
Conference Calls and Their Impact on Employee Work Life: A Study on Banking and NBFC Professionals in Jaipur City

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Abstract

The exceedingly high sales pressure and the constant follow up from the higher management forces the sales professionals employed in Finance and NBFC sector to conduct conference calls and review the employee performance. The trend to conduct such calls is on a rise and the harshness and abusive tone is adding the ill effects it had on employee work life. The human resource safe guards will agree that the trend is impacting the intrinsic motivation of the employees and forcing them to work only when monitored on a continual basis.

This research is aimed at finding out if these calls are serving the purpose, impacting the motivation of the employee after attending them and its subsequent impact on morale, productivity and health of the employee. A survey was conducted on professionals engaged in Banking and NBFC sector and in-depth interviews were also conducted to assess the contribution of such calls on the target accomplishment of the sales industry. The findings aimed at assessing the high usage and the purpose being served by the conduct of frequent conference calls. It is also highlighted that the performance review methods are changing and from a fortnightly review era we are moving towards a weekly and a daily review format.

Keywords: Conference Call, Performance Review, Goal Setting, Appraisal

Introduction

With the changing time conference calls have become one of the important tools of corporate communication. According to *Business Dictionary* a conference call is a meeting of analysts, corporate executives, employees and employers over a telecom or hosted on web. The format of conference call, number of attendees, duration, and timings vary from organization to organization but most of the time includes set agenda, followed by brief, and question - answers. According to *Investopedia* a conference call or con call is a kind of event when management reports its quarterly report to its employees via telecom. It starts with reporting from management followed by question answer round.

People from different walks of life are finding conference calls as important mode of communication and convenient

tool of connecting with people. Conference calls are today being used by the people to communicate with their friends, family, or as a time saver for meeting. Earlier, the format of conference calls was such that allowed called party only to listen and participate, but they could not speak (*Wikipedia*). This feature was initially available only on special devices but slowly all modern mobile communication operators provided the same into the mobile handsets and made it an easy to use feature.

In the corporate set up there are primarily three types of conference calls that are gaining momentum:

- **Scheduled Conference Call** - These are pre planned conference call by management generally meant for large group with information sharing

agenda. This is a great way of quick and convenient dissemination of information.

- **On Demand Conference Call** – For quick and immediate meet be it for personal reasons, or business it's a great tool in our hand. Bosses disseminate information to their teams, or allocate work sometimes using on demand conference calls.
- **Recurring Conference Call** – In some of the companies conference call is a recurring affair happening at same time every month or bi-monthly.

In any organizational setting, managers need to take some pertinent business decisions which might affect entire organization, or specific teams. Be it whatever nature of decision necessary information and outcomes needed are required to be disseminated, and conference calls make this process quick and efficient (*Sen B. 2009*).

Conference call connects people from remote corners of the country working with one organization and helps in delivering accurate and timely information. It is also a powerful tool to talk to the whole team at same time and deliver consistent message (*Caroln R. 2010*).

Managers use conference calls for their progress reviews to understand how things are moving, what is the result expected, and issues or complexities to be faced etc. this is typically a structured opportunity to review progress at the same time from the entire team, and also team can be aware of progress at work front happening across various verticals/ regions. It also serves as an opportunity to discuss inter dependent activities amongst team members and helps in discussing any issue with all key decision makers present in one go. Conference calls are also being used for sharing project updates, strategic reviews, and decision approvals from team, training, and internal communication.

Conference Calls – A New Review Mechanism

A look at the banking and NBFC sector largely reveals that the performance reviews and appraisals are being replaced by using Conference calls as the new review mechanism. This new way of review has replaced any quarterly or fortnightly review and is now conducted every day and even 2-3 times in a day. The conference call review keep an employee on alert at all times and prepared for constant review and reporting.

This reporting system makes employees talk every day in “Yes Sir Tone” and “I am doing it, sir! Ho Jayega”. It has been also found that to avoid arguments and abusive and harsh words from their bosses, they manipulate the data. This creates lot of mental pressure, stress and also giving birth to lifestyle diseases like Diabetes, Hypertension etc.

