

# Increasing Employee Engagement

## *Workers Are Mad As Hell: 14 Ways to Increase Employee Engagement*

By Brian S. Lassiter, President, Performance Excellence Network (formerly Minnesota Council for Quality; June 2013 PEN newsletter ([www.performanceexcellencenetwork.org](http://www.performanceexcellencenetwork.org)))

Yes, I am on Twitter (@LassiterBrian), and truth be told: I monitor business and leadership tweets to get a pulse on “hot” topics for this newsletter (I think they call that “trending” topics). In any event, I have compiled 16 articles from the last 60 days alone on the topic of employee engagement. More precisely: dangerously low levels of US employee engagement.

Here’s why I think this is critically important: you simply cannot have engaged customers without having engaged employees. At least not for long. Organizational excellence begins with having an engaged, competent, empowered workforce – they serve your customers (stakeholders, patients, students, whatever); they manage and improve your core processes; they find ways to reduce waste or increase productivity. In short, they run your enterprise.

But they aren’t happy – in fact, about 70% are disengaged, which impacts most organizations’ outcomes and bottom line...

I’m going to offer 14 tips for improving employee satisfaction and engagement – strategies that leaders and managers at all levels can start using today. But first, I culled through those 16 articles to try to quantify the issue. Here’s what I found:

[Gallup](#), the preeminent authority on all things employee engagement, reports that only 30% of US workers are engaged. Yes, that means 70% are NOT engaged. Disengagement appears to be fairly widespread: in all sizes of organizations (though smaller organizations generally have higher engagement levels than larger), in all parts of the US (interestingly, the south and southeast US have slightly higher engagement levels and the Mid-Atlantic, northeast, and northwest US have the worst), in all industries (though manufacturing, service, and transportation appear to have the lowest engagement), and with all ages (though Millennials and Gen X’ers have generally lower levels of engagement than Baby Boomers and Traditionalists).

In a word, disengagement is pervasive.

The good news: the trend of low engagement has been somewhat stable the last 13 years, aside from a dip from 2008-11, likely attributed to the recession.

But the bad news: low employee engagement is costing US organizations dearly (all according to Gallup):

- Absenteeism is 37% worse for organizations with disengaged workers compared to engaged.
- Turnover is 65% worse for organizations in industries considered “low-turnover” and 25% worse in industries with traditionally higher turnover ([Dale Carnegie](#) reports that this is costing US companies \$11 billion a year).
- Inventory shrinkage is 28% worse.
- Safety incidents are 48% higher.
- For healthcare, patient safe incidents are 41% higher.

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- Product defects are 41% higher.
- Customer satisfaction is 10% worse.
- Productivity is 21% worse.
- Profitability is 22% worse.

In fact, Gallup's CEO estimates employee disengagement is costing US organizations about a half a TRILLION (with a "T") dollars a year.

For further proof of the financial impact of engagement, [Fast Company](#) reports that businesses with higher employee engagement have enjoyed a 4% higher return than the S&P 500: the Parnassus Workplace Fund (comprised mainly of stocks of companies on the "100 Best Companies to Work For") has a 9.63% return from April 2005 to January 2013 versus the S&P 500's 5.53% over the same period. Probably not coincidental.

As Gretchen Gavett of [Harvard Business Review](#) says: "If you're in a workplace in America right now, chances are most of the people around you are pretty checked out."

So what should leaders do to improve workforce engagement? Well, many things. Here are 14 tips for improving employee satisfaction and engagement – some are sophisticated, but most are very simple. Most come from those 16 articles, and I've sourced them in case you want to read more (I have taken the liberty to embellish a bit). Here they are – in no particular order:

