

Rules of employee engagement

About 80% of workers are only moderately engaged. Left alone, they could negatively impact morale and productivity.

By B H TAN

ONE of the key challenges that keep many CEOs and heads of public institutions awake at night is how they can better engage their people to achieve improved organisational performance.

This lack of engagement manifests itself in many forms. At one end, there are the usual symptoms: employees who have 'checked out' from their work, people not working together as a team and not willing to take ownership for making things happen the way they should. An interesting way of looking at this is that while some people quit and leave, there are some who quit and stay.

This is really not that uncommon. I see it happening even in some well-known and established organisations in Singapore and other countries. According to a Gallup poll last year, for every one 'engaged' employee, there are two 'disengaged' ones, and fourteen 'not engaged'. It has also been estimated that 'disengaged' employees are costing Singapore about \$6 billion in lost productivity annually.

At the other end of the spectrum, a team can have everything going for it - the brightest and highly talented people as well as access to resources. Yet, despite an endless whirl of activities and long working hours, their ideas and outputs seem ho-hum and uninspired.

One Singapore CEO puts it to me this way: 'China and India have an immense supply of educated and highly trained professionals who are paid less than a fifth of the wages of my staff. We can't compete with them through incrementalisms such as cost-reduction or productivity improvements per se. We need break-away ideas. Yes, I'm seeing some. But too little and too slow.'

So what is the key to undoing this organisational Gordian knot? Companies usually adopt a combination of approaches.

First, they look at bringing in capable and forward-looking leaders. They seek to hire the best and the brightest people whom they can find. They train and equip them with leading-edge processes and systems, strategies and technologies. Their HR people ensure that their compensation and benefits packages are competitive. Then there is the smorgasbord of recognition programmes and recreational activities. Yet, it would appear that these practices aren't achieving their desired effects.

So what is an engaged worker? Think of engagement as the human power driving the financial and operational engine in an organisation. The greater the human power, the better the engine performs on multiple fronts.

Engaged employees will out-perform others, they will go the extra mile and are more ready and willing to accept and even initiate changes.

Based on Gallup research, engaged work teams globally are 1.7 times more productive and they achieve 1.7 times more revenue and profitability than those which aren't. What do we need to do to

reawaken the passion for work in our workers?

A few decades ago, when psychologist Frederick Herzberg studied the sources of employee motivation, he found a dichotomy that still intrigues and baffles many managers. When he asked workers what made them unhappy, typically they would say 'indifferent bosses, low salaries, poor working conditions or nonsensical procedures'.



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Managed badly, these extrinsic factors make people miserable and dissatisfied. But even when managed superbly they don't contribute to increased motivation. What would appear to motivate people instead are 'achievement, recognition, interesting work, responsibilities and growth opportunities'. These are intrinsic factors.

Viewed through this lens, it would appear that the programmes and benefits that companies are offering these days may essentially be no more than basic entry requirements.

Today's knowledge workers with their higher education and skill levels expect no less. To light a fire under them requires leaders to answer their deep-seated need for growth, recognition and achievement.

Craving for recognition

All employees, in particular knowledge-workers, crave for recognition. It's not the pay that drives them, but the sense of pride that comes from executing a piece of work in the best possible way. And they want to be acknowledged for it. Unfortunately, many managers, especially Asians and Europeans, are parsimonious when praising their people.

There is an almost pathological fear that praise will lead to complacency and mediocrity. Such managers are missing out on one of the most important levers to raise their people to a higher emotional plane.

So what can the typical company do about this? First, let's recognise that this not all bad news. In

most companies, the actively disengaged may form about 10-15 per cent of the workforce.

There is a massive middle of about 80 per cent who are moderately engaged. Herein lies the opportunity as well as the danger. Left alone, these employees could slide down the engagement scale and negatively impact morale and productivity.

Indeed, no organisation can continue to exist with any sense of pride if the bulk of its people are disenfranchised.

Because of its sheer size - it's the single largest constituency in the organisation - by raising its level of engagement even marginally, leaders will see a disproportionate improvement in energy level and work ethos. This is the most critical task that virtually every employer faces today.

