

Engagement Around the Work: A Unique Approach for Measurable Results

By Paul Donehue, Conway Management Company

Engagement with a purpose is the over-arching theme to building and sustaining a high-performing culture in a unique and measurable way.

While studies have consistently found a high positive correlation between employee engagement and financial performance, the data also shows that correlation is not necessarily causation; and while employee engagement is a necessary ingredient for high performance, like flour to a cake, it is not enough.

In contrast, "*Engagement Around the Work*" involves specific steps for achieving a culture of engagement that is inextricably linked with team productivity, performance and job satisfaction. It incorporates a clear objective of engaging people around the one thing they all have in common—and the one thing that can bring about increased profitability and a sustainable competitive edge—the work.



MEASURED RESULTS

Engagement for "engagement's sake" has been a prevalent trend over the past several decades, and most of these engagement efforts have failed to yield tangible results. They have also failed the sustainability test.

As is the case with any improvement initiative, an ad-hoc approach involving little or no planning or structure, and lacking defined, measurable objectives, is prone to failure.

In contrast, a more focused approach of improving both the *work* and the *workplace* in a measurable way can result in high-levels of productivity, profitability and engagement. As explained by Robin Gee, Coca-Cola's Director of Employee Engagement, "We engage employees in aggressive efforts to eliminate waste and reinvest those savings in ways that are visible and meaningful to the employees."

This perspective is well-aligned with our approach, which differs from traditional attempts at employee engagement in two critically-important ways:

- ❖ A strong focus on productivity and continuous improvement as **catalysts to engagement**
- ❖ A strong focus on **measurement** and return on investment



Driving productivity as a means of achieving and maintaining high-levels of workforce engagement enables an organization to more easily promote and reward desired behaviors, measure and document progress, and ultimately realize tangible results.

Equally as important, the measured return on investment enables leadership to further invest in the workforce as well as the workplace, thus promoting a culture of continuous improvement and engagement throughout.

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—Robin Gee, Coca-Cola Director of Employee Engagement

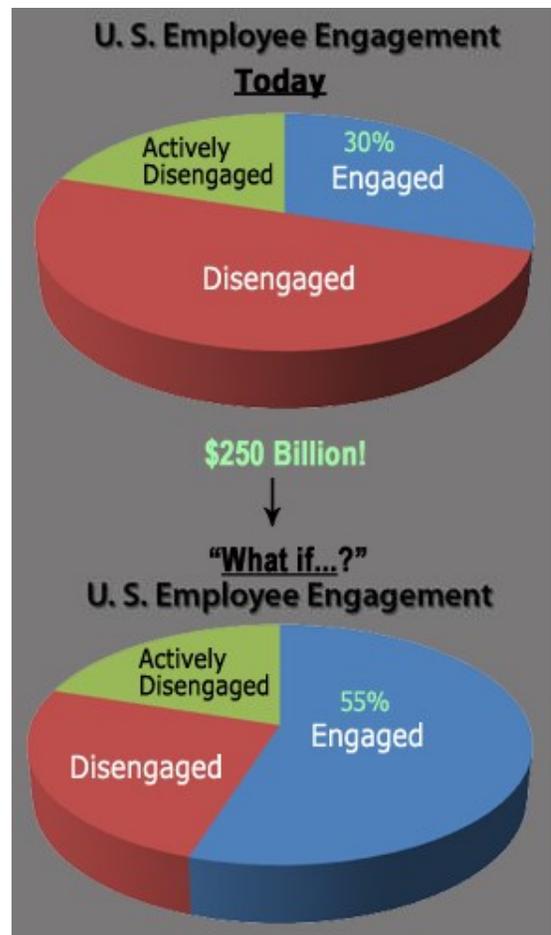
REALITIES & OPPORTUNITIES

Over the past several years Gallup polls have consistently indicated that approximately 70% of the U.S. workforce is disengaged or actively disengaged. As you will see, this troubling reality is costly.

As reported by the *Enterprise Engagement Alliance*, most leaders and organizations know the difference between a fully engaged worker and one that is disengaged or actively disengaged.

“Engaged workers brim with enthusiasm, contribute ideas, are optimistic about the company and its future, and are seldom absent from work. They tend to stay with the organization longer and are among the organization’s most valuable ambassadors, driving positive word-of-mouth as well as brand value.”

Compare this with **unengaged employees** who do what is asked, but no more. They do an *adequate* job, but are more disconnected from their work and workplace; or with **actively disengaged employees**, who are outwardly negative and frequently critical of the company, its managers and fellow employees. They generally have higher rates of absenteeism and tend to negatively influence those around them, including customers.



Now, the troubling reality: the cost of disengagement to U.S. employers is estimated to be as much as \$450 – \$550 billion per year!

