

Engaging Employees Today: More Than Just Measurement

Leader to Leader

By Bob Nelson, Ph.D.

2,994 words

According to the *Harvard Business Review*, companies spend over \$720 million each year on employee engagement—which is projected to rise to over \$1.5 billion per year—yet, employee engagement is at a record low. Just 30 percent of employees are currently considered engaged, according to The Gallup Organization—roughly the same percentage as when Gallup first started measuring the topic over 20 years ago.

What’s wrong with this picture? Why is increasing employee engagement so difficult?

There’s no refuting Gallup’s extensive longitudinal research that systematically identified the core variables that distinguish high-performing organizations from their competitive also-rans in the marketplace. But knowing what those organizational pressure points are and actually “moving the needle” on those variables is apparently more difficult than anyone could have predicted.

Or are engagement scores the proverbial tail wagging the dog? Are companies spending extraordinary amounts of effort (and money) to chase higher engagement scores while overlooking the fundamentals for engaging today’s employees?

There’s a painting hanging in the Los Angeles County Museum of Art by Rene Magritte, the Belgian surrealist painter, entitled *The Treachery of Images*, which depicts an image of a man’s smoking pipe over the words “Ceci n’est pas une pipe” (“This is not a pipe”). The artist is making the point that the representation of something is not the thing itself.

In the same way, engagement scores that represent employee engagement are not engagement itself. Perhaps it’s time to focus on the behaviors that truly impact employee engagement, and not just the scores that measure it.

The Quest for Engagement

Employee engagement has become the Holy Grail in the management of human resources. Simply stated, employee engagement is the alignment of individual and organizational goals and values to better drive both business results and personal aspirations. Ever elusive, it seems the more companies strive to attain it, the more it slips from their grasp. But the quest continues, for the topic has proven to be too important to ignore.

Without an engaged staff, managers have a tough time accomplishing much—let alone the best—work possible. Human resources consulting company TowersWatsonWillis has noted: “Four out of every five workers are not delivering their full potential to help their organizations succeed” and it’s estimated that disengaged employees cost the U.S. \$450 billion annually.

In order to reach and surpass business objectives, executives must make sure their employees are actively engaged, inspired, and generally feel excited about their work. According to Gallup, if organizations are able to create a culture of engagement they stand to have employees that are:

- 480 percent more committed to helping their company succeed
- 250 percent more likely to recommend improvements and
- 370 percent more likely to recommend their company as an employer

If employees are engaged in their work, they have a greater desire to work harder, to be more productive and to be more responsible in completing work to the best of their ability. When organizations make employee engagement a priority, they can obtain increased organizational profitability, productivity, flexibility, and employee retention and better be able to attract talent as well. Employee engagement also creates trust between the organization and its employees so that both parties can be adaptive to changing business circumstances and the needs of the business.

The Engaged Organization

To obtain higher levels of employee engagement, research indicates organizations

need to focus on those behaviors that most impact the dimension in the eyes of their employees. The ideal engaged organization thus needs to:

- Create a clear & compelling direction
- Provide open & honest communication
- Involve employees in decision-making
- Increase employee autonomy & flexibility
- Focus on learning & development
- Recognize & reward high performance

Create a clear and compelling direction

The starting point of any effort to improve employee engagement is giving employees a clear and compelling vision. If employees don't know—or aren't inspired by—what the organization is trying to do, they'll find it more difficult to summon up the motivation to succeed. Frances Hesselbein, president of the *Leader to Leader* Institute, once put it this way: “No matter what business you're in, everyone in the organization needs to know why.”

To gain clarity about the organization's mission, management guru Peter Drucker has suggested that you ask five questions to get at the core of your business. These questions help connect what your organization is trying to achieve with your customers in the marketplace:

- * What is our mission?
- * Who is our customer?
- * What does the customer value?
- * What are our results?
- * What is our plan?

Clarifying one's vision is a useful starting point for deciding what is most important for the organization—and its employees—to focus on to be successful. And the result needs to be a compelling purpose that can inspire everyone. “A vision is not just a picture of what could be, it is an appeal to our better selves, a call to become something more,” says Harvard professor Rosabeth Moss Kanter. From that vision, you can shape your *unique competitive advantages*, that is, those aspects that you have to offer your customers that

your competition does not. These advantages represent your strengths in the marketplace that you most need to capitalize on to be successful.

The vision and mission then needs to be translated in ways every employee can impact. As management theorist Frederick Herzberg put it, “If you want someone to do a good job, give them a good job to do.” Find out what tasks your employees most enjoy and excel at and use that information to link them to relevant needs of the organization.

Provide open & honest communication

In my research, the highest-ranking variable that 95 percent of employees want most from their managers is direct, open and honest communication. In today’s dynamic, fast-paced workforce, enlightened companies recognize that employees want an environment that encourages a constant dialogue between employer and employee. People want to know not just the necessary information to do the work they’re assigned, but what their co-workers are doing and how the organization is doing as well. To keep your workforce engaged, it’s important to communicate information to employees about the organization’s mission and purpose, its products and services, its strategies for success in the marketplace, and even what’s going on with the competition.

