



HUMAN WORKPLACE

DLPA

DYNAMIC LEADERSHIP PROGRAMS AUSTRALIA

Introduction

There is a groundswell gaining momentum. The workforce is demanding to be differentiated from machine, and recognized as human beings. The workforce wants to be seen and heard, and meaningfully contribute. Organisations must adapt to this demand, or risk perishing in history as relic of the past.

So what is a 'human workforce'? We define it as a work environment that is focused on the Four R's – **Respect, Recognition, Reward and Reciprocity**. If you focus on formulating a strategy in each of these areas, and doing whatever is required to successfully implement the strategy, we believe that you will position yourself as an employer of choice, and be a first mover in truly harnessing the power of your people.



Respect

It sounds easy, right? Of course you respect your staff, I hear you say. And that is true of most organisations. However, how do your staff know that you respect them? How do they know what garners respect?

The first of the 4 R's is not so much about respecting your staff as it is about making them feel respected, and building a culture that holds respect as its centerpiece. Where respect is a central value of the organisation, and this is evidenced in the actions of its leaders, respect will become central to the culture of the business overall.

The individual preferences for how respect is shown will vary between staff members, however where the organization actively sets the parameters of what respectful behavior looks like and enforces consequences for breaching that expectation, staff will have a clear idea of what to look for, and what the social norm in that culture is.

Why is respect important?

Respect is critical to implementing any form of human workplace initiative. On the most fundamental and base level human beings want respect, and to know they matter. There is of course an ethical framework here, in that morally most of us feel that every human has the right to respect. However, there is now a business case forming for respect at work as well. When human beings feel respected and that their actions have consequence, they are better at solving problems, able to think more quickly and clearly, and overall more productive.

Through actively creating a culture of respect an organisation may expect to see many benefits. These would include lower staff turnover, increased productivity and more engaged workers. This results in lower costs, higher profits and more creative and innovative output from your teams.





The Strategy

So you know you want it, but don't know how to do it. Don't stress – a lot of businesses find themselves in this circumstance too. In order to successfully implement a culture of respect in your organization a strategy is key. However, so many strategies are drafted, sent to graphics, made into a lovely document (maybe even a PowerPoint) and then promptly set on the shelf to collect dust. Strategy is a living, breathing, fluid thing that is not designed to sit anywhere. Strategy is dynamic and responsive and should be front and centre on your desk and in your thoughts every day. If you are not committed to doing that, then I would suggest you read no further.

However, if you are willing to do everything required to fully implement your strategy then you need to map out your various actions and then string them together in a program of works that will allow the best dispersion of effort for the highest results. This takes time, and is a particular skill. Don't be afraid to bring in an expert to help. The investment is well worth it when you have a perfectly crafted strategy ready to implement.

To get you started here are some ideas on how to create a culture of respect in your organisation:

1. Involve the staff in writing a statement of ethics for how they would like to interact as a group. Once agreed, display the statement in a prominent place. Whenever staff subsequently act in a way that is inconsistent with the agreed statement, draw their attention to it, and get them to think about how they could have acted differently.
2. Hold team building events. It's much harder to disrespect someone when you know the names of their kids, and see them as an individual person as opposed to just a function or a task.
3. Encourage awareness in the workplace around each other's roles and responsibilities. Through the appreciation of the full context of a work environment, we learn to respect the contribution made by the individual.





Recognition

This is one that a lot of employers also respond by saying they already do. However, we would flag that recognition without a framework that ensures consistency and fairness may actually be viewed as favoritism or the recognition may not actually be directly related to the action in the mind of the employee. This form of unstructured recognition results in mixed results, and certainly doesn't result in sustainable positive behavior change.

So what do we mean by recognition?

Recognition is the acknowledgment, usually publicly, of an achievement or behavior that is in line with business strategy, policy or other behavior. Forms of recognition can be a congratulations, an award or a notice in the staff newsletter.

