

A Short Guide to *Corporate Rescue*



Rescued Executive

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Overview

Following is a short guide to corporate rescue inspired by Bob Cratchit's writings in *Coming UnScrooged!*

*If not you, then
whom? If not
now, then when?*

This document provides you with an overview of issues surrounding a corporate rescue. Please know, this is just the wake up call, not the solution. That resides with you and what you do with this information.

My hope is that this primer inspires you to examine yourself and your organization. The corporate world is in a state of crisis and it needs to get back to leading based upon solid values.

As a leader you have a duty to raise the level of awareness about this issue and be the catalyst for change.

M.A.Y.O.R.!
(Miss At Your Own Risk)

Chapters

I. Why do corporations need to be rescued?

II. What is a corporate rescue?

III. What does it mean to you?

IV. What does it mean to your people?

V. What does it mean to your community?

VI. What now?

I. Why do corporations need to be rescued?

Let's get one thing straight from the start: I am not some namby pamby New Age feel good evangelist. I came from the very same world in which you live. I've had to lead challenging people, make big budgets and perform... no matter what. No excuses accepted. My hope is that this fact will give the words to follow even more credibility.

Companies that have figured this out don't worry about survival.

Those that haven't don't know they should.

I knew that in order to make a compelling argument (which I outline in the coming pages) I had to hit people like me between the eyes with the facts; facts which are irrefutable. You will be the judge of that. What I will tell you is that you would be well-served to view this as serious business. **Your job, and the jobs of many others may well depend on it.**

Survival

The short answer to the question above is survival. If you don't change to a values-based organization—one that aligns its corporate values with its employees' values—you will not survive. Slowly but surely the disconnection of values erodes the foundation of any organization.

Money

If you don't rescue your organization it will cost you tremendous amounts of money. Take turnover, for example. If you have a toxic culture, one which drives away good people with solid values, it can cost you millions.

Based upon research from Bradford Smart in his book *Top Grading*, losing one of your top people can cost you upwards of 24 times their salary. 24 times! Now take a look at your turnover statistics. Imagine reducing that by 25-50%. What would that mean to your bottom line? A corporate rescue helps you achieve that.

Health- It's a Crisis in the Business World

Soak up these statistics:

*The health of
your people is a
barometer for the
REAL health of
your
organization!*

- ✚ The *New England Journal of Medicine* in 1998 went so far as to declare that "managing the long-term effects of the physiological responses to stress is critical to survival." Stress may contribute to 85 percent of all medical problems.
- ✚ **Fifty-two percent of executives will die of diseases related to stress**, according to Tyne.
- ✚ A 1993 U.S. Public Health Survey estimated that 70 to 80 percent of Americans who visit a physician each year suffer from a stress-related disorder.

~From USA Today article, Do CEO'S Have More Heart Attacks? by Del Jones

- ✚ up to 5 million people in the UK feel "very" or "extremely" stressed by their work; and
- ✚ work-related stress costs British society about £3.7 billion every year (at 1995/6 prices).

~From Carol Hymovitz article in WSJ Career Journal.

- ✚ Only one in eight people who work long hours say they do so because they genuinely enjoy their jobs.
- ✚ 55% of full-time employees say that work-related stress makes them ill-tempered at home.
- ✚ **Most managers think that working long hours is unacceptable but necessary for their career.**
- ✚ More than 33,000 business people killed themselves in Japan in 1999, according to the *British Medical Journal*.

You can measure the health of your organization by how your absenteeism compares to those of your peers.

Compare your insurance premiums to other companies.

Also, research how many disability claims you have versus other organizations.

II. What is a corporate rescue?

A corporate rescue starts with what you truly believe. In essence, values-based leadership focused on human capital.

It starts with the alignment of the company's values with the values of its people. This alignment is critical to a company's long term success. Without this you might have short term (but most assuredly not long term) success. **A “values disconnect” can in its simplest form be measured by your turnover.** This is not just based on raw turnover statistics, I mean turnover of those that you really wish to retain.

Take a stand on what you believe and you come face-to-face with your values.

Have you conducted exit interviews? Real ones, not a few superficial questions posed by your Human Resources people? Have an outside firm conduct confidential exit interviews. See why people are *really* leaving.

If you can get down to the essence of why people are departing most often times you will find out that they are leaving because there is a misalignment of values. Plain and simple.

The rescue starts with the essence of what people and the organization stand for... their values. After you unearth these you can accelerate the rescue by aligning the company's mission and related objectives based upon these values. Absolutely everything starts with the values.

III. What does it mean to you?

As a leader it means a new focus, one which centers on your human capital. It really means acting as a leader and not just a manager. It means investing for the far horizon and not just for the next quarter. It means having faith that **a dollar spent on human capital ultimately yields a greater return than almost any other investment.**

IV. What does it mean to your people?

Happiness, stability, productivity, and purpose. **Most people are hungry to align themselves with a cause they believe in.** Multiple surveys say that between 65-80% of American employees are not happy with their jobs and would like to change! How many good people in your ranks feel this way?

By rescuing your organization you can change that. By focusing on your human capital you can make more money, create a healthier culture and find greater meaning for your work, and the work of your people. And, oh, your clients too!

V. What does it mean to your community?

By focusing on your people you positively affect the very fabric of society!

It means a big boomerang! You put it out there and you get it back. Imagine if you had happy, productive and energized workers? What do you think they would take home every night? Happiness and calmness knowing that they worked for an organization that they believed in, one that has the same values as they have.

Do you think they would be more productive? Do you think they would be nicer people at home? Do you think they would be better spouses, parents and friends? Do you think they would take that out to the community in a positive way? Do you think that would reflect positively on your organization? Do you think that in turn would translate into more dollars for the company?

VI. What now?

Take action- NOW! Talk with your employees, *really* talk with them. Research the things I noted in this paper. Discover for yourself what is really happening with your human capital.

Doing good does indeed lead to doing well!

After you are convinced (and if you aren't I REALLY want to hear about it) share with others in positions of authority what you have discovered. The fact is as a leader you have a duty to those around you to **be brave, bold, and steadfast in doing what is right.**

Please know that focusing on your people is not some New Age feel good approach to business. All of what I am advocating in this document is based upon simple math. This math proves that the investment in your people does indeed make money for the corporation.

I spent much time and effort looking for the data to support what I believed in my heart. I believe that if you just spend a bit of time soaking up what I have said you will believe it too.

Carpe diem!



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For more information, please visit: www.RescueInstitute.org

Resources and Solutions

Corporate rescues begin with the people in the company. In reality, they begin with you.

Rescued Executive

Multimedia self-study course for executives administering a self-rescue.
www.LearnMore.com/about/executives

The Sage and Scholar's Guide to Coaching Executives

Multimedia guide for coaches working with corporate leaders.
www.CoachTrainingAlliance.com/coaching_executives

Additional Resources

Executive Lifeline

Monthly Q&A call-in.

Rescued Executive Chronicles

True life stories of executives and their rescues.

Inside the Executive Suite with A. Drayton Boylston

Monthly audio newsletter.

For more details, go to:
www.RescueInstitute.org