



High trust and super-engaged employees

Take a look at some examples of the eight perspectives on engagement that HOW researchers put to employees.

1. Managers offer praise and recognition to the employees for a job well done.
2. I have access to the information I need to perform my job effectively.
3. Senior management is animated by a clear vision and mission.
4. If I have my way, I will be working for my organisation 12 months from now.

How would you answer each of these questions? True or False?

The HOW Report found that less than 10% of employees surveyed were 'super-engaged' (i.e. identified with all eight of the HOW perspectives).

In contrast, around 60% identified with 2 or fewer of the perspectives! Little wonder organisations regarded as 'high trust' are scarce.

Similarly, it's understandable why so many organisations underperform and why so many people are not satisfied at work.

WANT MISCONDUCT? DEMAND BLIND OBEDIENCE!

Organisations behaving badly

The GFC, now a fading memory for many organisations, was brought about by (and exposed) bad corporate behaviour. Like associated household credit (debt) levels, there seemed to be some post-GFC improvement in corporate behaviour.

But, in the past couple of years, reports of misbehaving organisations (or at least misbehaviour within organisations) seem to be on the rise. Such conditions increase business risk and, where entire industries show up in a poor light, threaten the wider economy. Recent research highlights how some types of organisational culture are contributing.

The wow of the latest HOW research!

The HOW Report looks at organisational practice, with a special focus on the extent of self-governance in organisations. The huge standout in the most recent research is that organisations demanding blind obedience from their people have massive incidences of observed misconduct. In contrast, organisations with high levels of self-governance (i.e. displaying many characteristics of inclusive cultures) report very low incidences of misconduct.

Sixty nine percent of respondents in 'blind obedience' organisations say they observe misconduct. But only 28% say misconduct is reported, quite possibly because the majority believe there is retaliation for calling out bad behaviour. Clearly, reporters aren't safe, so there is plenty of room for a vicious cycle to keep repeating! People who misbehave can do so without much fear of being reported, while those calling out bad behaviour experience negative consequences, thus reducing the likelihood of future reporting. Misconduct 'heaven' and massive ongoing risks for those businesses!

In contrast, organisations that are high in self-governance reportedly have very little observed misconduct. Only 4% of respondents (compared with 69%) in those organisations reported observing misconduct. And, 92% say they'd speak up and report misconduct if they see it. The same very high proportion felt there would be a lack of retaliation for taking that action.

This likely sets up a virtuous cycle that minimises bad behaviour. People in these organisations feel safe to report misconduct and will do so if they see it. Knowing that bad behaviour is seen as such and called out, any prospective 'transgressor' would likely realise they stood little chance of getting away with it and so would refrain.

'Blind obedience' vs 'self-governing'

'Blind obedience' organisations are pretty commonplace. They constituted more than a third (36%) of organisations in the global HOW study.

They are command and control type organisations, where the focus is on power and task outcomes. Behaviour is transactional (short-term focus) and enduring relationships of little concern. Coercion and threat of sanction for missteps feature large.

Organisations with high self-governance (which numbered only 8% in the study) are the polar opposite. A compelling purpose and strong values are well-articulated and form the bedrock upon which all other behaviour is based. People are inspired by the significance of their own contribution to the shared, greater purpose. Relationships, both internal and external, are core. Everyone (in any role) is encouraged to step up and influence others – to take leadership. Ultimately, the aim is to create a sustainable, long-term legacy.

Trust is the 'secret sauce'

A vital insight from the HOW Report is that organisations high in self-governance generate high levels of trust. Trust, in turn, is their 'secret sauce', the catalyst for much of their success. Only 9% of organisations were considered high trust. 17% were regarded as medium trust and almost three quarters (74%) were rated 'low trust'.

Organisations with high levels of trust saw much higher levels of considered risk-taking, aimed at making things better for the business. In fact, high-trust businesses were 32x more likely to engage in positive risk taking behaviour. UGM's network (or distributed) leadership research identified 'risking' as one of eight influencing behaviours.

The outcome of positive risk-taking, occurring on the solid foundation of a compelling purpose and desire to leave a positive legacy, is a greater chance of innovation. Not fearing reprisal for failure, people in high trust organisations are willing to experiment and that's what delivers innovation. Actually, high trust organisations are 11x more likely to deliver innovation than low trust organisations.

Little surprise then that such innovation, coupled with an inclusive and supportive atmosphere, contributes to overall organisational performance. High trust organisations are 6x more likely to achieve higher levels of performance than low trust counterparts. A closer examination of individuals' health and wellbeing would no doubt show that people working in those conditions were also happier, healthier and more satisfied with life.

What's your organisational culture like?

We hope for your health and happiness that you're not in one of those 'blind obedience' organisations! If you're not, what is the level of trust like in your organisation? Does it promote positive, productive behaviour? Closer to home, what's trust like in your own team, and what impact is that having?