

the
ULTIMATE
GUIDE to
EMPLOYEE
ENGAGEMENT

Profiles  International
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GOOD STUFF

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ENGAGEMENT

= MOTIVATION

= PERFORMANCE

= PRODUCTIVITY

= PROFITABILITY

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INTRO

Employee engagement is a hot topic, and for good reason. As employees, engagement not only impacts our satisfaction and productivity levels, but can also increase our loyalty to a business. **\$11 BILLION** is lost annually due to employee turnover; needless to say, completely ignoring engagement is ill-advised.

Are your employees engaged in their work? Are they loyal to your business? If you're not sure, don't worry.

The Ultimate Guide to Employee Engagement is here to help you:

- Learn about employee engagement in your organization
- Identify the three levels of engagement: organizational, managerial, and employee
- Spot a disengaged employee
- Learn from organizations who get employee engagement right
- Improve the engagement level within your business

"Research in 2013 shows that
a whopping 71% of all employees
are not fully engaged."
—Dale Carnegie, 2013

What is Employee Engagement?

Employee engagement is a term used to describe an employee's passion, excitement, and commitment to their work. The difference between engaged and disengaged employees may be a matter of work style or personality, but is based on decisions rooted in loyalty and commitment to one or more levels of the organization.

Engaged employees are excited and enthusiastic about their jobs, resist distractions, and routinely produce significantly more than their job requires. They encourage others to reach higher levels of performance, and are proud of their organization.

An engaged employee is obvious, they exude positivity and promote hard work every day.

HOW
TO

SPOT

DISENGAGEMENT

ENGAGED

Attentive

Responsible

Energetic and passionate

Accountable

Finishes work on time

Rarely misses work

Helps others in the workplace

Recognizes own strengths
and weaknesses

Participates in out-of-office
activities

DISENGAGED

Lazy

Can't be trusted

Passive

Irresponsible

Slow to get their work finished

Shows up late to work

Responds slowly to emails

Complains about work

Skips out on birthday/
promotion celebrations

There are many benefits to understanding engagement levels. Companies with this knowledge have **higher retention rates, superior customer service, enhanced bottom-line results,** and an **all-round happier workforce.**

THE **3** LEVELS OF **ENGAGEMENT**

The first step to improving engagement is to decide where you want to tackle the problem. Some organizations take action on all levels of the organization, while others choose to focus on one area of engagement.

Addressing engagement at each of the levels below requires deliberate, diverse actions.

ORGANIZATIONAL

In order to foster engagement at this level, encourage and implement strategies that lead toward employee engagement. Take a good look at the core values and mission of the organization, and evaluate if you are fostering engagement.

EMPLOYEE

Find target employees who are engaged in their work. Ensure they sustain engagement and motivate others to be more involved in their work. Consistently challenge and train your employees so they take on new tasks that provide opportunities for growth and creativity.

MANAGERIAL

Leaders and managers are the key drivers of employee engagement. If they are not motivating employees to be engaged, there is a great chance your organization will always struggle with employee engagement. Knowing your managers and assessing the characteristics of the leaders in your organization will help you promote engaged employees, who can motivate others to be engaged as well.



It is impossible to create a culture of engagement without knowing the personality and characteristics of your employees and managers.



“You have to know where you are before you can get to where you want to go.”

Profiles International, 2013

How to Improve the Level of Engagement Within Your Organization

Engagement at the Organizational Level

Improving employee engagement at this level is strategic and tactical. Before you attempt a change, you must examine the current culture of your business.

An organization’s culture is its unique personality: the company’s core values, ethics, and norms. The mission, vision, and strategy of your business is important in identifying whether or not the culture of your organization supports engagement.

After identifying your culture, implement these five specific actions that will help improve engagement at the organizational level:

1. Identify opportunities
2. Simplify solutions
3. Take action
4. Hold employees accountable
5. Commit to developing employees



Engagement at the Managerial Level

It is crucial to recognize that the actions of senior leadership and managers are the key drivers of engagement. The act of engagement should be a part of every leader's job profile and leadership skill set. Ask yourself if you have the right people in the appropriate leadership positions, and if leadership development is an issue in your organization.