Feedback sessions, departmental meetings, or company-wide gatherings should ideally serve two purposes: to provide information and to gather feedback. When discussing major issues like organizational changes, always host a dialogue rather than a lecture, and encourage questions. And if any key updates are going to be shared publicly outside of the organization (for example, in a press release), make sure you tell your employees first, and invite feedback. Your employees have to feel as though they have the freedom to express their questions and concerns, and receive honest and informative responses. For individuals you can:

- *Engage in periodic one-on-one meetings with each employee.
- *Offer personal support and reassurances, especially for your most valued employees.
- *Provide open-door accessibility to management.
- *Invite employees to write anonymous letters to top management about their concerns

For groups you can:

- *Conduct town hall meetings.
- *Host CEO-led breakfasts and/or brown bag lunches.
- *Maintain a 24-hour “news desk” on the company intranet.
- *Provide periodic “state of the union” updates on the business.
- *Be open and honest in explaining the situation and challenges going forward.
- *Take questions in advance of a meeting or allow them to be written on index cards, anonymously.
- *Record meetings and distribute the proceedings to those who are unable to attend.
- *Set up a blog site for your CEO to provide feedback around issues of importance.

Involve employees in decision-making

When employees believe they have a hand in decision-making, company-wide buy-in and participation is much easier to obtain. Yet only 41 percent of surveyed employees believe the typical company listens to employees’ ideas. Asking employees for their input shows that you respect and trust them and will likely increase the quality of the decisions being made, even if the responsibility for any decisions that are made ultimately remains with the manager.

No one knows how to do a job better than the person who is currently doing that job, so it makes sense to start there. For example, if a reporting process is ineffective or costly, talk to the individual responsible for managing the process. Take the example of a receptionist at Champion Solutions Group in Florida, who received expense reports from field sales representatives via overnight delivery. When her suggestion that the reports be sent online instead of shipped overnight was implemented, the company saw a 40 percent reduction in postage costs. This led to company leaders seeking the advice of employees for more ways to realize cost savings.

Support for change can’t be gained without involving employees, so you need to ensure that you give employees the opportunity to be involved in the decision-making process. Some simple ways to include employees include:

- *Asking them for their opinions on various matters of importance to the department

*Inviting them to actively participate in setting objectives and revising goals for the department

*Establishing task forces comprising employees whose objective is to identify better ways to work

Increase employee autonomy and flexibility

In my research on what most motivates employees at work, “autonomy and authority” and “flexibility of working hours” were two of the top motivators for today’s employees. To the extent that the manager, or the organization is able to provide those motivators for employees, their level of engagement will be greatly impacted and they’ll be better able to do their best work possible.

All employees need to have a say in how they do their work to make it more meaningful. When employees find their work to be meaningful, they become more engaged and effective. It’s critical that they go beyond their job descriptions to do whatever they can to make a difference not only in their jobs but also for the greater good of the company.

Once employees have been enlisted to get involved and make suggestions or improvements, they need to be encouraged to run with their ideas, take responsibility, and champion those ideas through to closure and completion. Managers can encourage this increased autonomy by

- * Allowing employees to approach anyone they need for help
- * Giving them the authority to use resources
- * Permitting them to take the actions that are necessary to get the work done

Many companies have found that by giving employees the options of a flexible schedule or telecommuting, employee engagement has increased. For some, the attraction is less time spent commuting each week and saving money on gas or mileage. Others may find it beneficial to limit childcare expenses or simply to have the opportunity to spend more time with their families. Whatever the motivation, employees appreciate the option of being able to have some control over their own work and, as a result, feel as though the company has their best interests in mind. Other options for increasing flexibility include:

- * Alternate hours (arriving early and leaving early or vice versa)
- * Four-day work weeks, in which longer hours are worked on fewer days
- * Telecommuting
- * Job sharing
- * Allowing an employee to leave work early, when necessary, or to take time off to compensate for extra hours worked

Focus on Learning and Development

Managers need to support their employees in the learning of new skills and allow them to participate in special assignments, problem-oriented initiatives and various other learning activities. They should develop learning goals with each employee for the year and even for specific projects, discussing learnings attained in the debriefing of any completed project. Periodically, managers should also hold career development discussions with each employee, perhaps as part of his or her annual performance review to discuss career options and potential career paths that are available to each employee.

Since development opportunities is a traditional motivator for most employees, as organizational needs arise, managers should ask, “Who can best benefit from this opportunity?” and approach that individual. American Express developed a teaching concept called “Label and Link” that they trained all managers to use. As a development opportunity arises, a manager labels the task as an opportunity and links it to something that’s important to the employee being considered for the opportunity. To some people, this might seem like a trick of some sort, but it’s the essence of employee engagement: aligning the needs of the organization with those of the employee.

