Why Does Your TOP TALENT STAY?

TRANSEARCH
EXECUTIVE SEARCH & LEADERSHIP CONSULTING

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ORXESTRA® INC.

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INTRODUCTION

"If, for a moment, you are under the impression that people tell you the truth and nothing but the truth at the exit interview, take an aspirin and lie down – hopefully, the feeling will go away."

Welcome to a "pared to the bone" book. Short and easy to read chapters focusing on a critical and complex topic. A similar-styled book focuses on what it means to be, and how to build, a great team. The team offering is complemented by how to have the culture conversation – an essential discussion because, from our own research and that of others, it's clear that only 20% of organizations can be said to be "managing their culture." This final book in the triad tackles what, for many organizations, is a make or break issue – RETENTION.

The author of a dozen or so full-length books, I decided from the outset, that in the three books referred to, each chapter be not only succinct but self-standing – fully understood without reference to the rest of the book. If you are an executive, or in any leadership role for that matter, time is of the essence. The approach is a natural response to the time pressures managers, regardless of role, are under.

Each of the books in the triad strives to meet three criteria. One: the topic is truly central to today's leadership challenge. Two: succinct, focused, a quick read and stripped of anything that isn't central to the issue. Three: easily absorbed on a one-hour flight.

If, for a moment, you are under the impression that people tell you the truth and nothing but the truth at the exit interview, take an aspirin and lie down – hopefully, the feeling will go away. Why **do** top performers stay? In seeking to answer that question, we carried out a deep dive into the recent research. The book represents our interpretation of that research.

WHY DO YOU STAY?© PROCESS

If you see value in going beyond the insights in this book, we invite you to explore the Orxestra Why Do You Stay?© process.

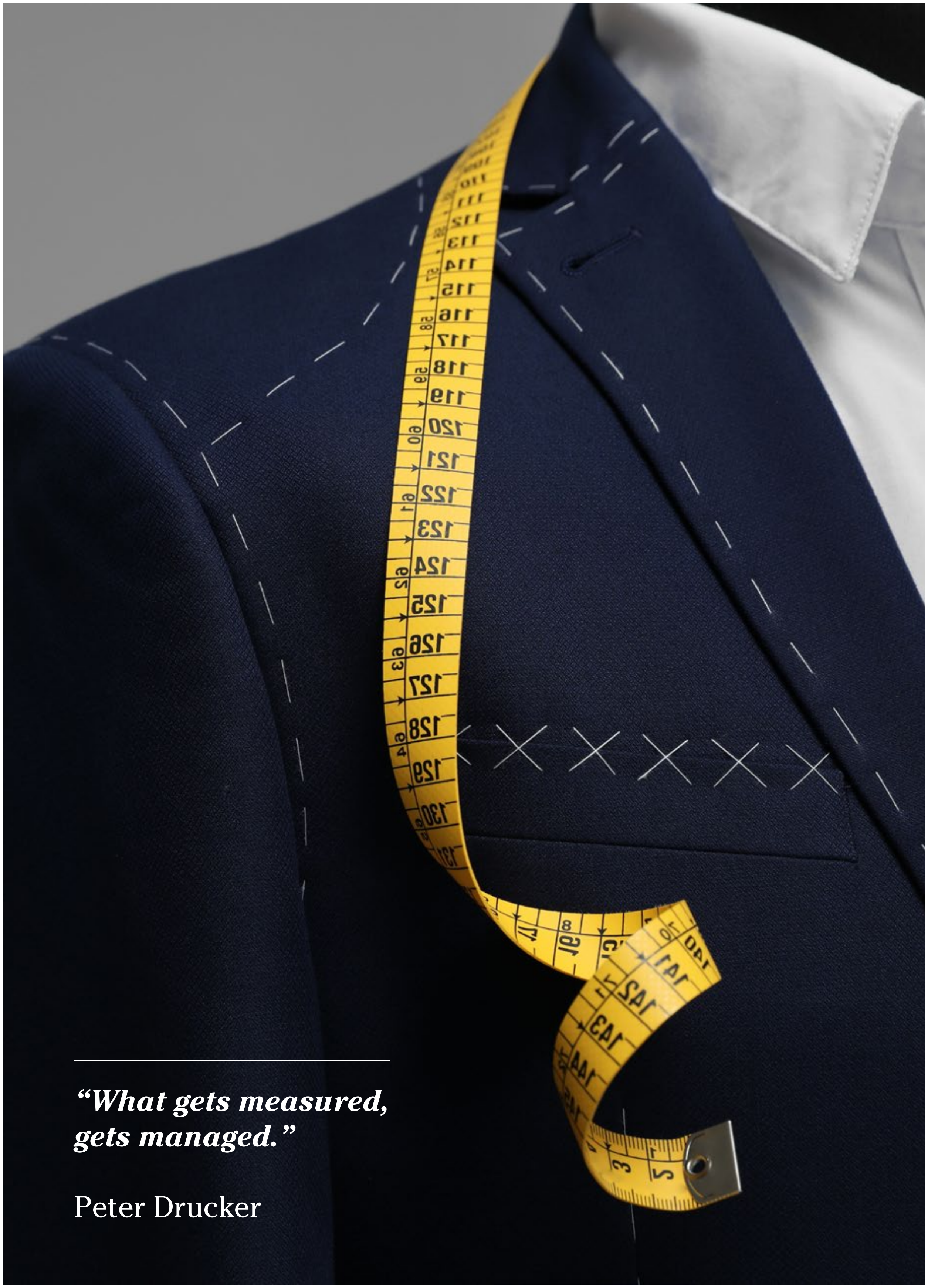
Based on appreciative enquiry methodology, Why Do You Stay?© takes selected top talent and/or a cross-organizational group (or groups) of employees through a unique technology–based assessment.[1]

The outcome identifies – from a research-based library of 60 retention factors – specifically, why those going through the process choose to stay with the organization. There are four profound benefits:

1. What keeps top talent can authentically be built into the organization's hiring value proposition. This builds on an invaluable insight "What keeps the best, attracts the rest"©.
2. If you know why your top talent stays, you can do more of it.
3. Drawing on our unique algorithm, the resulting Retention Index (RI) – drawn from Why Do You Stay?© – benchmarks the organization against a healthy retention culture; one where a stable talent pool equates to competitive advantage.
4. The platform for a rich, compelling and differentiated retention strategy.

It's not enough to simply ask top talent why they stay. The dilemma? Even with the best of intentions, their feedback is likely to be limited to rather superficial responses. In other words, they can't express what they don't know. The 60 research-based retention factors, the appreciative enquiry methodology and the forced choice approach in Why Do You Stay?© facilitate a unique conversation that is comprehensive and goes deep.

1 Invaluable in support of the succession process. Avoiding unnecessary turnover in a mission-critical role is a strategic imperative.


“What gets measured, gets managed.”
Peter Drucker

PREAMBLE

"For the first time in the history of business as we know it, employees will dictate how and in what ways the organization will unfold."

If your organization, by way of design, looks much the same as it did at the turn of the century; if you are not prepared to, as needed, cannibalise your product offering; if you consider, even in passing, that you can manage the business from the inside-out, you don't have a problem – you are facing a crisis.

Unprecedented disruption,[1] artificial intelligence (AI), 3D printing, autonomous vehicles, a new workforce, inclusion/diversity, work from home and a need to "reinvent the organization" have become the anthem for our times. The dilemma? We can't even start to appreciate the potential impact of today's scope and nature of change unless we look to the past.

Our first appreciative stop need take us no further than the beginning of the last century. Power in the form of electricity and oil, when combined with Henry Ford's assembly line (1913), didn't just change the face of business, it reinvented society. Add in a world war, a catastrophic influenza epidemic and the 1929 Wall Street collapse and you get some idea of the scope of change. It was as if a giant hand had shredded the very fabric of 19th century society. The good news? Tumultuous and turbulent though the times might have been, it was still within our capacity to stand back and understand what was happening.

To really get a sense of what the future holds, however, I would ask you to cast your mind back to Europe in the 14th century. The pragmatic likelihood is that if you had lived in those times you would have been a serf, part of your master's property – an agrarian slave. Your expected lifespan would have made you very old at 30.[2] Eating meat was an unheard-of luxury – you probably had no teeth anyway. And any attempt to ply your skills elsewhere – by stealing away in the middle of the night from the Lord who legally owned you – was punishable by hanging. Worker retention was light on hope, heavy on the rope.

And then, as if life wasn't bad enough, in the middle of the century things suddenly got a whole lot worse. The plague moved across Europe in successive waves of horror – scything down young and old with total disregard for wealth, status or position. It ravaged community after community. A quarter of Europe's population would be laid to rest. Most disruptive of all, the Black Death played favourites. In one village, death was total, while their neighbours, barely five miles away, survived.

As a prophetic reminder of how important middle managers are in times of crisis, one group dramatically affected was the clergy. Apart from the nobility, the local priests were, in all likelihood, the only ones in the district who could read. Their unique legal and administrative role made them a pillar of society. Providing religious services, tending to the sick and

1 The coronavirus being but the latest "black swan" event.
2 Life expectancy in Britain in the 14th century for men was 24 years.

giving last rites meant, however, that they were on the front line. That there were no ready replacements – and the inevitable corruption that followed – resulted in a severe loss of standing for the church. Indeed, it was one of the contributing factors in the rise of Martin Luther.

The plague changed everything. An economy where labour was plentiful was replaced by a market where the underclass, for the first time, had bargaining power. The wage economy, and with it the yeoman class, was born. Some serfs were even bold enough to "assume" ownership of land that, because no one was left alive to work it, had been abandoned. It was the first stroke in a cycle of social change that would ultimately find full voice in the American Revolution. Structural change – as is the case today – always challenges the assumed natural order of things.

What does all this have to do with retention? The unprecedented disruption AI represents is merely one catalyst in the social dislocation we are witnessing. In response to the inevitable fear and lack of trust, for the first time in 500 years power is moving from the employer to the hard-to-find employee. For the first time in the history of business as we know it, the talent you can't do without will dictate how and in what ways the organization will unfold. The song "My Way" has a new singer. We are witnessing the genesis of an entirely new class of employee. We are observing a new definition of "the organization."

Say hello to your new partner – the self-sufficient employee – the 21st-century's version of yesterday's yeomen (and yeowomen, of course). Meet the robotics engineer who will only join you if they can take two months off every summer. Shake hands with the unusually qualified, Gen Z employee who will demand a work-from-home employment contract. Embrace a future where tomorrow is not only difficult to understand – it may well be beyond our capacity to understand.

