



5. 12. 2018. | HOTEL WESTIN, ZAGREB

HR KONFERENCIJA

Employee Engagement & Retention:

Privuci i zadrži

**Leadership (not management)
attracts and retains**

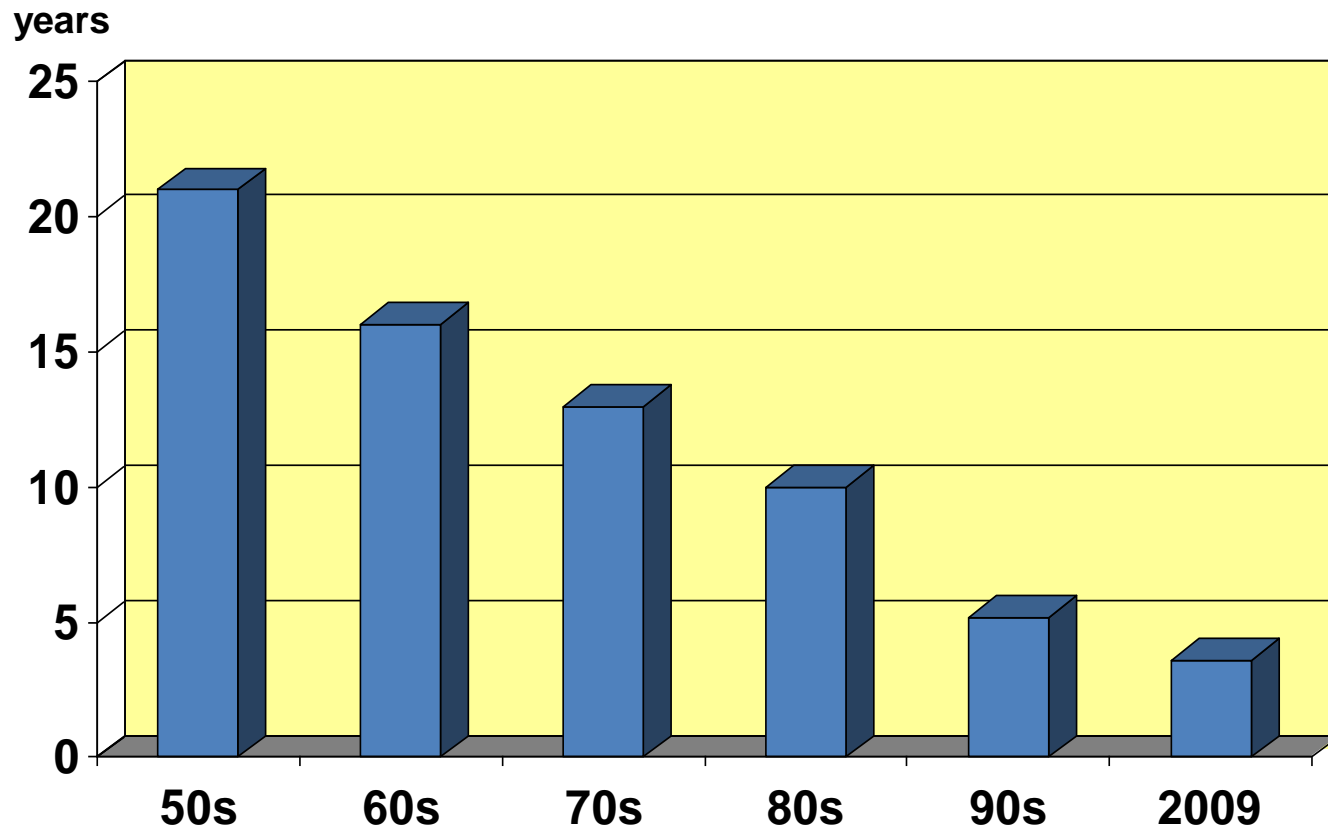
Ivica Vrančić, Chartered FCIPD



Do people leave companies or the country?



