

Management Focus

essential
management
knowledge
for today's
leaders

Inside this issue

May/June 2012

Management Matters

Can taking your dog to work reduce stress?

p. 3



Featured article

Teaching HRD online

p. 4



An interview with



Ray King

Successful strategy making in Bupa not-for-profit provident

p. 6



<http://first.emeraldinsight.com>



Welcome to Management Focus

... and welcome to the May/June issue.

A BBC news article dated 30th March 2012 reported that “bringing pet dogs to work can reduce stress and make the job more satisfying for other employees”. This article was based on a preliminary study published by Emerald in the *International Journal of Workplace Health Management*. Our latest issue of Management Matters highlights that a growing trend to allow pets in hospitals, nursing homes and other health care facilities is spreading to companies that report positive reactions by employees and customers.

Mr Ray King is the Chief Executive of Bupa. He joined in 2001 as finance director and became CEO in 2008. Despite the challenging economic conditions and health reform in the US, Ray King has successfully led Bupa in increasing turnover, surplus and members while reducing debt and reshaping the business by divesting non-core activities and investing in core activities and growth markets. In this interview he discusses Bupa’s strategy, developing core competencies and the key characteristics of a good leader.

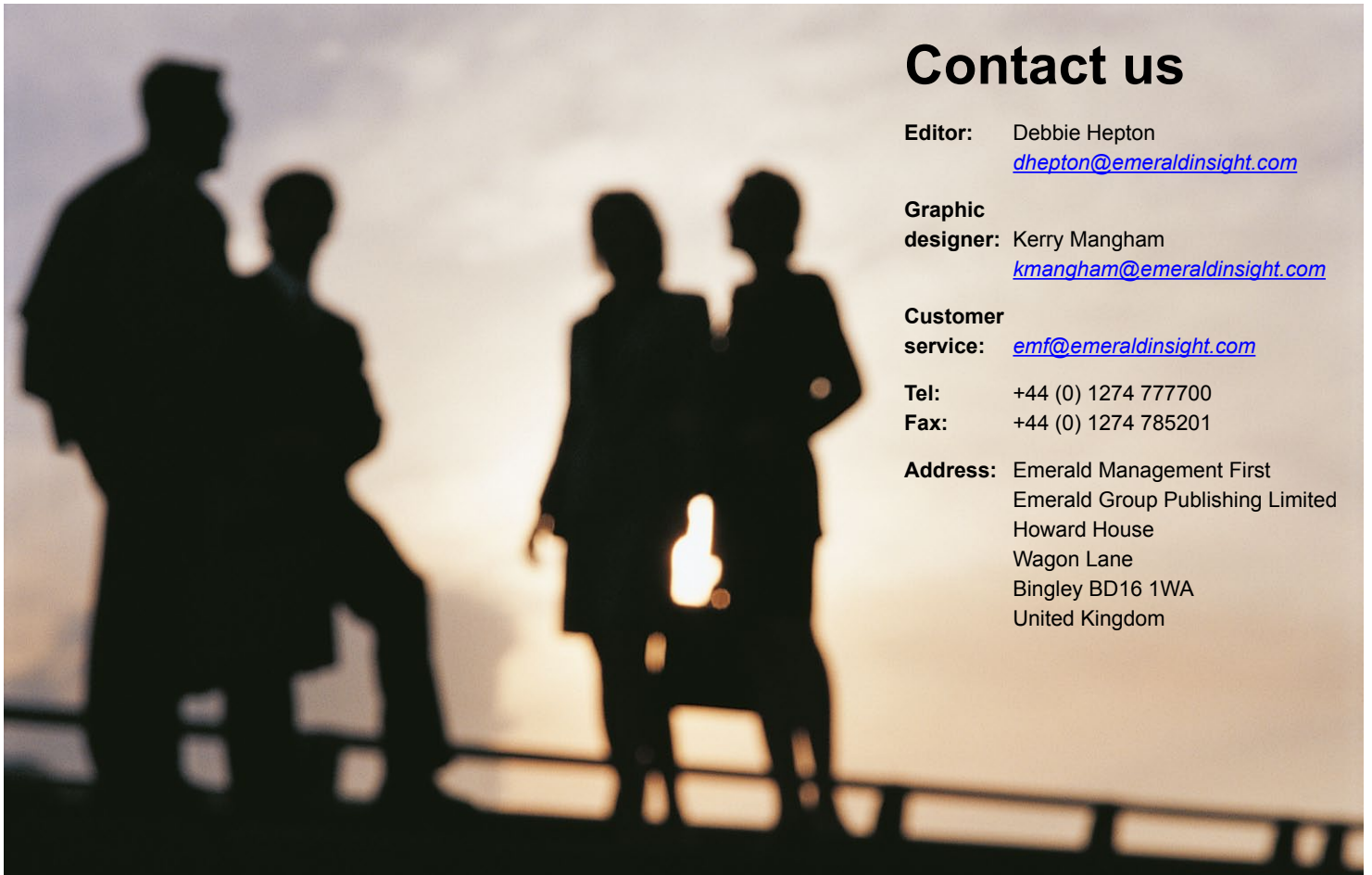
Can online learning technologies promise all things to all learners and to all topics? According to our featured article, the answer is “no” – just as no single teaching platform can. Yet techno-utopians argue that online learning is so powerful that it will make traditional sites of learning obsolete. Read on to find out more.

