

## **Winning the Employee Loyalty Game**

### **Five warning signs to share with your managers**

Leaders are defined externally. In other words, they are defined exclusively by those who choose to follow them. We know that associates always have a choice, and to win their permission to be a leader is the goal of the loyalty game. To quote Franklin Delano Roosevelt, "It's a terrible feeling to look over your shoulder and find no one there."

Some mistakenly believe that leadership is determined by one's position, knowledge, genetic inheritance, or experience. While it is true that all of these things aid a leader greatly in being effective, at the end of the day, it is the followers and the followers alone who grant their boss with the distinctive title of leader. The rewards of gaining the trust and loyalty of your employees extend beyond the immediate dyadic relationship, paying dividends across the organization through longer tenures and more-successful change initiatives. Unfortunately, too few people in management roles take the time required to invest in their leadership skills. The result is a general lack of trust within the halls of most offices and business units.

According to recent surveys of the American workforce (Branham, 2005), the evidence of the erosion of trust in management is clear:

- Only 39 percent of workers trust senior leaders.
- Only 40 percent of workers believe their organization as a whole is well managed.
- Only 34 percent of workers agree with this statement: "I can trust management in my organization to always communicate honestly."
- Only 50 percent of workers believe that managers in their organizations are concerned about the well-being of employees.
- And a whopping 82 percent of Americans believe that executives help themselves at the expense of their companies.

The tremendous opportunity for improvement is the silver lining for those individuals who are willing to accept the invitation to become more-effective leaders.

### **Loyalty Is the Result of Heart-Centered Leadership Practices**

Loyalty, much like respect, has to be earned. Managers at all levels in the organization who aspire to become capable and successful leaders must work hard to recognize and respond to the loyalty warning signs in your work teams: indifferent treatment, inequitable status, control-based communication, lack of autonomy, and the inability to listen.

### **Warning Sign #1: Indifferent Treatment**

Some leaders allow benign neglect to infiltrate the workplace. The problems experienced at American Airlines are well documented by open statements from employees:

“They treat us like we are disposable, a number” and “My self-respect is worth more than any job.”

Indifferent treatment has a way of expanding beyond mere depersonalization. Indifferent cultures allow poor supervisors or middle managers to stay on board month after month without intervention or removal. This practice in turn forces front-line employees (especially the best and brightest) to second-guess senior management’s ability as executives and administrators. Birthdays and anniversaries are forgotten. The personal lives and needs of employees are dismissed; the recollection of names and faces becomes a low priority. Indifferent treatment has a way of spreading like cancer.

**Heart-Centered Leadership Approach: Treat Them with Respect**

The CEO of FedEx Kinko’s, Ken May, makes the concerted effort to personally thank and praise employees at all levels of the organization for a job well done. He spends a significant amount of time recognizing birthdays and anniversaries and offering condolences for the loss of loved ones. May also champions open and timely communication, regardless of whether the information is positive or challenging. Independent thinking is openly celebrated and rewarded, and leaders are held accountable for the way they treat and value their employees. At the center of May’s philosophy is the deep awareness that loyalty to the organization pays huge dividends in the areas of customer service scores, improved teamwork, higher product quality, and lower turnover.

**Warning Sign #2: Inequitable Status Distinctions**

First of all, it is important to note that not all workplace differences are demotivating to team members. For example, general differences in pay grade, scope of responsibility, and discretionary power are understood and well accepted by most employees as being correlated with job title, degree of knowledge/education, and work experience.

However, many office environments sport structural and cultural differences within the office that have nothing to do with direct job functions. As some employees have remarked:

“We assign better parking spaces to higher ups, while the rest of us have to walk a lot farther. Everyday is a reminder that we are not as important.”

“We have shared cubes and it is difficult to get daily work done, despite walking past rows of unused office space. No one has enough room to spread out their paperwork. Everyone knows exactly what grade you are by what kind of desk you have.”

Of course, personal office-space arrangements are difficult for individual leaders to tackle single-handedly or quickly, but leaders who advocate change in this area will win the respect of their staffs, especially if the current perspective among the team is that office space is inadequate or allocated unfairly. Additionally, there are many smaller

items to look for and eliminate. Different access to work resources and parking; separate restroom or dining facilities; or favoritism related to other workplace amenities all add up, eroding trust in the leadership and loyalty to the organization.

### **The Heart-Centered Leadership Approach: They Need What You Need**

Heart-Centered Leaders understand and act upon this core principle. All people have a desire to be valued, to be told the truth, and to be given equal access to the tools and support needed to succeed and grow. The ability to embrace our common humanity requires leaders who have the courage to be vulnerable. Without the ivory tower around them (such as separate facilities or “levels” of access), leaders are forced to distinguish themselves through performance and ability! Perhaps most important, removing status-based obstacles makes the building of mentoring relationships more likely.