U.S. Workforce Loyalty Trends





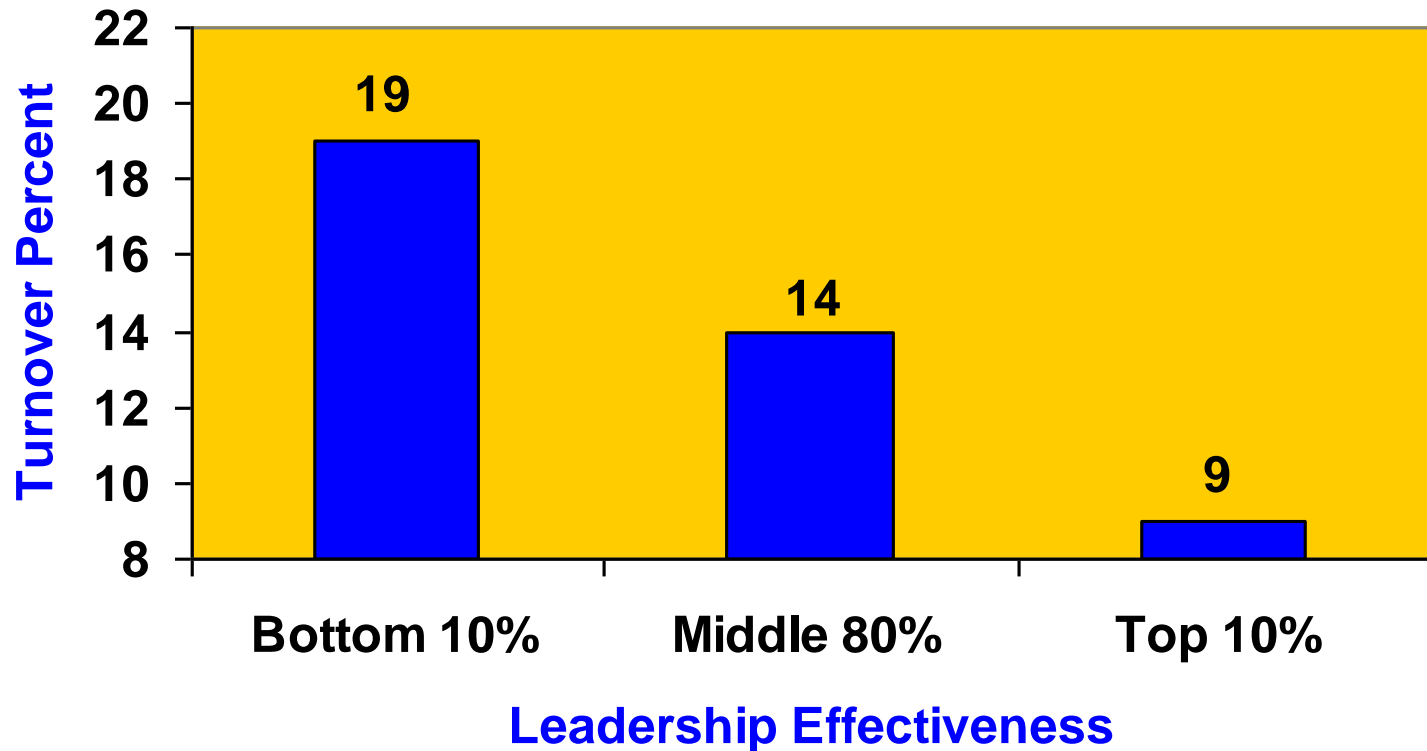
Employee Retention Factors

- Leadership
- Company (organizational, team, culture)
- Personal growth and development
- The employee-manager relationship
- Fair compensation and benefits
- Work life balance

Taken from Best Companies Guide –Center for Creative Leadership Survey of 100,000 people -2008



