

Special supplement

An engaging place to work

Contents

1

An engaging place to work

Introduction by Siegfried Hoenle
and Simon Stoepfgeshoff

5

Why should anyone work here?

Rob Goffee and Gareth Jones

11

Employee engagement: the role of HR

Nick Holley

15

The power of positive leadership

Siegfried Hoenle

19

New ways to run engagement surveys

Andrew Marritt



“”

Engagement is clearly important yet companies do not seem to allow or generate it. This is why, early in 2014, EFMD formed a new Special Interest Group (SIG) called “An Engaging Place to Work”

Introduction

This special *Global Focus* supplement spotlights the growing importance of employee engagement. Siegfried Hoenle and Simon Stoepfgeshoff analyse the key issues involved.

When do we do our best work? When we love what we’re doing, contribute to something meaningful, respect our bosses and enjoy our co-workers. When things are coming together in this way it makes us go the extra mile for our employer. We’re engaged.

According to recent research, companies with higher-than-average workforce engagement are more innovative and more productive. This is why CEOs and CHROs are paying attention to employee engagement.

The reality in many companies, however, looks dire.

In their recent worldwide report, Gallup shocks us with an overall ratio of only 13% engaged employees. A further 63% of the global workforce is disengaged at work – they are sleepwalking through their days. Even more worrying, 24% are out to actively hurt their employer.

How much productivity is lost as result? For the US alone, close to \$400bn per year.

Engagement is clearly important yet companies do not seem to allow or generate it. This is why, early in 2014, EFMD formed a new Special Interest Group (SIG) called “An Engaging Place to Work”.

A group of highly reputed companies with presence around world joined the SIG: Alstom, Allianz, Baloise, Mazars, MSD, Pirelli, Raiffeisen Bank International, Repsol, Swiss Re, UBS and Unicredit.

In a collaborative effort, this SIG came up with nine recommendations for practitioners on how they could sustainably boost employee engagement:

Be clear on what you mean

Engagement is still a young concept. What it means is often blurred. Successful companies focus on what engagement really is: (a) a positive and energised work-related psychological state reflected in words like enthusiasm, energy and passion and (b) a genuine willingness to contribute to work and organisational success.

In other words, engaged employees are energised by their work and demonstrate the will to walk the extra mile for their company.

Be explicit about how it connects to the success of your business

To get engagement high on the C-level agenda, its value must be made clear. HR leaders have to articulate how employee engagement is critical to solving some of their organisation’s main problems. They must demonstrate how enhancing engagement is key to improving organisation success.

Give it teeth

Some organisations with a strong engagement tradition have integrated key performance indicators into the management of their businesses. Others chose a different currency that demonstrates the value of engagement, for example “time on C-level agendas”, “involvement of senior managers in training”, “mentioning in CEO communications”, “budget to enhance engagement” and so on.

Such investments show that engagement is actively and strategically managed and not just delegated to HR.

Special supplement

“”

Companies need to develop a broader set of tools to work on [engagement]. Examples shared in the SIG were manager dialogue sessions with groups of employees or global, multi-day on-line jam sessions

Keep it simple and make it fast

Once an organisation defines what engagement means, it needs to find a simple efficient way to measure it. Companies with advanced engagement practices limit the use of slow-moving and generic worldwide surveys to a minimum.

Instead, short, customised and area-specific surveys are applied to support laser-sharp deep dives into certain fields. Such “pulse surveys” generate just-in-time results that enable immediate management action.

Go beyond “the survey” – use a multitude of methods

All too often, employee engagement in companies is reduced to “running the survey” and interpreting the results. In reality it should not be about the survey; it should be about how engaged employees go about their work and how an organisation’s leadership and culture enable such engagement.

Companies need to develop a broader set of tools to work on the subject. Examples shared in the SIG were manager dialogue sessions with groups of employees or global, multi-day on-line jam sessions.

Let the business drive it

Companies that delegate employee engagement to HR have lost the battle. The most advanced companies have turned employee engagement into their competitive advantage. For them, management’s primary task is to inspire employee engagement. Everything else, like innovation, productivity, customer satisfaction and, finally, profits, automatically unfolds from there.

13%

A recent Gallup report revealed an overall ratio of only 13% engaged employees. A further 63% of the global workforce is disengaged at work – they are sleepwalking through their days. Even more worrying, 24% are out to actively hurt their employer



It’s the leadership, stupid

Leaders have a disproportionately high impact on the quality of the environment employees work in. They can focus on the strengths or on the weaknesses of their employees, offer meaning and purpose, or solely care for the numbers. Or not care altogether. They can be genuine human beings or hide behind the masks of status and power. They can walk the talk or act disingenuously.

The leadership behaviour they chose makes a huge difference in the level of their employees’ engagement.

It’s not “one-size-fits-all”

The weakness of many engagement action plans is rooted in the fact that what engages one group of employees does not necessarily engage the next. For example, it may be that women feel less empowered on average globally but still more empowered than men in certain locations. So a global gender-focused empowerment programme would be the wrong medicine.

When management addresses engagement results it is essential to dig deep before launching large-scale initiatives.





“ ”

Creating great places to work is one of the most important leadership tasks. Top talents do not want to work for stale bureaucracies

Significance

Employee engagement is gaining in importance. The HR department’s strategic relevance and success will be largely measured by what it contributes to creating engaging places to work. Nick Holley discusses how HR can help find the right answers to meet these expectations (page 11).

Technology

Big Data technology will enable companies to make more sense of extant data and short-pulse surveys may help follow-up. New IT capabilities, such as aggregating and analysing open-text data, visualisation or automated pattern spotting, will make surveys leaner, quicker and cheaper.

In a few years, the classic annual survey will likely be replaced entirely. Andrew Merritt explains how this may happen (page 19).

Leadership

Creating great places to work is one of the most important leadership tasks. Top talents do not want to work for stale bureaucracies. In addition, given the exponential pace of change around us, the speed of problem solving in steep hierarchies is already too slow.

Rob Goffee and Gareth Jones (page 5) present their research on what it takes to build an organisation talented people want to work for while Siegfried Hoenle (page 15) explains how “positive leadership” allows followers to flourish.

We hope you find our special *Global Focus* issue engaging.

gf

ABOUT THE AUTHORS

Siegfried Hoenle is a leadership educator, coach and consultant, senior advisor to EFMD and co-facilitator of the EFMD Special Interest Group “An Engaging Place to Work”.

Simon Stoepfgeshoff is Director of Corporate Programs at the University of St Gallen and co-facilitator of the EFMD Special Interest Group “An Engaging Place to Work”.



Involve and communicate: make positive change everyone’s reality

When a company acts to increase engagement, only a part of the positive impact comes from the action itself. The rest of the positive impact comes from the sheer fact that management is addressing the issue. Employees get the message: “we listen to you and take you seriously”. Caring for employee feedback goes a long way, so skilful communication alongside the effort is key.

So where does engagement go from here? In our SIG, we identified three main trends that are shaping the future of engagement. For each of them leading thinkers have contributed their thoughts to this special supplement of *Global Focus*: