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1

THE NEED FOR COMMITMENT

It is rare to have a discussion with corporate executives without the topic of commitment eventually arising. Many executives appear to be genuinely "shocked . . . shocked" by the exodus of their most esteemed employees, often noting a similar thinning within their own ranks. An employee's corporate life is a flurry of activity punctuated by offers, counteroffers, and job moves. Commitment appears to be waning at every institutional level. In fact, a recent survey conducted by the Hudson Institute found that only 42 percent of employees believe that their employers deserved their allegiance.[1]

The decline in commitment comes at a time when employers need employees more than ever. About one-half of all employees once again own the tools of their trade—their knowledge—which they can readily pack up and move from employer to employer. The days are gone when workers showed up, were handed their implements, and were told what to think and do. Today, companies' success depends on having a stable, talented workforce whose ideas coalesce into productive group actions. What they often get, instead, are collections of individuals, each of whom is prepared to walk out the door and through someone else's.

There are two reasons for the rebirth of an old-fashioned value—commitment. First, commitment is perceived as a business necessity. Worker shortages are seen as a barrier to growth among fast-growing companies. Figure 1.1 illustrates the increasing need for companies to find and hold

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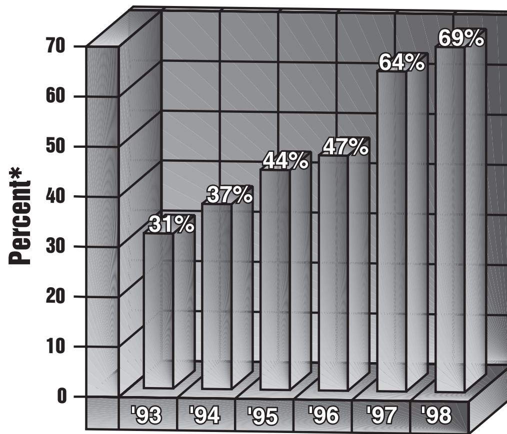

Figure 1.1 Employees wanted. The asterisk represents the percentage of America's fastest-growing companies that view worker shortages as a barrier to continuing growth.

Source: Time (June 22, 1998).

onto their talent. Put simply, without people, these companies will not be able to keep pace with demand and their growth will stall.

Indeed, a recent survey of executives across industries indicates that skilled-worker shortages are now having a pronounced effect by limiting sales by as much as 33 percent.[2] The demographics aren't favorable for improvement. There is a year-2001 problem upon us: In 2001, the baby boom generation will come of age for early retirement. There will be roughly 2.75 million Americans who will turn 55 in 2001, and the number will increase to 3.75 million in 2002—and gradually, the number will rise over time.[3]

Some companies and plants could lose more than one-half of their workforce to retirement over the next five years. The average age in many organizations, particularly within manufacturing, is relatively high: Layoffs pruned the younger, lesser-tenured ranks, and new technologies replaced the need to hire as many young employees. One could optimistically presume that many of the employees who will be eligible for retirement (and, in many instances, full pension benefits) will elect to postpone. Without further inducements, that may be unlikely. Nevertheless, even with the most advantageous assumptions, many in this age group will be lost to the workforce, because retirement often isn't a matter of choice: Many people will retire for health-

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related reasons. What actually transpires will have enormous consequences on both the economy and the financial markets.[4]

Senior management and executive ranks are not immune from the changing demographic landscape. Coincident with an aging population, there is a projected 15 percent decline in 35- to 44-year-olds over the next 15 years—the traditional reservoir of future management talent.

The second reason why commitment is back in style is because it is becoming very hard to replace workers—and not just because they are hard to find. Employees' knowledge and skill sets are more refined. Today, the work of organizations requires more intimate knowledge of the industry and of the specific company, as well as constant skill renewal and updating. If Betty leaves, the company has to find another Betty to maintain performance; an Al or a Pamela won't do. The learning curve is long and the ranks are thin: When an employee leaves, it really hurts.

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I can see desperation setting in by the lengths to which companies will go to attract and retain people. I have seen prospects promised trips for two to Hawaii upon joining a company, and the employee with the most company referrals given a brand new Ford Explorer. Then, of course, there are the lavish sign-on and retention bonuses.