Remember, log on to our website at: <http://first.emeraldinsight.com> to expand on the topics highlighted in this issue of *Management Focus*.

Best wishes,

Debbie Hepton

<http://first.emeraldinsight.com>



Contact us

Editor: Debbie Hepton
dhepton@emeraldinsight.com

Graphic designer: Kerry Mangham
kmangham@emeraldinsight.com

Customer service: emf@emeraldinsight.com

Tel: +44 (0) 1274 777700

Fax: +44 (0) 1274 785201

Address: Emerald Management First
Emerald Group Publishing Limited
Howard House
Wagon Lane
Bingley BD16 1WA
United Kingdom

Management Matters

Incisive commentary on topical business issues

Can taking your dog to work reduce stress?

A BBC news article dated 30th March 2012 (<http://www.bbc.co.uk/news/health-17561272>) reported that “bringing pet dogs to work can reduce stress and make the job more satisfying for other employees”.

This was based on a preliminary study published by Emerald in the *International Journal of Workplace Health Management*, which looked at 75 full-time employees working at Replacements, Ltd, a service-manufacturing-retail company in North Carolina, USA.

A growing trend to allow pets in hospitals, nursing homes and other health care facilities is spreading to companies that report positive reactions by employees and customers. Pet ownership has been associated with a number of positive health outcomes, including increased survival one year after a heart attack, fewer doctor visits, less loneliness, emotional closeness and greater support.

However, while an increasing number of organizations are permitting pets in the workplace, an extensive literature review by the authors of this current research identified only one previously published study on the effect of pet presence on employees or the organization in several small companies permitting pets. It was noted that the most strongly endorsed benefit of having pets in the workplace was perceived lowering of stress. Some endorsement of improved health and organizational satisfaction were also noted.

Aside from this one survey, which was not conducted in an organization setting, little is known about the benefits of permitting pets in the workplace to employees or to the organization.

The effects of dog presence on stress levels

The current study shows that during the course of the working day, stress levels declined for employees with their dogs present and

increased for non-pet owners and dog owners who did not bring their dogs to work.

The significant rise in stress levels during the day when owners left their dogs at home compared to days they brought them to work may reflect an increase in concern about pets at home, missing pets more as the day progresses, or lessening of a possible stress buffering effect of the pets.

The study also found that those with access to dogs were less stressed as the day went on than those who had none. For example, some employees without a dog requested to take a co-worker's dog out on a break. These were brief, positive exchanges as the dogs were taken and returned. Mail deliveries were sometimes made by an employee with a dog in the mail cart, likely appealing to dog owners and creating an opportunity for brief exchanges. Top management is also known to walk around employee areas in the company of a dog, possibly creating a more relaxed climate for interaction with dog owners.

