



# **CISCO SYSTEMS: A CASE ESTUDY OF THE HUMAN RESOURCES MANAGEMENT MODEL**

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## **1 INTRODUCTION**

This Dissertation for the Degree in Business Administration and Management aims to analyse why the Human Resources management model of the organisation 'Cisco Systems' seems to correspond with the High Commitment model. The organisations that establish this model do so in order to be able to design programmes that improve relationships between people (Arthur, 1992), so that they develop and grow so as to be able to innovate and, thus, increase business productivity. With the establishment of this model, not only will there be committed and motivated professionals but also productive professionals. This, in turn, will affect the organisation positively, obtaining a strong, decisive business advantage and an increase both in sales and income (Arthur, 1994).

The study is thus composed of three sections. The first is made up of a brief study of the management models of human resources (HR) based both on control and on commitment. Following from this, a study is made of how the High Commitment model is related to a good workplace environment, with ongoing learning and development within the structures present to bring about innovation in an organisation. In the second section, we move on to a practical study of Cisco Systems, that is to say a study of the type of vision and the initiatives they encourage and develop the workplace environment, learning and innovation. Finally, in the third section, an evaluation is made as to how the practices and initiatives of Cisco Systems run in tandem with the main values and features in the High Commitment model, together with a recognition of the limitations of this case study.

To carry out this case study of Cisco Systems, use will be made of interviews made with managing directors of Cisco or with a particular director of an area such as marketing or human resources. These interviews have been accessed via the blog 'Great Place to Work' and from specialised e-magazines in technology or economics, such as 'itsitio' or 'equipos&talentos'. Finally, use has been made of the corporate web page of Cisco Systems and especially of its 'experiences blog in Cisco', where workers relate their day-to-day experiences within the organisation.

## **2 THEORETICAL FRAMEWORK**

In the present context in which we find ourselves, companies have more resources, above all regarding technical progress in machinery and electronics, and especially in new technologies (Kim, Wright and Su, 2010). These resources make the work of the companies easier, reduce costs, open up new avenues in business and can change the way in which organisations and their employees are managed currently (Heinsman et al., 2008).

There exists a widespread belief that the survival and success of an organisation depend, at least in part, on the effort, behaviour and interactions of the employees as they carry out the mission and strategy of the company (Wight and McMahan, 1992). For this reason, in latter years, as competition increases among technology-based companies, gaining a competitive advantage for these companies has moved from tangible resources and market strength to intangible resources, such as knowledge and attitudes, and to maximizing the skills of those employees who make up the organisations and who work more efficiently with the new technologies (Grant, 1996). In addition, the ability to create new knowledge is a specific resource for the company that may lead to new income generation opportunities and enable companies to react efficiently to rapidly-changing environments (DeCarolis & Deeds, 1999, Grant, 1996).

It is therefore vitally important that the aims established by organisations, which are often expressed in terms of the characteristics, attitudes and desired behaviour of the employees, are (or should be) derived from the general aims of the company, which may be modified by factors both internal and external to the organisation (Schuler, 1992; Wright & McMahan, 1992).

Experts in strategic human resources have argued that through these internal resources, such as knowledge generation, professional and personal development and coaching, companies can bring effective influence to bear on the interactions, behaviour types and motivation of employees by means of different uses of human resources (Huselid, 1995; Wright, Dunford & Snell, 2001).

It is necessary to show that certain combinations of programmes, policies and human resources practices lead to particular attitudes among the employees, such as trust in the management or commitment to the organisation which, in turn, lead to particular behaviour among employees that are beneficial towards implementing effectively a particular business strategy (Arthur, 1992).

Collins and Clark (2003) showed that “the perceptions and attitudes of the employees reflected the relationship between human resources practices and behaviour related to worker input, performance and company results”.

As regards the above, following several studies by different authors, two alternative means of human resources practices have appeared in the published literature: those based on transactions (‘control’), which emphasise short-term relationship exchanges and those based on ‘commitment’, which are centered around long-term mutual relationship interactions (Tsui, Pearce, Porter and Hite, 1995). Therefore, a central consideration is that organisations should choose and implement those human resources practices that most positively affect the social environment, the behaviour among employees, the leader-employee relationship and the organisational culture in order to facilitate knowledge sharing and the combination with the resulting performance of the company in order to reach a general level of success for the organisation and all the employees who constitute it (Arthur, 1992).

## **2.1 The Control Model**

Within the ambit of control, and in contrast to the focus on commitment, it can be said that the handling of the employee is much more closely controlled (Truss et al., 1997).

The aim of human resources control systems is to reduce direct labour costs or improve efficiency (Chiva et al., 2014), ensuring employees conform to the rules and specific procedures (Eisenhardt, 1985, Walton, 1985). Therefore, its chief priority is to maximise individual performance through hierarchical control (Chiva et al., 2014).

The focus on control is characterised by a desire to establish order, maintain control and the use of relatively simple and well-defined work tasks (Walton, 1985). There is no doubt but that management have their hands on the controls, and, consequently, the important decisions are taken ‘top-down’, always making for short-term relationships between individuals (Koopman, 1991).

The employees are simply motivated by extrinsic rewards (Chiva et al., 2014), which depend on measurable production criteria, which means that the employees will avoid the work if they can (Heinsman et al., 2008).

This is a type of motivation that leads us to do something we do not want to but we know that in the end there will be a reward (Storey, 1989). It has difficulty in motivating individual innovative behaviour, and the control depends on people or events external to the individual who does the activity (Herzberg, 1986).

With this type of motivation, workers will obtain neither professional nor personal development, and they will not put any passion or energy into their activities as they are solely incentivised through material means, such as money (Herzberg, 1986).

Extrinsic rewards mean, therefore, that a person will gain no pleasure in carrying out the designated activities, and this may be counter-beneficial in the medium to long term as once the reward has been obtained, the motivation disappears. Consequently, the worker is left with the same sense of demotivation and low interest in the job that he or she had at the beginning (Herzberg, 1986).

This type of motivation is linked to organisations with an authoritarian management style (Chiva et al., 2014) and whose **organisational culture** is typically centralised and bureaucratic or based on formal rules (Bateson, 1972). This will lead to decision-making being centralised with 'top-down' communication; this is to say that when it comes to decision-making, employees from other hierarchical structures will not be consulted, and decisions will only be made by one or two managers at the top of the hierarchy (Chiva et al., 2014). The system of human resources management (HRM) based on control is focused around individualism (Heinsman et al., 2006); this means to say that as team work and group work are not encouraged within the organisation, most of the HRM practices centre around individuals themselves (Chiva et al., 2014).

The work is very 'set', there is a lot of routine and procedure, and the tasks are grouped according to functional departments (Heinsman et al., 2006). Each job position is clearly defined (Chiva et al., 2014). This formalised situation may lead to work specialisation, and the functional departments may have contradictory aims (Chiva et al., 2014); these may be incompatible with the general company aims. This may lead to conflicts between the employees over resources and to bad relationships between them (Prahalad and Hamel, 1990).

According to Chiva et al. (2014): This type of culture may turn out to be inadequate for large companies that expand rapidly, given that decision-making depends on one or two people; in this culture of individualism they may end up making poor decisions, leading to a significant risk of failure, which may give rise to them trying new company initiatives or else withdrawing altogether.

Researchers into the control theory have observed that the use of a control system whereby the above-mentioned types of culture based in bureaucracy, formality and individualism may mean that the leaders adopt a posture of **egocentrism** (Arthur, 1992).



Egocentrism is associated with **an autocratic leader** (Storey, 1989), that is to say a leader who has the sole responsibility for decision-taking and who dictates how tasks should be done and the responsibilities of each and every worker (Chiva et al., 2014) besides watching over them directly so that they obtain the results that he wants (Heinsman et al., 2006). He only communicates with those under him to inform them of what he expects of them and what the exact objectives are that they have to achieve (Heinsman et al., 2006). Everything revolves around him, and those under him should obey what he lays down and do it successfully (Storey, 1989).

This type of leader that he alone has the ability to take decisions (Baron and Kreps, 1999), for which reason workers are not permitted to collaborate or bring their opinions to bear because only he has this right; thus, neither team work nor cooperation are encouraged (Bateson, 1972).

According to Arthur (1994): Given that the leader may think he alone has the ability to take power, this may lead him to a distrust of his workers, and the relationship between both parties may become negative. This may create demotivation, lack of communication or even to a situation where he is feared due to the fact that he may impose his position of authority forcefully.