1. **Let your employees see the big picture.** When they know how their small piece fits into the bigger strategy, they'll feel more motivated to succeed. So involve them in planning (both in creating as well as executing the plan). And communicate, communicate, communicate. As Jim Collins says: "Focus 1% on vision and 99% on alignment." And as Rosabeth Moss Kanter (of Harvard Business School) says: "If you want everyone to be on the same page, put the page in front of them conveniently and often." [Inc. Magazine](#)
2. **Give employees something to believe in and strive for.** Make your mission, vision, and values more than just statements: make them integral to what every employee does every day in their own, unique, job roles and functions. Help employees understand when and how they personally contribute to achieving the mission; demonstrate that you trust your employees to be caretakers of your organization's culture. When employees find purpose in their work, their levels of engagement increase significantly. [Derek Irvine](#).
3. **Streamline workflow.** Overly-complicated processes, confusing approval procedures, and slow decision-making and communication can really add up and can lead to worker burnout. Leaders should be critical of your current systems: "it's always been done that way" is not a good enough reason to keep people miserable. Engage your people in eliminating waste, reducing complexity, and streamlining their work. They are closest to the action; get them involved in making their work better, more enjoyable and more effective. [American Management Association](#)
4. **Match headcount to workload.** The downsizing pendulum has swung too far: your people are stretched (I can't count how many of our members say that they can't come to our events, not because of money but because of time – they're overworked, stretched, stressed). It's time to reduce low value-added tasks or to hire more people to share the load. [Wall Street Journal](#)
5. **Acknowledge the fallacy of "face time."** Flextime and flexplace make more sense than facetime: they reduce commute time, let folks coordinate and balance work with their family situations, and allow them to match work hours to their individual body rhythms and energy

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cycles. It also demonstrates that you trust your people to get work done, regardless of where or when. [Wall Street Journal](#)

6. **Support camaraderie and collegiality.** Camaraderie in the workplace can lead to greater job satisfaction and commitment to the organization and doing a job well. Leaders should foster collegiality, help to eliminate toxic and dysfunctional team behaviors, and create opportunities for team members to connect in ways other than on work projects. At Google, the games/toys the company provides allow for entertaining and informal interactions among colleagues. These positive and fun feelings carry over when the colleagues work on projects together. A SHRM study in 2012 found employees' relationships with their co-workers was the second highest factor related to their connection and commitment to the organization. Leaders may also consider using social contracts – explicit agreements on how team members interact – to help shape positive behaviors within their teams. [Harvard Business Review](#)
7. **Identify and deal with “problem people.”** But there are always challenging employees, so leaders need to identify and manage them differently. Why? Abusive and lazy workers wreak havoc in the workplace, keeping their more productive coworkers on edge, distracted, and resentful. They kill engagement, morale and productivity. Of all the skills employees bring to work, “coping with creeps” should not have to be on the list. Leaders need to identify problem people and put them on notice that their behavior will not be tolerated. Give them help if they need it (e.g. management training, anger management, sensitivity training). But if they don't shape up, show them the door. In other words: fix them or fire them. [Wall Street Journal](#)
8. **Foster a culture of gratitude: recognize your people.** In every organization and on every team, all employees have an innate desire to feel appreciated and valued by others – their peers and their leadership. In other words: most employees want to do good work, but most employees want to be noticed for doing good work. Celebrate their accomplishments. Reward and recognize their performance. Sometimes, just say “thank you.” It will reinforce the behaviors and outcomes you want more of, and it will build goodwill with your people – it shows that you noticed and that you care. And it doesn't have to be cash; in fact, oftentimes the most effective recognition has nothing to do with cash rewards. The [Lead Change Group](#) offers several examples of creative recognition from leading companies such as Google.
9. **Change up the work environment.** Your employees spend more time at work than anywhere else, and the repetitiveness can be draining. But there is a simple way to combat this: alter the work environment. Change seating arrangements, and the lighting – anything to help break the monotony of the everyday grind. Better yet, call a meeting and ask your employees, “How can we make this office a better work environment?” [American Management Association](#)
10. **Tame your technology.** Overuse of email, texting, and other forms of communication have people drowning in an ocean of electronic messages and “technostress.” Policies to restrict after hours use are already being implemented by some companies. But good old fashion conversations with employees about work/life balance (about taking time off and pacing themselves), about email etiquette (being mindful of using “cc” and “reply all”), about using meetings or phone conversations when circumstances warrant them, etc. will reduce employee stress and improve employee satisfaction. [Wall Street Journal](#)
11. **Respect work/life balance and avoid long hours.** Research shows that productivity declines after about 40 hours a week. People who work long hours are not only less productive, but are more likely to get less sleep, exercise, and down time. The net result is that they are chronically tired, less efficient, and more stressed, thus forcing them to work longer hours to get their work done. It can also result in illness, absenteeism, general resentment, and sometimes safety risks. In addition, many employees don't spend their allotted vacation days

