

Engage for Change

**Employee engagement – performance
factor or fad?**

EBCG Vienna 20 09 13

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Spain: "compromiso de los empleados"



Netherlands: "betrokkenheid van medewerkers"



Germany: "Mitarbeiterengagement"



Brazil: "Engajamento dos empregados"



Poland: "Zaangażowanie pracownika"

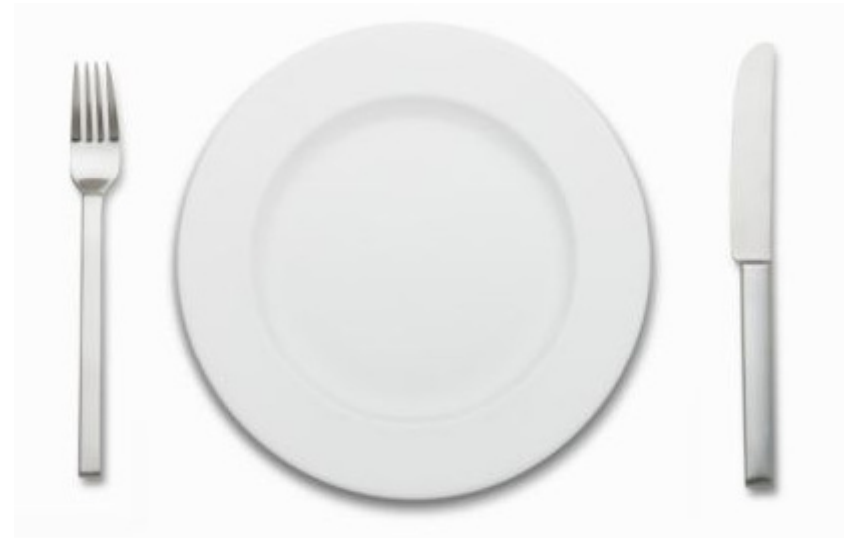


Which workers are most engaged and productive?



Your menu

- What is employee engagement?
- What engages you/your people?
- What it's not
- Overwhelming business case
- Three **opportunities for HR** to be the 'go to' resource
- A **warning** to travellers
- Taking your part in the employee engagement movement – 'Engage for Success'



How would you recognise an engaged person/group?



What do engaged people do?

- **Enjoy** their work whatever they do
- Make it their job to do it better
- **Risk** speaking upwards to challenge and innovate
- Make it **safe** for people to challenge up
- **Self organise** – less need for costly supervision
- Take responsibility
- **Collaborate** within & beyond their 'border'
- Resolve difficulties locally
- Demonstrate awareness of **personal limits**
- Are **generous** with time and skills

What engages you?

- Think of a project/period where you were immersed, 100% committed and **inspired** to make something a success
- What brought about **your** engagement?



I decide when to engage myself, not you boss!

We engage ourselves when we are invited to safely challenge and to contribute to every day operational decisions and big ticket strategy and change that affects us, which we can improve

Benefits of engagement are not enablers/drivers

Benefits eg:

- Discretionary effort
- Better decisions
- Better strategy, change
- Better operational processes
- Compelling place to work
- Customers enjoying better service (from engaged employees)

Enablers (EfS)

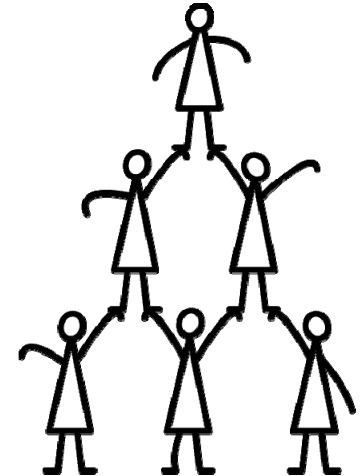
- Strong strategic narrative
- Engaging managers
- Employee voice
- Integrity
- = + + + + + + + + + + + + + + +

What engages us?

“A culture of distributed leadership enables people to liberate their creativity to deliver great results for their institution and themselves”

BY:

- Inviting employees who deliver the end result to contribute to day to day decisions, strategy and change in a well governed way.
- Leaders at every level who have the **self knowledge**, **discipline**, **appetite & capability** to engage people in decision making



