

Book Re-Engage

How America's Best Places to Work Inspire Extra Effort in Extraordinary Times

Leigh Branham and Mark Hirschfeld McGraw-Hill, 2010

Recommendation

"Best places to work" lists might seem like vestiges of another, more prosperous age. Do employers still have to worry about employee satisfaction in hard economic times? Yes, they do, say human resources experts Leigh Branham and Mark Hirschfeld. They argue that, since the economic meltdown of 2008, keeping your employees engaged is more important than ever. Using vivid real-world examples, employees' comments and compelling data, Branham and Hirschfeld demonstrate how your company can join the list of elite employers. In fact, they may provide a bit too much information; their book features so many lists of possible tactics that readers may feel overwhelmed at times. Still, *BooksInShort* is confident that the book provides solid information for senior managers and HR professionals. In short, Branham and Hirschfeld ably demonstrate how, when times get tough, the best keep going.

Take-Aways

- Engaged employees are pivotal to making your company a "best place to work."
- Business leaders mistakenly believe that, in tough times, they can cut back on efforts that increase employee engagement.
- In fact, the opposite is true: Best-practice data show that highly ranked employers double down on engagement during slow or recessionary periods.
- "Six drivers" influence engagement: First, as a leader, you should gain workers' trust.
- Second, emphasize the importance of good managers in building engagement.
- Third, encourage solid teamwork to create a best place to work.
- Fourth, retain employees, even in hard times, with "job enrichment."
- Fifth, instigate recognition and reward systems, and sixth, ensure that you invest in your employees' well-being.
- Your firm's engagement practices must align with its business goals and culture.
- Employees are responsible for their own "self-engagement."

Summary

What Is Employee Engagement and Why Does It Matter?

Survey research firm Quantum Workplace in Omaha, Nebraska, uses data collected annually from 10,000 organizations in 45 US cities to select the "best places to work" in the US. Winners aren't necessarily glamorous, headline-grabbing companies such as Google and Apple; they can be meat packers, nursing homes or moving companies. But no matter their line of business, they've each created an environment in which employees feel fortunate to work. Winners' staffs experience "a heightened emotional and intellectual connection" to their jobs and an increased commitment to perform above and beyond their duties. Although experts have not yet determined a cause-and-effect relationship, they have observed a link between high levels of employee engagement and healthy profitability. The more engaged employees you have, the higher the probability that your customers are well-served and your products well-made.

Engagement in Tough Times

The economic downturn is not the only ill wind buffeting the workplace. Corporate cutbacks, a lack of skilled candidates, bewildering technological change and skyrocketing health care costs are all factors that challenge employee engagement. In addition, as a company grows in size, it faces "diseconomies of scale" in creating

engagement. And today's varied workforce, combining the "generational diversity" of four distinct age groups – Traditionalists, Boomers, Generation Xers and Millennials – further complicates the matter. Quantum Workplace's best employers apply six "universal engagement drivers" that your company can harness, too. Choose among them your firm's "signature drivers," those attributes intrinsic to your own culture and goals:

1. "Trust and Confidence in Senior Leaders"

Executives can positively or negatively influence employee engagement. They "set the tone" for the work environment. Leaders at the best companies create a culture of "partnership," not "blame," to make sure staffers feel secure in their jobs. Executives at top firms demonstrate "honesty and integrity" in their employee interactions. They listen to their workers' concerns and value their employees' opinions; communication is a two-way street.

"Becoming a Best-Places-to-Work winner is...about embracing and committing to a set of principles about how people should be managed and about executing those principles with passion."

Studies show that executive influence wanes over work groups with more than 150 people, so good leaders make sure that their "span of control" doesn't exceed that number. They avoid gross salary imbalances between executives and the rank and file. Company chiefs also steer clear of "fear, control and intimidation." Instead, they practice "servant leadership" by working for the interests of their employees.

"Employee engagement – it's not just for breakfast anymore – it's a key predictor of our economy."

