



## Swiss Human Relations Barometer Spring Newsletter 2019

# There are two sides to every coin

For Frederick Herzberg, job satisfaction consists of two factors: motivators lead to satisfaction and the absence of hygiene factors to dissatisfaction. His article is one of the most frequently quoted in the Harvard Business Review. There are two sides to every coin: context and content, prices and values, measurement and judgement. This also applies to work relationships. People are committed, but they are also cynical, they differentiate, and they discriminate.

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### Editorial

Cynical behaviour is a critical assessment of an employer's objectives, actions and values. It is a risk for the company's image, it undermines morale and it is bad for the work climate. When restructuring is taking place, which is all about closing ranks, cynicism is particularly counterproductive. The first contribution shows how strongly restructuring measures influence cynical behaviour by employees and what options companies have to pre-empt such behaviour. It finds that it is less the case that re-structuring is the trigger of cynical behaviour, and more a lack of transparency, communication and participation in processes of change.

The second contribution deals with the topic of discrimination. It is about the fact that certain people are treated unfairly because they are part of a particular group or have a particular personality trait, and are put at a disadvantage and belittled. This, too, is bad for the work climate, it undermines morale and threatens the company's image. Is there greater discrimination against foreign employees? What role does the climate of integration play in a company and what does it include?

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The Swiss HR Barometer is a joint project run by ETH Zurich and the universities of Lucerne and Zurich. The project is funded by the Swiss National Science Foundation and since 2006 has been gathering information on how employees in Switzerland experience their work situation. A representative, differentiated survey of employees in Switzerland conducted at regular intervals is used to establish basic organisational/psychological principles for human resources policy. All aspects of working conditions – including cynicism and discrimination – co-determine how we in the company feel and how work organisations and cultures are enriching or not. We are pleased if we are able to make a contribution to this with this newsletter.

*Gudela Grote & Bruno Staffelbach, editors*

## **Cynical behaviour in organisational restructuring: What can employers do?**

Time and again, employees are confronted in the workplace with organisational decisions that they find inexplicable. If a company announces restructuring measures, for example, some employees react with a lack of understanding and make ironic remarks. These negative remarks, which arise from a critical assessment of the motives, actions and values of the employer, are described as cynical behaviour towards the organisation (Bedeian, 2007). Employees behaving cynically can pose a threat to the reputation of a company, show weaker work performance, and are less committed to the company (Chiaburu, Pen, Oh, Banks & Lomeli, 2013). Current research assumes that organisational restructuring measures in companies are among the main causes of cynical behaviour because employees see important psychological contractual contents, such as their job security and their own career development, as being endangered (Andersson, 1996; Andersson & Bateman, 1997; Chiaburu et al., 2013; Reichers, Wanous & Austin, 1997). The objective of this article is to show how strongly organisational restructuring measures influence cynical behaviour by employees and what options employers have to counter this behaviour.

### **Cynical behaviour and organisational restructuring**

In the Swiss HR Barometer 2016, almost 1500 employees gave information about their cynical behaviour and organisational changes in their company. Of these, 21%

stated that their employer had carried out restructuring within the last 12 months. Figure 1 illustrates that the average cynical behaviour for these employees is noticeably higher than for employees who are not affected. The average form of cynical behaviour is statistically significant and around 10% higher.

The success of a restructuring process is endangered through cynicism and a lack of willingness to change, as a result of which employees in turn feel vindicated and may become even more cynical (Reichers et al., 1997). For employers, it is therefore important to know what measures they are able to take during organisational restructuring processes in order to avoid cynical behaviour and its negative consequences.

