

The Ultimate guide to

EMPLOYEE

ENGAGEMENT

xoxoday



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Introduction

A 2020 survey in the UK revealed that more than half of its working population is considering finding a new job this year. ~25% of the employees are actively looking for a job change. Billions of dollars are poured every year by employers on hiring new talent as retaining high-performing employees is becoming more challenging.

Today, everyone is looking to find the right job where they can find a work-life balance and a great work culture. While some organizations have utilized employee engagement solutions to reduce their attrition rate by > 40% from an issue that very much had a work-life balance at its essence, the concept of work-life balance remains paradoxical.

In today's hyper-connected world, it is extremely difficult to separate work life from personal life. Hence, HR managers should focus on employee's overall happiness and well-being and not just life at work. Engagement, happiness, and satisfaction, although inter-connected, are different concepts but they must be managed in a single go.



**“ To win in the marketplace
you must first win in the
workplace.”**


- Doug Conant,
CEO of Campbell's Soup

This paper aims to provide HR leaders with the necessary tools to look beyond employee satisfaction and achieve employee engagement.



What is employee engagement?

Employee engagement is a pattern of employee behavior that is more than employee satisfaction. An engaged employee is willing to go the extra mile to preserve and enhance the reputation and interest of the company. By contrast, disengaged employees do the minimum needed to survive in the job or even bad-mouth the employer.

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"Employee engagement is the emotional commitment an employee has to the organization and its goals, resulting in the use of discretionary effort."

