Book The Essential Guide to Employee Engagement

Better Business Performance through Staff Satisfaction

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Recommendation

Businesses have long recognized the importance of cultivating proud, motivated and loyal employees. In fact, organizations that still operate with the mentality that workers should do their jobs and keep their mouths shut are likely to flounder. These days, the old style of management has largely disappeared – but so has the trust that once existed between employer and employee. Job seekers no longer expect to find lifetime positions within one company. Layoffs and cutbacks in a difficult economic environment have generated fear and suspicion among employees. Companies recognize that their long-term viability depends on finding, retaining and motivating good employees. Although she doesn't break any new ground here, British author Sarah Cook competently explains why every organization should make employee engagement a priority. Cook provides numerous examples of British and American companies that embrace and benefit from employee engagement. *BooksInShort* agrees with her that it's not too late for companies to change their approach. But the clock is ticking for sure.

Take-Aways

- When employees are engaged, they are motivated and loyal.
- Organizations where employees are not engaged have higher rates of absenteeism and employee turnover.
- Engaged employees are more likely to provide exceptional service to customers and clients.
- Employee engagement is based on four components called the "WIFI model: well-being, information, fairness, involvement."
- Employee surveys are the best way to measure engagement.
- Senior executives establish and reinforce the corporate vision.
- Employees must have access to upper-level management.
- Talent shortages in business sectors worldwide obligate organizations to strengthen their talent management processes.
- Managers who don't provide feedback deprive their employees of a fundamental building block in their development.
- Employees crave recognition. Give it to them. Be generous with rewards.

Summary

Engage Your Employees

Employee engagement unquestionably yields multiple benefits. Research and statistical data show that organizations that embrace engagement are more productive and profitable, and have more satisfied customers. In addition to having an overall positive attitude about themselves and their organizations, engaged employees:

- Go out of their way to make customers happy.
- View change as challenging instead of distasteful and intimidating.
- Welcome opportunities to learn and grow.
- Always maintain a sense of perspective, and don't allow setbacks or mistakes to discourage them.
- Are willing to try new things even though it may be uncomfortable.

  "Employee engagement is personified by the passion and energy employees [give] to the organization and [to] the customer."

Satisfied employees are not necessarily engaged. They may be skillful, knowledgeable, experienced, loyal, respectful and courteous but, unlike engaged employees, they will not make that extra effort, or go beyond a certain routine to serve clients or customers. Satisfied employees, while content, are not particularly passionate about their organizations, and may consciously disconnect or not offer input because they believe management largely ignores their views.

> "Employees need to see that if they display talent and have potential, there are opportunities for them to progress."

Corporate executives who recognize the importance of engagement typically conduct employee surveys every year or two. They encourage their employees to offer candid assessments of the company, their divisions, their colleagues and their superiors. Organizations that have never formally attempted to measure employee engagement can begin by assessing readily available material, such as performance evaluations, turnover and absentee rates, and training and coaching initiatives. Company-wide surveys or self-assessments are most effective if employees remain anonymous and can answer questions honestly without fear of reprisal. Although surveys vary widely depending on the industry, employees' answers should reveal whether they believe they are appreciated, trusted and compensated fairly; have opportunities for advancement and career development; can freely approach managers with questions, suggestions and recommendations; and can speak proudly of the organization, and recommend it to potential employees or business partners.

"WIFI Model"

Survey results should reveal what employees view as the strengths and weaknesses of their organization. Some problems may be relatively easy to fix, while others may require detailed, long-range solutions. But, in general, employee engagement can be broken down into four components – "well-being, information, fairness, involvement" – known as the WIFI model.

Well-being

Well-being at work encompasses many things, but essentially it means that employees care about their company and it cares about them. Businesses often profess to having their employees' best interests at heart, but their practices indicate otherwise. A state of well-being means employees take pride in their work and are proud of their organization. This is impossible to achieve without a motivated workforce. Most observers agree that motivation is self-sustaining. Employers can offer short-term motivational tools such as pay raises, promotions and recognition, but over the long haul, employees must find the drive within to be productive. Employees typically are motivated when they:

- Feel that their jobs matter, and are not just tedious, mind numbing and repetitive.
- Have a sense of responsibility and the autonomy to make decisions.
- Feel connected to their co-workers and are part of a larger cause or mission.
- Believe that their company properly utilizes their knowledge, skill and experience.
- Gain recognition from their superiors and colleagues for worthy achievements.

> "There is a buzz about an organization where employees are truly engaged."

In the wake of recent corporate scandals, companies are putting a greater emphasis on "corporate social responsibility" (CSR). Companies recognize the importance of ethical conduct, and commitment to altruistic and charitable causes. Employees want to be associated with companies that are concerned with more than just profits. Many companies have been practicing CSR for years. Coca-Cola, for example, supports the HIV/AIDS battle in Africa by offering screenings for employees and their families. Lucent Technologies participates in educational efforts in India, Russia and Mexico. The Timberland Company gives its employees paid leave to work as volunteers for a national youth community service organization.

> "When a manager uses a highly challenging but low supporting style, the environment created is often stressful and task focused."

CSR also can help strengthen a company's brand and image. Effective branding elevates a company in the eyes of consumers and sends a positive message to potential employees. Strong branding helps define an organization's goals and objectives. Job seekers looking for more than good salaries and benefits will gravitate to companies with outstanding reputations. They want meaningful work with employers who have moral and ethical standards. An organization's behavior has to be consistent with the corporate image it projects and the values it embraces. A CEO who lists "trust" as a bedrock value but uses hidden cameras to monitor employees' comings and goings clearly is sending mixed messages.