Imagine if a balance could be achieved... **what if** an organization could decrease the percentage of disengaged workers by half, and turn these people into engaged employees? What if this transformation could take place on a widespread basis?



Well, the result would be an annual savings of approximately \$250 billion nationally!

The statistics clearly show that promoting, developing and sustaining a culture of engagement and continuous improvement is the pathway to greater levels of success.

But this aspect of cultural development is not a new concept. In 1986 J.B. Barney, Presidential Professor of Strategic Management at the University of Utah, *defined* organizational culture as the set of shared assumptions and beliefs about an organization and its function in the marketplace or “the ways of thinking, behaving, and believing that members of a social unit have in common.”

According to this research, an organization’s culture plays a key role in strategy formulation, performance, and competitive advantage. Or as Peter Drucker says, “Culture eats strategy for breakfast!”

Culture may also have indirect effects on performance in benefiting other aspects of an organization. For example, researchers¹ have found that organizational culture is linked to service quality and employee performance, leading to subsequent consumer and financial success indicators.

So, as noted above and as you may have heard in our introductory video, the potential gains associated with a highly-engaged workforce are significant. For example:

- ❖ In a Gallup survey, organizations whose employees reported high engagement had 25% to 65% less attrition than their peers (depending on whether they were traditionally low- or high-turnover organizations). They also received higher marks in productivity and customer satisfaction.
- ❖ Engagement efforts can increase performance by up to 44% in teams and 25% in individuals.²
- ❖ The 45 companies in the *Engaged Company Stock Index* (ECSI) outperformed the S&P 500 by over 22% since its creation Oct. 1, 2013, as compiled by McBassi & Company and reported by the [Enterprise Engagement Alliance](#).



But of course the question is, “How to get there?”

As noted in publications by the *Incentive Research Foundation*, businesses say “engagement is red hot” but the field lacks agreed-upon definitions and implementation strategies.

So how can your organization achieve this culture of engagement and continuous improvement? What steps should you take?”

A FUNDAMENTAL CULTURAL CHANGE - CPI²

The good news is that there is a straightforward implementation strategy for engaging people; a method for improving the work as well as the workplace, and for achieving business goals through people in a measurable way.

However, it is important to recognize that while the fore-mentioned statistics and the ECSI clearly show that companies with high levels of employee, customer and community engagement financially outperform many of the nation's biggest corporations, a surprising number of organizations have no formalized engagement strategy at all!

Or they fall prey to the misconception that “happy employees are more productive employees,” which has been disproved time-and-time-again. As it turns out, dress-down Fridays, free pizza or flex-time programs might create some short-term buzz, but the excitement doesn't last; and the impact is neither greater productivity nor higher engagement levels.

“...productive employees tend to be engaged employees.”

In fact, the opposite is the reality — that is, “productive employees tend to be engaged employees,” not the other way around.

Consider that people like to feel successful... they like to be part of a winning team... a productive team. You might also consider three important and corroborating data points that were published on *Forbes.com*:



- ❖ A happy worker is not always a productive worker, and job satisfaction yields membership but *not always productivity*.
- ❖ People differ in what they value and in what motivates them.
- ❖ While it is typically better to have higher, rather than lower, engagement scores, engagement alone is not enough. In order to improve organizational performance, engagement, motivation, and performance must be addressed separately, and must be used to make data-based changes that will drive employee retention, performance, and commitment... not “just” engagement.

This is why the over-arching theme of our approach is “engagement with a purpose,” and the key to sustainable engagement and sustainable success is to engage people around the work; to create a *culture of engagement and continuous improvement*, **thus improving both the work and the workplace.**

<ul style="list-style-type: none">❖ Boost productivity❖ Maximize quality❖ Promote involvement❖ Drive engagement	
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People are much more likely to become engaged when they feel productive... when they feel like they are achieving success and that they are an important part of the organization’s success; when they feel that they have a voice in creating a better — and yes, more

productive — workplace as well as a better future. **Productivity leads to engagement, not the other way around.**

This means we must create a culture that is based on improving all that we do (our work and our workplace) and which enables and empowers every employee at every level to make improvements through involvement and commitment — through being engaged!

Put another way: **EVERYONE IS INVOLVED IN THE CONTINUOUS IMPROVEMENT OF BOTH THE WORK and THE WORKPLACE; THEIR WORK and THEIR WORKPLACE.**

People become increasingly engaged as they improve their work and workplace — as they become more productive and experience greater levels of job satisfaction while embracing a stronger belief in a secure future... a future they are helping to build and a future in which they have a voice.

The strategy involves two key components:



- ❖ **Continuous Process Improvement (CPI)** – Attaining optimum results from your improvement effort requires an objective analysis, innovative vision and diligent execution.

This means you need a methodology to gather, synthesize and analyze data, a rigorous method of priority-setting to decide what to work on (or to gather more data on), and effective and efficient ways to study, change and improve the work processes and the workplace.