Where will the replacements come from? We can make the traditional appeal to liberalize immigration laws and import skill sets. Indeed, immigration already is at its highest levels in over 50 years; today, roughly 1 in 10 people in the United States is foreign born. Yet, there is increasing demand for skilled talent from overseas. The 1999 allotment of 115,000 H1-B visas, which admits temporary, nonimmigrant workers, was used up in just eight months. Currently, many companies are lobbying to raise the H1-B cap to 200,000, readily acknowledging that this is an incomplete, short-term solution to a much bigger problem.[5]

We also can recruit more actively from our high schools and colleges and hope that our schools, in turn, will provide a more prodigious supply of talent. Certainly, local and national politicians are trying to shore up our educational system and deal with the social problems that spill into our schoolyards. However, the prospect that companies' demands for skilled workers will be adequately supplied through our

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current educational system is not good. For example, the number of jobs requiring two- or four-year degrees is projected to rise by 20 to 25 percent over the next five years. The bachelor's degrees conferred, however, continue to fall in key areas such as engineering, mathematics, and computer science.[6]

Mostly, replacement workers will come from you. You have trained, knowledgeable employees who can be plugged into another company quickly. This other company won't have to spend as much on remedial education and training—you've done that for them already, where it was needed. This other company won't have to go on a far-flung, global search for talent when its employee base largely sits in its own backyard.

A new division of wealth, a new set of haves and have nots, may well develop in business: those companies that will attract and retain the best people and those that can't—forcing the latter to retrench, relocate, redefine, or board up the windows. Companies that can't get and keep the people they want will be unable to conduct business as they had before in the days of employee bounty.

Finding and keeping good employees in this environment is imperative, but it's not going to be easy. According to a recent poll of American workers conducted by Louis Harris and Associates, over 50 percent say they will voluntarily leave their jobs within five years.[7] There doesn't appear to be much that will stop them, either. Human resource professionals claim that most efforts to keep talent have been unsuccessful.[8]

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These failings frequently are attributed to the usual suspects: We either blame the people themselves or the vast and impersonal economy. Therefore, we affix labels to entire generations and ascribe a new human nature to them. We believe, for example, that Generation X'ers are less serious about their careers and are more inclined to have fun: As long as we can entertain them, they'll remain true to the organization.

We bless and curse the robust economy that has given us so many good years of growth but has made it exceptionally hard to find and keep good people. Unemployment has hit historic lows; small businesses continue to burgeon and flourish; and our schools are unable to turn out students at a rate at which their skills are needed. What person

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could possibly resist the temptations of an alluring economic climate combined with the bounty of opportunity and a willingness to pay?

Intractable mercenaries in a seductive land is a poor mix for commitment, so the argument goes. I see it much differently. For a brief moment in time, the historical veil has been lifted and we are permitted a glimpse of the truth. Companies are horrified to see that suitors can so easily swoop in and steal entire departments. They are so appalled by the loss of executive talent that they threaten lawsuits against recruiters and encroaching employers. They are stunned by the stampede of early retirees who snatch up offers to separate. Companies who once congratulated themselves on low turnover during poor economic times have been humbled by mass defections—it seems their employees really didn't love them as much as they thought.

Either we can comfort ourselves by thinking that the times and human nature are different and that there is nothing to be done to change that—that we must live with the consequences of our conditions—or we can admit that many employer-employee relationships are flimsy and that it is up to the companies to demonstrate, once again, that they are serious about their workers.

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Managing People

The use of physical and investment capital has always been prominent in discussions of corporate success. It mostly has been recognized that these investments are embedded in a firm-specific productive capacity that requires, minimally, the operational excellence of people. The knowledge economy, however, has alerted us to the growing import of people's mental endowments, or human capital, in building organizational wealth. That creates problems for companies who depend on the power of people to excel. Unlike other forms of capital, people cannot mechanically be manipulated or fine-tuned to work at capacity; human capital have ideas of their own.

It is difficult to contemplate achieving the proper blend of effort, artistry, and intellect required for corporate success without commit-

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ment. Indeed, there are three things that companies have to do well in managing human resources, and commitment is an essential ingredient to each as depicted in Figure 1.2. To achieve success in the marketplace, organizations must successfully do the following:

- Capture talent
- Develop the talent they secure over time
- Use, or convert, that talent to satisfy organizational aims

Let's consider these three things and the relevance of commitment to each.

Capturing Talent

Companies need necessarily to establish a reservoir of talent. The depth, breadth, and quality of this reservoir depends directly on the company's ability to attract and retain the best people. This ability partially reflects how appealing an organization is as a mate. How many unsolicited resumes do you receive? What proportion of people reject your offers to join? Of the people you hire, how many stay? Are you able to keep your best performers?

There is surely a technical component to doing these things well, but the reputation of the company is equally vital—to those outside as well as inside the company. The reputation of your company says

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Figure 1.2 The role of commitment in managing people. *Note:* Commitment is the common theme that enables companies to realize the potential of people.

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something about who you are, what you stand for, and how you relate to others including your employees, all of which partially are formed through your commitment to employees and vice versa. One good index of how well you are doing is to determine how eagerly people want in and want out of your organization.

