

Economic crisis: Is the "we ideology" now bursting?

"We're all in the same boat." Managers often try to impart this feeling to their employees in everyday working life. However, this "we ideology" quickly bursts like a balloon in most cases if, as in the current economic slump, the turnovers and revenues of the companies are dropping, fringe benefits are being cancelled and personnel cutbacks are possibly even being threatened.

Companies are partnerships of convenience

It then becomes evident: Companies are not (large) families in which everybody sticks together through thick and thin. Instead, companies are partnerships of convenience in which people with different interests come together for a time in order to profit from each other. And if one or more people involved do not draw any or only little benefit from the cooperation? Then, they go their separate ways once again.

Against this background, the question to be asked is what benefits companies draw from presenting themselves in discussions with and publications for employees as if they were social institutions. The answer is: None! Because this only veils the conflicts of interests existing between the stakeholders - starting from the company owners via the managers right down to the simple salaried staff. Moreover, these conflicts are thus not mentioned in the discussions with employees. Therefore, it is not possible to negotiate any workable compromises with regard to how the interests of everybody involved can be taken into consideration in an appropriate way in everyday working life.

That is not a problem in boom times, because there is then enough available to be distributed. This is different in economically poor times. It is then shown: The resources of every company are limited and the company management is subject to material constraints which it cannot escape.

This knowledge is not new to many employees. They regard the appeal to the "collective we" as management rhetoric in any case and the polished company guidelines as well as newsletters to employees only coax a tired yawn from them. Because they know: What ultimately counts in everyday working life is performance - and what is left in the bottom line.

The "social putty" breaks off in poor times

However, some employees are disillusioned because the social putty breaks off in times of crisis: "Haven't our bosses said that ...?" "Isn't it written in our guidelines ...?" They feel betrayed and sold. Thus, they inwardly distance themselves from their employer and this also characterises their future attitude to work.

In everyday working life, managers should therefore refer to the "collective we" as rarely as possible. Instead of using this veiling management rhetoric, they should clearly highlight the following questions in the discussions with their employees:

- What common interests do we have and where do these diverge?
- What interests can be reconciled (only subject to certain prerequisites?

Then, it is easier for them to lay a solid foundation for cooperation which is workable in poor times as well. Because the employees notice that their boss is honest. He/she is not hiding from them the fact that attaining profit is one of the non-negotiable objectives of the company. However, he/she also accepts that the objectives of the employees are, in part, different to his/her own and to those of the company. And he/she is trying to reconcile these - as far as possible.

Thus, although the employees are disappointed if their superior announces to them, for example, that the turnovers and revenues have collapsed and therefore that no special payment can be made, this is not a burden on their relationship to their superior (or to the company). Because the boss was honest to them and has not pulled the wool over their eyes.

Giving orientation and support

Precisely in difficult times, such a relationship based on trust is important if, for instance, personnel cutbacks are looming over the company like a sword of Damocles. Then, managers must intensively seek to hold discussions with their employees and impart to them as far as possible not only how things are going for the company and for their personal future but also what is needed and possible in the current situation.

Avoiding such a frank dialogue is a sign of managerial weakness. And this is not successful at all because the employees are

not stupid. They quickly notice if the beams of a company are starting to crackle and burn - no matter whether because the volume of work is dropping or because the bosses are becoming ever more nervous. That makes them uneasy. Above all if they cannot estimate:

- is the fire harmless?
- Is it limited to the roof truss or will it spread to other parts of the house too?
- What measures were/are being taken in order to contain and extinguish the flames?

Thus, the employees have their own thoughts and the rumour mill begins to grind. In this situation, some people perhaps endeavour to find a new job while others give up inwardly.

Precisely in poor times, management is important

In times of crisis, this danger is particularly great whenever the managers do not offer their uneasy employees the required support and the desired orientation. Therefore, in poor times, companies need strong managers. And precisely in times of crisis, these must guide their employees - not by denying the dangers and the partial differences in interests but instead by:

- frankly describing the extent and possible effects of the crisis to the employees,
- indicating to them a possible way out of the crisis,
- communicating to them or elaborating with them what contribution they can make to overcoming the crisis and
- specifying to them and agreeing upon with them clear intermediate objectives which must be attained while mastering the crisis.

Then, it is also possible to form workable alliances with the employees with regard to how the crisis can be mastered together - for the benefit of everybody interested in the future success of the company, even if they have different motives in part.

Many managers find it difficult to forge such workable alliances and contracts, particularly those who, until then, have guided their employees with a lot of rope or according to the "laissez-faire" principle. Therefore, precisely in poor times, it is shown how good a manager really is.

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