

A Closer Look at Employee Engagement

by Gregory Ferris

Some frightening possibilities follow! According to research, it is estimated that American businesses may only be operating at one-third of their capacity because of the lack of a true connection with their people. What if banks only opened one-third of their branches each day? What if manufacturing companies operated only one-third of their machines at capacity each day? And what if customer service call centers took only one-third of all calls received daily? What opportunities are these businesses losing and what might be the potential impact to their future growth? Very frightening possibilities.

It doesn't stop here. Recent findings taken from Gallup and Harris polls of 11,000 employees, from cross-functional businesses, indicated that:

- Only 15% of the employees could identify the company's most important goals.
- 51% were unsure of how they were expected to help the company achieve goals.
- Only 49% of all available work time is dedicated to companies most important goals.
- 53% of American employees are unhappy with their jobs.

And finally, findings from the polls indicated that in the American workforce:

- 29% of employees are fully engaged in their work
- 55% of employees are disengaged from their work.
- 16% are actively disengaged from work.

A closer look shows that only 29% of employees are engaged in their workplace. That is the group that believes in their company and wants to make things better. They clearly understand the business and how their work fits into the "big picture." These employees are respectful of, and helpful to, team members and others. To be sure, they find opportunities to stay current in their field of expertise and are willing to go the extra mile. On the other hand, disengaged employees are not risk takers nor committed to the company. They lack a sense of achievement in their work and focus only on "just doing the job." Advancement in their role is not important. They are just doing enough to keep their job. Actively disengaged employees are unhappy at work and act out the unhappiness. They like to be part of the problem and find it almost impossible to become part of the solution. Unfortunately, they spread discontent and consistently fall short of meeting performance expectations.

With 71% of employees disengaged, there is significant loss in effectiveness and productivity. As an example, if you have 100 employees with an average salary including benefits of \$35,000/person, that calculates to \$3,500,000 in wages & benefits/yr. If your firm's number happens to fall somewhere between 33% and 71% that are not delivering a full hour of work for a full hour of pay, you are squandering somewhere between ~\$1.1 Mil (at the 33% level) and ~\$2.5 Mil (at the 71% level) in wages alone every year. That number does not even take into consideration how those employee behaviors may have negatively affected the servicing of their internal and external customers.

Engagement happens when employees think, feel, and act in positive ways toward their job, their work, and their companies. This is commonly referred to today as engaging the head, heart and hands. Successful companies see the value of engaging the workforce and spend significant time "riveting" or "anchoring" the head, heart and hands of employees to positive workplace experiences. The benefits of building an engaged workforce are numerous. Employees are more effective in their work and seek greater responsibilities.

In almost all circumstances, engaged employees demonstrate less resistance to change when change happens or is needed. In fact, these individuals embrace the change and offer a willingness to unfreeze, change and refreeze into new work patterns and behavioral expectations.

Creativity and innovation becomes the spirit of the workplace. Problems are followed with solutions. Ownership emerges in actions where value becomes far greater than what is expected in compensation.

Engaged behavior is most likely to influence peers in a positive way. The excitement and enthusiasm generated spreads quickly and has a modeling effect. The can do attitude is invasive and pushes forward in a wave of change.

Interestingly enough, engaged employees describe themselves as being more satisfied with their work and less stressed. The outgrowth of this is that absenteeism and turnover becomes less threatening to management as people at every level see and experience the value in engagement.

The bottom line is the productive consequence of employee engagement. Companies report that the number of departments showing productivity increases continue to gain momentum as engagement behaviors become slowly embedded in the workplace. Companies have reported productivity gains of 10-15% in the first year alone.

As in any startup situation, there is an initial investment of time to create the culture of engagement. However, in the long haul, there is a return far greater than the investment.

In conclusion, an engaged workforce truly helps create a workplace where employees know more, do more and contribute more to the success of the company. Stepping forward to engagement requires more than motions. It requires awareness, an understanding of the foundation, and skill development of the essential engagement tools. It also requires leadership commitment and patience as the engagement culture emerges over time and becomes part of the operating fabric of the workplace. The weak-hearted will usually bail out and will need to be asked to step aside. It is a time when the company must demonstrate, to even the most casual observer, that it is moving beyond "window-dressing". The organization has actually demonstrated its commitment to provide clear communication and appropriate resources. It has willingly invited people, at every level, to participate and looks for opportunities to celebrate the spontaneity of grassroots leadership. I believe that capturing the head, heart and hands of all employees through planned actions, and executing those actions using measurable results, should be the goal of every company.