A large part of being one of America's most admired companies or best places to work is showing unwavering respect for people.[9] The philosophy is simple: If a company treats employees well, employees will give back as much or more in mental and physical effort. Corporate respect toward employees is realized in many different ways: through growth opportunities, ability for self-expression, a clean and safe environment, and evidence of compassion. As one employee aptly put it, "Being a good company is like having a good wife [spouse]."[10] A good relationship is exciting; it develops and grows. There is camaraderie around shared values and interests, and there is the enduring sense that the other will "be there" when needed. One might speculate, for instance, that John Chambers' (Cisco Systems) or Gordon Bethune's (Continental Airlines) reaction to tough times would not be to squeeze the employees. They, and other similar CEOs, have worked diligently to create environments that demonstrate genuine appreciation for employees.

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One company recently came to me asking if I could help them make it onto one of the premier lists of employee-friendly places to work, sponsored by the business press. They were rightly aware of the public relations coup this would entail and the related utility of attracting a larger pool of candidates. This company believed that by offering employees a smorgasbord of popular options, they would be publicly recognized for their largesse. They just needed a little help designing and communicating the nouveau programs. Whether their plan would succeed, of course, depended on whether the goal was to get on a list or to create employee commitment so that more people would actually want to work for them. It's possible to get the former and not the latter.

Companies that are able to create commitment realize that commitment ultimately is personal. This is the hard part of commitment that has profound implications for corporate conduct. It requires being

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consistent in what one does even though there may be short-term costs attached; it requires being flexible and making exceptions; and it requires making choices about what employees are prepared and unprepared to do—and providing reasons. Commitment is not created through a grab bag of trendy corporate goodies. It requires the patient and concerted attention of the whole organization.

To build commitment, you have to communicate with employees, assess their capacity to engage in various initiatives, give honest feedback, make decisions, spend money, take chances, and so forth. Like any relationship, there is a very big social component to success. If you want to throw your money away, institute new programs without being able to perform basic social/managerial functions well. Nowhere in this book do I say that building a quality relationship is easy, nor do I suggest that poor relationships can easily be salvaged by new programs.

Indeed, I have heard many reasons why companies *cannot* build commitment and why, therefore, they must be content with so-so experience in attracting and retaining employees. These reasons can be grouped into one of four categories:

1. *Too hard.* This is the self-condemning belief that management is too awful to pull it off. This is a more common justification than you might think, given how troubling it is. In essence, it is an admission that the company is incapable of running itself.
2. *Too costly.* Any time a company considers changes that might improve employees' lot, it immediately focuses on the costs that will be incurred as opposed to the human and economic benefits that will be obtained. The company engages in a cost-benefit analysis without ever considering the benefit part. If it costs money and is not related to physical or financial capital, the answer is "no."
3. *Too different.* Business is supposed to be "hard," but treating people with compassion and respect is "soft." Human resource professionals genuinely worry about how they will be perceived by their peers. If an initiative fails, one not only has to endure the spotlight of failure, but fend off smug glances that one is a

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marshmallow. Doing things a bit differently involves risk (as well as courage and imagination) and, ironically, the risk is normally seen to be in the direction of greater commitment toward employees. Business as usual is assumed to be the safer option and the one to which many employers default.

4. *Too hopeless.* Some companies are in industries in which it is more difficult to hold onto people, such as retail sales. The problem is that these companies then tend to make the generalization that nothing can be done because of the nature of the industry and the jobs within it. The assumption is that companies in similar businesses necessarily have similar experiences in capturing human capital—but they don't. In addition, informed employees *do* care for whom they work within a given industry. The word gets out.

Developing Talent

Every company needs to enhance the capabilities of its workforce over time. Companies change; employees must change and grow along with them. Thus, many companies provide formal and informal training for employees and are careful about how they deploy them within the company.

There is, however, quite a bit that employees have to do on their own. It takes exceptional striving and developmental efforts to achieve extraordinary corporate ends. People have to learn on their own. For many employees, this means caring sufficiently about the employer and their work to want to exert the extra effort and put in the additional time—although, admittedly, I have seen employees put themselves on a strenuous self-growth regimen solely for the purpose of becoming more marketable outside the company: getting themselves in shape to shop around.

Commitment toward one's profession/vocation and the organization is a helpful stimulus for personal growth. It helps in another way as well. Individual innovations and ideas have to be widely diffused throughout the organization to be of benefit. Personal work efforts also

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have to be integrated. Both of these require reliable social networks to be built. The strength of these networks depends upon their quality and durability over time. Employee commitment is the social glue that can help these social networks function well.

It is not only what people know (i.e., the quantity of information and where it resides) that matters, but how social goods such as information are structured, distributed, transformed, and combined by the corporate community. In this regard, social ties and connectedness are vital to the prosperity and economic well-being of the group. Productive group behavior implies various things about the group itself: about social intentions, norms and values, obligations, and so on—about the ability of the group to take advantage of individual pieces of intellect.