From command and control to a more mutual culture

Telling

the many what has
been decided by
the few

OUTCOME
Hooligans or
spectators

Selling

to the many what
has been decided
by the few

OUTCOME
Compliant
collaborators

Inclusion

Driving
accountability
down by
implicating people
as individuals in
execution

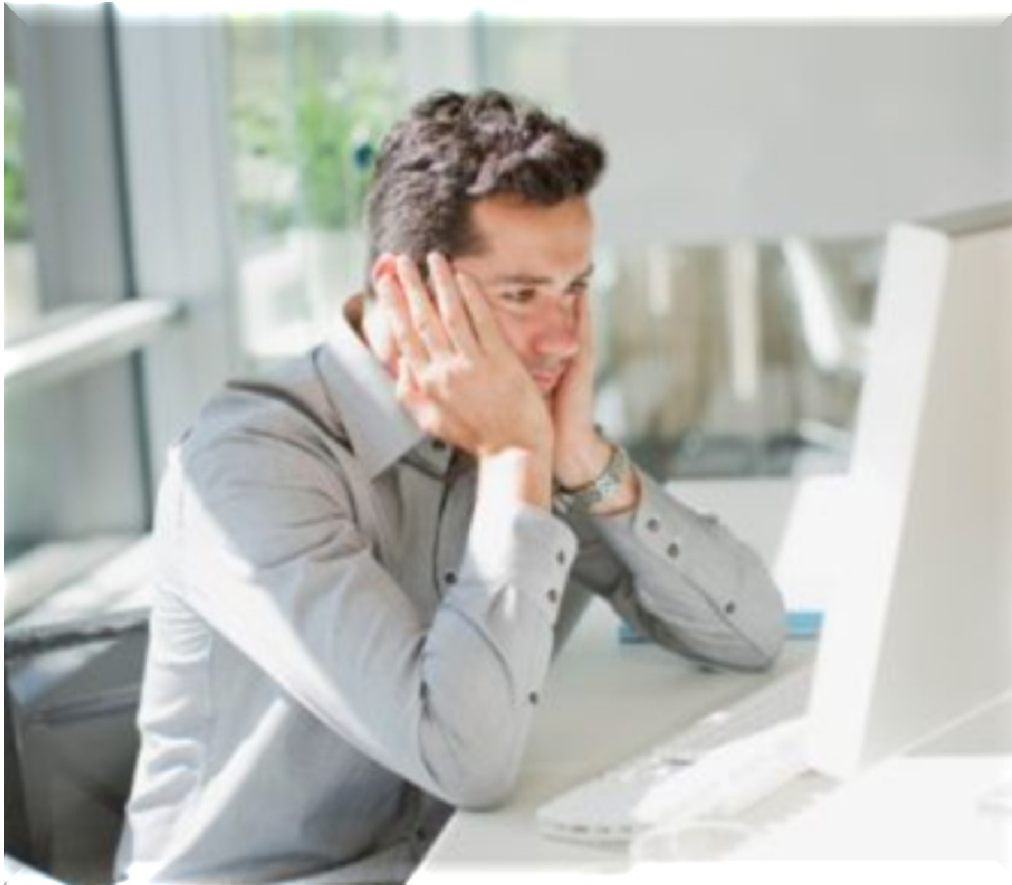
OUTCOME
Willing
collaborators

Co-creation

Judging who will
add value if
included in front
end decision
forming for change
& strategy

OUTCOME
Personally
committed
reformers

Choices of approach open to leaders



“There is a 5th way -
they decide but don’t
even bother telling us”

Measurable enablers of engagement – Engage for Change

1. Leader's footprint

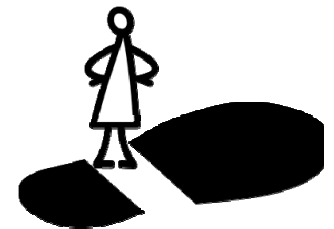
- Skilled in engaging people in decision making
- Generosity of spirit
- Credibility
- Transparency
- Trust

2 The organization's compass

- Moral purpose
- Distinct business purpose/vision
- Believable brand

3 My space

- Space and safety to speak up, challenge & contribute
- Line of sight; my role with organization's purpose and strategy
- Take risk to think outside the box
- Skills to grow or go



