

# Attracting and Retaining Human Capital: Developing Strong Leaders

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*Trust, between leaders and employees, is an often overlooked element of retention strategies.*

Employees' trust in leadership is predicated on their faith that leaders will exhibit honesty and meet their expectations. If there is disconnect or friction between a leader and his direct report, that tension can lead to a host of negative consequences. That particular relationship can lead an employee to produce poor work outcomes, decrease motivation, decrease loyalty toward the organization, and a high likelihood that the employee will leave. A distressed employee can also impact his colleagues' work by failing to meet deadlines or by executing tasks poorly. Therefore, organizations need to take a comprehensive approach when developing leaders so that an unconstructive relationship that develops between a leader and an employee, the antagonism does not have a domino effect on the entire organization. By viewing those fractious relationships as minor problems, executives may unwittingly create workplace that allows *anti-leadership* behaviors to emerge.

*“Participative decision making may send a message that the leader enacting the program has confidence in, and concern and respect for, the subordinate; it may also affect followers' overall perceptions about the character of the leader.”*

*Kurt Dirks & Donald Ferrin  
Journal of Applied Psychology,  
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In their research article, *“Trust in leadership: Meta-analytic findings and implications for research and practice,”* the authors Kurt Dirks and Donald Ferrin found that trust in leadership has a strong relationship to work attitudes, organizational citizenship behaviors, and job performance. The trust that employees have in leaders colors how they interpret their leaders' actions and motives for those actions. Leaders who are supportive of some employees, but display little interest in others, signal to the latter that the organization does not appreciate their efforts. Those employees may lose trust in the leader as well as the organization, and likely show signs of turnover intentions.

## Investing in employee relations vs. Investing in corrective actions

Leaders can build strong relationships with followers by instituting a corporate culture that rewards clearly and equitably. For example, including employees in the decision-making process or using their input when creating recognition programs or project assignments. Leaders who put into effect supportive practices will have a positive influence on their employees' behavior toward the organization. Behaving consistently and with integrity is essential for leaders to maintain productive relationships with employees. This in turn will keep employees from expending energy on trying to infer the leader's opinion of their work, rather than investing their efforts on their performance.

## Understanding your People is what Our People Do.

Retensa is the leader and innovator of Employee Retention Strategies. They combine **experience** and web-based **technology** to develop, motivate, and retain a company's **best employees**. Retensa customizes solutions to help organizations achieve significant **cost-savings** and **performance** improvements.

Through the creation of a *“Retention Environment,”* Retensa provides additional expertise in **Leadership** Development, Human Capital **ROI**, **HR Metrics**, Employee **Surveys**, Exit Interviews, and Mentoring, with a cutting-edge focus on workforce technology. Retensa can be reached at **212.545.1280** or visit [www.retensa.com](http://www.retensa.com) for more information about the solutions you can receive.

*Is this a challenge at your Company? Give me a call:*  
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