

Executive Briefing

engagement • metrics • solutions



Fostering a Culture of Engagement

OrgCommit
People who power your bottom line.

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President, Co-founder, Profiles International: Bud Haney
Editor-in-Chief: Dario Priolo
Managing Editor: Carrie D. Martinez
Assistant Editors: Jeffrey Meyers, Jacob Ford
Creative Director: Kelley Taylor
Graphics Assistants: Colton Canava, Kristen Fletcher



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One out of every five employees is actively engaged in his work.
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Introduction

Employee engagement is a hot topic in the business world and for good reason. Engagement can not only make a difference on employee satisfaction and productivity, but it can also increase employee loyalty—resulting in less turnover—and positively impact the bottom line. Organizations are realizing the need to create a culture of engagement that maximizes the potential of each employee.

According to the bestselling book *First, Break All the Rules*, authors Marcus Buckingham and Curt Coffman assert that one out of every five employees is actively engaged in his work. This means that 80% of employees are disengaged with their work. How much productivity is your organization losing from these employees?

Are your employees engaged in their work? Are they loyal to your business? How do you know these things? And if you don't, how do you find out? This report seeks to help you begin the process of learning about employee engagement in your organization. We will identify and describe three levels of engagement: organizational, managerial, and employee.

Any attempt to change the culture and processes of an organization can be difficult and challenging. In this report, we also discuss how to implement new processes that can significantly improve employee engagement. As you go through this report, consider the current state of your organization and how your organizational culture can be modified to create a lasting model of engagement. As the title suggests, the entire DNA of your organization may need to be altered to lead to more engaged, active employees.

There are many benefits and advantages to understanding engagement levels. Companies with this knowledge have higher retention rates, superior customer service, and realize enhanced bottom-line results. Leaders at all levels of the organization strive to create a work environment that results in highly engaged employees.

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What is employee engagement?



In an organization, it is clear that not every employee has the same loyalty and energy surrounding their work.

Understand and identify engaged employees

Employee engagement is a term that is used to describe an employee's passion, excitement, and commitment to their work. In an organization, it is clear that not every employee has the same loyalty and energy surrounding their work. One employee may leave early when the boss is gone while others stay late and come in on the weekends to get ahead on their work. The difference between engaged and disengaged employees may seem to be a matter of style or personality, but they are based on decisions rooted in loyalty and commitment to one or more levels of the organization. Disengaged employees not only negatively impact the bottom line, but they also misrepresent an organization and its culture.

Engaged employees are excited and enthusiastic about their jobs, resist distractions, tend to forget about time, and routinely produce significantly more than the job requires. They enjoy searching for ways to improve circumstances and they volunteer for difficult assignments. They also encourage others to reach higher levels of performance. Finally, they are proud to be involved with their organizations and are more likely than their unengaged peers to stay with the company.

In some cases, it may be easy to compare engaged employees with disengaged employees. A manager with a small span of control will probably be able to know which employees are engaged and which are not. However, in a larger organization, a manager may have very limited opportunities to discover who the engaged employees are in his department. Assessments can help identify the engagement levels within an organization and help the manager transform disengaged employees into engaged employees.

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Engaged vs. disengaged

Engaged employees:

- Attentive
- Responsible
- Energetic and passionate
- Accountable
- Finish work on time
- Never miss work
- Help others in the workplace
- Recognize own strengths and weaknesses
- Participate in out-of-office activities

Disengaged employees:

- Lazy
- Can't be trusted
- Passive
- Irresponsible
- Slow to get their work finished
- Show up late to work
- Respond slowly to emails
- Complain about work
- Skip out on birthday celebrations
- Uninvolved in department meetings

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Improve the level of engagement in your organization



How can I, as a leader, improve engagement?

Research shows that there is no one general set of actions that will guarantee your success in raising engagement in your company. Raising the level of engagement is a function of several very important ideas. The first step to improving engagement is to decide where you want to attack the problem.

Proactive companies have chosen to take action at the organizational, managerial, or employee levels. Some companies have chosen to isolate one area while others have chosen to take action simultaneously across several areas. It is important to know your organization well and know where the company has the lowest levels of engagement.

There are three different levels that can be identified as locations of engagement in the workplace:

1. Organizational—Mission, core values, and overall strategy of the company.
2. Managerial—Leaders and managers in the organization.
3. Employee—Front-line employees and teams.