What it's not

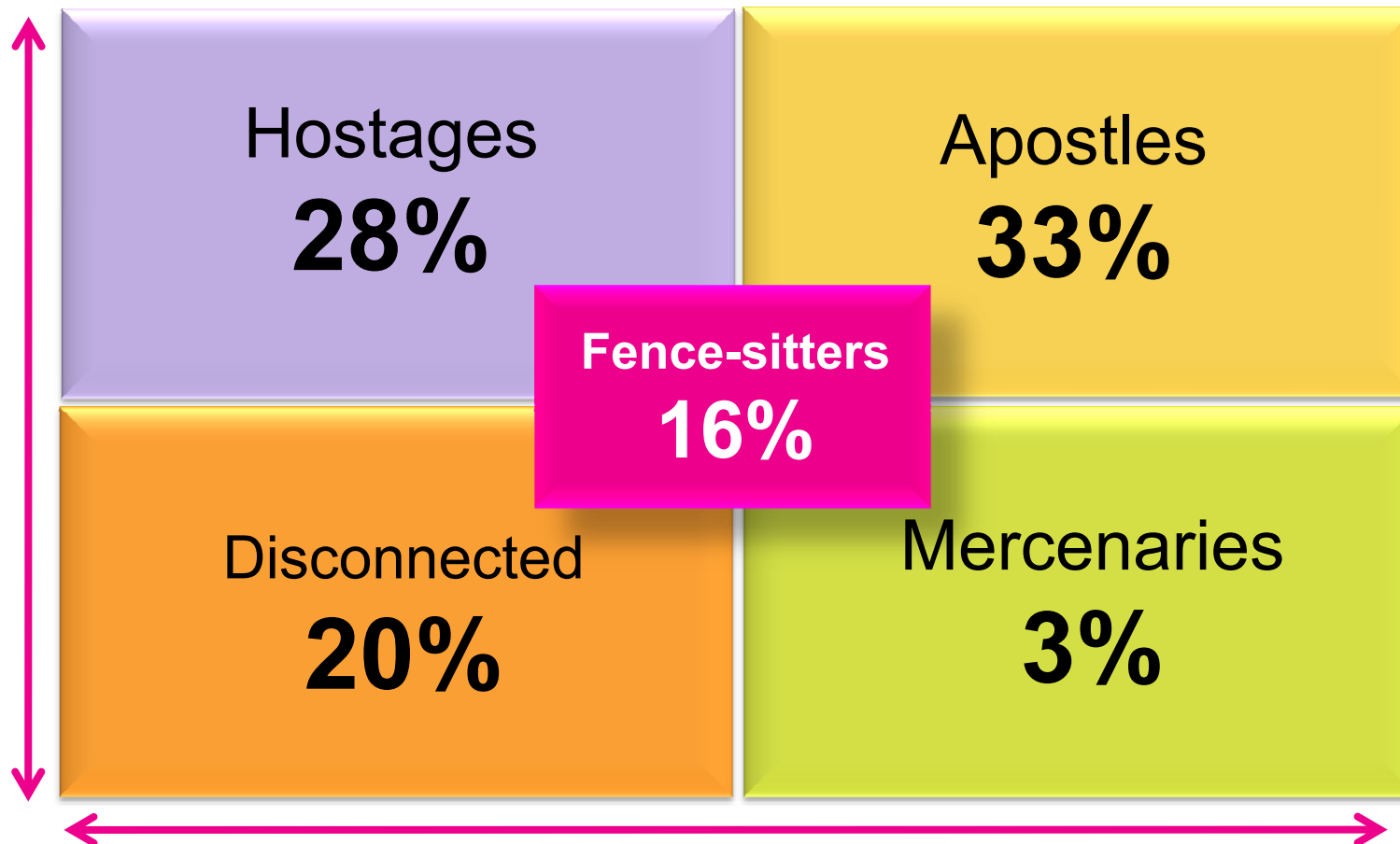
Command and control, hierarchical leadership concealed by **employee engagement 'magic spray'.....:**

- Turbo charged top down communication
- A bit of engaging social media
- A survey...unless it results in rewiring culture
- Learnt behavioural performances which don't last
- Presentational concessions to mutuality:
 - Dress codes
 - First names
 - Open doors/walking floors
 - Charm offensives by leaders

Overwhelming business case (Engage for success data)

- CBI: engaged employees take 2.9 sick days/disengaged 6.19 days
- Towers Perrin: operating margins 3x higher in engaged workforces
- M&S: stores with improving engagement delivered £62m more sales
- Kenexa: In the US companies with engaged staff have highest customer sat
- BAE: engaged staff reduced plane construction time 25%
- BAE: same staff found £26m in savings in two sites
- Gallup: disengaged organizations have 62% more accidents
- Gallup: engaged staff say that work brings their creative ideas – 59% vs 3%
- Aon Hewitt: engaged organizations give 22% higher returns to shareholders
- Total UK: double digit £ms in efficiency savings + new revenue lines (EFC)
- Kenexa – increased engagement could add £26B to UK GDP

Business case? – UK 25,000 workers YouGov/EfC



Why now for employee engagement?

- **Loyalty for security** → Transactional relationship
- **Velvet revolutions** → Democratic capitalism
- **Power over knowledge** → Digital flattens hierarchy

Velvet revolutions



Lech Walesa at Gdansk Shipyard addressing workers

Coincidental social upheavals?