Another feature is that he may put his point of view above all others, believing it to be the only one valid. This prevents him considering new information, instead seeing only one point of view (Arthur, 1994).

Therefore, these types of autocratic leader transmit to their workers feelings such as **distrust** (Arthur, 1994), which tend to be widespread because the employees are seen as opportunists (Pralhad and Hamel, 1990). Some workers may feel undervalued or that they do not belong to the company, and consequently may reach the point of leaving the company or be less productive (Hynie et al., 2006). The workers are unaware of the targets and aims of the company, preventing the kind of successful outcomes won through working together and using cooperation and collaboration (Elliot et al., 2003).

Other feelings transmitted are **demotivation, which can entail repetition, boredom and overuse of past successes, routine** (Madajar et al., 2011), and the Control Model is closely related to feelings of **apathy or anxiety** (Ghadimi and Nir, 2011). The term 'apathy' is synonymous with a lack of participation, reluctance to get involved, lack of incentive and isolation (Ghadimi and Nir, 2011). In turn, **anxiety** is the unpleasant result of concern and worry, and therefore may give rise to feelings of

fear, worry and restlessness. (Bourras and Holt, 2007). In fact, the two emotions are closely interconnected and lead to difficulties in reaching targets.

Other emotions closely related to the human relations management model based on control are power, domination and imposition (Gebser, 1949; Graves, 1970; Beck and Cowan, 1996; Wilber, 2000).

In this way, and based on Bateson's criteria for **learning** (1972), the control management model is very little related to learning within the organisation. Individuals in the workplace usually show **zero learning** (Pavlov, 1926); it is conditioned to respond to stimuli but without undergoing any changes based on experience or information (Bateson, 1972). It is a reactive model because it responds to a single stimulus, sees the way to doing things from a single perspective, and undertakes an action to gain a single result (Bateson, 1972).

According to Arthur (1994): With the Control model, there is no kind of development due to the fact that it does not make changes based on experience or information because employees are afraid to make mistakes; they do not like change or uncertainty, and they work individually with no sharing of knowledge. Interpersonal development is made much harder, and workers cannot learn collectively to attain the company aims. Instead, what the employees do is to learn the rules and regulations through a 'carrot and stick' approach.

This system requires or encourages little training other than that necessary to do the job (Arthur, 1992). However, organisations tend to respond to problems or events that occur within, and so they are reactive in terms of training; when there is a particular problem requiring training, only then is training provided to employees to resolve it (Bourras and Holt, 2007).

Control-based HRM systems put emphasis on technical selection criteria; they require employees with specifically-demonstrated skills in the job to be done. What matters more is the knowledge held ((Koch and McGrath, 1996; Mossholder et al., 2011) about the job in question rather than what great potential and attitude can bring to the job - a spirit of commitment, collaboration and cooperation (Arthur, 1992).

Therefore, the control-based HRM system is an ideal associated with centralised and bureaucratic organisations which tend to develop when efficiency and labour cost reduction are essential for their success (Mossholder et al., 2011). The business

structures identified by Mintzberg (‘Machine organisation’ and ‘Diversified organisation’) could be considered representative examples of this ideal type and of the HRM system (Mintzberg, 1989).

**Table 1. General characteristics of Control HRMS.**

	<b>CONTROL HRMS</b>
<b>Management style</b> <i>Chiva , (2014)</i>	Autocratic
<b>culture</b> <i>Chiva , (2014)</i>	Authoritarian
<b>Principles</b> <i>Chiva , (2014)</i>	Individualism
<b>Motivation</b> <i>Chiva , (2014)</i>	Extrinsic motivation
<b>Rules</b> <i>Chiva , (2014)</i>	Formal rules
<b>Emotions</b> <i>Chiva , (2014)</i>	Anxiety, Apathy, distrust and demotivation
<b>Creativity/innovation</b> <i>Chiva , (2014)</i>	Routine, non-creative work. No innovation
<b>Learning types</b> <i>Chiva , (2014)</i>	Learning (Bateson’s learning level zero)
<b>Purposes</b> <i>(Arthur, 1994)</i>	Costs reduction

Source: “Own elaboration”.

## **2.2 The Commitment Model**

By contrast, the focus based on **commitment** emphasises the implementation of a combination of human resources practices that work together to motivate the employees to contribute high voluntary performance levels, synchronizing their interests with those of the organisation (Arthur, 1994) and creating a mutually-reinforcing relationship (Tsui et al., 1997).

The aim of an HRM system based on commitment is to secure individual commitment and increase the loyalty of employees (Arthur, 1994) through, training, education, communication, coaching and knowledge sharing (Heinsman et al., 2008).

This focus on commitment is characterised by the winning of hearts and minds (Heinsman et al., 2008). According to Baron and Kreps (1999), this human resources management system has as its aim to get more out of the workers by giving them more.

The types of organisations linked to this model are those which are sensitive about taking into account the feelings and emotions of people (Wright et al., 2001). It is not individualist but takes into account groups, teams, the organisation in general,

feelings, relationships and emotional intelligence (Arthur, 1994). Its aim is to foment close, harmonious ties among all members of the organisation (Arthur, 1992).

For this reason, the HRM system based on commitment puts great emphasis on social rules and promoting a **participative culture** (Heinsman et al., 2008), characterized by higher levels of participation among employees in management decisions, decentralization and open communication (Arthur, 1994). They are also related to conditional trust (Jones and George, 1998): individuals trust the organisation when the organisation trusts them; there is trust in leaders when these leaders trust them. When this happens, individuals make a commitment to the group – this is sociocentricity (Heinsman et al. 2008).

A participative culture is associated to a certain degree with a skills-based management model because both models aim to reinforce the workers' skills and abilities (Collins & Clark, 2003). The abilities and skills that are most valued in workers are that they can take responsibility; can work in a team; are good at planning and time management; can use communications and information technology (TIC); can take decisions; can communicate both verbally and in writing; have interpersonal skills (they are able to interact and share experiences and knowledge with everyone); are good at problem solving; and they have the powers of logical and critical reasoning (Fulmer et al., 2003). Through this, the goal is to improve the employees' personal and professional growth so that they can bring the maximum amount possible to the organisation (Arthur, 1994).

Other characteristics forming the bedrock of this model are decentralization in managerial decision-taking, the setting up of formal mechanisms for participation by employees in administrative decisions (Arthur, 1994), the provision of training in the resolution of group problems, activities to socialise and appropriate rewards (Chiva et al., 2014). All of this together may lead to a highly-motivated and skilled workforce whose targets are closely aligned with those of the administration (Walton, 1985).

This type of culture is associated with jobs which are amply defined, and it minimises hierarchy, control and coordination (Arthur, 1994). It depends on shared goals instead of formal position-taking, for which reason autonomy, involvement and trust are key words (Bijlsma and Koopman, 2003; Koopman, 1991). Behaviour is mostly self-regulated (Wood, 1996). This means that this model believes in the independence of the individual, and those involved in it look for self-fulfillment, indicating there is a shared management style.

This type of behaviour can be achieved through means of intrinsic motivation (Osterloh and Frey, 2000; Gagne and Deci, 2005). This type of motivation comes from rewards inherent in a task or activity in itself; therefore, it implies that the source of the motivation is the activity itself (Osterloh and Frey, 2000; Gagne and Deci, 2005). Individuals are motivated to act in a certain way not to satisfy egocentric needs but because they enjoy the activity and want to do it, for which reason they are willing to compromise (Herzberg, 1968). While intrinsic motivation is often associated with taking part in complex tasks, it can be said that extrinsic motivation is important as regards simple and unattractive tasks (Osterloh and Frey, 2000; Gagne and Deci, 2005).

**Table 2. General characteristics of Commitment HRMS.**

	<b>COMMITMENT HRMS</b>
<b>Management style</b> <i>Chiva , (2014)</i>	Transformational leader
<b>Cultura</b> <i>Chiva , (2014)</i>	Participative
<b>Principles</b> <i>Chiva , (2014)</i>	Pluralism
<b>Motivation</b> <i>Chiva , (2014)</i>	Intrinsic motivation
<b>Rules</b> <i>Chiva , (2014)</i>	Social rules
<b>Emotions</b> <i>Chiva , (2014)</i>	Passion, Conditional trust, Self-regulated and motivation
<b>Creativity/innovation</b> <i>Chiva , (2014)</i>	Incremental creativity and innovation
<b>Learning types</b> <i>Chiva , (2014)</i>	Adaptive learning
<b>Purposes</b> ( <i>Arthur, 1994</i> )	Win hearts and minds

Source: "Own elaboration".