Telecommunication and Conference Calls in India

The very first mobile service on non-commercial basis started on the 48th Independence Day and the first call was made on July 31st 1995. In those days GSM followed 900 MHz whereas CDMA operated under 800 MHz The CDMA operators were the first to introduce EVDO based high speed wireless data services via USB dongle.

It was in 2008 that India penetrated into the 3G arena, as MTNL and BSNL owned by the government of India launched 3G enabled mobile and data services. The year 2007 was the “Year of broadband” for India. Henceforth the private sectors continued to launch variety of services for the Indian consumers. It was then that the mobile communication caught a fierce rage and usage reached the hands of common man.

India witnessed a sharp rise in usage of mobile and its advanced features and slowly the usage of conference calls picked up. Typically from 2005 when the rates were slashed substantially by private players the usage became even more rampant. All leading private companies started using conference call feature as an aid to take opinions, make group discussions and review performances of employees working in remote places. According to (*Intercall Report 2015*) the world's largest conference call company it is used by all fortune 500 firms and the usage is rising from using mobile phones to dial conference calls. In today's context almost all organizations use it for a variety of purpose and the usage is rising even in terms of number of times the same is used in a day. According to (*Frost & Sullivan 2016*), in today's era 65 % of organizations rely on conference calls via audio mode and spend almost 200 times more minutes than video conferencing.

Usage of Conference Calls

Conference calls are today phenomenally used by the organizations. They are mostly using it to get connected to their employees scattered across the places. The primary purpose for which conference calls are being made by most of the organizations includes conversation with clients, team meetings, training, employee communication, performance review, sales presentation etc. this also gives employees nexus to talk to the people who are located at remote places. This is an effective cost cutting measure, as it can lower down the travel cost. Today video and web conference for sharing of documents, information, and exchanging views is also quite common and widely acceptable in the organizations.

One of the primary usage of conference calls is witnessed in the sales and target driven organizations where the top management likes to review the performance of its verticals/ clusters/ team members on a daily basis and plan ahead for the target accomplishment. A sales job with global power house is much in demand in India as they come with big packages. But they can be extremely demanding and can put inordinate pressure on the employee for fulfilling the targets. The grueling schedules

were stretched to over 15 hours working and employees were expected to file reports even on days when they have to travel far flung suburbs for client meetings. Gradually the high pressure for making sales was being escalated down to the youngest task force by the use of conference calls and reviews, discussions, competition healthy or unhealthy, were all being done by hooking them up on a conference call.

Impact upon Employee Motivation

In today's era where competition is fierce the performance review mechanisms are witnessing change. The assumption with which reviews are conducted presumes that people will necessarily improve to attain rewards. It also rests upon the premise that if you merely tell employees what they are doing is wrong they would like to correct their performance in order to receive more, recognition or a promotion. Negative approach seems to be a tool for performance booster by the management. The conference calls seem to be heavily relying upon this idea that people wants to be bribed and held hostage. Intrinsic motivation theory is fairly ignored across organizations which believes that people ultimately want to feel good about themselves; they want to learn, grow, and master their craft, which generally also means earning the respect of their peers (Herzberg, 1968).

Goal Setting Theory vs. Conference Calls

The Edwin Locke theory in 1960 kept forward the goal setting theory of motivation which states that goal setting is linked with task performance. According to the theory specific and challenging goals can contribute to higher and better task performance if accompanied with appropriate feedback.

The goals an organization defines ultimately gives direction to an employee about what needs to be done and to what extent the efforts are required to be put in. The important features of goal-setting theory are as follows:

- The main source of job motivation is the willingness to work towards goal accomplishment. Easy general and vague goals will not be as motivating as clear particular and difficult goals can be.
- Clear and specific goals will lead to better output and performance. Hence unambiguous measurable and clear goal with a deadline of completion avoids misunderstanding.
- Goals have to be challenging and realistic which can make an employee feel proud and generate a feeling of triumph when he achieves them. The more challenging a reward is the more the feeling of pride will be experienced at the attainment of such goals.
- Employee will deliver better result when appropriate feedback is given. If the manager learns to give developmental feedback he/she can direct the behavior of employees in the direction of goal accomplishment and which will contribute to higher performance.