Overall, if the buffering effect of pets on stress reactions found in other settings extends to the workplace, pet presence may serve as a low-cost, wellness intervention readily available to many organizations and may enhance organizational satisfaction and perceptions of support.

Caution needs to be applied, however, when considering this as an option, as many employees may be negatively affected by such an initiative. This may be due to a disliking of dogs or even a fear of them.

This is adapted from “Preliminary investigation of employee's dog presence on stress and organizational perceptions”, which originally appeared in *International Journal of Workplace Health Management*, Volume 5 Number 1, 2012.

The authors are Randolph T. Barker, Janet S. Knisely, Sandra B. Barker, Rachel K. Cobb and Christine M. Schubert.



Teaching HRD online

HRD professionals engage in a wide variety of activities designed to promote learning and development within and by organizations. Although dated, the three domains of HRD activities – career development, organization development, and training and development – still form the knowledge base for many HRD professionals.

To that end, HRD professionals learn skills such as how to interact with others in order to help those individuals and the organizations within which they work to meet desired goals; they learn to problem solve and help teach others to do the same; they learn how to design and deliver training; they learn how to evaluate training and organizational programs; they learn to work in groups; they learn to think in critically reflective ways to enact their role in ways that will benefit both employer and employee. Traditionally, these skills were taught in face-to-face sessions – in classrooms or on the job; now, however, the growth of technology is enticing – perhaps pressuring – HRD educators to teach new HRD professionals through online learning.

But can online learning technologies promise all things to all learners and to all topics? No, just as no single teaching platform can, and yet techno-utopians argue that online learning is so powerful that it will

make traditional sites of learning obsolete. Despite combating a history of performative orientations, a core value consistently held by HRD professionals is “promoting meaningful change and making a difference”. To accomplish this, important HRD practices are often those based in humanistic principles that privilege interaction, relationships, dialogue, and emotion. While these things can take place within an online environment, the richness of experience is certainly diluted.

Instructional design “is the process of deciding what methods of instruction are best for bringing about desired changes”. One of the first principles of design is to identify your learning objectives or outcomes before you decide the best techniques to accomplish those outcomes. The fascination with online learning has by-passed that principle and assumed that the method, namely technology, will drive the learning. This assumption is so prevalent that techno-utopians do not even acknowledge the importance of outcomes before determining whether or not online learning is an appropriate medium for accomplishing the course objectives.

To be sure, online learning can be an effective tool for teaching many HRD essentials. Online learning is likely to be highly effective for



“...techno-utopians argue that online learning is so powerful that it will make traditional sites of learning obsolete.”

teaching basic information or objectives that call for knowledge, and perhaps comprehension, levels of intellectual activity. As objectives progress to more complex intellectual activities, such as application or evaluation, online learning becomes challenging at best. For example, learning how to write training objectives can be accomplished fairly easily online because it requires that learners recognize, relate, and reproduce statements that fit their circumstances. On the other hand, learning how to facilitate a training session with an unruly class participant is less likely to be effective without experiencing first-hand real or simulated conflicts in a learning environment. To accomplish similar abstract objectives, online learning can take much longer than face-to-face courses. For example, in a face-to-face class, interacting with fellow learners to read, troubleshoot, and respond to a brief case study can easily be structured to take part or all of a single three-hour meeting. The same case would take up to three weeks in an asynchronous environment; and synchronous interaction is both at odds with the “flexibility” promise of online education and it requires access to high speed Internet connections that are beyond the reach of many learners.

A techno-utopia?

The praises for online learning have created a techno-utopia that promises to make education more accessible to the less wealthy and to disadvantaged racial and ethnic groups, eliminate power structures, and reduce costs. These are powerful statements that appeal both to those who advocate social justice and to those who espouse the need to increase profit margins. Perhaps because of this diverse appeal, these claims have rarely been challenged.

Accessibility to computers and the internet is strongly correlated with existing wealth, suggesting that the less wealthy are less likely to have access to the required infrastructure to even participate in online learning. Reporting statistics note that online students are more likely to be white, financially stable (earning more than \$60,000 per year), and live within 40 miles of the university from which they are taking classes.

