



Know More news...



Welcome to our July Newsletter!

With the financial year out of the way and your budgets in place, now is the time to make sure you're hitting the numbers you planned for...

We again wish you continued business success for the coming period.

Build the faith

Author: Naomi Simson on 17 July 2009

A few months ago it was reported that trust in business has plummeted, yet trust is considered a key determinant to success. This should be alarming to business leaders. Given that more than ever, they are asking employees for discretionary effort - and to pull them through tough times.

"Data from the 10th **Edelman Trust Barometer** was launched recently at the World Economic Forum in Davos. The Trust Barometer surveys 4,500 high-income, tertiary-educated people in 20 countries, and now includes data from Australia. Three-quarters of Australians surveyed said they trust companies far less today than they did a year ago, with only **43% saying they trust business** to do what is right. And just **19% have faith in CEOs** of our major companies."

'As the leadership team goes, so goes the rest of the organisation.'

If the leadership team are values driven - then the organisation as a whole is far more likely to follow suit. If people don't believe in the leader (if they don't trust them or believe what they say), they are unlikely to go the extra mile for them or the organisation.

I remember my father saying to me as a child: "Do as I say, not what I do". He kind of said it in jest. But I was always left somewhat confused. You can't pick and choose the times you want to live by values and those you don't. It is in everything that you do, say or the way you behave. Only after a long, consistent approach is trust built. And it can be taken away in a moment.

Which why the Australian public have voiced its opinion so dramatically.

What can leaders do to build trust back into the business and the community around it? It won't happen over night. It may take years; it is a journey not an activity. It is an ongoing relentless program of authenticity. And that, for most seems like hard work.

'As the leadership team goes, so goes the rest of the organisation.'

**'The only way to
lead people is to
show them a
future...
a leader is a dealer
in hope'**

Leadership teams throughout the country are making some of the hardest business decisions they've ever made during their careers, which may be contributing to this decline in trust - or is it simply how tough messages are being communicated?

Stuff happens in business, including the GFC, loss of contracts or new regulations. The point is, how much do we share with our people? Will it scare them if we are too open so they begin to think, 'I best look for something else' or do they think, 'we best pull together on this one'.

I argue if you treat your people like children (and insulate them from the real business issues) then they will act like kids. We must be real, yet reassuring, consistent and pragmatic. Simply, we must do what we say we are going to do. All day every day, over and over and then there will be trust.

Ramp up retention

Author: Amanda Gome

I caught up with one of my favourite entrepreneurs for lunch the other day. He was like a 'pig in mud' as he explained his employment strategy to me. Having been through the 1990s recession he knew exactly when to act. When the recession started he began to seek intelligence about his competitors' top staff. As it progressed he began to circle, approach and hire.

At the same time he started on a ruthless strategy to let go his B and C-ranked players every few months to minimise the impact on clients and staff. He was also pleased to find the revolving door of Gen Ys leaving his company after a few years came to a halt. As a result he has his dream team in place backed by hand-picked employees and he is confident they will stay because the employment market is so bad. But he is still not satisfied and has had so much fun he is still out hiring and firing.

Enjoy it, I told him, because now you need to change strategy. As the economy staggers back on its feet, the employment market will become a lot more competitive and the new focus will be back on retaining staff.

A white paper by Manpower Australia/New Zealand warns employers not to assume that their employees won't be looking at other employment opportunities in a recession.

According to a Manpower study, while 75% of Australians surveyed indicated their overall satisfaction with their current job, 30% of those admitted they were planning to leave.

So how do you keep satisfied staff who take the view that the grass is always greener? Well, the top three indicators for job satisfaction are work-life balance, future career opportunities and money: all three of which have been cut back through the recession.

So my satisfied friend who is sitting back resting on his laurels could be in for a shock. He needs to refocus from attraction to retention and consolidation. Of course he should stay on the look out. But now is the time to start working on making sure that team is going to stay. And not to assume that just because they are "satisfied" they are not looking for other jobs.

So my advice to him is, the party is over. Now the hard work begins...Again.

