



The New Norm: Hedonic Adaptation Phase

Dr David Parker and Morris Jones.

Never before has management services been so vital to enterprises. It is incumbent upon our profession to ensure that workers have a safe environment and that activities do not result in harm – physical and psychological. COVID-19 has triggered a paradigm shift in society and work practices that now challenge the very bedrock of what we regard as normality.

For instance, working from home (wfh) has identified numerous challenges for both workers and organisations¹. What is also evident, is that the once strong support for stopping the spread of COVID-19 as a priority over economic recovery has swung considerably – even though numbers of infections has continued to rise.

However, after some nine months of embracing the pandemic's impact on virtually every facet of life, the health and wellbeing of people is now seriously at risk. Mental health-related compensation claims have risen 80% since COVID-19; and during this period more than a million Australians have sought mental health treatment, representing a 36% increase.

This initial increase in psychological problems was to be expected. Indeed, with any significant change to hitherto

embedded practices, there are invariably emotional reactions: the classic and recognisable fright, fear, fight, flight. However, the likelihood is that the change becomes normalised: described by the notion of hedonic adaptation – where the impact of a change is absorbed and becomes the 'new norm'. For many, the changes have become accepted, but for others there is emotional resistance that could develop into psychological withdrawal.

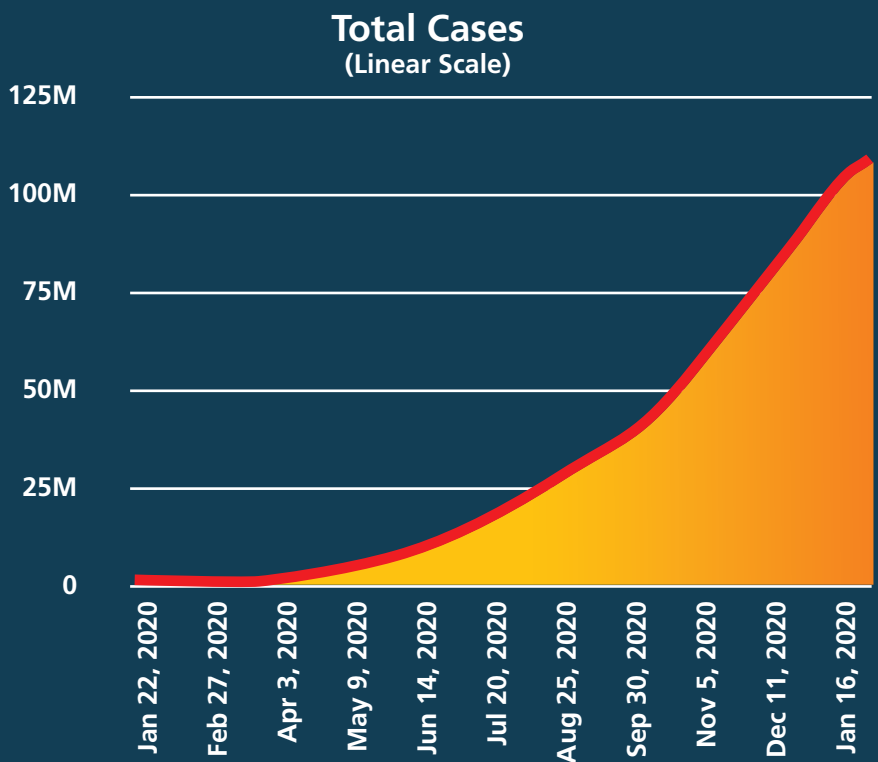
Meanwhile, what then are the lessons to be learned and what actions are required? What additional responsibilities must organisations bear to support staff? What leadership style is needed? What should be the organisation's communication strategy? What must organisations do to minimise psychological health issues?

Current environment

Global cases of COVID-19 have passed 110 million and have resulted in more than 2.4 million deaths (<https://www.worldometers.info/coronavirus/worldwide-graphs/#total-cases>. Accessed February 2021); moreover, daily numbers are continuing to rise despite most countries enforcing national lockdowns and



Total Coronavirus Cases



COVID-19 Global Figures (source: Johns Hopkins University, Health Department).

social restrictions on movements throughout last year and in the early months of 2021 (see Figure 1).

The COVID-19 pandemic has resulted in global economic decline and social pandemonium. Britain has had over 100,000 deaths from some 4.6 million cases (<https://coronavirus.data.gov.uk/details/cases>. Accessed February 2021). Australia has had 28,911 cases that have resulted in 909 deaths (<https://www.worldometers.info/coronavirus/country/australia>. Accessed February 2021).

But as governments have ramped up restrictions, affecting social interaction and causing isolation, as well as economic debt, many organisations have revamped their business models – some embracing digital technologies and online customer purchasing, others down-sizeing or reducing operating space by adopting wfh.

Consequently, we rapidly reshaped our occupational practices, pared-back leisure pursuits, human interaction, and activities that support a healthy work-life balance. However, our interventions have only mitigated, not eliminated, the pandemic.

Whilst it is difficult to disentangle the specific aspects that have had an adverse bearing on workers' psychological well-being during the pandemic and in particular wfh, social distancing, lockdown and the mounting threat of contracting the disease – there are clear markers of potential work-related problems that need to be acknowledged and acted upon.

Expanded leadership

In the current environment, there is a need for a greatly enhanced sympathetic, empathetic and pragmatic leadership. In particular, management services and executive leadership, more than ever before, need a high emotional intelligence (EI) quotient². EI reinforces our deeper understanding of the present social complexity (at an emotional level), the ability to apply emotional information to direct thinking and behaviour, be cognisant of the

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impact of what is said, and guide our actions on the feelings and emotional state of others – that is, our staff.

