



How to treat people in difficult times

The current focus of attention in business and society is the economic climate – the turbulence and the downturn. You may have encountered people who have been made redundant, or companies that have experienced a contraction in business. There is uncertainty in the air, and some are expressing pessimism about the future.

Many organisations are looking at their costs and making decisions about what they can cut. Although this is a perennial exercise, it is being pursued with greater intensity these days. Nevertheless, it is good to remember that there are limits to cost-cutting. Some things are essential to maintaining a business, and more generally, if you don't actively keep the wheel of your business moving, you will find that it grinds to a halt.

Food makes a good analogy. When times are constrained, you may eat more simply, but you still need to eat, and eat well – healthy food. In business, this might refer to how you treat your staff. In financially tight times, you may not indulge in expensive parties and large bonuses, but your staff still need to know that you care about them, and the work that they do. How does your reassessment of expenditures affirm this value?

Before the economic troubles occurred, the key issue for many organisations was staff shortages – how to attract and retain skilled and motivated people, and how to address an ageing workforce. These issues have not evaporated. And in fact, if business is going to be more difficult, then it is more important than ever for leaders to retain skilled people and engage their energy and ingenuity.

One of the other things that was often said prior to the economic woes was that young people value opportunities for learning and development. Training is one of the first areas to feel the pinch when budgets are being squeezed. What will the impact be on young people? Will they accept that learning is a luxury that companies cannot afford?

What is heartening is that some companies are taking a deep breath and saying, "Our people are more important to the viability of our business than ever. How can we adapt to our economic circumstances in a way that sustains our relationship with our employees?"

It is easy to change numbers on a spreadsheet. But every new number expresses a human value, a priority. It tells employees whether they matter. So if times are tough, there are three questions executives should ask when re-examining their budgets:

In this issue.....

How to treat people in difficult times:

Feature article looking at how organisations are responding to current economic circumstances 1

New materials

Details about recent presentations, articles and a new course 2

1. What's the impact of this decision on our human community, on whether our people feel that they matter?
2. What's the impact on the ongoing capability of people to do their job and fulfil business goals?
3. Are we in this together? If there is belt-tightening to be done, are we sharing in the pain with employees? And are we offering hope?

It's easy for executives to find reasons to cut programs that don't directly deliver revenue in the short term. But an organisation is a collective purpose and endeavour which is accomplished only through the efforts of people. How well it works (ie achieves its goals) depends on the extent to which people's motivation can be engaged in that purpose. Motivation is the mother of discretionary effort, of the intelligent application of knowledge and skills, and of loyalty.

Organisations can cut costs and still retain their strength as a community dedicated to a purpose, but only if people see that decisions are grounded in values that include, recognise and respect them. If executive bonuses hold up while the employees lose out on benefits and working conditions, employees will not see themselves as being included in the organisation's future.

Organisations that take the human dimension seriously in their budgeting decisions will be the ones that come out of the current period with great strength, and loyal, competent and motivated employees.

New materials

Over the last few months I have made a number of presentations and written new articles on ethics in the workplace.

The taboo against ethics in business leadership

I conducted a session for the group SLaM (Spirituality, Leadership and Management) in October where I looked at the reasons why business leaders are often reluctant to talk about ethics – even, sometimes, leaders who seem to act ethically. I wrote an article on the topic, which is available on the Ethics and Values in Business website (on the home page, under "Events").

Ethics and the professional

I presented a session at the ILDP Global Forum at the Sydney Convention Centre in November. ILDP is the Institute for Learning and Development Professionals. My session looked at three levels of ethical perception – compliance, relationships and identity. These concepts are explained in detail in my book, *Human values and ethics in the workplace*.

The session also looked at five reasons for professionals to be ethical. I have expanded on the four reasons I discussed in the book. The four reasons to act ethically are a mixture of pragmatic and moral reasons. I thought it was worth identifying separately the idea that we can make ethics an explicit value of our organisation or our business. What this does is raise the bar for ourselves – if we say publicly that our intention is to act ethically, then we open ourselves to the scrutiny of people. This is a challenge! (You could refer back to the previous article on why people are often reluctant to talk about ethics.)

The article on this topic is on the Ethics and Values in Business website.

The tensions between line managers and human resources staff

I conducted a session for the Australian Human Resources Institute's Learning and Development Special Interest Group (long title!) in Sydney in November 2008. It looked at "people management" issues that are often shunted between line managers and HR staff like hot potatoes.

The session looked at the findings of a study that was done by Melbourne University in conjunction with AHRI and CCH Australia, and then went on to talk about how HR can work with line managers to develop the skills of emotional intelligence.

I produced a number of items from this presentation:

- a paper on the topic
- a set of slides for the presentation
- a summary of the study on line managers and HR
- a case study: Sanofi Aventis

These items are on the "Glenn Martin" website under the "Human resources" topic area. This website is for my work on topics that are not specifically ethics-related. Go to www.glenmartin.com.au. You will see a picture – click on "human resources" in the picture and you will get to the page from which the articles can be downloaded.

Constructive Behaviours for Peak Performance

This is a two-day course on emotional intelligence for leaders. I have developed this in conjunction with Margaret Stolmack of the Stolmack Group. The rationale for the course follows from the presentation I mentioned above – one of the key factors in the performance of individuals and organisations is the quality of the relationship that line managers have with their staff. This quality is in turn a product of the emotional intelligence of line managers.

The course is experientially based and works through the basic concepts and skills that Daniel Goleman popularised – awareness of self and management of the self, complemented by awareness of others (empathy) and the development of constructive relationships with others in teams.

The course draws on many sources, including sources dealing with coaching skills, and the Lominger Leadership Architect tools.

The course can be run in-house for organisations.

The newsletter

If you like the newsletter, please feel free to send it to someone else. Send it to your friends, your colleagues, your students. It appears at irregular intervals, and I seek to include material of value to people interested in leading and working ethically in organisations.

Quote

"In the end, each of us will be judged by our standard of life, not by our standard of living; by a measure of giving, not by our measure of wealth; by our simple goodness, not by our seeming greatness."

Hamid Isfahanizadeh (speaker at Metropolis Congress, Sydney, October 2008)

Imagery

Ducks at the zoo: I used this picture in the slides for the presentation on the taboo against talking about ethics. I thought the ducks were making a clear statement.



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