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because they don't want to appear lazy to the organization. This is not healthy. Your workers need the time to unwind, so they can come back to work refreshed and refocused. Leaders should set and manage expectations of work-life balance, should encourage time off, and should be sensitive to organizational capacity. Leaders should also reward good performance with vacation days, and encourage your high performers to take time off. Leaders should also take time off! This will go a long way in eliminating the stigma that taking time off is a bad thing. [Wall Street Journal](#) and [American Management Association](#)

12. **Develop your people.** A study by APA indicated that 70% of employees feel valued at work when they have opportunities for growth and development. While promotion opportunities within companies may sometimes be limited, you can still invest in team members' professional development through training, assignment to new and interesting projects, participation on task forces, and exposure to new and interesting different areas through cross-training. Employees frequently have skills that extend beyond the position for which the company hired them. Additionally, they typically grow their skills over time. Leveraging these broad skill sets can lead to greater engagement and satisfaction. As Tom Peters says: "The role of leaders is not to create followers, but to create more leaders." [Harvard Business Review](#)
13. **Empower your people.** Leaders should set vision; measure performance; and reinforce, reward, or redirect as needed; but then get out of the way. Too many leaders micromanage, which undermines trust and sub-optimizes employee performance. Truly empower your people and they will surprise you with their potential.
14. **And above all, listen.** Leaders need to ask employees how they are doing (at work and personally), remove barriers, and pay attention to the factors that affect their satisfaction and engagement. Every organization is different, and every employee within every organization is different. How in the world can managers know what their people need and want without asking them?! You can use sophisticated tools to gauge their engagement (Gallup's Q-12, Hewitt, and others), or just have informal discussions – in team meetings and/or one-on-one. You'll be surprised at what you learn. If you're able to take action to improve things (or even explain why you might not be able to), your employees' engagement will increase greatly. Simply because they were asked...and because they were heard.

Having truly engaged employees often is the difference between successful and marginal organizations. So, really, leaders don't have a choice but to focus on their workers' needs. But get started today: "It takes three to five years to change an organization," says Don MacPherson CEO of Modern Survey in a [Star Tribune article](#) by Neal St. Anthony on employee engagement last year. "If senior leaders don't communicate effectively, employees make up their own reality." And if there's one theme that runs through those 14 tips above it's that leaders need employees to help create that reality.

What other insights do you all have the power of stories as a communication tool of influence? Post your thoughts or your reaction to the insights above on our [LinkedIn discussion page](#), our [blog page](#), or my [Twitter account](#).

Never stop improving!

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## ***11 Reasons Why You Shouldn't Encourage Employee Engagement***

By Ken Bast, July 24, 2014; <http://performanceexcellencenetwork.org/the-presidents-blog/workers-mad-hell-14-ways-increase-employee-engagement/>

1. Expectations increase dramatically – “why didn't you ask us?” becomes a common theme.
2. The organization has to become even better at communicating – again because of higher expectations.
3. Staff asks leaders difficult, intelligent questions that they never would have asked before. Why? Because they now have more data, more information, more experience. They now expect transparency.
4. Staff regularly see and better understand their departmental and the organization's budget.
5. Staff have talked with and worked with other departments and other shifts to solve mutual problems. They know what is and isn't going on in other departments.
6. Staff better understand the strengths and weaknesses of their department, they have participated in projects with measurable results.
7. Staff better understand the strengths and weaknesses of their organization.
8. Staff better understand the strengths and weaknesses of their leaders.
9. Staff turnover falls and sometimes management turnover increases temporarily.
10. Staff expect to be consulted on and participate in decisions about hiring, purchasing and other topics.
11. Staff members act more like owners and less like employees. They offer improvement and ideas on areas they see that are in need of change.

In the short and medium run, where many management teams concentrate their attention, these changes can feel negative and at times overwhelming.