### **What can employers do to counter cynical behaviour when restructuring is taking place?**

According to Reichers et al. (1997), a lack of communication and participation in the change process are possible causes of the more pronounced cynicism when restructuring is taking place. If employees are not informed properly about the measures planned or do not have a say, ignorance reigns, which frequently ends in fear over job security and ultimately opposition to restructuring measures (Landy & Conte, 2007; Peus, Frey, Gerkhardt, Fischer & Traut-Mattausch, 2009). A regular performance assessment, which creates transparency and serves as a guide for employees' own performance by clearly agreeing objectives, as well as actively including employees in decision-making processes, could therefore represent possible countermeasures. The following section examines whether there are differences in cynical behaviour in relation to performance assessment and participation.

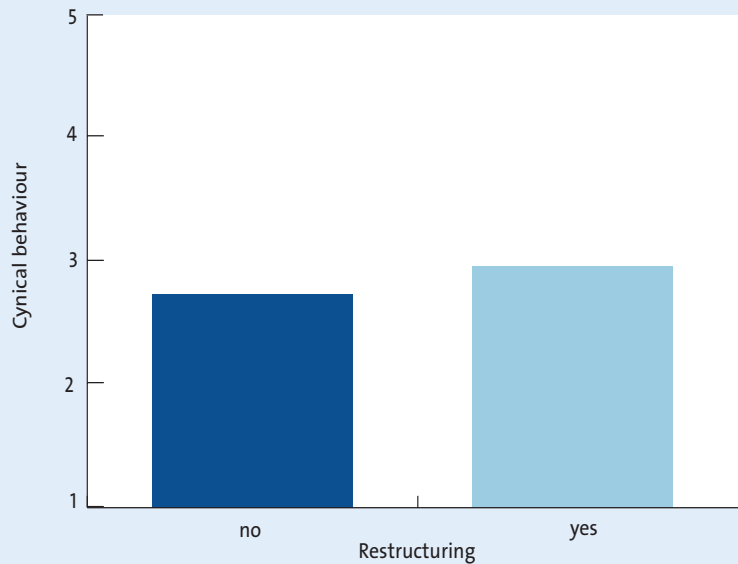
### **Performance assessment**

The employees were divided into three groups for the analysis: low, medium and high. In the «low» group, the employees report that performance assessments only take place at their company very infrequently, if at all. In the «medium» group, employees state that regular discussions to assess performance only take place in some cases. Employees in the third group («high») say unequivocally that clear objectives are agreed at regular intervals and that they regularly receive feedback on their performance. The cynical behaviour of these three groups was then compared with employees who are affected by restructuring measures and those who are not (see Figure 2).

On the whole, it can be observed that employees display less and less cynical behaviour towards their employer when a performance assessment is more estab-

Figure 1

Cynical behaviour and organisational restructuring



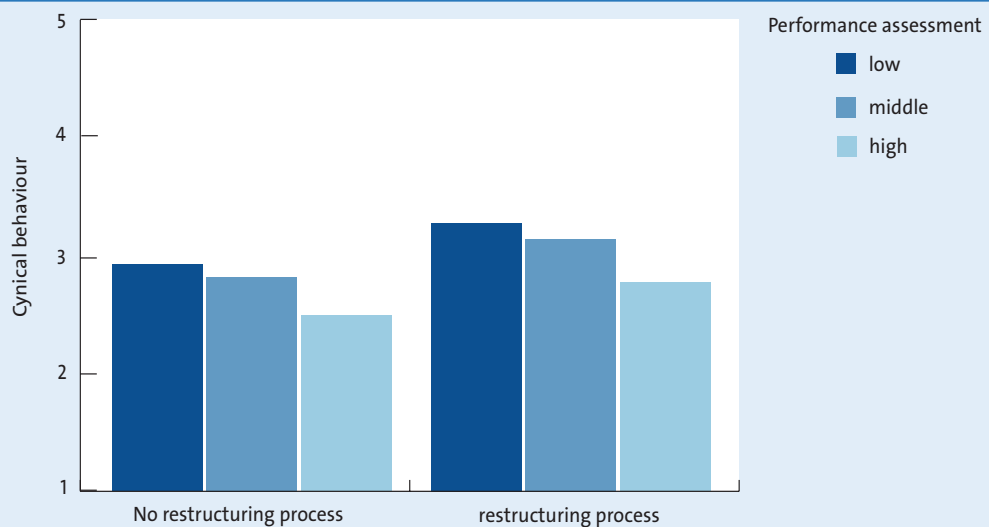
lished. This finding applies regardless of whether employees have experienced restructuring within the last year or not. Furthermore, it is evident that there is less cynical behaviour by employees during restructuring when a performance assessment is well established than by employees who are unaffected by restructuring but only few undergo a performance assessment. It appears that a clearly defined objective and joint planning of development opportunities with the manager as part of a performance assessment discussion are of great benefit in order to create realistic expectations. That way, clear communication in relation to the employee's own performance can prevent misunderstandings and employees get the opportunity to describe how they see things.

**Participation**

Likewise, employers can counter cynical behaviour by adopting a work structure that encourages participation (see Figure 3). If employees are directly involved in decision-making processes, they show less cynicism in the workplace. Employees who have little say in the company and experience restructuring in the company behave particularly cynically. If, on the other hand, participation by employees in decision-making processes is high, the average level of cynical behaviour is actually lower than for employees who are unaffected by restructuring and do not have an opportunity to participate. These results show that the integration of employees into various decision-making processes in the workplace has a significant influence on their cynical

Figure 2

Influence of performance assessment on cynical behaviour when organisational restructuring takes place



behaviour towards the company and is particularly important during organisational changes. As a result, employees may better understand business decisions. In addition, the greater transparency associated with this may help break down barriers and fears.

### Conclusions

Cynical behaviour by employees can inflict both internal and external damage on companies. Internally, cynicism can lead to unrest in the workforce and incite copycat behaviour. In addition, cynical employees perform worse and are less satisfied. Externally, cynical remarks in front of customers can damage the reputation of the company. The results of the article show that, in principle, cynical behaviour by employees is significantly higher if they experience restructuring. As companies frequently carry out structural changes, it is important for employers to counter the cynical behaviour of employees. The findings show that a regular performance assessment and employee participation can help reduce cynical behaviour. If employees are involved in decisions and receive continuous feedback, they show less cynicism towards their company. These results suggest that it is less the restructuring in itself that is the trigger for cynical behaviour and more a lack of transparency, communication and participation in change processes.

Julian Pfrombeck

Source: Feierabend, A. & Pfrombeck, J. (2018). Zynismus am Arbeitsplatz: Ergebnisse des Schweizer HR-Barometers 2016. In S. Bernhard (Ed.), *Das Buch für die*

*Schweizer Personalpraxis* (12-24), Zürich: WEKA Business Media AG.

## The role of the organisational climate for inclusion in perceived discrimination – a comparison between foreign and Swiss employees

We talk about discrimination in the working environment when people are treated inappropriately or unfairly at work because they belong to a certain group or because of a particular personality trait (James, Lovato & Cropanzano, 1994). Through the continuing phenomenon of global migration and the resulting ever-increasing heterogeneity of the workforce, companies are increasingly confronted with the topic of discrimination on the grounds of nationality, ethnic origin or faith.

Studies show that employees with a migration background feel disadvantaged in, for example, recruitment, pay and career development because they have a foreign-sounding name (Booth, Leigh & Varganova, 2012) or foreign accent (Loosemore & Chau, 2002). At the same time, there is agreement in the relevant research literature that discrimination of individuals on the grounds of nationality, ethnic origin or faith can have a negative impact not just on the people themselves, but also on the employer. This therefore raises the question for employers of how the problem can be countered.

