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### Is your organization simply irresistible?

Creating an organization people will clamor to work for and hate to leave

What if your company had the chance to triple or quadruple its market value over the next ten years using assets it already has in place?

And what if the path to that result starts with upending conventional wisdom about who your most important stakeholders are?

They aren't your owners. They aren't your customers. The real stars are your employees—the people who work for and with you.

## The rules are changing...

Amid technology disruption and exponential change, a new "social contract" at work is taking shape. People today have more career autonomy than ever before, and with this heightened autonomy comes greater bargaining power to expect a better, newly reimagined "workplace experience."



# ...and so should your approach

To compete effectively in an economy in which employees call the shots, employers must rethink their approach for engaging and retaining talent.

Companies can no longer assume employees will be content with a stable job and decent paycheck. These days, top talent can afford to be choosy, and traditional buzzwords such as 'flexibility' and 'learning' are now viewed as table stakes.

To help attract talented people in this quickly evolving landscape, companies should proactively create an **irresistible experience**—a magnetic organization that empowered, free-agent people can't help but want to join.

Millennials expect their employer to focus on **societal** or **mission-driven problems** <sup>1</sup> be **creative** at work<sup>2</sup>

believe
it is
management's job to
provide them with
accelerated development
opportunities<sup>3</sup>

Old rules	New rules
Employee experience is defined and measured by annual engagement surveys	Employee experience is the holistic view of life at work, with constant feedback, pulse checks, action, and monitoring
Culture is shared on the website and via posters on the wall, but is not measured or defined through behaviors	Companies consistently measure, align, and improve upon their ongoing curation of culture, especially in times of change
Companies have separate HR leaders across recruiting, learning, rewards, engagement, and other HR service areas	Companies have someone responsible for the complete employee experience, focused on employee journeys, experiences, engagement, and culture
Compensation, benefits, and rewards are managed with a focus on benchmarking and fairness, via a bell-curve model	Compensation, benefits, rewards, and recognition are designed to make people's work life better and to help balance financial and nonfinancial benefits
Wellness and health programs are focused on safety and managing insurance costs	Companies have an integrated program for employee wellbeing focused on the employee, their family, and their entire experience in life and at work
Rewards are thought of as salary, overtime, bonus, benefits, and stock options	Rewards also include nonfinancial components like meals, leaves, vacation policy, fitness, wellness programs, etc.
Employee HR self-service is viewed as a technology platform that makes it easy to complete HR transactions and reports	The employee experience platform is intuitively designed, mobile, and includes digital apps, prescriptive solutions based on employee journeys, and ongoing communications that support and inspire employees

# Are you "simply irresistible" or just "somewhat irresistible"?

#### The case for the former...

How can "irresistible" pay off in terms of market value? What's the big deal?

A Deloitte study revealed that organizations "with a soul" outperformed the S&P 400 across several hard metrics:

- ☐ Higher employee retention
- Better customer service
- Long-term profitability
- ☐ Over 8x return vs. S&P 400 10-year return<sup>5</sup>

These and other data demonstrate that building strong employee engagement via your leadership, culture, processes, and talent policies is more than a nice thing to do. It's a vital ingredient for achieving effective business results.

To create an irresistible work environment, companies should surround their people with the right mix of sustaining elements. These include the work itself, good managers, the office environment, opportunities for growth, and trust in leaders.





# The Simply Irresistible Organization™ model

An irresistible experience is multifaceted. It's important for companies to surround their talent with an array of practices that touch on the workforce, their colleagues around them—especially their managers and leaders—the work itself, and the employees' opportunities for development and growth. To fulfill the promise of an irresistible experience, we have defined five principles to help capture "irresistible."

#### Bersin's Simply Irresistible Organization™ model











Meaningful work	Supportive management	Positive work environment	Growth opportunity	Trust in leadership
Autonomy	Clear & transparent goals	Flexible work environment	Training & support on the job	Mission & purpose
Select-to-fit	Coaching	Humanistic workplace	Facilitated talent mobility	Continuous investment in people
Small, empowered teams	Investment in development of managers	Culture of recognition	Self-directed, dynamic learning	Transparency & honesty
Unstructured time	Agile performance management	Fair, inclusive, diverse work environment	High-impact learning culture	Inspiration

Cross-organization collaboration & communication

### Why our model is different—and why it works

One strength of our approach is its simplicity. None of the elements are difficult to understand and while some ideas may be provocative, nothing about the model is outlandish science fiction. Rather, we have created a collection of common-sense practices that our research has connected (read: statistically validated) with healthy workplaces and superior organizational performance.