Employee assessments can tell you about the job fit of your existing leaders. By assessing your leaders and identifying top-performing employees, you can develop a predictive performance pattern. Compare potential leaders' assessment results with those of existing top-performing leaders. You need to identify and benchmark the behaviors and skill sets of your successful current executives. Don't assume you can simply promote top-performing employees. Just because someone is a top performer, it doesn't necessarily mean they are wired to be successful leaders.

Seek feedback on each leader from their peers and direct reports, help your managers learn how to motivate their employees. Empower them to maximize employee performance by understanding whether an employee is internally motivated, or needs a little external inspiration.

“Building and changing the corporate culture begins at the top, when business leaders adopt, define, and model the system.”



Engagement at the Employee Level

Research has not identified one “right” way to increase the level of engagement in an organization. What works in one company may not work in another, but one thing we do know, is satisfaction with employment is directly linked to job fit. Make sure you have your employees in positions in which they can thrive and grow. This results in greater productivity and commitment to the organization. Many organizations currently have large generational gaps in our workforce, and each group reacts differently to engagement strategies. Flexible and remote workspace may be more important to one generation than another. “Millennials” and “Baby Boomers” are all motivated differently. In the past decade, we have witnessed a significant increase in flexible and virtual working environments, as well as a rise in social and professional networking.

Smart businesses know to identify their target customer; now it’s time to identify your target

employee. A target employee is one who has a good fit to their current job, is fully engaged, and whose performance exceeds your expectations. This employee has the ability to elevate the performance of other employees, team members, and departments.

To identify your target employees, you must first assess all of your current employees. You will want to use the same process recommended for assessing your leaders. Appropriate assessments will tell you about employees’ cognitive skills, job-related behaviors, engagement levels, and occupational interests. Make sure you have the data to identify the target employees who stand out, as well as the employees who are doing a good job, but may not be identified as target employees yet.

How to Improve the Level of Engagement Within Your Organization

Generation X Baby Boomers Millennials Gen Y

Understanding the generations in your workforce is paramount to encouraging engagement among your employees.

You're in a Leadership Position for a Reason... Engage Your People!



HEY!

Employee Engagement is Easier Said Than Done

Many companies have made significant cuts to their workforce, which almost certainly weighs heavily on their remaining employees. To get the job done, organizations tend to rely on a core group of employees whom they trust and believe in. How can you keep these individuals motivated and engaged, and for how long?

“Engaged employees are **more attentive and vigilant**. They look out for the needs of their coworkers and the overall enterprise, because they **personally ‘own’ the result of their work** and that of the organization.”

Jim Harter, PhD, **chief scientist at Gallup Research**

According to research by the Gallup Organization, organizations with a high level of engagement report 22% higher productivity.

It may be easy to write about how to engage employees, but completing the task is easier said than done! Every employee, regardless of their rank and title, receives many messages each day that influence their mood, attitude, and work. These messages can include the company status report, goal achievements (or lack thereof), economic struggles, and of course, job losses and gains.

These headlines come from many various outlets: the media, family, coworkers, social networks, bosses, and the company itself.

However, as a manager and boss, you do have the ability to help your employees rise above negativity by coaching them, and keeping them motivated and focused on tasks at hand. It's crucial to remember that the absence of communication can also act as a message.

Don't hide from your people. Think about the amount of distance (literally and figuratively) between you and your employees. Even if you have a jam-packed schedule, make sure you maintain a culture of dialogue with your people.

As I'm sure you know, each person is different and is motivated as such. Rather than employing a one-size-fits-all approach, an effective manager will tailor his or her management style to illicit the best response from each employee. Be careful not to drive a melancholy workforce even lower by mercilessly cracking the whip. Likewise, don't assume a posture of ignorance by hiding in your office and waiting for the sun to start shining again.

Instead, take that opportunity to talk to your employees. By listening, you're not only showing them that you care, but you're also receiving real-time feedback on their concerns and attitudes, which you can then use to either correct problems or find ways to motivate them. But the bottom line is that you're engaging your people, which is most important!