The results of last year's edition of the Swiss HR Ba-

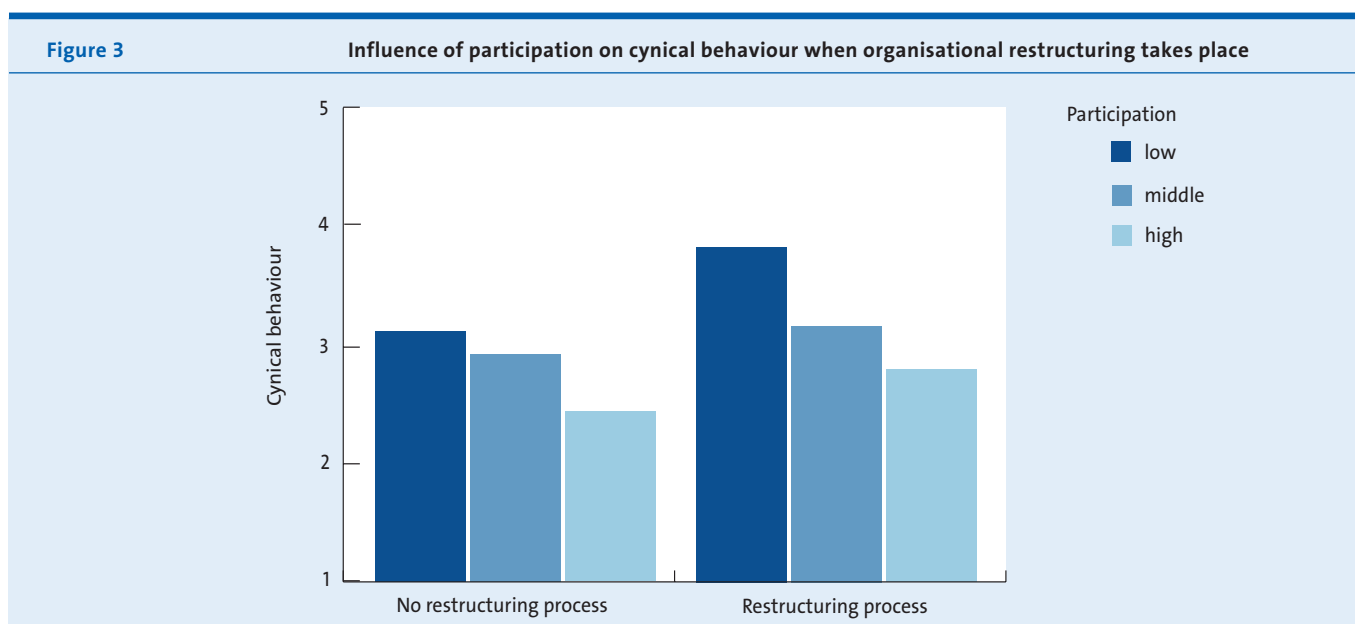
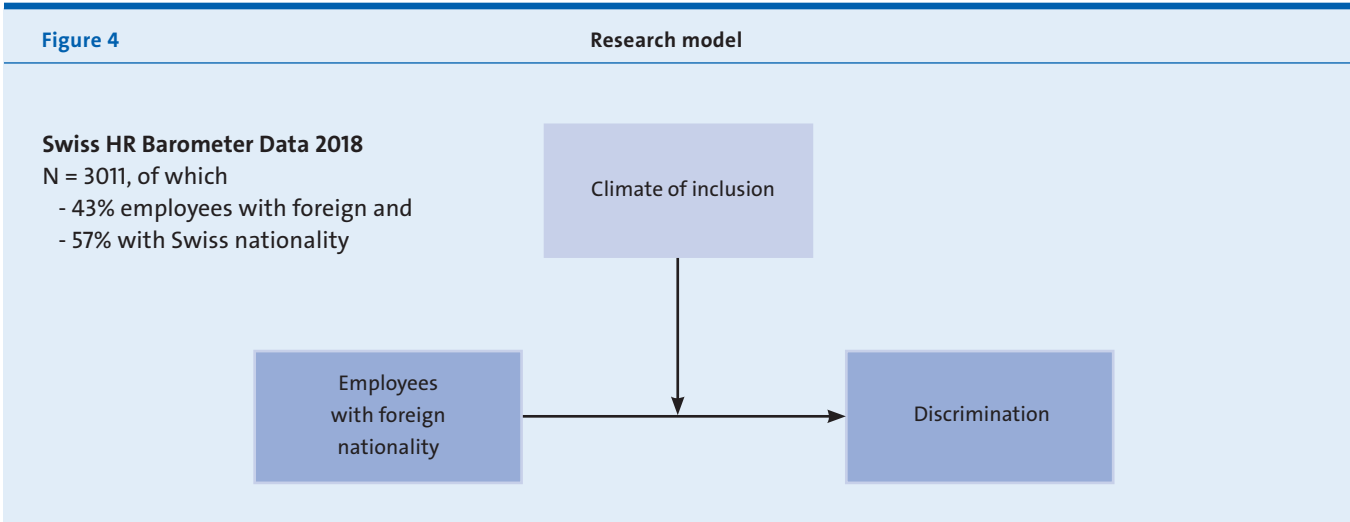