- Kevin Cruse

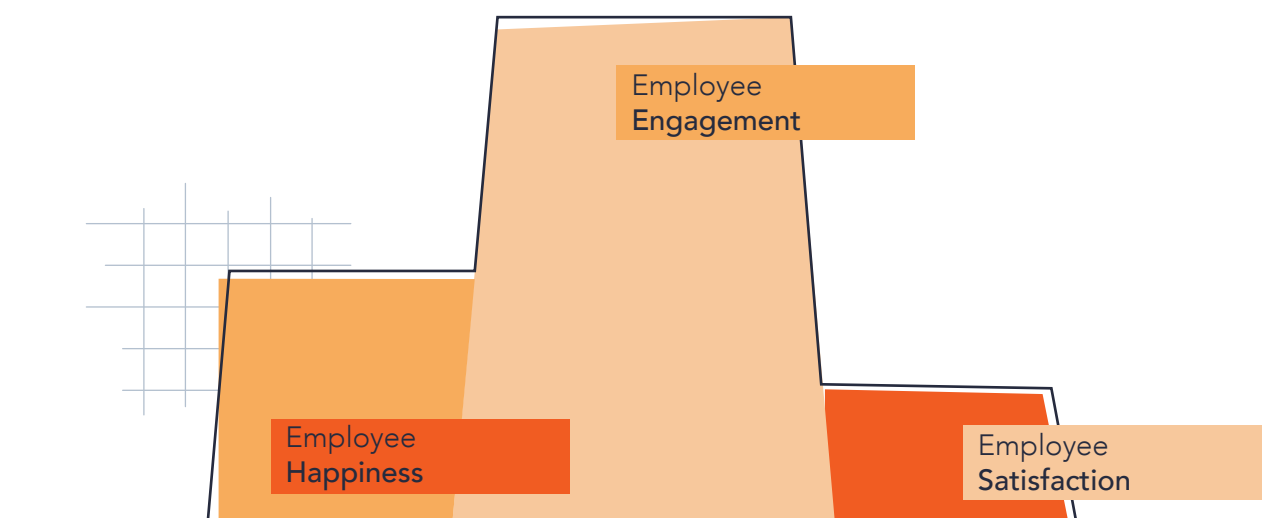


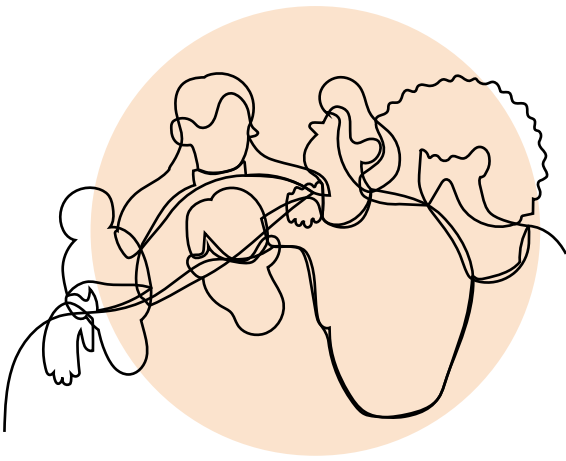
Employee Satisfaction *vs* Employee Happiness *vs* Employee Engagement

A satisfied employee might show-up daily for 9 to 5 work without complaint. The satisfied-only employee does not put any extra-effort at work and is most likely to take the headhunter's call offering a 10% hike in pay.

A happy employee might not be working hard and be productive. Company perks, incentives, and allowances might pamper the happy-only employee, but he might not be engaged.

An engaged employee, on the other side, is satisfied and happy but beyond that, he is also emotionally attached to his workplace. He is committed and goes beyond the usual 9-5 mentality to achieve the goals. He is the one who takes charge when the boss is not watching and ensures that the customer is happy and company goals are achieved no-matter-what.





A happy and engaged employee not only enhances the company culture but also works towards better customer satisfaction. A Washington State University Study found that there is a direct link between customer satisfaction and employee satisfaction and financial success is directly affected by customer satisfaction. Successful companies provide their employees with the right tools and culture which then leads to success.


“There are only three measurements that tell you nearly everything you need to know about your organization’s overall performance: employee engagement, customer satisfaction, and cash flow. It goes without saying that no company, small or large, can win over the long run without energized employees who believe in the mission and understand how to achieve it.”