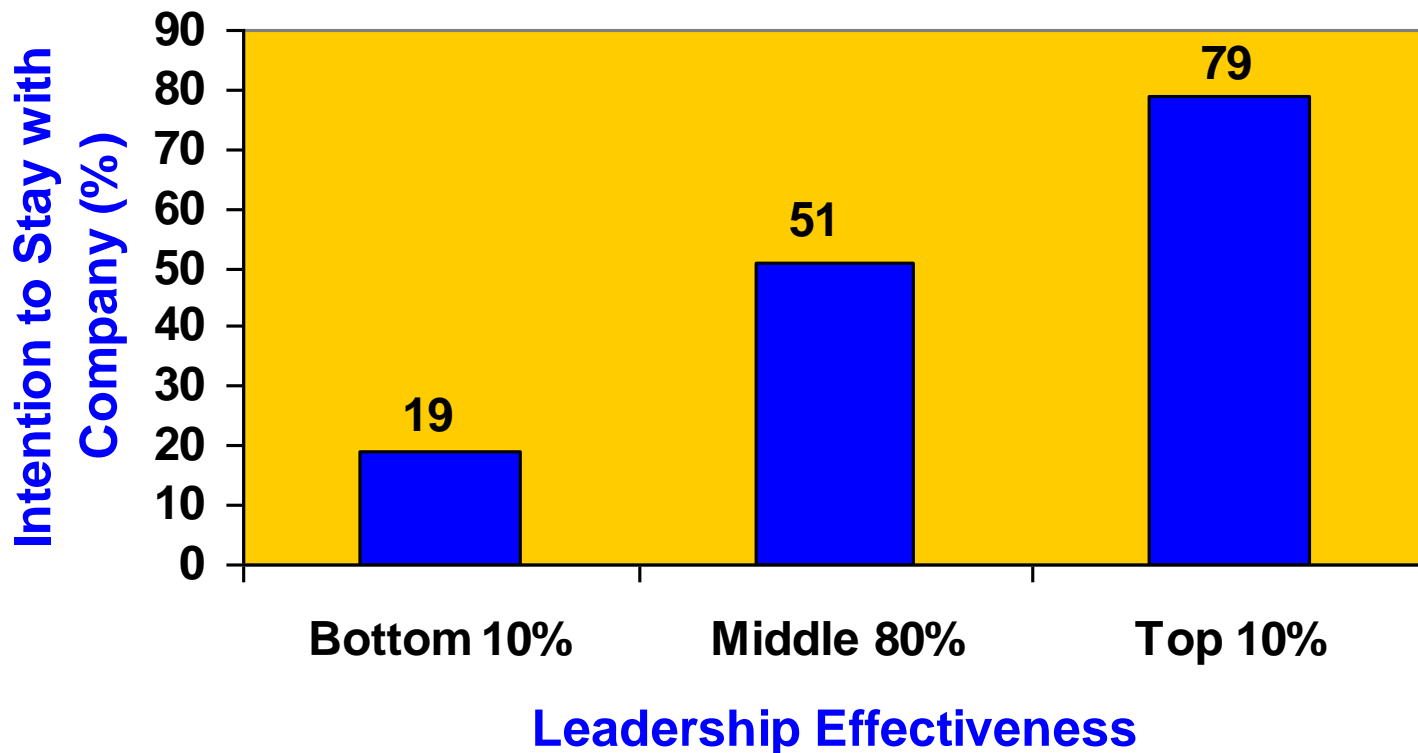
Leadership Effectiveness and Turnover



Source: Zenger and Folkman, The Extraordinary Leader, 2002



Leadership Effectiveness and Retention



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Managers vs Leaders

Managers

Appointed and
Have Formal
Authority

Leaders

May Have
Managerial
Authority and
Influence Others



Managers vs Leaders

Manager

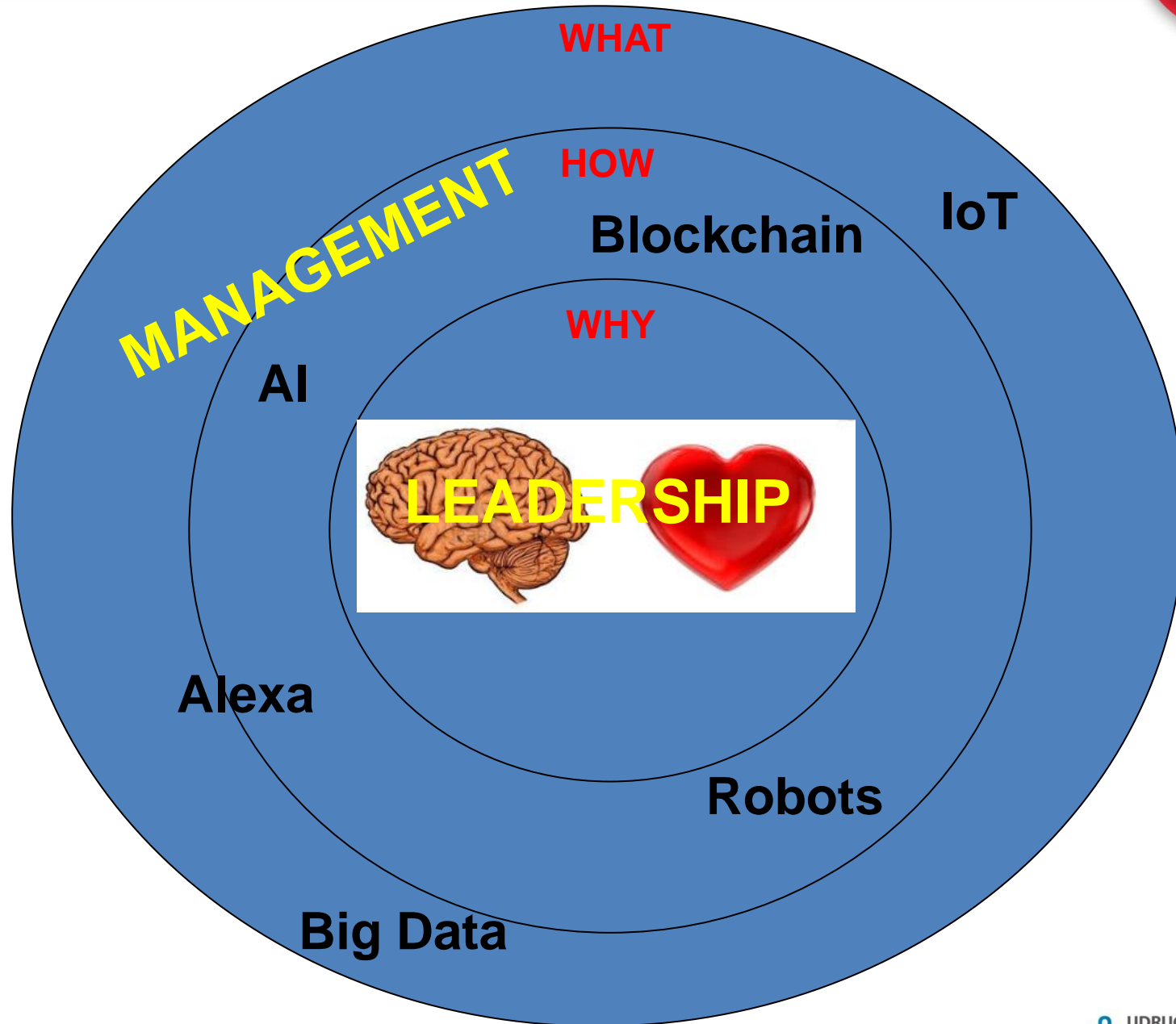
has

direct reports

Leader

creates

followers





Leadership

(New) Leadership characteristics:

- Has NO position power
- Builds values and culture
- Respects and insists on versatility and differences
- Communicates two-way intensively
- Develops people and organization



Leadership – NO position power

Chefs are better paid than restaurant managers

Programmers/engineers are better paid than CEOs in Hi Tech companies

New generations are not impressed by hierarchy



Leadership - Organizational Culture

YES

Agility
Decentralization
Versatility
Pro-activity
Individuality
Uncertainty
Creativity
Sharing
Capability
Accountability

NO

Status quo
Stability
Hierarchy
Divisional/Functional
Procedures
Organization
Job description



Leadership - Differences

YES

Agility

Decentralization

Versatility

Pro-activity

Individuality

Uncertainty

Creativity

Sharing

Capability

Accountability

NO

Status quo

Stability

Hierarchy

Divisional/Functional

Procedures

Organization

Job description



Leadership - Employee Development

Internalize development and build learning system

Share knowledge cross-organization

Internalize coaching (peer-coaching, boss-coaching)

