

EMPLOYEE ENGAGEMENT MASTERCLASS

THREE LESSONS THAT WILL TRANSFORM YOUR WORKPLACE


QUALITY OF LIFE SERVICES

INTRODUCTION

EMPLOYEE ENGAGEMENT, A GUIDING PRINCIPLE

When discussing the modern workplace one concept always enters the discussion: employee engagement. This highly buzzworthy subject is top of mind for every manager—and for good reason! Today, 85% of employees are not engaged or worse yet, actively disengaged at work. These employees are not performing at their best, and their disengagement carries a hefty price tag: Gallup estimates that this phenomenon costs the global economy roughly \$7 trillion in lost productivity.

While these figures may seem daunting, a lot can be done to turn around the global trend of low engagement. In fact, an exciting transformation is already well underway in the workplace. Human Resources is expanding beyond processes, systems and hierarchy and is instead beginning to adopt the concept of engagement as a guiding principle. During this time, companies have also begun to turn their focus towards what really drives success—their employees.



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of employees are not engaged or actively disengaged at work, costing the global economy roughly \$7 trillion in lost productivity.

LESSON 1

CREATE A PURPOSE-DRIVEN WORKPLACE

Let's take a minute and consider that today's employees spend more than half their waking hours in the workplace. They are giving a large part of their lives to the companies they work for, and they expect something in return. Beyond a fair salary, employees today are looking for real purpose and they want to contribute to the greater good. So what can companies do to ensure that employees feel genuinely satisfied?



A JOB THAT MATTERS

The first step in fostering an engaged workforce requires companies to tap into the most valuable database they have: their employees. When Dr. Ritu Anand, Senior Vice President and Deputy Head of Global HR, Tata Consultancy Services (TCS) got to know her 85% Millennial workforce, she discovered that above all, they wanted jobs that matter.

In particular, the youngest members of the workforce are emerging as powerful advocates and change agents. Sodexo's 2018 Global Workplace Trends Report revealed that Millennials feel more fulfilled when they have the opportunity to make a positive environmental and social impact. Employers need to take notice, or risk falling behind in the war for talent—nearly two out of three Millennials said they wouldn't take a job with a company that doesn't prioritize social and environmental commitments.

However, it's not just Millennials who expect more from their employers. Among Gen Z employees, 93% say that a company's impact on society affects their decision to work there. Among employees of all ages, those who find meaning in their work are not only happier but also three times more likely to stay with their organization. The benefits of a purpose-driven workplace are clear, not only when it comes to attracting talent, but also retaining employees through a meaningful and inspiring workplace experience.



Over the years I've learned to listen to the employees, especially Gen Y. They are not after anything else, but they are after making a societal impact."



DR. RITU ANAND

Senior Vice President and
Deputy Head of Global HR,
Tata Consultancy Services | India

LESSON 2

MANAGE EFFECTIVELY

Finding purpose at work is a critical part of the employee engagement equation. Even more important, however, are the interactions and interpersonal dynamics of the employee—supervisor relationship. In fact, research shows that a 70% swing in employee engagement can be directly attributed to managers. Given the key role they play, how can managers operate in a way that ignites engagement in the workplace?



TAKE A STEP BACK

“One of the keys is to let go of control and empower teams,” says David Gram, Co-founder of Diplomatic Rebels and Head of ventures, Europe at LEGO Ventures. **“The more layers of management and systems you have, the more complexity and fear of failing there will be.”** Gram’s message of empowerment is backed by research; one study found that 7 out of 10 employees consider empowerment to be an important element of their engagement. Another study revealed that empowered employees have engagement levels in the 79th percentile, whereas their disempowered colleagues only reach the 24th percentile.

Steve Jobs once had this piece of advice for managers: **“It doesn’t make sense to hire smart people and tell them what to do; we hire smart people so they can tell us what to do.”** It’s not just about having the right people in place, it’s about creating a workplace where employees feel like they can experiment, take risks, challenge authority, and support one another—all of which leads to higher engagement.



7 OUT
OF **10**

employees consider empowerment to be an important element of their engagement.

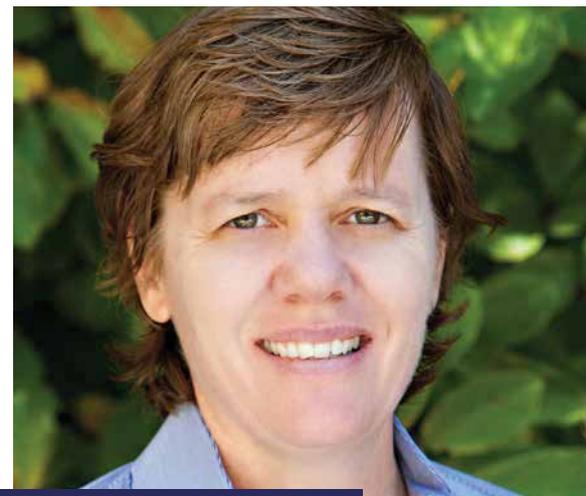
USE POSITIVE REINFORCEMENT

Frances X. Frei, Uber's former Senior Vice President of Leadership and Strategy and the woman who is often credited with "fixing" the company's culture, gives managers another tip: mind your feedback. Why the heavy emphasis on positive feedback? Because research shows that it works. In a Gallup study, 67% of employees who said their managers focus on their strengths rather than weaknesses were engaged, versus just 31% who were constantly reminded of their shortcomings. Focusing on positive reinforcement not only yields more engaged employees, but also employees who learn faster, are more productive and job hopless frequently. In one study, 7 out of 10 employees who were recognized for a job well done said they were happy with their jobs (compared to only 39% of those who didn't receive recognition).