The purpose of recognition is to indicate to the individual and the broader group that that was an example of desired behavior, and to try to have the behavior replicated in the future.



Why does recognition matter?

It is now well documented that one of the best ways to positively influence behavior and create sustainable behavioral change is through recognition. Consistently recognizing staff and teams for doing the things that best serve the business will reinforce for staff what they are required to do. We are hardwired to wish to belong, so this will in turn create a social norm that delivers higher results for the business.

Strategy

As above, strategies are to be lived and implemented, not left to collect dust. Only proceed if you intend to fully implement the strategy.

Some ideas for how you can implement a recognition program are:

- 1.** Create staff awards to recognize the highest performance, or the most improved, over a month.
- 2.** Create ways for staff to nominate their co-workers for awards or other form of recognition.
- 3.** Recognise at least one staff member in the staff newsletter.



Reward

We so often see companies throwing away money on bonuses. These bonuses are calculated in a fairly arbitrary way, not in any way linked to a behavior and typically paid at Christmas. The staff also tend to just expect them, regardless of how they behave. This is a completely wasted investment for many businesses. Reward on the other hand, is directly connected to behavior and outcomes, and serves to further clarify for the staff member what the employer would like them to do. It also directly links a personal benefit to an organizational success. This is helpful in keeping employees engaged, on track and focused on the areas the business has identified as key drivers to success.

Why is reward important?

It is important to not treat your staff like children – or puppies you give a treat when they do something good. However, the premise of positive reinforcement holds for all human beings, of any age. Further, when there are small rewards for small wins along the path to success, this helps to maintain momentum, and evidence to the employee what's in it for them, and that the organization values the contribution. Through maintaining the staff buy-in to strategic action an organization can expect to see better outcomes more aligned to the needs of the organization, lower staff turnover, and less uncertainty in staff.

The feeling of not having control is shown to materially contribute to higher stress levels. Through rewarding specific actions and outcomes you are giving a level of control to your staff and creating a construct in where their actions clearly matter. This results in happier, less stressed employees who are fully engaged in the organisations strategy.





A word of caution on reward

Critical to a successful reward program is identifying the actions that will directly support the overall business strategy. This is an important step that many organisations do not invest enough time in. If you are not rewarding behavior that serves the business, then reward will again be a wasted investment. You must take the time to clearly articulate the behavior from staff that is going to deliver the desired business outcomes. An organization-wide view should be taken for this, with each reward event coordinated, to create coordinated action across all business units. Otherwise you will likely have disparate successes that do not translate to overall business success.

And a final warning – if you reward outcome only and not the vehicle to reliably getting there you will likely see negative behavior thrive. As evidenced by the events that preceded the Global Financial Crisis, when you only care about what's delivered and any behavior to achieve is considered acceptable, people will sometimes conduct themselves in an unethical way. This could include lying at the extreme, however can also be smaller deviations from accepted behavior such as not adhering to policies or exposing the business to higher levels of risk than are approved or necessary. It is very important that you break down the chain of events that will reliably deliver success, and reward the behavior that drives the outcome as well as the outcome itself.

Some idea for a rewards program:

1. Small bonus payments for milestones or behaviors – e.g. turnaround times on responding to clients, or number of contract notices served within time. The smaller but on-going nature of the bonuses will help to maintain momentum and engagement.
2. Vouchers or gift cards for meeting KPI's – again shorter timeframes are important.
3. A family day or additional time off for meeting a tight deadline.





Reciprocity

When someone perceives that they have been given something – as opposed to someone meeting their obligation only – people are programmed to want to 'return the favor'. Whilst this is a natural state and will occur without intervention, it can be strategically leveraged by an organization. Through creating a culture that fosters reciprocity employers can expect to receive return proportionate to investment.

For example, when the programs mentioned above are communicated in a way that makes it clear that the organization is doing these things because it truly values the contribution from staff, without the expectation of any additional owed duty, it is highly likely the staff will use all of their discretionary effort to go above and beyond for the organization. This can add up to 20% productivity to your workforce, and overall actually reduce the amount of money that needs to be invested in salaries.

