

# ALLANDER NOBLE

## NEWS

Autumn 2016

### **Rewarding, Retaining & Recruiting**

#### **Are bonuses falling out of favour?**

The recent move by top fund manager Neil Woodford to scrap staff bonuses resonates with the Allander Noble team that supports remuneration committees.

Paying large bonuses is prevalent in financial services and certain segments of the professional services sector and has crept into the commercial world generally. Woodford's view is that bonuses have no correlation with performance and there is a wider view that bonuses can lead to short-term decision making and wrong behaviours.

Our more innovative clients have embraced the wisdom of allowing senior staff and directors to participate in executive coaching programmes. This has a positive cultural impact. Our experiences suggest that most people seek vibrant sustainable careers and so focussing on personal development often has more motivational impact than merely paying a large bonus. That is not to say that a bonus does not have its part to play in the overall scheme of things, but coaching helps build a positive culture and aids staff retention by promoting the right behaviours.

We have introduced our coaching partner, Ovation XL to a number of boards as part of our remuneration review work and the results have been exceptionally well received – see the articles below. Please contact Stephen Williams on [sw@allandernoble.co.uk](mailto:sw@allandernoble.co.uk) for more information.

We asked Ovation XL to share their practical experiences:

### **Pressing the right buttons on pay and benefits**

#### **What we have found**

Whilst conducting client reviews, we have found that good quality Personal Development usually scores the highest marks amongst senior and middle management. When we survey such matters, so long as pay is roughly comparable

with competitors, 'PD' almost invariably comes out higher than additional monetary rewards. That initially surprised us too. An increasing number of law and accountancy firms have adopted the whole life development model and they simply wouldn't bother unless it was proven to produce unequivocal benefits to their businesses. At a typical investment with our long term business partners, OvationXL, being just shy of £4,000 per candidate, it is certainly worth pondering. The traditional option usually costs more.

### **Fostering loyalty amongst one's best people**

Senior level coaching also fosters loyalty. Valuable members of one's team may change their plans and stay once worries, not directly talked about with colleagues, are dissipated. Where good quality coaching has become part of the organisation's culture, we find that less of the good people get tempted away. Such is the power an experienced business coach. siness partners, OvationXL, being just shy of £4,000 per candidate, it is certainly worth pondering. The traditional option usually costs more.

### **Dealing with inevitable scepticism**

Many seasoned Directors start off by being highly sceptical about the prospect of coaching. That comes with the territory. Can an old dog really be taught any useful new tricks? In most cases, they can. Exceptions to the rule are rare. About one candidate in fifty has really served their time and our advice may be to counsel the individual to move on to pastures new. That in itself can be 'an outcome'. If you would like to talk about this area of our services, please contact David Kennedy or Stephen Williams.

## **Recruiting post Brexit**

Our partners within our European recruitment group – ISG – were universally shocked by the UK's vote for Brexit (despite their own frustrations). However following the initial shock some interesting trends have emerged. [www.isg.com](http://www.isg.com)

- For ISG clients the UK is still seen as a 'high growth' economy – on the doorstep
- Commercial law and consumer rights are expected to remain broadly aligned for many years to come
- There is no expectation that the UK markets will be 'closed' to European businesses
- The UK consumer market is expected to remain buoyant

These trends are at odds with the current political positioning and it remains to be seen how the commercial desires of European businesses are accommodated by the politicians!

Certainly in one client, the European HQ have decided to invest significantly in expanding their UK team and moved money into the UK for investment purposes.

If you have clients looking for a recruitment partner in Europe or entering the UK please contact Stephen Williams on [sw@allandernoble.co.uk](mailto:sw@allandernoble.co.uk)



*Executive Recruitment & Development*

allandernoble.co.uk - 01892 519829.