It's also a collection of practices designed to operate in an integrated and holistic way. Success involves coordination at the leadership level—not exclusively within HR—to support a common understanding of the overarching mindset driving the list of to-dos. Leaders and front-line managers are critical to making your organization irresistible and our approach incorporates tools that provide regular, unbiased, and anonymous pulse-checks to monitor employee sentiment.



#### Meaningful work



Beyond putting money on the table, people work because they want to contribute to—and create—something larger than themselves. Personal causes may vary, however, so to make work meaningful, it's important to create room for different perspectives.

- When you grant people autonomy, they are free to "add themselves to the job," to develop their unique workstyle within established guardrails. This bit of creativity and ownership can spark new ways of thinking and working, and we see leading companies both encouraging and harnessing this expression of individualism in the workplace.
- Another contributing factor, "selection-for-fit," means looking past traditional placement factors like grades or past employment to help people find the jobs that feel right to them and that leverage their strengths. This can be counterintuitive. One retailer, for example, found that success among sales reps in cosmetics correlated more with rapid thinking than with good looks.<sup>6</sup>
- Putting people in small, empowered teams enables people to interact directly and develop close relationships, where they can exhibit greater trust, inclusivity, and mutual respect—which drives both top-line and bottomline results. This dynamic can still accommodate flexibility based on how the team prefers to operate.
- The last component of meaningful work, **unstructured time**, is often misunderstood as "time to goof off." It's anything but that. Here, "unstructured" means time to fix things, talk, and reflect on what's working (and what's not). Research shows people who work 60 hours a week or more don't accomplish any more than people who put in 45 to 50 hours. They're just busier. Unstructured time, therefore, is time employees can use to breathe and create.

#### **Support management**



Even as organizations become "flatter" and more team-based, there will always be individuals in charge who will have a direct impact on the workplace culture. To an employee, a weak manager is often a barrier to good work. Yet becoming a good manager is neither natural nor easy. So how can organizations ensure effective leadership for their people? It's important to differentiate craft skills from management skills—both are crucial, but the presence of one doesn't imply the other.

- There's no substitute for clear and transparent goals.
   Mangers should not only set priorities, but make sure they are realistic and easy to act upon. Planning is key, as is frequent and open communication.
- Positive **coaching** is also a must. Research supports the "five-to-one" ratio of encouraging feedback to criticism. Moreover, a Deloitte study found that companies with a "high recognition culture" have a 31% lower rate of voluntary turnover.<sup>8</sup>
- Because management is often a learned skill, companies should invest in the **development of managers**.
   Deloitte research shows companies with more advanced approaches to leadership development often spend two to three times as much on manager development as competitors, enjoy 37% more revenue per employee, and five times more innovation and change ability.<sup>9</sup>
- Supporting employees also depends on agile performance management. Instead of pro-forma yearly reviews, leading companies promote continual coaching, frequent check-ins, and data-driven assessments to help keep people aligned on goals and performance all year long. Good-bye to the annual "rack and stack" and employee "stick-in-the-eye" reviews. Ouch!



#### **Positive work environment**



Given the fast-paced, fluid nature of work today, if leaders want their people to be truly engaged at work, they should offer a flexible, humane, and inclusive workplace. Most employees today have complicated lives; offering an ability to flex and shape their work is a major attractor.

- A workplace can't aspire to be "irresistible" if it isn't flexible. One author found that 68% of women say they'd prefer more free time over more money, and 80% of men would like to work fewer hours.<sup>10</sup>
- A workplace must also be **humanistic**. This is about seeing employees as whole persons, with lives, and families, and interests outside of work. We all can't go so far as providing a gym and in-house pool, or a bowling alley. We don't all work for these types of companies, but food, celebrations, internet-enabled commuting shuttles, and even on-site laundry/dry-cleaning services have become commonplace in high- performing companies across a wide range of industries. These are no longer just "perks"—they are essential elements of helping work fit into our lives.
- **Recognition** is a powerful motivator, not just in monetary, but also non-monetary ways, even if it's as soft as a "thank you." Moreover, as nice as it is to hear kudos from the top, peer-to-peer recognition can free managers from being the "gatekeepers" of praise.
- Of course, a workplace should also be fair, inclusive, and diverse. This isn't an HR strategy, it's a business strategy—teams within inclusive cultures outperform others by 80%.<sup>11</sup> In short, people tend to perform better when they're comfortable being themselves.

