

Press Release

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Employees have no plan, no job security... but they're happy!

LONDON (09 February 2009) – Research by leading management consultancy Able and How has revealed that a third of senior management teams have still not communicated a plan to their employees describing how the organisation will address the challenges of the economic crisis.

The research – which polled the opinions of over 200 managers and business leaders – adds weight to the argument that now more than ever, organisations need to be communicating with their people about the future.

'People are naturally resilient. Most respondents described themselves as being happy at work and optimistic about the future of their organisation, in spite of widespread insecurity about the future of their jobs, says Able and How Managing Director, David Ferrabee.

Of the people polled, 43% thought their job would be safe for the next 12 months, while 16% thought their position was at risk. 23% could not say either way. Only 16% said they were certain about the future of their job one way or the other.

In spite of this uncertainty, 80% described themselves as mostly happy at work and 65% feel some degree of optimism about the future of their organisation over the next year.

'What this survey reinforces is that communicating a plan to address the challenges ahead has a positive effect on employee morale, optimism and confidence in the ability of the senior team to lead the organisation. Without a plan, all you have is a series of decisions.' adds David Ferrabee.

The impact of communicating a plan...

...on happiness:

- The proportion of people who say they are mostly unhappy at work more than doubles in organisations where management haven't communicated a plan (13% > 31%)

...on security:

- The proportion of people who have a sense of certainty over the future of their jobs in the next 12 months is three times greater in organisations with a communicated plan (6% > 20%)

...on optimism:

- With awareness of a plan, three quarters of people feel optimistic about the future of their organisation – without knowing what the plan is, this optimism is shared by only half the people. (75% > 53%)

...and on confidence in leadership's ability:

The proportion of people who say they have little or no confidence in the ability of management is 3 times greater in organisations without a communicated plan. (10% > 29%)

'From our experience, we know it's important to get all the bad news out to people as quickly and as fully as possible. But at the same time, this research confirms our belief that people need to see beyond the immediate short term.'

'Too often organisations react to a crisis by focusing narrowly on one thing. Such a short-term view can knock employees' morale as they lose any sense of momentum or progress.'

'Everyone is talking about cutting costs or saving cash right now, and while that is critically important, the companies that will come out the other side of this downturn best-placed will be those whose people have not lost sight of their organisation's long term direction.' continues David Ferrabee.

And for those organisations that have communicated a plan, the survey highlights the added benefits of doing this in a way that employees can understand:

- 80% of people who said they understood the plan felt optimistic about the future of the organisation. This dropped by half to 38% among people who said they didn't understand it.
- 92% of people who said they understood most of the plan said they were happy at work. This dropped to 63% among people who said they didn't understand it.

'When everyone is pursuing the same strategy, getting the implementation right is what counts. If you communicate your plans effectively, it will make a critical difference.'

'By communicating your plan in a way that is easy for people to relate to their day to day work, you'll be giving your people the ability to make better decisions in support of your strategy. Your plan needs to mobilise people at different levels, so to be most effective the messages should be tailored to these different audiences.' adds David Ferrabee.

Full results of the poll will be published on Able and How's website on Sunday evening.

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