

Mobility and motivation: Job switching stokes competitive behavior

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LMU management scholar Thorsten Grohsjean analyzed the performance levels of star players in the North American Ice Hockey League in games that pitted against former team-mates. Credit: Thaut-Images/fotolia

Colleague today, competitor tomorrow: Moving to a rival firm leads to a conflict of identities - and causes movers to focus their competitive impulses on their former employer, as a study by Ludwig-Maximilians-Universitaet (LMU) in Munich management scholar Thorsten Grohsjean shows.

According to a new study published in the *Academy of Management Journal*, individuals who take up a position with a company that is in competition with their former employer tend to be highly motivated - unless their new function places them in direct opposition with former colleagues. The study was carried out by Thorsten Grohsjean (Assistant



Professor of Strategy and Organization in High-Tech Industries at the Faculty of Business Administration at LMU) and his PhD student Pascal Kober, together with Dr. Leon Zucchini. The authors analyzed the performance levels of star players in the North American Ice Hockey League in games that pitted against former team-mates. The researchers chose this approach because professional ice hockey provides a wealth of data relating to transfers and to the course and outcome of all National League games. These include statistics on how often a player was involved in offensive plays in games against former team-mates, and how often they checked individual players who had previously played with them in the same team.

"We believe that our results are translatable to other spheres, in particular to knowledge-based industries such as advertising agencies, consulting services and architectural practices, whose employees tend to identify closely with their firm and have a direct impact on firm performance," says Grohsjean.

Conflicting identities

An employee's level of identification with the firm for which she works grows with time, and this sense of attachment cannot be simply left behind when she moves elsewhere. The term "identification" here refers to the degree to which an individual's sense of self is bound up with his membership of the firm as a social and relational group. As the new study shows, individuals who have just moved to a rival company strive to strengthen and emphasize their identification with their new employer by competing harder against the organization to which they previously belonged. This strategy provides a means of coping with the conflict of loyalties that inevitably arises in such situations, as movers cannot immediately discard their previous collective identity.

Intense battles for talented people are not a phenomenon that is



restricted to Silicon Valley. German firms too - especially those in highly competitive sectors of the economy - often recruit personnel from their commercial rivals. "They do so in the hope that such recruits will bring them new expertise and valuable contacts," says Grohsjean. In the case of consulting services and law firms, for instance, clients are often loyal to individual advisors, and when the latter move elsewhere they bring their customers with them.

That individuals who move to a competing company cannot easily divest themselves of their previous identity is further indicated by the fact that - as the new study shows - they are less inclined to compete directly with former colleagues. Prompted by twinges of regret, even remorse, perhaps? "It has less to do with qualms of conscience than with their identification with their former peers. The calculation apparently goes like this: 'It won't damage the fortunes of my new firm if I leave my excolleagues out of the firing line, as long as I am aggressive in relation to members of my old firm whom I do not know as well," says Grohsjean. He also has the following advice for companies that are thinking of poaching a high-flyer from the competition: "It is a better idea to poach whole teams rather than individuals." - And if one choses the latter strategy, the new recruits should not be pitted directly against their former colleagues.

According to the study, levels of relational identification with former colleagues tend to remain stable, while one's collective identification with one's former employer - and with it one's readiness to direct one's competitive impulse against it - become progressively weaker with time. In this respect, the results contradict the conventional view as expressed in the research literature on management, which posits that identification with colleagues and identification with the firm go hand-in-hand. "Our study shows that this is not true for someone who has switched jobs. In that case, one's collective identification with the old firm gradually weakens, while one's relational identification with former colleagues in



the old firm actually gets stronger with time."

Surprisingly, the study also found that whether the job change was a voluntary one or was precipitated by a conflict with or dismissal by the earlier employer had no effect on the recruit's performance in his new environment. "This finding surprised us too. But it is possible that, in our study sample, the number of individuals who left their jobs as the result of a dispute was simply too small," Grohsjean adds. But their sample of professional ice hockey cracks was sufficiently large for the researchers to show that successful headhunting not only brings new knowledge and new contacts, but also an invigorated readiness to compete. Conversely, a fall-off in the level of performance following a change of jobs can now be viewed in a new light: "Our analysis has shown that this may not be a sign of inadequate knowledge of the internal workings of the old firm. On the contrary, it may be due to the fact that the new recruit suddenly finds herself in direct competition with a close acquaintance."

Provided by Ludwig Maximilian University of Munich

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