- Feedback is a medium by which a boss gains reputation, makes clarifications and regulates goal difficulties. It helps employees to work with more involvement and leads to greater job satisfaction.

However in today's competitive era intrinsic motivation is ignored and difficult goals are entrusted upon the employee by his boss, typically in a financial target scenario. It is then made a do or die situation for an employee and he is compelled to achieve them. This makes an employee dependent on constant follow up for accomplishment of targets. Feedback review is also not done keeping basics rules in mind to give constructive feedback and increase the morale of employee.

Performance Appraisal

Every organization employ human resources to achieve organizational results. Appraisal of employees if a very powerful process managers use to achieve desired results. It is the core of a boss-junior relationship. However performance appraisal seems to be disliked the most by employees and seniors both. As per Grubb (1999) it is a game to pretend and this pretending trend is continued. .most of the organizations are using this as stick approach to punish and demotivate their employees rather than using carrot approach to motivate their employees (Kohn, 1993).

Performance Appraisal vs. Performance Management Systems (PMS)

A PMS is the creation of an entire system (a setting, a work environment, a culture) bringing together all the crucial factors in order to enable work towards pre assigned organizational goals in the best of their capabilities. However performance appraisal and performance management systems are very different. Appraisals are restricted to assess employee performance and how their overall contribution is aligned to organizational goals (Todd Grubb).

An organizational community members are paid for their competence. They build their human and social capital. Human capital may be defined as "the productive potential of an individual's knowledge and actions." "Social capital is productive potential resulting from strong relationships, goodwill, trust, and cooperative effort." (Kreitner & Kinicki, 2007).

The Performance Review—A Medium to Communicate and Improve Performance

Performance review discussion (PRD) is a joint effort from appraiser and appraise which has three processes (communication, influencing and helping) and three phases (rapport building, exploration and action planning) (Rao T.V 2009).

An effective performance review mechanism is helpful for managers to judge and measure individual performance and in turn enhance productivity by:

- Individual KRA's to be aligned with strategic business objectives;
- Defining employee's accountability for their job , setting expectations in a transparent environment;
- Mapping individual performance to correlate compensation and career planning decisions
- Establishing guidelines for skill development and learning cycle choices; and
- Creating documentation for legal purposes, to support decisions and reduce disputes.

Objective and Scope of the Study

Scope of the study is restricted to sample from banking and NBFC sectors. The sample is restricted to private, PSU, and multinational employees based out in Jaipur only. Authors have not taken into the account various other sectors where also conference call is prevalent. This primarily is a vast subject and beyond the scope of our research agenda. For the purpose of study authors have also only considered telephonic conference call. Video conferencing has not been covered as part of the research. The paper aims to suggest conference call and its impact on employee work life as well as on the organization itself. There are not much research has been done in this regard in India. This will be an original piece of work.

Research Method and Data Collection

This paper aims to conduct a research on the frequent use of conference calls in the corporate sector for official communication and performance review with special focus upon financial and NBFC sector in Indian organizations. It aims to highlight the impact of this mode of communication upon the employee morale and overall work-life. With the intent of conducting qualitative and quantitative research following objectives were kept in mind –

- Is conducting conference call a new way to endure performance? Are they replacing the performance review and feedback mechanism?
- What is the impact of conducting conference calls upon employee morale and productivity?
- Is the culture of conference call doing good or it impacts upon the organization negatively?

- Is the conference call contributing towards making them more goal oriented?

In the present study author have randomly selected 70 sample from private, PSU and Multinational Banks and NBFC from the Jaipur city. These respondents were given structured questionnaire to answer. Authors have also conducted interviews from the same respondents at length once they have filled up the questionnaire. For the purpose of study article and open source information was also researched.

