



Lite Bite

How to build a business case for courage


courageous
workplaces

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*CourageousWorkplaces works with Leaders and Communities to inspire, assess, advise, develop
and implement courageous workplaces.*

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Breaking the mould

Sometimes the obvious answers are staring us in the face yet we either do not see it or we choose to ignore it. The present day business challenges are unprecedented, the uncertainty about the future increasing, the volatility of the marketplace picking up apace yet organisations still rely on increasingly outdated employee practices which means that many organisations are not equipped to cope with the present let alone embrace the future.

Courage in the workplace is an attitude and an action. Courage is the difference between intention and implementation where the desired action is new, untried or in some way has previously been rejected.

Where a workplace requires individuals, teams or the entire organisation to act in a different way, where there is potential fear of the new behaviour or the outcome, courage turns indecision into rightful execution.

Business benefits of a courageous workplace

The benefits of courageous workplaces are considered to include;

- Courageous workplaces have a clear and consistent set of values and purpose. Greater brand recognition comes because employees are typically prouder of their organisation and more publicly willing to support it.

- Brand recognition can be measured through customer surveys and by reduced hiring costs, customer satisfaction levels and reduced marketing costs.



- Workplaces that encourage employees to try new ideas, make mistakes and understand risks are courageous workplaces. Consistent innovation occurs when employees are willing to bring different views and work together to create new products and services, even if that involves 'starting again'.

- Increased innovation can be measured by the number of new products, number of disruptive innovations, level of intrapreneurship and organisational flexibility.

- Employee engagement is concerned with employees who put discretionary effort into their work beyond the minimum required to get the job done. Highly engaged employees feel connected with their colleagues and feel valued, respected and involved by the wider organisation, care about doing a good job and ensuring that the organisation is successful.

- Engaged organisations have strong and authentic values based on trust, fairness, mutual respect and two way communications.

- Employee engagement can be measured by increased employee productivity, decreased employee turnover, increased customer satisfaction and reduced health and safety issues.



Financial Returns (Shorter-term)

The benefits of higher workplace courage can be translated directly to the bottom line. Although few studies have been carried out directly on workplace courage, there are numerous examples of the impact of increased innovation, employee engagement, greater brand recognition and successful transformational change on financial returns. Short-term profit and loss benefits include;

Increased profitability

Numerous studies have demonstrated links between an innovative and engaged workforce and increased profitability.

- IRS (2005) showed a difference of 52% in operating profits and 17% in net profits between highly engaged and lowly engaged workforces. Highly engaged workforces showed on average +19% operating profits and +13% net profits over average workforces.
- Gallup (2006) showed that earnings per share (EPS) were 2.6 times greater in organisations with top quartile engagement scores compared to below average scores.

Reduced costs

Linked in part to higher productivity and employee engagement, lower costs are also driven by greater and recognition with both customers and candidates (MacLeod 2009, Towers Perrin 2007)

- Employees in courageous workplaces are less willing to leave (that is, once the culture is embedded) and require lower salaries (Gallup 2006 and CLC 2004)
- Candidates need lower salaries and attraction costs to join, and are less likely to be sick (Gallup 2006)
- Customers require lower marketing costs to attract and retain them (provided they agree or admire the values the organisation stands for).

Increased employee productivity

Higher employee engagement has been demonstrated to improve employee productivity as employees are prepared to work harder for longer and are more willing to go beyond their role description in order to achieve organisational goals (MacLeod Report 2009, Gallup 2006)

Increased employee ROI

Courageous workplaces lead to greater employee return on investment as they require lower salaries and are prepared to work harder than similar workforces with lower levels of courage (Gallup 2006)

Increased customer satisfaction

Increased customer satisfaction and loyalty is driven by courageous workforces in two ways;

- Customers are attracted to the strong values of the organisation and personally identify with them
- Employees often a better service to customers (Gallup 2006)



Longer-term Returns

The benefits of higher workplace courage can also be translated into the longer term sustainability of an organisation. Such returns can include;

- Increased organisational capability
- Increased adaptiveness and speed of response
- Powerful reputation

What organisations benefit most from a courageous workforce?

Courageous workplaces benefit all organisations. There are both short-term and longer-term benefits from increasing the courage of employees.

However, **organisations often arrive at the 'gates of workplace courage' during times of great change** i.e. when undertaking a significant acquisition or merger, where survival is uncertain or where a radical change in strategy or business model is required. Such organisations are required to transform themselves and where there is uncertainty about the future, success is built on understanding the shared values, seeking and trusting all relevant information, agreeing and working towards new opportunities.

A courageous workforce believes in the organisation and what it stands for. Employees are therefore prepared to take personal risks in following the leadership team and owning a new future.

Where an **organisation or team is not facing the immediate need to transform**, i.e. they might be seeking to gain or retain competitive advantages or wanting to be more innovative or customer focused, building a courageous workforce is a long term strategy to engage employees in order to become more flexible and responsive, more willing to share and be creative and more willing to work for the greater good.

If you'd like to know more about workplace courage, the longer term business benefits and how you can build a courageous workplace, contact CourageousWorkplaces on 0845 862 1767 or enquiries@courageousworkplaces.com

About CourageousWorkplaces

At CourageousWorkplaces we work with Leaders and Communities to inspire, assess, advise, develop and implement courageous workplaces. We take academic theory and make it a practical reality to help you unlock your organisation's potential.

Our reach is global and we work with clients from a wide range of profit and non-profit organisations in every sector.