

The **Renegade HR** **Manifesto**

A guide to recruiting great people
and inspiring them to do amazing
things that drive your business.

by Chris Ferdinandi



Copyright Info

This work is copyright April 24, 2009 Chris Ferdinandi, and is licensed under the [Creative Commons Attribution-Noncommercial License](#).

This work was last updated on October 20, 2009.

Cover image from [Fotolia](#).

Spread the Word!

Please download, print, discuss and share this document. You can use pieces of it or the whole thing. Post it on your website or send it to a friend if you like it!

To get more resources like this one, visit [RenegadeHR.net](#).

About the Author



Chris Ferdinandi is a human resource pro based in Boston, MA.

He's also a beach bum, weekend warrior, and musician.

To learn more, visit ChrisFerdinandi.com.

What the heck is Renegade HR?

Renegade HR is a movement to revolutionize the profession of human resources.

Our Mantra: **Recruit great people** and
inspire them to do amazing things
that drive your business.

People are your organization's number one asset.

This manifesto is a guide to recruiting great people and inspiring them to do amazing things that drive business results.

7 Principles of the Revolution

- 1. Don't just motivate. Inspire.**
- 2. Employees are people (not resources).**
- 3. Embrace innovation and learning.**
- 4. Work is something you do (duh!).**
- 5. Be open. Be honest. Be transparent.**
- 6. Use your employees as guinea pigs.**
- 7. Be a rockstar!**

Drive Business Results

Good HR equals
top and bottom
line value.

Renegade HR is on a mission to drive business results by recruiting great people and inspiring them to do amazing things.

But what sort of amazing things are we inspiring them to do? Not all things are created equal. At least not when it comes to driving business results.

Our goal is to align the amazing things our people do with our organization's business strategies.

Impact the Bottom-Line

A study by [Mark Huselid](#) demonstrated that an increase in one standard deviation in scores on a “high performance HR practices” scale was associated with a 23 percent increase in accounting profits and an eight percent increase in economic value.

In layman's terms, **good HR equals top and bottom line value.**

How does your organization make money?

Every single HR renegade should be able to answer this question. And just saying, “We sell sneakers,” or “We provide solutions to complex business challenges,” doesn’t count.

If you don’t understand your organization’s specific strategy for making money, you can’t develop HR programs that support that strategy.

So where do you start? With a strategic analysis (not as scary as it sounds!). It’s actually pretty simple. Just follow these four steps.

1. Target Market

This step is really easy: Who is your customer, and what do you do for them? Dell sells computers to home and business users. Southwest provides non-business travelers with fast transportation to major locations.

Who is your organization’s customer, and what do you do for them?

2. Unique Value Proposition

Your unique value proposition (UVP) is what makes your organization different (and hopefully better) than the other organizations who do the same thing. How is Dell different from HP or Lenovo? Why would you want to fly Southwest over United or Jet Blue?

There are six potential UVPs:

- Quality
- Cost
- Service
- Time (how fast can you get your customers what they need)
- Unique Experience (think Disney World)
- Lifestyle/Status (Prada, Aston Martin)

Most companies have more than one UVP. Dell's primary UVP is cost, but they don't say they're cheap. They say they're affordable. Their other UVP is quality. (There was a time, before they moved their call centers overseas, when they competed on customer service, too.)

Aston Martin makes a very high-quality vehicle, but they make no claims of affordability. Quite the opposite, when purchase one of their cars, you're buying a lifestyle or status brand.

Nordstrom is well known for the customer service. They also sell high-end (quality) products. By contrast, Target also provides excellent customer service, but sells affordable products (as opposed to Wal-Mart, which is even cheaper but offers shitty customer service).

What sets your organization apart for your competition?

3. The “things” you want to inspire

Here's where HR really starts to get involved. What do your people need to do to support your UVP?

For example, Nordstrom needs its people to go above and beyond, be prompt and attentive, and provide an unsurpassed level of customer service.

Aston Martin needs its engineers to pay attention to every single detail, no matter how minute. They need their assembly line to ensure every stitch in the leather seats is perfect. They need their

Do your
HR strategies
support your
UVP?

quality assurance team to test every car and be certain that every engine delivers enough horsepower to push you back in your seat when your foot touches the accelerator.

In order to inspire your people to do things that support your business strategies, you first need to know what your people need to be inspired to do.

4. HR Strategies

How do your HR strategies - recruiting, training, performance management, compensation and benefits - support your UVPs and the behaviors that drive them?

