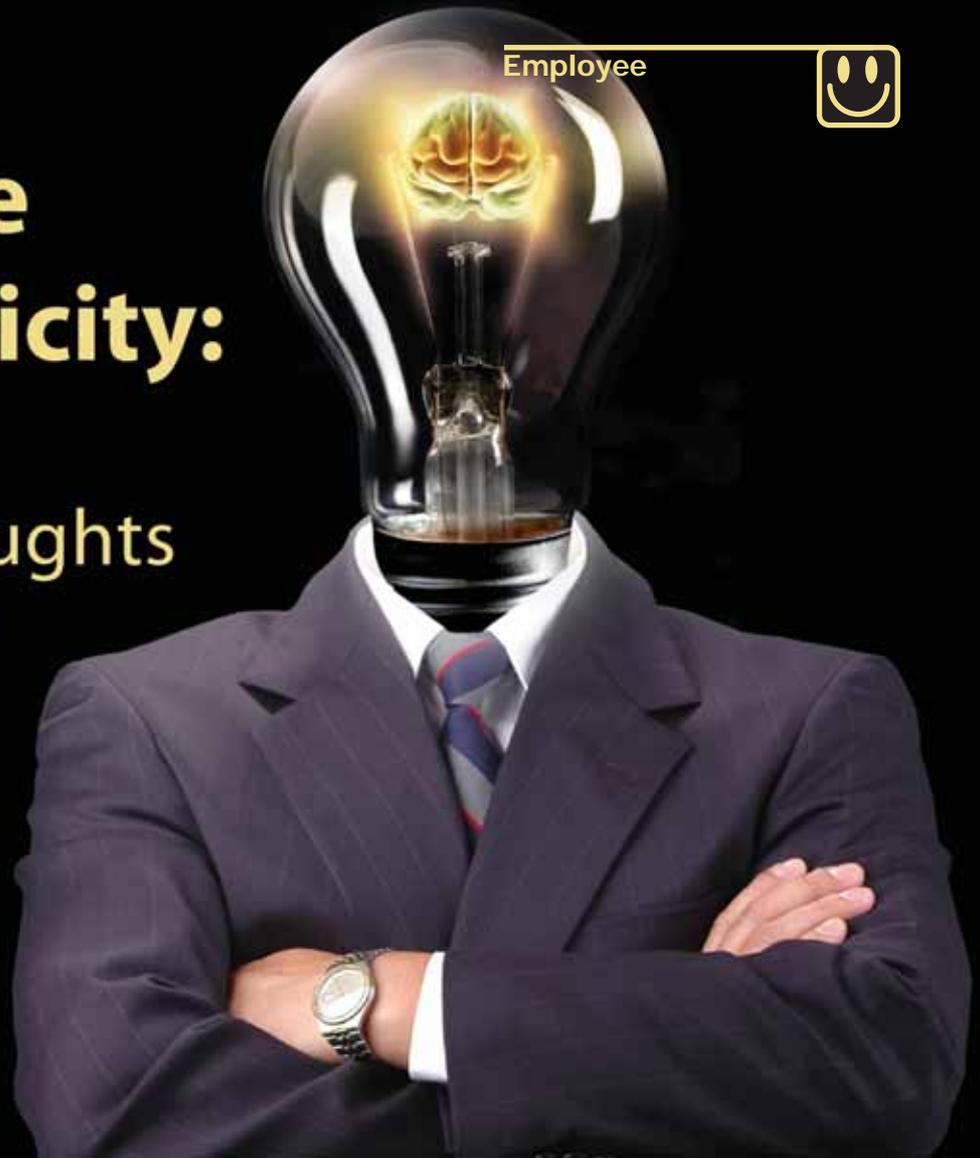




People are like Electricity:

powerful thoughts
on Employee
engagement



What is Employee Engagement?

According to the Work Foundation, "Employee Engagement describes employees' emotional and intellectual commitment to their organisation and its success. Engaged employees experience a compelling purpose and meaning in their work and give their discretionary effort to advance the organisation's objectives."

The Best Companies' definition is a little more succinct. "Engagement can be defined as an employee's drive to use all their ingenuity and resources for the benefit of the company."

So, put simply, Employee Engagement is about people doing willingly and well what needs to be done and going the extra mile – because they want to. It is the difference between people coming to work and doing an 'O.K.' job and people turning up at work firing on all cylinders, displaying creativity and using their initiative.

“PEOPLE ARE LIKE ELECTRICITY - OF NO USE UNLESS SWITCHED ON.”

Peter Drucker

Harnessing that innate, latent, but all too often 'never to be untapped' talent of employees does improve performance. When employees maximise their potential, everybody benefits.

The value of employee engagement

The 2008 Engagement Report by BlessingWhite found that only 29% of employees are actively engaged in their jobs. These employees work with passion

and feel a real connection to their organisation. People who are actively engaged at work help move the organisation forward.