### **2.2.1 The Commitment Model and its relationship to the organisational environment**

The commitment model goes beyond achieving objectives, and, as previously mentioned, it concerns itself with the relationships between employees (Wright et al., 2001), giving great importance to the organisational environment (Chatman and Flynn, 2001). Following on from Ashkanasy et al. (2000) and Smith et al. (2005), we can define the social climate as the organisation's own environment, created and perceived by individuals according to the conditions they find during the process of social interaction within the said environment and which determines their behaviour, satisfaction and efficiency levels at work.

The organisational environment of a company may affect the abilities, motivation and opportunities of the employees in order to share and combine their knowledge (Argote et al., 2003, Kogut and Zander, 1992). In particular, the relational aspects derived from good development and establishment of a social environment within the organisation, such as trust, cooperation and a shared language, are key mechanisms that enable the employees to share and reformulate knowledge so that new ideas and knowledge might spring up which can positively affect the organization (Nahapiet and Goshal, 1998).

First and foremost, encouraging HR practices based on commitment, such as group incentives and providing training and development opportunities towards greater communication and interaction between all the employees (Wagner, 1995), will give rise to increased **trust** between the employees, which, in turn, will positively influence the organisational environment (Collins & Clark, 2003; Fulmer et al., 2003).

The workers also have more possibilities to trust each other if they have interacted or had the opportunity to work with each other (Collins & Clark, 2003; Fulmer et al., 2003). The workplace takes responsibility to promote an environment that is geared to cooperation (Smith, Collins & Clark, 2005) that values personal input towards group tasks and results in contrast to individual results (Whitener, Brodt, Korsgaard & Werner, 1998).

When employees share a goal and common aims that have been communicated with openness and trust by the organization, it is more probable that there will be trust among each other in order to achieve the aims and results (Wagner, 1995).

Therefore, high levels of trust also increase the tendency of employees to both look for and offer help, increasing the chances of knowledge and experience sharing (Jones and George, 1998). An organisational environment ought to encourage the exchange of valuable ideas between knowledge workers (Grant, 1996; Huber, 2004), which, in turn, will lead to greater innovation and strong growth both of the organisation and of the people who are part of it (Leana & Van Buren, 1999).

By contrast, when trust between employees is low, people will be cautious about sharing information and ideas among themselves, and company performance will suffer (Leana & Van Buren, 1999).

Secondly, according to Nahapiet & Ghoshal (1998): **The codes and shared language in an organisation** contain a common set of terminology, symbols and general understandings that enable employees to communicate efficiently among themselves and, in this way, create a pleasant workplace environment among all those who are part of the organisation.

Consequently, just as with other aspects of the social environment, human resources practices based on commitment, such as social events at every level of the company and training opportunities to create close working relationships, facilitate and support codes and shared language between knowledge workers. Thus, the exchange of knowledge and experience between them is facilitated, and it is possible to attain the aims of the organisation, together with their consequent success (Nahapiet & Ghoshal, 1998).

For this reason, when employees interact using the same codes and language due to an openness in communication, common interests and an organisation that shares with them the aims and issues to be achieved, the result will be motivated employees who will act in the best interest of their company and not just in their own personal interest (Rousseau, 1995). When there is in place this shared interest of all the workers, this will lead to positive relationships and attitudes among employees (Collins & Clark, 2003), which will enable them to work together to generate, exchange, connect and join up ideas that were previously separate; within the organisation, this in turn will give rise to new knowledge and new solutions (Nahapiet & Ghoshal, 1998).

Therefore, according to Nahapiet & Ghoshal (1998): In the same way, if in a company there are differences in the language used to communicate between all the members, this will reduce the chances of knowledge and experience sharing between

individuals, leading to workers only looking out for their own interests and not considering the organisation as a community working together, thus bringing about a worsening in the organisational environment.

Finally, according to Wagner (1995): To promote and develop an **environment of cooperation** within an organisation, it is of vital importance to implement human resources practices based on commitment, such as allowing employees to take part in taking decisions at a managerial or organisational level, even. As previously mentioned, it is also of great importance to put emphasis on personal input contributing towards the group results and tasks in contrast to individual results.

It is fundamentally important as regards cooperation that workers know that they can give their opinion without fear of recrimination or punishment if they make a mistake (Arthur, 1992; Tsui et al., 1997); that they cooperate in an organisation that distinguishes itself by its diversity of people; and that they have an openness of communication, that is to say that they can communicate or share points of view, ideas, opinions and experiences among themselves regardless of their job position and thus enable new knowledge to spring up that has a positive effect on the organisation (Wagner, 1995).

An atmosphere of cooperation also reduces competition among the employees and increases their willingness to share critical information among each other (Szulanski, 1996).

Therefore, an organisational environment strongly pro-cooperation (MacDuffie, 1995) regarding between knowledge workers will positively affect the strong functioning of the organisation, increasing valuable and unique knowledge sharing (Grant, 1996; Kogut & Zander, 1992).

To sum up, if an organisation whose HR practices are based on the commitment model and which takes responsibility to develop growth opportunities for the employees and possibilities designed to increase knowledge sharing and commitment to the organisation (Tsui et al., 1997), this will give rise to a strong organizational atmosphere based on trust, cooperation, where the same coding and language is used. This, in turn, will encourage employees to see the organisation as a community (Collins & Clark, 2003) instead of looking out purely for their own interests (Nahapiet & Ghoshal, 1998; Reagans and McEvily, 2003). In this way, knowledge sharing between all members of the organisation will be enabled, given that it may be particularly crucial for high tech companies due to the fact that their employees often



see knowledge as a source of power and job security, a perception that makes them reluctant to share implied knowledge with other employees (Davenport & Prusak, 1998). With the help of the commitment model, this situation disappears.

**Table 3. Model Linking Commitment-Based HR Practices to Firm Performance**



Source: <https://www.researchgate.net/publication/234021442>

### 2.2.2 Learning with the Organisation and the Commitment Model

Companies that manage human resources practices based on the commitment model may be closely related to the type of learning within the organisation (Argyris and Schon, 1974, 1978, 1996) called **meta-learning**, as it is considered the refinement and improvement of abilities, technologies, processes and people within an organisation (Bateson, 1972).

This type of learning is based on reflection on and investigation into the way of bringing to fruition processes, targets and policies. When errors are detected, they are corrected and there is an improvement in the efficiency of action strategies carried out in a joined-up way (Visser, 2007).

Learning within the organisation can be defined as the process whereby organisations change or modify their rules, processes, knowledge, strategies and personnel to maintain or improve their output (Argyris and Schon 1978; Senge, 1990; Brown and Duguid, 1991; Dibella et al. 1996).

Therefore, according to Chiva and Alegre (2009b) among the elements that enable the learning organisation, and which, in turn, will enable the commitment model to be better established, are to be found:

First of all, **Experimentation**. The people who make up an organisation should be curious, that is to say to always asking why things are being done, why in this particular way, so that new ideas, processes, innovative solutions and different methods may come up; once this is done, all of them can be dealt with and corrected. This is why, as another of the features of the commitment model is collaboration and knowledge sharing through experimentation (Collins & Clark, 2003),

this will mean that the workers will have to share knowledge with each other and thus collaborate together (Hedberg, 1981; Nevis et al., 1995; Tannembaum, 1997; Weick and Westley, 1996; etc.)

Following on from this, organisations who do not fear **risk-taking** are the most likely to establish successful learning (March, 1991; Sitking, 1991; Hedberg, 1981). Environments that are seen to be dynamic and open to change need organisations which are tolerant of ambiguity, uncertainty and mistakes, since making mistakes is one of the best ways of learning as long as it is carried out with cooperation and there is no fear about it. Therefore, if what the commitment model aims for is encourage team work and learning together (Szulanski, 1996), the best way to achieve it is for an organisation to dare to make mistakes in order to learn and improve.

On the other hand, the organisation's **relationships with the outside world** are also considered a source of learning (Bapuji and Crossan, 2004). It is very important that the company should evolve according to external factors, such as competition and the economic, social and politico-legal system, owing to the fact the external environment may be a source of resources, both tangible and intangible. Therefore, as the commitment model desires that the members of an organization achieve both good external relationships and internal ones based on diversity (Oswick et al., 2000), it will be fundamentally important that a close and continuing relationship with the world outside the organization in order to be able to obtain the optimum learning experience from it (Wagner, 1995).