For the study purpose we have looked at following things in detail-

- At least working in the organization for over 3 years to track their behavioral pattern.
- He /She has ever attended the conference call
- He /She is based out of banking / financial institution in the Jaipur city
- He/ She has a reporting team of minimum 5 people.

Based on the literature review authors realized there is no extensive research has been done in the area of conference call and its impact on employee productivity. While speaking to people authors realized this is a grey area, and it has impact on employee's work life, and it needs research to be carried out. Analysis was also done to find out why conference calls have become inevitable, but at the same time why it is not giving fruitful results and impacting performance and became increasing cause of stress and lifestyle diseases.

Data Analysis

For the purpose of study respondents were randomly picked, and we realized in the finance sector more male members were involved. Our respondents were typically in the age group of 18-29 years, though we have also been able to speak to 4 respondents in the age group of 45- 60 years.

The majority of the respondents carried zero to five years of experience. We also covered people who were having experience of 11-15 years. These two sets of respondents were primarily from the senior management and the junior management level.

- **Average time spent on making conference calls**

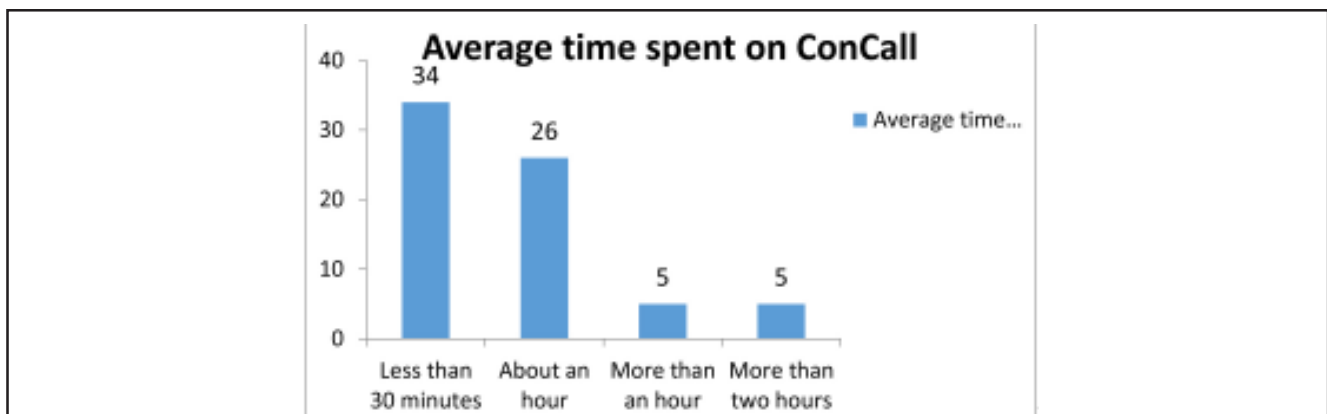


Figure 1: Average time spent on con call by respondents

Substantial time is spent on conduct of conference calls (Refer fig. 3 and 4) Approximately 30-35 minutes being spent daily on conduct of conference calls and constant

follow up of the targets leave an employee frustrated and demotivated instead of being energetic and engaged.