Research carried out by Gerard Seijts and Dan Crim in 2006 found huge differences in the extent to which engaged and disengaged employees believed they could make a difference.

Another study in 2006, this time by Alison M. Konrad, found that engaged employees feel a strong emotional bond to the organisation that employed them. Similarly, research conducted by the Hay Group found that those with a strong emotional bond to their employer demonstrated a willingness to recommend the organisation to others (advocacy) and commit time and effort to help the organisation succeed.

% believing they can make a difference to:	Engaged	Disengaged
Quality of products	84%	31%
Customer service	72%	27%
Cost in their job unit	68%	19%



Nancy R. Lockwood's article in HR Magazine, March 2007: "Leveraging Employee Engagement for Competitive Advantage" found that employees with the highest level of commitment performed 20% better and were 87% less likely to leave the organisation. Interestingly, at the beverage company Molson Coors, it was found that engaged employees were five times less likely than non-engaged employees to have a safety incident and seven times less likely to have a lost-time safety incident. In fact, the average cost of a safety incident for an engaged employee was \$63, compared to an average of \$392 for a non-engaged employee. Consequently, in 2002, through strengthening employee engagement, the company saved \$1,721,760 in safety costs. In addition, savings were found in sales performance teams through engagement. In 2005, for example, low engagement teams were seen falling behind engaged teams, with a difference in performance related costs of low versus high engagement teams totalling \$2,104,823.

Such extensive research, both in the academic and business communities, indicates clear links between highly engaged individuals and overall organisational performance, specifically in the following areas:

- Bottom line results
- Job satisfaction
- Customer satisfaction and loyalty
- Advocacy
- Absence
- Employee turnover
- Accident and safety records
- Creativity and innovation
- Resilience to change

Building an engaged workforce

Given the clear association between engagement and overall business performance, there is every incentive for organisations to drive up levels of engagement in the workforce.

The first step is to measure employee attitudes. Most large employers in both the public and private sectors now conduct regular employee surveys. The results typ-

ically show what employees feel about their work on a range of issues including Pay and Benefits, Communications, Learning and Development, Line Management and Work/Life Balance. The resulting data can be analysed to identify areas in need of improvement and combined with other Management Information to support Performance Management.

The results of such surveys, the employer's commitment to take action on the outcomes and, crucially, the clear communication of all that back to their employees, are more important than ever to an organisation eager to build an engaged workforce. For more information on employee engagement surveys, see Mark McCall's articles in the current issue and September's Stakeholder Satisfaction.

Employees also need to know how their work contributes to organisational outcomes. The Institute of Employment Studies (IES) has concluded that the key driver of Employee Engagement is feeling valued and involved. Indeed it is often said that 'involvement equals commitment' and that a person thrives on positive feedback.

“BY IMPROVING EMPLOYEE ENGAGEMENT, MOLSON COORS SAVED OVER \$1.7m IN SAFETY COSTS ALONE.”

An organisation committed to employee engagement should also ensure that there is a shared sense of purpose and that individual goals are aligned to those of the organisation.

It is not about driving employees to work harder, but about providing the conditions under which they will work more effectively – it is about making conditions conducive for employees to demonstrate their discretionary behaviour and go the extra mile. This is more likely to result from a healthy work/life balance than from working long hours. Engagement is wholly consistent with an emphasis on employee well-being.

Not surprisingly there is a parallel between the concept of engagement and that of 'flow' – the term used by the American Psychological Society to describe that state of mind when people become completely immersed in an activity, so absorbed in the task, so 'in the zone' that they lose track of time and are oblivious to external distractions.

“MAN IS SO MADE THAT WHEN ANYTHING FIRES HIS SOUL, IMPOSSIBILITIES VANISH.”

Jean De La Fontaine

This tends to result when employees share the organisation's vision for the future, have job autonomy, support and coaching, feedback, opportunities for learning and development, task variety, responsibility, involvement and a sense of pride in their work.

By placing Employee Engagement right at the top of their agenda, organisations are sending out a strong, unequivocal message to their workforce that they are valued, respected and trusted. They subsequently attract and retain more talented staff, which all results in significantly higher levels of customer satisfaction and loyalty. This is a Win-Win strategy if ever I saw one! 



Rachel Davies
Director
Peak Performance Training

Rachel is an inspirational trainer and people motivator. She presents the "Advancing the Service Culture" one-day training course for The Leadership Factor. Comments from delegates who have attended this courses include:

"Enjoyed it all and re-enforced my passion for excellent service provision and customer service"
Paul Phillips, Customer Relationship Manager
Visa Europe

Rachel says that when she was at school she supported Liverpool and now supports the underdog. Not sure if this is the same team.

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