Ironically, most companies don't have to dig too deep to find out what the main sources of disenchantment are. Business leaders have to be able to view patterns of behaviours as if they were standing on a balcony. Unfortunately, I know of many who aren't able to do so because of the so-called CEO's disease: hirelings are conditioned to telling them only what they want to hear. Astute leaders can, however, see the symptoms and manifestations out there.

Examples: whether people can handle contrasting viewpoints in meetings especially from subordinates, how cross-functional activities are managed and executed, and employee turnover figures. This list goes on. My two favourite tell-tale signs are: whether team members will call each other out unreservedly for committing a foul, and how people behave - individually and collectively - when something turns out badly.

Employees at all levels need a listening ear when they are de-motivated. Many of them will speak to trainers and consultants who visit the company frequently. These external parties are invaluable sources of information for leaders who wish to know what's turning their people off.

Leaders who wish to ignite employee performance need to recognise that what people do reflects the organisation's culture. As healthy working people, we have access to a wide range of personality traits and behaviours. In everyday life, we choose to show a limited part of this spectrum. Given the right stage, we can surprise even our closest friends in how we may behave or what we may accomplish.

Corporate culture

Culture is our stage, exaggerating some traits, inhibiting others. Hence culture is 'the way things are done around here'. Leaders set that stage. So what people do on that stage tells us about the leaders.

In one company I worked with, the leaders felt that their subordinates, all highly competent knowledge-workers, weren't working collaboratively with each other. When I spoke to various people in the company, they told me in turn that their bosses were sending them the wrong signals by clinging to functional 'silos' themselves.

Another company I know has an open and informal operating environment where people are relaxed and yet creative. The employees will think nothing of walking right up to their senior managers to seek clarification or help about anything.

The difference between the two businesses? The leaders. In the latter case, the country manager and his senior executives cultivate a cheerful, approachable and consultative style in interacting with their people. The country manager later said to me with a wink and a feigned conspiratorial tone: 'My

senior colleagues and I realise that we need our people more than they need us. So we empower them and give them as much free rein as they can handle. It seems to work!

How leaders behave and their moods set off a powerful ripple effect down the organisation, flowing like electricity through cables. A leader needs to make sure that not only does he exhibit optimism in an authentic way, but also that, through his actions, his followers feel that way as well. This is resonant leadership.

Re-shaping an organisation's culture is a long-drawn process. It will require strong and authentic leaders to co-create with their constituencies a set of core values, beliefs and attitudes. This will morph into a community of shared identity, purpose and learning when ideas and words are validated and reinforced by supportive processes and day-to-day behaviours.

The acid test will be whether all these are in alignment in routine events such as month-end closings and especially during crises such as a less-than-satisfactory product launch. If they aren't, the leaders are seen as not walking the talk. The exercise degenerates into a show-and tell followed by pasting of slick posters on walls of meeting rooms.

If the espoused values and leadership behaviours add up, then over time, organisational trust will evolve. Trust is the cornerstone of all cultural transformation efforts. Without trust, the leaders cannot function. Communication will shut down. Creativity ceases.

Start with the leaders

Thus, the first step has to start with the leadership team holding a mirror to themselves. No executive can hide from the fact that his team reflects the best and the worst of themselves. Leaders need to be willing and courageous to be vulnerable, solicit feedback and then make the necessary leadership changes in a sustained fashion. Only then will the troops sign up for the next phase of the ongoing journey. Gandhi said as much in a more tumultuous era: 'Be the change you want to see around you.'

Will this work in Asia where the CEO and the senior management are revered as figures of unquestionable authority and the fount of infinite wisdom? Certainly.

There are numerous examples of successes in organisations in Singapore, Thailand, India and Korea, to name a few countries. And it's time to retire the myth of the all-seeing and all-knowing leader. He or she will be out of place in the 21st century.

Along the journey, companies need to measure progress against goals and gather feedback on how the employees are seeing the differences in climate. There are some people who think that by focusing on culture, the company may be going soft on people and compromising on results. This is really not the case. Culture, in fact, drives results.

One US CEO said this: 'I now have the strongest management team that's ever assembled at our company. Our revenue and profits continue to grow year-over-year in the last 10 years. During this period, we've cut employee turnover in half and seen our ability to attract top talent improve. Great people want to work for great people, so culture and performance tend to become self-perpetuating circles.'

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