



## **Best Practices**

**November/December 2008**

### **Employee Engagement Studies Target Managers as Key Connection**

Daily satisfaction is the top engagement driver among U.S. workers, and engagement “soars” when their daily experience includes positive relationships with direct supervisors or managers, according to the latest [National Workforce Engagement Benchmark Study](#).

Nearly six out of 10 workers are not fully engaged, according to findings based on interviews conducted in April and May 2008 with 2,368 part- and full-time employees working in public, private and not-for-profit organizations. That statistic hasn’t changed much in studies conducted by various organizations in recent years.

The new study points to “the vital need to focus on the employer-employee relationship” and the four Rs of [recruitment](#), [retraining](#), [rewarding](#) and [retaining](#), said Marc Drizin, founder and CEO of Employee Hold'em, which conducted the study.

Fair treatment of employees encompasses an organization’s policies and procedures, job evaluations, pay and benefits, providing adequate training to do a good job, and treating employees with respect, according to the study.

It breaks employees into three groups: the fully engaged (43 percent, up from 4 percent in 2006-2007, when the study was last conducted); the reluctant, who stay because they have to (25 percent, barely unchanged from 24 percent); and the unengaged (32 percent, down from 36 percent).

The report on the findings suggests the following factors influence engagement:

- Employees enjoy a good relationship with their supervisor, 77 percent.
- Employees have equipment to do the job, 73 percent.
- Employees have authority to accomplish their job, 73 percent.
- Employees have freedom to make work decisions, 73 percent.
- Employer’s products or services are highly regarded.
- Employee’s skills and/or interests are a good fit with the organization.

Personal accomplishment and being provided tools that are easy to use scored the highest (69 percent) among employees as factors affecting their engagement.

Other factors included viewing their employer as a good corporate citizen (64 percent), as an industry leader (63 percent), and as highly ethical (63 percent); feeling valued as an employee (61 percent); enjoying coming to work (61 percent); and working for an organization that treats them well (60 percent).

Steps the study suggests that organizations can take to improve employee engagement include:

- Using biannual early intervention surveys targeted to individual employees as a way to understand the causes behind turnover and to stop it before it occurs.
- Coaching front-line supervisors and managers on the important role they play in employee retention and improved performance.
- Reviewing the organization's selection process and making changes to the recruiting procedure, if necessary.
- Conducting exit interviews.

### **More on Employee Engagement**

Another employee engagement study, [The State of Employee Engagement 2008](#) by BlessingWhite, found that North American organizations struggle to create a workforce of engaged employees—workers who contribute to the organization's success and take personal satisfaction in the role they play. While the study found that a majority of employees liked their work and planned to stay with their employer, they were not especially focused on what mattered most to their employers. Moreover, the study found that greater than 50 percent of senior executives have “less than ideal emotional connection and alignment” to their organizations.

BlessingWhite's 2008 report was based on findings from 7,508 respondents—49 percent of whom were supervisors or above—from a cross-section of job titles, functions and industries in North America, Europe, India, China and Australia/Southeast Asia that were followed by 40 backup interviews with HR and line leaders.

### **Key Implications and Recommendations**

There is a clear correlation between engagement and retention, with 85% of engaged employees indicating that they plan to stay with their employer through 2008. An effective employee retention strategy is based on an understanding of engagement.

Engaged employees are not just committed; they are not just passionate or proud. They have a line-of-sight on their own future and on the organization's mission and goals. They are “enthused” and “in gear” using their talents and discretionary effort to make a difference in their employer's quest for sustainable business success.

Engaged employees stay for what they give (they like their work); disengaged employees stay for what they get (favorable job conditions, growth opportunities, job security). Factors influencing engagement are (1) opportunities to use talents, and (2) career development and training.

Employee engagement is a complex equation that reflects each individual's unique, personal relationship with work. As such, there are limits to what organizations can do with broad-brush workforce processes or communication programs. At a macro level, you need to provide resources, tools, and the overall workplace environment that supports engagement. Ultimately, at a micro level, employees, with the help of their managers', need to establish a thriving personal connection with their work and carve out a satisfying future in the organization.

The most successful organizations make engagement an ongoing priority, not a once-a-year event. They take a multi-faceted approach to address problem areas and improve engagement scores organization-wide.