These social networks can't simply be plugged in or hardwired and expected to work without first being properly grounded. People have to feel a part of the group, to trust one another, to believe in the causes of the exchange, and so on. Many companies readily acknowledge the destructive qualities of "silos," intuitively understanding that the whole is not fully benefiting from the individual parts. The interpersonal dimensions needed to make this system work and develop lie in the ability of the organization to build a community, and commitment is one of the essential ingredients.

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Increasingly, companies are assigning a senior executive to the role of Chief Learning, or Knowledge, Officer, whose duties include:[11]

- Managing tangible intellectual capital such as copyrights, patents, and royalties
- Gathering, organizing, and sharing the company's information and knowledge assets
- Creating work environments for sharing and transferring knowledge among workers
- Leveraging knowledge from all stakeholders to build innovative corporate strategies

Guess the largest barrier to effective knowledge management? It's those darn people again! Those who persist in their own endeavors, exclusive of what has been achieved elsewhere within the company.

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Converting Talent

The object of corporations is to take raw materials (including intellectual parcels) and to transform them into something else of value: new products or profits, for example. How are the human capacities by which this is achieved harnessed? Public goods do not magically arise from the unbridled pursuit of private interests. Meaningful conversions require consistency of purpose and other-centeredness. That is, to produce something of value that is not specifically yours or mine, requires an investment in a relationship that is ours.

Let's look at two scenarios to see which is more likely to be advantageous to the company. First, consider a company that is populated by independent contractors, even the Chief Executive Officer. The Internal Revenue Service has specific criteria for independent contractors, but for our purposes, let's agree to the following general definition. An independent contractor is a person who:

- Is self-employed, with business interests outside the current engagement
- Provides his or her own tools
- Is hired to perform a specific task with specific performance terms, for a set price, within a defined time frame
- Exercises considerable discretion about how the work will be done

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This work has a definite focus, time frame, scope, and price. As long as there is work that the contractor is willing to do and the money is right, the relationship continues through successive contracts. The relationship is built on a series of agreements.

Some contractors may eventually tire of the work and decide to move on. Others may find higher bidders in the marketplace for the same work and, not wanting to forego opportunity costs, move their talents elsewhere. Still others may remain content with the work and the money and stay put for a while; perhaps they don't actively market themselves to others. The relationship between independent contractor and the employer is loose, passive, and dispassionate. On the one

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hand, it is up to the independent contractor to grow and develop, to find satisfying work, and to promote his or her market worth. On the other hand, the company wants the performance for which it contracted and assumes minimalist obligations toward the contractors—a work space while on company premises and compensation for services rendered.

The astute observer will have noticed that I have described what many in corporations and academia believe to be the New Deal: the new psychological contract between employers and employees. These are transactional relationships typified by short-term time frames, highly specific performance requirements, weak ties to the organization, and monetary exchanges. There are little mutual commitment and low psychological barriers to exit.[12]

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In my work on staffing, no company has ever told me what they would really like to have is a building full of independent contractors—no employees. Companies don't rely exclusively on independent contractors, because they don't want to risk losing firm-specific knowledge and delicate, proprietary information to the competition. Also, the company would worry that a collection of independent contractors would not develop the requisite cohesiveness and morale to deliver products and services of superior quality. How is the new psychological contract good for companies? Furthermore, if this is the philosophy we are asked to embrace, then why be upset if an "employee" leaves you when he or she was never really yours to lose to begin with? Feelings of personal injury may be in order only when one has actually invested something in the relationship.

Consider the alternative: employees, united and committed. I recently had the opportunity to sit with a group of senior human resource professionals to discuss organizational commitment. Most of them had despairing and resigned remarks about the new psychological contract and even seemed to accept it with a heroic fatalism. One manager from a regional supermarket chain then stunned the group with her description of a compassionate employer. She supplied examples of the personal attention, support, and economic investment that the company provided employees and the warm feelings that employ-

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ees had toward the founding family. She sensed that employer and employees alike would go to great lengths to avoid letting each other down. Employees tried their hardest to do what was right for the company, and the company would not turn its back on giving employees. Many of the meeting's participants learned that day that there is another way to relate to employees.

Over the years, I have heard employees describe their relationships with their employers: Many describe themselves as renters or owners, and many describe themselves as dating around or marrieds. Both of these metaphors conjure vivid distinctions, neither perfect, but illustrative. Renters and daters have relationships that are transient, and legally and socially confining. For example, renters must abide by carefully crafted rental agreements, and daters must adhere to norms that define dating relationships (e.g., certain gifts, meeting parents, and so forth, are prohibitive acts unless one wants to alter the nature of the relationship). There are no substantive long-term obligations to speak of, nor is there joint participation in activities that would denote that the relationship had a more enduring character. On the other hand, ownership and marriage infer a strong expectation of permanence and a set of open-ended requirements or obligations designed to improve the value of the property or the quality of the relationship over time. Both imply work and uncertainty. Both can result in great disappointment or joy. Just about everyone thinks that it's worth a try.

