



## WHY SHOULD I WORK FOR YOU?

Motivating and holding staff today is arguably the toughest game in town and throwing money at employees is not necessarily going to provide any long-term success.

Ask yourself 2 questions.

1. If you are holding a conversation and you feel good, then is the conversation more likely to have a superior outcome?
2. If you are holding a conversation and you don't feel good does the conversation often go astray:
  - you get annoyed or frustrated?
  - and even end up in a confrontation?

Well if you have answered "Yes" then reflect on how your key people may respond. The same perhaps? If so, are there then implications for your business?

So what do your highly valued people really think?

Now consider this.

Australia in early 2008 enjoys an unemployment rate under 5%, and, as forecasts emerge of a looming talent crisis, a priority for businesses will be to recruit, as well as retain superior staff.

What makes employees content, however? Is it money? Is it training and career development programs? Is it work/life balance?

CMG maintains staff satisfaction comes down to two factors. One is money, because people won't work for nothing. And people need to feel that they are being paid at least what they're worth.

The other imperative is a sense of security through feeling valued, reflecting the hierarchy-of-needs theory espoused so famously, and controversially, by US psychologist Abraham Maslow. (See panel image next page)

### ***People want to belong.***

We often talk about Maslow's theory and all those needs come into play if you're going to retain staff.

You need to provide people with a good, safe, comfortable environment where they don't get exposed to politics and poor management practices. People need to feel they belong - that's a very big part of your business.

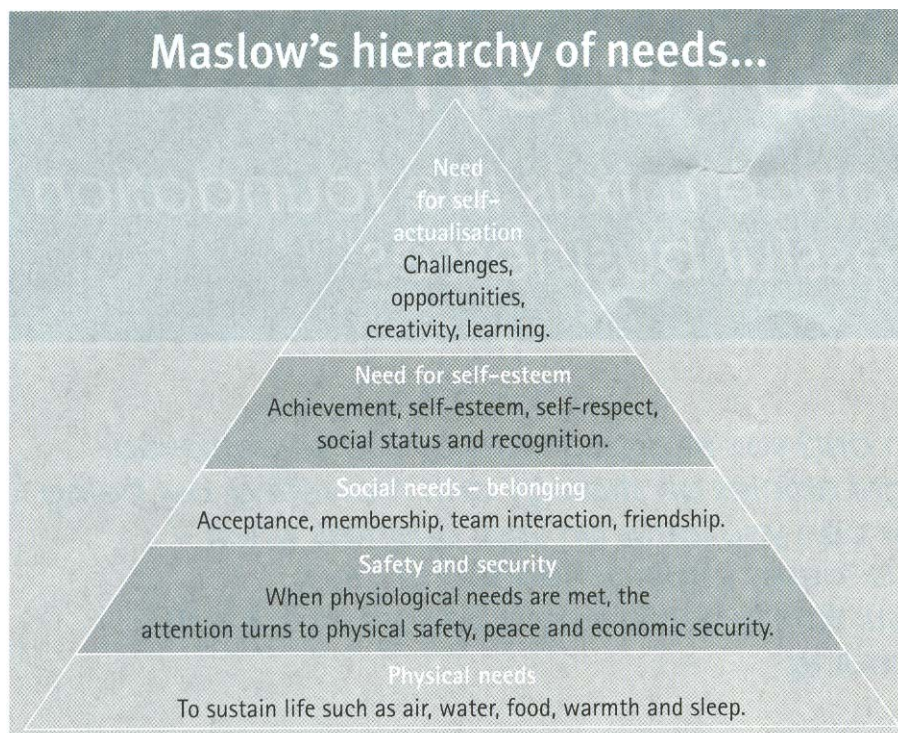
A new survey also suggests Australian employees are not overly happy, with lawyers and bankers topping the list of malcontents.

The CMG research reveals that 55 per cent of people working in the legal sector and 52 per cent in the banking and financial sector are either "unhappy" or "very unhappy" with their current job. 45 per cent of staff across all employment sectors and wage brackets are unhappy.

Therefore money is not the only solution. People earning more than \$150,000 a year are most likely to be unhappy at work, with 49 per cent of such respondents confirming their career frustrations.

The risk, of course, is that dissatisfied staff will walk out of the office one afternoon and not come back.

Bosses and senior managers must provide employees with a sense of purpose. Executives should be determined to create a positive environment for staff – that way they stay longer.



Often people get to the point where they think 'Why am I doing this? Why am I heading in this direction? What am I seeking to get from all of this?'

It is essential that companies provide some of the answers.

If employees have a deeper sense of purpose, then often they're more motivated. You can find in organisations very talented people who at times in their career get lost, stuck and confused. Often in those times they think the solution is to leave the company. But if you

look at the career options available to employees, there are actually 10 options and option number 10 is to leave the company. A lot of people miss one to nine and go straight to number 10.

Companies should double their efforts to retain employees who are undergoing extra training or studying for a degree such as an MBA.

A natural reaction is 'Once I've got an MBA, I'll look for a job'. And sometimes there's a lot of opportunity right under their nose in their current organisation."

### ***Paying for the privilege***

There is little doubt that the hunt for good staff is heating up. The 2007 Sensis Business Index found that a chief concern for small and medium-sized businesses is finding good staff.

One option is simply to pay valued staff more money. A 2007 salary survey shows that Australian firms are paying about \$1500 more on average for office workers this year compared with 12 months ago, representing an increase in average wages of 3.81 per cent. More significant salary rises are expected over the next 12 months.