The Arab Spring

Protestors gathering
in Tahrir Square,
Cairo, Egypt



Protests in
Duma, Syria



Demonstrators
marching through
Habib Bourquiba
Avenue, Tunis



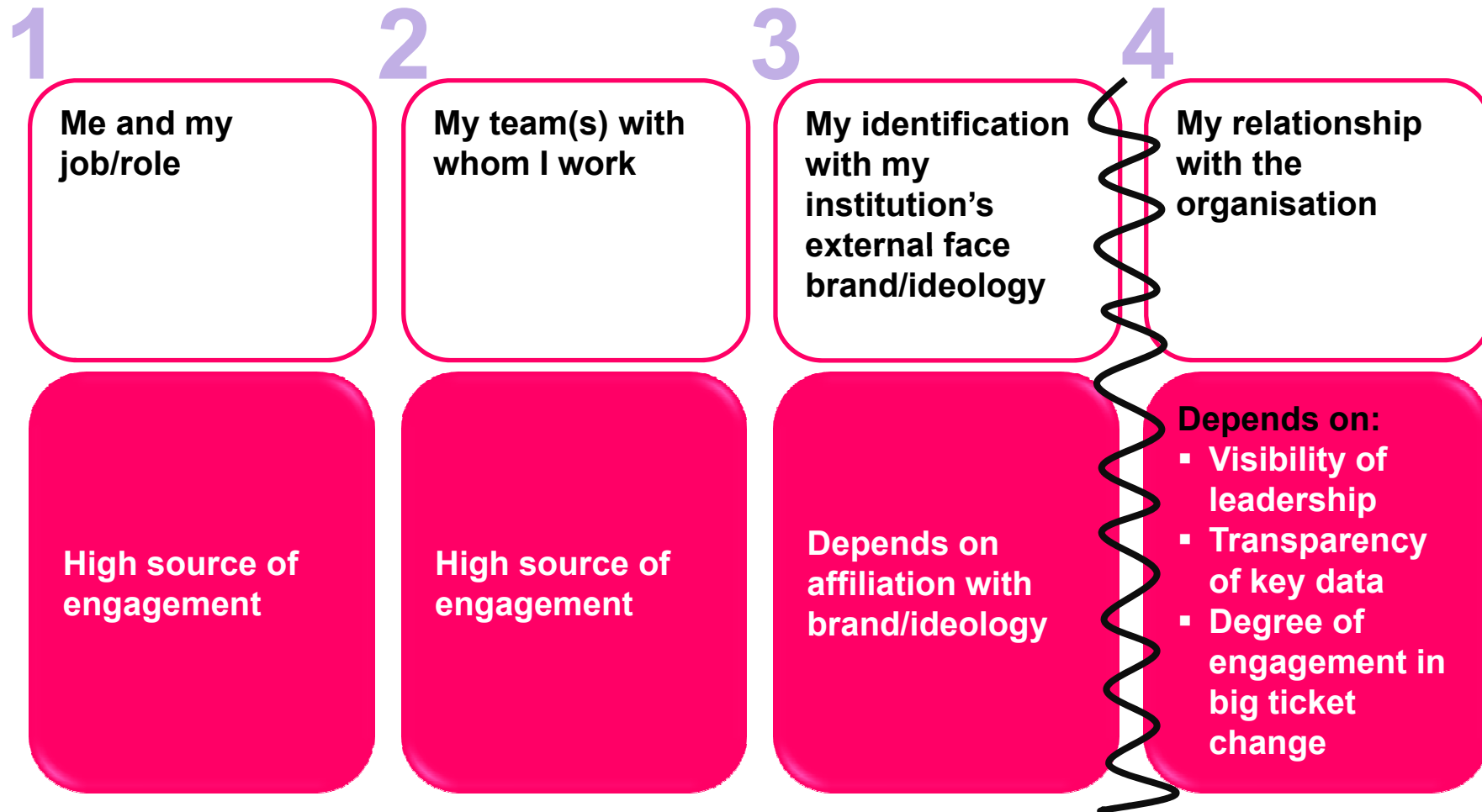
Political dissidents in
Sana'a, Yemen
demanding the
resignation of the
president



Three opportunities for HR to be the 'go to' resource:

1. **The behavioural/cultural approach:** improving engagement through leader's **insights about leadership** and their behaviour/role models – '**God to Guide**'
2. **Engagement interventions** that engage people in **real work** on strategy, change, transformation, innovation and operations, involving many more people than the usual elites in up front design (the what) and in execution (the how)
3. **Brand from the inside out:** engaging people to deliver the brand promise (& adapting internal processes & structure to deliver brand promise) before the brand promise is made (by marketing!)