Many students' personal off-campus Internet connections may not be fast enough to access their courses in an efficient manner. They may have to wait in line at the city library or go to campus to use the computer labs because they may not be able to afford a home computer or the high speed Internet required to access the courses. This dilemma is also present for those engaging in online HRD training in organizations – are they given work time to accomplish the training (often, no) or must they find alternate high speed Internet access in their own time? This lack of accessibility and lack of convenience directly contradicts some of the very benefits of online learning touted by techno-utopians.

Finally, online learning is reported to reduce costs for training. But does it? And, whether it does or does not reduce costs, at what cost does it do so? There is an unmistakable symbolic violence that accompanies the appearance that online learning costs less – it may



cost the organization less, but when it does cost less, it is often at the expense of the trainer and the learners. The costs in online learning are potentially hidden. HRD educators must spend the time that they used to spend doing other relevant, and still needed, activities to learn how to use ever changing technology. Further, in an online environment, the educator is expected to not only be a content expert, but is also expected to expertly manage the structures or mechanisms through which the content is delivered.

“... The costs in online learning are potentially hidden.”

For learners, the symbolic violence may be seen in the fact that the amount of unpaid time needed to learn skills and knowledge comparable to that of their face-to-face colleagues is significantly longer, as mentioned earlier, placing a greater burden upon the learner to be responsible and use personal time to be competitive. Also, the types of interpersonal and problem solving skills needed by HRD professionals are not easily transmitted in online environments.

Adopting technology for technology's sake?

The push for online learning is at odds with much of what the field of HRD stands for – including dialogue, interaction, and relationships. While learning through interaction and dialogue can certainly be accomplished in online environments, it is a pale shadow of the depth of what could be learned through substantive face-to-face interaction.

Innovations such as technology are neither inherently good nor bad. Technology, as the innovation discussed in this reflection, may help us better teach some things and it may hinder us from teaching other things. But we must mindfully consider our options before allowing technology, or any innovation for that matter, to drive our decision making.

Let HRD educators act effectively in their own interest – use online learning wisely and do not be pressured into adopting technology for technology's sake.

This is a shortened version of “[The online oxymoron: teaching HRD through an impersonal medium](#)”, which originally appeared in *Journal of European Industrial Training*, Volume 34 Number 8/9, 2010.

The author is Jamie Callahan.

An interview with

Ray King

Interview by *Journal of Strategy and Management*



Successful strategy making in Bupa not-for-profit provident

In 1947, a year before the formation of the National Health Service, 17 British provident associations joined together to establish the British United Provident Association (Bupa) a not-for-profit provident to provide healthcare for the general public. Bupa's mission is to help people lead longer, healthier, happier lives.

Mr Ray King is the Chief Executive of Bupa. He joined in 2001 as finance director and became CEO in 2008. Despite the challenging economic conditions and health reform in the US, Ray King has successfully led Bupa in increasing turnover, surplus and members while reducing debt and reshaping the business by divesting non-core activities and investing in core activities and growth markets.

Q How do you define strategy? And what is Bupa's strategy? What are the key strategic choices?