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Commitment in Context

Commitment is critical to organizational performance, but it is not a panacea. In achieving important organizational ends, there are other ingredients that need to be added to the mix. When blended in the right complements, motivation is the result.

Motivation is generally defined as behavior that is energetic and goal directed.[13] Motivational theorists differ on from where this energy springs and on the particular needs that a person is attempting to fulfill, but most would agree that motivation requires the following:

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- A desire to act (commitment)
- An ability to act (requisite behavioral repertoires)
- An objective (goal state)

Figure 1.3 illustrates the potential independence and interdependence of these components as applied to an organizational setting. To obtain action your company would view as worthwhile, an employee must be committed (properly energized), have the requisite capabilities to act, and understand what must be done. There are problems if any of these pieces are missing as is discussed in the following.

Great commitment and goals will be lost on an inferior workforce and/or on an obstructionist work environment. One of the great truisms of behavior is that you can lead a horse to a water trough, but she won't drink if water is not available or if she never learned how. No matter how great the desire or how rewarding the outcomes, behaviors that can't be enacted, won't. Indeed, if a company repeatedly erects barriers to goal completion (e.g., through such means as bureaucratic entangle-

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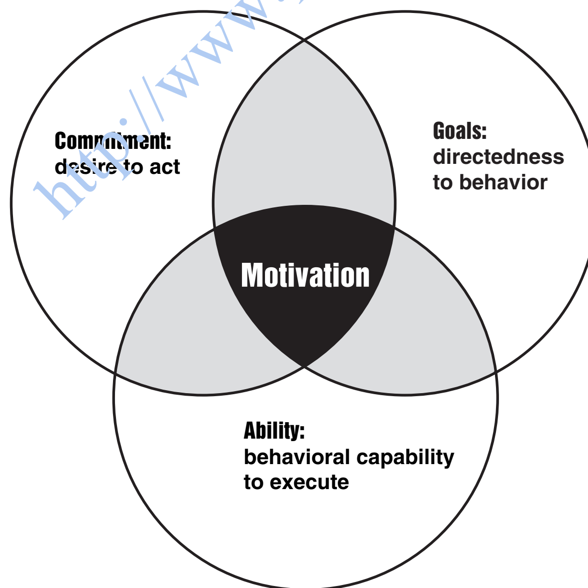

Figure 1.3 The contribution of commitment to motivation.

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ments and insufficient allocations of resources) that cannot be overcome by the employee, motivation will not endure. The employee will either give up or look elsewhere for a more fertile environment. Whereas the committed employee will work diligently to improve upon his or her skills and doggedly try to remove obstacles that stand in the way of progress, in the short run, just how far he or she gets will greatly depend on what the employee knows and is capable of performing.

Generating great goals without the attendant commitment is futile. As Collins and Poras point out in their fine book, it isn't just the presence of a goal that stimulates progress, it is the level of commitment to the goal that matters as well.[14] Companies spend a lot of time and money on goal setting, believing that goals that are mutually set by boss and subordinate and, therefore, "owned" by the employee, are sufficient to elicit effortful behavior. Sometimes, the pledge of money adds luster to goal attainment but, more often than not, the tangible consequences are indiscriminate and insubstantial. In either case, as any manager will tell you, "There is meeting goals," and "There is meeting goals." Some employees approach the exercise as a technical formality and with the precision of a lapidary: working on the angles to produce the greatest sheen. Others pursue their goals with abandon, constantly reanalyzing and reconstructing, but never losing sight of the spirit of their endeavors. The real differences do not lie in who made up the goal or what the specific goal is, but on how deeply one cares about, and is committed to, the enterprise in which the goal is embedded.

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Consider the differences between a mountain climber and a tourist, both of whom have the goal of reaching a mountain's summit. The mountain climber chooses a difficult route of ascent because the journey itself is filled with passion. In fact, standing at the peak wouldn't be as exhilarating otherwise. The tourist just wants to make it to the top alive; the tourist selects the easiest path and gingerly picks his or her way up. Differences in competence aside, the distinctions between the mountain climber and the tourist nicely illustrate the sterility of goals in the absence of any broader convictions.[15]

Instilling commitment without establishing direction squanders employees' ardor. Behavior is purposeful and goal oriented. Without

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any clear channels for action, organizational activity is like pouring water onto a mound of dirt: It runs down in many different directions, forming its own tributaries and outlets. Although committed employees will be much more inquisitive about what the company wants as opposed to uncommitted employees, who will pursue their own course, they still need help in finding their way.

In understanding the objectives that are most important to the company in both word and deed, committed employees are liberated to regulate their behavior in the way that is most advantageous to the company. Most of what employees do on a daily basis is outside the scope of direct observation and the control of external rewards that are too remote to be meaningful. Employees are on their own. It is up to each person to make the right choices with other employees, customers, suppliers, and so forth, when the moment of truth arrives. High commitment and a definitive goal state go a long way in securing the corporate future.

