

# Management

## Defusing tension in the office

**Transparent behaviour helps tough decisions go down better, says management coach**

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**T**ough times call for tough decisions but there are ways of conveying such decisions that would help alleviate both tension and anger in the workplace. In fact, CEOs or managers should act as role models in order to avoid conflict with employees when conveying tough decisions to them, said Masha Ibeschitz, managing partner of Management Development Institute.

"The two most important things (for a manager to do) are transparent behaviour and communication, and to act as a role model," she said in a recent interview.

While being open and transparent could send the right signals, managers would eventually have to deliver the bad news and letting employees know early rather than later is

always better, Ibeschitz added.

"It would be good to inform them as early as possible and give them clear information so that they can understand. You need their loyalty; you need their power to go through the crisis," she explained.

Even so, conflicts may still arise once the news has been delivered. Ibeschitz said there are two aspects when it comes to conflict resolution. One is how flexible the manager's standpoint is in a situation; the other is how personal a manager is willing to be.

She used a real-life example of crisis situation where all employees who are entitled to a company car but drive less than 4,000km per year had to return the car. Ibeschitz said there are different ways in which a manager could convey the same point: appeasement where the manager acknowledges the employee's anger and disappointment; friendly; impersonal; and dominant or the "Because I said so" approach.

"How personal a manager wants to be depends on his personality and of course, the employee's personality. There are some employees who will need the appeasement, being quite nice and very emotional, very

emphatic. Others will just prefer straight forward facts. Some people feel very strong; they need dominance. So you really have to adapt on your side and on the employee's side," said Ibeschitz who has coached managers for over 10 years.

Aside from dealing with conflict when it comes, managers can work to reduce the severity of future conflicts. According to Ibeschitz, a manager's relationship with his or her employees determines how they accept the bad news.

As for communication, Ibeschitz said if a manager does not find ways to get his or her employees to speak up and resolve conflicts, employees could end up leaving. It is the manager's task to find out and resolve any conflicts, she said.

One way of getting employees to speak up is asking them what they would like to keep and what they would like the manager to change, said Ibeschitz.

The next step would be to follow up on the feedback received. According to Ibeschitz, having regular follow-up sessions can prevent highly stressful disagreements in the long run.

Ibeschitz pointed out that while



**Ibeschitz: It is the manager's task to find out and resolve conflicts.**  
Photo by Kenny Yap

it is normal to have disagreement or conflicts, managers can leverage on them.

"If the management wants to improve the processes and achieve goals, it will need constructive and communicated conflicts. Only these different perspectives can challenge an idea, target or plan of the management," she said.

## Why a pay freeze may not stop further job losses in UK

ORGANISATIONS have implemented pay freeze as an alternative to reducing headcount but a recent report from a UK research firm suggests that it may not be enough to prevent further job cuts.

Despite their best efforts, companies like British Airways, the BBC, Ford, Freshfields and Southern Water who are considering or actually freezing pay may not be able to stop the oncoming wave of job cuts, said Capital Economics in a press release last month.

There are several reasons why pay freeze may not be sufficient and one of them is that current pay cuts may not be deep or wide enough, Capital Economics UK economist Vicky Redwood said.

To bring about equivalent cost savings through wage cuts, all 30 million or so workers in the UK would have to accept an average pay cut of 5%.

Secondly, whether employers freeze salaries or cut jobs, it would still result in reduced household earnings. Although this would lead to falling inflation, rising job insecurity would encourage people to save money rather than spend it, said the report.

Redwood expects retail price index inflation to drop to below -3% by autumn and to average less than -2% in 2009 as a whole.

Even so, real household disposable income in the UK is expected to rise by between 2.5% and 3% this year. The rebound would clearly be stronger if nominal pay growth were maintained. The report also pointed

## Fear brings loathing, not harder work

by **Nic Paton**

WITH thousands of jobs being cut daily, it's only natural most of us



ing everything possible to make sure your front-line professionals have the right attitude and send the right messages? If these employees come across as indifferent or incommuni-