Some authors understand that **dialogue** is vitally important for organisational learning (Isaacs, 1993; Schein, 1993; Dixon, 1997) because, through dialogue, we will achieve a diversity of ideas, opinions (Oswick et al., 2000), collective research about processes, assumptions and problems which spring up from day to day among people. The best way to obtain it is through the commitment model because it places emphasis on effort when doing tasks to achieve successful outcomes and results by team working (Wagner, 1995), leading the workers to communicate openly among themselves (Arthur, 1992).

Finally, **decision-making done through participation** will lead workers to be more motivated, to take part more in all aspects involving the company. They will have more job satisfaction and a sense of greater commitment leading to better performance when it comes to carrying out the job, and therefore the company's objectives will be achieved (Bapuji and Crossan, 2004; Nevis et al., 1995; Goh and Richards, 1997; Pedler et al., 1997; and ScoS-Ladd and Chan, 2004). The key is

giving employees more for them to give more back in return, to convince them that they can express themselves, that they should not be afraid to make mistakes, and that there will be no sanctions or punishments should they do so. Therefore, as another aim of the commitment model is cooperation and shared decision-making, the best way to achieve it is through worker involvement (Wagner, 1995).

Given the above, these organisations will be able to encourage the sort of frameworks set out previously and thus become entities that never cease learning via the commitment model; this model promotes types of behaviour and initiatives such as collaboration, cooperation, diversity, dialogue and experimentation. Through all this is attained the personal and professional development of the workers, making them grow, improving their performance, their skills and their training to be better workers in the future (Nadler and Nadler, 1989).

### **2.2.3 The Commitment Model and Innovation**

In the commitment model, not everything is limited to success or failure but it is possible to draw positive experience from failures and always learn from mistakes (Arthur, 1994; Boselie et al., 2004) in order to improve together and in groups; in this way experiences, feelings and knowledge can be transmitted from one to another (Guest, 1997), and thus innovative solutions may arise and encourage the development of people both personally and professionally in the organisation (Arthur, 1994).

As previously mentioned, in order that the workers in an organisation learn from mistakes together and come up with innovative solutions (Chiva et al., 2014) and thus create a climate of innovation, it is essential, firstly, that a series of behaviour types are established within the organisation. For this, the implementation of a model based on commitment will encourage the behaviour types necessary to create an atmosphere of innovation (Arthur, 1994).

According to Chiva et al., 2004: These **types of behaviour and emotions** are: Fairness, which means that everyone has the right to be listened to and to work in a team, equality, harmony, community (a vision of the company as a whole without partial interests), consensus through democratic representation, trust, a shared language, social tolerance, a lack of egocentricity from the leader to the workers, delegation, participation, flexibility, imagination, creativity, innovation, and a concern and desire to learn and develop oneself both personally and professionally.

The commitment model is responsible for developing other types of behaviour, which, in turn, lead to an atmosphere of innovation, and these are autonomy and passion (Chiva et al., 2014).

On the one hand, autonomy should be given to the different departments or sections so that they proceed as they consider most opportune within certain limits (Baron and Kreps, 1999). This autonomy favours the employees assuming responsibilities, taking decisions and answering for their results (Heinsman et al., 2008).

When departments work with autonomy, it is interesting to see how communication within the company is increased, and this enables the sharing of experiences that give rise to innovative solutions and, in this way, create an atmosphere of innovation (Arthur, 1994).

On the other hand, **passion**, as previously mentioned, promoted by the commitment model is essential to create an atmosphere of innovation, and thus the workers in an organisation will give themselves to the activity they are doing with a positive attitude and concentration, putting in time and energy effortlessly because their work is about what truly pleases them and what they are good at doing (Vallerand and Houliort, 2003).

It is later, when it has been possible to develop the types of behaviour previously mentioned within the organisation, that the workers will have more chances to develop their creativity and imagination in order to innovate (Robinson, 2011). However, for this to take place, firstly it is important that a suitable management be in place that promotes proper development to increase the potential and value both of the workers and of the company (Chiva and Alegre, 2009b), and here is when it is important to implement the management model based on commitment because this model is responsible for promoting and developing types of behaviour and initiatives necessary to innovate in the organisation – these are flexible working, delegation and promotion of skills, ongoing training, motivation, long-term learning, diversity and collaboration.

On the one hand, more specifically, the initiatives and types of behaviour that the commitment model promotes for the development of imagination among the workers are an opportunity to bring to mind things that are not present in our senses all the time, and to be able to put it into practice, encouraging research (Robinson, 2011), and to be able to play about openly with ideas, improvise and explore new

possibilities which do not take things for granted or think that things can neither change nor improve.

On the other, the commitment model, in order to increase creativity, also takes responsibility for giving to the workers the chance to be able to question or look into what there is both within and outside their work environment and the organisation (Robinson, 2011), join up and combine ideas with other people, no matter what department they come from, have a `systemic thinking` (Chiva and Alegre, 2009b), that is to say to be open to changing things and to see things in a different way, creating dialogue and change. There is certainty that if a valuable idea comes up, they can give it their full attention to bring it to fruition, correcting the mistakes to be found along the way and making improvements little by little (Chiva and Alegre, 2009b) and thus achieve personal dominion (Robinson, 2011).

It can also be said that imagination, creativity and innovation favour **collaboration** so much (Robinson 2011) because they involve people so that they work together in a shared process in which their interaction positively affects the nature of the work and its results and where everyone has the same level of respect, based on equality, independently of their job position (Robinson, 2011). For this reason, creativity increases when cooperation levels between team members are high (Amabile, 1996; Tushman and O'Reilly, 1997).

Therefore, so that these two behaviour types (imagination and creativity) can happen, and therefore innovation can happen, it is fundamentally important that organisations have work spaces for creativity that are well-equipped and that have good lighting, colour schemes with a good ambiance (Robinson, 2011). It is also vital that there be a diversity of people and teams since the best teams bring together people of different origins (Robinson, 2011), and the best way to make it happen is through the commitment model. As previously mentioned, this puts emphasis on the establishment of a set of HR practices that work together in order to motivate the employees to bring high levels of voluntarily-given behaviour.

This said, as the commitment model is responsible for promoting such types of behaviour in order to innovate and, thus, modify and improve the existing processes and activities, the increase both in creativity (Madajar et al., 2011) and innovation (Dewar and Dutton, 1986) will be developed mainly in the organisations having this model.

Lastly, so that all the members of the organization enable all these types of behaviour previously mentioned and promoted with the aim of creating and innovative climate based on the commitment model, and from this same model innovative solutions are achieved, it is vitally important that they be guided who are of **mature ego** (Chiva and Alegre, 2009b), **that is to say**, a type of leader who aspires to fulfill his own potential and can accept the opinions of others (Deci and Ryan, 1985). This is where the flow of people and knowledge, defined as the experience of working at full capacity, together with a total commitment achieved effortlessly, where personal skills go hand in hand with the challenges set (Amiot et al., 2006).

Therefore, the type of leader associated with the commitment model and with all the above mentioned qualities, **is a transformational leader** (Heinsman et al., 2008). This person involves all the workers in the fixing of aims, strategies and decision taking in the medium and long terms (Baron and Kreps, 1999). Such a leader **trusts** the employees, making it known that they are an important part of the company with communication levels from the very top to the very bottom (Heinsman et al., 2008).

### **3. CASE STUDY: CISCO SYSTEMS.<sup>1</sup>**

In this section, we analyze the case study of the organization Cisco Systems. This section includes in the first place the presentation of the organization where they describe aspects such as the mission, vision, competitive strategy etc. Subsequently, we discuss how to implement and promote, through practices that set it apart as a company; the organizational climate, organizational learning and innovation.

#### **3.1 Presentation Cisco Systems.**

Cisco Systems is a leading international organization of devices and networks of the Internet in telecommunications based in San Jose, (California, United States). Local offices that Cisco Systems has in Spain are in Alcobendas (Madrid) and in Barcelona. To others that has a presence in more than 165 countries with more than 63,000 employees in more than 465 offices around the world where stands out for the multiculturalism of their employees. Cisco was founded in 1984 by the marriage of Leonard Bosack and Sandra Lerner, who formed part of the staff of computer science from the University of Stanford University. The company's name comes from the word "San Francisco". There began their deployment as a multinational company.

Its main activity is directed toward the manufacture, sale, maintenance and consulting for telecommunications equipment. And its main purpose is to meet the needs of their customers, employees and partners within the globalized social context in which they find themselves, as well as being able to solve their problems, always with the best quality and innovation.

