

Organisational self-esteem

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If high self-esteem is desirable in an individual then is it not also the case for an organisation? Paul Broderick outlines the steps that helped to improve organisational self-esteem at the State Revenue Office.



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I am a believer in the theory that organisations can often take on characteristics usually ascribed to individuals. Characteristics such as “friendly” might describe your local credit union; “fun-loving” could be a description attributed to Virgin Airlines; “cool” characterizes Apple Computers, and for “cheerful” think of a company like Boost Juice. I have even heard companies described as “sick” or “dying”. Self-esteem is a characteristic usually associated with individuals but I believe it can also apply to organisations.

When I was appointed CEO of the State Revenue Office (SRO), one thing I detected was that the organisation seemed to be suffering from low self-esteem. It had some issues it was dealing with that had captured the media’s imagination and it was also managing the relocation of almost half of its staff to new offices in regional Victoria. The organisation did not feel good about itself and you could see that in the faces of employees and hear it in the way

They spoke about the SRO. The way forward was to try to improve organisational self-esteem (OSE) and the results would follow – which is exactly what has happened.

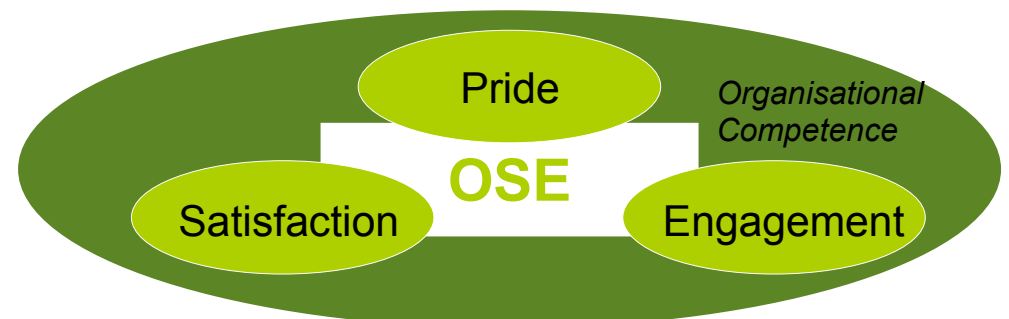
What is organisational self-esteem?

- Pride in the organisation you work for
- Engagement with the work of the organisation
- Satisfaction with how the work is done and the way the organisation conducts itself

But along with these three elements must go organisational competence.

The company needs to be competent, otherwise OSE just becomes a superficial, feel-good notion that will not last.

The essential ingredient in achieving high OSE is gaining the commitment of the leaders of the organisation. For “fun-loving” without the exuberant leadership of Richard Branson? His influence on the company culture is very pervasive, The same can be said of the late Anita Roddicks ethical influence on The Body Shop. This shows that the leadership provided from the top can shape a company’s culture so that the whole organisation exhibits what is normally seen as an individual human characteristic.



Seven steps to success

There are a number of important steps to improving OSE:

Step 1: Understand your current position

This may include conducting robust employee surveys, measuring the effectiveness of the top team, or talking to staff using open questions to obtain their views. Secondary measures such as sick leave, lost days due to stress, numbers of ideas/suggestions and numbers of external applicants for vacancies should be used cautiously. Alternatively, you may wish to measure OSE directly using a specific instrument.

Step 2: Develop a plan to improve

Analyse the information collected in step one and identify actions for improvement. Incorporate all of these actions in normal business plans so they are seen as important and not temporary adjuncts to the usual work of the company.

Tell employees that you have listened by providing specific examples of changes made due to their suggestions, and ensure that the top team is clear and harmonious about its direction.

Step 3: Get the top team and the structure right

Beware of organisational clumsiness – your structure must support your strategies, not inhibit them.

Authority needs to match responsibility for all decision-makers. The number of people in your top team should be carefully considered to maximise performance. Consider who is in and who is not. Everyone in the organisation should be clear about this. Turf wars in the top team must be eliminated and all members must act in the best interests of the organisation.

Step 4: Provide skillful leadership

The CEO must support the achievement of high OSE. The top team needs to be the model for harmonious behaviour for the rest of the organisation. Small actions can send big messages.

Step 5: Don't stop communicating

Poor communication is a common complain from employees, but it can be fixed. Prepare and implement a simple communications plant, which may include such things as a well-balanced staff newsletter.

Step 6: Measure progress

Progress can be measured using a variety of indicators, including benchmarking with like organisations and performance trends can be analysed over time using statistical analysis methods.

Key messages for improving OSE

If individuals have low self-esteem at work they will not achieve their potential; leaders have a responsibility to try to bring out the best in those they lead.

Organisations can display individual human characteristics which people either consciously or sub-consciously recognise, so make sure they are good ones!

The only way to change the culture in an organisation is from the top – if the culture is bad then leaders need to take responsibility to change it, not apportion blame.

OSE is about pride in the organisation, engagement with the work and satisfaction with how the work is done.

There are three factors that influence OSE: who you are, what you do and how you do it.

If just one of the influencing factors is not right, OSE can be severely damaged.

Results should be communicated to staff so they are aware of progress and when implementing staff ideas, publicly recognise those who made suggestions.

Step 7: Maintain your gains

CEO's must have the discipline to continue doing the things that achieved high OSE in the first place. It is critical to never lose the thirst to keep improving.

Use spotlight leadership to focus on specific parts of the organisation to improve as it is generally too much of a stretch to try and improve the whole company at the same time.

Reaping the benefits of high OSE

OSE is about pride in the organisation, engagement with the work and satisfaction with how the work is done. By following the above process, the SRO has seen operational productivity increased by 82% over 5 years and customer satisfaction at an all time high of just over 93%. The Resources Institute award for excellence in people management and Hay Group found staff survey results to be amongst the best ever seen when compared to the international benchmark.