- ❖ **Continuous People Involvement (CPI)** – People at all levels must be educated, empowered and engaged so that the concept of improving both their work and their workplace becomes cultural.

This will involve identifying a clear link between individual, team and department performance and organizational goals, and helping people develop a clear sense of purpose.

In addition, leaders must create effective communication protocols to learn and understand the things that are most meaningful to employees. They must also devote the necessary time and attention to the performance management culture, and create a work environment that supports high quality and productivity. This will include:

- Helping people at all levels understand the core values and beliefs which drive behavior.
- Promoting practices that are in sync with organizational values and beliefs.
- Clearly defining roles and responsibilities, performance gaps and accountabilities.
- Helping managers develop and refine their skills and ability to coach for improved performance.
- Recognizing achievement.

Since the combination of *Continuous Process Improvement* and *Continuous People Involvement* can yield **breakthrough results**, we refer to it as **CPI²**.

This cultural model is not new; in fact it is an integral part of numerous organizations such as Toyota (The Toyota Way embeds CPI²), Ford, and other members of the ECSI.



IMPLEMENTATION

The challenges of a wholesale culture change may seem daunting at first, but in the long-run are well worth the effort; and, there is a straightforward implementation strategy.

But make no mistake; while the process for implementing and achieving a cultural change may be straightforward and simple, it is not easy. Achieving a culture of continuous improvement and engagement requires a new way of thinking, talking and acting...*every day*.

It will involve learning and applying new skills, and it will involve people at all levels. In fact, this approach is successful *because* it involves the people affected — they help define the opportunities and deliver results.

While implementation strategies will vary, here are some of the things we have seen organizations do to achieve greater levels of productivity and engagement:

- As with all change initiatives, get acceptance and buy-in from senior leaders. Little will be accomplished without this; the best results are achieved when leaders understand the benefits of engagement and take action.
- Create a formalized implementation plan and establish performance measures so that progress can be tracked. Develop realistic, achievable, and measurable goals and objectives.
- Work with the leaders so that they can model the right behaviors and cascade the concepts to their reports and throughout the organization. These behaviors include:
 - ❖ Providing timely performance feedback
 - ❖ Listening effectively
 - ❖ Amnesty
 - ❖ Running staff meetings with consistent two-way communication
 - ❖ Seeing what's good about new ideas vs. bad
 - ❖ Empowering people to take action
- Create and equip project teams to identify and quantify opportunities for improvement.
- Foster an atmosphere of collaboration, innovation, continuous improvement, and fun.
- Make sure people have the knowledge and skills needed to succeed.



- Implement an appropriate integrated communication plan, reinforcing the concept of improving both the “work and workplace.”
- Reward and recognize people so that they feel supported in their efforts.
- Measure return on investment.

NEXT STEPS

You can take the first steps toward building a high-performance culture of engagement and continuous improvement by studying and applying the information outlined above.

This effort must begin at the top of your organization. Driving productivity as a means of achieving and maintaining high-levels of workforce engagement requires visible and strong leadership; educating people at all levels so they have the necessary skills to study and improve work processes; and a consistent focus on productivity and continuous improvement — the catalysts to engagement and to sustaining a high-performance culture.

To accelerate your effort, you can contact us to schedule a situational review, during which we will:

- ❖ Conduct a preliminary analysis and assessment of your organization's current level of engagement.
- ❖ Discuss high-level goals.
- ❖ Present our four-pronged approach for implementation and how to best apply it to your organization.
- ❖ Discuss how we can help you create a formal *Engagement Around the Work* business plan outlining the desired outcomes, behaviors that lead to outcomes, key program components, roles and responsibilities, timeline, key opportunities for improvement, and return-on-investment (ROI).

¹ Klein, A.S., Masi, R.J., and Weidner, C.K. (1995), “Organization Culture, Distribution and Amount of Control, and Perceptions of Quality: An Empirical Study of Linkages,” *Group & Organization Management*, 20 (2), 122-148

² “Rewards, Recognition, and Workplace Motivation,” Harold Stolovitch, et al, University of Southern California



About the Author — Paul Donehue is a Senior Associate at [Conway Management Company](#) and the Vice President of Partner Development at [The Engagement Agency](#), a component of [Engagement Enterprises LLC](#), bringing the best engagement solutions to organizations of all types and sizes.

Conway Management Company provides consulting, education and training to enable people at all levels to work more effectively. Established in 1983 by Bill Conway, former CEO of a Fortune 500 Company, Conway Management has worked with hundreds of organizations in diverse industries such as nuclear power, supermarkets, oil and gas, local, state and federal government, food manufacturing, distribution, and more. Clients learn to eliminate waste, improve all processes and increase their organization's engagement level, competitiveness, sales and profits.



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