

## Disloyalty is Rewarded

Shôn Ellerton, July 27, 2024

*Loyalty is dead, and do you know why? Because being disloyal is rewarded!*



I'm going to set up a hypothetical situation in which you visit a restaurant for the very first time.

You walk in and wait to be served. You're led to your seat and then you make a comment that you saw an ad for the restaurant and that you've never been here before.

'Ah!', says the waitress. 'Since it's your first time, you get fifty percent off!'

Feeling somewhat elated, you sit down with glee and start ordering a lavish feast from the more expensive side of the menu. Unfortunately, others sitting around you within earshot glumly look on and continue their meals.

They are not going to get the discount!

Moreover, most of them would have never been likely to be given the discount because they might have not been aware of the ad or that the ad never existed when they first attended.

One gentleman sitting in the corner asks the waitress if there's any discount for those who have eaten at the restaurant every week for the last ten years.

Whilst chewing a bit of gum, she happily exclaims, 'Oh, I'm sorry hon! The discount only applies to *new* customers! Can I get you more coffee?'

'Oh. Okay', the gentleman replies in a dull manner.

He thinks about the situation and decides that he might try out another establishment and try the old 'I've never been here before' trick.

Okay, it's a silly analogy to try to explain that, all too often, disloyalty is rewarded. But do you get my point?

Offering a substantial discount in this way for eating at a restaurant is a trivial example of one of many commercial strategies to entice new customers.

But is it a good strategy?

The answer is not always clear. On the face of it, the answer is a dubious 'yes' because it is an undisputable fact that new customers will be enticed with such an offer. However, the strategy can backfire with loyal customers who have been frequenting the establishment regularly for many years.

Where conditions get more serious and irksome is when it comes to the more important serious issues in life. For example, getting a loan from a bank to pay off a house. The predatory nature of banks to lure customers with mortgages to refinance often adopts the technique of enticing new customers with rewards which existing customers are not entitled to. And, of course, the constant battle to find the best prices from competing electricity and gas utility companies.

Whatever happened to loyalty?

Is it not valued anymore?

If anything, it seems that *disloyalty* is rewarded.

Sadly, this way of thinking has permeated into our corporate culture as well. Companies more willing to hire externally than look from within to promote their most loyal employees. This is particularly pervasive in western culture I might add.

Eastern cultures, notably Japan and Korea, tend to take a different stance on loyalty. Loyalty is supremely important in such cultures, and to be disloyal is deemed utterly dishonourable.

I worked for a Japanese motor company for several months and noticed something quite different from what I was used to. There were many employees who had worked there for decades, obtaining seniority status through years of loyalty and merit. Rather than seeking outsiders to fulfil managerial positions,

which so many western companies tend to do, this company looked from within to promote those individuals who have earned their way up the ladder. In return, those who are promoted are then tasked to mentor those below them to replace their skills.

I will defend the western way with one aspect, however, insofar that hiring from outside may bring new methodologies and techniques to running the business. The act of cross-pollination to quote an all too familiar axiom. However, in the long run, this creates an air of instability and disloyalty leading to loss of intellectual property and an increased rate of the great revolving door of employees quitting their jobs and new ones coming in.

I've worked for many companies in the engineering, telecommunications, and IT world, and can say, unequivocally, that I hold no sense of loyalty to any of them in the traditional sense. Because, simply put, I can see that they hold no respect and loyalty to their employees. For me, it is a contractual understanding that I am there to make money for the company and, in return, they provide me with a salary. As soon as I do not make any money for the company, I am not entirely surprised when I get that phone call from my manager that my services are no longer required.

And this is because, loyalty is not valued anymore.

Loyalty is now a mere illusion.