- Jack Welch,
CEO of Campbell's Soup








SIGNS OF A DISENGAGED EMPLOYEE


-  Pessimistic


-  Undervalued and underpaid

-  Frustrated

-  Unrealistic expectations


-  Blame others


-  Lack of initiatives


-  Focus on money





SIGNS OF AN ENGAGED EMPLOYEE


-  Sets bigger goals for themselves


-  Actively participate in company's social events

-  Minimal signs of absenteeism

-  Goes extra-mile and take responsibilities for mistakes

-  Takes initiatives rather than waiting for someone to assign them task

-  Friendly and eager to help co-workers

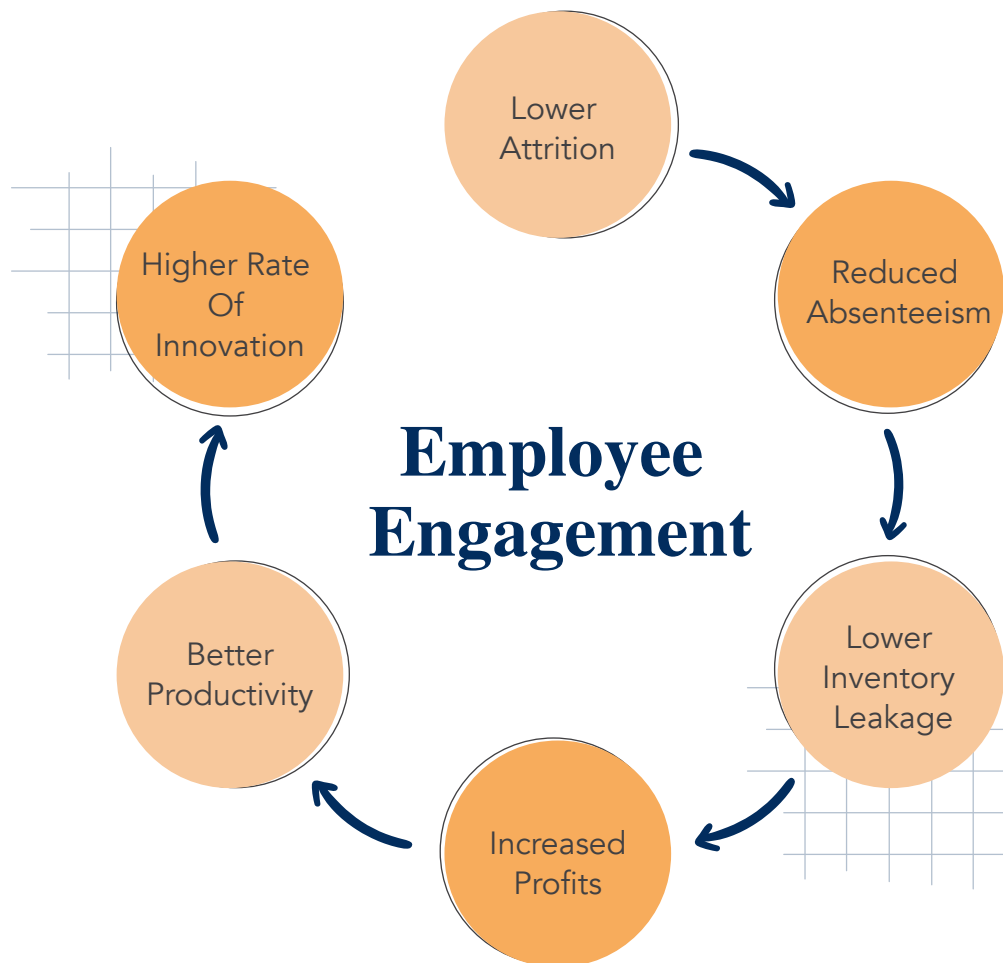
-  Enjoys their work



Why is **employee engagement** important?

87% of the engaged employees are looking to stick to their current employers resulting in reduced costs of hiring and training. A recent study, done by Bain & Company, also revealed that companies with engaged employees grew 2.5X as those with disengaged employees.

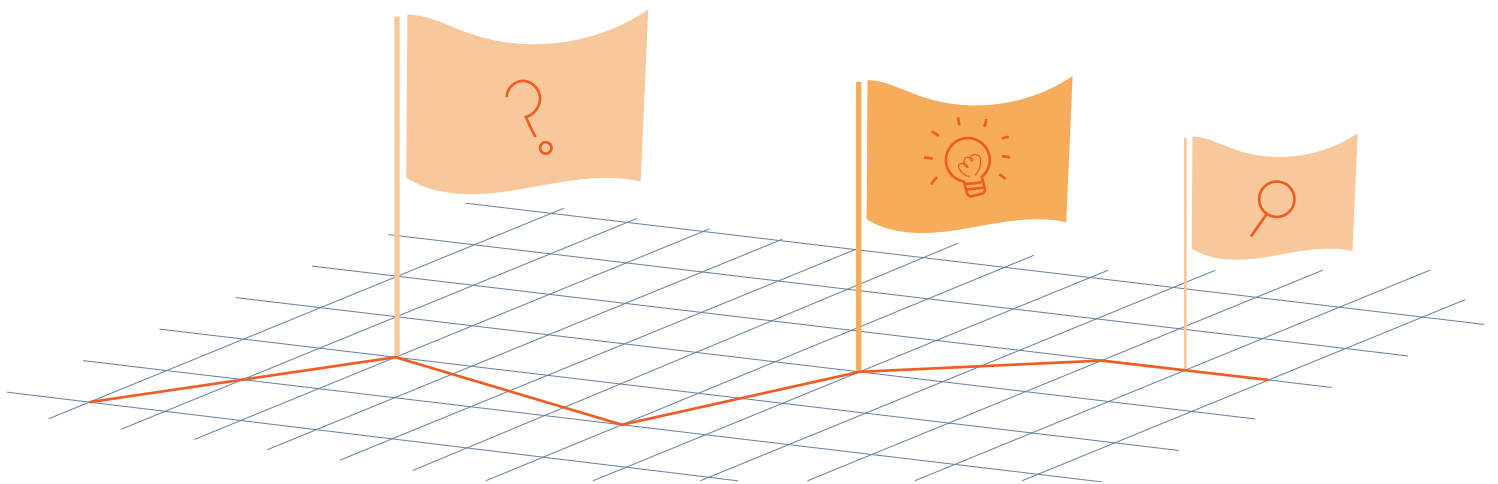
It is no secret that the best **talent comes from employee referrals**. Engaged employees want to bring more colleagues who can make their work-place successful as they take pride in their work. Salesforce, one of the top employers in the US, hires 53% of new hires from employee referrals.⁴ 95% of Salesforce's employees consider it as a great place to work.