For small businesses, matching the salary packages of larger corporations is difficult. SMEs have to overcome salary limits and offer staff alternative, non-monetary rewards such as training, fresh challenges, social and community connections and a family-friendly environment.

Most people don't think about how much they are being paid when they open their eyes in the morning. The majority of staff departures are the result of an emotional or cultural misfit. It's almost never about money.

However, on balance, not all agree. Recruitment specialists will always argue that pay will be the deciding factor when people choose a job. Work/life balance, job location and career prospects may be important, but they say, a great salary will seal the deal in most instances. A survey from one recruiting firm of more than 1500 workers shows that 84.7 per cent of respondents say they would take a high-paying job even if they had doubts about the boss or other staff in the workplace.

We would add here it is in their interests to promote this view.

CMG, devoting much time to workforce alignment and retention, contends too little attention has been paid to the issue of retention. Partly the reason for that is until recently the whole issue of retention has been a fairly grey one and there hasn't necessarily been the tools and the metrics to provide a more scientific approach or diagnosis.

On this issue we have developed diagnostics called Executive Team/Self Assessments. A questionnaire based on a model of the psychological contract that examines the employer-employee relationship and can quantify retention risk. Our studies indicate that staff leave an organisation for three reasons:

- because it is dysfunctional
- they get a better offer
- or for personal reasons divorce from the company.

Employee engagement and satisfaction are two critical drivers of retention. In other words, if you've got more engaged and more satisfied employees, then you're more likely to have

higher retention rates. But not only that - you'll have higher levels of performance, less stress and higher levels of customer satisfaction.

Professional relationships with senior management are also a key factor in retaining staff. Some organisations boast that there are no personal assistants for managers. The door is always open. Or for many companies the barriers to senior executives are too high.

When you try to speak to the chief executive you get the PA, and when you say you'd like to speak to the chief executive you get almost a blank look of horror that the CEO would even deign to speak to you.

### ***Plotting a career path***

People's personal and career values change with time. So as people get into their 30s and 40s, things like altruism come into play as a core value. That, in itself, creates some challenges in the workplace. Companies need to map out a framework of customised and sustainable solutions for highly valued employees so they can aspire to different experiences and gain a sense of purpose.

The previously mentioned CMG (ongoing) study identified a work aspect preference scale, of some 1000 executives. It identifies key drivers for staff: the first is self development, the second is creativity and the third is money.

At one level it's surprising, but, increasingly, money - and even Maslow talked about this - is only a motivator until it's become accepted. If a boss gives an employee an extra \$10,000, they are motivated only until they get used to having that amount and are thereafter driven by other factors. So money is not a sustainable motivator - it's a short-term motivator.

The key is to get the package or the "deal" right, including the tangibles and intangibles.

The challenge for companies will be to meet an increasingly diverse range of employee needs. Work/life balance will be important for some, while money, roster flexibility, training and development will be the focus for others.

The often-ignored difficulty for companies is that low staff turnover does not guarantee that they are retaining the right people. In some government departments, for instance, staff may be staying on for superannuation payouts or long-service leave and become dead wood.

Therefore you've really got a workforce that's disengaged and dissatisfied and they're hanging in there for different reasons. So one needs to be careful in looking at turnover in isolation. On the other hand, some turnover can be desirable in terms of refreshing the gene pool.

Accordingly many say going to work should be fun. The atmosphere is conducive to making friends, so Monday-itis is less of an affliction. There's great interaction and that should be encouraged. It's important that their esteem is looked after – that other people think well of them. Spend a lot of time coaching and training to make sure that people are more than capable of doing the work so they can do well at their jobs, so they're not under pressure or stress all the time or living in an environment of failure.

However dispute the notion that workplace cultures cannot be sustained in fast-growing businesses. If it's entrenched in your culture from day one and if you really believe in one attitude, one team, one set of rules, one set of values and that flows from the top right down

to the bottom, then it's much easier to sustain a positive workplace culture and high levels of staff engagement.

### ***In Summary***

If you agree that people as employees are your greatest strength, then how do you manage them to deliver a great return – for all?

Remember these basic tips to get you where you want to be –

- **Ask** – ask your employees lots of questions
- **Listen** – listen carefully to their responses
- **Help** – help your difficult employees as much as possible
- **Be Informal** – strong relationships are not built across a boardroom table – get out to their workplace
- **Be Personal** – stop talking about work all the time
- **Respect** – an environment of respect should be upheld at all times
- **Therefore Engage People** – to increase people's discretionary willingness to go "the extra mile"
- **Create a Trusting Environment** – through open and frank communication and dissemination of information based on integrity and the need to confront tough issues
- **Coach and Mentor** – instil this practice throughout the whole organisation

### ***A Postscript***

The claim that Australian workers switch off too quickly after work is also challenged by the recent study.

The survey revealed that 79 per cent of employees lose sleep thinking about work or find themselves obsessing about work during their personal time.

A total of 55 per cent said they find it difficult not to work on weekends and evenings and 68 per cent reveal that they work unnecessarily long hours at their job.

35 per cent of respondents actually classified themselves as workaholics. Further, 54 per cent said they found it hard not to check their emails or other communication devices for information whilst they are not working.

The information age has created the 24/7 worker and demands from employers mean there is little rest from the office. This needs to be constantly in the forefront of people management for the business owner and executive.



## OUR LOCATIONS AND CONTACT DETAILS

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***"Working together we have the minds and the means to get you where you want to be."***