> "What best practice organizations have in common is that the work-life balance is taken seriously and the long-hours culture is discouraged."

Well-being means that employees feel that their physical and psychological health is an organizational priority. Today's workplace has become a lot more stressful. Cell phones and PDA devices make it more difficult for employees to separate themselves from the office. Overworked employees tend to be disengaged. Good managers are conscious of the importance of work-life balance and try to alleviate the pressure on employees through such methods as flexible scheduling. They let some employees work, to some extent, from home. Staggered shifts allow individuals to begin and end their days at times that better suit their personal situations. Other employees have the freedom to set their own schedules as long as their work gets done.

"Information"

Disengaged employees complain that they don't have a clear idea of their companies' direction. Even organizations that have defined a so-called "vision" need to formalize strategies that lay out their corporate goals and the behavior they expect from their employees. Although it may take years to achieve, a vision leads your organization to where it wants to be. A vision demands that employees maximize their potential and imagine limitless possibilities. This mindset requires employee engagement. To turn a vision into reality, an organization's leaders must clearly identify its strategic goals and aspirations, focus on a handful of realistic initiatives instead of many, create a culture which consistently reinforces strategic initiatives, and ensure that executives and managers express their strategic goals.

> "The design of jobs themselves is important to the level of engagement and ultimately has an impact on health."

Senior staffers at Chrysler conduct regular sessions where they address topics of concern to employees. In addition, they invite a cross-section of some 60 workers to meet with a senior manager who briefs them on company developments and invites questions. A large telecommunications company conducts monthly video sessions where a staff member interviews an executive. The interviews are a vehicle for sharing important information with the workforce and make senior managers more accessible. The CEO at Hallmark Cards addresses new employees, explains the company's vision and answers questions. Hallmark's human resources personnel support executives by helping them communicate more efficiently. Coaching helps executives who are uncomfortable speaking in public deliver their messages more effectively.

"Fairness"

Fairness means treating people properly throughout their entire employment experience – from recruitment and hiring to professional development to rewards and promotion. Southwest Airlines' managers place a premium on attitude and values, hiring only people who seem likely to fit in well with the culture; an individual's skills are secondary. Companies that carefully screen candidates have lower attrition rates and save thousands of dollars filling vacancies. Assessment tests should take into account a candidate's potential behavior, and his or her ability to react to circumstances that may arise on the job. Good managers are careful not to throw new hires straight into the fire. A gradual transition allows employees to become acclimated to the corporate environment. A new employee's first weeks on the job can determine whether he or she will get a favorable impression, and may set the tone for years to come. Many employees complain about insufficient feedback about their performance. Part of the problem is that managers find performance reviews annoying and time-consuming. However, failure to provide regular and constructive feedback harms morale and adversely affects motivation. The policy at one large U.S. pharmaceutical company, for example, is to withhold merit pay from managers who do not complete performance reviews on time.

> "Remember that creating true employee engagement is a cultural issue. It often involves breaking ingrained patterns of working."

Ideally, performance assessments should include a mechanism for identifying training and development opportunities. Employees can indicate the areas in which they would like to further their knowledge, and managers can arrange accordingly for coaching, mentoring, special classes, workshops and independent study. Of course, training initiatives must be in line with departmental and corporate objectives. Wawa, which operates some 500 convenience stores across the U.S., pays the tuition of employees who enroll at specific colleges. Although Wawa pays its employees only minimum wage, the company believes that expanding their education benefits the community at large.

> "Employee engagement only develops with top-down commitment and constant follow-through by senior managers."

The inability to advance professionally is a primary source of frustration for disengaged employees. Companies that fail to manage talent properly stand to lose their most gifted employees. Organizations worldwide recognize that the talent pool in many sectors is shrinking, placing a premium on development and retention. Exceptional employees must have stimulating, challenging work. They should have access to managers and mentors they respect, and should be able to trust that their managers will acknowledge their abilities and award their accomplishments.

> "Businesses with high levels of employee engagement provide appropriate and fair reward and recognition."

Too many managers dwell on the negative and are quick to point out employees' shortcomings, but slow to acknowledge their achievements. The workplace should be a positive environment where managers praise individual and group efforts. Some companies empower supervisors to award monetary prizes for exceptional work. But smaller tokens of appreciation – bringing in lunch for staffers or allowing everyone to leave early – can be equally effective.

"Involvement"

Involvement means keeping lines of communication open throughout an organization. Managers and employees should interact constantly. Some managers choose not to engage with their staff, or refuse to delegate tasks because of their basic insecurities and control issues. They're worried that their department's performance will reflect negatively upon them, or are frightened that someone else will do the job just as well and expose their shortcomings. They don't believe their people are competent.

> "In practice, values are best defined by employees in the business itself rather than just the senior leadership team."

At some point, executives must overrule such practices. Managers must give employees the autonomy and authority to make independent decisions. Empowered employees are more productive, creative and energetic. They feel more responsible. Honda, one of the world's most successful automakers, encourages its employees to be proactive and communicate across divisions. As a result, Honda employees are exceptionally proud of their company. Not surprisingly, Honda automobile owners benefit the most from this attitude

> "Believing that you are fairly rewarded and recognized for the amount of work and effort that you put into a job is a key driver of engagement."

Companies should strive to cultivate meaningful relationships between senior managers and employees. Managers who spend the majority of their time locked in their offices quickly lose touch with the basic needs and concerns of their staff. Leaders who spend time "in the trenches," instead, send a positive message to their employees and generate engagement at the highest level.

About the Author

Sarah Cook is a management development consultant who helps businesses develop their employees' capabilities and leadership skills.