How to measure employee engagement?

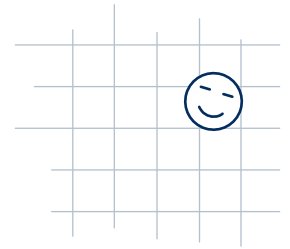
You will struggle to improve employee engagement if you do not know how to measure it in the first place. You can **start with an employee engagement survey** which is done more than once a year. Leading organizations these days measure engagement through annual as well as pulse survey (project-based satisfaction surveys).



Best Practices

- Keep the survey short
- Use pre-validated survey
- Act on the results
- Conduct surveys frequently
- Promise confidentiality instead of anonymity
- Share results to ensure transparency

KPIs to Measure



Diversity and Inclusion

A company where diversity and inclusion are held important is often seen as a **welcoming place to work**. In fact, a recent study done by Great Place to Work found that publicly traded companies with a highly inclusive culture gained 4X larger stock gains than S&P 5006.



Survey Questions

In the employee, survey make sure you ask about how each **employee feels valued**; if they get enough time to spend with their families; future career prospect.



Employee NPS

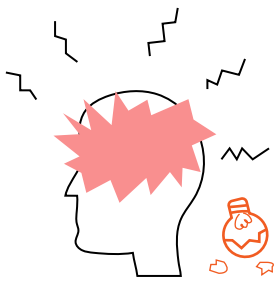
NPS was originally designed to measure customer loyalty but the concept was extended to measure if **employees would recommend** the company to friends and family. A holistic employee pulse survey measures the organization's pulse and targets all the pain points that might be a pivot for its culture.



Absenteeism and Turnover

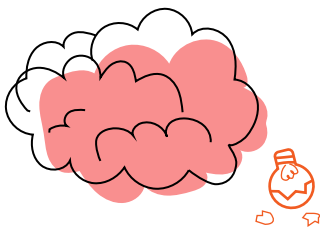
Although lag indicators, absenteeism and turnover are quantitative proof of bigger cultural issues within the organization or any specific department. Turnover is not always bad and depends on industry to industry. However, in most cases **this should not exceed 10%**.

Top employee engagement mistakes



Wayward Approach

Enhancing engagement levels at the workplace isn't a segregated approach. The key elements of engagement i.e. **alignment, motivation, empowerment, and communication** must be worked upon together rather than inculcating a wayward approach on each cue. This leads to zero results and an ineffective engagement plan from the very first step.



Resistance to change

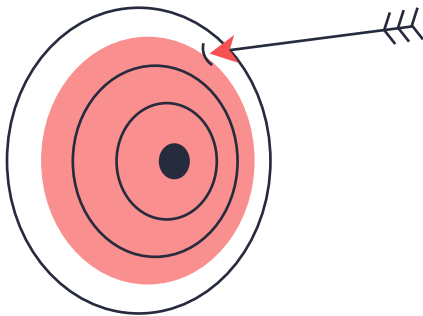
When it comes to employee engagement, it is important to understand that **it is a constant learning process**: something that cannot be achieved in a few days or weeks. That said, it is possible to regularly implement new strategies in the organization and learn from previous mistakes — only if they are communicated in the right manner.

Waiting too long



One of the most common employee engagement mistakes that are often a stumbling block for companies is “waiting too long” to implement important strategies in the organization. When employee engagement falls short of continuity and transparency, getting it back up requires professional help—just like an organization increased its engagement by 100% to reduce problems.

This is a bad move on the part of the management because employees need to be constantly involved in the process as opposed to only being taken care of at the last minute when things go awry.