- **Frequency of conference calls**

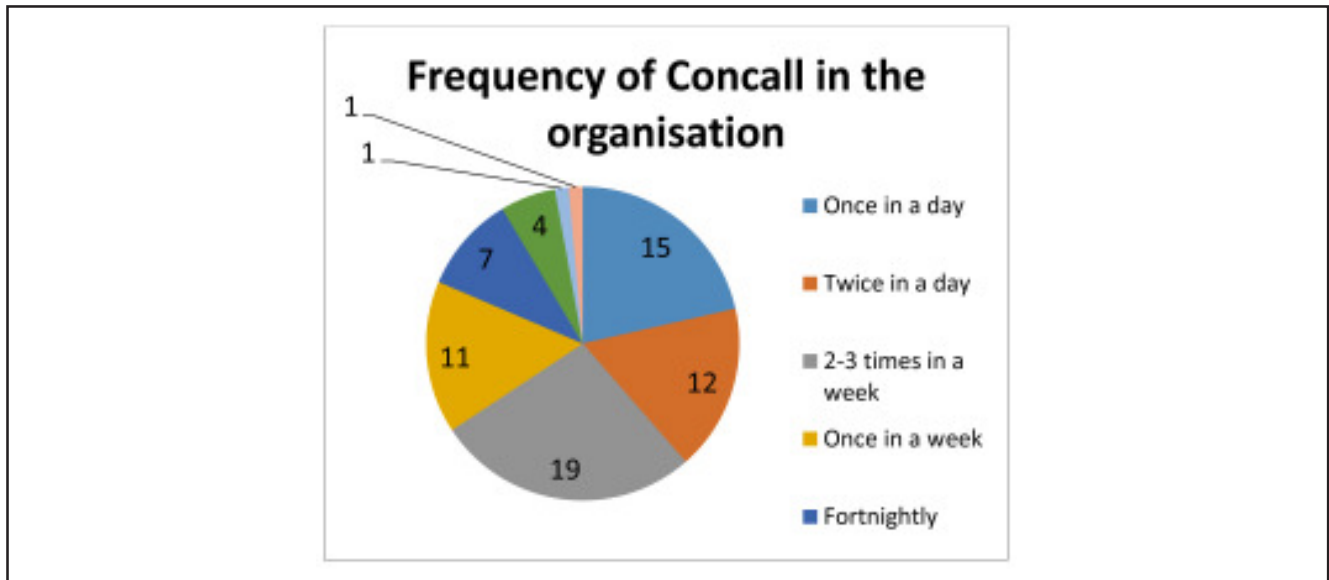


Figure 2: Frequency of Conference Calls

According to figure 2 on an average 19 respondents said that they receive concall 2-3 times in a week, while 15 respondents said they receive almost daily. 12 respondents mentioned that they have heavy pressure of concall, wherein they receive a concall at least twice a day. It was quite evident that concall was becoming more popular amongst the employers day by day.

- **Tone of seniors during conference calls**

Majority of the respondents shared that the tone of such conference calls is not polite and mostly abusive language is used. This indicates that the employees on conference call across the region undergo humiliation and disappointment publically over work not done and this creates a very negative impact upon employee morale.