If you were an HR dude or dudette at Nordstrom, you would...

- Source and select people with proven records of strong service,
- Evaluate people's performance based on customer satisfaction,
- Provide customer service training,
- And tie compensation and bonuses to providing excellent service.

Do your HR strategies - the ones you have in place right now - support your UVP? Do they all work together? That's Renegade HR.

1. Don't just motivate. Inspire

When you recruit people, train them, and lead them, understanding what motivates them is **really** important.

Most companies fixate on what's called instrumental motivation - things like merit increases, cash bonuses, free days of vacation and so on. It's carrot and stick management.

Does it work? Sure. Almost everyone is motivated at least somewhat by money.

If this is the only way you motivate your employees, though, you're missing a huge opportunity. There are four other "types" of motivation:

- Intrinsic
- Internal Validation
- External Validation
- Goal Identification

Tapping into these other four - particularly intrinsic and goal identification - is how you move beyond just motivating your employees and start inspiring them.

Intrinsic Motivation

When you think about intrinsic motivation, it's important to separate "doing" from "succeeding." Someone who's truly intrinsically motivated likes the actual act of doing something, whether or not they're any good at it or reach any sort of goal.

For example, I occasionally like to go to mini-golfing. I'm absolutely terrible at it, and don't really care if I get better or not. I don't care if I win or lose, how many strokes it takes me to sink the ball, or even if I played better than last time.

On a beautiful summer night, engaging in the maddening ritual of trying to get a tiny ball into a little plastic cup is a pretty good time. I'm intrinsically motivated to play mini-golf. If I played to get better, or enjoyed winning, that would be a different kind of motivation that I'll talk about in just a moment.

If you can place your employees in roles that they genuinely enjoy, they will work harder and be substantially more engaged than if they're doing the job just for the money. The trick, of course, is to put them into a role they both enjoy and are good at. In other words, don't hire me to be a professional mini-golfer!

Celebrate
success!

Internal and External Validation

These two types of motivation are actually pretty similar. People motivated by validation like knowing and hearing that they're good at things that they want to be good at.

Going back to my mini-golf example, if I played a lot with intention of getting better, I would be motivated by validation. If I liked basking in the glory of crushing my friends in a game, I would be externally motivated. But if just knowing that I played better than last time drove me to play harder, I would be internally motivated.

For people who are driven by internal validation, this means placing them in stretch assignments. Give them the opportunity to shine.

For people who are driven by external validation, recognition is very important. Celebrate success! If you don't have a system in place to publicly recognize the accomplishments of your people, develop one today!

Goal Identification

Goal identification is a really powerful thing. It occurs when a person so strongly identifies with your organization's mission that they will do things just to see that goal realized.

This is how many non-profits recruit and retain their employees. Right now you may be thinking, "That works great for companies that make cool products, like Apple. We make widgets. Who's going to get excited about that."

You're right. No one cares about widgets. The trick is not to get people to rally around the goal of selling more widgets. You need another goal.

Zappos is an excellent example of a company that inspires their employees through goal identification. Zappos sells shoes. Online. (Actually, now they sell more than shoes, but you get the idea) Not very sexy.

Zappos' goal is not to sell more shoes. It's to provide the best customer service. Ever. They actually tell their call-center reps that their one job is to "Delight customers." Zapposians, as they

call themselves, deliver happiness. That's a goal a lot of people can get behind.

So how do you make this work for you? Think back to your UVP. Do you compete on quality? Customer service? Use these as your goals. Tell employees their goal is to make the highest quality product possible, or to delight your customers.

This has a fantastic side-effect, too. When people know what their goal is, they can start making their own decisions about a lot more things. "Will this result in a higher level of customer service? No? Then I shouldn't do it. Yes? Good, I can move ahead."

You'll be amazed at what your people do when they're working towards a goal that's bigger than they are!

2. Employees are people (not resources).

Human Resources is actually a pretty crappy name for what we do.

Back in the Personnel days, employees were treated as an expense to the business. Then Human Resources came around. Suddenly, employees weren't a cost - they were an asset! They were an investment. They were a resource.

That was a big leap forward. The idea of employees as resources has a big flaw, though: When you treat people like resources, you dehumanize them.

Never forget that employees are people.

Never forget that employees are people. That doesn't mean that you shouldn't demand great performance or that you should tolerate mediocrity.

When you think of employees as people, it changes the way you recruit, manage performance and focus on development. You stop simply utilizing resources and start inspiring people to do amazing things.