If you thought it was difficult to retain talent in the past, you ain't seen nothin' yet. Go through each of the 21 retention issues outlined in this book with one question in mind, "What do we need to do to up our game?" Failure to act, pushing retention into the background is to pass the baton to the competitor who does act.

We might not be able to fully understand what tomorrow holds … but it would be irresponsible not to do everything possible to prepare for it.

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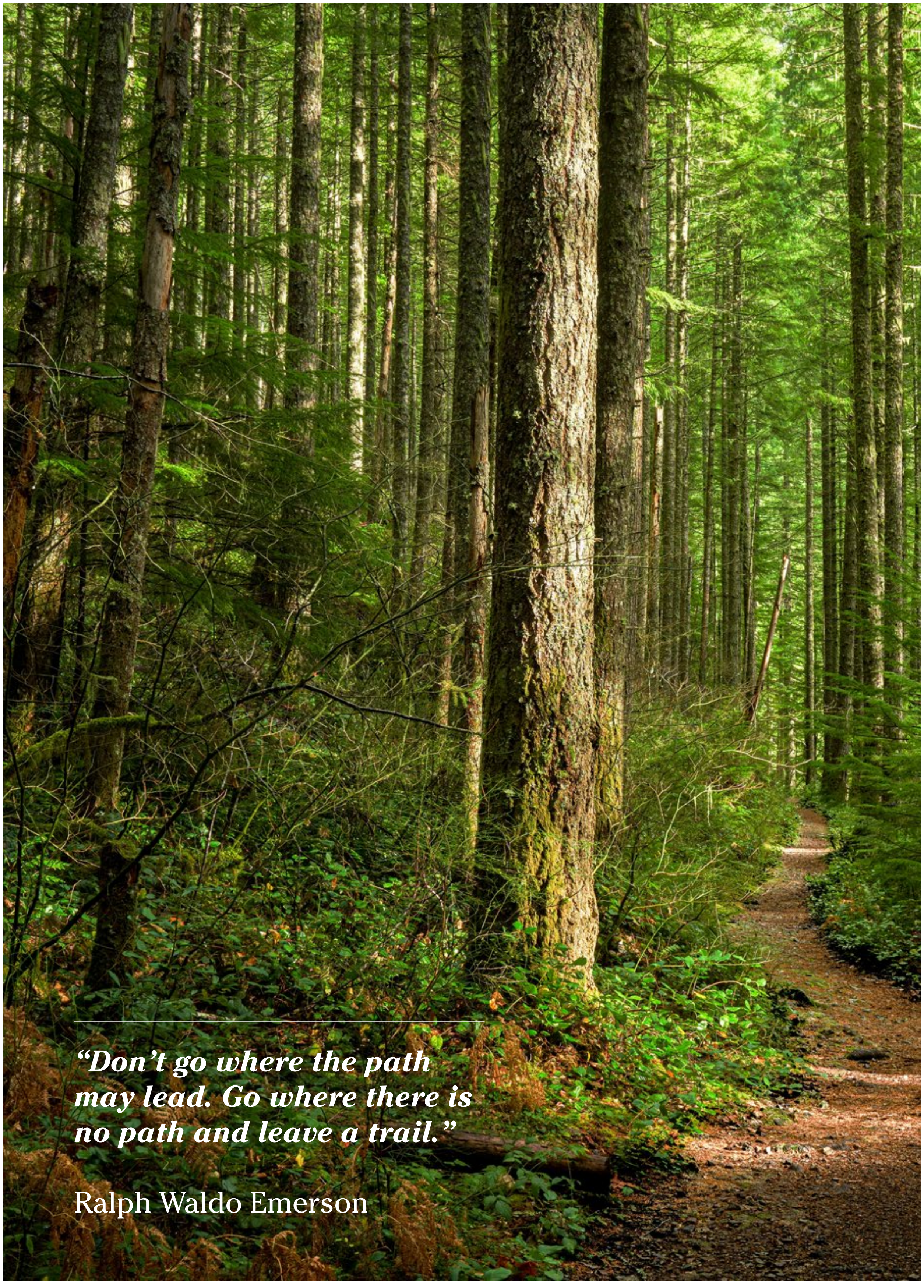

“Don’t go where the path may lead. Go where there is no path and leave a trail.”
Ralph Waldo Emerson

1. Retention Starts with WHO YOU HIRE

"Common sense dictates that there is meaningful correlation between 'fit' and retention."

Organizations would go a long way towards improving retention if they embraced the same degree of rigour in the hiring process as they do in every other key investment. And here it's worth remembering that, unlike a piece of equipment that can be returned if it's faulty, hire decisions at the top of the organization can amount to "betting the farm." To add to the drama, the realisation that you have got it wrong is a "gift" that keeps giving. In a parody of the movie *Groundhog Day* – your mistake confronts you every day, every day …

Although there are notable exceptions, in many organizations hire decisions are encumbered by a number of shortfalls: deficient data, few executives have been trained in how to interview, reference checks amount to little more than asking the candidate to recommend their close friends as referees, integration is an afterthought and virtually no measurement of the culture the organization has and needs takes place. In that the single most important reason a leader moving into a new organization fails is lack of culture fit, the latter is no small thing.

Common sense dictates that there is meaningful correlation between "fit" and retention. To that end and set against the background of the organization's values, there are six critical dimensions of fit.

1. Attraction – it's not enough to inform and involve top candidates, you have to inspire them. "What keeps the best, attracts the rest"©. Build the hiring value proposition around why your most talented people stay.
2. Culture fit – this demands a robust and business-oriented means to measure the current and emerging culture. Augmenting the need for culture fit is the candidate's overall resilience and ability to adapt to a new/different culture.
3. Performance fit – build the scorecard. Technology is playing an ever-bigger part in capturing tomorrow's success criteria. Although the score card will, in all likelihood, focus on the immediate results needed, it should be augmented by the longer-term strategic imperatives inherent in the role.
4. Leadership fit – develop future-oriented, role-specific leadership competencies. A simple list is inadequate. The leadership competencies surfaced must be anchored in a meaningful and proven leadership model. Lack of such a model gives licence to the hiring manager to develop criteria of "fit" that, surprise, surprise, reflect exactly how they behave. See the discussion on "Leadership Balance" in Part 5.
5. Team fit – assess the needs of the immediate team now and in the future. It is also essential to draw out the needed team ethos in the organization moving forward. Every time you add or change someone on the team, you have created a new team.
6. Integration – as a basic fact of business life, if the new hire doesn't land, they won't stay.

It's easy to hire the *best* candidate. Successful recruitment has to be more than a "beauty contest," however. Uncovering and landing the *right* candidate involves skill, capability and time set aside to address all six of the dimensions of fit. You can't afford to settle for the best candidate.

1. Lack of rigour increases the likelihood of a mis-hire exponentially. We know that at senior levels the cost of getting it wrong is anywhere between 15 and 20 times the annual salary. And for a member of the top team, it may be many times that.
2. The top 20% of performers deliver 80% of the results. Dilute the talent pool, hire a string of B performers and the impact is likely to be not only extraordinarily detrimental in the short term but a lasting drag on future results.

3. The real opportunity that lies behind the talent acquisition process is to settle for nothing less than ensuring that who and how you hire/promote helps build a sustainable competitive advantage.

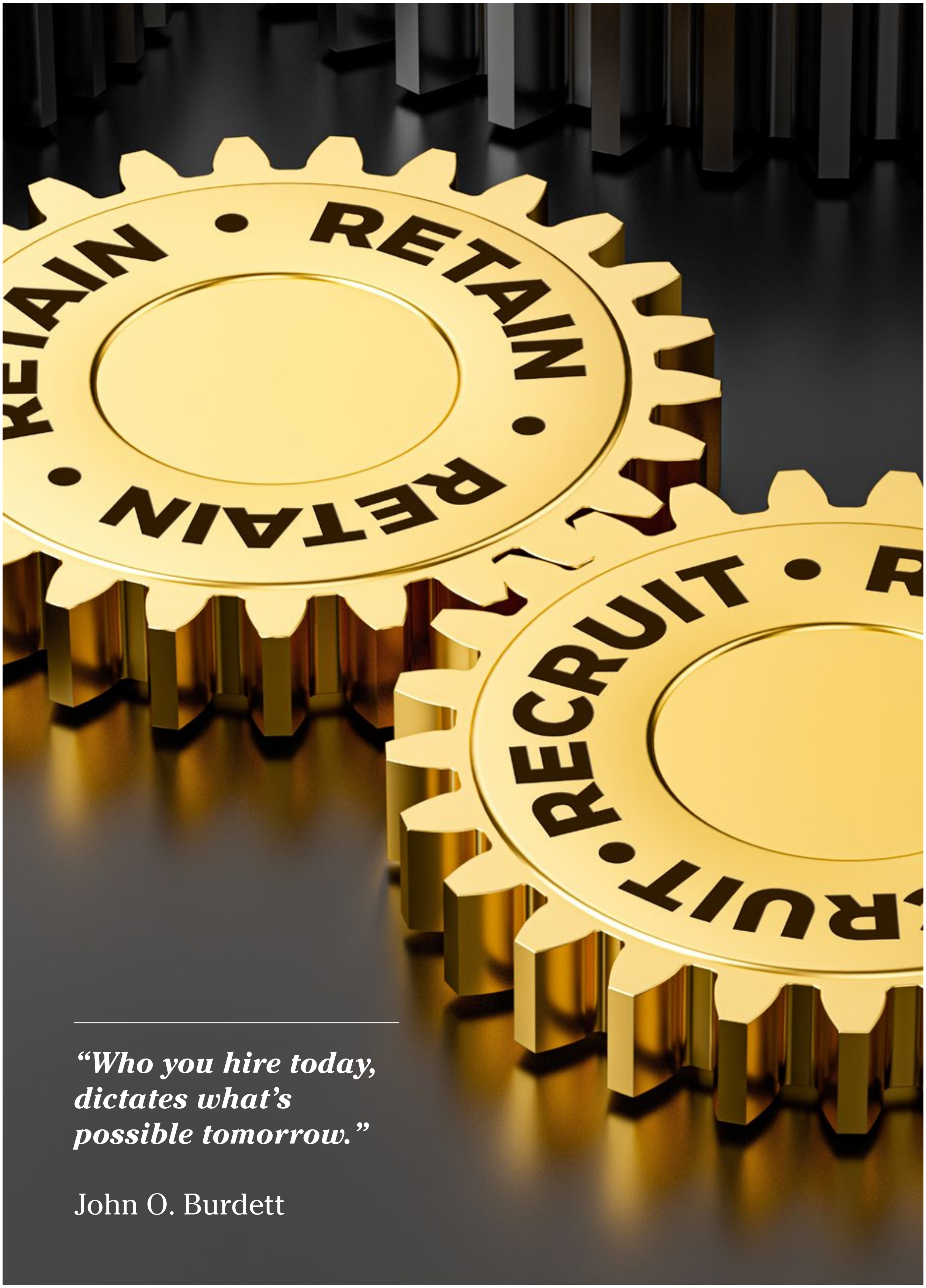
As step one, if you want to improve your organization's ability to retain key leaders, insist that as much time and effort goes into selecting the next CIO as went into identifying one single piece of the software they are responsible for.