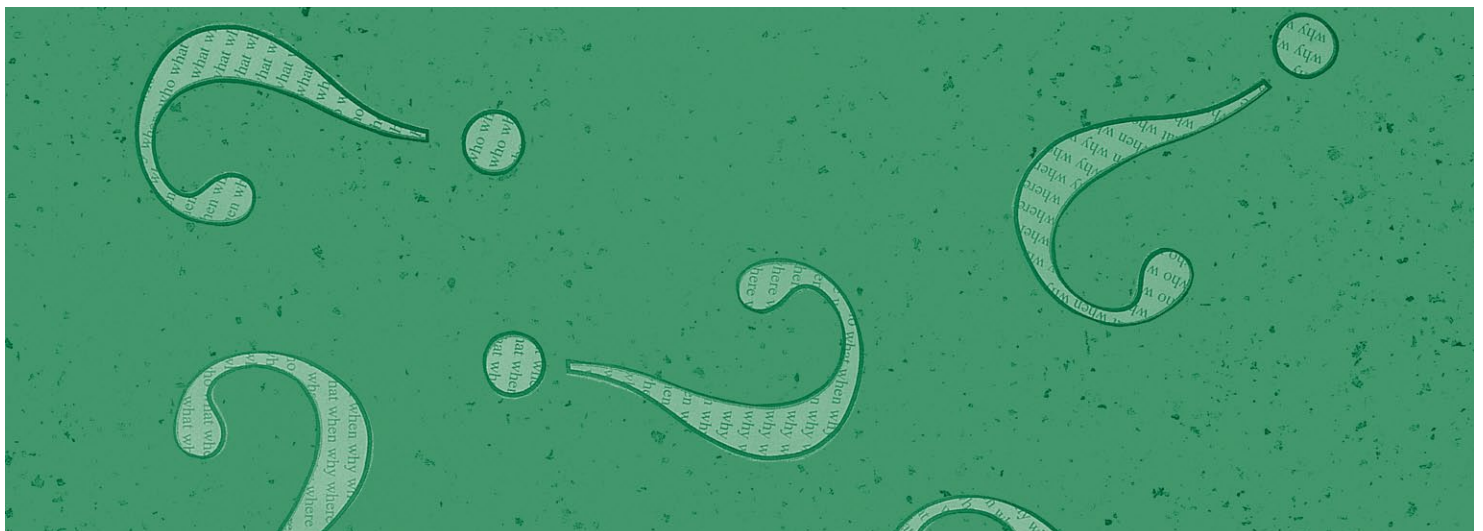
I recall a definition of strategy by Ross Beth Kanter that encapsulates the concept in a clear way – she defined it as the bets that you make. Every company has to decide what it is that they are going to focus on based on the context in which they operate and the business model that they use. Ultimately a company's chief executive has choices to make using the information available. At the end of the

“...The core of any health care business has got to be the ability to manage health care costs – this is an ability that Bupa has.”

day you work with incomplete information – so you in effect are making some bets on the future.

Bupa's strategy has devolved from its mission which in essence is to help people live longer, healthier and happier lives. Bupa provides choice and control in health care to as many people as possible within and outside the UK. We set our strategies according to the market opportunities that are available – some markets are more healthcare friendly than others but obviously the culture and politics of a country will influence what happens. We then look at each of our

markets and ask where can we operate at scale and have impact. We do not want to be a small player in any market. Our typical aspiration is to be a major player in any market where we invest significantly. We always operate in the space that we know well – healthcare. Having established the markets, the next stage is opportunity within those markets – and development by green field or acquisition. We tend to use both market entry mechanisms. Our strategy is also to build on the strong market position that we have such as in the UK, Spain and Australia. We are increasingly looking to Latin America where we have a strong position. We have a joint venture in India and a representative office in China – both India and China are countries with opportunities for the next 10+ years. I should mention that our normal market entry is in an insurance led way and if there is a degree of potential synergy we might consider provision of health care also.



Featured interview

Q Bupa, in its 63 years existence, has grown from a national to an international organization and from 38,000 members to 11 million members. What do you consider to be your main capabilities and distinctive competencies?

The core of any health care business has got to be the ability to manage health care costs – this is an ability that Bupa has. In addition, our approach to customers is a key differentiator. As Bupa has grown it has accumulated intellectual property in many different places and our capability is to take learning from one place and transfer it to another. This is very important as we move into new markets. For example, when we moved into India we were able to draw on capabilities from various parts of the organization to make our entry into India work. In age care, our core competence is on how to handle dementia. We also have core competencies in handling chronic disease and dementia underpinned by telephone counselling. This all helps to develop the brand which is associated with expertise, relevance, accessibility and sensible values. This all brings trust which is the prerequisite for success. This is very important as the world becomes more complicated and virtual.