3. Embrace innovation and learning.

Innovation
cannot happen
without mistakes.

“That’s how we’ve always done it” isn’t a good reason to do anything. Sure, the way you’ve always done it may actually be the best way to do something. But often, it’s not.

Let’s be honest: HR is not really an “ahead of the curve” profession. But that doesn’t mean you can’t be!

Learn something new. Better yet, try something new. Learning is useless if you don’t do anything with it.

When I say “learn something new,” I don’t just mean learn how to use a new sourcing tool or about a new way to measure engagement. I mean learn something really, truly new. Something innovative. Something that, at first glance may not even seem to apply to HR at all.

Some of the best HR innovations come from applying new, random ideas and concepts to human resources. Twitter? Not developed to be a sourcing tool until a few innovative HR pros started using it like one.

Don't just embrace innovation and learning for yourself, either. Foster a culture that promotes these values company wide. Encourage - hell, reward - people for making excellent mistakes. Innovation cannot happen without mistakes. Not the mistakes that come from making stupid decisions. The mistakes that happen because someone dreamed big and went for it. Make it safe to make those kinds of mistakes, and innovation will thrive.

4. Work is something you do (duh!).

Get out of the way
and let people
be amazing.

Work is something you do. Sometimes that means you have to dress a particular way, be in a particular place or work at a specific time. Often, though, those things don't matter.

One of the most important things you can do to improve the quality of your workforce is get out of the way and let your people be amazing.

That means treating employees like grown-ups and expecting them to act that way. It means less policy writing and enforcing. It means not always telling people what to wear, where to be, and when to be there. Often, those things don't really matter.

There are times that when, where and how do matter. A hospital or retail store needs to be staffed at specific times. At Disney, what people wear is an important part of the magical world they've created. When, where and how are clearly relevant to the work that some people do.

For many jobs, though, these things don't matter. It's important to understand when something is relevant to what people do, and when it's just another rule for the sake of having one.

Let's get out of the way and let people do amazing things.

5. Be open. Be honest. Be transparent.

If you make good business decisions, communication is easy, even when the news is bad.

Stop the spin. If you're doing something because it saves the organization money, tell people that. If there's a positive side-effect, of course you should point that out. But don't say it's the reason why.

Make good decisions. Then be open, honest and transparent about them.

6. Use your employees as guinea pigs.

In order to create HR programs that inspire people to do great things that drive your business, you need great data. Of course, not all data is created equal.

If you want to develop better programs, use your employees as guinea pigs.

The problem with benchmarks

HR pros have a benchmark problem. The first thing most of us do when designing a new program is benchmark what other organizations have done.

I'm not suggesting you reinvent the wheel every time you create a program. But I am saying that benchmarks have many limitations, and aren't necessarily the best place to start (or end) when designing a strategic HR program.

Benchmarks will tell you what other companies do, but not if what they do is successful. They don't look at cause-effect relationships.

For example, a benchmark will tell you that an organization uses stock options to retain key employees. What it won't tell you is that when options vest there is a mass exodus of people. If you're designing a retention program around stock option grants, that's pretty important to know!

Benchmarks also hinder the development of innovative HR programs. When you start copying what others have already done, you can only be just as good as your competition - never better.

Benchmarks definitely have their place in HR - strategic compensation, for example - but program design isn't it.

The Guinea Pig Method

When designing strategic HR programs, you should act like a scientist. Conduct research, develop an experiment, observe the results and collect data.

Instead of benchmarking, look for empirical research. These are studies that explore cause-effect relationships. They often include information about how the study was conducted, what the specific variables were, and what the outcome was.

This is the information you really want to know:

1. What did they do?
2. How did they do it?
3. Did it work?
4. Why or why not?

Finding a few articles like this will give you far more useful information than any number of benchmarks will. Develop a program based on your research.

Your program is your experiment. Here's where many HR pros get it wrong. They develop a program, and then roll it out to everyone. Instead, start with one team, one department or one location. They're your guinea pigs.

See what happens. Collect lots of data, both before the experiment and after. Measure things that drive your business. Even though you've done your research, programs may work differently in your culture.

If it goes well, congrats! You can roll the program out organization-wide. And if it fails, you can tweak it (or scrap it altogether) without screwing up the whole organization.

7. Be a rockstar!

Too often, HR is mediocre.

We don't want to upset the wrong people, so we color in the lines. We follow the rules. We play nice.

Renegade HR is a revolution. It's time to step on a few toes and kick some ass!

Be a rockstar. Do amazing things.