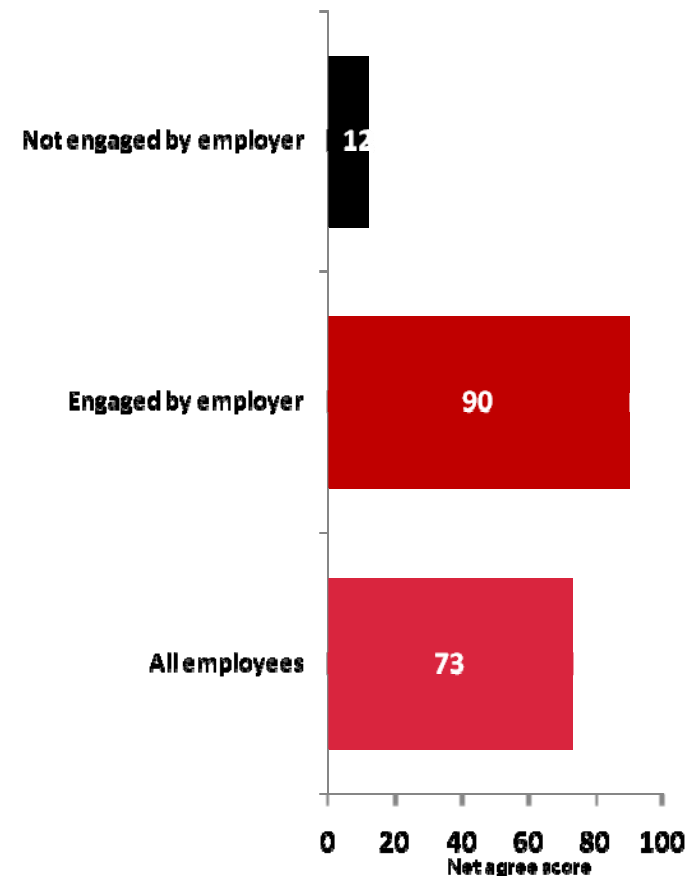
The fourth relationship is problematic



Going the extra mile....kilometer

- **Organisations** that successfully engage with their employees are more likely to have staff who are motivated, satisfied with their job and are prepared to go the extra mile to ensure good results.
- Overall, those who say that they are engaged with **their job** have a net 'extra mile' score of 90 compared with just 12 for those who are not engaged.

'I tend to go the extra mile to ensure a good result for my organisation '. Net agree score.



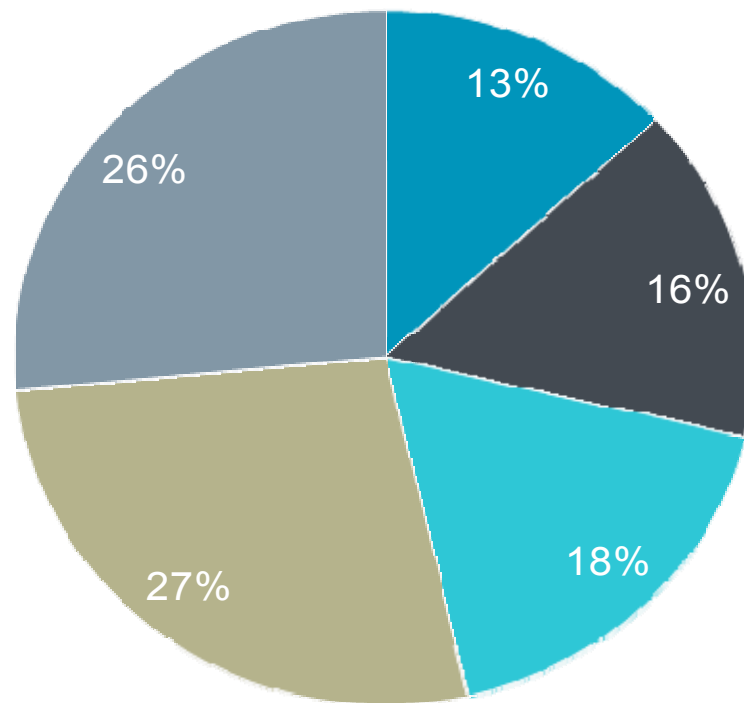
The benefits of engagement

	Engaged with my job	Not engaged	Employer engages to improve performance
I tend to go the extra mile to ensure a good result for my organisation.	94%	44%	94%
I am satisfied with my present job	80%	11%	86%
I am satisfied with communications where I work	58%	15%	74%
Satisfied with how my line manager treats me	78%	36%	87%
Satisfied with the extent to which I am empowered to make decisions	74%	21%	83%
Satisfied with recognition received	64%	17%	80%

Day-to-day decision-making

Almost **one-in-two** line managers still make day-to-day decisions **behind closed doors**

“To what extent does your line manager involve you in every day, on-the-job decision-making?”

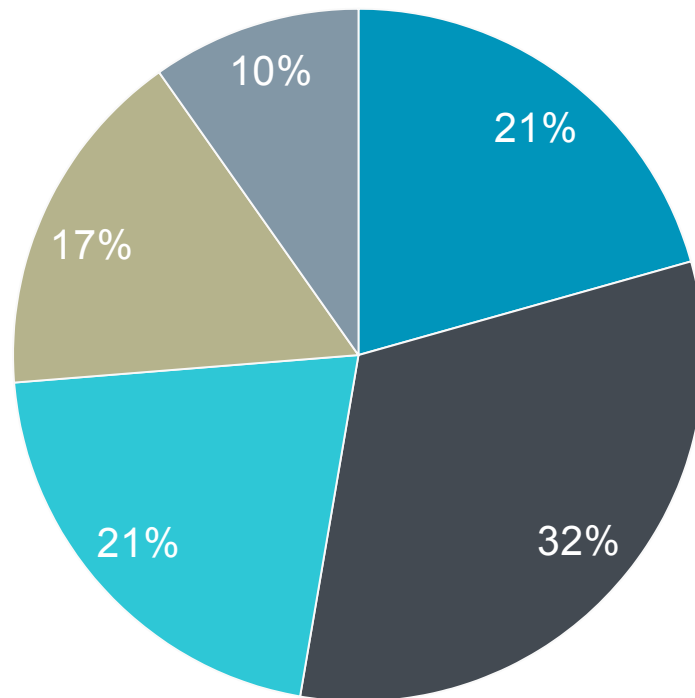


- makes everyday decisions behind closed doors and expects me to catch on to what has been decided (13%)
- makes everyday decisions behind closed doors and then tells me what to do (16%)
- makes everyday decisions behind closed doors but makes an effort to explain the decision to me (18%)
- makes most everyday decisions himself/ herself but involves me in deciding how those decisions are implemented (27%)
- involves me from the outset in contributing to everyday decisions (26%)