'Man-up and get on with it; we are all in the same boat,' does not help, encourage, nor motivate people, or signal understanding. Instead, we need to see the situation through the eyes of the person – at the individual level. In particular, there is a need for mindfulness and a quick response when signals flag early signs of emotional harm (see Tables 1 and 2)³.

Imminent future

In the foreseeable future, even with a vaccine, we will be living and working in an acutely changed world. Managing in imposed clinical regimes, with psychological impacts, social and economic disruption, will demarcate the hedonic adaptation period. Life will be labelled 'normal' albeit in a far more digital world, one very different from the business and commercial norms that has tailored our education, professional training and skill-sets. Team working will be relegated by the ability to problem-solve and take decisions when working alone.

In these early months that have witnessed COVID-19 increasing,

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Recognise early warning signs:

Loss of interest and motivation
'Burying head in the sand' – in denial of situation
Despondency
Heightened emotions
Withdrawal from interaction with others
Being over-sensitive or defensive
Poor sleeping
Deterioration of appearance
Negativity
Argumentative
Low self-esteem
Poorly organised

Recognise early warning signs.

Strategies to reduce psychological hazards:

Manage excessive work loads
Reduce emphasis on results and targets
Design processes for wfh
Control work-life balance
Clear reporting structures
Reduce confrontations with colleagues
Regular 1:1 meetings to consult and monitor
Plan and structure daily work routine
Encourage buddy and mentor programme

Strategies to reduce psychological hazards.

diminishing and peaking yet again, our norms and work practices (comfort zones) have had to adapt to meet numerous changes. Social isolation, loss of regular income for many of us, and anxiety brought about by concerns of becoming infected, have also resulted in resilience – with social media platforms being used extensively to 'keep in touch'.

Online shopping sites, digital services and social media, have also assisted both businesses and individuals – in terms of reducing economic decline, while adopting coping strategies. The impetus of digital business models embracing e-commerce, has allowed financial survival for many small businesses. A recent survey (January, 2021) conducted by UNCTAD and Netcomm Suisse eCommerce Association, titled: 'COVID-19 and E-commerce', examined how the pandemic has changed the way consumers use e-commerce and digital solutions. More than half of the survey's respondents now shop online more frequently and rely on the internet more for news, health-related information and digital entertainment. The survey shows that online purchases have increased by six to ten percentage points across most product categories. The biggest gainers are ICT/electronics, gardening/ do-it-yourself, pharmaceuticals, education, furniture/household products and cosmetics/personal care categories. The survey results suggest that changes in online activities are likely to outlast the COVID-19 pandemic. Buying and selling online has enabled some semblance of survival, providing consumers with a new way of coping during the lack of accessibility to high-street shops, lockdowns, and safety and security.

Many changes in ways of doing business to counter the pandemic have, until now, been focused on what were formerly secondary channels for many organisations. Now, online delivery channels – as examples: education, medical care, finance, counselling, and groceries, clothing and household goods, are now primary channels for many. For those reliant on close proximity and face-to-face customer contact, the operating restrictions have often been fatal. To-date, some 3% of restaurants have gone out of business, and a further 15% fear that they would not survive an additional six months without the continuation of governments' financial assistance (www.abc.net.au/news/coronavirus-hit-restaurants. Accessed February 2021). Hotels, travel and tourism industries have similar job losses. The knock-on effects on national economies have been enormous.

It is anticipated that working from home will continue – even increase. The ramifications of an accelerated digital trend, particularly on workers' stress, anxiety, and psychological challenges, are not to be ignored by senior management. Indeed, leadership models universally adopted pre-COVID-19 are clearly not applicable in this new norm: for example, transformational leadership, charismatic leadership, values-based leadership, authentic leadership are amongst the popular types of leadership. However, under current conditions, servant leadership offers appealing advantages: leadership that facilitates vision, collaboration and change; while adopting a holistic approach and service to sub-ordinates and others².

Morphing organisation culture

Intensifying wfh is challenging contemporary office practices. How will leadership models evolve to straddle between office and home-based practices or will each evolve along distinct pathways? What is best practice?

There is evidence that the new norm has resulted in the morphing of 'company enclaves' with a 'them and us' culture separating staff on the basis of work location. The two-location workplace has seen changes to the recruitment process and selection criteria. Greater emphasis is now placed on candidates having the personal skills and attributes to contribute positively in either situation, and a willingness to wfh as required to meet business requirements. The right temperament as well as skills are important, with a wrong fit potentially resulting in psychological problems.

Recent research⁴ conducted last year, has identified that stress and anxiety has increased 24%. Of significance, 'loss of confidence, uncertainty and money worries' were stated by 74%, 67% and 48% respectively of the 14,000 surveyed.

For many, the removal of commuting that previously provided a clear separation between home and work, was a factor in enhancing stress.

Conclusions

Management Services must step-up to the plate, and apply its invaluable skills to executive leadership; in particular, implementing productivity improvements. Complexity needs to be reduced in favour of simplicity².

These are extraordinary times: in social, commercial, and economic terms. Our professional, pragmatic skills are of paramount importance in developing new methods to meet current challenges, such as digital market places, but while ensuring the human dimension is prioritised.

Changes to work practices, particularly working from home, have been accompanied by increased psychological demands that must be addressed by a servant-style leadership model, augmented with enhanced emotional intelligence.

We are experiencing substantial disruption to our comfort zones, routines, job and role activities, resulting in enhanced stress This is a recognised phenomenon, albeit for limited periods of time. However, the protracted period of the pandemic brings additional consequences. Consequently, early signs of psychological problems need to be urgently acted upon. The employing organisation's management has a responsibility and duty of care for its workforce wherever located.

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