If your organization is suffering from disengagement, then you have major concerns, which should be dealt with by senior leadership and HR. However, you should not wait for that to happen. Realize that each person can influence others positively, as well as negatively. Start to change your organization today by connecting with your employees, making a commitment to rise above the negative noise, and by doing something positive.



Lessons from Companies Getting Employee Engagement Right

There is no one way to increase employee engagement, but most HR professionals would agree that creating a healthy company culture is a good place to start. Many employees at Google, SAS, and Boston Consulting Group would also agree. All three companies topped this year's "100 Best Companies to Work For" list. Each company can teach us a lesson about the influence of a strong company culture on employee engagement.

GOOGLE

Google's employee perks have become famous. The company's headquarters is a collection of buildings that look more like a college campus than a corporate office and features a wave pool, indoor gym, and game rooms. But, the most important part of

Google's culture is its encouragement of new ideas. The company looks to all engineers, not just those at the senior level, for innovative ideas. Engineers are encouraged to propose ideas constantly, no matter how wild they may seem and all engineers are allowed to spend 20 percent of their time working on their own projects.

Key lesson # 1: Create a culture that encourages employees to propose their own ideas.

How this contributes to engagement: Employees are most engaged when they care about the projects they work on. Every job has tasks that are not always fun or glamorous but employees tolerate these tasks so they can have the opportunity to work on assignments that interest them. If employees don't ever get to work on interesting projects, they have nothing to look forward to, and no motivation to do their best work. Allowing employees to work on projects that they initiate sends the message that you value their contributions, and gives you peace of mind that they are working hard.

BOSTON CONSULTING GROUP (BCG)

Boston Consulting Group cannot boast wave pools and game rooms, but the company is known for creating a company culture based on its unmatched opportunities for professional development. BCG prides itself on providing employees with constant feedback and regular performance reviews. Senior management routinely suggests training programs for associates to help them improve. Employees are encouraged to ask questions. Senior managers work closely with junior consultants. This easy access to experienced professionals makes BCG a great place to learn and network.

Key lesson # 2: Provide constant feedback and training opportunities for your employees.

How this contributes to employee engagement: Feedback and training are important components of employee engagement. Employees that feel equipped to handle their job duties will be more engaged in their work. Feedback provides employees an opportunity to learn from their mistakes. Feedback also sends employees the signal that the company is concerned with their professional development. Employees are much more likely to work hard for a company that cares about them.

SAS

SAS regularly tops “best companies to work for” lists because of its desirable company culture. The company provides on-site

massages, a hair salon, and a health center for employees at its corporate office. There is no monitoring of sick days and most employees work an average of 35 hours a week. CEO Jim Goodnight sums up the company culture best: “My chief assets drive out the gate every day, my job is to make sure they come back.”

Key lesson # 3: Trust and take care of your employees and they will trust and take care of you.

How this contributes to employee engagement: SAS executives do not simply tell their employees that they trust them, they show it. While most companies monitor sick days and require employees to call in, SAS executives trust that their employees will be honest. Employees at SAS can also work on a flexible schedule. No one cares whether they show up at 8 or 11 every morning as long as they get their work done. SAS policies free their employees from worrying about trivial matters like sick days or the stress of being five minutes late. Less stressed employees are more engaged in their work.

The successes of Google, Boston Consulting Group, and SAS show us that engaged employees will work harder for their companies than disengaged employees. The key to creating a culture of employee engagement is that the company must have a culture of employee engagement first. Every company cannot provide wave pools or on site massages, nor does every company need to. The key to creating a culture that engages your employees is identifying what works for your company and, most importantly, your employees.



THAT IS THE QUESTION...

Employee engagement reports this year revealed some shocking statistics. Only 29 percent of employees are engaged at work! What does a disengaged employee mean for your company? Loss of productivity is an obvious answer, but the loss of productivity goes beyond just that employee. Even the best employees can become frustrated with coworkers who don't pull their weight, resulting in lack of productivity for your entire office!

Employee engagement isn't employee satisfaction or employee happiness, so what is it? In an article for Forbes, Kevin Kruse

defines employee engagement as the emotional commitment the employee has to the organization and its goals. Kruse writes, "This emotional commitment means engaged employees actually care about their work and their company. They don't work just for a paycheck, or just for the next promotion, but work on behalf of the organization's goals."