Feedback culture

Mistakes are welcome

Leaders are models and sponsors



Leadership Employee Delevopment

Talents

Today
Performance
Potential

Tomorrow
Values
Ideas



Leadership – Two way communication

Listening

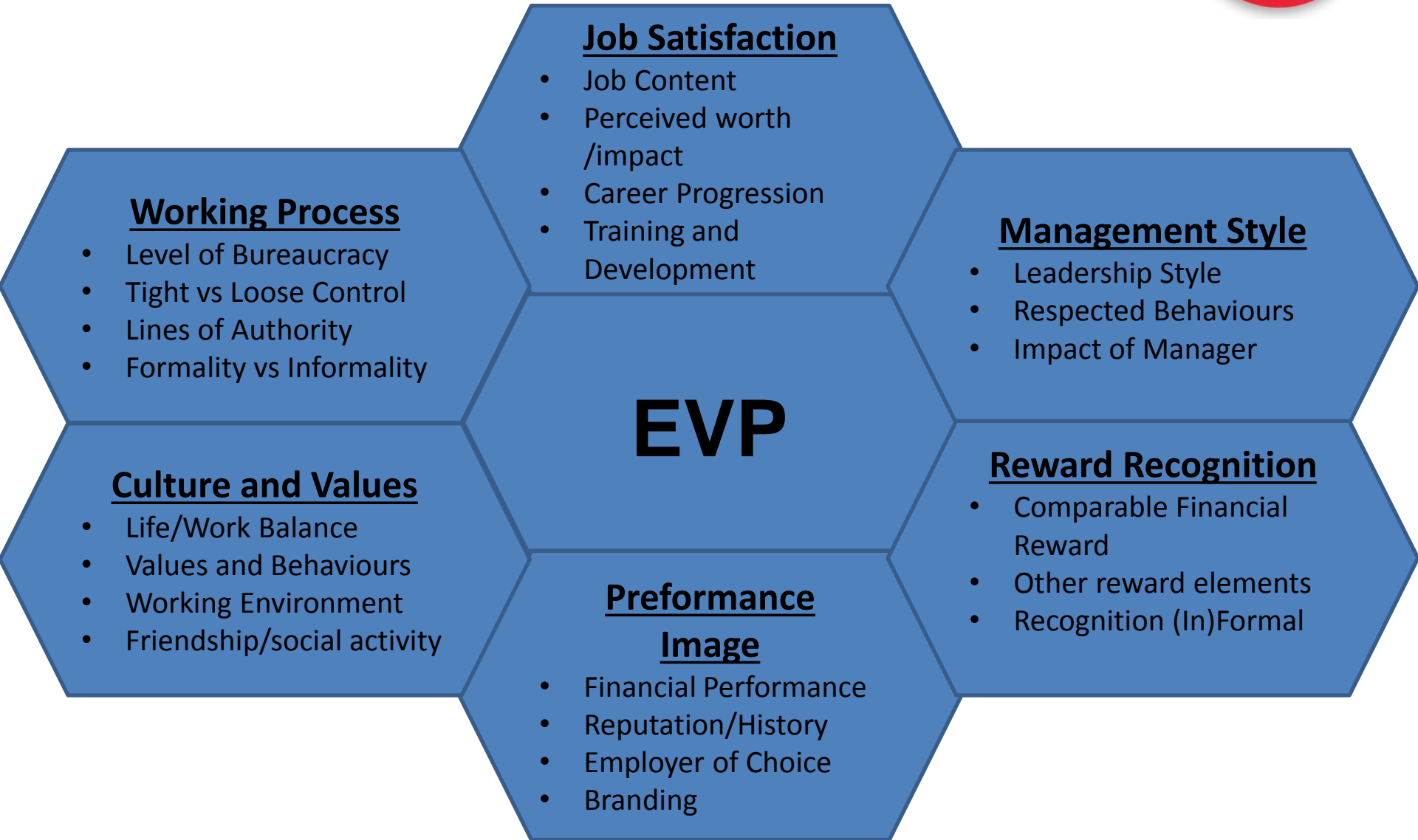
Listening

Listening

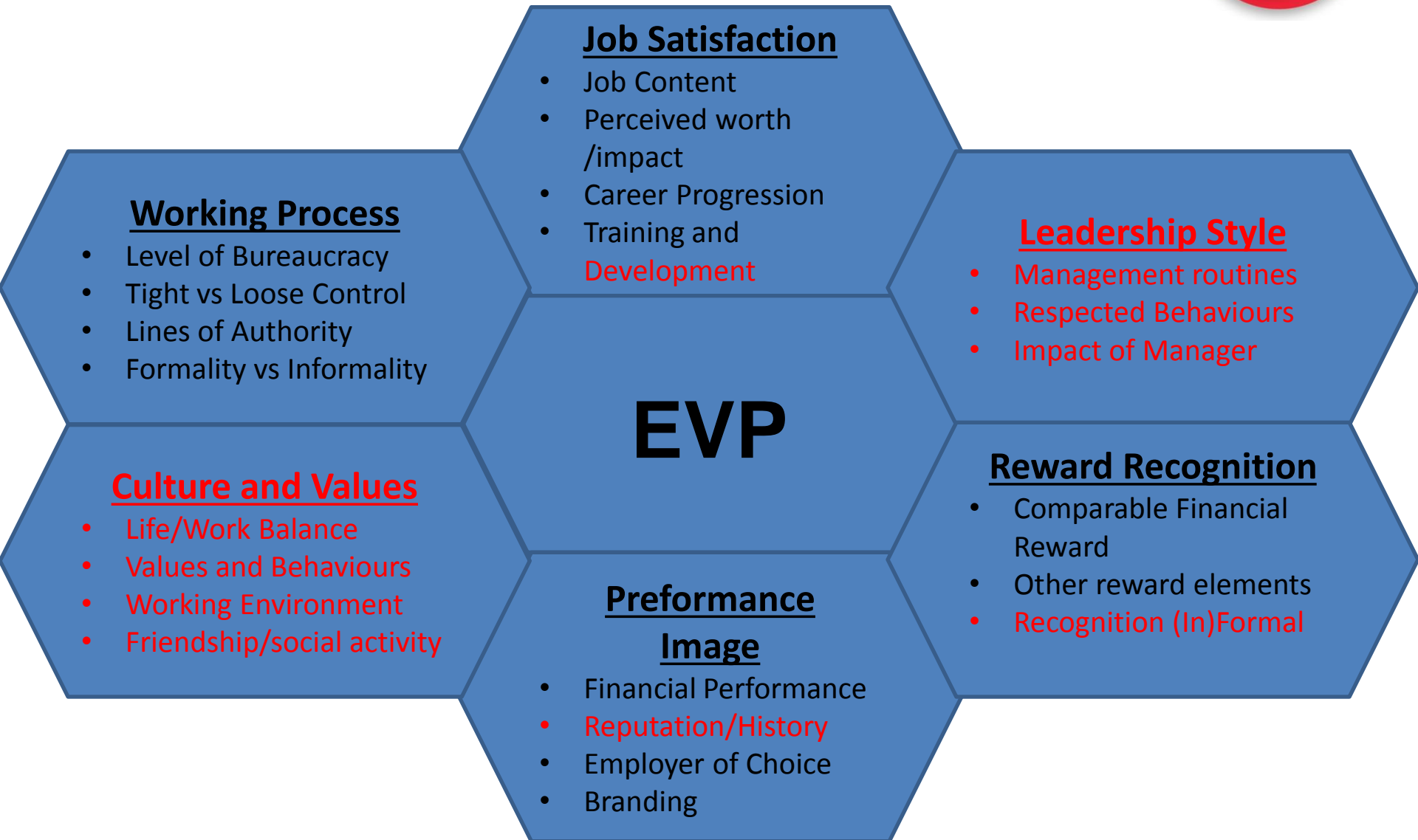
Listening

Listening

Employee Value Proposition



Employee Value Proposition





The Leadership Capital Index – The Measure of Business Success

Individual dimensions of the index:

Personal proficiency
Strategist
Executor
People manager
Leadership differentiator

Organizational dimension of the index:

Culture capability
Talent management
Performance accountability
Information
Work practices

Source: Ulrich, D., - *The Leadership Capital Index: Realizing the Market Value of Leadership*, 2015