Cisco Systems created the first commercially successful router. In addition to developing the hardware, Cisco is also responsible for developing your own software configuration and management of the same. This software is known as IOS (currently closed and totally owner).

Cisco is considered one of the major companies in the technology sector and an important member of the market of the "NASDAQ" (stock market technology). Currently belongs to the industrial index "Dow Jones" where is recorded in recent years revenues of 11.7 billion dollars.

##### **3.1.1 Products and Services.**

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<sup>1</sup> [www.cisco.com](http://www.cisco.com)

Cisco offers a wide range of products and services such as: connection devices for computer networks: routers, switches and hubs; security devices such as firewalls and VPN concentrators; IP telephony products such as cell phones, and the CallManager (an IP-PBX); network management software such as CiscoWorks, and equipment for storage area networks.

The products and services of this company are provided in business, public institutions, telecommunications companies, commercial businesses and personal residences.

### **3.1.2 Description of the Sector.**

Before proceeding to the description of the company Cisco Systems, it can be said that the technology sector and the telecommunications sector in which it is located, is characterized by a very dynamic sector, with technological life cycles very fast in which is emphasized by the constant innovation, the context is globalized, that is to say, there are no boundaries, do not constrain the distances and the market is virtual.

On the one hand, the companies belonging to this sector should have the capacity and resources to conduct high and immediate capital investment but that normally is compensated with capital recovery and profitability of business.

On the other hand, must be companies without fear of risking to uncertainty, because the research and development of products, services, processes and materials such as people, are fundamental elements of this sector. It is also characterized by companies increasingly large, complex and interactive and decentralized at the same time.

### **3.1.3 Philosophy.**

In what refers to its philosophy, is considered a company active in the society in which they live, concerned with the same without leaving aside their interests. Is a company with a vision of the future and able to perceive the needs of his time to which tries to remedy. Cisco bases its philosophy on these key principles:

1. **Concern over the impact that technology has on society:** focuses its research on the application of technology in education, through the opening of academies. Also, works with local schools, governments and non-profit organizations to, through technology, to increase the resources of students



and teachers to improve the quality of education in these schools, focusing especially on the developing countries.

2. **Its transparency with:** their results, annual accounts, collaborations etc. Most of the information, which you find in this company generates itself, as well as to become better known in your web page also has another dedicated web space to publish their own corporate news, with all this wants to foster self-criticism (an aspect which is not very common among the companies in its sector).

#### **3.1.4. Mission.**

Cisco defines its mission as follows: "to remain at all times the technological support of all of our customers, always offering a solution to every one of your needs in technology. The Client is first in everything we do. Our passion is to provide each of our clients solutions, services and products of indisputable quality always on time and without errors. We do this to dedicate ourselves to the relentless pursuit of excellence in everything we do."

#### **3.1.5. Vision.**

The vision that Cisco has been defined for your business is: "to become the world leader in the field of telecommunications and networks, and to generate a continuous growth, which is distinguished by the quality of the service, a great professional and personal development of its employees and act with commitment to the environment."

As you can see, the business vision is closely related to the mission of the company and is ruled by the same values of customer service and quality, but in the case of vision also focus on its commitment to the environment and in the development of its employees.

#### **3.1.6. Objectives.**

With regard to the general objectives that Cisco has been set at different periods, we can highlight some of them as the most important to your organization. Among these can be found the following:

- ❖ Become the more strategic business partner of our customers by offering networking and smart technology and enterprise architectures integrated in products, services and software platforms with the capacity to solve their most complex problems.
- ❖ Differentiate yourself from the majority of their counterparts in the sector.

In addition to these objectives, have other shorter-term that is setting in order to achieve the previous two major goals:

- ❖ Winning market share in all categories of key products, including those that are already leaders.
- ❖ On the other hand continue to strive to offer to the shareholders a profitable growth and generate long-term benefits. In addition, attempting to continue taking advantage of the opportunities that arise along the way.

### **3.1.7. Business Strategy.**

In terms of its business strategy, is based on a strategy based on product differentiation through innovation and quality with the purpose of being able to help your customers, meeting their needs and achieve their main priorities by stimulating their long-term success.

So says John Chambers, managing director and chief executive officer when he says that: "Cisco achieved the perfect balance between leaving intact what works make any necessary adjustments and continue to reinvent itself. The aspect that we are most proud of is having fulfilled our word: we offered products and solutions for our shareholders, customers, and partners"

All this is provided with a team trained and capable of assisting and advising their clients in the best possible way to do your purchase with security that is appropriate for the project you carry out to other high-quality.

### **3.1.8. Competitive Advantage.**

With regard to the competitive advantage of Cisco Systems, John Chambers director and chief executive officer, maintains that: "putting into practice our vision and strategy and being the best in the sectors of our customers and geographic regions.

Cisco is a large company with a unique track record, which has a strong culture of innovation, who it is passionate about the success of our customers and who possesses the talent needed to achieve results. We believe that our ability to anticipate and respond to the challenges and opportunities that are presented to us is a fundamental part of our DNA, and we plan to continue to strengthen efforts, adjusting and reinventing what is necessary to ensure our success in the future”.

### **3.1.9 Culture, Values and Ethics.**

All of this must be accompanied by a great culture, values and ethics. Macy Andrews, director of culture and global Employer Branding in Cisco maintains that:

“To have a good culture is fundamental these three pillars: train, engage and innovate, and in this way:”

- ❖ To create a great collaboration environment by offering them the best collaboration tools to connect with colleagues and with other organizations.
- ❖ Give people the opportunity to innovate and be more creative in developing ideas and solve problems.

Therefore, the most important values for this organization and that others are responsible for increasing day after day are:

1. Discipline, adaptability to change due to global and dynamic environment.
2. Leadership (we thrive to be leaders in providing solutions).
3. Responsibility to society.
4. Commitment.
5. Work as a team to achieve great victories.

So Macy Andrews, director of culture and global Employer Branding in Cisco when he says that: "At Cisco, the message is clear for all: any success that cannot be reached with ethics, is not considered to be success at all, it is essential to do business with honesty, integrity and transparency."

For that reason, Cisco has been rewarded and recognized by "ETHISPHERE", as one of the world's most ethical companies for five consecutive years, which demonstrates Cisco's commitment to its employees and to society.

### **3.1.10. Profile of the worker.**

Given the characteristics of the company, the capabilities and skills that Cisco considers that are important for the organization's work, depend on whether you are aimed at individuals with experience and which tend to be older or recent graduates.

For the first, are highlighted aspects such as specific knowledge on the subject and the experience on the type of work that is offered. That is to say, if the work is to be director of Marketing, is required to have high experience (5-10 years) in that area, or even in other that are related. It is also requiring high knowledge in computer programs that are developed in this area, and above all, high knowledge in technology (especially if you are going to a post as an engineer or software developer or Hardware).

At a general level, searching among the offers of work that Cisco offers on its web page, these tend to be the most skills required:

- ❖ Ability to lead, create and work within environments of multifunctional and multicultural teams.
- ❖ Strategic thinker and problem solver, critical but creative.
- ❖ Excellent communication and presentation skills.
- ❖ Security and risk management capacity.
- ❖ Specialized knowledge and skill in ICT.
- ❖ Strong skills of influence (leadership).
- ❖ Ability to work calmly under pressure.

If, on the other hand, Cisco is directed toward people who are newly graduated, these tend to be the most sought after skills and abilities:

- ❖ Oriented to the team, have a strong communication and leadership skills of influence).
- ❖ Have interest in learning the work in question, possess courses or work experience.
- ❖ have a passion for digital content
- ❖ Communications and Strong attention to detail, resourceful and able to prioritize under deadlines.
- ❖ Leadership, interpersonal skills, creative thinker and problem-solver.

What can be observed is that in Cisco Whether you are a recent graduate or not, what you are looking for in a profile of a worker is that has commitment and passion

for what they do, which is very communicative and to collaborate with the world as it is a fundamental pillar of the values and culture of the company. That yes, it wants to highly qualified people in the field to provide new ways to improve and solve problems.

Finally, it should be said, that Cisco Systems is an organization that considers all of its employees as "collaborators" or "Cisconianos", since all work on it are going to shared values, commitments, all working to achieve the greatest possible satisfaction of the client. They all work for only one reason that it is for the growth and development of the organization and that means to move forward together.