The first step to improving engagement is to decide where you want to attack the problem.

Addressing engagement at each of these unique levels requires different actions. The remainder of this report will examine the different ways leaders can address engagement and motivate employees to be more committed and excited about their daily tasks.

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1. Engagement at the organizational level

Change the culture in your organization



Improving employee engagement at the organizational level is strategic and tactical. Before you can attempt to change your organizational culture, you first must examine the current culture of your organization. (You have to know where you are before you can get where you want to go.) What is the history of your company and what are the values upon which it was started? Do you have an organizational culture that encourages engaged employees?

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

After identifying and defining your organization's culture, you will need to implement **five different 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 your employees**

The actions an organization needs to take are not limited to this list. Knowing and understanding your organization's unique personality will be the most important factor involved in improving engagement at the organizational level.

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2. Engagement at the managerial level



Managers must look to additional resources to help identify engagement

Recognizing that the actions of senior leadership, managers, and supervisors are the key drivers of engagement, the act of engaging should be a part of every leader's job profile and leadership skill set. Engagement may not be solely an internal motivation issue. There are job factors that effect the engagement of every employee.

Ask yourself these questions:

- Do I have the right people in the appropriate leadership positions?
- Is leadership development an issue?
- Is it both of the above?

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

Appropriate assessments will tell you about the job fit of your existing leaders. By assessing each of your leaders and identifying a group of top- and lesser-performing employees, a proven predictive performance pattern can be developed. Think of this pattern as a means of identifying the best worker for a position.

The next step is to compare your leaders' results to the appropriate predictive benchmarks. Now you can accurately and reliably tell if your leaders are in the right jobs. Having this information helps you decide whether this is an issue of selection or development. If selection is the issue, you can redeploy the leader to a more appropriate job. If development is the concern, you will need the data and coaching recommendations to learn how to encourage engagement with each and every employee.

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2. Engagement at the managerial level



Promote engaged employees

Promoting top performers may not be the best move for your department or organization. Many companies fall into this trap every day. If you want to help increase the effectiveness of your leaders, you need to identify the leadership skills that are most commonly used with engaged employees.

Seek feedback for this leader from his peers and direct reports. Align the leader's behaviors and leadership skills to the expectations of the organization and of his boss. Then close leadership gaps through on-the-job performance, feedback, and coaching. Make sure that engaged employees are being promoted through the ranks.

Help your managers learn how to motivate their employees. Empower your managers to maximize employee performance by understanding whether an employee is internally motivated or needs a little external inspiration. Effective assessments are available for you to use to evaluate existing employees or team members. The resulting information will significantly increase the effectiveness of your managers. When the employee can see that her manager is working to learn more about her, satisfaction with the manager will increase and so will engagement.

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3. Engagement at the employee level

New generation leads to new strategies for engagement



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. Satisfaction with employment can be directly linked to job fit. One way to increase engagement at the employee level is to make sure you have the employee in a position where he can thrive and grow. This will result in greater productivity and commitment to the organization.

We are facing a talent shortage of unparalleled proportions. Within this decade, the "Baby Boomer" generation will continue to exit the workforce through retirement. At the same time, declining birth rates of subsequent generations mean a deficit of younger workers. With these demographic changes, companies will be faced with an unprecedented "brain drain." To survive, you must rethink your workforce strategies and transform your management and human resource practices to attract, engage, and retain workers of all ages.

Younger employees are changing jobs more often and are more likely to have careers that consist of multiple jobs. Some of the different and changing expectations that you may face with younger employees include:

- Flexible working arrangements
- Increase in virtual, off-site working
- Increase in social and professional networking
- Flatter organizational structures

Understanding the next generation in the workplace will be important to know how to encourage engagement among younger employees.

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3. Engagement at the employee level

Target engaged employees



Understand your target employees. It is time to apply what we learned about customers and customer segmentation to employees and employee segmentation. Successful companies identify their target customer; the time has come to use science, technology, and data to identify our target employee.