In tough economies, effective leaders: 1) institute "strategic plans" that instill confidence in employees, 2) communicate plans clearly and directly, 3) ask for employee input at all stages, 4) solicit clients' opinions as well, and 5) find ways to increase productivity and reduce waste.

One of the best companies to work for, Quality Living Inc. in Omaha, Nebraska, is an extended-care facility for severely injured patients. Its "leadership principles" have empowered its team to provide wounded soldiers with outstanding care, earning it accolades from the Pentagon.

2. Outstanding Management

A manager's chief responsibility is to ensure that "the company's goals and the employees' goals are mutually reinforcing." This alignment begins with clear communications about what the corporate objectives are and how they are connected to personal aims. It's this combination that eventually leads to employee engagement.

"A highly engaged workforce is important when business is going well, but your efforts will be doubly rewarded in a crisis."

But managers' lack of engagement can filter down to their teams; poor managers tend to arouse suspicion among employees, disregard staffers' contributions, eschew teamwork, "micromanage" and take pains to protect themselves. They also can be guilty of "talent hoarding." High-quality managers, in contrast, support employees' goals and provide direction. They frequently show approval and offer thanks. They empower employees to take action and decide issues for themselves.

"The number of employees in the organization can make a big difference in how effectively people relate to and work with one another."

Some tools that managers facing a challenging economy can employ include: 1) encouraging trust and building credibility through honest communications, 2) letting employees voice their concerns, 3) using group meetings and one-on-one conversations to support sharing and to address issues, 4) refraining from telling workers they're "lucky to have a job," and 5) asking for employee input on getting through tough times.

"Employees in workplaces where overall engagement is high...are more satisfied with the kind of work they are doing, experience higher levels of teamwork, feel more valued and recognized, and are less likely to be searching for a higher paycheck."

Massachusetts-based Winchester Hospital is an example of a best-practice employer with high "manager effectiveness" scores. It emphasizes manager training and provides leaders with 360-degree feedback and workshops on topics such as "difficult conversations."

3. "Building Team Effectiveness"

Inculcating a feeling of "we" rather than "I" becomes more important as ethnic, cultural and generational diversity increases in the workforce. Managers play a crucial role in fostering good teamwork. Ensure that your senior leaders do not hold themselves apart as an upper class, that they focus on company objectives rather than their personal goals and that they serve as models of good team behavior. Managers should deal with underperforming employees and not allow resentment to fester. They must recognize that team members are not "interchangeable parts."

"To create, and maintain, high levels of engagement requires significant drive and resolute purpose."

Assure your team's effectiveness by encouraging transparency and asking workers to commit openly to group goals. Discourage "cliques," so that all team members have a chance to excel. Enable good teamwork by: 1) letting everyone know the group's mission, 2) being "open and honest," 3) fostering accountability and dependability, 4) limiting team size, and 5) providing the group with the tools it needs.

"Managers control the levers available in the everyday interactive moments when they choose to behave in ways that either engage the employee or have the opposite effect."

Nalley Automotive Group in Atlanta, Georgia, consistently scores well on teamwork, ranking first or second as an employer of choice for several years. The company practices open communication and problem solving that build and utilize an outstanding workforce. Best-practice companies like Nalley encourage employees to think "beyond themselves" and their own priorities, and to focus on what's working in their firms instead.

4. "Job Enrichment and Professional Growth"

Engaged employees need to feel that they're doing more than just bringing home a paycheck. Employers should offer not just "job satisfaction" but "job enrichment." Use a set of "filter questions" to determine whether you're offering workers the growth opportunities they need:

- Does your company keep an eye out for "untapped potential"?
- Do your managers provide timely feedback and understand individuals' talents?
- Do your executives give people room to make their own decisions?
- Does the firm urge staffers to try their wings? If they leave, does the company welcome them back?

"Employees need a constant stream of information reinforced in different ways by different parties using different media."