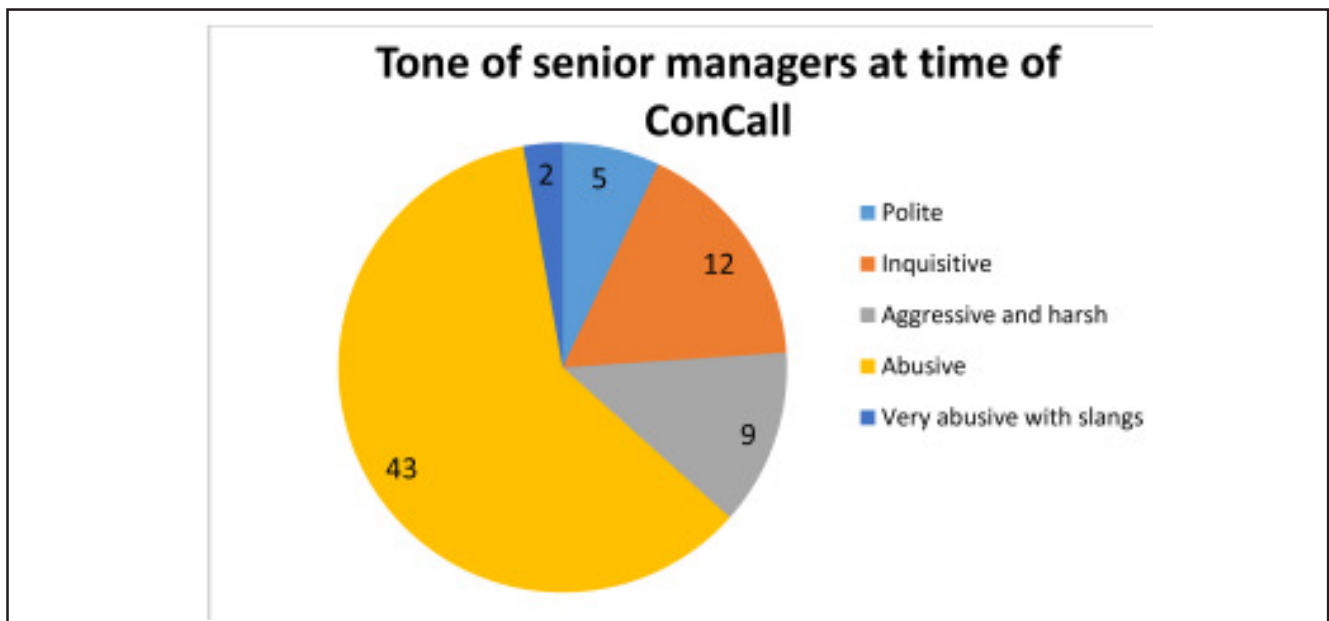


Figure 3: Tone of Senior Managers at the time of Concall

- **Duration of conference calls**

According to figure 4 it is very clear that a major chunk of respondents said that they spend on an average 30 minutes on con call. A good chunk of respondents also

shared that they spend over 45 minutes on con call. In fact 11 respondents mentioned that they spend more than one hour over the con call. There were only handful of respondents who said, that their concalls are as short as only for 15 minutes.