### **3.2. The Organisational Environment in Cisco Systems.**

At Cisco, do that all over the world (employees, suppliers, customers) to connect, communicate and collaborate is the basis for all solutions that sells. And this applies not only externally, but that, the company's own employees have at their disposal all of the company's technological tools to improve their work and be more productive. This, combined with a large labor flexibility, has made that Cisco has been a pioneer in transforming the telework in competitive advantage, and to others, that for the fourth consecutive year the company has won in Spain the toWork award "Best Places" category in the 250 to 500 employees in 2017 and also has occupied the first position as "Best Places toWork" in Latin America in 2016 due to the survey that was carried out between 1,361,021 of employees belonging to multinational corporations in more than 20 countries of the region.

In addition to these awards, has also been honored with awards such as:<sup>2</sup>

- Best Workplaces for Giving Back 2017 (ranked 9)
- Best Large Companies in the Bay Area 2017 (ranked 17)
- Best Workplaces in Technology 2017 (ranked 12)

In this way, as stated by Efe Jordi Botifoll, President of Cisco in Latin America, when it says what is the key to a good organizational climate:<sup>3</sup> "the recipe for the good work environment is composed of a new collaborative environment, a great basis of trust and open communication. But, above all, take into account that works with people.

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<sup>2</sup> [reviews.greatplacetowork.com/cisco](https://reviews.greatplacetowork.com/cisco)

<sup>3</sup> [www.eluniversal.com.mx/articulo/techbit/2016/06/7/cisco-la-mejor-empresa-para-trabajar-en-al](http://www.eluniversal.com.mx/articulo/techbit/2016/06/7/cisco-la-mejor-empresa-para-trabajar-en-al)

For more technology that is a company, the human touch is the key, we are human beyond technology".

In the first place, to create a good climate in the organization, Cisco is responsible for creating a new environment for collaboration. Uses a rights-based approach in architecture, which integrates the mobile aspects, social, visual and virtual collaboration to bring people together at anytime, anywhere, on any device with the purpose of giving the flexibility to be where they need to work better; and in this way, overcome the gaps hierarchical relationships of the Organization and improve communication between all levels of the company by enabling people to work in their own way; because when people work together can achieve extraordinary results.

Secondly, values such as transparency, integrity and confidence, are at the top of the culture and of the commercial decisions of Cisco for a good organizational climate.

For this reason, maintain their commitment to the workers, through a model of organization where mutual trust and commitment in professional and personal issues, support is being provided in any aspect of doubt between the company and the workers and that allows not only rely on professionals who are committed and motivated, but also productive. There is no employee handbook as such, nor a set schedule, but that each employee agrees with his manager the tasks to be performed and the objectives to be achieved, agreeing on how to organize your day to comply with the professional objectives and to allow them to carry out their work from any place and at any time, without the need to go to the office.

And, thirdly, another fundamental value to maintain a good organizational climate in Cisco, is that all the members, communicate through the same codes and language that allows a work environment well configured, with common interests and objectives, understandings of the problems and needs of others, and with the appropriate technological tools, fostering in this way, interaction and dialog that will lead to relationships. This strategy is used in Cisco to be a "Great Place to Work," implies that both the president of the company as the most senior executives communicate through the internal intranet news and in-depth about the processes and actions (corporate strategies, financial results, acquisitions, strategic alliances, recognitions, executive programs).

However, when in Cisco is achieved among all workers that fosters an organizational climate based on cooperation, collaboration, trust and the same language, that is

when the opportunity to exchange and combination and productivity arise from the combination between people and technology. It is a new way of thinking to resolve solutions or to consider the different ideas and thoughts of each unique culture; and that is what leads to function in a climate where workers develop and grow as professionals and people.

This requires tools and initiatives to promote the values given above, and in that way, there is a great organizational climate, and strengthen and develop to their workers. Cisco provides initiatives such as "**Our People Deal**". This is an "agreement" between Cisco and the employees on what the company expects of them and what they can expect from Cisco, it is a giving and receiving of ideas and expectations from a perspective of innovation and to attract and retain the best talent. This same agreement, expressed principles of coexistence, such as "We respect and we take care of each other. We work, we grow, learn and have fun together".

Cisco employees demonstrate and share these principles with experiences that live day to day in the organization through "**WE LOVE CISCO.**" This is an insta-world, where our employees lovers of the technology, through the hashtag #WeAreCisco and why #LoveWhereYouWork, show pictures and postings on social media such as Twitter, Instagram or Snapchat. Demonstrate how to live the impressive culture of Cisco, its relationships with peers and their real work environments. Cisco employees love to share their collective global experience, from stunning landscapes, outputs that are out of the office as a team up to anything with a Cisco logo.

Subsequently, Cisco has an open-door policy, where Cisco meetings called "**Cisco Beat**", and any employee can approach senior management to provide feedback or ask questions at any time. This initiative encourages and maintains a work environment that is inclusive, dynamic, proactive and confident as it is directly related to communication, recognition and transparency. It is a way open to interact internally and externally, by placing confidence in both the employees as partners and customers.

However, it is technology, one of the pillars of that good work environment due to **Tools for the health and well-being** such as "Cisco WebEx" that allows the telework connecting people from any part of the world, Cisco LifeConnections "", which helps employees to maintain the health and well being through Child Care Centers and "TelePresence IX5000", which is a team of three screens, which can be installed in

any room, and brings together teams, customers, and partners to make decisions more quickly. The realistic experience increases the commitment, which quickly creates relationships and trust. Allows participants to move around anywhere in the room and even be able to write to the screen being able to view all the members.

Finally, there are other Cisco initiatives aimed at strengthening the relationships between all members such as contests of multicultural cuisine of the end of the year, to facilitate and promote the exchange of different cultures; or business trips with your family that allows you to reconciling work and private life.

**Table 4. Summary of the Organisational Environment in Cisco**

<b>Factors for a good organisational climate in Cisco Systems</b> (Collins & Smith, 2006)	
VALUES	PURPOSE
<ul style="list-style-type: none"> <li>❖ <b>Cooperation</b> (Wagner, 1995; Arthur, 1992).</li> <li>❖ <b>Trust</b> (Mayer et al., 1995).</li> <li>❖ <b>Shared Codes and language</b> (Nahapiet &amp; Ghoshal, 1998; Rousseau, 1995; MacDuffie, 1995).</li> </ul>	<ul style="list-style-type: none"> <li>❖ <b>Knowledge exchange and combination</b> (Mayer et al., 1995; Nahapiet &amp; Ghoshal, 1998).</li> </ul>

Source: "Own elaboration"

In conclusion, as we have been able to observe, the management model that has been used Cisco, resembles the model of commitment. As it has developed practices and initiatives to ensure that all employees work as a team, to communicate and interact, not by looking at the individual results but in the joint achievement, involving workers in decision-making on all aspects of the organization (Rousseau, 1995); Have been instrumental in promoting the social climate that has facilitated the development of capacities based on Cisco employees, such as the ability to combine and exchange information to create new knowledge, which in turn generate a competitive advantage (Bowen and Ostroff, 2004, Collins & Clark, 2003) and that is what has helped Cisco to position itself as one of the best companies to work for.



### **3.3. Organisational Learning in Cisco Systems.**

The sector of the company Cisco Systems, the technology and telecommunications; learning, plays a very important role, since it, is essential for the economic prosperity of the organization, social welfare, the progress of humanity, personal development and to ensure a sustainable planet.

This is why, in Cisco have completely redesigned the form and the principles that address the learning; how to think, organize, finance it and feed it. So Elvira Alcalá-Zamora, director of Human Resources for Cisco Systems Spain, when he says that:<sup>4</sup> "Learning is a mission for the whole life. The moment we decide to stop learning is the moment in which we stayed back and stayed stagnant; since, we are living in an era where the job description for your next role has not yet been written. It is necessary to keep the hunger alive and never be complacent."

And in this way, this is how it has been applied in Cisco, through "**Cisco Networking Academy**". It is present in more than 11.000 academies, located in secondary schools, technical schools, high schools, universities, international organizations and community organizations around the world. The program recognizes multiple styles of students and, therefore, it uses Web-based content with media, consulting and online evaluations throughout the course, practical exercises, instructor-led training and support. Through the Academy Connection, participants have access to a community of users to share their best practices, solve problems, access to discounts and ask for help. The Cisco ecosystem partners provide expertise, resources and learning-oriented opportunities.

Therefore, for Cisco, there are a number of key factors that take place within the organization, and that, considered of vital importance, so that all workers learn and develop both professionally and personally.