Positive reinforcement can be incredibly straightforward, according to Mia Mends, CEO, Benefits and Rewards Services/Inspirus, Sodexo: **"It's as simple as saying thank you to your employees for the work they do."** But this simple practice goes a long way.



For every 10 bits of positive reinforcement you give, you have earned the credibility to give one bit of constructive advice."



FRANCES X. FREI

Former SVP of Leadership and Strategy,
Uber | USA



67%

Among employees whose managers focus on their strengths rather than their weaknesses, 67% are engaged.

“Positive reinforcement connects people to the work that they do and to each other,” Mendis emphasizes. **“It’s validating and it spans the entire spectrum of the employee experience.”**

BENEFITS OF FREQUENT RECOGNITION

Not only does recognition need to happen, but for employees to really feel appreciated, it needs to happen often. In fact, Globoforce released a study showing that among employees who were recognized for their work in the past month, 84% said that their bosses actively create a “human workplace.” Among employees who never received recognition, only 40% agreed with the same statement.

Recognition can also create a sense of pride and satisfaction in one’s work, according to 86% and 85% of employees, respectively. And that feel-good benefit isn’t limited to the office setting—70% of those surveyed said that the happiness they derived from being recognized at work spread into their home lives. Given that the average happy employee is 12% more productive, it’s clear why recognition matters to workers and businesses alike.



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LESSON 3

CREATE THE CULTURE

While purpose and management play an important role in fostering employee engagement, companies sometimes overlook a critical third pillar: culture. To effectively boost engagement, organizations need to create a culture that fosters constant experimentation and continuous learning, even if those experiments lead to failure. Outside of the world of Silicon Valley, that's not necessarily the case. In fact, people tend to shy away from experimentation and risk because failure is viewed as the worst possible outcome. But risk taking (when done right!) is the precursor to innovation.



PARALYZED BY A FEAR OF FAILURE

Research shows that the single biggest reason people avoid taking on more responsibility at work is the fear of being held accountable for mistakes or failures. Moreover, more than one-quarter of employees say their biggest workplace fear is making a mistake.

“When companies grow up, they stop experimenting—just like adults,” says Lego Ventures’ David Gram. **“It’s strange, because as kids we did nothing but experiment. But we’ve become afraid of misstepping or doing something that embarrasses ourselves or makes us look like a failure.”**

DESTIGMATIZING FAILURE

So, what can business leaders do to get out of this culture of fear and move into the light of innovation—and boost engagement along the way? According to Gram, a massive paradigm shift needs to occur. Today, if corporations want to solve a problem, they start by throwing lots of resources and cash at it. That investment brings steering committees, endless meetings, budget reports, and suddenly you have a project that is too big to fail.



53%

of employees would take on greater responsibility if their company supported a risk-taking culture.

Industry experts agree that breakthroughs cannot be made if a company is not willing to take on the risk of failure. For that mindset to spread throughout the company and create an engaged workforce, it has to start at the top.

A survey published by the American Management Association shows that 53% of employees would be encouraged to take on greater responsibility in the workplace if their company supported a culture where reasonable risk-taking was encouraged. Furthermore, 51% said they would be more daring if this behavior was demonstrated at the most senior level. In short, failure-tolerant leaders who, through their actions and their words, nourish a risk-taking culture will help their company move away from a culture of fear.

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Instead of these revolutions, we want an evolution; meaning small, agile pilots that get back to the ability we all have within ourselves to experiment, explore and play.”



DAVID GRAM

Co-founder of Diplomatic Rebels
and Head of ventures, Europe at
LEGO Ventures | Denmark

CONCLUSION

IT STARTS WITH RESPECT

Creating a purpose-driven workplace, learning how to manage employees effectively, and fostering a risk-tolerant culture are essential steps companies can take to improve employee engagement. And the business benefits are clear: research finds that engaged employees are 21% more productive than their disengaged counterparts.



BUT WHERE TO START?

For Mends, it's important to take a step back and remember that **“if you treat your employees well, they will be engaged and that drives performance.”** This means treating your employees with respect, which studies have found is an essential ingredient for worker satisfaction and motivation.

In fact, a global study of roughly 20,000 employees revealed that respect is the single most important element employees need to feel committed and engaged at work. Employees who felt respected by their leaders reported 56% better health and well-being, 89% greater job satisfaction, 55% higher engagement, and they were 10% more likely to stay in their job.

“We need to start talking about engagement in the context of employee experience,” says Mends. **“Because it's those everyday experiences that ultimately drive engagement. And that's what you can influence as a manager or a leader in an organization.”**



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