Figure 4

Research model



rometer (Grote & Staffelbach, 2018) have shown the significance of the climate for inclusion in connection with the integration of, and discrimination against, foreign employees. A study was carried out for this article on whether climate for inclusion in a company can counter the perceived increase in discrimination against foreign employees in comparison to Swiss employees (see Figure 4).

**Sample and method**

The sample for the analysis comprises 3,011 employees living in Switzerland who are employed for at least 40% of full-time working hours, are not self-employed, and are aged between 16 and 65. It consists of 57% Swiss (1,716) and 43% foreign (1,295) employees. Most of the foreigners come from Germany (27%), Italy (16%), Spain (13%) and France (7%), and have lived in Switzerland for an average of 6.2 years. Employees from all industries and with various educational backgrounds are represented in this study. The overall sample comprises

45% women and 55% men, and the average age is 42 years.

**Results**

Although none of the employees questioned feel discriminated against, or if they do then only a little, Figure 5 illustrates already that there are differences between foreign and Swiss employees. The data analysis shows that migration background has a significant influence on the discrimination. This means that foreign employees feel more strongly discriminated against in their working environment than their Swiss colleagues. At the same time, climate for inclusion in a company has a significant influence on the relationship between migration background and perceived discrimination. For foreign employees, a positive climate for inclusion can counter perceived discrimination more strongly than is the case for Swiss employees (see Figure 6).

Figure 5

Perceived discrimination in the working context based nationality, ethnic origin or faith