Two additional thoughts on this theme. In a world defined by the unrelenting speed of change, "a replacement mentality" sows the seeds of tomorrow's mediocrity. All – as in **all** – recruitment is strategic. If the hiring conversation focuses on replacing the individual who was recently in the role, if the criteria describing success in the role isn't flexed to assess what is demanded three to five years out, you are displaying behaviour that is destined to destroy value.

The second thought is expanded on in Part 2. Hire for success but don't over hire. Ensure that there is enough stretch in the position for ongoing challenge and growth. If, as can happen in a tight market, the only really suitable candidate is overqualified, redesign the role.

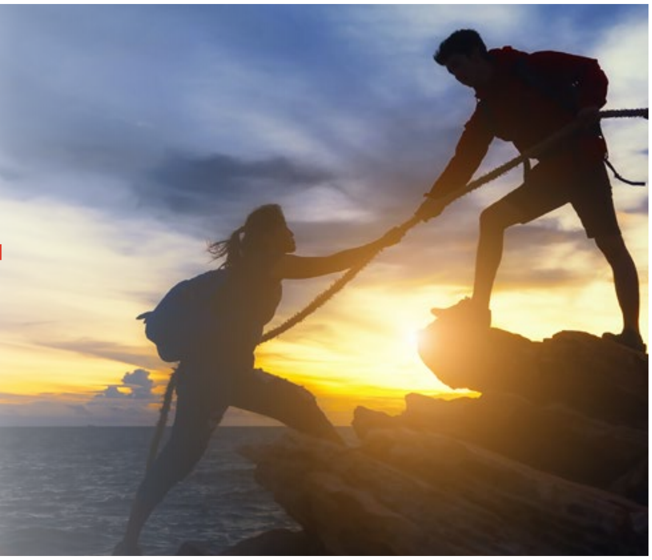
"I am convinced that nothing we do is more important than hiring and developing people. At the end of the day, you bet on people, not on strategies."

Lawrence Bossidy.
Former CEO of AlliedSignal.



“Who you hire today, dictates what’s possible tomorrow.”

John O. Burdett



2. The CHALLENGE INHERENT in the Role

"When everything is stripped away – when you get to the essence of employment stability – it's about, and it's always about, the work."

Within any rationale for employee retention lies intrinsic motivation. The research evidence to support this goes back at least 50 years.

There are a good many reasons postulated as to why an individual chooses to remain with the organization. When everything is stripped away – when you get to the essence of employment stability – it's about, and it's always about, **the work**. Work that engages, work that has challenge, work that provides personal stretch, work that builds a meaningful relationship between opportunity and capability. When people are in "flow," when they get lost in the work, when the sheer joy of what they do is a wholly enriching experience, it would take a very convincing reason to persuade them to move elsewhere.

Here we have to dwell on the word "stretch." What represents implied growth for one employee may well overwhelm another employee. The challenge? Cultural background,

skill base, how people learn, the capacity to deal with stress, resilience and an individual's personal agenda all shape what for one might equal challenge but for another might mean sleepless nights.

The way forward? Shape the role around the individual, build on strengths, develop a culture where people learn from each other, make collaboration a watchword and insist that the success of the team always trumps the quest for personal glory. A team that supports each other stays together.

If intrinsic motivation is the catnip of retention when wedded to a clear purpose, when the "why do we do this" (see Part 3) is compelling, you have not only built a strong emotional bond to the organization, you have enriched the conversation your employees are having with their friends, family and colleagues about joining your firm.

"For artists, scientists, inventors, schoolchildren, and the rest of us, intrinsic motivation – the drive to do something because it is interesting, challenging, and absorbing – is essential for high levels of creativity."

Daniel H. Pink.
American author and well-known speaker.

3. A Compelling "WHY"

"People become wedded to an organization when the sightlines between the work they do and who gains as a result of that work are clearly defined."

It's an old story but it loses little in the retelling. When Steve Jobs persuaded John Sculley to leave Pepsi and join Apple he posed a simple, but in its own way profound, question, "Do you want to spend the rest of your life selling sugared water or do you want a chance to change the world?"

People become wedded to an organization when the sightlines between the work they do and who gains as a result of that work are clearly defined. The people you really want to retain don't just want a job, they want to make a difference.

Simon Sinek tells us that customers don't buy your product, they buy why you do what you do. In a similar vein, your most talented don't stay because of the products or services you produce, they choose you because of the emotion behind **why** you produce/deliver those products and services.

Conversely, when those same thinking, feeling and potentially passionate individuals are figuratively stuck in the backroom, when they have little or no idea as to how their contribution unfolds – lack of interest in the work is a natural and inevitable outcome. Seeking a role that at least goes some way to feed the human spirit is their next step. If you are over 40 and you personally believe that "the why" is important, multiply that by 10 to realise how significant a sense of meaning is to the millennial generation and their Gen Z younger cousins.

Not that the need for a compelling purpose is new. If you were a stonemason

in the Middle Ages you might have been expert enough to be employed on building a new cathedral – a structure that would have been completed long after your death. What motivated you wasn't the ever-present challenge of cutting the perfect stone block, nor was it that you were playing a small role in building this magnificent edifice. No, what got you up in the morning, what allowed you to overcome the injuries, what enabled you to push the long hours and the hard work aside was that what you were doing was for the glory of God.

I recall an all-staff session I facilitated for a highly lauded biotech organization in Boston, Massachusetts. The audience was already committed and dedicated to the work they did. That said, there was nevertheless a discernible shift in emotional buy-in to the organization's purpose when the story of a cancer patient was shared by a tearful, close relative of the patient. A patient who was still alive because of the breakthrough work of those in the room.

I bumped into a compelling "why" when pulling this material together. In a meeting with the top team of a newly minted bionics company I asked one young executive (they were all young), "Why do you do what you do?" The answer, "We intend to make the wheelchair redundant."

Your business may not amount to life and death, but what could you do, that you're not doing today, to make sure that **all** those who serve the customer actually meet the customer? What could you do to ensure that those who make the product get to meet those who use the product? How can you surface, endorse and communicate a richer sense of "why"?

People who feel good about what they do, feel good about the organization that employs them – an organization that is inspired by a common and compelling cause – stay together.

"If you want to build a ship, don't drum up the men to gather wood, divide the work, and give orders. Instead, teach them to yearn for the vast and endless sea."

Antoine de Saint-Exupéry.
French writer, poet, aristocrat, journalist
and pioneering aviator.

4. Top Leaders Live the Organization's VALUES

"Where the values are unclear or, as is often the case, they amount to little more than window dressing on the website, the rule book grows exponentially."

Little breeds dissatisfaction quicker than an organization culture that supports leaders who don't live the organization's values. Not only does this make a mockery of what those at the top suggest they believe in, but the toxic presence of such individuals makes it a foregone conclusion that even if employees interact only tangentially with the leader in question, many of your most talented people are either thinking about leaving, or are about to leave, the organization.

Those at the top of the organization can easily convince themselves that the need to occasionally step on the organization's values is an expedient act that will easily be lost in the loud and ever-present background noise that we call "culture." What those same executives overlook is that they operate in a goldfish bowl; the more senior the individual is in the scheme of things, the greater the magnification.

Viewed through a different metaphor, executives throw a shadow that is often far beyond their personal appreciation. And the more that shadow conveys lack of values congruency, the blacker and more hypocritical it appears to those who fall under it.

Values aren't rules, edicts or policies. Values give people permission to act. Where the values are unclear or, as is often

the case, they amount to little more than window dressing on the website, the rule book grows exponentially.

If you want to encourage those you need the most to look elsewhere:

1. Push the organization's values to one side in the hiring process.
2. Fail to challenge team members who don't live the organization's values.
3. When new ideas immerge respond by saying, "I would love to do that but our rules don't allow it."
4. Make the first response to a suggestion, "yes but."
5. Strip meaning from your brand by wrapping your value proposition in a promise that you don't deliver to those who interface with the customer.

If you want to lose touch with the younger members of the team, present the values as if they are a sterile facsimile of what they really want to hear. "Quality," in their mind, means not just the product or service as seen through the eyes of the customer but includes "quality of work life." "Safety," similarly, needs to move beyond physical safety and embrace "psychological safety."[3]

While on the issue of values, if your organization needs to attract and retain members of the so-called millennium generation and their younger cousins and all things "green" doesn't loom large in the way the organization goes about its business, there is a line from the movie *Apollo 13*[4] that seems apt … "Houston, we have a problem."

"We believe that it's really important to come up with core values that you can commit to. And by commit, we mean that you're willing to hire and fire based on them. If you're willing to do that, then you're well on your way to building a company culture that is in line with the brand you want to build."

Tony Hsieh.
Former CEO, Zappos.

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3 Psychological safety is a business/team environment where people feel free to speak up, to ask tough questions, to take interpersonal risk, to be candid, to challenge the status quo – all without fear of criticism, recrimination and/or embarrassment.

4 Directed by Ron Howard; starring Tom Hanks, Bill Paxton and Kevin Bacon (1995).

5. Relationship with the TEAM LEADER

'To inspire, the leader has to believe and convey with every strand of their DNA, not that this needs to happen – but that it will happen."

There are four things[5] an employee (regardless of level) needs – not wants, **needs** – from their immediate team leader.[6] We refer to this as "Leadership Balance."

1. A clear sense of direction – where are we heading? How will the business environment evolve? Where and how is technology going to change the business? What will tomorrow look, sound and feel like? What is our unique point of differentiation? Who is tomorrow's customer? *The head.*

2. The discipline of delivery – a cadence, a rhythm, a regular and continuing pattern of behaviour where the agreed outcomes and feedback regarding those outcomes are always in sharp focus. It's about an organization that, by way of design, is agile enough to support tomorrow's needed speed of delivery. In performance terms, it's the need for everyone on the team to know where they stand. *The hand.*

3. To provide a learning environment – mentoring, coaching, stretch, building the team, a focus on learning how to learn. Currency in the job market. *The heart.*

4. That the leader in question is someone who everyone on the team respects and trusts – consistent, authentic, affirming, displays humility, keeps people informed, is tough-minded when they need to be and, regardless of the circumstances, they listen, really listen. *The spirit.*

A consistent and compelling performance ethos, day-to-day focus, an engaged workforce and a sense of belonging – all draw heavily on the four leadership domains outlined above. Lack of leadership balance – behaviour skewed towards one of the above to the detriment of the others – and innovation and responsiveness become what the competition is really good at. Meanwhile, failure to fully deliver against any **one** of these (four) leadership imperatives and for those you count on most, the grass will inevitably look greener elsewhere. Guaranteed!

