

## Show me the vision

*Leadership, growth opportunities key to employee performance, retention*

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**W**hile the expression “show me the money” captures an important aspect of what people want from their jobs, it’s just the tip of the iceberg.

Compensation is one of the most visible aspects of an employment deal, but there are a wide range of non-monetary factors — including the quality of leaders, the work environment and culture, customer perceptions and opportunities for learning and growth — that also shape employee perceptions about their jobs and the employment experience.

These factors influence how long employees stay with an organization and how motivated they are to deliver their best efforts.

People generally contemplate two fundamental questions as they make choices about where — and how hard — to work:

•Is this the kind of organization that I want to work for?

•Do I have access to the support and opportunities I need to be personally successful here?

To maximize both employee performance and retention, an organization needs to define an employment value proposition that responds to employee needs on both levels. So although money is unquestion-

ably important, many workers are also asking their companies to “show me the vision.”

### **Big paycheques won't buy a culture that works**

Pay and benefits arrangements tend to be fairly consistent from company to company for any given job.

In contrast, there are dramatic differences when it comes to work environments and cultures. Work environments are as varied as the people in them. The greater the alignment, or fit, between the individual employee and the organizational culture, the more likely the individual will feel encouraged to stay and perform.

Employees take stock of their level of alignment with their company to some degree on an ongoing basis, though major events, such as a restructuring, merger or downsizing, generally drive such contemplations into high gear.

A number of questions come to the forefront when employees consider their fit with an organization, or more simply, whether they feel good about working there.

•Does the company have a clear vision for the future? Or does working there feel more like day-to-day crisis management?

•Is there a clear business strategy for making this vision a reality?

•Do employees believe in what the company stands for?

Or do they feel they are compromising their integrity by working there?

•Do employees see the leadership team as strong and cohesive?

•Does the company have a solid base of satisfied, loyal customers, or do employees hear a lot of complaints about the company?

•Are there open lines of communication? Or do people speak in whispered tones while relying on the grapevine for the truth of the day?

•Above all else, do employees feel positive about their work experience? Do they feel that their work matters and that they are earning an acceptable return on their investments of time, energy and creativity?

### **Engaging employees to deliver their best**

In this modern age of corporate downsizing and restructuring, organizations are demanding higher and higher levels of individual performance. Jobs have become more complex, customer expectations have grown and many people are being asked to do more with less.

To optimize performance in such challenging environments, savvy organizational leaders know they need employees to do more than just show up for work on time. Employees must contribute their best thinking and efforts to manage workflow, serve customers and support the achievement of business results.

Most employees are willing to accept these expectations but will also want to know what is

expected of them, why it matters, and what’s in it for them.

Some organizations refer to the sense of connectivity between organizational and individual success as “line of sight.” A company with a murky line of sight will not energize employees about the business strategy. A sense of connectivity, however, is about more than just getting employees to track the company stock price or read a balance sheet.

It’s about getting them to personalize higher-level business objectives and translate them into personal action plans that shape how they do their work every day. Connecting the dots between the business strategy and how people do their jobs involves clearly defining the employment proposition.

First, the organization must define, in concrete terms, what it asks of its people. It needs to translate the business strategy into goals that functional areas, work teams and individuals can relate to.

This is no easy task as it requires thinking through the many varied interdependencies in the workplace and how employees — including those with no direct revenue-generating accountabilities — ultimately have an impact on the bottom line.

The organization must also define what employees get out of the deal. Beyond the promise of a steady paycheque and benefits, what makes some employment propositions so attractive is that they appeal to an individual’s desire for growth and purpose.

Employers must define an overarching vision or mission that employees can believe in and support — with opportuni-

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# Top salaries alone won't make an employer of choice

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ties to make a difference. Whether it's to help customers, deliver superior products or improve the quality of life in the world, employees are most likely to be inspired to deliver when what they're being asked to do has meaning and value.