So, how can your organization create a workforce of more engaged employees? Here are a few tips recommended by the Northeast Human Resources Organization:

• **TWO-WAY COMMUNICATION**

Many organizations do a good job at communicating from management down to their employees. However, many organizations lack an effective platform to receive feedback from employees. It's vital that front-line managers and top management hear what employees have to say. They can shed light on problems management may be unaware of, air their grievances, and let their bosses

know what's working and what's not. Remember, feedback is most effective when it's immediate. When an employee goes above-and-beyond, make sure you let them know what a great job they did, and what a valuable asset they are to your organization. The same goes for reprimands as well. Employees need to know when they've done something wrong as quickly as possible so they can correct the problem.

- **EMPLOYEES UNDERSTAND THEIR ROLE**

Make sure your employees understand the goals of your organization, and let them know where they fit on your road to success. Let employees know what competencies and skills will help your company grow, and then help employees upgrade their skills to match the needs of the organization. Make further training and coaching easily available to your employees so they can stay up to date on the latest trends in your industry.

- **TRUST**

If managers are constantly changing directions and breaking promises, employees will lose trust in their leadership. Just as it's important for employees to see the big picture, managers need to know it too. This will help managers keep the trust of your employees and guarantee the success of your organization. However, it's not just about direct managers. Studies show that employees' trust in executives has twice the impact on engagement levels than trust in immediate managers. Top leadership needs to gain the trust of everyone in the organization in order to be successful.

- **EMPOWERMENT**

When employees participate in the decision making process, they feel more like a valuable part of the organization and become more engaged. By pushing some of the decision making down to the lowest level possible, you create employee engagement on every level of your workforce.

Employee engagement starts at day one. If you don't already have one, make sure you have a coaching program in place for new hires. An employee's first day at an organization is a key factor in determining the level of engagement an employee will have in the years to come. Assign new employees to a current trusted employee who you feel exemplifies the values of your organization. This individual can help the new employee to navigate the confusing few first days at work and help them learn the ropes.

Another way to ensure that employees remain engaged throughout their time at your company is career coaching. Set up a formal outlet for managers to sit down with employees and discuss career growth and their future plans. This can help managers spot employees who are not the right match for certain positions and correct the problem before they leave the organization.

By taking the necessary steps toward creating engaged employees, you create happier, more productive employees who will work harder for your company, because they will genuinely care about its success.



CEOs Opting for \$1 Salaries Set the Bar for Employee Engagement

Mark Zuckerberg made a splash in the press this year by reducing his annual salary to \$1, according to SEC filings. Zuckerberg joins a small group of CEOs who made the same move years before him, including John Mackey (Whole Foods), Meg Whitman (HP), and Larry Ellison (Oracle).

Mackey announced his \$1 salary in 2006, in an open letter to Whole Foods employees. Part of his letter reads:

“The tremendous success of Whole Foods Market has provided me with far more money than I ever dreamed I’d have and far more than is necessary for either my financial security or personal happiness... Beginning on January 1, 2007, my salary will be reduced to \$1, and I will no longer take any other cash compensation... The intention of the board of directors is for Whole Foods Market to donate all of the future stock options I would be eligible to receive to our two company foundations.”

In his letter, Mackey makes it clear that he is working for the love of what he does. Most of us are not fortunate enough to forgo our salaries and continue working out of pure joy. However, CEOs like Mackey and Zuckerberg are great examples of people who are passionate about what they do and how that passion shines through in the success of their companies. They do not need money to come to work excited and engaged.