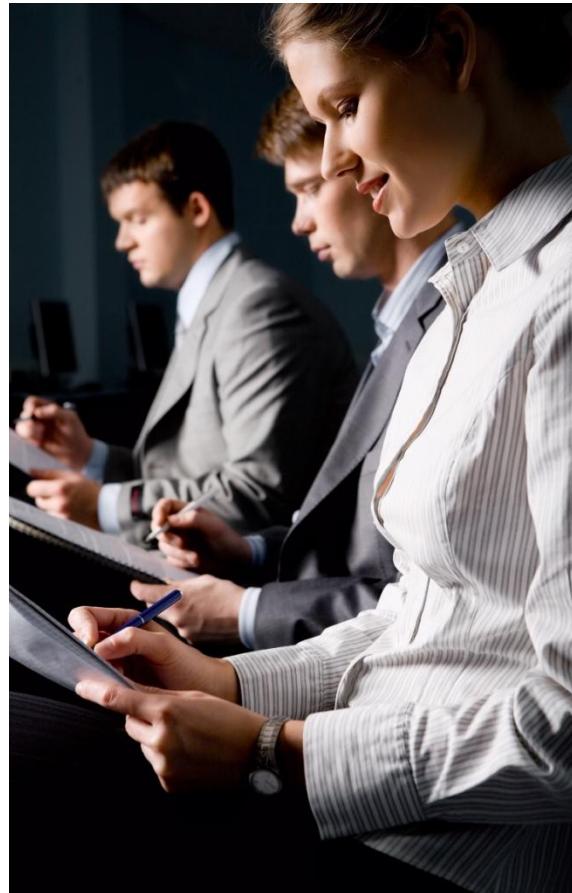
A target employee is one who has a good fit to her current job, is fully engaged on-the-job ,and whose performance exceeds your expectations. The target employee not only achieves the goal, but has the ability to elevate the performance of other employees, team members, departments, and divisions.

To identify your target employee you must first assess all of your 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 those target employees who stand out as well as those employees who are doing a good job but may not have emerged as target employees yet.

The days of compensation and benefits standardization may be over. You are not going to be able to be all things to all people. Talent recruitment and retention of top performers are about to change how we think of the employment deal. Take the time to identify where you will need to utilize variation in order to meet the needs of your target employees. With flexibility, creativity, and a willingness to change, you will be able to recruit and retain top performers.

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3. Engagement at the employee level



Challenge and train employees

You may also need to think differently about challenging your employees. Research shows that managers are up to four times more engaged than front-line employees. This is due to the additional challenges managers face. Provide your employees with stretch goals, avoid micromanaging, and let them learn from their mistakes. In order for employees to remain engaged, they need to be continuously stimulated. Every new experience you create for your employees is an opportunity for growth.

Training also improves employee value. Employee engagement increases when employees receive regular training, especially if training is focused on soft skills rather than technical skills. When challenging, training, and coaching an employee, be sure to allow time to provide feedback. Such information can be extremely important in helping implement solutions.

Asking the right questions can be the key to unlocking potential:

- **What can be improved?**
- **What does she need?**
- **What can we do more or less of?**
- **What should we start or stop doing?**

Research has shown that success on the job has little to do with experience, age, race, gender, or education and everything to do with job fit. Ensure that all your employees have a good solid job fit. The level of engagement is directly related to employee job fit, and job fit is the number one ingredient to the individual success of your employees.

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Summary

Engaged employees provide immeasurable benefits to your organization



The importance of hiring and managing engaged employees is significant to the success of your business. If you have tried to improve engagement for years and still aren't seeing the results you expected, you need to look at creating a culture of engagement within your organization.

In this report, we explored three specific levels of your organization where you can begin to encourage engagement:

- **Organizational**—In order to foster engagement at this level, you need to encourage and implement strategies that lead toward employee engagement. Take a good look at the core values and mission of the organization and see if you are fostering engagement.
- **Managerial**—Leaders and managers are the key drivers of employee engagement. If they are not motivating employees to be engaged, then there is a great chance that 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.
- **Employee**—Find target employees who are engaged in their work and make sure that they stay engaged and motivate others to be more involved in their work as well. Consistently challenge and train your employees so that they take on new tasks that provide opportunities for growth and creativity.

It is impossible to create a culture of engagement without knowing the personality and characteristics of your employees and managers. Leaders must be aware of the engagement levels of their employees. Assessments provide an opportunity to learn more about each employee and how they fit into their job and the organization.