It is important to identify the space that a company wants to occupy and equally important to ask if you can commit to that space and make headway in it. Health insurance differs from life insurance in that in the latter payment only arises on death whereas in health insurance it is on-going that the customer expects to be serviced, that can only be satisfied by the provision of excellent services. While the internet is a great vehicle for leveraging brands, it is vital to be able to deliver the service when needed.

Q How do you develop your core competencies?

Health care is extensive and influenced by factors such as technology, demographic aging, increasing customer expectations and the dynamics of health care operations with their various checks and balances. Our job for our customers is to find a way through which supports them with high quality services based on a relationship with providers (hospitals, consultants, doctors and so on) which focuses on the efficient delivery of those services in a quality environment. We start with quality because it is the foundation of first class service provision. With our providers we have a long term relationship to deliver the right service to our customers at a sensible cost.

Q You are the leader of a very successful international company with 52,000 employees operating in a number of countries. What are the key characteristics of a good leader and who do you admire as a leader?

“...There is little point being a leader unless you have a vision of where you want to take the company and the ability to energize and get buy-in from the organization.”

There is little point being a leader unless you have a vision of where you want to take the company and the ability to energize and get buy-in from the organization. A great leader also needs the ability to choose a great management team and the ability to empower them to perform and ensure that they are stars for what they achieve.

Regarding leaders that I admire, I would much rather look at companies that have been successful, which of course says something about their leader. Apple is a company that has achieved a lot – from a position some years ago where it was poised to disappear to now bringing out fantastic products. The turnaround must say something about Steve Jobs' leadership.

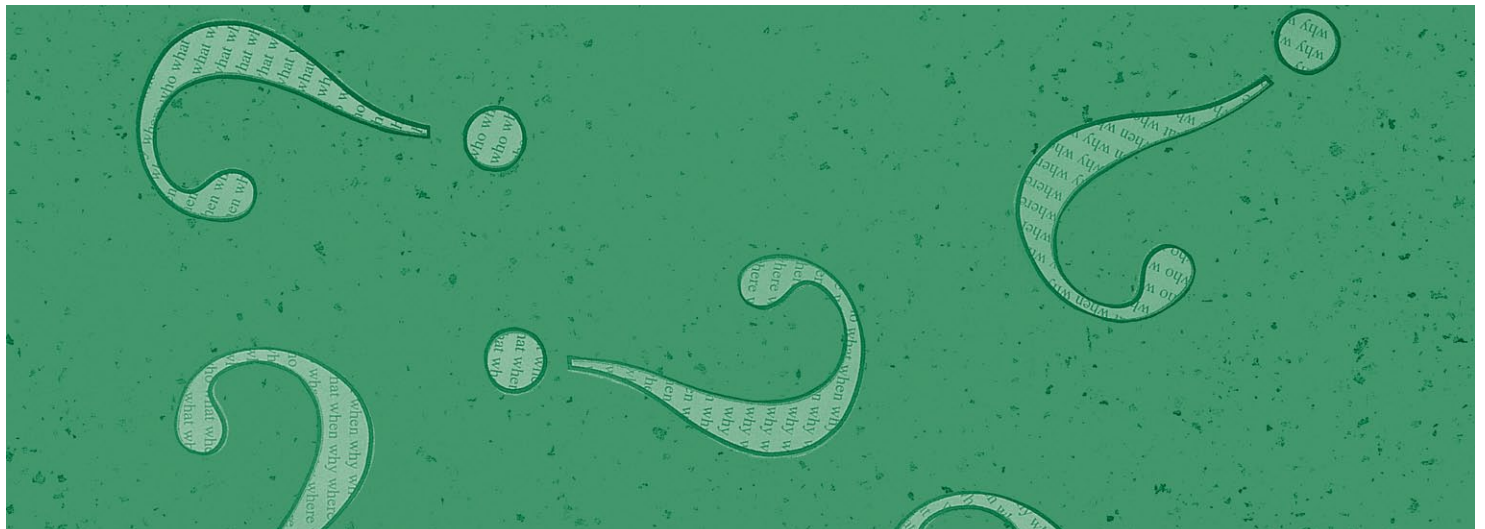
I value consistency over time and I have to admire Tesco for what they have achieved. I also admire John Lewis Partnership which has a different business model – and their staff engender trust in the customer.