Engagement is a round-the-clock process, and it should be injected into the organization’s bloodstream rather than a one-off activity.

The most crucial element is to keep your workforce on the same page — not just on emails and IMs, but at a collaborative platform which becomes the essence of a happy workforce.

- Maya Angelou



Ignored rewards & recognition

What is also worth adding is that employee engagement is closely linked to their recognition in the company. For instance, if an employee does considerably good work, they should be lauded for their efforts.

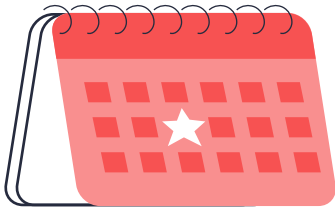
Rewards and recognition are crucial spokes of the employee engagement wheel and making do with just a pat on the back never helps.

Rewards & recognition



Whether the praise they earn is public or done discreetly without involving everyone in the team should be decided based on an employee's individual preferences.

Why? Because every employee is different. While some workers prefer to be appreciated in front of their peers, others are shy and would rather be praised in private without attracting too much attention to themselves. They do not like being in the limelight and find it disconcerting to be the center of attention in a crowd.



Company Events

Moreover, every employee is different which means that generic events meant to lift employees' spirits such as a forced picnic or a complimentary lunch may not make everyone happy because some employees may feel like they're just a tiny, insignificant part of a larger system that doesn't value them.

Plus, generic events do not make it possible for leaders and employees to interact directly and spend a significant amount of time together.

Companies can combat this problem by making sure that they spend time and money on activities and programs like developing leadership skills among their employees and cultivating an environment that is **conducive to fruitful and meaningful interactions** between managers and employees.

“ People work for money but go the extra mile for recognition, praise and rewards.”

- Dale Carnegie

On that note, managers need to be aware of the process and not wade into the territory of employee engagement without knowing what it is. Blindly entrusting leaders with the task of increasing employee engagement without training them is a recipe for disaster and can lead to utter chaos. Events are a great experience, but they don't solve the engagement crisis.

Personal Biases

Additionally, when formulating policies, managers and team leaders must avoid falling into the trap of turning to their personal biases, something that can happen rather easily if they do not make a conscious effort to avoid it. The last thing employees want is to feel unheard and misrepresented by their managers.

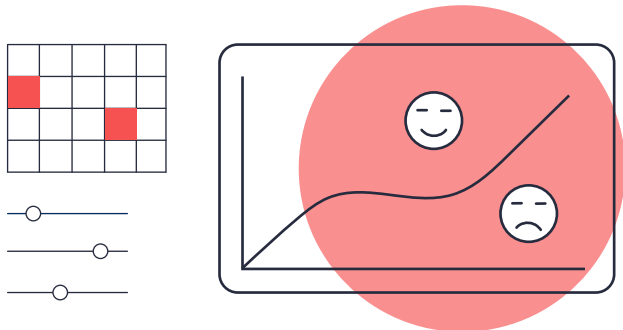
For instance, if a manager is coming up with a rewards program for the company's employees, they must spend time conducting research instead of taking the easy way out and being lazy.

A generic rewards program is unappealing and guaranteed to misfire badly because employees may recognize the program as a generic, insincere move that is meant to appeal to them without taking into consideration how they feel.

“Always treat your employees exactly as you want them to treat your best customers.”

- Kevin Cruse

Misinterpretation of Surveys



Additionally, if managers are relying on tools like employee engagement and satisfaction surveys, they must remember to tread cautiously. Surveys may misrepresent reality because many employees hesitate to open-up in surveys and shy away from being transparent. Some may not even participate or rush with the answers because they see the task as an obligation that must be fulfilled.

What can be done is turning to an array of methods coupled with surveys to gauge employee engagement such as informal conversations, a lot of research, open hurdles of misrepresentation and give you the right idea of where the culture stands, communication via group meetings, and more. Empathy must not be underestimated. Employee pulse surveys cross all hurdles of misrepresentation and give you the right idea of where the culture stands.