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Myths and Misconceptions

Before moving on to the next chapter, where we will begin to take a closer look at the nature of commitment, there are a few myths and misconceptions about commitment, and related issues, to clear up. At various times within companies, I have seen these beliefs expressed as truths. However, they are either built on false premises, involve so many exceptions and caveats as to render them meaningless, or they are just plain incorrect.

Myth 1: Employees who stay with a company are committed. This is a common fallacy. There are types and degrees of commitment, and those who remain with a company may not be committed in the fullest sense. For example, people who stay simply may not have (or are the type of people who believe they do not have) very good options elsewhere. Employees can expect pretty much the same or worse at other places of employment. Therefore, as miserable as these employees may

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be, they remain where they are. Companies often mistake employee retention for commitment. Yet, it is always possible to get people to stay by instilling basic forms of commitment (e.g., *compliance* through money). However, these employees may not really care about their work or you, their employer.

Myth 2: When a company does something to increase commitment, it should see the results to the business right away. Many companies are impatient for results, and with very good reason, given the costs associated with absenteeism, turnover, reduced productivity, theft, and such—consequences of low commitment. Interventions aimed at improving commitment and/or any other aspect of the business have potential effects that are either immediate, gradual, or delayed, and that are either short lived or long lasting. When most companies speak about change, they want the immediate, long-lasting variety. This kind of change, however, really isn't possible. People's attitudes on matters of importance to them, like the quality of their work life, don't change easily or quickly. It takes time to get the changes in attitudes (i.e., commitment) that are needed to get the kinds of changes one wants—ones that will endure. It is all the harder if the starting place for attitude change is one of mutual distrust and animosity. Commitment takes time to create, and, fortunately, it takes time to destroy—although, as any child with Tinkertoys will tell you, you can dismantle more quickly than you can build.

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The things that companies often end up doing are designed to yield immediate results. Again, this is understandable; however, these efforts mostly will yield short-term benefits—the effects dissipate with time. Providing more money is the perfect example. Companies pay out more money, employees temporarily work harder or stay longer, adjust to their new level of compensation, and subsequent "doses" of cash are soon required to sustain the effects.

Myth 3: Turnover and absenteeism are entirely different subjects. From a company's perspective, these involve different internal procedures, involve different policies, have their own cost structures, and affect companies in unique ways, but they are on the same escape-avoidance behavioral continuum; that is, they are similar responses to a lack of

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commitment. They are mechanisms of escaping or avoiding (to the extent possible) aversive conditions, accomplished either by changing companies or by reducing the time made available to the company. The goal is to minimize or eliminate unsatisfactory conditions. This is why punitive policies and approaches to absenteeism have little effect. They simply try to make absenteeism beyond a certain limit more painful than going to work, like a sign in the road that says, "Go no further, or else!"

To some extent, these policies invite people to the limits and, even so, clever employees on a mission can usually find a way past them. Punishments, such as warnings and threats, only convey what an employee should not do and not what they should do—they do not make the workplace more appealing or more desirable. Furthermore, punishment can instigate retaliatory behaviors (e.g., work slowdown, vandalism) against the punishing agent (i.e., the company), particularly if employees feel singled out by corrective actions or consider the punishment to be unfair.

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Myth 4: Employees, by nature, aren't as committed as they used to be. We have already discussed this a little. Companies no longer afford the job security they once did. However, many employers believe that because they cannot provide assurances of permanent employment to employees, commitment is impossible. There is no use in trying.

Some employers go on to make the workplace as unappealing as possible to the degree that "Why would anyone stay?" becomes a legitimate question. As we'll see throughout this book, there is much more to commitment than promises about job security. Even so, it is possible for employees to feel secure in their jobs, even without explicit guarantees of job permanence, given the right organizational climate. For example, managerial stability (i.e., low internal or external churn in the management ranks) can enhance employees' confidence in the future and sense of permanence; on the other hand, frequent managerial moves can be unsettling to employees and can be a source of anxiety.

Myth 5: The people who are most likely to leave a company are new hires fresh out of school who have not yet developed a work ethic. Because

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commitment takes time to develop, new hires with equivalent prospects outside the company, whether they are fresh out of school, are at the greatest risk of leaving an organization. One of the truisms of turnover is that the longer employees stay, the longer they'll stay. With time, employees either have too great a personal investment in the relationship to forsake it, or they become increasingly committed to the relationship in other ways, or both. In either case, the time when employees are most susceptible to leaving the company is shortly after they've arrived—when they are still evaluating whether they've done good or made a colossal mistake.

