

Employee Engagement

According to Willis Towers Watson's *Global Workforce Study* (2014) fair, competitive base pay / salary is necessary to attract and retain employees but, to achieve the strategic advantages of sustained employee engagement, a culture of engagement must be created and sustained.

Why should an organization care if their employees are engaged? The 2013 Gallup employee engagement report estimates that disengaged employees cost organizations between \$450–550 billion per year. Moreover, 70% of engaged employees report that they understand how to meet customer needs, compared to only 17% of disengaged employees. Research suggests that companies with highly engaged employees experienced 26% higher employee productivity, lower turnover risk, greater ability to attract talent, and 13% higher total returns to shareholders over a 5 year period. Unfortunately the tremendous benefits of high employee engagement are not being reaped by all organizations. According to Towers Watson (2014), more than two-thirds of workers report that they are disengaged, unsupported, or detached.

Aside from the aforementioned tangible engagement driver of base pay / salary, there are a number of intangible factors that prove critical for improving or re-igniting employee engagement. Here are some thoughts for consideration:

- **Leadership** is one of the major keys to improving employee engagement. In fact, companies where both leaders and managers were perceived by employees as effective, 72% of the employees reported being highly engaged (Towers Watson, 2014). Effective leadership includes employee trust / confidence in senior leadership as well as an employee's relationship with their direct supervisor and manager.
 - Tip: Assess, develop, promote and reward potential leaders based on the right leadership criteria. Way back in 1924 Mary Parker Follett powerfully wrote in her book, *Creative Leadership*: "Leadership is not defined by the exercise of power, but by the capacity to increase the sense of power among those who are led. The most essential work of the leader is to create more leaders."

- **Stimulating, meaningful, and challenging work** has a significant bearing on engagement. For a job to be stimulating for a specific employee there must be a 'fit' between that employee's skills, competencies, interests, and the content and requirements of the job. Fully engaged employees are passionate about what they do and they enjoy their work.
 - Tips:
 - Challenge talent by assigning achievable stretch goals, stretch assignments, job rotations and hold talent accountable for their progress.
 - Employees should have a 'line-of-sight' between what they do and the company's strategic objectives and how their work impacts these objectives. It is management's job to communicate this.
 - Give employees an opportunity to provide input on decisions that affect them and their work.
 - Clearly communicate what is expected and provide constructive feedback relative to performance. Too often employees receive 'on-the-spot' feedback when performance is below expectations but praise, recognition, and 'thank you' are, unfortunately, much less common.
- **Career development opportunities** should be visible and communicated. Studies show that engagement levels rise when there is a formal career development process and employees participate in a personal, annual conversation regarding their career.
 - Tips:
 - Create a customized career map for employees upon being hired.
 - Management should communicate regularly about the importance of growth and development, which includes the creation of formal challenges and milestones.
 - Hire based on potential. Potential can be an unseen strength. As such, consider a professional Selection Assessment to determine a candidate's potential to advance to the next level.
- **Pride in the company** is a driver of employee engagement. Where there is pride, there is an emotional bond to the organization and a certain 'self-esteem' that motivates an employee to commit discretionary effort to help the company succeed. Engaged employees demonstrate a willingness to recommend their organization to others because, 'they treat their employees and their customers right' and enjoy a reputation for social responsibility.
 - Tips:
 - Take a systematic approach to developing an Employee Value Proposition (EVP). Towers Watson (2014) defines an EVP as the following: "collective array of programs that an organization offers in exchange for employment... the give and the get between company and worker, encompassing every aspect of the employee experience – from an organization's mission, purpose

and values, to its jobs, culture and people, to the full portfolio of its total rewards program.”

- **Generational awareness** encourages employee engagement (AARP). Four generations work side-by-side in today’s workplace. As such, managers can increase employee engagement by learning skills that allow them to effectively engage members of different generations.
 - Tips:
 - Train managers to understand the different motivational preferences, leadership styles, and communication preferences across the four generations.
 - Offer a generational awareness seminar to employees.

In conclusion, creating and sustaining employee engagement will not be accomplished through a program – it is a process that never ends, but the rewards are great for both the company and its employees.

References

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