[Base: All respondents, n = 18739 excl. Don't know/ NA]

Big-issue decision-making

Almost **three-quarters of “big” decisions** are still made **behind closed doors**

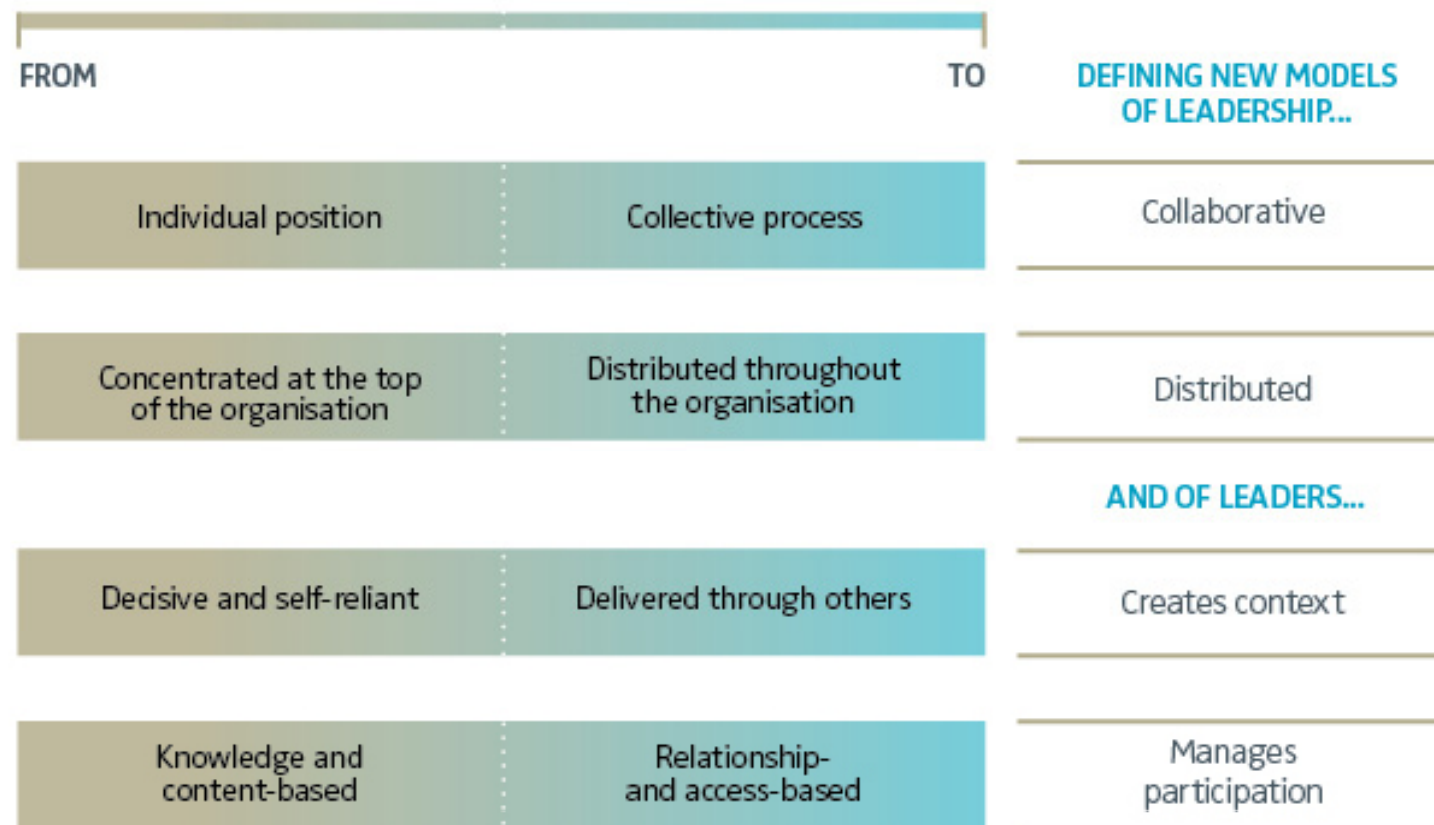


- Big decisions are made behind closed doors and the organisation expects me to catch on to what has been decided (21%)
- Big decisions are made behind closed doors and I am then instructed on what has been decided (32%)
- Big decisions are made behind closed doors but the organisation makes an effort to explain the decisions to me (21%)
- Most big decisions are made by others but the organisation involves me in deciding how those decisions are implemented (17%)
- The organisation involves me from the outset in contributing to and shaping big decisions (10%)

[Base: All respondents, n = 18866 excl. Don't know/ NA]

