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In Turbulent Times, People Matter

article by Graeme Codrington



Article at a glance

Now more than ever you need well trained, passionate staff, focused on delivering consistent, high quality service and products. Yet, just when you need them to be most passionate and focused, many companies are finding that their people are demotivated and distracted, especially their younger staff members. Getting the most out of them requires a changed mindset and improved management skills that every leader would do well to understand.

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The crisis mindset is understandable, yet the medium-term outlook is not as depressing as it feels and we must be careful of not making short-term decisions that will hamper our future success.

A Crisis Needs a Reponse

As the current economic downturn unfolds, it is easy to focus only on short-term implications and make decisions that could cripple your organisation in the long-term. Crisis times can breed panic mindsets. In particular, companies are in danger of being short-sighted about how they manage their people during the downturn: across-the-board staff reductions, freezing all staff development, cancelling conferences and international team meetings, managers demanding more from already stressed staff while offering less reward and no security. These are just some possible responses. Some are reasonable – and reasoned. Most are not – they are reactions to crisis. The danger is that when trying to “cut out the fat”, it is very easy for the scalpel to cut away some muscle, too.

The crisis mind-set is understandable, especially in the financial services sector. Some of the world’s leading banking and insurance institutions have literally disappeared, and almost every industry is feeling the effects of a credit crunch and economic slowdown. Government attempts to rescue the world’s banking systems are only the end of the beginning. The next few years promise to be difficult indeed, with a significant increase in unemployed professionals, devaluation of savings and wealth – most importantly the pension and retirement savings of the soon-to-start-retiring Boomers – and rampant volatility, insecurity and uncertainty.

Yet, the medium term outlook is not as depressing as it feels. The financial industry crisis has not spread to full-blown economic meltdown. No major country seems close to collapse, and the government responses have been quick and intense. Of course, this is the bottom of the business cycle, but it is not the “new normal”. It may take a few years, but we will get through this crisis and emerge into another growth cycle soon.

Short-sightedness is Dangerous

The danger therefore lies in companies responding irresponsibly to short-term crisis without considering longer term repercussions. In a downturn, people and companies do not necessarily look for the cheapest option. What they really seek out is safety – absolute assurance that their purchase will give them what they are looking for. Your ability to offer a level of “safety” that exceeds anything offered by your competitors has very little to do with *what* you sell (largely because your competitors sell very similar products, with similar



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An essential component of any strategic plan is the ability to get people to buy-in and focus their energies - especially younger, talented staff

guarantees at similar prices in similar ways), and very much more to do with *who* you are. And this has everything to do with who you employ and how they represent you.

Now, more than ever, organisations need well trained, passionate staff, focused on delivering consistent, high quality service and products. In turbulent times, people matter.

Yet, just when you need them to be most passionate and focused, many companies are finding that their people are demotivated and distracted. There may be good and immediate reasons for this, such as staff layoffs which so often accompany an economic downturn. Or it could simply be a general downbeat sentiment, fuelled by a diet of 24 hour media coverage of failing banks, chaotic stock markets and rising inflation. And let us not forget that the youngest members of the workforce have only ever experienced rocketing boom times.

An absolutely critical component of any rescue and revival plan, therefore, is the ability of leaders and managers throughout the organisation to connect more effectively with the people they lead and the customers they serve. They need to motivate them to achieve the goals set by the company strategy. Understanding what motivates the attitudes and behaviour of these people is vital to business success - not only during the downturn, but also in preparation for when the economy picks up again.

Younger – and Different

In particular, leaders need to understand that a younger generation of staff and customers, who have never experienced a downturn, have different expectations of the workplace and will respond to the stress of the current environment in different ways to older people. Not just because they are younger, but also because they have a different set of generational values guiding their attitudes and behaviours.

Today's young people have different expectations of the workplace and different approaches to many issues critical to business success. For example,

- *they communicate differently*: they prefer short and sharp emails to long winded memos; they dislike meetings (and are easily distracted even when physically present); and they are comfortable using text messages for formal communication. It's not so much that they are comfortable with technology – many older people are, too – it's how they use the technology and what they are comfortable using the technology for.



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*The more confident
your people feel
that they could get
another job, the
more likely they
will be to stay*

*Companies don't
get the most out of
their talent: they
want superior,
consistent
performance, while
talented people
offer creativity,
pushing the
boundaries and
excitement.*

- *they need to know "why"*: unless they have been given a reason to do something, they won't be inclined to do it. This is a critical issue in difficult times – it may seem obvious to management that the strategy presented to the team makes sense and is appropriate for the situation, but has the reason *why* it will work been explained? The need for an explanation is something older managers don't understand, and is a critical factor in younger people's buying-in to a course of action.
- *they need constant feedback*: an annual review is insufficient – they want feedback at the end of every project, whether it's a day, week or month long event. They also want a mentor or coach. This can make them appear insecure and lacking in initiative, and can be a cause for concern (and irritation) in their older managers.
- *they need to grow and develop*: in a world where there is no job security, today's young people are passionate about developing their CVs and ensuring their skills are current and honed. It may be a paradox, but the more confident your people are that they could get another job somewhere else, the more likely they are to stay with you.
- *they expect more control*: they expect more authority and more discretion about how they spend their time at work.
- *they are not offering what you want*: most companies want talented staff, but by that they mean that they want their people to give consistent, superior performance towards the company's objectives. That's unfortunately not what talented people are offering. Instead, they want a workplace where they can be challenged and stretched, where they can exercise creativity and be included and involved in setting and achieving exciting goals. Finding the middle ground here is critical if talented staff are going to be retained *and* engaged in what they are required to do.
- *They hate being bored or doing insignificant work*: they need to be kept busy, and they need to know that the work they do makes a meaningful contribution.
- *they have very different priorities*: whereas older staff members generally see loyalty to the company as a given and don't have to be asked to work overtime and put their employer first, younger employees are much more likely to prioritise family and personal commitments. They also want to have fun at the workplace – this might be easiest to forget during tough times.



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Although the above list highlights issues that have been raised by a younger generation of employees and customers, especially applicable during tough times, many of them could equally be relevant to older staff and customers as well.

At a recent World at Work consortium, 88% of 3,000 employees stated that ongoing management of a multigenerational workforce posed a major risk to company growth and success. Acknowledging that different generations will respond and be motivated in different ways is key to developing a strategy implementation plan that everyone in your organisation can buy into and be passionate about implementing. This is one vital key to surviving the recession and emerging stronger when the upturn begins.

Dr Graeme Codrington is a business strategist, keynote presenter and thought leader on the future of work, and attracting, retaining and engaging talented staff and clients, across the generations. His inspiring keynote presentations and workshops get teams inspired to immediate action and long-term business improvement. Contact him at graeme@tomorrowtoday.uk.com.



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TomorrowToday Ltd

www.tomorrowtoday.uk.com

info@tomorrowtoday.uk.com

+44 20 8274 3000

+44 7595 179 362