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5 The head, the hand, the heart and the spirit as framed within a business leadership context were first published in my book *New Role, New Reality* (2000). The concept has been a central feature in my work around leadership ever since.

6 This is an insight that is supported by my asking over 10,000 leaders in 20 plus countries, "As you look back, who was the leader, that you worked for or with, you admired the most? What was it about them that inspired you?"

To lead is to hire, promote and build for succession – at a level of excellence. Anything less is unacceptable. Nothing is more important. To be in a position of responsibility and lack mastery in hiring is to actively mismanage a critical business asset. The head describes success in strategic terms. The hand outlines what, specifically, needs to be achieved. The heart captures the people management capability demanded. The spirit is all about character. Character matters. And in these turbulent times, it matters a lot. Talent acquisition, specifically, and talent management, generally, that fails to embrace all four leadership characteristics is a gateway to mediocrity.

It is obviously essential to be “customer-centric.” But, what does that really mean? The head implies being fully informed as to where the customer’s business is heading. It’s to understand the customer’s emerging value proposition. It’s to see opportunity through the customer’s customer. The hand means getting inside the customer’s business processes, delivering on time and maintaining the highest level of quality. The heart recognises that the buy-decision is based on emotion. Selling is not simply how well you get across what you do or even how well you do it – it’s, ultimately, how you make the customer feel. The spirit is found in truth, authenticity and living the organization’s values. Spirit comes to the fore in passion, perseverance and, when needed, patience. It is also about challenging those on the front line to improve the processes that dictate how the work gets done – and do

so every day, in every way. Efficiencies that not only improve margins but, in the quest to remain competitive, enable the firm to pass part of the cost savings along to the customer.

In shaping the emerging culture, leadership that draws on the head and the hand can be termed as "cultural drivers." Meanwhile, the heart and spirit act like "cultural anchors." If they are not present, in full measure, being who you have always been is the best that can be hoped for. Don't even think about sweeping change (e.g., introducing breakthrough technology) if the heart and the spirit are found wanting. From our own research and the work of others, only one company in five "manage" their culture. Then again, the organization's culture will change whether you want it to or not … if you are not attentive, in ways that are less than helpful.

So far so good, but even the leadership qualities outlined will likely not keep your high contributors on board should the right opportunity beckon. They need more … they need to be **inspired**. They need to believe that what we choose to call "work" is making the very best use of their time and ability. They need to be able to bridge the challenge they face today with what tomorrow's success will look and feel like. This equates to leadership of an altogether higher order.

It's not enough for the leader to communicate where we are heading. Gaining buy-in has to draw on language, imagery and story. To inspire is to make tomorrow's success come alive in the room today. If you can imagine it, you can implement it. If you can visualise it, you will be it.

The "F" word is integral to what it means to be a successful leader. That said, it's not enough to simply FOCUS on execution. To inspire, the leader has to believe and convey with every strand of their DNA, not that this needs to happen – but that it **will** happen.[7]

It's not enough to push for development and growth. To inspire, the leader has to display a personal passion for learning. Leaders are readers. They give full reign to their own sense of curiosity and draw it out in others. They see resilience not as bouncing back after a setback but learning from the experience and, as a result, being better equipped than ever. They ask great questions and, in doing so, transform *what is* into *what can be*.

It's not enough that the leader be respected. To inspire, they have to step down from the pedestal, look people in the eye and act in such a way that those they lead know, really know, that they care more about the employees' success than their own. To lead is to care. Caring is step one in engendering trust. Lest we overlook courtesy, Peter Drucker called it "The Lubricant of Leadership."

7 Having consulted to him for well over a decade, I am often asked, "What made the late (and legendary) leader, Sergio Marchionne, CEO of Fiat and Chrysler, special?" Simply put, he recognised that when faced with an unprecedented challenge, knowing what to do and how to do it doesn't necessarily get you to where you need to be – you have to believe. He made you believe.

For both the new and the seasoned leader there is some good news in all this. Although we live in a time of unprecedented change – human nature is pretty much the same as it was when our kith and kin worried about sparsity of game, being a sabre-tooth tiger's lunch and/or the unknown visitor who just walked into the village with a very big spear.

In the midst of the human adventures that AI, robotics, cobotics, blockchain, 3D printers, autonomous vehicles and their like represent – members of the team still need to know where they are heading, how they are doing, that they are growing and that trust is ever-present. And, perhaps more than ever, they need to be inspired! In fact, it's fair to state that, "The greater the degree of uncertainty, the greater the need for leadership to embody the head, the hand, the heart and the spirit become."

Good leaders will retain some of the team, some of the time. Conversely, it takes a leader who knows how to inspire – who does inspire – to instill a sense of lasting commitment from top talent.

"Now more than ever, to be a successful leader is to employ the head, empower the hand, engage the heart and enrich the spirit."

John O. Burdett

6. Clarity Regarding TOMORROW'S SUCCESS

"In what amounts to irony wrapped in a paradox, those who lack self-confidence invariably lack the will to address the very concerns that strip them of self-confidence."

Self-confidence is a funny thing; it's situational. That is to say, although I might well feel comfortable speaking to a large audience, the dance floor is hostile territory.

The difference is no small matter. People who lack self-confidence tend to avoid risk, resent critical feedback and, as often as not, develop a "victim" mentality. "Defensive routines" – as in, "It is not really my fault" and/or "You don't fully understand the situation" – are a typical response to performance concerns. Self-confident people, on the other hand, seek feedback, embrace risk and, in doing so, optimise their own learning and growth.

Apart from the implications around stretch, agility and playing a supportive role on the team, self-confidence is a state of mind that supports resilience. By comparison, people who feel they are being victimised are more likely to want to bring closure to an unhappy situation. In what amounts to irony wrapped in a paradox, those who lack self-confidence invariably lack the will to address the very concerns that strip them of self-confidence.

There are a number of things that influence self-confidence. At the very core, however, self-confidence draws on "knowing I am successful." Not thinking I am successful, not even feeling successful and certainly not making assumptions about success based on the absence of criticism, but **knowing** I am successful.

This means, unambiguous (self-monitoring) evidence of success. It speaks to agreed on and defined outcomes; outcomes that capture not merely the "what," but the equally important **"how."** To that end, it means moving beyond – what for most organizations is the default option – a traditional approach to an objective setting.

Enter, stage left, the scorecard. Rolled up into financial measures of success, a meaningful scorecard is built around these four value drivers:

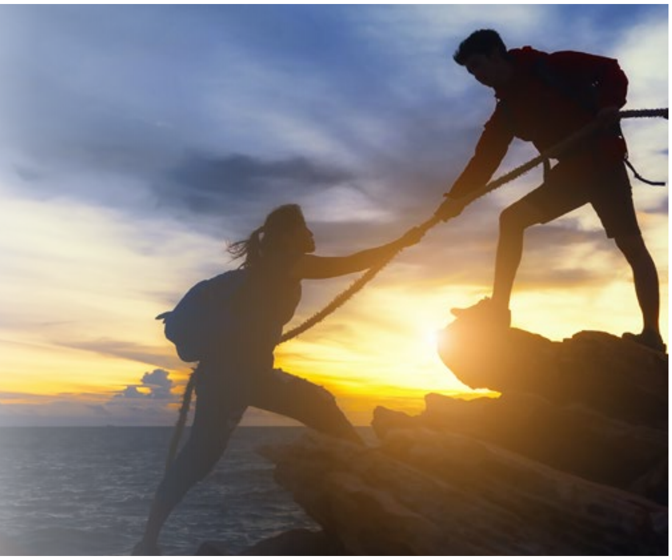
1. Market/customer value
2. Operational value
3. Human capital value
4. Societal/community value

To shortchange one value driver is to court ambiguity. Something other than a well thought through and complete scorecard is to sidestep the opportunity to build a self-confident, risk-oriented and fully engaged group of leaders/managers. And anything less is to put retention on the backburner.

"Outstanding leaders go out of the way to boost the self-esteem of their personnel. If people believe in themselves, it's amazing what they can accomplish."

Sam Walton.
Founder of Walmart.

7. Regular and CANDID FEEDBACK



"Striving for mastery is our natural state."

As human beings we are imbued with a deep sense of needing to be the best we can be. From our first breath, curiosity and learning are what drive us. We are programmed to grow. We are at our very best when we are forced to explore new questions.

Striving for mastery is our natural state. We are at our happiest when the challenge at hand means that we have to access **all** of our talents, when we hone and refine that which makes us strong (our strengths). We nourish an inner pride when we discover that we are able to tap into resources that we didn't know we had.

Imagine, on the other hand, how frustrating it would be if you were a high-jumper and there was no way to measure the height of the bar or if you were invited to play golf and no one kept the score or if the soccer game you were watching went ahead without goalposts.

It's been said that "feedback is the breakfast of champions." We need feedback. We thrive

on feedback. We flourish when we receive candid feedback – especially from someone we trust. If you want to put a brake on growth, if you want to inhibit risk, if you want to raise the level of anxiety on the team generally, limit the feedback provided.

Effective feedback takes many forms – affirming, corrective, 360 evaluation, regular performance discussions, candour in group meetings, on-going coaching, mentoring, etc. Make it timely, specific, focused on the issues – not the individual – cognisant of the role of the team and delivered with a sense of caring. Ask … don't assume. Probe … don't provoke. Lean in … don't lean on.

For high performers, wherever possible, switch to "feedforward." Focus not on what went wrong but how will that issue be tackled next time, how a successful outcome will be amplified in the future.

And the group that needs feedback most: high performers. They are the ones who push, they are the ones at the edge, they are the ones most willing to move beyond the established way of doing things. The dilemma? No feedback **is** feedback … or as Jimmy Buffet's poetic song title suggests: *If the Phone Doesn't Ring, It's Me.*[8]

"What holds people back isn't lack of desire or the need for a dream. What makes the ordinary inevitable is being trapped by past success; by continuing to do what we have always done; by taking the easy option."

John O. Burdett.