The shifting nature of leadership

- Complexity requires new capabilities beyond the individual



Emerging leadership capabilities

Observed global leadership shifts

Collaborative
Distributed
Manages participation
Creates context

UK market insights

- Inspires confidence and commitment
- Is insightful and inspiring
- Builds effective teams
- Effectively leads his/ her team
- Is empowering
- Manages participation effectively
- Drives innovation

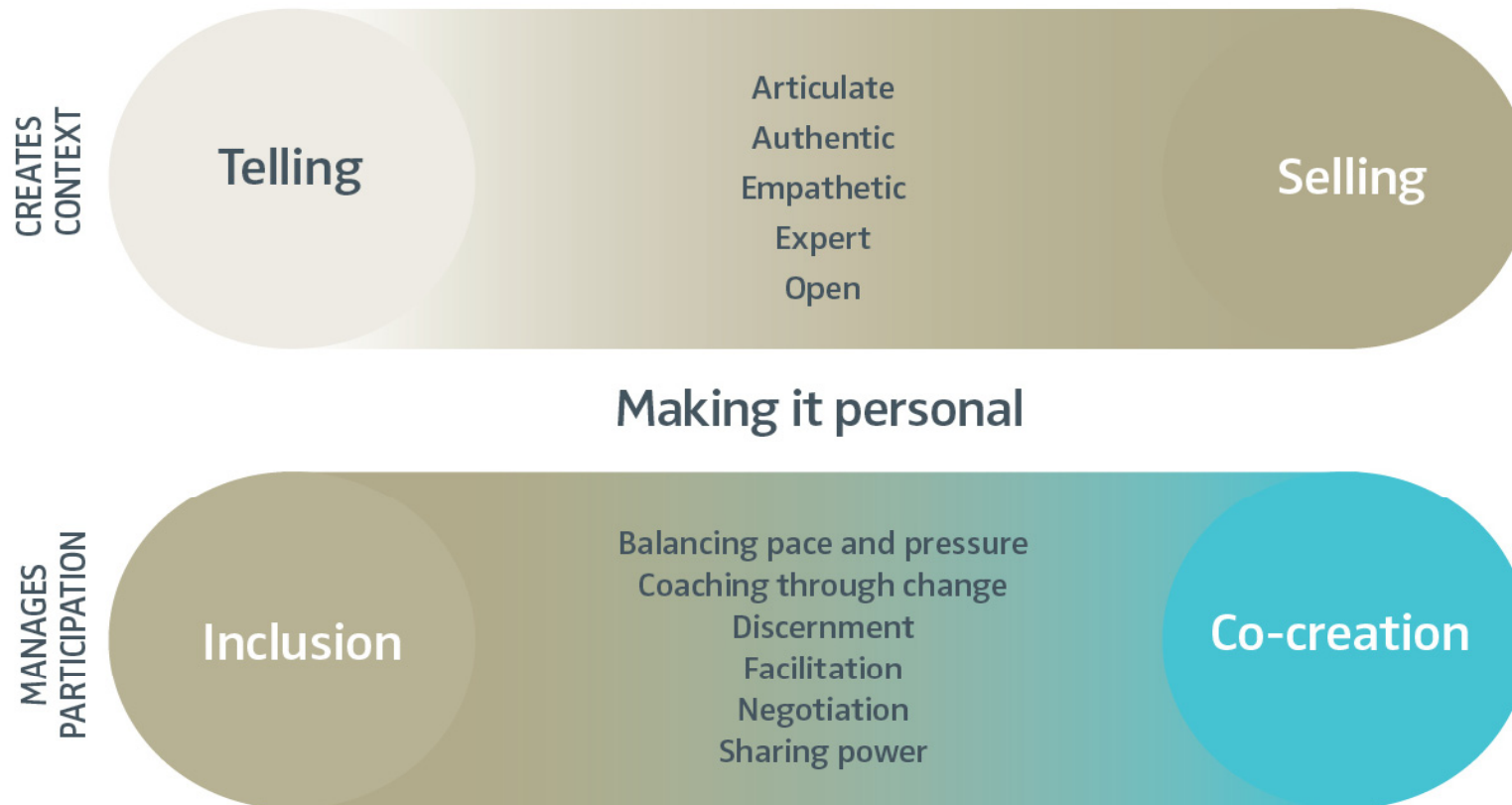
Our consulting experience



Leaders need to be more skilled at managing inclusion

Leadership & culture - gods to guides

Leadership capabilities to create context and manage participation



Leadership & culture - gods to guides

Telling

Capabilities to create context

Selling

Articulate

Crafts and delivers clear messages about business-critical, complex and sensitive topics

Expert

Fully knowledgeable about all aspects of the business communication

Authentic

Provides personal insight and narrative to create meaningful context

Empathetic

Tailors the message and delivery style to best suit the audience

Open

Ready to accept challenge and address questions by anticipating a range of audience mindsets

Leadership & culture - gods to guides1

Inclusion

Capabilities to manage participation

Co-creation

Coaching through change

Assesses, challenges and supports others to deliver results and overcome resistance to change

