what he set out to do.

Another important aspect of Tan Sri Teh's purpose is that it is meaningful. He didn't set out to start any bank, but clearly, "a bank for the public" to serve people from all walks of life, while also answering the call the nation's Central Bank then to meet the development needs of the country.

I have never second guessed Tan Sri Teh as the purpose he laid out to all the staff are not only clear, but bold and timely.

Subsequently, with passion and purpose in place, all energy is channeled towards productive activities and as they say, the rest is history.

Lesson 2 - Take Care of Your Number 1 Customer – Your Employees

Let's not get to the conventional topics of continuous investment on training, remuneration and things like that when people talk about employee engagement. Let's start with the most fundamental aspect of human relations.

How would you like to have a boss who does his best to know you – starting with your name and then your aspirations, before looking into more serious matters such as your career development and progression?

Tan Sri Teh believes that "courtesies of small and trivial character are the ones that strike deepest in the grateful and appreciating heart," and he goes all out to be around the employees, from branch visits to corporate dinners, inviting staff from around the country to attend. And he made a point to go to the hundreds of tables personally to talk to all of the staff present.

At a deeper level, Tan Sri Teh is sensitive to the needs of the employees and extends a helping hand to alleviate their hardship.

During the 2008 fuel hike, with the normal unleaded petrol increasing from RM1.92 to RM2.70 per litre, Tan Sri Teh approved a special one-off payment of up to RM2,000 for all staff and zero interest for staff housing loans for loans of RM100,000 and below. This generous gesture makes up to about RM14 million for the one-off payment while the lowered interest rates would cost about RM15 million a year.

And this is just one of the many things that Tan Sri Teh has done for the employees as he treats them as his 'Corporate Family.'

Lesson 3 - Always competent, never complacent

Life is full of paradox, and I must admit that Tan Sri Teh has shown me a number of them. Lesson 3 is an extension of Lesson 1 where I talked about the importance of passion and purpose.

Although it has been widely written on why passion is important, it is not widely explained that passion is only a word that consists of many other things. Most importantly, it is how it will direct your energy to achieve what you set out to do.

Tan Sri Teh's passion led to his focus and persistence to understand everything there is in the banking industry. Never settling for less, he never got too comfortable and lowering his standards. He understands not only the rudimentary procedures on banking products, but also understanding his customers, down to the fundamentals of their psyche and more.

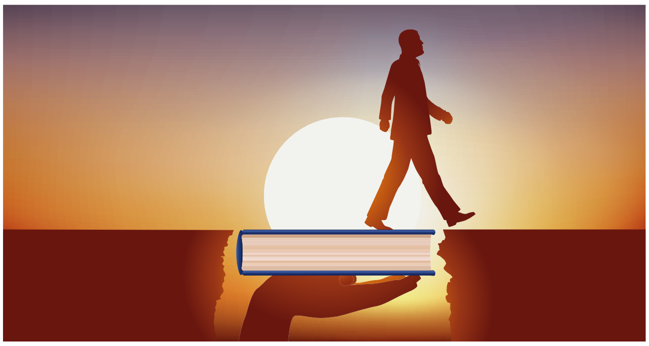
This understanding of customers is pivotal as Tan Sri Teh has a very clear purpose as mentioned in Lesson 1 where he clearly wanted to start "a bank for the public" to serve people from all walks of life. His mission is to provide banking services so that the customers could achieve their life aspirations through access to finance as well as banking convenience. In order to do this, banking must be made as efficient as possible. Another matter of paramount importance is to prudently manage its lending activities to protect the funds that are entrusted to the Group by depositors while safeguarding socioeconomic stability, preventing the building up of excessive debts by borrowers, while encouraging prudent borrowing behaviour.
Reflecting on this level of attention to detail, that is also how the Group has been able to sustain its unbroken track record in profitability since its inception, as reflected in the Group's key performance indicators, particularly with its industry leading low gross impaired loans ratio of 0.3% compared to the industry of 1.8% as at 30 September 2022.

His passion is so deep that he also inspired the whole Group to aspire towards greatness, carrying out day-to-day duties with conviction and raising their competency to progressively while stemming out complacency. That, is also leadership by example in its truest sense.

As the motivational speaker T. Harv Eker said, "If you are willing to do only what's easy, life will be hard. But if you are willing to do what's hard, life will be easy," it is clear that Tan Sri Teh did what many would define as hard. But his passion in banking, and more importantly, his passion in seeing the Public Bank Group and his Corporate Family thrive, made the journey worthwhile.

A Perpetual Foundation

Every day is a new learning experience with Tan Sri Teh and on top of these three main lessons, another aspect to look at is his ability to approach every challenge as part and parcel of life.



His legacy is the perpetual foundation of the Public Bank Group and we remained guided by the values inculcated by the late Tan Sri Teh to sustain our position of being the most efficient, profitable, and respected premier financial institution in Malaysia.

About the Author
The author is a pioneer staff who has been working with Tan Sri Dato' Sri Dr Teh Hong Piow, Public Bank Group's Founder, Chairman Emeritus, Director and Adviser who passed away on 12 December 2022.

ASIAN ASSOCIATION
OF MANAGEMENT
ORGANISATIONS

About AAMO:
AAMO is a partnership of National Management Organizations (NMO) whose purpose is to share and actively leverage resources to enhance the achievement of their respective missions. AAMO is an independent, nonpolitical and not-for-profit Association of NMOs, which promotes, facilitates and supports the development of professional management in the Asia Pacific Region.

The current 9 members of AAMO are Australia and New Zealand, Hong Kong, India, Macau, Malaysia, Nepal, Pakistan, Philippines and Sri Lanka.

AAMO Secretariat:

The Hong Kong Management Association
16/F, Tower B, Southmark, 11 Yip Hing Street,
Wong Chuk Hang, Hong Kong

Tel : +852 27663303
Email : hkma@hkma.org.hk
Website : www.aamo.network

Layout & Design by:
The Hong Kong Management Association