In the first place, to experience at Cisco, always give the opportunity to all over the world to be able to participate more or help with other projects or even give the opportunity to dedicate those areas that do not master for adaptation to new situations and changes, thinking outside the box of traditional methods, with the intention of helping customers in new ways. This can lead to workers to learn a new skill, discover an untapped passion, or at the very least, strengthen the relationship between them.

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<sup>4</sup> [www.equipostrytalento.com/entrevistas/director-recursos-humanos/cisco-systems-espana/elvira-alcala-zamora/](http://www.equipostrytalento.com/entrevistas/director-recursos-humanos/cisco-systems-espana/elvira-alcala-zamora/)

In the second place, Cisco never afraid to take risks with new challenges. From top to bottom, all within the organization grow risks and never agree to do something simply because that is how it has always been done. Cisco teams prepare workers for new challenges, growth and many development opportunities.

In the third place, in Cisco always remain connected to both its external and internal environment through the digitalization of citizen services, governments, industries, in order to improve the services of security, health, and education. In the Cisco there is no fee, and these efforts are not driven by income, since it is one of those companies that are truly passionate about making the world a better place.

Fourthly, another essential factor for fostering learning in Cisco is the dialog. Workers are exposed to different people, different divisions and different technologies. At Cisco, you can learn what makes a product manager, sales engineer or a marketing person; there is never a "stupid question". Transmitted to all over the world who are not afraid to ask for help, communicate with confidence what aspects are in need of improvement, and both Cisco as the managers, provide them with all the resources and support needed to get better.

Finally, Cisco reflects the global culture of work but also of community. It is a great company to be able to grow and develop, as it, is supported by the leaders but at the same time it creates a team of multicultural work that enriches at all levels. Therefore, always have the opinion of the workers, because it considered that the source of the learning can be in any person and place.

However, Cisco to be able to develop and foster among all its workers these key factors, with the intention of creating learning and development, has many mechanisms, which have the support of all departments of the company.

In the first place, Cisco organizes the "**breakfast meeting**". In these working breakfasts, general director meets with the employees to open a debate on the issues that concern them. It is replicated throughout the world through online debates.

In the second place, they also organize conferences as "**Grace Hopper**". It is a conference that Cisco workers not only understand the role in the organization, but also teach them how to find the place where fit and develop what they are passionate about and promote other new skills.

To do this, first, the workers are subjected to a test of personality called “**TeamSpace**” which highlights the strengths and areas for improvement. This allows them to remember what really leads to workers to excellence, and fit perfectly with the motto of my life of "Leading with integrity to inspire courageously change". With the organization "**Global Connected Black Professional Cisco**", is responsible for providing appropriate resources to Cisco employees so that they can improve their skills."

**Table 5: Summary of the Organisational Learning in Cisco.**

<b>ORGANISATIONAL LEARNING (Chiva y Alegre, 2009b)</b>	
<b>Factors to promote Organizational learning in Cisco Systems</b>	
❖	<b>Experimentation</b> (Hedberg, 1981; Nevis et al., 1995; Tannembaum, 1997; Weick and Westley, 1996; etc.)
❖	<b>Risk Taking.</b> (March, 1991; Sitking, 1991; Hedberg, 1981).
❖	<b>Interaction with the external environment.</b> (Bapuji and Crossan, 2004).
❖	<b>Dialogue.</b> (Isaacs, 1993; Schein, 1993; Dixon, 1997)
❖	<b>Participative decision making.</b> (Bapuji and Crossan, 2004; Nevis et al., 1995; Goh and Richards, 1997; Pedler et al., 1997; and ScoS-Ladd and Chan, 2004)

Source: “Own elaboration”.

With all this, as has been noted, the practices and initiatives that Cisco has been used for the development of learning in the organization, are similar to the type of commitment. Since, the dimensions of the learning of Chiva and Alegre (2009), have been implemented through a participatory culture. And in this way, has allowed, that all workers to collaborate no matter who or where, face challenges and take risks of a jointly, to exchange knowledge, communicate openly, are committed and involved in the decision-making process of the organization; carrying out the type of adaptive learning, since, the purpose is to reflect the way in which they are carrying out their processes and policies in order to improve the effectiveness of the strategies of action of a jointly (Visser, 2007).

That is why, thanks to the model of commitment, Cisco has managed to position itself as a company that not only appreciates the work, but, is willing to provide unlimited opportunities to grow both professionally and personally.

### **3.4 Innovation in Cisco Systems**

Cisco is a market leader in innovation owing to the fact that it has never limited itself to merely dreaming but has faced up to all the challenges and risks that have been put in front of it day to day with the aim of discovering new things and giving free rein to imagination and creativity. With the team work achieved, they improve from day to day, learning from their mistakes, and they continue doing so more rapidly than ever and in a way that no one can match.

Accordingly, the company has been awarded prizes such as 'Best of Enterprise Connect 2017' and 'Best of Interop 2016'<sup>5</sup>, where their progress and innovation in networking, security and data center have stood out.

To achieve this, Cisco has relied on a great work force made up of an inclusive and diversified culture, where workers feel welcomed, valued, respected and listened to. All the workers interact easily with their companions in all parts of the company in order to create new ideas and possibilities, regardless of the work place or with whom; the important thing is to communicate to obtain new knowledge, and, in this way, achieve a common aim. They have the 'empowerment' necessary to fulfill the desired aims, without the need to have a boss over them who watches all their movements.

However, in order to achieve all the above, it is vitally important that a series of behaviour types and values between all the workers in the organization are established. There is not a better example of this than in an organization such as Cisco, which has been recognised by the 'Great Place to Work Institute' as a company where cooperation, collaboration, diversity, credibility, respect, impartiality, pride and good camaraderie all flourish. It is the norm that people emerge united and committed to their work and to their fellow workers.

In the same way, that is how José Manuel Pestisco<sup>6</sup>, Managing Director of Cisco, Spain and Raúl Ortíz<sup>7</sup>, Head of Human Resources for Cisco in Latin America, describe it when they state: "In order that the employees can share the same vision, passion and love for their work, we give them the freedom to prosper through research, communication and experimentation, and in this way the workers share

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<sup>5</sup> [www.cisco.com](http://www.cisco.com)

<sup>6</sup> [www.greatplacetowork.es/publicaciones-y-eventos/entrevistas-best-workplaces/750-entrevista-a-jose-manuel-petisco-director-general-de-cisco](http://www.greatplacetowork.es/publicaciones-y-eventos/entrevistas-best-workplaces/750-entrevista-a-jose-manuel-petisco-director-general-de-cisco)

<sup>7</sup> [www.eluniversal.com.mx/articulo/techbit/2016/06/7/cisco-la-mejor-empresa-para-trabajar-en-al](http://www.eluniversal.com.mx/articulo/techbit/2016/06/7/cisco-la-mejor-empresa-para-trabajar-en-al)

their experience and knowledge. The culture at Cisco encourages its employees to break down the four walls of the office and emerge to build real solutions that help people and leave a mark on the world. We all win together and we help to build each other. We celebrate the triumphs of each and every person and we console each other over lost opportunities. We trust each other to do the work through mutual support so that we make each other stronger and more motivated at the same time.”

To reinforce the development of all these behaviour types, Cisco has at its disposal a programme called `**Connected Recognition**`, which enables workers to reward their fellow workers for a job well done so that they always feel valued.

Once all these above-mentioned behaviour types have been encouraged and developed, the organisation will have greater chances that the workers give free rein to the imagination and creativity in order to innovate. The problems and challenges implicated become innovative solutions in turn.

To attain this, Cisco possesses new and efficient communications means, accessible to all the workers on a global scale. It allows access to the professionals and resources necessary to carry out the work in the best way possible and break down organisational barriers, enabling interdepartmental collaboration with the aim of sharing knowledge and value.

To begin with, we may find a method called `**Hackathon**`. This is a system used by Cisco for the development of ideas and innovative solutions. It is an event that brings together all the workers from the same area who want to be involved, be they engineers or from marketing. Complex problems are tackled within a limited time frame, which can be long and exhausting but fun, everyone interacts with everyone else and different perspectives are weighed up, and innovative ideas are put forward to change the world for better. This method was born from the belief a company is only as strong as its workers, and for that reason workers think and interact.

Its aim sounds as if it were everything to meet all the business challenges in order to transform Cisco and the technology (which it is), but it also tries to encourage values such as sharing together experiences and knowledge, comparing different perspectives, and letting the mind fly with all those creative ideas in order that innovation should be born.