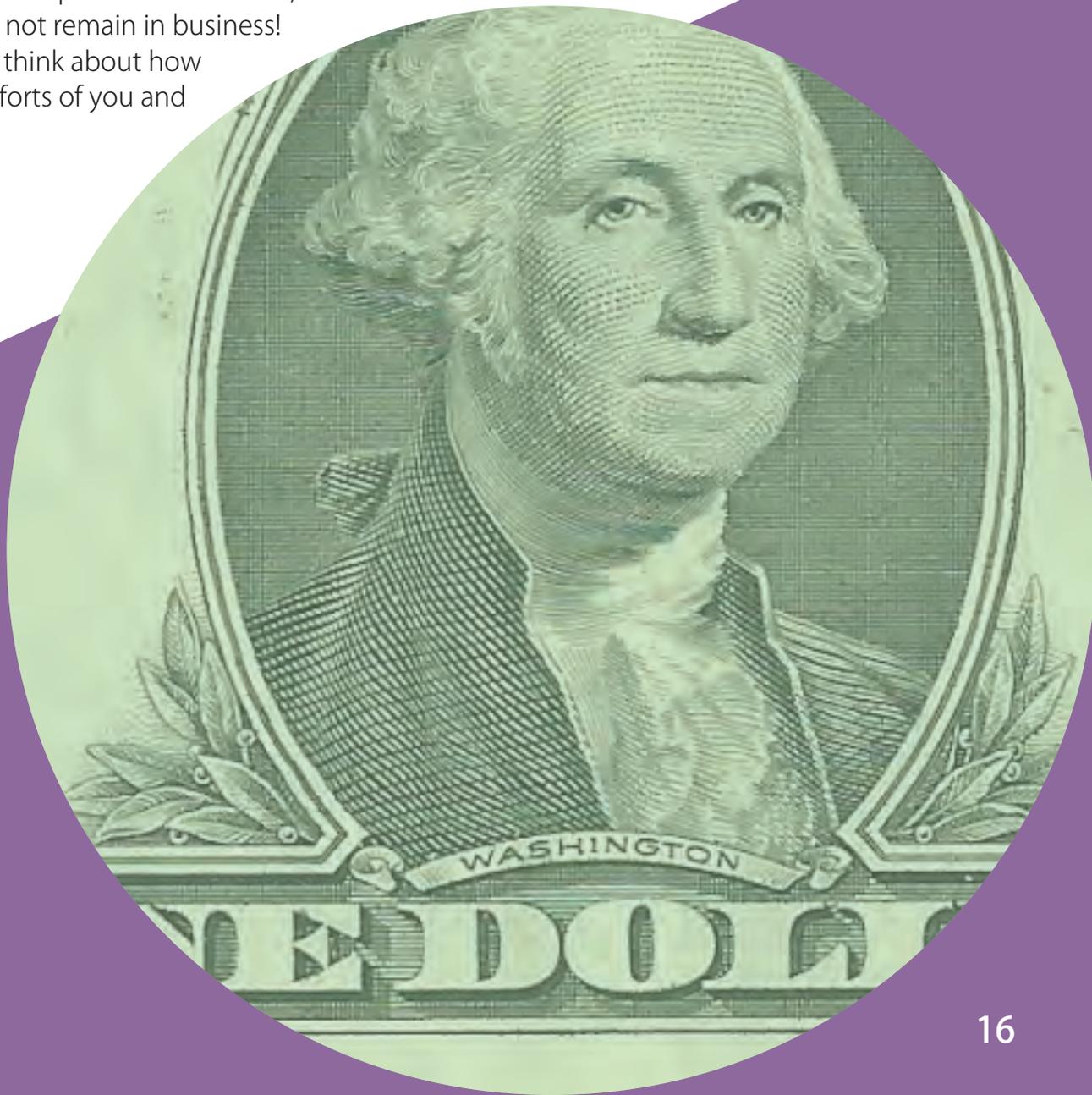
So what can CEOs like Zuckerberg and Mackey teach us about employee engagement? First, it is vitally important that you connect to your company’s overall mission. Every company has a mission statement, and you need to