Myth 6: Most employees leave because of money, not lack of commitment. It is generally true that most good employees who look for work elsewhere can find a job that pays from 10 to 30 percent more. Why, though, were they looking in the first place? One aspect of commitment is a reluctance to seek out and entertain alternatives. Most employees will say that they stay with a company for reasons unrelated to money and leave because of money. In exit interviews, money serves as the perfect, harmless rationale that leaves everybody smiling: Who wouldn't leave for more money?

Ask employees how they felt at the time they made their decision to leave, and a different story emerges. A more emotion-laden discussion emerges about squashed expectations, broken promises, abuses of power, and so on. Intense thoughts and emotions are neatly hidden by a discussion of money. Many employees leave *for* money, *because* they have not been enriched by the company in other ways.

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Myth 7: Doing something to increase commitment is better than doing nothing. This assumes that the company knows what it is doing and why it is doing it. Different people within different areas of the company sometimes have unique theories of commitment and apply their own solutions. Without a uniform understanding of, or a consistent approach to, commitment, it is conceivable to make matters worse by implementing costly programs that have no effect because they address the wrong issues or are contradicted by other initiatives. For example, one part of the company may boast of its impressive set of worklife pro-

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grams, while employees discover from local management that the use of these programs is frowned upon. Another example would be a company that imposes a 40-day-per-year training requirement for employees but discourages any training because it interferes with work; indeed, within one company in which I worked, training was relegated to the least busy. Being sent to training was perceived as something to be avoided—"You aren't busy, go to training." Problems with commitment may be magnified when one part of the organization creates employee expectations while another part undermines them.

Myth 8: There is really no use in trying to create commitment within certain industries (e.g., retail), because the jobs aren't that good and that reality can't be changed. Many companies believe that building commitment to retain employees is not worthwhile, because it can't be done—the nature of the work is not that good, and it can't be changed. I hear this most often with respect to positions such as salesclerks, customer service representatives, and cleaning and maintenance staff. However, when I ask people in these positions if they are happy, only a part of their answers focus on the duties that they actually perform. Most of their answers concern their relations with their boss, how they are treated by the company, and whether there are organizational barriers to performing their jobs to the best of their abilities. Their answers have more to do with feeling that they are valued, that they belong, and that they are involved in a meaningful activity, than with the actual work they do. It may not be possible to change the attributes of a job, but it is possible to ascribe value to it through the company's words and deeds.

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Not everyone will suddenly choose to stay in a particular job, but many employees who are more committed will choose to stay longer. Even good associations come to an end when they are no longer functional: for example, when an employee wants more responsibility but there is no room to grow within the company, or when an employee's professional interests begin to diverge from the company's interests. This raises an underappreciated facet of commitment. Even when certain aspects of the relationship are no longer viable, and separation is inevitable, the relationship can remain cordial and inviting. In such

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instances, former employees will tell others about their positive experiences with your company.

Myth 9: Companies should address low commitment where it results in the biggest organizational returns. Big problems are usually diagnostic of deeper and more systemic trouble with commitment, and these should be addressed over time. Often, many aspects of the organization are askew, and many costly changes are needed. In these cases, a simple, single intervention will seldom counteract all of the messages that the organization is sending out about its commitment to its employees. Bringing flowers home to a spouse one day would be nice, but it won't have a lasting effect unless it's coupled with other behavioral changes that express similar attitudes. Building commitment isn't something that's done; rather, it's a way of life, a process, that takes time and effort to effect.

In staring at the intimidating size of some problems, companies are immobilized sometimes, or they lose sight of the fact that, in some quarters of the company that are less resistant to change, there are lesser things that can be done. That is, there may be lesser commitment problems affecting a small but significant cadre of people—that won't yield systemic results that are quite as large—but that can be handled more easily. The magnitude of potential results tend to be correlated with the scope and effort of change that is required. In summary, I have seen big problems act like a cognitive magnet, diverting attention away from minor changes that could be made, and exhausting would-be change agents before work has even begun.

Myth 10: Turnover is a binary event. True enough, turnover is a yes/no event, but that event is the culmination of a series of experiences that attach people to or disengage them from the organization. The misconception is that turnover is similarly precipitated by a discrete cause: something specific happens that produces turnover. Turnover is an evolutionary process by which employees gradually discover (some more quickly than others) what the organization is like and what kind of relationship they are in—and they make a choice accordingly to stay or leave. The decision is a product of numerous experiences, the final

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one of which may be the "last straw" or the one that "pushes employees over the edge." Causes can be insidious—the accumulation of experiences—with separations triggered by a single precipitating event.

In general, companies tend to think of the consequences of commitment in binary terms: people stay or leave, show up for work or don't, are or are not good citizens, are hard workers or slaggards, and so on. This sometimes leads to a logical fallacy that the causes, too, are simple and discrete. Employee commitment is the result of a complex of conditions stimulated by a myriad of corporate actions.