Raul Ortíz, Head of Human Resources in Latin America de Cisco says as much when he states that: “If you’re not thinking freely/creatively/constructively/wildly, then you’re

not doing yourself justice. The best ideas come from most of the thinking that stays in the mind”.

Secondly, Cisco also has an organization of Resources for Employees called **‘EROS’**. This allows Cisco employees who are passionate about certain ideas to meet in small groups. They represent the diverse culture and interests of their employees. People from diverse cultures and job positions meet to carry out a common project.

Thirdly, in Cisco there is a **‘Rapid Action Group for Inclusion and Diversity’ (RAPID)**: these are volunteers whose job annually is to set up policies to encourage the diversity, inclusion and development of professionals in the organisation. They strive to create an atmosphere where diversity reigns, and thus to present ways of working from different perspectives, to focus on the job in hand in another way.

In addition, it should be mentioned that the work places in Cisco where these practices are developed have the feature of being bright, open and colourful. Work desks are personalised according to the tastes of each worker (with photos, figurines, flags), and there are even rooms decorated in the style of a beach or a wood. Regarding the location, the buildings are situated in such a way that they adapt to the needs of the workers, that is to say connected to shops and restaurants, and there is a nursery for small children, TV rooms and games rooms. The food menus draw from the typical foods of many different countries, and there are places to relax in the open air beside a lake.

One of the most visited rooms in Cisco is the **‘Spark’** room. Here, fun ideas are shared in WebEx meetings. They are perfect for team work or simply to come across other colleagues and share ideas and inspiration.

Lastly, for Cisco to have been able to bring about the development of the strong values and behaviour types previously mentioned, with the intention that there be in the organization a strong and stable environment for innovation, the role of the managers has been fundamental.

The leadership in Cisco is based on the full commitment to its workers. Their main objective is that everyone has the best possible experience with the projects they carry out. They get involved with their workers, they want them to know that they, the workers, can count on them in any matter, even personal. They ask that they express their feelings at all times, both positive and negative, and that they be themselves;

the leader, as well as transmitting his own feelings, also commends and is grateful for the work the employees do and guides them in how to improve it.

When it comes to assigning the workforce tasks, the leadership put great emphasis and responsibility on them. The topics to be worked on are always carefully chosen because they combine the experience of each worker and what they are good at with a new area in which the worker has expressed an interest.

To achieve the above, Cisco puts on **weekly sessions of Brunch with the Leader**, **that is to say daily interactions as a team**. In these meetings, all team members bring up challenges and problems that concern them. Everyone puts forward solutions and prepares challenges and work opportunities so that all may grow together as a team, although there is a tendency towards a policy of 'open doors', as each time a worker needs an extra moment to speak, this is always granted. Monthly meetings are also held with the Managing Director, where he shares strategy and results with everyone. Anyone can ask questions in this dynamic and open session.

So that these meetings and contacts remain flowing, both managers and employees maintain a continuous contact through '**Cisco Performance Connection**' (CPC). It is a tool that shows in clear terms the business objectives and helps in the understanding of the contribution made by employees in the company's progress. As well as this continuous feedback, CPC creates numerous opportunities for the worker's professional development and makes more fluid the relationship between managers and employees.

To sum up, as has been observed, a mix of behaviour types, communications mechanisms and the leadership style that Cisco has developed to place itself as one of the leading innovation companies within its sector has been thanks to the management model based on High Commitment. Both the behaviour types and Cisco's communications mechanisms resemble the commitment model since their aim has been to promote collaboration, passion for the work, experience sharing and diversity to enable their workers develop imagination and creativity and thus acquire new knowledge and innovate solutions. Cisco's leadership style fits with the transformation leadership style of the commitment model because the managers there have transmitted confidence, commitment and responsibility to their workers, communicating openly with them at all times without subjecting them to any type of control, only using follow-up. Thus, they have enabled the workers to maintain the appropriate behaviour types and motivation so that they never stop developing their

imagination or creativity, with the result that Cisco continues to be a leading innovation company.

**Table 6. Summary of the innovation in Cisco.**

<b>INNOVATION</b>		
<b>BEHAVIORS</b> ( <i>Robinson, 2011</i> )	<b>LEADERSHIP</b> ( <i>Collins and Smith, 2006</i> )	<b>PURPOSES</b> ( <i>Robinson, 2011</i> )
❖ Collaboration	❖ Commitment	❖ Imagination
❖ Passion	❖ Communication	❖ Creativity
❖ Share experiences	❖ Trust	❖ New knowledge
❖ diversity	❖ Responsibility	❖ Innovative solutions

Source: "Own elaboration".

#### **4. DISCUSSION**

The globalisation process in economies has made organisations, above all in the technology sector, which are characterised by continuous and dramatic changes derived, essentially, from the New Information and Communications Technologies, change their competitiveness models based on new HRM modes. In these, factors such as ongoing learning, innovation and the work environment become decisive and critical elements to create organisations that are more efficient and competitive.

Therefore, organisations should develop appropriate management mechanisms such as the Commitment Model analysed above, which guarantees the ability to retain the added value provided through human resources practices because, as we have already observed, it is people who bring coherence to the work of each company sub-system; they use, or don't use, the information to take decisions, they encourage, or don't encourage, a spirit of innovation, they study the market and come up with competitive strategies, thus defining the difference in the working of an organisation and the way the workers perform in it.

Companies that develop their workers to rapidly acquire knowledge and skills and that believe in a favourable work environment will be able to spread innovation and creativity. This will be reflected in the organisation's performance, with workers being more motivated, satisfied, productive and proud of their work. Thus, an incomparable



and unique competitive advantage will be gained, which will allow companies to be leaders in the market they operate in, as is the case with Cisco Systems.

After analyzing how Cisco Systems encourages and develops the work environment, learning and innovation, we can see that they match with the values and principles of the HR management model based on High Commitment because this organization has chosen to enrich and add value to its human capital through training, education, communication, collaboration and cooperation, coaching and knowledge sharing. It has given priority to the relationship with and the feelings of its workers, giving them confidence in their responsibilities and making them have a passion for their work. This increases motivation and loyalty among the employees, and thus they bring high performance levels to the company, which they see as a community. All this thanks to a culture of participation established by Cisco Systems, and this is why Cisco has won the hearts and minds of its workforce.

**Table 6. Summary of the association of Cisco practices with the commitment model.**

	<b>PRACTICES OF CISCO SYSTEMS</b>	<b>COMMITMENT MODEL</b>
<b>ORGANISATIONAL Environment</b>	<ul style="list-style-type: none"> <li>❖ Our People Deal</li> <li>❖ WE LOVE CISCO</li> <li>❖ Cisco Beat</li> </ul>	Development of relationships based on trust (Collins & Smith, 2006).
	<ul style="list-style-type: none"> <li>❖ Cisco WebEx</li> <li>❖ LifeConnections</li> <li>❖ TelePresence IX5000</li> </ul>	Promotion of a climate based on collaboration and open communication ( <i>Collins &amp; Smith, 2006</i> ).
<b>ORGANISATIONAL LEARNING</b>	<ul style="list-style-type: none"> <li>❖ Breakfast meeting</li> <li>❖ Discussions online.</li> <li>❖ Grace Hopper</li> <li>❖ Global Connected</li> </ul>	Promotion of exchange of perspectives, ideas and knowledge through question different methods, and thus develop the dialogue and the cooperation ( <i>Chiva y Alegre, 2009b</i> ).
<b>INNOVATION</b>	<ul style="list-style-type: none"> <li>❖ Hackathon</li> <li>❖ EROS</li> <li>❖ RAPID</li> <li>❖ Room "Spark</li> <li>❖ Brunch with leader</li> <li>❖ CPC</li> </ul>	Promotion of behaviors in order to develop imagination and creativity to be able to innovate ( <i>Robinson, 2011</i> ).

Source: "Own elaboration".

To conclude, as this is an experimental piece of writing and a case study, it corresponds to a first effort which enables the reader to know about some fundamental aspects about the application of management models based on commitment within organisations, in this case in Cisco Systems. Thus, there have been a number of limitations when it has come to assembling the information because, as mentioned above, it has been obtained from interviews from specialised magazines, from the corporate webpage of Cisco and from workers' experiences set out in the Cisco blog. Therefore, to enter into more detail concerning the organisation and for future studies, one would have to carry out a series of surveys, interviews with all the workers and have the necessary permission to access company databases to be able to collect more precise results that laid out precisely the similarity of the Cisco Systems HR management and the High Commitment model.

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