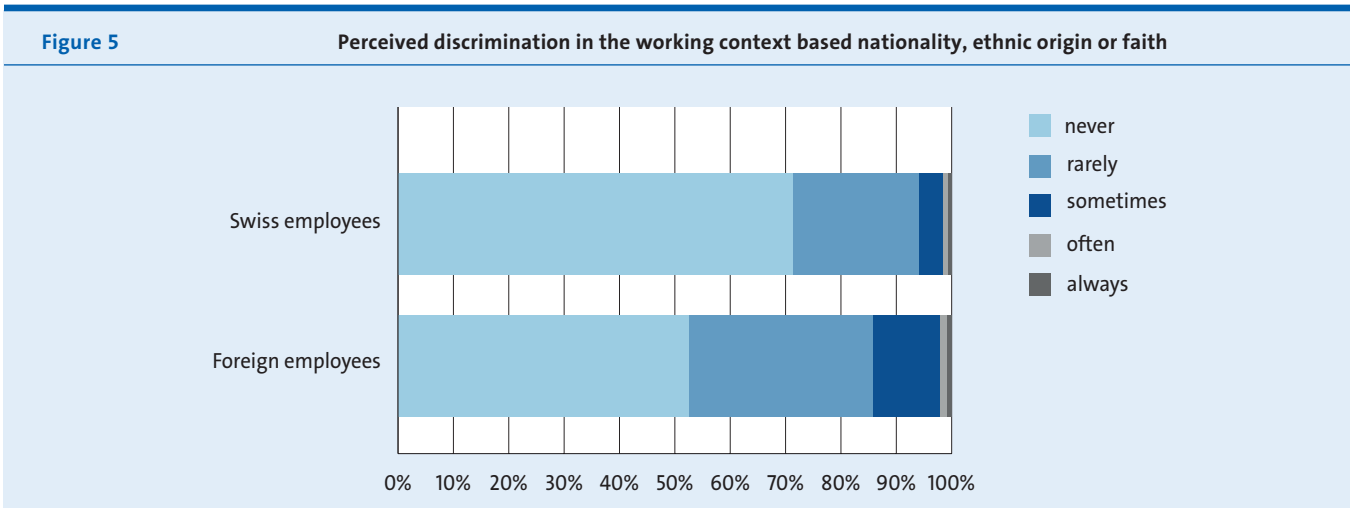
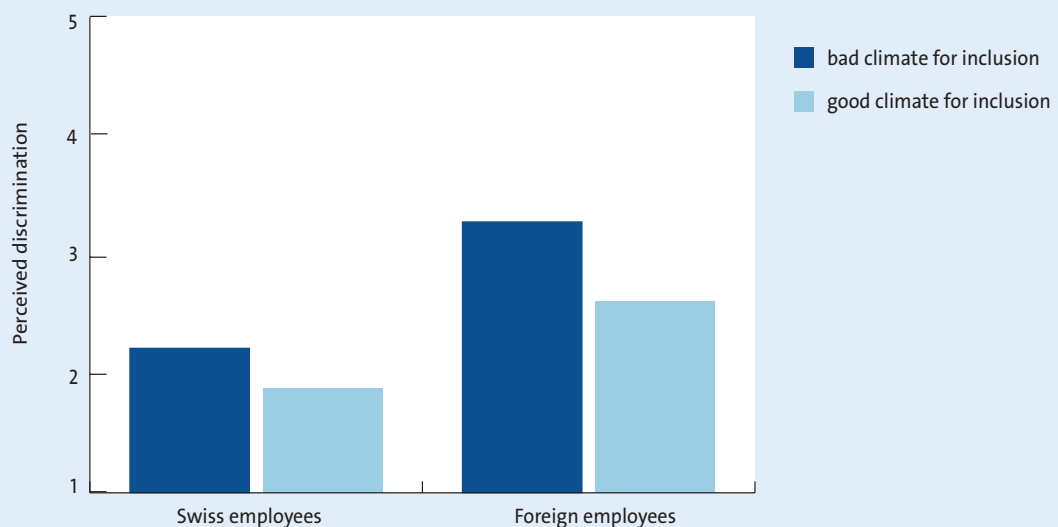


Figure 6

Perceived discrimination



## Conclusions

In summary, the study confirms the existing research and shows that foreign employees feel more strongly discriminated against in their working environment than employees without a migration background (see, for example, Booth, Leigh & Varganova, 2012). Furthermore, it becomes clear that the climate for inclusion, in particular for foreign employees, has a considerable influence on whether they feel discriminated against. These findings are consistent with the considerations from the literature, according to which there is a tendency that individuals discriminate against others who are different from them because they perceive them to be a threat (Tajfel & Turner, 1979). At the same time, it is shown that discrimination perceived by foreign employees can be countered with a good climate for inclusion and that these people value the efforts of the employer to invest in an integrative working environment. Even if neither foreign nor Swiss employees feel discriminated against in principle, or only a little, this topic is of significance for companies owing to the ever more heterogeneous workforce. The results of this study point to the fact that it is possible for companies, via a good climate for inclusion, to reduce perceived discrimination of foreign employees and, at the same time, better integrate them this way. Specifically, this means that, within the company, there are fair personnel management measures and an openness regarding diversity, and that the different points of view held by individuals are taken into account in organisational decision-making processes. It is therefore important for managers in particular to include all employees and operate an integrative style of leadership (Nishii, 2013). It can be assumed that such a climate for inclusion is not just

worthwhile for employees with a migration background – it also supports the integration of all other individuals, regardless of origin, gender or age (Hajro, Zilinskaite & Stahl, 2017).