8 From the country album *Last Mango in Paris* (1985).

8. The FREEDOM to Act

"Decision-making can be likened to water flowing through a pipe."

The more senior you go in the organization, the more the capacity to make decisions shapes intrinsic motivation. In engagement surveys, for example, those in key decision-making roles are, invariably, "highly engaged."

Decision-making can be likened to water flowing through a pipe. The narrower the pipe, the slower the water flows. The same is true in your own organization. Restrict decision-making to the chosen few and delays, frustration and glacier-like change become the inevitable outcomes. People stay when they are stretched, when they have an opportunity to learn, when they are given the opportunity to make a difference, when they are given the capacity to be the "change."

If you want to drive your top talent into the arms of the competition, make them fill out reports that aren't necessary, ask them to use technology that is clearly out of date, support unwarranted levels of hierarchy, act as if departmental silos are a way of life, punish those who take risks in pursuit of the vision and fail, and make sure that your organization's culture is one where asking permission is standard procedure.

If you have a thoroughbred and you don't let it run, one of two outcomes awaits. It will either jump the fence or become overweight, lethargic and difficult to manage.

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*"Between stimulus and response, there is a space.
In that space is our power to choose our response.
In our response lies our growth and our freedom."*

Viktor Emil Frankl.
Austrian neurologist and psychiatrist.

9. The QUALITY and COMMITMENT of the Team

"Great organizations are built on great teams."

Research around retention suggests that people don't leave an organization … they leave their boss. It's a premise that is difficult to fault. It is also simplistic. The reasons why people choose to move on tend to dwell, not just on one clear issue, but on a range of different concerns that bleed into each other. For example, you can have a great team leader and still find that the other people on the team are the source of frustration.

Great organizations are built on great teams. Strong teams, in turn, display a number of common characteristics:

1. A succinct vision/strategy.
2. A team leader who inspires.
3. A compelling mission/purpose.
4. Total buy-in to the organization culture that the wider organization needs to create.
5. A commitment to the agreed goals – the pursuance of which people on the team support each other. They are also committed to support other teams.
6. "When will we be successful as a team" is clearly defined and agreed upon by the whole team – success criteria that are regularly reviewed by the team as a team.
7. Candour is alive and well.
8. Team members coach each other.
9. Synergy/collaboration both on the team and with other teams creates value.
10. New team members are successfully integrated.

To the issues listed, one needs to add that a great team is far more than a collection of individuals who work well together – a great team delivers. Always!

They also step back to regularly explore the question, "What do we need to do to take the team to the next level?" And here measurement, in the form of a team assessment, is

invaluable. If you don't know what's missing, if you don't compare yourself against what it means to be "great," it's difficult to know how and where to get better. Good, as always, is the enemy of the great.

When people talk about their work experience, what invariably stands out are those times when they were part of a great team. It might occur only two or three times in their past career, but it is so rewarding, so enriching that even years later people talk about the experience with genuine longing.

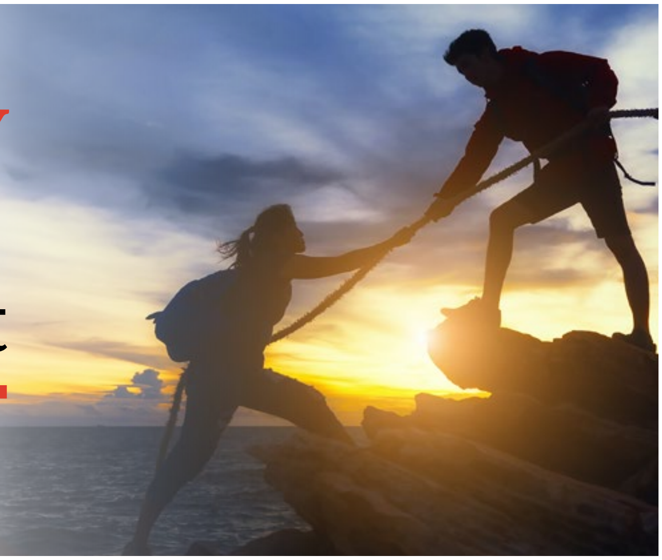
If you have managed to pull a talented group of people around you and you want to know how to retain them, ask yourself, "What do I need to do to turn them into a truly great team?" Step one – recognise that agility, risk, responsiveness and breakthrough thinking are an outcome of the team leader working **for** the team.

The only thing more damaging than an ineffective team – a great team going in the wrong direction.

"In a wired and connected world, you need super teams more than you need superstars."

John O. Burdett.

10. CURRENCY in the Job Market



"People want to be stretched, they want to feel that they are growing – no less important, they want to know that if they had to look for a job tomorrow, they are eminently employable."

In a changing and unpredictable world, learning isn't a cost; it's a critical investment. There are two reasons why successful organizations invest in learning (and yes, there is clear evidence that successful organizations invest more in learning than those who regularly play the role of also-ran):

1. Building organizational capability.
2. Providing the opportunity for employees to build currency in the job market.

The first is anchored in the simple, but often overlooked, reality that you can't grow the business unless you also grow the people in the business. Moreover, without that investment (to support growth) stress, a feeling of being overwhelmed and the tension that goes with constantly fixing mistakes clearly play a role in employee churn.

It is the second reason, however, that is even more profoundly aligned with retention. An employment relationship based on the illusion that blind loyalty brings its own reward hasn't been operable since Bill Gates was in short pants. On the other hand, a philosophy of entitlement, "a grab what you can while you can" mindset turns employment into a predatory relationship. It doesn't work for the employer. It doesn't work for the employee. And it certainly doesn't work for society.

In businesses where people make a long-term commitment, what surfaces is a different kind of employment relationship. It is based not on assumed loyalty, but draws on an unspoken "contract" that, from the employee's perspective, runs along the following lines, "I know that market uncertainty is an ongoing reality. I know you, as the employer, can't offer me employment stability but to stay here I have to feel that, no matter what unfolds, I have currency in the job market." High on the list of "employability" characteristics lie technology, experience in breakthrough processes, the spirit of innovation and an organization that embraces inclusion and diversity.

People want to be stretched, they want to feel that they are growing – no less important, they want to know that if they had to look for a job tomorrow, they are eminently employable.

Learning in its different forms is a critical investment to support growth. It is, no less, an investment in employee retention. And here, as Mrs. Shakespeare's husband might have added, is the rub. If you face tough times and you have it in mind to reduce the investment in learning, think again. Anything you save today will cost you a whole lot more tomorrow.

"You manage your career from the outside-in.
You lead yourself from the inside-out. What bridges the two is a golden thread: a lifeline that connects who you are with what you aspire to be."

John O. Burdett.

11. A Sense of COMMUNITY

"Community is found in the propensity to think 'we' rather than 'I.'"

One of humanity's basic needs is to be connected to others, to be part of a community. An abiding need that, in turn, is rooted in a primal drive to belong, to be part of something that is more than who we are, a programmed recognition that, above all else, we are a communal animal.

Community is derived from the Latin root *communis* – shared by many. Community in today's organization takes a number of forms. At a micro level it's manifest in the role team members play (as in the hire decision) when someone new is added to the team. It is evident in the way excellence is disseminated and the extent to which communities of practice are

well established. It is brought to life by the everyday attitude to health and safety. Although seen as being frivolous by some, it is fostered by the hats, T-shirts, etc., that are given out at the beginning of a training program.

Community is found in the propensity to think “we” rather than “I.” It is apparent in the “tools” that enable collaboration. It is contained in the approach to sustainability. It is bolstered when people celebrate success. It’s how diversity is embraced at a grassroots level. It’s the way the customer’s voice is brought to everyday team meetings. It is how, if it proves to be unavoidable, the organization treats employees caught up by layoffs, redundancies and/or downsizing.

At a macro level, community is nurtured through the opportunity for employees to have an ownership stake in the business. It is fostered when the organization’s brand lives inside the organization. It is found when the organization’s culture is managed – as opposed to being left to drift – and in the robustness of the conversation about the culture “we need to create around here.” It is brought to life when those inside the organization reach out and support the wider community. It’s about giving back. People stay where they feel they belong.

“When people are financially invested, they want a return.
When people are emotionally invested, they want to contribute.”

Simon Sinek.
American author and motivational speaker.

12. FAIRNESS in Performance Management

"When it comes to compensation and benefits, it's a mistake of monumental proportions to assume one size fits all."

Even the hint of a lack of "fairness" stirs up strong emotions. When people, regardless of level in the organization, feel they are being shortchanged for their contribution, retention becomes a fragile concept.

If there is one process that lacks the presumption of fairness – that exasperates even (especially) the organization's top performers – it's the ubiquitous performance management system. With the competition cheering on the sidelines, the long-established approach, of necessity, forces groups of employees into a normal distribution curve; informs the 70%+ of those involved that they are "competent," "average," "meet expectations" and/or some

other code for “less than successful”; and gives out salary increases in such a way that pretty well everyone involved feels insulted.

Long a captive of the compensation team, it’s time to break performance assessment out of the handcuffs it’s been in for the last five decades and put the responsibility where it really belongs – back into the hands of the team leader/manager. We expect leaders to bring sound thinking to their role and we reward them accordingly. It seems incongruous that in areas where their judgement matters most the appropriate way to act is “rule-based.”

Fairness isn’t limited to parity and comparison in assessing contribution. It’s no less about the extent to which the organization has aligned its approach to compensation and benefits with the real, and differing, needs of a diverse workforce; a feature that is often missing from the annual compensation survey. Fairness implies internal parity between roles, clear goals, meaningful feedback and a willingness on the organization’s part to deal quickly and fairly with those who lack the commitment needed to consistently deliver results.

When it comes to compensation and benefits, it’s a mistake of monumental proportions to assume one size fits all. An employee in mid-career with a young family has different needs and a different definition of “satisfaction” than someone who is just starting out. For one, protecting their family has priority, whereas for the other, work-life balance and an opportunity to take extended vacations may well be what forges employment “stickability.” If cafeteria benefits, flexible pay and a reward system that recognises “life-style” choices aren’t currently at the very core of your thinking about retention, think again.

“If you want something new, you have to stop doing something old.”

Peter Drucker.
Austrian-born American whose writings contributed
to the philosophical and practical foundations of the
modern business corporation.

13. FAIRNESS in Hiring and Promotion Practices

"There is no such thing as 'the perfect candidate.'"

A central plank in how people are rewarded, fairness is no less significant when it comes to the organization's hiring and promotion practices. Here the watchword is "transparency." Nepotism, playing favourites and/or a process that even hints at discrimination are guaranteed ways to get people fired up. The same is true of equipping people for the potential opportunity – access to training and development opportunities.

