



## **Productivity**

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### **Boost Worker Engagement in Tough Times**

Although he's awkwardly avoided the dreaded "R" word so far, even US President Bush admits these are tough economic times. And in challenging environments, when resources become leaner and employees are asked to do more with less, stress levels often climb dramatically. That's when employee engagement levels typically begin to nosedive. Developing effective strategies to keep the workforce engaged may be one of the most critical areas for managers to focus on in times like these.

We have heard a lot about employee engagement during the past few years, and regardless of the economic outlook, it continues to be a challenge for organizations. A recent survey conducted by the Institute for Corporate Productivity (i4cp) found only about a third of the average respondents' workforces are highly engaged. More disturbing, nearly a quarter are disengaged or minimally engaged.

The survey, which included 776 participants, found more than four out of five respondents said engagement is of high or very high importance. Yet many organizations don't seem to know how to get started. "Engagement" can seem like a nebulous term that's difficult to gauge and even more difficult to influence. But there are some simple and achievable steps to boost engagement, providing two things take precedence: culture and leadership.

#### **Promoting an Engaging Culture**

Organizations reporting more highly engaged workers differed most from their poorly engaged counterparts in a very obvious area: actively promoting a culture of engagement. Respondents overwhelmingly said having a good relationship between employees and immediate managers and supervisors is a top driver of employee engagement. Engaged companies ensure its organizational leaders are skilled in the area of engagement improvement.

Unfortunately, most managers and supervisors are lacking in this area. A meager 15 percent of respondents think their leaders are skilled at engaging the workforce. Less than a third (29 percent) said their leaders take effective actions to improve employee engagement to a high extent, but 79 percent said they should do so.

The chasm between "should" and "do" is large. For example, less than a quarter said their organizations "do" train managers on how to engage employees to a high extent, while 86 percent said their organizations "should" provide engagement training. The bottom line is many

managers and supervisors need considerably better engagement-building skills than they currently possess.

The difference seems to lie in how proactive or inactive organizations are. Less engaged organizations are not as likely to take strong actions to deal with disengaged employees. That is, they're relatively passive even when staring in the face of low engagement. The study showed clearly organizations with less engaged workers tend to use engagement-building strategies to a lesser extent.

Conversely, highly engaged companies work at it. They implement programs and initiatives to increase engagement, and they focus on building the skills to do so. But this isn't just in the form of training programs; improvement initiatives often take shape using different formats such as peer coaching, stretch assignments and communities of practice. These organizations emphasize a holistic learning culture more than less engaged peers.

### **Holding Leadership Accountable**

While the skills deficit is one of the most widely cited barriers to engagement, the notion that managers and supervisors are not held accountable for engagement was the second primary reason for low engagement. Accountability can be measured in different ways, though the traditional performance review is the most natural place to review the engagement quotient of direct reports. Tied to compensation, measurement of engagement can be a very powerful motivator to encourage management to pay attention to employee engagement day-to-day and to actively work to improve it to enhance performance.

The survey found higher reported levels of engagement correlate with higher levels of market performance, as gauged by self-reports in the areas of revenue growth, market share, profitability and customer satisfaction. Companies that perform better in the marketplace tend to have a higher level of worker engagement.

During stressful financial conditions, however, some managers might be tempted to shift engagement issues to the back burner reasoning that engagement will increase when things get better and voluntary turnover rates are less of a problem during a general economic downturn.

### **Stress Is a Lesser Factor**

The survey also revealed that stressful working conditions are a barrier to engagement. About a third of respondents said such conditions inhibit engagement to a high or very high degree. But respondents said stressful situations are not nearly as much of a problem as a lack of accountability and skills among managers and supervisors.

The message: employees can weather bad storms as long as their leaders are doing the right things. As far as barriers to engagement go, stressful conditions are ranked below several other items such as a lack of advancement opportunities and a lack of an engagement connection to performance assessments.

Engagement isn't likely to "just happen." Managers and supervisors at all levels of the organization need to be held accountable for improving engagement if companies expect it to change. This means not only rewarding management for engaging employees but also

evaluating them in terms of their ability to coach workers in ways that boost engagement, even during tough times. The metric for change is ROI, since higher engagement levels are, according to the study, linked to enhanced customer service, improved productivity and a healthier bottom line.

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