Laura Schärrier

Source: Schärrier, L., Feierabend, A. & Pfrombeck, J. (in preparation). Perceived discrimination among migrant workers: The role of organisational climate for inclusion.

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## News

- Dr. Wiebke Doden, Prof. Dr. Gudela Grote and Prof. Dr. Thomas Rigotti published the paper «Does leader-member exchange buffer or intensify detrimental reactions to psychological contract breach? The role of employees' career orientation.» in the *Journal of Vocational Behavior* in June 2018 (Source: Doden, W., Grote, G., & Rigotti, T. (2018). Does leader-member exchange buffer or intensify detrimental reactions to psychological contract breach? The role of employees' career orientation. *Journal of Vocational Behavior*, 106, 192–208).
- In the summer 2018, WEKA published the interview with Bruno Staffelbach «Pronounced continuity and stability» in the book for Swiss personnel practice of the WEKA publishing house (Source: Staffelbach, B. (2018). Ausgesprochene Kontinuität und Stabilität. In J. Buckmann et al. (Eds.), *Das Buch für die Schweizer Personalpraxis* (S. 7-11). Zürich: WEKA Verlag)
- Dr. Anja Feierabend and Julian Pfrombeck published the following book contribution: «Cynicism in the workplace» in summer 2018 in the book for Swiss personnel practice of the WEKA publishing house. (Source: Feierabend, A. & Pfrombeck, J. (2018). Zynismus am Arbeitsplatz. In J. Buckmann et al. (Eds.), *Das Buch für die Schweizer Personalpraxis* (S. 12-23). Zürich: WEKA Verlag)
- In September 2018, Julian Pfrombeck presented the paper «Social exchange relationships as predictors of organizational cynicism» at the 51st Congress of the German Society for Psychology (DGPs) in Frankfurt (a.M.), Germany
- In October 2018, the Swiss HR Barometer was published for the tenth time. The focal topic was «Integration and Discrimination of Foreign Employees in Switzerland» for further information see [www.hrbarometer.ch](http://www.hrbarometer.ch)
- Since 2018, the fully prepared and anonymized data set of the HR Barometer Survey 2016 can be downloaded free of charge via the FORS (Swiss Foundation for Research in Social Sciences).
- In October 2018, Prof. Dr. Gudela Grote, Prof. Dr. Bruno Staffelbach and Dr. Anja Feierabend presented the first results of the Swiss HR Barometer 2018 at the ZGP evening forum in Zurich with the focus on «Integration and Discrimination»
- At the end of October 2018, Laura Schärer and Dr. Anja Feierabend presented the results of the Swiss HR Barometer 2018 at the network evening of the Center for Human Resource Management at the University of Lucerne. We thank Christine Beerli, former Vice President of the ICRC, for the inspiring discussion.
- In 2018, a total of 12 undergraduate students from the University of Lucerne wrote their semester thesis based on the HR Barometer data.
  - Anja Wernli on her very good work on the topic «Importance of job security for the quality of sleep»
  - Jill Baer for her very good work on «employees with caring duties outside of work»
- In December 2018, the magazine of the Swiss Association of Public Services (VPOD) published an interview with Prof. Dr. Gudela Grote on «Migration Experiences» and the Swiss HR Barometer Report 2018.

## Publishing notes

The newsletter of the Swiss Human Relations Barometer is published twice in 2019. It provides information on current research projects based on the data of the HR Barometer. You can subscribe to the newsletter free of charge or download it from the website [www.hrbarometer.ch](http://www.hrbarometer.ch).

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