The way forward? Make diversity amongst those who orchestrate the hiring/promotion processes a first step. Define success for the roles in question with absolute clarity. Make sure that opportunities are widely known. Ensure that the selection process is totally free from bias. Provide clear feedback to internal and external candidates who were unsuccessful.

Let them know why they were not a fit with the role. Help them understand what they need to do to improve future candidature. Transparency rules. It's not enough to work to be fair; it has to be seen to be fair.

Beyond the points above, train managers in how to interview. Invite a qualified third party to audit the talent acquisition process. Ensure that the hiring/promotion processes are integrated into the talent management system overall. The latter is essential.

There is no such thing as "the perfect candidate." Understanding how the organization's leadership development approach is delivered, the access to mentoring, the quality of coaching across the organization and the support that can be expected from the team are all critical determinates in navigating, what can be referred to as the "tight-loose factor" in hire/promotion decisions.

Fairness and meritocracy have always been important. A 21st-century workforce – that is ever more independent of thought – makes it ever more important. If overt fairness is missing, expect the people you need most to get itchy feet.

"Employees seem to have a universal concern for fairness that transcends the self."

Deborah Rupp.
Professor of Industrial and Organizational Psychology
at Purdue University.

14. CHALLENGE the Status Quo

"All change starts (must start) with a challenge to the status quo!"

In a changing world, two factors dominate issues of organizational culture: that it be both strong and agile. Where both characteristics are present, I coined a word for it – "StrAgility."

"Strength" comes from:

1. An unwavering adherence to the organization's values;
2. A clear vision and supportive strategy;
3. A compelling purpose;
4. A clear focus on only those issues that can be said to be "critical";
5. The drive (passion[9]) for results;
6. Strong teams as a way of life; and
7. That those designated as "leaders" can be said to be truly inspirational.

"Agility," meanwhile, is predicated on:

1. The degree to which the organization is focused, flat, fast, flexible and fertile (to new ideas);
2. The early use of enabling technology;
3. How the customer's voice shows up in day-to-day meetings;
4. The extent to which simplicity is engineered into core processes;
5. Who gets hired/promoted and that the absolute need for cultural fit and personal resilience is recognised;
6. The degree to which the organizational culture promotes learning how to learn;[10] and

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9 Passion means PASS Inspiration ON.

10 There are three domains of learning: (1) simple learning (instruction); (2) learning how to learn (exploration); and (3) learning how to learn limited by the imagination (play).

7. How and where employees, regardless of role and level, are encouraged to challenge the status quo (speak to power). Consider this as “the agility imperative.” All change starts (must start) with a challenge to the status quo!

Challenging the status quo speaks to truth in communication, curiosity, candour, inclusion, letting go of past success, embracing those with maverick tendencies, benchmarking against the best-in-class and an overriding drive to win.

If you have a strong culture that lacks agility, you have the perfect system to enable you to do more of what you have always done. If you have an agile culture but one that lacks focus/ strength, welcome to a house of cards that is likely to fall with the next unexpected breeze.

Somewhere in this mix is retention. Talented employees of every stripe have an incredibly well-developed antenna for what is going on. Leadership myopia – doing what we have always done – signals personal risk. Uncertainty, whatever form it takes, impacts retention.

People stay when they see a future unfolding in ways that give them confidence. They move on when they sense today’s success is merely a dress rehearsal for a future that amounts to more of the same.

“Only those who can see what others cannot see –
can do what others know that they cannot do.”

John O. Burdett.

15. Employee's Ideas LISTENED TO

"In our hunter-gatherer past, we were far more concerned about what might eat us than we were about finding a better pointed stick."

There is no lack of ideas in today's business environment and little evidence that, given the right opportunity, people don't enjoy sharing those ideas. Go talk to the market leader in virtually any sector you choose. Why, then, are so few organizations able to claim "innovation" as part of their business reality? Two reasons loom large:

1. The pressure of actually doing swamps the opportunity to spend time thinking about doing.
2. Ideas, even those that get heard, quickly morph into more work for somebody, work that becomes yet one more burden on the "to do" list.

By way of comparison, organizations that support innovation don't see it as an afterthought or occasional event. Innovation is part of who they are; it's part of their DNA.

Innovation = curiosity x dissatisfaction with the status quo x creativity (conceptual and/or experimental) x propensity for risk x speed of learning. Organizations that deliver innovation engineer it into the way work is done; they create the space for ideas to surface; they reward risk; they have defined methodologies that challenge the status quo; they make the reality that tomorrow will be different central to how they define "culture."

Here, a word about mindset. In our hunter-gatherer past, we were far more concerned about staying out of harm's way than we were about the prospect of finding a better pointed stick. Supported by so-called scientific rigour over the centuries, we are programmed to look for what's not going to work. "What's wrong with this idea?" Innovation, competing ideas and changing the game demand that we turn this thinking on its head. "Even if it works, how can we reinvent it?" "Here is what I feel we can we can we take from your suggestion, albeit only part of what you have brought to the conversation, that we can build on."

You can't graft innovation onto the organization's way of doing things; it has to be central to its story, woven into the organization's very identity. And here comes the link with retention. When people feel their ideas are listened to – when what they say matters – they feel that they are part of something. When they have the opportunity to shape the processes that dictate how work gets done, self-confidence and a sense of playing a central role in ongoing change is both engaging and enriching.

This sense of inclusion is in sharp contrast to inevitable victim mentality that goes with the perception of being a disconnected cog in the unrelenting, soul-destroying, ever turning, totally impersonal corporate machine.

When people's ideas get heard, when they know what they say matters, when they feel part of the solution, then when opportunity comes knocking, they are far more likely to say to themselves, "No thank you, **this** is where I fit in, **this** is where I belong."

"Listening is such a simple act. It requires us to be present and that takes practice but we don't have to do anything else. We don't have to advise, or coach or sound wise. We just have to be willing to sit there and listen."

Margaret J. Wheatley.
American writer and management consultant.

16. The Spirit of AFFIRMATION

"What surfaces as an attrition problem is, as often as not, rooted in dysfunctional leadership."

If you are in a leadership role, there is an absolute way to ensure that even the most committed and loyal employees will make the "classified section" part of their daily reading. Indeed, what we are describing is the perfect strategy for facilitating employee churn.

1. Make sure that every direct report receives roughly three to five times as much negative feedback as they receive positive.
2. Talk about the future as if it were an impossible dream that top management has imposed on the business.
3. Only engage key members of the team (especially those in another location) when something goes wrong.
4. Keep people guessing, be inconsistent and, in doing so, keep the extended team on their toes – act like Mother Teresa every first Monday in the month and Attila the Hun every second Tuesday.

An unlikely scenario? Maybe? Except, I guarantee that at least 50% of the managers/ leaders in your organization act out one, possibly two, three or even all four of the behaviours identified, with absolute impunity. Moreover, many feel that the way they are behaving is exactly how you want them to behave.

What surfaces as an attrition problem is, as often as not, rooted in dysfunctional leadership. Here are some suggestions.

1. Make affirmation and "catching people doing it right" a way for every leader (starting with the CEO) to think and act. Suggest that every leader start each day with three "affirmations" in their back pocket. During the day (every day), they should then seek out opportunities to "invest" each of those affirmations.
2. Replace management by exception with management of exception – celebrate and build on success. If the only time the leader in question spends any quality time with a member of the team is when things are off track, don't expect them to build a relationship where candid feedback and/or meaningful coaching/mentoring are commonplace.
3. Monitor turnover/attrition such that problem leaders are confronted and, if found wanting, replaced. Do the same thing for hiring decisions.
4. Develop a coaching culture where there is an honest and open exchange around job satisfaction.

Channel the insights derived from the above into ongoing leadership development. Build those same insights into decisions about who gets promoted. As a simple rule of thumb, if someone in a leadership role either isn't a great coach or is not open to being coached, don't pencil their name in on any succession process. And remember – if you don't measure it, it won't get done.

"Employees who report receiving recognition and praise within the last seven days show increased productivity, get higher scores from customers, and have better safety records. They're just more engaged at work."

Tom Rath.
American consultant focusing on employee engagement.

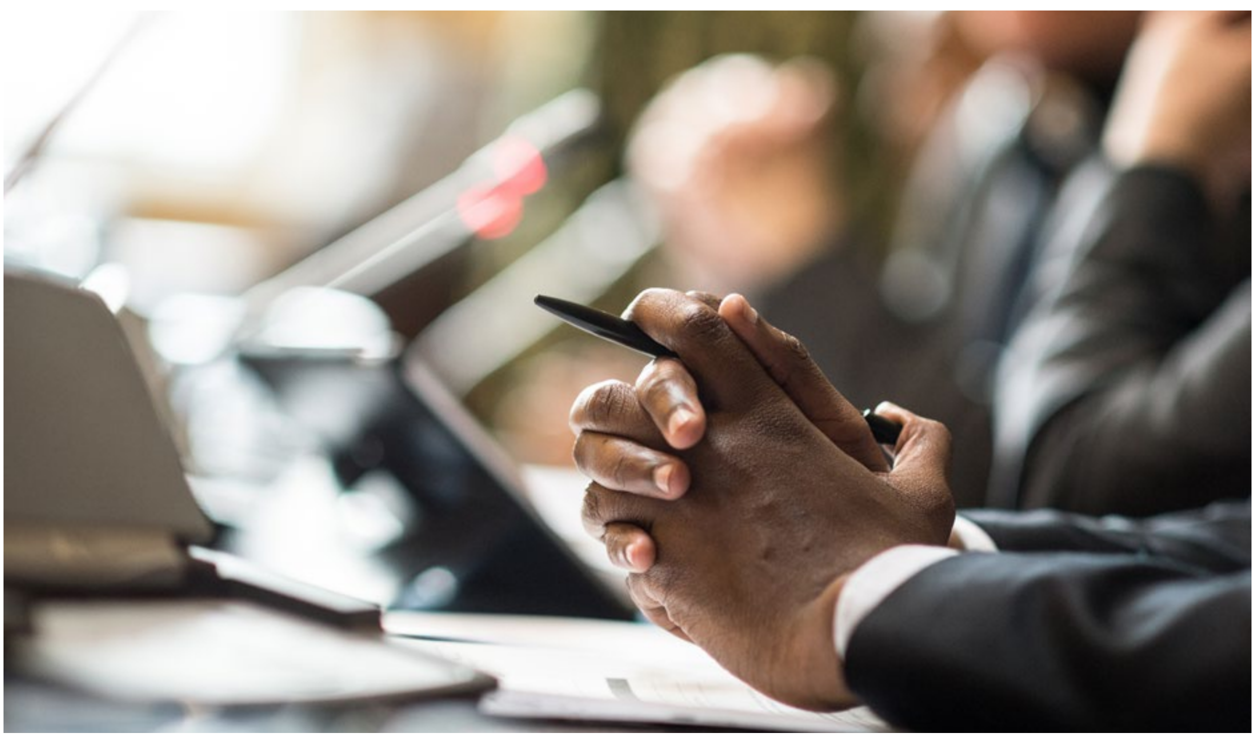
17. CLEAR COMMUNICATION from the Top

"You can't rewrite thousands of years of social evolution. As a result, you can't purge the organization of gossip."