The goal is not to obtain an artificially egalitarian workplace. Instead the goal is to eliminate as many non-job-related differences among individuals as possible. At the Institute of Heart-Centered Leadership, we like to point out the powerful wisdom of the Italian proverb: “At the end of the game, the King and the Pawn go back into the same box.”

### **Warning Sign #3: Control-Based Communication**

Information should never be used as a demarcation of status. Companies that communicate on a “need to know” basis should expect very little respect and loyalty toward management as a result. Why? According to research by David Sirota, Louis Mischkind, and Michael Meltzer (2005), there are several basic reasons why the “need to know” approach to communication is counterproductive:

- Those employees who are the last to know view this approach as exclusionary; they feel less valued, even if they do not verbalize it.
- The “need to know” or “cascading” approach to communication quickly becomes the modus operandi for sharing all information. Management has a natural tendency to overestimate the actual confidentiality requirement of most information.
- Most of the information being withheld from team members has been circulated through the grapevine and water cooler, anyway, and the gossiped version is usually inaccurate and much worse than the reality.
- Managers who are placed in the position of withholding information or from speaking openly about the truth end up having to make excuses and commit “lies of omission” when questioned directly by team members.

### **The Heart-Centered Leadership Approach: Know Your Impact**

Heart-Centered Leaders understand the impact of words spoken and unspoken. Leaders who understand the importance of open and honest communication also understand that it is directly related to employee perceptions of the leader's integrity. Instead of adopting the "need to know" basis, the leader takes a "they need to know" approach. Small actions by the leader are not only noticed, but are also greatly magnified. At the Institute of Heart-Centered Leadership, we call this the "Fishbowl Effect," referring to the reality that all actions by the leader are seen by others through convex glass. This effect increases the visibility and sensitivity of each action taken by the leader. The good news about the effect is that it works with positive actions, too. A small gesture, such as saying "thank you" or "great job," means a lot to associates.

### **Warning Sign #4: Lack of Autonomy**

The more we try to control everything around us, the less control we really have. The more we try to monitor and micromanage others, the more we announce, "I don't trust you" or, even worse, "I don't believe in your ability." The other aspect of this truth, which is talked about less often, is the failure to delegate projects in the first place. When you think about it, not allowing somebody the opportunity to perform is disrespectful. It is the obligation of the leader to let go of control and empower others instead. After all, where would you be in your career if not for the opportunities somebody afforded you along the way?

### **The Heart-Centered Leadership Approach: Letting Go**

We cannot succeed by controlling everything around us. The attempt to control creates anxiety and reactive thinking by the staff. Here at the Institute of Heart-Centered Leadership, we strive to help leaders harness the mind-set of letting go. Leaders who trust in people receive trust in return, and trust contains the seeds of loyalty.

### **Warning Sign #5: Inability to Listen to Team Members**

Heart-Centered Leaders are adept at gauging their own performance by listening to others. They refrain from allowing assumptions to drive their decision-making. Effective leaders seek to understand their associates through active listening. The ability to truly listen is crucial, because listening leads to better decisions. In his book *The 7 Hidden Reasons Employees Leave*, Leigh Branham framed the importance of listening to employees by identifying the signs of distrust in management, distrust caused by poor decision-making judgment:

- Lack of enthusiasm following announcements of new initiatives by senior leaders
- Increased questions or concerns by employees about policies and practices directly controlled by senior leaders
- Managers beginning to question decisions and actions of senior leaders
- Increased grumbling among groups of employees
- Lower scores in employee surveys

- Increased mention of senior leaders in exit interviews
- Active resistance to change

### **The Heart-Centered Leadership Approach: Don't Judge, Come to Understand**

The truth of the matter is this: People want to be successful. Few wake up in the morning and think: "I think I will mess up today." But when leaders make decisions that impact team members without first listening to them, the disconnect is apparent. Heart-Centered Leaders strive to broaden their approach to decision-making. One of these tools is active listening and open-minded inquiry. When all of the principles of Heart-Centered Leadership are combined, the result is a leader who considers the position of others, listens intently to alternative ideas, and has the courage to truly let go and award all of the credit to their team.

Here at the Institute of Heart-Centered Leadership, we are happy to support your organization's journey toward excellence in leadership. You make a significant effort and spare no expense in recruiting and selecting the very best management talent available, and we hope to assist you with obtaining the highest value from this critical investment. By educating your managers to identify and respond to these five warning signs, you are increasing the odds for your organization to win the employee loyalty game.

#### References

Branham, L. (2005). *The 7 hidden reasons employees leave: How to recognize the subtle signs and act before it's too late*. NY: AMACOM.

Sirota, D., Mischkind, L.A., and Meltzer, M.I. (2005). *The enthusiastic employee: How companies profit by giving workers what they want*. Upper Saddle River, NJ: Wharton School Publishing.

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