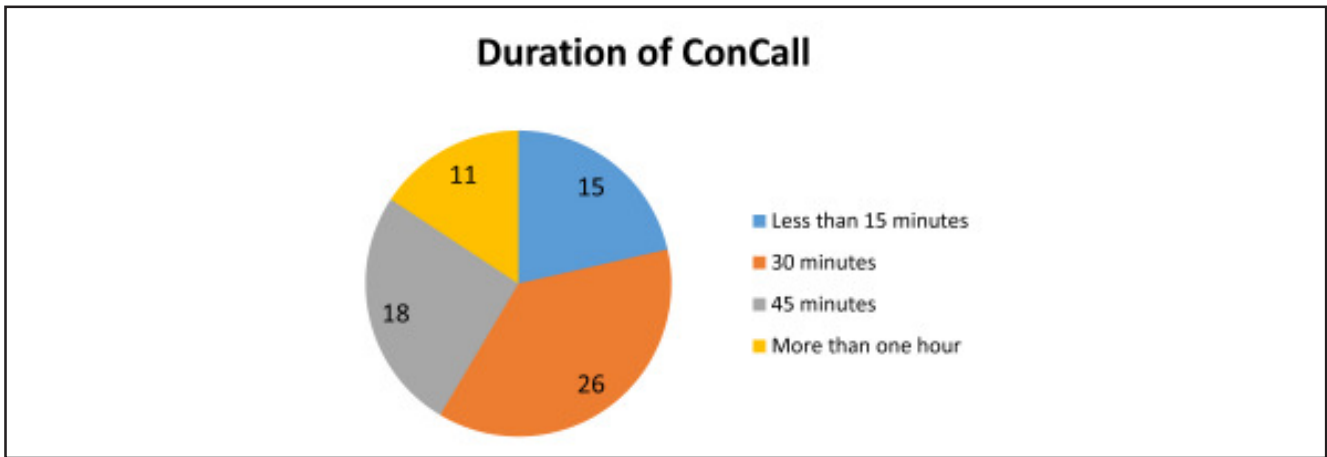


Figure 4: Duration of Concall

- Degree of participation

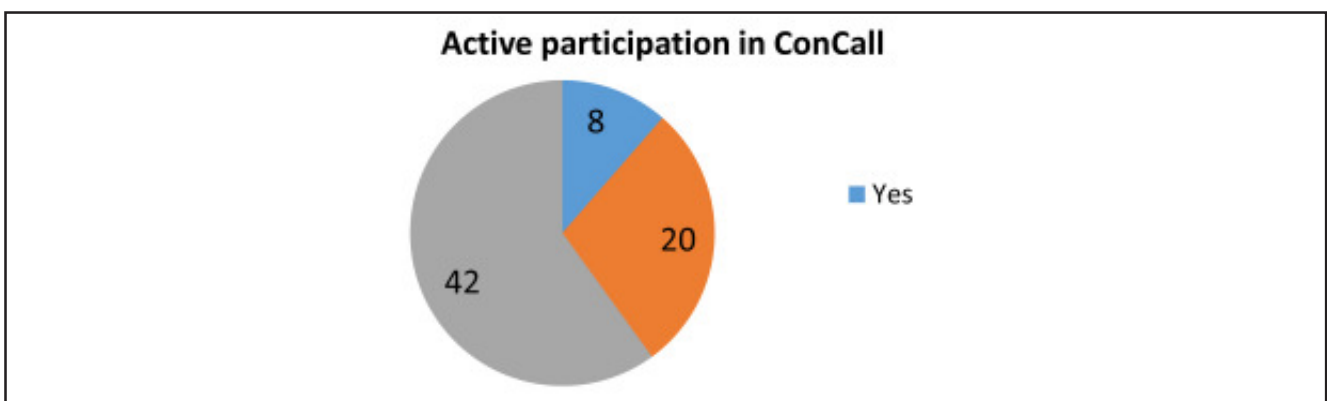


Figure 5: Active Participation in Concall by respondents

Majority is putting phone on mute and not seen actively engaged in concall and hence the purpose is not being served appropriately. While interviewing the respondents we received quite surprising responses from them. Most of them mentioned while on conference call they are busy doing some other work which might be sending an email, or having breakfast/ lunch/dinner, going to the restroom, texting, checking facebook, playing game, or doing online shopping. They all mentioned thanks to the mute option in mobile phone. It makes us do multitasking, we can complete our ritual of making conference call, as well as we can finish our choice of tasks. When it is required for us to speak, we do make comment during that time.

- Impact upon motivation level

The data suggests that majority felt highly demotivated / neutral after attending conference calls. This states that the purpose of conducting such conference calls is not served and in lieu with the time spent it is rather a wastage of time rather than a potent tool to monitor the employee performance. The research states that the conference calls are not leading towards any innovative idea sharing or strategy analysis and has no direct impact upon the performance outcomes being accomplished. Many consider it as time waster rather than potent review tool.

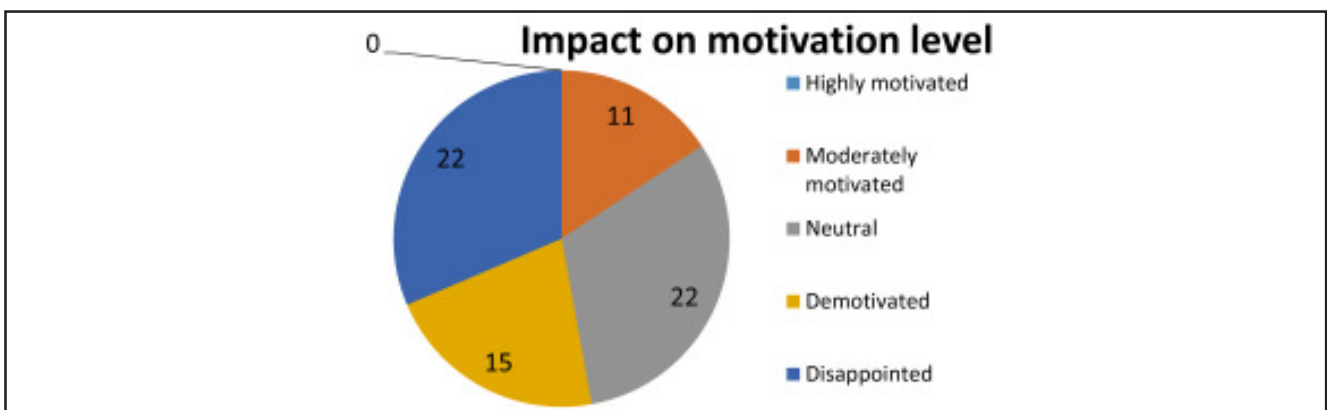


Figure 6: Impact on Motivation Level Post Concall

- **Usage of conference calls in financial accomplishment**

It is evident that the use of conference calls is very high in financial sector and is being used primarily

for target accomplishment. Compared to the time being spent conference calls should contribute towards target accomplishment. However there is no direct rise in target accomplishment experienced by professionals due to conference calls.