Humankind possess a remarkable capability: show someone the smallest corner of a table and, more or less instantaneously, the individual in question is able to, in their mind, construct and, in doing so, recognise, the whole.

Indeed, we are really good at making stuff up. The problem is we don't (can't) stop making stuff up. When we hear part of a communication, when we listen to gossip, when we stand next to the CFO on the elevator and they look anxious … we make stuff up. We take in what we hear/observe, factor in past experience, mix in what we think we "know," sprinkle personal prejudices and beliefs on the top and then draw a (often incorrect) conclusion.

When we validate/share that conclusion with a colleague, we are feeding the grapevine, we



are shaping the organization's climate, we are setting the context, positive or negative, that in turn influences how people respond when possibility beckons.

You can't rewrite thousands of years of social evolution. As a result, you can't purge the organization of gossip. One might as well try to stop the sun from rising. No, the way forward is to tell people the truth as soon as those at the top of the organization know it. It is to ensure that those in key leadership roles regularly get out from behind their desk, move into the middle of the organization and let people know what's really going on.

In any organization there are two distinct cultures – (1) what leaders and managers emphasise; and (2) how those who make up the informal organization perceives things to be. Of the two, the informal organization not only dominates what's possible but is the more difficult to change. Hopefully, these two cultures are not too far apart.

In any case, appealing to, nurturing and letting people know what's going on must positively impact both constituencies – formal and informal. The key? Getting middle managers onside. If "the middle kingdom" isn't with you, no one is with you.

In building a sense of inclusion, podcasts, video-streaming and internet-based conferencing are all technological miracles of our age and are the start of it. Recognising the influence of social media and acting accordingly is part of it. But the heart of it? If you really need people in the organization to believe what you are saying, those same individuals **need** to be able to, literally, look you in the eye while you are saying it.

When we want people to trust us – as we absolutely do – know that, as a species, we are wired for a world that existed 40,000 years ago, an era that somewhat pre-dates the microchip.

"I'm a great believer that any tool that enhances communication has profound effects in terms of how people can learn from each other, and how they can achieve the kind of freedoms that they're interested in."

Bill Gates.
Founder of Microsoft and legendary philanthropist.

18. The SPEED at Which Things Happen

"When the clock-speed of the organization and the rhythm/cadence of action of an individual (or group of employees) becomes misaligned, something has got to give."

Every organization has its own "clock-speed." No less important, every employee is programmed by past experience and personal orientation to think and act with their own sense of how quickly things need to happen.

When the clock-speed of the organization and the rhythm/cadence of action of an individual (or group of employees) becomes misaligned, something has got to give. Invariably, the stress, frustration and sense of being overwhelmed by the work results in self-dialogue regarding speed along the lines of, "How quickly can I get out of here?"

The reality is, however, that regularly recalibrating the clock-speed of the organization is today's competitive necessity. The dilemma? Pushing to change how quickly things happen without building agility into the organization structure, without making the core processes

simpler, without providing the tools to act faster (information technology), without adding to people's skills, without giving those in key roles a chance to play catch-up – is the business equivalent of continuously running your car's engine at maximum revs for weeks on end. BANG!

You can't keep demanding more without there being a negative reaction. You can't keep stretching something without it breaking. You can't keep pushing and not expect that people will push back. Your top performers want you to care. And they want you to show that you care.

The answer lies in:

1. Revisiting the very foundation of how things get done – organization design. If your organization structure looks pretty well as it did at the turn of the century and to compete you know you have to act and respond faster, you are, metaphorically, trying to attach a rocket to a bicycle. BOOM!

2. Providing the tools that calibrate what is asked with what is realistically possible – core processes, investing in technology, training.

3. Ensuring that the boundary between work and personal life is respected; violated **only** if there is a real emergency. Asking people to answer the phone on their vacation, expecting key employees to respond to e-mails at 11:00 at night (every night), assuming the family will always come second, amounts to an open invitation for an aggressive predator to come in and grab your top people.

   To make things worse, the group that is most adversely affected are middle managers. In virtually every engagement survey on either side of the Atlantic, responses show that middle managers are disengaged, disappointed, disconnected and disproportionately disillusioned. And … it's all downhill from there.

If key employees sense that you don't care, why should they?

"The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn."

Alvin Toffler.
American author and futurist.

19. The REPUTATION of the Product/ Service in the Marketplace

"People want to work for an organization that they can be proud of."

Reputation is important. Name recognition is important. Being #1 has value beyond the customer's appreciation. What my neighbours think about where I work makes a difference. People want to work for an organization that they can be proud of. Being lauded in the press and the feelings it conveys generates a feeling of well-being that shouldn't be underestimated.

If those who work on the front line are reluctant to tell strangers where they work because they anticipate a negative response, you have a retention problem. If those in executive positions aren't pleased to discuss how the business they helped shape is special, you have an even bigger problem. People associate with, and thus stay with, an organization where they are proud of how the organization makes a difference.

Part of the dilemma is that many organizations have a great story but they don't know how to tell it. They have numerous examples of customer satisfaction but don't know how to share them. They have much they can be proud of but don't know how to draw out what is truly involved. If you have a good story to tell, you had better get it out there because no one else is going to.

A company with a great story is Patagonia. Accepting the Botwinick Prize in Business Ethics at Columbia Business School, Patagonia's CEO Rose Marcario said, "When you do work that's good for the world, people want to be part of it." At a different time, she emphasised, "If you fail to meet your employees' changing needs, you are not likely to attract or keep the best ones." Patagonia receive 9,000 (yes, 9,000) applications for every open position. Their attrition rate is ridiculously low.

Desmond Morris called us "the storytelling ape." We explain the world through metaphor and learn through story. A great story grabs our attention, draws us in and then, if it's the right story, appeals to emotion. Emotion, not logic. The power of emotion is that it is in the here and now. A dramatic narrative stimulates the brain to secrete oxytocin. In doing so, it makes the listener more empathetic. Long after we have forgotten who the speaker was, we still recall the stories they shared. Long after we forget what the speaker said, we still remember how they made us feel. Long after the story unfolded, the mental map that it created still shapes our behaviour. In the information-saturated environment we inhabit, telling a story is still the best way to be heard.

As an organization, you are your story. Top talent don't actually join your organization, they buy into (or not) your story. The people you need most aren't wedded to something as abstract as "an organization"; they form an attachment (or not) for what the organization stands for. Meanwhile, if those who hold down pivotal roles in your organization aren't masterful storytellers, they are making it more likely that when a competitor comes a courtin' your most talented people, they will receive a positive response.

"A brand for a company is like the reputation for a person.
You earn a reputation by trying to do the hard things well."

Jeff Bezos.
Founder, Chief Executive Officer, and President of Amazon.

20. The Work ENVIRONMENT GENERALLY

"People will stay when they feel they are in charge of their life."

The boomers drank the Kool-Aid. Long hours, waiting in the wings, moving to another city or even country, putting up with discrimination and regularly saluting the corporate flag – it was all part of getting on.

Well, the Kool-Aid has long been back in the fridge. A two-hour commute, excessive business travel, long hours, unwarranted calls at home – each represents a real good reason to work someplace else. And it's not just the price of gasoline – although that can't be ignored.

Lifestyle matters. Work-life balance matters. A focus on wellness matters. As do the opportunity to work from home (where appropriate), a comfortable and safe work environment, listening to the employees' voice and keeping people fully informed.

That's not to say that different generational cohorts look at work in the same way. A simple way to think about the differences is through the corporate symbol IBM.

1. For the boomers it stood for "I've Been Moved."
   Career shaped by assumptions around loyalty. Tolerant, self-sufficient, hardworking, disciplined, committed and are team players. Many choosing to work beyond traditional retirement dates. Many having to! Retention – security.

2. For Gen X it meant "Invest in Better Management."
   Took control of their own career. Responsible, adaptable, goal oriented and effective. Grew up with hierarchy, a results-driven culture and successes based on shareholder value. Retention – investment in upward mobility.

3. For Millennials the message is clear "Inspire a Better Me."
   Independent and achievement oriented. Technology enabled. Value work-life balance. Wellness. Loyalty to self above loyalty to firm. Entrepreneurial spirit. Focus on the environment. Less wealth than parents and it bothers them. In training and development make it "power to" and not "PowerPoint." Retention – personal growth and variety.

4. For the Gen Z we are learning that "Insecurity Begets Motivation."
   Insecure and, as a result, willing to invest in long-term relationship with employer. High depression and suicide rate. Rejects conformity and tradition. Literally, technology dependent. Highly visually literate. A view of the world beyond country of birth. Passionate about the environment. Hybrid employment highly desirable. Retention – security, personal growth and sense of fairness.

"Being a great place to work is the difference between being a good company and a great company."

