

Pinnacle Programme – Session 1

How to build a workplace culture that attracts and retains great talent.



Bob Lee, expert on high-trust, high-performance workplace cultures, was guest speaker at the first session of Crowe Horwath's Pinnacle Programme. He outlined his vision for how a business can attract and retain great talent and it all comes down to building a high-trust culture between managers and staff.

As a founding director of A Great Place to Work UK & Ireland, Bob shared his insights drawn from data across 80 countries. He outlined the overriding simple concept behind the world's best workplaces and how they achieve extraordinary results when it comes to attracting and retaining staff.

The unique competitive advantage that the world's best workplaces have is their culture, and the basis of that culture is building a high-trust environment from the top down.

The importance of company culture

Bob likened a company's culture to the position of a deputy CEO. When the CEO leaves the room, culture takes over. "The established way of doing things will always prevail," he said. All companies have a culture – it is not a choice of 'do we choose to have a culture or not?' but rather, "do we choose to control our culture or not?" It is important to be clear about who you are and who you want to be as a company. "If you don't shape that culture, somebody else will," Lee says.

Managers shape culture

It's a cliché, but people join companies and they leave managers. The manager fills the role of connecting employees to a company; they are that first point of contact and the face of the company in the eyes of their staff. "The manager is the key in every workplace relationship," Lee said. "They can make the difference between whether and employee loves or hates their job."

If you look at a company as a balancing scale, with the employer on one end and the employee on the other, you find two different perspectives: the employer's vision for the company, and the reality of life in the company as experienced by staff. Lee said that this gap is bridged by trust, embodied by management.

Building a high-trust culture

Bob's book *Trust Rules – How the world's best managers create great places to work*, outlines the attitudes and behaviours that set the world's best managers apart from others. These form the basis of a set of rules for building a high-trust environment. A number of these core rules were outlined during the session:

Keep your promises

A trust relationship is built on keeping your promises. If you cannot rely on someone you are unlikely to trust them and if you can't trust them, you are unlikely to have a positive relationship with them.

Most managers keep their big promises. Employees expect to be paid in full on time every month, and if they have applied for annual leave to get to take it. But it is the little promises that employees remember most.

“In the best companies in the world, four out of five staff will say their manager always or usually keeps promises,” Lee said. “One of the key things about promises is that if you make fewer promises, you break fewer promises. Managers should pause and think what is being asked of them before making a promise that they are in danger of not keeping.” If there is a danger that you might have to break a promise, even through no fault of your own, be sure to communicate that in advance to the staff member. “There is a culture in Ireland to agree to favours too easily and then to avoid admitting a broken promise. This does not work in the workplace.”

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Show your appreciation

Most of us work hard, most of the time. But unfortunately few of us are thanked or praised enough or often enough. Recognition is simply making others feel valued and appreciated for their work. Employees so rarely receive personal attention from their leaders that when it happens, they notice.

However, never show recognition when it is not deserved. If you praise everyone and everything your praise will mean nothing. Bob spoke of “qualified appreciation”. Many of us have been on the receiving end of an insincere “great work today” comment from management. This might seem like the right thing for a manager to say at the end of a long day, but more often, employees want a reason for such a compliment. Explaining to them specifically what they did enhances their relationship with management because it demonstrates a sincere interest in their work, reinforcing their sense of value to the company.

Seek and respond to suggestions and ideas

As the frontline in most companies, employees see what is working well and what can be improved. They often have great suggestions for how to improve efficiency, save money, enhance customer service and boost productivity.

A manager’s response to staff ideas is incredibly important. Managers who engage with their staff and their ideas develop trust. Whether the idea is good or bad is irrelevant – in fact all ideas should be viewed positively as they show enthusiasm. A bad idea needs constructive feedback, and a good idea needs engagement and development. By ignoring or failing to respond to a staff member’s idea and enthusiasm, a

manager is essentially discouraging that member of staff and affecting their productivity, motivation and morale. “This causes staff to stop caring,” Lee said. “You need good processes to capture the ideas, and you need structure around critical conversations. How do you tell someone they have a dumb idea without hurting their feelings? Most of us would avoid that conversation and hope it’s forgotten.” Meaningful feedback establishes a good relationship in which the employee is still learning, despite their idea not being appropriate or useful.

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Involve people in decisions that affect them

Change in any organisation can be hard for those affected. It can be disruptive and lead to a perceived lack of control. High-trust managers understand this and create opportunities for employees to take part in the decision-making process on matters that affect their jobs or workplace.

Employees who are involved in this way develop a deeper sense of ownership of the decisions and a sense of responsibility for their successful implementation.

Lee says that trusting staff to make decisions and take initiative is incredibly important. It encourages them to be the best they can be. He spoke about Unicare: “When the recession hit, Unicare gathered their staff and explained the situation. While other companies closed themselves away Unicare worked with their staff on a plan to survive the recession. The employees came up with ideas because they cared for and trusted the company.”

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Companies with a high-trust culture outperform

Bob outlined extensive research from Great Place to Work showing that companies with high-trust cultures outperform their peers and generate superior returns for their investors. The top companies consistently deliver greater stock market returns, recover quicker from external shocks and recessions and experience lower staff turnover.

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Investing in your culture is affordable for SMEs

“A big problem with SMEs,” Lee said, “is that they look at Google or Facebook and see their offices with table tennis and beer, and they can’t compete. This is not about money. Nobody stays at a job because of money; they’ll leave if the money isn’t right, but no one will stay long-term just because of the money.”

A company can offer more money, subsidised transport, on-site childcare and any number of additional attractive bonuses, but it will not result in longevity. “We will all work for a little less to be in a place that we feel respected,” he said.

Many companies can have great-looking workplaces and attractive benefits but are lousy places to work. They might be successful at attracting talent, but lose it just as quickly. As a business, if you have a reputation as a good place to work and a place that treats people decently, you’re more likely to attract the right candidates and keep them.

Enjoying the workplace is about having the freedom to be yourself at work. It does not come down to spending money on entertainment for staff in the office. Invest time, not money, in finding the right people and developing relationships within the workplace, and your company will develop into the right environment for your staff to express themselves and ultimately bring the company forward.

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About Us

Established in 1941, Crowe Horwath is a leading accountancy and business advisory firm in Ireland. Throughout our 75-year history, we have developed an unrivalled understanding of the Irish business environment and built a national reputation in auditing, tax and business consultancy.

We work with a variety of clients across commercial and public sectors. Our services include Audit & Assurance, Tax, Corporate Insolvency & Recovery, Corporate Finance, Consultancy, and Outsourcing.

We are also independent members of the eighth-largest accountancy network in the world, with colleagues in over 750 offices across 130 countries. Through this global reach we are able to offer clients a seamless service when trading internationally.

Our success is the result of our exceptional client service. Together with our clients, we work to optimise the present and maximise the future, tirelessly exploring all possibilities until we find the right solution. We help clients make smarter decisions today that create lasting value for tomorrow.

Smart decisions. Lasting value.

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