Special supplement

global focus

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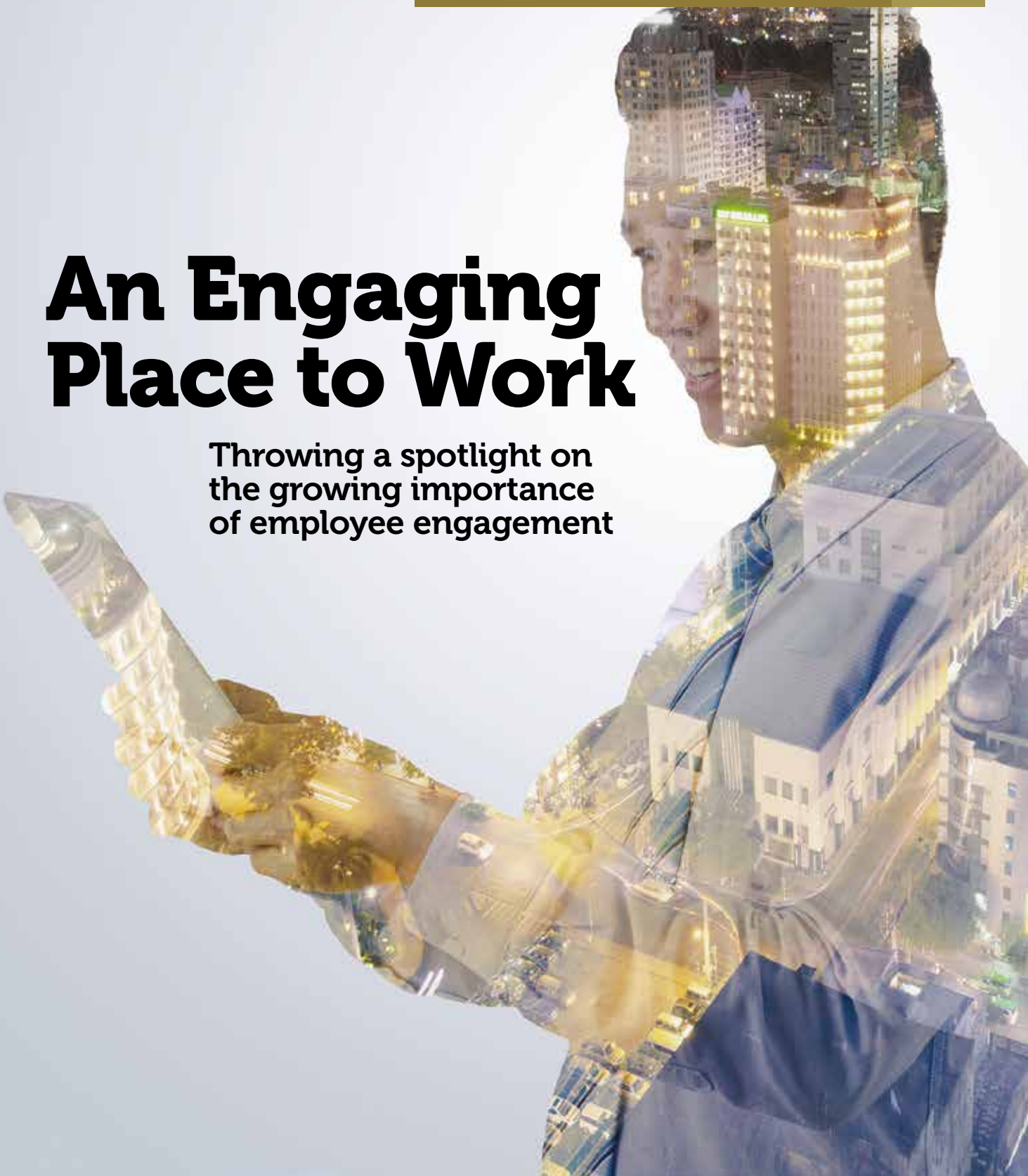
An Engaging Place to Work

Throwing a spotlight on the growing importance of employee engagement



Special supplement

An engaging place to work

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> *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.

> *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*

13%

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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.

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.

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*:

> *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.

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Why should anyone work here?

Rob Goffee and Gareth Jones seek to provide an answer.

The issue of employee engagement – broadly conceived – has been the focus of attention for many of those whose major concern is management and leadership development.

Indeed, driving up scores for engagement has become a kind of corporate obsession. Our latest research, published in a book *'Why should anyone work here?' What it takes to create an authentic organisation* (Harvard Business Press 2015), takes a rather different perspective on the issue of engagement.

Some years back we published a book on leadership with a challenging title: *Why should anyone be led by you?* In it we argued that authenticity is a necessary condition for the exercise of effective leadership – and we urged current and aspiring leaders to "be themselves – more – with skill".

The message has resonated broadly. But over the years since we published that book, we have often heard this response to its framing question – "I will be an authentic leader when my organisation is authentic."

