Sustainability strategies help Avant win award and survive GFC, 23 April 2010

By Barbara Holmes, Director, Managing Work|Life Balance International

The experience of a number of forward thinking Australian organisations has shown that focusing on employee engagement, sound leadership practices, consistency in communication and building the trust of employees has delivered a more committed workforce that is less likely to look for “greener pastures”.

In a recent interview, Ms Rebekah Silver, General Manager — Human Resources of the Avant Mutual Group Ltd (Avant) says: “a culture built on core values — especially on Sustainability — and a focus on performance and accountability are the key factors that have helped us to survive the global financial crisis and retain not only our high performing employees but the majority of all other staff”.

Avant is Australia’s largest medical defence organisation. Through its licensed insurance subsidiary, Avant Insurance Limited (which employs over 250 staff in six offices across the country), Avant provides medical indemnity insurance for its 50,000+ members. It also provides:

- medico-legal and risk management advisory services
- support, advice and legal representation in the event of a claim or complaint, and
- education, research and training programs (in collaboration with medical associations, colleges and training providers).

Avant is a mutual, not-for-profit organisation. Members own Avant and play a significant role in the way Avant is governed.

The organisation’s core values are regularly communicated to staff and members. These are:

- **Leadership** — We embrace change constructively, challenging prevailing ideas and methods.
- **Integrity** — We display open and honest communication across all levels of Avant.
- **Teamwork Excellence** — We treat members, staff and stakeholders with dignity, respect and empathy. We reward people for their contribution to our success.
- **Excellence** — We insist upon best practice in our dealings with members, stakeholders and staff.
- **Sustainability** — We will ensure we are “built to last” and that all decisions take into consideration the core foundations of:
  - corporate responsibility
  - employer of choice
  - financial strength
  - member support
  - technical strength, and
  - work/life balance.

The Human Resources (HR) team and executives at Avant were well along the path of implementing a number of strategies when the global financial crisis (GFC) hit the business community in Australia. Avant’s sustainability value focused attention on the need to not only maintain and sustain the financial aspects of the business in a challenging environment, but also to retain and support staff — in particular — those who had been identified as “key talent”. Whilst some tough financial decisions had to be made, the HR team and executives consistently questioned whether a particular decision was a responsible one (in relation to the business and the organisation’s values) and whether the decision would have a long-term impact on the overall sustainability of the organisation. There was a conscious decision not to cut staff levels and to continue with planned development and leadership programs.
Ms Silver believes that the continuation of Avant’s leadership program has resulted in a number of positive spin-offs. Firstly, it has helped to build a coaching culture within the organisation. Leaders are better placed to provide constructive feedback and communicate what needs to be said during performance discussions to individuals whose performance should be recognised and rewarded. It also assists underperformers who need the feedback to improve their performance. Having meaningful conversations with staff and — in some cases — turning around a challenging situation has meant that leaders are not only more confident in their own leadership and coaching abilities but are also more in touch with the career expectations of their staff.

Communication was critical during the GFC because issues of job security and salary parity within the industry needed to be addressed quickly. The provision of coaching and feedback continues to be important given that the upswing in the economy has led to employees of many organisations now considering a role change or career move.

Ms Silver also believes that the training Avant provided has helped leaders to look at how they communicate with their staff and the way in which they deliver their “message”. The ability to communicate effectively has been particularly important when addressing potentially challenging issues, such as concerns about job security and the payment (or non-payment) of bonuses and salary increases.

Honesty and integrity in communication have been and continue to be among the positive attributes that have enabled the organisation to move forward with no increase in its turnover rates. During the GFC, the management team focused on providing ongoing information about the progress of the business and the achievement of its performance goals. Senior managers held ongoing discussions with individuals identified as key talent and worked hard to address any concerns they may have had about their careers or job security. As a result, feedback suggests that staff are more aware of how the organisation is performing in all aspects of its business.

Avant was recently recognised as an Employer of Choice in the Equal Opportunity for Women in the Workplace Agency Awards (also known as the EOWA Awards). Again, the achievement was assessed against the organisation’s core value of sustainability. As part of the overall business strategy during and after the GFC, Avant’s executive team made the decision to continue the work/life programs which included a range of flexible work arrangements, workplace massage, nutrition advice, flu vaccines and exercise consultations. They believed that it was important to continue to practise “what we stand for”, i.e. an organisation that believes flexibility and work/life balance for our staff contributes to our overall goal of sustainability.

Ms Silver indicated that Avant has a high proportion of staff working flexibly and that a focus on flexibility has given them more options in relation to the delivery of services to their clients. Flexibility has also been an important retention tool. As a final comment, Ms Silver said that: “flexibility is usual; it’s the way we work and contribute to the sustainability of our company”.

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