Organizations can reinforce a sense of connectivity or line of sight by:

- **Communicating a compelling vision of where the company is going and why it matters:** This includes communicating on — and taking steps to improve — how the company is perceived in the marketplace and in the community. Many organizations now set goals of good corporate citizenship, engaging employees in conservation efforts and community outreach. These types of goals enable employees to contribute to the greater good and to take pride in the values of their organization.

- **Educating employees about the business and the interdependencies in how goals are accomplished:** It is important to help employees connect the dots between their own work and broader organizational success, so they can understand the impact of their day-to-day actions. For some employees, such as those in sales, the connections to the bottom line are clear and direct. Yet it is also important to illustrate the importance of other types of roles, such as administration, even if the impact is more challenging to measure.

- **Providing employees with opportunities to give input and either influence decision-making or make decisions:** In today's increasingly complex business environments, managers often do not have the time to supervise every aspect of employees' work because they, themselves, are grappling with multiple priorities. At the same

time, the workforce has become increasingly educated and sophisticated, so many employees would welcome opportunities to be more "empowered" and to feel that their skills and abilities are being put to good use.

- **Helping employees identify and capitalize on opportunities for learning and growth so they can envision a future with the organization:** This is especially important for high performers and individuals with high potential, who could become bored or disenchanted if their needs for development aren't met and they decide to seek growth opportunities elsewhere.

### How T&D becomes a valued reward

Some organizations are grappling with employee turnover and leadership succession issues even though they have a competitive compensation and benefits package. This is often a sign that things are broken elsewhere in the deal. In some cases, the problem is a dearth of career development and advancement opportunities.

Employees are thinking holistically about their careers and looking for career paths, for opportunities to develop and advance and for managers and mentors to help them along the way. In response, organizations are helping employees understand how they can grow and succeed with the company. This has led to a variety of practices to support employee learning and career development.

- **On-line learning tools:** On-line learning tools are typically aligned with the organization's competency requirements, whether it is to perform well in a given job or to demonstrate readiness for promotion. Such tools can support employee development by addressing certification and licensing require-

ments through testing and application.

They can also target specific skills and behaviours to help employees focus on their development needs that are most critical to the business strategy and corporate vision. Organizations with the most sophisticated on-line learning tools typically provide multi-media delivery systems that link into performance management programs for specific learning and development goals.

Managers can access information about employee skill sets to help them evaluate potential job candidates and to make determinations about when to promote people.

- **Career paths:** Career paths illustrate to employees where the point of entry is for their professional discipline and what skills and competencies are required for progression within their career or job stream.

Career paths become an even richer staffing and career planning aid when they illustrate potential career moves that go beyond traditional job streams to map across the broader organization. Such tools can also help more technically oriented employees identify opportunities to progress into "expert level" positions that do not require a transition into management ranks.

They can also help employees see the potential types of lateral moves available, complete with the skills required, and the potential paths forward.

High-performing organizations tend to utilize career paths to help retain and motivate high-performing and high potential employees.

- **Integrated performance management systems:** Many organizations maintain some form of performance appraisal process, at least as a means of generating input to support decisions

around salary adjustments and bonus awards. Increasingly, however, organizations are focusing on the development of a performance culture, where managing and optimizing performance is ingrained as a standard operating practice.

Some have begun to take this approach even further, fostering environments that encourage "self-managed" performance. These organizations provide employees with a lot of latitude and support to help them develop and own their career plans.

In such environments employees partner not only with their manager, but also with mentors and coaches who provide guidance and encourage them to stretch and grow professionally. Opportunities are actively sought and supported to help individuals gain experience for both personal development and advancement, and both employees and the company see a long-term, win-win process at work.

Organizations that truly want to attract, retain and motivate top talent need to offer competitive financial rewards that recognize individual performance and contributions. However, few organizations can become employers of choice by simply being the top payer in the industry or by offering compensation packages that greatly exceed competitive market practices.

Rather, organizations need to define the employer rewards and the value proposition more holistically, considering all the major aspects of work that employees value, and that influence how they work, and whether or not they stay.

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