Another developmental approach is to give employees an opportunity to experience different roles. For example, networking company 3Com believes that allowing those who work behind the scenes—especially engineers—to get out and sell to or visit customers gives them a greater appreciation for the value of the work they do. The employees in technical roles often receive customer feedback second-or third-hand and rarely, if ever, have the opportunity to sit down with a customer directly. How beneficial it is for them to engage in a dialogue that helps them do their job better and not feel as though they are

operating in the dark with piecemeal information. Furthermore, when they can hear positive customer feedback first hand, it means much more.

Recognize and reward high performance

If you only focused on *one* thing that could most impact employee engagement, it should be employee recognition. According to the Aberdeen Group's employee engagement research. "By acknowledging an employee's positive behaviors and demonstrating appreciation for employee contributions, that individual worker will continue those behaviors, stay engaged with the company, and feel motivated to perform." Sixty percent of Best-in-Class organizations (defined as those in the top 20 percent of aggregate performers in their study) stated that employee recognition is extremely valuable in driving individual performance.

Employee recognition is fundamental to ongoing support and motivation of any individual employee or group. The key to driving an engagement culture is to systematically recognize employees based on their performance, not just for showing up to work. While money and other forms of compensation are important to employees, what tends to motivate them to perform at their highest levels are the thoughtful, timely, personal kinds of thanks and recognition that signifies true appreciation for a job well done.

Yet, managers and organizations struggle to systematically recognize employee performance when it happens. The notion is common sense, but far from common practice in business today in which managers tend to be too busy and too removed from their employees to notice when they have done good work—and to thank them for it.

The widespread lack of rewards and recognition programs at a time when it is most needed is particularly ironic because what motivates people the most tends to take so little time and money to implement. It doesn't take a huge bonus check or a trip to the Bahamas or a lavish annual awards banquet to get the best out of people. It often just takes a little time, thoughtfulness and energy to notice what the employee did and thank him or her for it and encourage others to do the same. Here are some other simple forms of recognition any manager can use:

- When you hear good news, act on it! Share it with others and thank those responsible.
- Take a few moments at the end of the day to reflect on who's performance stand out. Jot those individuals thank-you notes and leave the notes by their work station as you leave.
- Take time at the beginning or end of meetings to share positive news such as letters from customers or ask if there are any praisings from one team member to another.
- When you read your mail, look for positive items to share with others or at staff meetings.
- Take time to listen when employees need to talk. Be responsive to people, not just problems.
- Make an effort to meet with employees you don't see or speak with very often. Take a break together, have coffee or an off-site lunch.
- Remember the 4:1 rule: Every time you criticize or correct someone, plan to praise or thank that same person at least four times.
- Take time to celebrate: individual or group milestones, desired behavior and achievements.

To successfully grow employee engagement in your organization, you must make recognition a part of everyone's work life—it is critical to driving engagement and improving organization performance.

From Entitlement to Engagement

Companies today cannot afford to be stifled by a culture of entitlement in which employees do as little as possible to get by. Employees must be committed and devoted to making a difference in their organizations; each employee must be fully engaged to do their best to excel at work.

To get the best of what employees have to offer the organization, managers must tap into their talents, interests, and skills. Getting to know employees on a personal level and asking them for their input, help, and ideas is a great starting point for any manager. In most cases, giving employees the autonomy and authority to act in the best interests of the organization and offering words of encouragement and praise along the way works

wonders. Encouraging employees to pursue their ideas and supporting them in that process are also important for yielding positive results in the workplace.

Companies can successfully create a culture of engagement by systematically getting its managers to focus on those behaviors that can best drive employee engagement. Managers can tap into an energy that employees themselves didn't realize existed they are sincere in their approach and truly do have the best interests of the employee at heart. They must make employees feel trusted, respected, and excited about their own successes and the successes of others in the organization. In return, you will get employees who are accountable for their actions, and committed to making a difference for the organization... and themselves.

#

Bob Nelson, Ph.D. is the leading authority on employee recognition, rewards and engagement in the world. He is president of Nelson Motivation Inc. (www.drbohnelson.com), a management training and consulting company that specializes in helping organizations improve their management practices, programs and systems. He has served as an Executive Strategist for HR Issues for 80 percent of the Fortune 500 and has presented on six continents. Honors include:

- o Senior Fellow, Human Capital for The Conference Board
- o Top Thought Leader by the Best Practice Institute
- o Leading Global Employee Engagement Influencer by EE Awards
- o Top 20 Global Management Guru by Global Gurus

Corporate Meetings & Incentives dubbed him "The Guru of Thank You," *Workforce Management* called him "The King of Rewards," and *HR Tech Outlook* proclaimed him "The leading authority and 'Consultant's Consultant' for Recognition & Rewards consulting."

Dr. Bob has sold over 5 million books including *1,001 Ways to Engage Employees*, *Recognizing & Engaging Employees For Dummies*, *1501 Ways to Reward Employees*, *The Rewards & Recognition Fieldbook*, *The Management Bible*, *1,001 Ways to Energize Employees*, and others. He frequently presents for corporations, conferences and associations. You can contact him directly at 1 (858) 673-0690 PST or via email at bob@drbohnelson.com.