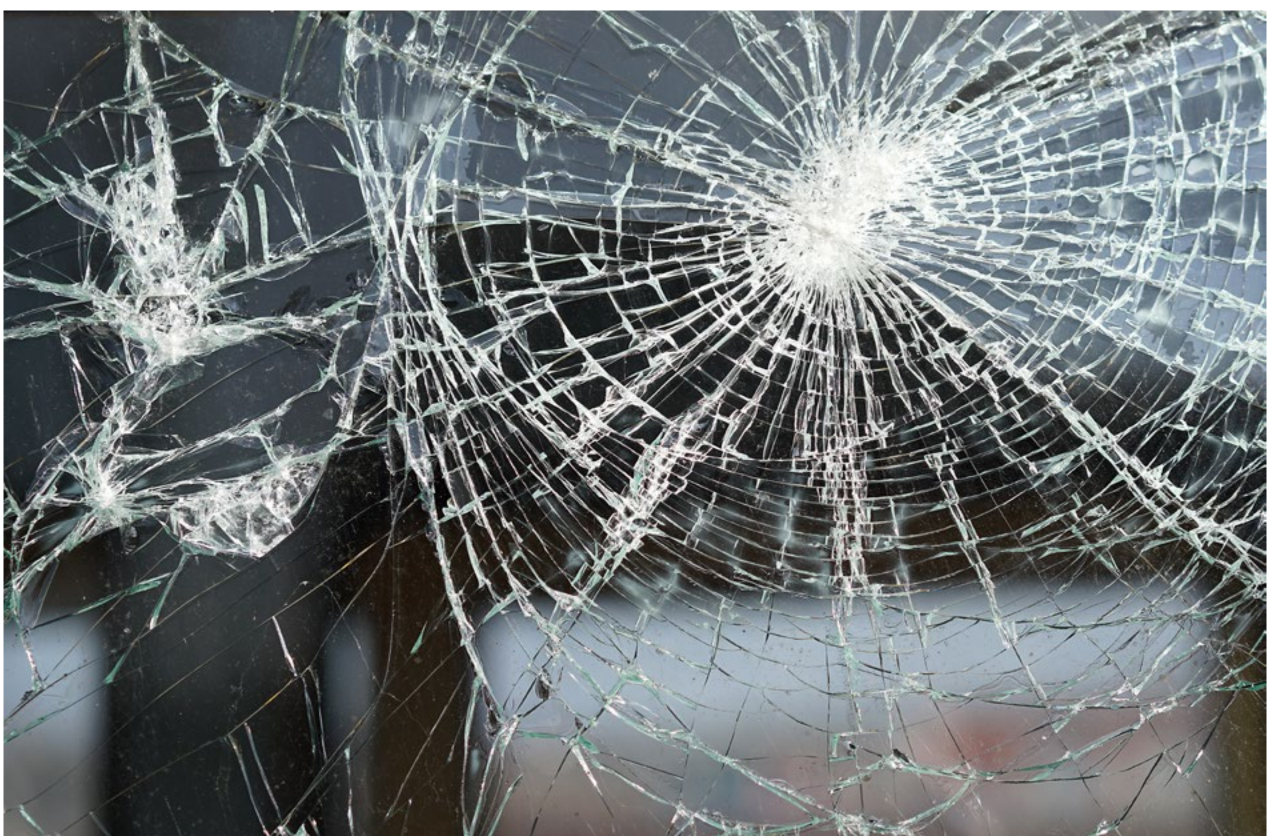
Brian Kristofek.
President and CEO of Upshot, Inc.

21. When CRISIS STRIKES

"Ultimately, loyalty has to be earned."

There is a big difference between an acquaintance and a friend. The problem? You don't find out until crisis strikes. Acquaintances blend into the background, but friends are there for you.

Organizations are no different. And it matters because employees know the difference. Leaders who endure understand the power of caring. They know that the real measure of what it means to be a leader is found in the response to the unexpected and/or the unforeseen; in how leaders act when the organization is hit by a crisis – in the behaviour of the team leader when a team member is faced with an emergency.



When tragedy unfolds and the human side of that drama isn't the organization's number one concern, then everybody loses. Only those playing leadership dress-up put business issues first when a fellow employee is in need. "Never waste the opportunity offered by a good crisis," is a quote first attributed to the Italian Renaissance writer Niccolo Machiavelli. A crisis is indeed an opportunity: To show that you care!

The coronavirus disease (COVID-19) was a case in point. How the organization deals with these unprecedented – in this case life-threatening – events in the short term remains, indelibly, in employees' minds. And not just for those most at risk. The questions customers and employees alike want to know are, "Who are you? What do you stand for?"

Great companies put people first. Not just as it applies to a national emergency but when an employee has a sick child, when unexpected tragedy happens or when mental health arises.

"Ensuring the well-being of **every** employee is a leadership imperative. Some leaders are born. The best are forged in the heat of battle. The extraordinary, those who are long remembered, make how they lead during a crisis or employee emergency central to their legacy. Leaders, those who create sustainable value, put people before profit. Leaders must lead!

"When written in Chinese, the word for 'crisis' is composed of two characters. One represents danger and the other one represents opportunity."

John F. Kennedy.
The 35th President of the United States.

CONCLUSION

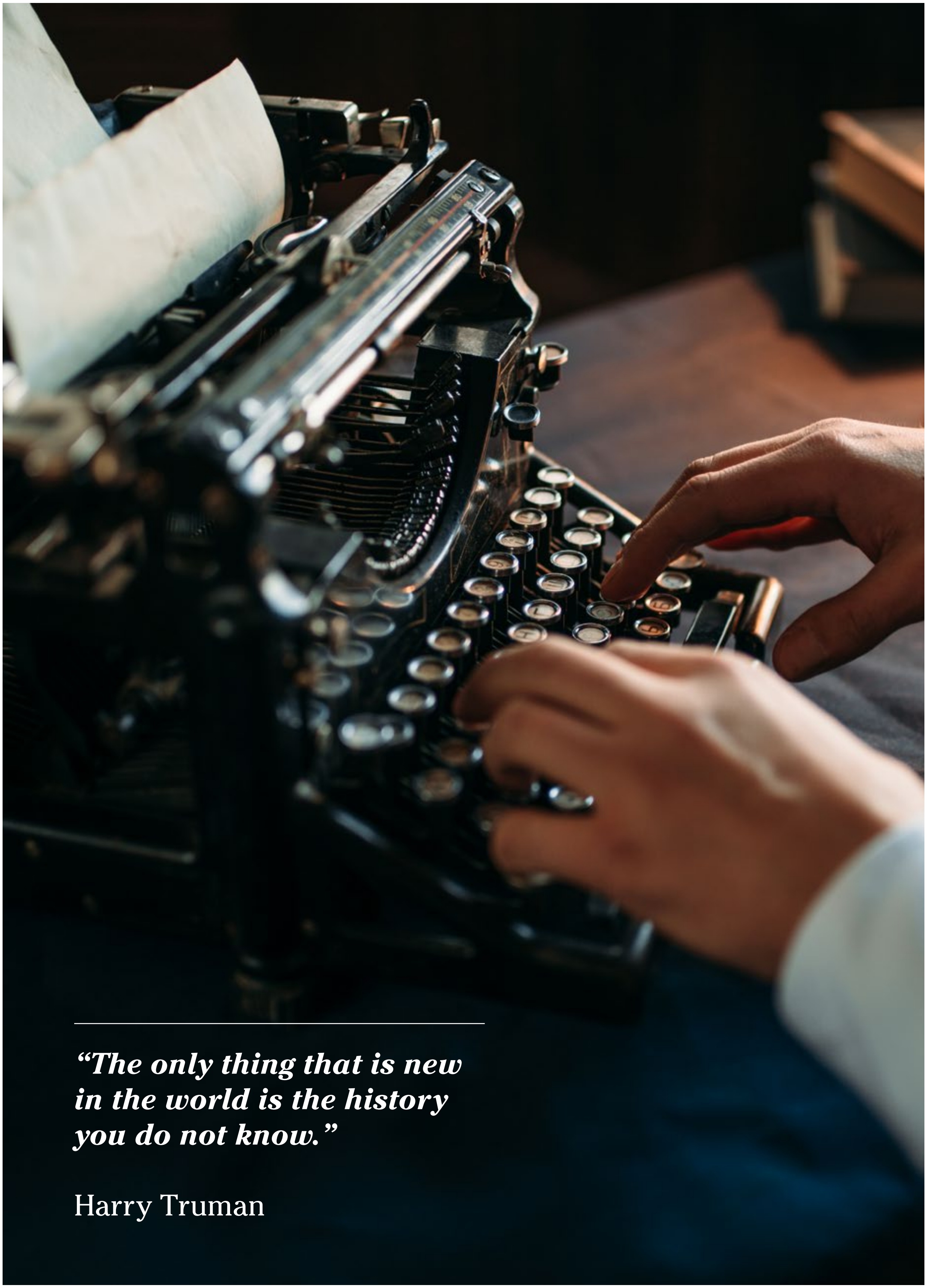
On my subway journey downtown, I am faced with a barrage of advertisements and product offers. Mental health dictates that the vast majority of these overtures to the wallet are pushed into the furthest recesses of our non-conscious brain. We have all learned to ignore them.

One advertisement always catches my eye, however. It's for a chain of men's hairdressing salons. Now, in the normal course of events, one might expect that a visit to a leading salon would result in a decent trim. Not so for their clientele. No, "a haircut" is merely the vehicle for what, as a business, they claim to really deliver – **"the look."**

At one level their value proposition outlined is entirely frivolous. At a deeper level it clearly strikes a chord with their potential customers. What they are appealing to is an intangible; what they understand is that future buyers of their service don't just desire a good scissor job – what they really want is to feel good about who they are.

Running a successful business amounts to far more than "the look." Retention, in particular, means creating an environment where people are stretched, where the relationship with the team is enriching, where learning is a priority, where fairness is apparent in everything the organization does, and where all of the retention characteristics identified are central to how the business does business.

There is a simple truth here. People will stay when the business environment and the work they do makes them feel good about who they are — and they are likely to move to greener pastures when they don't. What do you currently do – what can you do beyond what you are already doing – to make employees feel good about who they are? The emerging reality? How you act on retention today, determines the degree to which you will be successful tomorrow.



“The only thing that is new in the world is the history you do not know.”

Harry Truman

John O. Burdett

“What keeps the best, attracts the rest”©.

- J. O. Burdett

JOHN O. BURDETT has worked in over 40 countries as an executive and as a consultant for businesses that are household names. He continues to work on leadership development and organization culture for some of the world’s largest corporations.

In 2019, his work with ABB’s top 240 executives received a major international award for the most innovative leadership development initiative of that year. His ongoing partnership with TRANSEARCH International means that his proprietary work on talent acquisition, in any one year, successfully supports many hundreds of top leadership appointments on six continents.

He has written extensively on executive coaching and was awarded international coach of the year by the Finnish Institute of International Trade. Business graduates at the University of Texas indicated that his material on coaching was the single most valuable learning source they took away from their undergraduate degree. He has also coached numerous executive teams around the world in how to coach. He currently coaches a select group of CEOs.

Apart from a range of corporate leadership workshops, he has taught at business schools on both sides of the Atlantic. His work on the MBA program at the University of Toronto received a teaching excellence award. John holds a doctorate in management development and is a Fellow of the Chartered Institute of Personnel and Development.

In addition to numerous business articles and twice being awarded article of the year by MCB publications, John has published 16 books on leadership, talent management, coaching and organization culture. A number of them bestsellers. His most recent book is a fully revised version of his international bestselling book on executive integration: *Without Breaking Stride*. To download his current business articles go to www.transearch.com/orxestra/downloads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"You can't grow the business unless you grow the people in the business."
John O. Burdett