Figure 7: Response on Use of Concall in Financial Target Accomplishment

- **Impact on work life balance**

The conference calls are being conducted on holidays and weekends as well apart from regular week days. This impacts on the work-life balance and leaves little space for employees in terms of creating a healthy balance between work and personal life. Majority feel that conference calls are merely a formality and are not evoking active involvement from the participant. The conference calls are considered as an information tool and that indeed is the purpose of this technology. It does not state any significant connect in employee productivity or sales enhancement.

Findings

The findings revealed that majority of the respondents felt frustrating and ridiculous during conference calls. The regular follow up and constant pressure also forced them to just follow what is being said on such conference calls irrespective of their own ideas or application of their own mental work towards accomplishing what was set out for them in their key result areas.

Respondents also felt that various important communication get lost in muffle during conference calls. They are of opinion that when personal touch is missing, they also loose humor, sarcasm in communication and most of the message create no impact on mind and also create space for misinterpretation and error.

The study states that during conference call people are inside restrooms, eating food, working on unrelated stuff, driving etc. The study clearly states that conference call participants do not pay 100 % attention to calls. People stated that they were fallen asleep during conference call. A good number of people have also dropped the call intentionally during the call and pretended to be participative for entire call.

Many respondents believed in case of long monologues they keep their phones on mute mode and get indulged in other things simultaneously.

Conclusions and Recommendations

In the modern workplace it seems conference calls as mode of communication is necessary and ubiquitous. Remote location employees, and mobile team mates do need to meet and discuss and for that purpose conference call seems to be only simple, convenient, reliable, and affordable solution.

One thing is for sure evident from the research that management or employees who are leading the conference call should call with an agenda in mind which is clearly laid down to participants in advance. They should also refrain themselves from being aggressive while talking, or using slangs or abusive language and also they should schedule it at a convenient time.

However the research findings and survey interviews indicate towards the following recommendations:

- **Implications for Heads of Finance and NBFC Sector:** The heads of institutions representing financial and NBFC sector can take measures to make the conference calls more meaningful and purposeful. The usage in constant target accomplishments and the hours spent while such conference calls are committed impact upon the motivation level of the sales force. The survey reveals that the conference calls are conducted during late evening and in abusive language which can have adverse effect upon employee health. It also impacts the organizational culture severely and overall health within the system. These indicate the damage a pressure tactic can cause upon employee's health, morale and well-being.
- **HR Implications-** Appropriate work allocation and culture of encouraging developmental reviews needs to be inculcated by the human resource verticals. The prime responsibility of the human resources vertical is culture making and they need to ensure that is pivotal to ensure healthy practices which contribute towards goal accomplishment. The need of the hour is to innovate and adopt effective goal policies and subsequent reward systems for the team so that a justifiable equilibrium and

transparency can be brought in the appraisal systems.

- **Implications for Line Managers-** The line managers involved in sales target accomplishment can adopt healthy practices like team building personal touch over technology reliance and inculcating a culture of being self-motivated and energetic towards goal accomplishment to pursue their targets .

They can do away with over dependence upon the conference calls for accomplishing sales target and realize that ultimately it's the bonding and encouragement from the boss rather than the harsh follow up which brings in results.

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- **Following Conference Call Etiquettes-** Adopting decent conference calls etiquettes and curtailing the use of abusive language over the long hour conversation can help build a respectful culture in the organizations. The technology can add more value if its usage is curtailed for ideation and information sharing rather than target honking.

The research suggests that there is a scope for further study on the factors which contribute towards effectiveness of conference calls and also gives directions for importance of inculcating healthier culture and boss subordinate bonding for collective achievement of goals.

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