So more recently we have been investigating the characteristics of organisations that allow and encourage us to be our best selves. Or put differently: How do you build the best workplace on earth?

Why should anyone work here?

Over the years academics, consultants and practitioners have attempted different answers to this question. They have referred variously to distinctive corporate cultures; to track records of high performance; or – more recently – to

"Recently we have been investigating the characteristics of organisations that allow and encourage us to be our best selves. Or put differently: How do you build the best workplace on earth?

distinctive "employer brands" to explain what draws people in and produces their best work.

But depressingly low rates of employee engagement all over the world remind us that there are scarcely grounds for complacency.

However our new research does not focus exclusively on the sources of disengagement and dysfunction. Rather, we explore people's positive visions for organisations and how they are attempting to make these a reality. Although individual views vary widely, of course, we found that the responses grouped naturally around six broad imperatives, which just happen to form a handy mnemonic:

- **Difference:** "I want to work in a place where I can be myself, where I can express the ways in which I'm different and how I see things differently"
- **Radical Honesty:** "I want to know what's really going on"
- **Extra Value:** "I want to work in an organisation that magnifies my strengths and adds extra value for me and my personal development"
- **Authenticity:** "I want to work in an organisation I'm proud of; one that truly stands for something"
- **Meaning:** "I want my day-to-day work to be meaningful"
- **Simple Rules:** "I do not want to be hindered by stupid rules or rules that apply to some people but not others"

These attributes can often run counter to traditional practices and habits in companies and they are not easy and simple to realise or implement. Some conflict with one another. Almost all require leaders to carefully balance

competing interests and to rethink how they allocate their time and attention.

Of course, few if any organisations possess all six virtues—and even if they did, it would be quite a feat for them to excel at all six.

On the surface, the DREAMS qualities or imperatives may seem obvious. After all, who would want to work in the opposite kind of place—an organisation where conformity is enforced, where employees are the last to know the truth, where people feel exploited rather than enriched, where values change with the seasons, where work is alienating and stressful, and where a miasma of bureaucratic rules limits human creativity and effectiveness?

And yet we find that very few organisations fully illustrate even half of the qualities of this ideal workplace. Why? Our research indicates that when companies do try to tackle these issues, they often do so superficially. They apply Band-Aids to problems when they arise and seem unprepared to address some fundamental underlying issues, which loom large indeed.

Building the organisation of your dreams

Let's begin with *Difference*. We recently worked with an organisation that had produced a 142-page booklet called *Managing Diversity*. (We wonder how many people will actually read it.) And yet in all those pages the crucial argument that creativity (a key index of performance) increases with diversity and declines with conformity is never really made.

For many organisations, accommodating differences translates into this concern with "diversity," usually defined according to the traditional categories such as gender, race, age and religion.

These are, of course, of tremendous importance but the executives in our research were after something subtler and harder to achieve – an organisation that can accommodate differences in perspective, habits of mind, core assumptions and worldviews – and go beyond accommodation to create a place where difference is celebrated and even leveraged to add value.

The consulting engineers Arup are a shining example that shows if you get difference right you are rewarded with higher levels of commitment, innovation and creativity.

> *Organisations are increasingly recognising the importance of communications – both internally and to wider stakeholders. For example, we now find communications professionals at or near the summit of organisations*

What about Radical Honesty?

Organisations are increasingly recognising the importance of communications – both internally and to wider stakeholders. For example, we now find communications professionals at or near the summit of organisations.

This is a step in the right direction. We have learned that reputational capital is becoming more and more important for high performance even as that capital becomes increasingly fragile.

Arthur Andersen was destroyed in a month in the wake of the Enron scandal. More recently, iconic firms such as Apple, Nike and Amazon have come under critical scrutiny for their employment practices.

And yet the growth of the communications profession is actually more evidence that companies are taking a superficial approach to disseminating the critical information that people need to do their jobs.

Why? Because so many communications professionals remain stubbornly connected to an old-world mindset in which information is power and spin is their key skill. Sure information is power; but companies no longer have control of it.

In a world of WikiLeaks, whistle blowing and freedom of information, their imperative should

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Being part of a group makes sense – McDonald's UK finds it profitable to train the equivalent of six full classes of students every week to attain formal qualifications in maths and English, surely other companies can do more

be to tell the truth before someone else does. When you do you will begin to build long-standing organisational trust – both inside and outside your organisation.

The pharma company Novo Nordisk is a shining example of how to proactively share information with all stakeholders.

How can organisations create Extra Value*?*

Elite organisations and professions –the McKinseys, Johns Hopkins Hospitals, and PwCs of this world –have been in the business of making great people even better for a long time now. Part of their pact with employees is: "Join us and we will develop you".

Unfortunately, they deal with only a tiny proportion of the workforce. What about the rest of us? Our research shows that high performance arises when individuals all over the organisation feel they can grow through their work—adding value as the organisation adds value to them. That means the administrative assistants and cashiers, as well as the executives and the shift managers.

