

## Loyalty and Leadership

**Loyalty is not a given in any organization – no amount of money will buy long-term commitment!**

Loyalty is a word we do not hear very often when describing the traits of an employee. This is a concern for many reasons: without loyalty from employees to their employer, innovation and quality will suffer and turnover will be higher than it otherwise might be. And how can there be commitment without loyalty? I would even go further and suggest that a non-loyal workforce will not only affect the bottom line, it may even lead to the demise of the company.

Loyalty is something that the employee gives—the company doesn't buy it. No amount of money will buy long-term commitment. Loyalty is the result of a reciprocal relationship based on many values; trust, fairness and integrity top that list. *Loyalty begets loyalty.*

Employee perception surveys and focus groups (which I have conducted for over 30 years) almost universally indicate that employees do not see their leaders acting with fairness and integrity, especially in their “people” decisions. While this is a broad generalization, it does demonstrate that employees *believe* that some leaders tell the truth sparingly and *don't believe* their organization reinforces and rewards loyalty at a personal level.

To understand your employee population, you would need to collect company-specific data. From experience we can confidently say that between 25 and 30 per cent of your employees possess a discernable degree of dissatisfaction that affects commitment to the company.

From the CEO's perspective, just think about what is lost! And from the employees' perspective, think about spending half your waking hours working at a job you do not really believe in. *What pain this causes—what a waste!* Highly successful and innovative organizations are built on a positive vision and ethical human values; and it is these characteristics that lead to loyalty and commitment.

Loyalty is a feeling that we perceive and it is a behaviour that we demonstrate. Loyalty is like love. The person who claims loyalty but does not exhibit loyal behaviour is not loyal, just as the person who claims love but does not behave accordingly does not love.

What is loyal behaviour? For the employee, it is simply doing the job that is agreed upon and doing it to the best of one's ability with honesty and integrity. It is being sensitive to, and acting in, the best interests of the organization and fellow employees. This is the kind of behaviour that will inspire loyalty from other employees as well as from the leadership group.

For the organization and its leaders, loyalty to employees means being honest and trusting, treating people as individuals and not as numbers, responding appropriately to special needs, providing resources, and, most important, *acting with integrity*. This means engaging in open communication, sharing information and doing what you say you are going to do. This is the kind of behaviour that inspires—and is deserving of—loyalty from the employees.

In research conducted by numerous consulting firms to determine how best to attract and retain (i.e., inspire) high-calibre talent, the subject of ‘work-life balance’ is highlighted as extremely important. The paradox is that companies are trying harder than ever to standardize and outsource services, including Human Resources.

What constitutes ‘work-life balance’ is very subjective, so it is difficult to standardize and have a company-wide policy and procedure to address this issue. As well, we probably have used this expression incorrectly: it is not work-life balance but *having a life in which work is one of many significant aspects*. Companies that see the balance this way generally do well at attracting and retaining employees. And retaining employees brings us right back to the issue of loyalty.

So how does a leader make loyalty a visible issue that warrants discussion and action? The following seven principles can act as a guide:

- 1) Loyalty begins at the front door. Follow a thorough selection process when hiring an employee. Set the bar high. Look for the “culture fit.” Being a member of your company should be viewed as a privilege and not a piece of cake.
- 2) Loyalty is first and foremost about relationships. The best vehicle through which to demonstrate loyalty is the job that the employee is doing. It begins with the recruitment process and how the employee is introduced to the company and trained to perform their job.
- 3) Leaders need to help employees gauge whether or not their behaviour demonstrates loyalty. Likewise, the company needs to ask employees about their perception of the company’s loyalty to them. What does loyalty mean to both parties? How can you tell when it is present? Or when it is absent?
- 4) If employees work in teams, keep the team small—generally no fewer than six and no more than ten members. Teams are complex social structures by their very nature. As a team grows larger, so do the complex problems facing team leaders. Building relationships, showing appreciation and rewarding loyalty (and other core company

values) too often take second place to teamwork. In truth, it should be the other way around: the quality of the work will be directly related to the quality of the team’s inner relationships.

- 5) When rewarding loyalty, consider the following idea: if loyalty and ability build productivity, satisfy customers and grow the business, you will share in the results of these efforts. The one- or five-year service pin (or similar gift) just doesn’t cut it anymore. Make rewards meaningful and, if possible, ensure rewards fulfill employee wishes. Rewarding loyalty is not just the annual service award!
- 6) Leaders cannot simply talk their way into the loyalty equation. Loyalty is heavily weighted towards trust and trust is built on active listening. Both the employee and the leader need to learn how to listen first and talk second.
- 7) Similarly, intentions and behaviours speak louder than words. So do not just talk the talk: *walk the walk!*

In short, employee loyalty is not a given in any organization. By demonstrating your commitment to your employees’ well-being, working environments and quality of life, you will likely receive the same in return and this will translate into quality and productivity.

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