Steps the study suggests that organizations can take to improve employee engagement include:

- **Maximize managers** – they are the main connection in employee engagement
- **Align, align, align** - clarify strategy and organizational goal
- **Redefine career**-employees need line-of-sight on their future to be truly engaged
- **Pay attention to culture** - culture and employee motivation go hand-in-hand
- **Act more** - don't rely purely on an engagement survey to drive your strategy

**\*\*To participate in an online discussion of this topic, log-in to the [ICPM Directory](#) on the ICPM website and click on **Enter Forums**. The forums are restricted to certificants with current recertification status.**

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*Excerpts of this article by Kathy Gurchiek, associate editor for HR News, Society for Human Resource Managers, September 2008 and the Executive Summary for the BlessingWhite survey at [http://www.blessingwhite.com/EEE\\_report.asp](http://www.blessingwhite.com/EEE_report.asp).*



## Trends

### November/December 2008

#### 2008 Wasting Time at Work Survey

Scheduling a hair appointment, reading the newspaper on-line, chatting with co-workers – we all do it. But how often do we do it? Just how much of our day is spent on activities that aren't necessarily work-related and why? In Salary.com's fourth annual Wasting Time at Work study, we surveyed more than 2,500 employees across all job levels during July and August of 2008 to find out. This year's survey also included questions about telecommuting options in the workplace.

#### Participant Overview

Most of the participants in this year's study - 90% - work full-time. Fifty-five percent of respondents are female and 45% are male. Approximately 70% spend one hour or less commuting to work each day and most spend between eight and ten hours in the workplace each day. Sixty-four percent of respondents report wasting one hour or less each day, 22% waste approximately 2 hours daily, and 14% waste 3 or more hours each workday.

#### Wasting Time Activities

This year, 73% of the survey participants indicated that they spend part of their day on activities that are not work-related, a 10% increase over last year's number. For the second year in a row, the top five "time-wasting" activities are:



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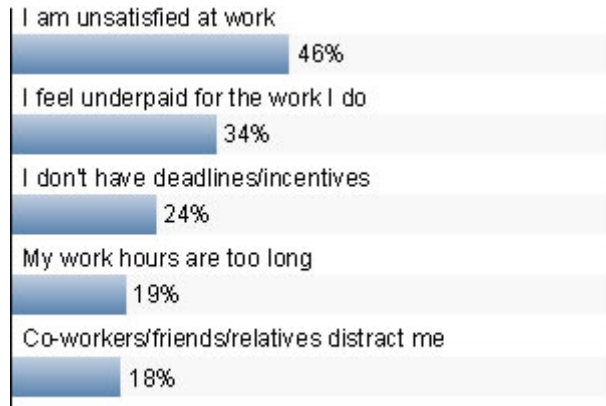
Twenty-two percent of respondents admit to wasting up to two hours per day, down slightly from 24 percent in 2007. Interestingly, data indicates that individuals with a Bachelor's degree or higher tend to waste slightly more time during the workday. This is likely due to the fact that these individuals hold higher-level positions within their organizations and are not under close supervision.

Twenty-seven percent of this year's participants indicated they don't waste time, however, 33% of those same individuals indicated that they spent time on activities that are not work-related. It is likely that these individuals do not see these activities as time wasters, but behaviors that are simply a regular part of everyday work life.

Employees 50 and over waste the least amount of time, with 49% reporting they waste a half hour or less each day. Only 13% waste between 30 minutes and an hour. Thirteen percent waste approximately 2 hours per day and only 5% report wasting 3 or more hours. They also tend to spend more time conducting personal business than their younger counterparts.

### Why do you waste time?

Last year, most employees wasted time because they were bored, felt their work hours were too long, or felt underpaid. While low pay is one of the top reasons for wasting time this year, job dissatisfaction, which didn't make last year's list, is the number one reason for wasting time. The top five reasons for wasting time at work are:

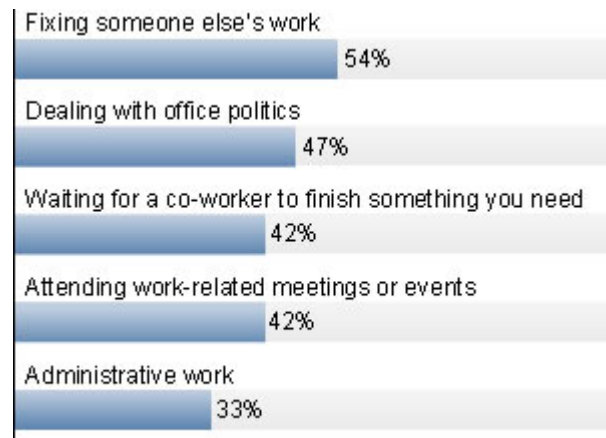


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New to the top of this year's list as well - coming in at number three - is that employees don't have deadlines or incentives to work harder. This clearly illustrates an increased level of job dissatisfaction over last year and indicates an alarming lack of employee engagement. Employees who don't feel invested in the work they do are less motivated and more likely to waste time which ultimately leads to lower productivity.

### Work-related activities can lead to reduced productivity

The majority of survey respondents - 75% - feel that some office related activities cut into productive time at work. The top 5 work-related distracters are:



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The top two distracters this year are the same as last years'. Waiting for a co-worker to finish something you need and administrative work swapped places in the top five. And sending or responding to work-related e-mails was knocked off the list this year by work-related meetings or events.

