The Hindu
The Nudge as a strategy
Nov 6, 2019 | Delhi | Pg No.: 15 | Top Right | Prince Frederick | Sq Cm: 413 |
AVE: 250135 | PR Value: 1250675

Pg. No.: 1 of 1

The Nudge as a strategy

There are times when 'gentle persuasion' can be more powerful than any other tool in an organisation's people management kit, but it also has its own set of limitations

PRINCE FREDERICK

ILLUSTRATION: MIHIR BALANTRAPU

HR professionals would agree that they lurch from "nudge" to "nudge" to move people in the desired direction. It is particularly the case when they are dealing with people high up the organisational totem pole – there may be no alternatives to persuasion. And the nudge has to be far gentler than that of a shepherd's staff. Not only that, it should be subtle to the point of being invisible.

So, how does HR execute a nudge strategy, especially when the resistance to a particular idea, is not only high, but comes from high places?

Future gazing

It is a strategy where two different outcomes, one resulting from having a negative mindset and another from a positive mindset, are presented in a non-challenging fashion. They are projected well into the future to prevent the target group from sniffing out the strategy.

Kamal Karanth, co-founder, Xpheno, a specialist staffing organisation, presents a case study involving an investment banking company where senior management had to be nudged to promote diversity at the workforce.

"The HR team had their job cut out. They had to get senior managers to hire more women employees and also offer more flexibility options so that women employees stayed longer with the company. But HR can't tell these managers to do so. So, HR prepared charts showing how the future would looked for the company with a diverse workforce and also how it would, without it. On the face of it, it appeared to be a regular presentation, but it was the beginning of a nudge," explains Karanth.

Modelling behaviours

For a nudge strategy to be effective, the target group to be offered a faint glimmer of the behaviour they are being nudged towards.

"A technology company got members of a target group to learn Python, by simply getting the HR to announce how those who had learnt the programming language had gone one level-up in their AI-related careers," says Karanth.

There was no general call to upskilling, just a pat on the shoulder for those who did and reaped the benefits of showing nitiative.

When employees see nudges as the first course of action, the management creates a positive environment for change. "Nudging is a tool to build consensus and getting people to rally around to an idea. Change will be more sustainable if people are bought into it," says Ganesh Chella, co-founder and managing director, CFI.

"When the management chooses gentle persuasion over stringent rules to effect change, the message is: 'You are important to us'," says R.P. Yadav, chairman and managing director, Genius Consultants.

Timing matters

As with any methods, nudging comes with its limitations. In cricket, 'nudging' is part of a batsman's workaday stroke-making repertoire. To nudge the ball over the wicket-keeper and slip fielders, the pace of the ball has to be judged correctly and the timing has to be right. So, it is with people's management.

Nudge is often ineffective where non-negotiables are involved.

"The non-negotiables have to be mandated. There are no two ways about it. The best of companies do that in matters of ethics, integrity, safety and other kinds of non-negotiable things. If you are supposed to wear a seat-belt you just have to wear it. There can't be a discussion about it, let alone a nudge," says Chella.

Yadav says that in some roles, nudging is unlikely to bring about discretionary efforts.

Sometimes, due to a strategy of nudging, there can be a let-up in the pressure that may be essential to push employees towards optimal performance.

Karanth gives an example: "A company tried out nudge techniques with a low-performing section of its sales team, with unsatisfactory results. From time to time, the HR team would send out congratulatory messages hoping to reinforce positive behaviours. It proved counter-productive, as thanks to this strategy, this small group of sales personnel felt less pressured to meet targets, and with most of them, the poor performance continued."