As per a 2019 piece by Forbes, a report on employee engagement revealed that 96 percent of workers who were asked about their views on engagement said that displaying empathy is crucial at the workplace and can do wonders for employee retention.



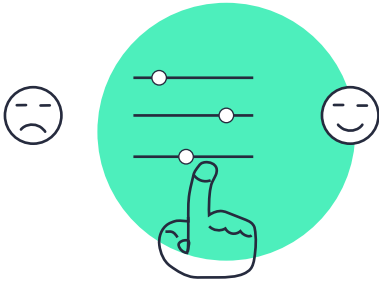
Your employee engagement strategy

When it comes to implementing an effective employee engagement strategy, things do not have to be unnecessarily complicated. Viewing it as a continuous process that can be implemented over a period rather than something that will provide instant results is a wise choice. The most crucial element is to keep your workforce on the same page — not just on emails and IMs, but at a collaborative platform which becomes the essence of a happy workforce.

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Self-Assessment



What is the best way to increase employee engagement in your company? Well, to begin with, managers and leaders need to figure out how to analyze employee engagement within the company by asking themselves whether their team members feel supported enough to answer questions like they know their function within the company and can thrive in their roles. It's simply not about sending out OKRs and KRAs but making them feel like they are a part of everything small and big. They must feel valued. Moreover, the office needs to be a safe space for them where they are not afraid to put their best foot forward and feel motivated to do so.

Self-assessment throws light on where a person stands when it comes to making the culture what it is. Moreover, the office needs to be a safe space for them where they are not afraid to put their best foot forward and feel motivated to do so.

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."

- Maya Angelou

Analyzing **employee engagement** will help you to...



Come up with an effective employee engagement plan



Understand where you are in terms of employee engagement and what needs to be changed



Build a happy workforce, increase productivity, and enhance the levels of motivation



Set the way forward for increasing employee engagement within the organization

Invest in training

As outlined by Forbes, hiring the right people for the jobs that are best suited for them within the organization can make a world of difference. The talent acquisition team plays a crucial role in this scenario and is responsible for getting the best people on board. Even the best people on board would need a hint of an idea as to how the culture looks like at work. That's where introducing them to the organization on a virtual platform helps, as they can simply get to feel the vibe in a few scrolls.

This does not mean that the company should not invest in training its employees, though. It most definitely should. **Training resources will help employees feel supported** as they figure out the best ways to achieve their targets for the organization.

Create a culture of ownership

It is also vital for employees to feel like they are **making a real and meaningful contribution** towards achieving their company objectives. This requires managers and leaders to communicate well with their team-mates and to ensure that they leave no stone unturned in encouraging an environment that is healthy and fosters communication.

Sending out appreciations for a tiny help in a demo, rewarding people for achieving the month's targets, and giving them something to look forward to would bloom into a culture of ownership where they have a silver lining ahead.

Remember to

- 💡 Make your employees feel valued
- 💡 Assure them of their tangible contributions
- 💡 Establish an effective communication system.

Additionally, team-leaders must regularly check in with their co-workers and make sure that they have all the resources they need to thrive. Communication should not be intermittent or erratic.

A broken chain of communication topples down all efforts to build a formidable culture and hence, one must start over again. It is also not a bad idea to get employees directly involved in the process and ask them directly about their views on engagement and what kind of changes they would like to see.

Success stories

Hyatt Hotel



Hyatt operates 21 hospitality brands and more than 950 properties across 67 countries employing over 127,000 employees. Known for its premium hospitality and fine dining, Hyatt has also built its brand as one of the most sought-after employers through its outstanding employee policies with immense focus on employee engagement and development from within.

In the hotel industry, finding housekeeping staff is an ongoing challenge for years as housekeeping professionals frequently change jobs and look to move up the responsibility ladder very quickly. It hires and promotes from internal staff and shows real commitment to diversity and inclusion.

Unlike its competitors, Hyatt invests heavily in employee training.

Apart from this Hyatt also offers tangible perks such as travel discounts, on-site meals and listens to its employees. It provides education support for families of all employees across levels. It has also partnered with several organizations such as Khan Academy to provide skill-based training to its employees.