### Telecommuting

With increased focus on work-life balance and increasing fuel prices making the cost of commuting to and from work escalate, we asked employees their opinions regarding telecommuting.

Only 15% of respondents indicated they currently telecommute. However, 20% of the survey participants work in the healthcare industry in positions that do not necessarily lend themselves to working outside the workplace/office setting. Additionally, 27% of respondents reported that telecommuting is not an option at their work place. It is not clear if this is due to general workplace policy or if telecommuting is not possible because of the nature of the jobs in which respondents are employed.

Of those employees who can telecommute, they don't very often. Forty percent only telecommute once a week; 19% telecommute five days per week; 18% telecommute 2 days per week; 10 % telecommute with 3 or 4 days per week; and 11% report some alternate or as needed type of arrangement with their employer.

While 49% of survey participants feel that they are more productive in an office or workplace environment, 61% of those same employees indicate they would take advantage of a telecommuting option if it were offered.

Overall, 70% of respondents said they would take advantage of telecommuting if it were available. However women are more likely to be interested in telecommuting. Of the 70% of respondents who say they would take advantage of a telecommuting option, 58% are female.

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*Article from Salary.com—[www.salary.com/personal](http://www.salary.com/personal). To view a slideshow of this article, [click here](#).*



## **Productivity**

**November/December 2008**

### **Pareto's Principle – The 80-20 Rule Helps Managers be More Effective**

In 1906, Italian economist Vilfredo Pareto created a mathematical formula to describe the unequal distribution of wealth in his country, observing that twenty percent of the people owned eighty percent of the wealth. In the late 1940s, Dr. Joseph M. Juran inaccurately attributed the 80/20 Rule to Pareto, calling it Pareto's Principle. While it may be misnamed, Pareto's Principle or Pareto's Law as it is sometimes called, can be a very effective tool to help you manage effectively.

#### **Where It Came From**

After Pareto made his observation and created his formula, many others observed similar phenomena in their own areas of expertise. Quality Management pioneer, Dr. Joseph Juran, working in the US in the 1930s and 40s recognized a universal principle he called the "vital few and trivial many" and reduced it to writing. In an early work, a lack of precision on Juran's part made it appear that he was applying Pareto's observations about economics to a broader body of work. The name Pareto's Principle stuck, probably because it sounded better than Juran's Principle.

As a result, Dr. Juran's observation of the "vital few and trivial many", the principle that 20 percent of something always are responsible for 80 percent of the results, became known as Pareto's Principle or the 80/20 Rule.

#### **What It Means**

The 80/20 Rule means that in anything a few (20 percent) are vital and many (80 percent) are trivial. In Pareto's case it meant 20 percent of the people owned 80 percent of the wealth. In Juran's initial work he identified 20 percent of the defects causing 80 percent of the problems. Project Managers know that 20 percent of the work (the first 10 percent and the last 10 percent) consume 80 percent of your time and resources. You can apply the 80/20 Rule to almost anything, from the science of management to the physical world.

You know 20 percent of your stock takes up 80 percent of your warehouse space and that 80 percent of your stock comes from 20 percent of your suppliers. Also 80 percent of your sales will come from 20 percent of your sales staff. 20 percent of your staff will cause 80 percent of your problems, but another 20 percent of your staff will provide 80 percent of your production. It works both ways.

#### **How It Can Help You**

The value of the Pareto Principle for a manager is that it reminds you to focus on the 20 percent that matters. Of the things you do during your day, only 20 percent really matter. Those 20 percent produce 80 percent of your results. Identify and focus on those things. When the fire drills of the day begin to sap your time, remind yourself of the 20 percent you need to focus on. If something in the schedule has to slip, if something isn't going to get done, make sure it's not part of that 20 percent.

There is a management theory floating around at the moment that proposes to interpret Pareto's Principle in such a way as to produce what is called Superstar Management. The theory's supporters claim that since 20 percent of your people produce 80 percent of your results you should focus your limited time on managing only that 20 percent, the superstars. The theory is flawed, because it overlooks the fact that 80 percent of your time should be

spent doing what is really important. Helping the good become better is a better use of your time than helping the great become terrific. Apply the Pareto Principle to all you do, but use it wisely.

### **Manage This Issue**

Pareto's Principle, the 80/20 Rule, should serve as a daily reminder to focus 80 percent of your time and energy on the 20 percent of your work that is really important. Don't just "work smart", work smart on the right things. [Pareto Analysis](#) can be used to identify what is most important by graphically displaying the relative importance of groups or segments of data.

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*Article by John Reh, [www.about.com](http://www.about.com).*