Why is reciprocity important?

One common outcome of poorly designed and/or executed incentive type programs is that the staff start to take it as a right, and view the incentive in similar way to how they view their salary. This can result in additional pressure when results targets are not met. It can also lead to eroded performance and engagement from staff – because the additional incentive is now viewed as an obligation.

Where anything additional to the base obligations to staff is framed in a respectful way that clearly draws the link between the incentive and the benefit, and that this is to recognize and reward staff for their contribution, reciprocity thrives.

With wages getting higher and higher, and representing an ever-increasing percentage of overall cost to a business, unleashing the power of discretionary effort becomes critical. Fostering reciprocity is how you access discretionary effort.





Some ideas for fostering reciprocity:

- 1.** Incorporate some rewards and recognition into your program which are not related to profit or performance. Through recognizing the contribution employees make beyond their scope of works this will undeniably be seen as separate to base employment. This could be for a staff member always being cheerful, caring for colleagues or smaller things like making sure the bin was put out for collection or the dishwasher was on.
- 2.** Communicate to staff regularly that you value them. This may be through ensuring managers regularly thank their staff, or have conversations about what people do outside of work, or show an interest in them in ways that are not directly related to work.
- 3.** Allow staff space to deal with life. That might be flexible working hours, setting up a drycleaner to come collect drycleaning for your staff, or simply having an open communication channel that allows staff to flag their needs, and have them reasonably accommodated.



Conclusion

We believe that recognising that your staff are in fact human and fostering a culture that allows them to thrive as human beings, being seen and heard as individuals and celebrated as a team makes financial sense for a business. We believe actively implementing the Four R's in a considered and methodical way will result in a higher functioning business that ultimately delivers higher profits.

Through carefully considering your business drivers, and crafting your strategy to leverage the power of your people you stand to reap huge rewards and create a sustainable business model. It will be the first movers that benefit the most, creating a competitive advantage and having their pick of the most talented staff. Will you create a more human workplace?

CHECKLIST

OF IDEAS FOR IMPLEMENTATION

RESPECT

- ☐ 1. Involve the staff in writing a statement of ethics for how they would like to interact as a group. Once agreed display the statement in a prominent place. Whenever staff subsequently act in a way that is inconsistent with the agreed statement, draw their attention to it, and get them to think about how they could have acted differently.

 - ☐ 2. Hold team building events. It's much harder to disrespect someone when you know the names of their kids, and see them as an individual person as opposed to just a function or a task.

 - ☐ 3. Encourage awareness in the workplace around each others roles and responsibilities. Through the appreciation of the full context of a work environment, we learn to respect the contribution made by the individual.
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RECOGNITION

- ☐ 1. Create staff awards to recognize the highest performance, or the most improved, over a month.

- ☐ 2. Create ways for staff to nominate their co-workers for awards or other form of recognition.

- ☐ 3. Recognise at least one staff member in the staff newsletter.

CHECKLIST

OF IDEAS FOR IMPLEMENTATION

REWARD

- ☐ 1. Small bonus payments for milestones or behaviors – e.g. turnaround times on responding to clients, or number of contract notices served within time. The smaller but on-going nature of the bonuses will help to maintain momentum and engagement.
 - ☐ 2. Vouchers or gift cards for meeting KPI's – again shorter timeframes are important.
 - ☐ 3. A family day or additional time off for meeting a tight deadline.
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RECIPROCITY

- ☐ 1. Incorporate some rewards and recognition into your program which are not related to profit or performance. Through recognizing the contribution employees make beyond their scope of works this will undeniably be seen as separate to base employment. This could be for a staff member always being cheerful, caring for colleagues or smaller things like making sure the bin was put out for collection or the dishwasher was on.
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Feedback

We'd love to hear about your successes and challenges in implementing the more human workplace.

Send your stories to info@dlpa.com.au.