Negotiation

Gains agreement to extend involvement beyond those entitled by hierarchy

Discernment

Sponsors involvement of individuals able to investigate, contribute and innovate

Sharing power

Creates value through participation, alignment and delivering through others

Balancing pace and pressure

Creates space for teams and individuals to test and explore while ensuring business-as-usual delivery

Facilitation

Helps groups develop and integrate perspectives to create sustainable solutions

Management drivers of engagement and performance

Creates space for teams and individuals to test and explore whilst ensuring short term demands are met (0.13)

Accepts challenge and addresses questions (0.11)

Provides insight and explanation to help create a clear context for the work we do (0.10)

Identifies the right people to contribute given the demands of different situations (0.10)

Creates value by engaging others (0.09)

Communicates clear messages about what needs to be done

Has the knowledge needed to lead our team in the work we do

Is adept at dealing with different personalities

Helps members of the team overcome resistance to change

Invites people who can make a difference to be involved, irrespective of level of seniority

Helps groups integrate different perspectives to create sustainable solutions

Intervention – the Strategy Safari experience



A warning to travellers

- You can't spray employee engagement onto command and control – it requires a shift to more mutual leadership styles
- It has to be lead by the C suite – functions like HR, communication can support but will fail without top level belief
- Pilot the concept through employee engagement interventions that deliver fast commercial results (see engageforchange.com for how to)
- Push hard but judge how much executive education is required to equip leadership to be confident
- It's not a 'programme' – it's a philosophy of leadership first, a set of tools and capabilities second
- Have insight about your own attitudes to the pleasures of command and control – are you willing to let go?

Get involved in 'Engage for Success' – **be a first mover**

- A **movement** committed to the idea that there is a better way to work, a better way to enable personal and organisational growth
- UK government initiative sponsored by PM
- Over 1000 experts and company executives involved discovering and sharing effective engagement practices
- **International group**: To be the 'go to' source of knowledge and guidance about engaging people at work in diverse working environments around the world
- **Invitation to you**: be an international correspondent and share your stories and benefit from the experiences of others
- Mail me at **johnsmythe@engageforchange.com** to join the movement

www.engageforchange.com

Spain



"compromiso de los empleados" or "compromiso con la organización"

Comments:

- "compromiso" - from Latin "cum" (with) and "promittere" (to promise) = "with **PROMISE** the word is also used for entering into an agreement that is financially binding and it means very much a "**COMMITMENT**" (this is actually how it literally translates to English, rather than "engagement")
- From a cross cultural perspective, as **Spain is a country with higher Power Distance**, the use of *commitment* for engagement may signal an exchange of loyalty between employer and employee: **the employer is offering the source of livelihood and the employee is responding with personal commitment.**

=

THE OLD LOYALTY FOR SECURITY CONTRACT

Netherlar



“betrokkenheid van medewerkers”

Comments:

“Betrokkenheid” = involvement

Synonyms: participation (inspraak), commitment (geëngageerdheid)

Usually, the Dutch use the Anglo word "engagement"

- From a cultural perspective, the adoption of the term “as is” may signal a cultural distancing but I would not be surprised if engagement surveys are not taken very seriously in the Netherlands, where the employer-employee relationship is governed by a

lot of social pressure for **work-life balance and employee autonomy (a feminine culture)**

German



“Mitarbeiterengagement” or “Mitarbeiterbindung”

- “Mitarbeiterengagement” : employee engagement; a visible/observable sign for high or low employee satisfaction.

Engagement = will to take over additional and challenging workload; involving, motivating, coaching employees, allowing employees to contribute to make sure they give their best at work and they are willing to go the extra mile.

- Germany is very **low in Power Distance - employees do not need to be supervised to do their job** and medium Uncertainty Avoidance, which creates a higher need for order – in other words, everybody should do their job well individually to avoid further complications. Germany is also Collectivist, and hence “the voice” is given to unions.
- Engagement = put effort into something to make it work/ make it better. Engagement concept in Germany is closer to “do something extra” and “work as it should be done” because of **high responsibility for their own task and work**. It also has an effect on the lack of positive feedback if you are engaged (as this is what is expected of you anyway.)

Brazil



"Engajamento dos empregados" or "Engajamento dos funcionários"

It means exactly the same as European Portuguese: "O ato de se comprometer com uma causa ou objetivo usualmente próprio de um grupo." = **the act of committing to a cause or purpose usually owned by a group**

From a cultural perspective, Brasil is closer to Spain in higher Power Distance but it is also **Collectivist** – so engagement may be interpreted as adherence to the group's cause, which usually makes for better team management

Poland



“zaangażowanie pracownika”

Comments:

“Zaangażowka” = to be willing and passionate

“Pracowak” = to work (any type of work)

- From a cultural perspective, the use of “passion” and “willingness” denotes an Individualist approach to engagement and intrinsic motivation (rather than commitment to a higher entity such as an organisation ...)
- Also Polish culture resembles French culture – use of “passion” in Polish may be to denote romantic / idealised passion as in “getting pleasure out of working” like a love affair