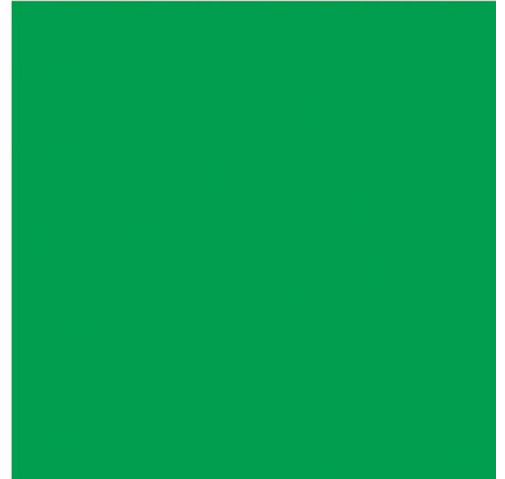
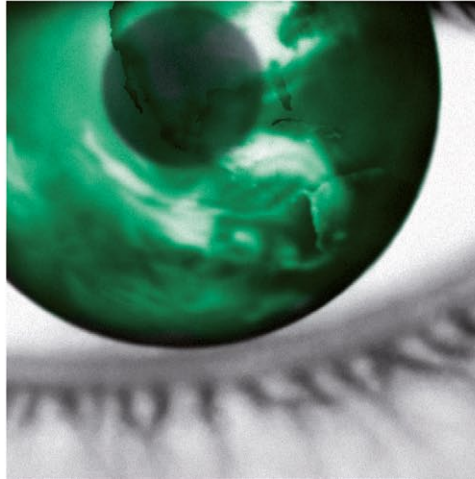
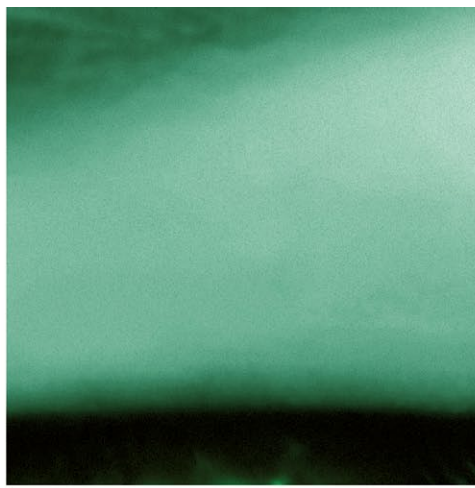
Q Finally what are the challenges of running a large international company like Bupa?

The key is to have cultural sensitivity. We have extensive intellectual property spread across our businesses offering us growth opportunities. We need to facilitate cross fertilization of culture, that is to say, ensure that each culture will add/take from another culture. While the cultures that we operate in may be very different, the values that we operate under are the same and wherever it happens we celebrate success across the group. We avoid the perception that we are Anglo-centric and talk about our home markets as UK, Spain and Australia. We have to do more to express ourselves as an international entity.

This is a shortened version of “[Successful strategy making in Bupa not-for-profit provident: a case study and interview with Mr Ray King, chief executive of Bupa](#)”, which originally appeared in *Journal of Strategy and Management*, Volume 4 Number 4, 2011.

The authors are Abby Ghobadian and Nicholas O'Regan.





Emerald Management First is an award-winning online resource, designed to help you circumvent the unnecessary and sharpen your focus on what really matters in management.

We bring you the latest and best ideas from the world's top companies and business schools and present them in a language that your organization will understand. Quality and topicality are guaranteed, as is our objectivity as an independent publisher. A balance of practical articles, case studies and thought-leader insight equips you with a powerful management tool-kit for the twenty-first century.

For more information visit: <http://first.emeraldinsight.com/about>

Final thought ...

“ The number one benefit of information technology is that it empowers people to do what they want to do. It lets people be creative. It lets people be productive. It lets people learn things they didn't think they could learn before, and so in a sense it is all about potential. ”

Steve Ballmer

<http://first.emeraldinsight.com>