Job advancement is critical to helping your company retain good people in difficult times, so try these techniques: 1) Give employees "stretch assignments" and additional training, 2) initiate a mentoring program in which employees can support each other, 3) conduct periodic "career checkups" to determine how staffers feel about their progress, and 4) let staff members swap positions or move laterally.

"Yes, good managers do exist...It's just that there aren't enough of them to go around."

Top employer Rackspace Hosting, in San Antonio, Texas, operates in a "flat hierarchy" that encourages job switching when employees want to hone new skills. Gaylord Hotels in Orlando, Florida, even offers employees a class on résumé building; few leave the company, and those who do routinely return.

5. "Valuing Employee Contributions"

Everyone likes praise, but studies show that workers receive credit for only one in four successes. Employees often report feeling disrespected and unheeded; they say that they don't receive proper recognition or authority. Some managers may believe that commended employees will ask for salary increases, but effective leaders know that most workers won't "take advantage" of praise. Instead, top companies presume that "if we give, employees will give back."

"Job enrichment is about providing an environment where the right person has been given the right support and the right tools so they wow your customers."

Some bosses think that good performance should be a given, but employers of choice know the value of recognition and reward. They get to know employees individually and keep tabs on their performance. They recognize staffers' contributions promptly with thanks for specific accomplishments, not with vague comments like "good job today." They explain how the employees' input helps the firm. Whether the economy is good or bad, rededicate your company to acknowledging your employees' contributions:

"Once we truly attempt to understand individual employees, we can be in a much better position to create the environment that is conducive to each person's success. Call it 'designer engagement'."

1) "Listen more than ever" to them; 2) give them more training and coaching; 3) step up your recognition efforts; 4) make managers responsible for acknowledging good work; 5) pay equitably; 6) celebrate successes; 7) weed out people who don't pull their weight; and 8) promote confidence, not fear.

"The best managers play chess with their people, not checkers."

California's Joie de Vivre Hospitality is a best-practice employer whose recognition policies garner staff support. The company's motto is "People Matter Here," and its "Hotel Heroes" program salutes employees who go beyond the call of duty in customer service.

6. "Concern for Employee Well-Being"

Workers rate health and welfare benefits higher today because these benefits supplement salary packages. But tough economic times can tempt employers to cut back on benefits to save money. Top firms avoid this short-term approach and instead reduce costs by instituting wellness programs that boost employee health and welfare in the long run.

"The ultimate purpose of becoming a better place to work is not just to make your corner of the world a better place, but to serve the business goals and strategies of your organization."

Promoting employee well-being is possible even in difficult economic times. Help your workers understand the "availability and value of all benefits" by mailing them an annual benefits statement. Ask employees about their work-life balance, and find out what benefits they don't have but need. Sponsor training on health improvement topics. Conduct fun activities at work so employees can kick back and relax when necessary. If you must discontinue an employee benefit, be open and direct in explaining why.

Vertex Pharmaceuticals in Cambridge, Massachusetts, received one of the highest satisfaction scores on employee benefits in the nation. It offers four weeks' paid time off per year, child care, parental leave, financial seminars, health fairs and cancer checks.

Engagement Is Everyone's Job

In some cases, your workers may need to "re-engage" with a change of supervisor — employees may be great candidates for engagement if led by the right people. Your firm can use the six drivers to lead your employees to higher engagement levels, but workers also need to be proactive in their own "self-engagement." Advocate their use of the "Personal Power Grid" to better frame their ability and desire to engage at work. The grid allows an individual to analyze situations at work as issues he

or she can or can't control; depending on that assessment, an employee can choose to "take action" or not. The grid is a graphic representation of how employees can either "master" their circumstances or choose to remain in "victimhood."

Employers must recognize that just implementing other firms' best practices will not guarantee high levels of engagement or automatically mesh with their own company cultures. Every employee is different; you must know your people well enough to understand their wants, needs, goals and aspirations in order to engage them.

About the Authors

Leigh Branham founded and heads Keeping the People Inc., an HR consulting group. **Mark Hirschfeld** is a principal at SilverStone Group, a management consultancy.