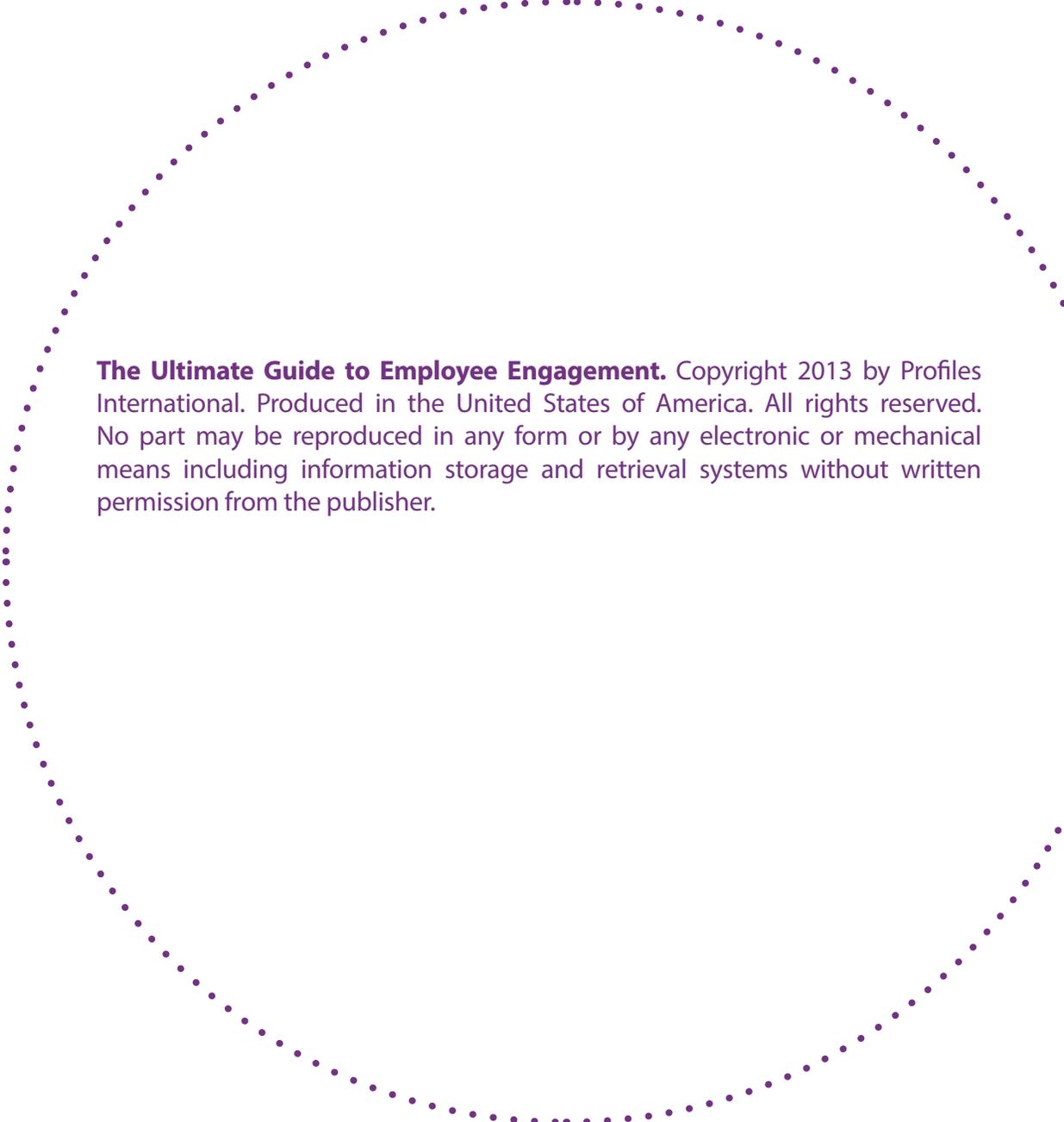
know how your work ties into that mission statement. Even if it seems small, your work in some way helps the company take steps towards the realization of that mission every day. If you are able to see the bigger picture, even the most standard, routine tasks will take on a new life.

Secondly, find out how your work makes someone's life easier or better. Many people believe that only non-profit company work is directly related to improving someone's life, but this is not true. All companies provide a product or service that people are willing to pay for because it helps them. Otherwise, the company would not remain in business! Take the time to think about how the collective efforts of you and

your co-workers will result in a better, easier, more meaningful, more exciting existence for someone else.

The foundation of an engaged workforce is a workforce where each person can directly tie his or her work to the bigger picture. A CEO who is financially able to reduce his or her salary to basically nothing may seem to be out of touch with the rest of us. However, their success is a result of passion and being fully engaged in the work that they do. That is a lesson we can all learn from, no matter our salary.





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