Southwest Airlines



In Feb 2020, Southwest Airlines announced for 46th consecutive time to share \$667 million with its employees as profit sharing for FY2019. This was equivalent to six-weeks' pay for each employee. "Our Employees delivered outstanding results despite a challenging year, and it's a pleasure to reward our People for all they contribute to our continued success," said Gary Kelly, Chairman of the Board and CEO of Southwest Airlines.

In 2014, the company unveiled a new logo and later decided to change employee uniforms to go with the new branding.

The new uniform now truly reflects the company's culture. It is no wonder that every Southwest employee seems so happy working towards profitability of the company.

Instead of hiring an outside designer, the company invited employees from all levels to provide suggestions and ideas for new uniforms. Over the next few months, ~40 employee ideas were shortlisted, and these employees met every two weeks to design the new uniform for the entire organization.

Virgin

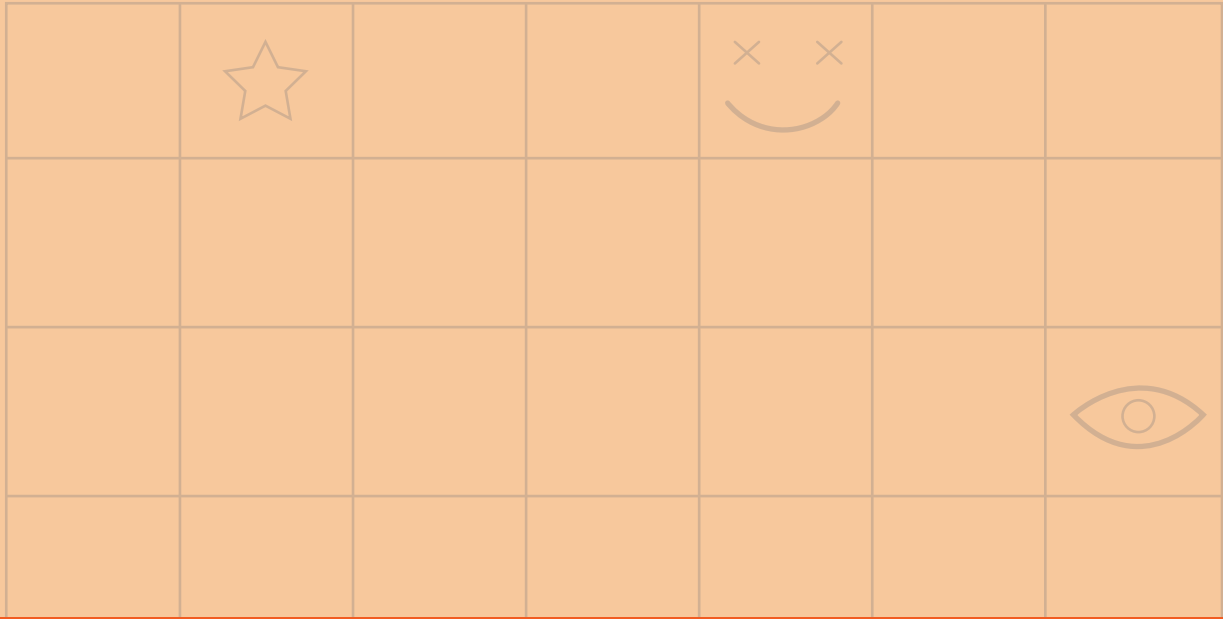


Virgin is one of the largest conglomerates in the world in existence for the last 70 years with over 200 companies across sectors such as transportation, telecom, retail, media & entertainment.

One of the major reasons for its success is its agile way of thinking and company culture of putting employees first before anything.

From better employee benefits to no work dress code, learning and development opportunities to healthcare, Virgin ensures employees are comfortable at work.

Virgin Group provides a great deal of autonomy and trust on managers. They have freedom to take decisions they are good for the project and company. Virgin also encourages sharing of new ideas from employees across levels. Leadership is encouraged at all levels.



Cheers to a happy & engaged team!



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