Myth 11: Very low turnover is bad. This is a way of thinking used by companies to cheer themselves up when their turnover is high. The implicit assumption is that if no one is leaving, the place must be too comfortable. Employees are complacent, not committed. I have seen employees fit snugly into an easy corporate lifestyle: no pressures or accountabilities. True enough, there are companies with low turnover that are reservoirs of nice people who aren't particularly ambitious or effective. This suggests that *involuntary turnover*—turnover attributable to the company's actions against the employee usually for performance-based reasons—should be higher. Low turnover, however, can also be a sign that a company is doing all the right things to gain the commitment of the employees—and companies don't suffer because of it. The Illinois Trade Association, Inc., hasn't lost an employee in five years. The employees are highly productive—the Association elicits this effort by showing that they respect their employees and by helping to enrich their lives in ways that go beyond money.[16]

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Nevertheless, zero (or near-zero) *voluntary turnover*—turnover that is instigated by the employee—may reflect a state of perfection that is too good to be true. The work environment is structured so that no rational person would leave, regardless of the way he or she feels about the organization. For instance, many information technology departments gave their employees piles of stock options, and no one left; as soon as the options vested, however, the door to the gilded cage sprang open, and much wealthier employees stepped out. It is advisable to

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always leave room in the system for employees to opt out voluntarily if they so choose, because you don't want people to stay if they really don't want to work for you.

Myth 12: There is only one reason for high or low commitment. This is like presuming that all relationships succeed or fail for the same reason. Although this statement is self-evidently false, investigations on commitment and related issues such as turnover often proceed as if in search of the Holy Grail (e.g., all we have to do is offer more career opportunities). In general, the antecedents of commitment are "nested." There are corporatewide influences, group (e.g., departmental, workgroup, job class) influences, and individual differences. Thus, members of Information Technology, for example, will not have the exact same commitment-related issues as employees in Marketing. Furthermore, not everyone in Information Technology—even people with the exact same jobs—will be attitudinally identical on commitment. The same facts and circumstances can affect people in different ways. For example, certain people may make benign interpretations of unfavorable events, whereas others may interpret those same events as personal threats or slights. That is, there are people who are better prepared to be more committed than others. At the extremes, you can usually tell who these people are: the people who can't stay connected to anything or anyone and the people who can. Once, I was working with a company on a turnover/commitment problem that they were having, and I casually told them that I knew one of their new hires very well—as the son of a friend, he was someone I had watched grow up. They jokingly asked if he would stay. My reply was, "Of course." This was a kid who never quit anything. He held onto the same paper route longer than I'd ever known anyone to have a paper route. He was about to marry his high school sweetheart. He joined clubs and sports teams and stuck with them. Because he was satisfied with his decisions, and attachments just seemed easy for him—of course, he'd stay.

Myth 13: To understand commitment, we can just ask employees. It doesn't hurt to ask. Companies are usually interested in the answers for specific groups of employees—typically, those who have elected to

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leave the company. Assuming that employees can correctly reconstruct their rationales and that they are willing to divulge them, their answers should be contrasted with another (matched control) group to yield insights into causes. Companies aren't just interested in employees' perspectives on commitment; they really want to know how their commitment might differ from other employees who are more productive or who have greater intentions of remaining with the company. Thus, for example, if people who are leaving the company say the reason is they have a bad boss or a boring job, the company needs to know if those who stay think differently.

Myth 14: Happy employees are productive employees. Mood states such as happiness are relevant to performance, but they are not the same as commitment or motivation. Happiness doesn't imply a connectedness to the organization or a drive toward goal attainment. It is easy to imagine someone being immensely happy, personally, but an unremarkable performer. This myth is a simplistic remnant of the human relations movement, and it requires a host of limiting conditions or conceptual additions to make it workable. For example, a general state of happiness may be related to optimism and resilience, which, in turn, may be associated with particular types of performance, such as better service in tough customer contact positions. Someone who is happy also may be less sour about his or her pay and may be more positive about other aspects of the work environment, such as his or her job and, consequently, more productive.

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Myth 15: Positive behavior change implies positive change in commitment. Organizations undertake many actions that are intended to thwart specific dysfunctional behaviors, such as lateness, by introducing incentives, punishers, and monitoring devices in an attempt to regulate those behaviors. Although these may lead to a notable decline in specific undesirable behaviors, the means used to achieve those ends may lower commitment to the organization by making the environment more aversive and/or by making people less trusting of one another. Without attendant attempts to change attitudes (e.g., commitment), new problem behaviors may emerge. Plug one hole and

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another develops someplace else. Thus, seeming solutions or treatments may make matters worse.

There are many other myths and misunderstandings about commitment and its antecedents and consequences that I will describe throughout the book. Now, let's look more closely at the five ways to create commitment and what, more specifically, commitment can do for your company.

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