#### **Growth opportunity**



When people leave a company, the comment made most often is, "I didn't see the right opportunities here." Everyone wants to grow and advance, and for people under 25, professional development is the number-one engagement driver (and it's the #2 priority for people under 35).12

- One of the most direct ways to address this trend is through training and support on the job. This should be both formal and informal—ways to add skills, take on challenging assignments, and find help when it's needed. Asking a trusted colleague for help is often the most preferred method of learning a new skill for employees. How we support employees making those connections is crucial.
- People who grow need a place to go, which is why
  facilitated talent mobility is vital. This doesn't always
  mean accelerated promotion. It can take the form of lateral
  opportunities, giving people the freedom to try something
  new and move from a role where they are highly
  productive to one where they may be a trainee again.
- Organizations with a culture of self-directed, dynamic learning have 30% to 50% better retention rates as well as 52% more productivity and a 56% greater likelihood than their competitors to get products and services to market first.<sup>13</sup>
- People also look for a high-impact learning culture
   that ties learning to getting things done. Cross-training
   and problem-solving can lead not only to higher
   engagement, but also to higher revenue. With learning
   embedded in the culture, we are can constantly improve



#### Trust in leadership

Perhaps the most important element in the irresistible organization is leadership. Earlier we discussed the importance of cultivating and training managers (who later become leaders). This is where it pays off. And note: we measure success here by the trust people place in their leaders.

- Communicate a strong sense of mission and purpose. When organizations define their success through the eyes of their customers, stakeholders, and our society, people come alive.
   Companies that tell their story and create a clear sense of mission and purpose accomplish 30% more innovation and enjoy 40% higher rates of employee retention.<sup>14</sup>
- Companies whose leaders demonstrate continuous investment in people, also have high ratios of learning and development spending per employee—and these companies regularly outperform their peers in retention, innovation, customer service, and profitability.
- Acting with transparency can be challenging for some leaders
  accustomed to letting PR parcel out the truth. In a wired age,
  however, it's crucial. A bad earnings quarter or an industrial accident
  is going to see the light of day; the question is whether or not you'll
  be open about it.
- Leaders must continuously focus on **inspiration**. Through their words, the narrative they shape, and their consistent actions, it's the top executives of an organization who shape our sense of being part of something larger than ourselves. Inspirational leaders talk about the future, tell their personal story, and share the company's vision and what it means for each employee, what it means personally. People will respond. They're human.

Gallup recently revealed that only 13% of all employees are "highly engaged," and 26% are "actively disengaged." <sup>14</sup>

What do your employees say about **your** company?



#### Deloitte does that...

Services to support your journey to becoming "irresistible"



#### Taking the next step

The Simply Irresistible Organization™ model is a direct plan of action—either through your company's own efforts or with the assistance of third-party facilitators. It can be used as a diagnostic mirror to reflect your employees' day-to-day experience, with each element serving as a yardstick to measure present-day efforts, identify missing initiatives, and provide a forward-looking path for improvement. Moreover, taking a "simply irresistible" approach can help strengthen and expand upon other business priorities such as diversity and inclusion or leadership programs that might otherwise stand alone.

Before it can be any of these things, however, the model must first be a mindset. It's easy to say you want people to feel good about working for you. It's much more difficult to relinquish long-held viewpoints ("customers—not employees—matter most") and re-wire deeply entrenched, yet outdated practices ("it's time for our annual 92-question engagement survey"). Be bold, be provocative. To the winner go the spoils.

And yet, because employee engagement is such a clear predictor of business performance, casting your employees as the stars doesn't have to be a hard choice. You aren't turning away from better customer service, higher profits, or happier shareholders. Rather, you're finding a more innovative way to achieve all these things, and the critical element—your people—has been right there from the beginning.

#### Let's talk



Getting started could begin with a conversation, a leadership workshop, a Lab in a purpose-built design space, or an Employee Engagement survey to measure your employees' take on your company's level of "irresistibility." We're listening. Are you?



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