This is not impossible. If a company like McDonald's UK finds it profitable to train the equivalent of six full classes of students every week to attain formal qualifications in maths and English, surely other companies can do more.

What does it mean for an organisation to be Authentic*?*

This is a big question. We have developed three markers of authenticity.

- First, a company's identity is consistently rooted in its history.
- Second, employees demonstrate the values the company espouses.
- Third, company leaders are themselves authentic.

Where this happens – as at the US-based mutual New York Life – employees enjoy a sense of purpose, pride in what they do and higher levels of trust.

This is clearly not simple to achieve. Sadly, rather than rise to the challenge, in many organisations the task of building authenticity has collapsed into the industry of mission-statement writing. Some of the people we interviewed despaired that their company's mission statement had been rewritten for the fourth time in three years! Not surprisingly, this produces not high performance but deep-rooted cynicism.

The search for *Meaning* in work is not new. There are libraries full of research on how jobs may produce a sense of meaning – and how they can be redesigned in ways that produce "engagement."

How to derive Meaning *from work?*

But meaning in work is derived from a wider set of issues than those narrowly related to individual occupations. It also emerges from what we have called the three C's – connections, community and cause.

Employees need to know how their work connects to others' work (and here, too often, silos get in the way). They need a workplace that promotes a sense of belonging (which is increasingly difficult in a mobile world). And they need to know how their work contributes to a longer-term goal (problematic, when shareholders demand quarterly reporting).

If these deeper issues are not addressed, faddish efforts at increasing engagement will have only fleeting effects. The BMW engineer knows why he or she is going to work – to build the ultimate driving machine. Do you have similar motivational clarity?

Work is a defining human characteristic – creating great work places increases human happiness and helps build great societies

***Rules: how to keep them* Simple?**

Finally, the truly authentic organisation has *Simple Rules* that are widely agreed-upon in the company.

Many organisations display a form of rule accretion, where one set of bureaucratic instructions begets another, which seeks to address the problems created by the first set.

In response to this, organisations have attempted a kind of radical delayering. This at least attempts to address the problem of losing good ideas and initiatives in a byzantine hierarchical structure. But that, too, is only a superficial fix. The ideal company is not a company without rules. It is a company with clear rules that make sense to the people who follow them, and remains ever vigilant about maintaining that clarity and simplicity. This is a much larger challenge with a far greater pay-off.

Netflix, for example, is rightly applauded for its discipline in keeping its human resource practices as simple as possible.

Good rules maximise discretion, which, in turn, facilitates problem solving. They unleash initiative rather than suppress it.

The way forward

So, we are optimistic but not starry eyed. The challenges are huge.

There will always be reasons *not* to act; to push the pursuit of "dreams" down the list of priorities. The logic of capitalism is inevitable – so expect everything from disruptive new entrants and game-changing technologies to cheaper alternatives and pressures on costs.

But, crucially, this is not a matter of either/or. Building better workplaces is not an alternative to, rather a means for, responding to the new challenges of capitalism; for building productivity, unleashing creativity and winning.

It is rather even more than this. Work is a defining human characteristic – creating great work places increases human happiness and helps build great societies.

None of the organisations we cite above and in our new book are completely there – but they are alert to the challenge and doing well on one or two dimensions of the dreams organisation. None of them have it all sorted but they are constantly striving for and trying to live the ideal.

Whichever organisation you are part of – and wherever you are within it – our aim is to inspire you to create a positive answer to a difficult question: Why should anyone work here?

ABOUT THE AUTHORS

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CLIP

Quality Improvement in Corporate Learning Organisations

www.efmd.org/CLIP

Companies are under ever greater pressure to manage their learning and people development processes strategically.

To meet these challenges, the learning and training function in many firms has been enhanced to give it a central strategic role in the form of Corporate Universities, Corporate Business Schools, Academies, Management Institutes, among others.

EFMD's Corporate Learning Improvement Process has been created to provide sophisticated means of assessment in order to measure their effectiveness and justify the investments made.

CLIP seeks to identify the key factors that determine quality in the design and functioning of corporate learning organisations.

CLIP is a service for EFMD members. The CLIP scheme is monitored by a Steering Committee made up of leading professionals in the field, including Chief Learning Officers from major companies, with input from Executive Education specialists from major International Business Schools.

Challenging experiences like the Peer Review support our continuous drive for excellence. Getting solid and constructive feedback from peers is a great alternative to external consulting and the whole CLIP process has been of immense value to the Leadership Academy.

DANIEL KÖNIG
FORMER HEAD LEADERSHIP ACADEMY, SWISS RE

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Special supplement

Employee engagement: the role of HR

Employee engagement has become a sacred cow of HR, one of the things it does to help the business. The danger is, says Nick Holley, that in many organisations it has become a 'solution looking for a problem'

While a lot of the evidence suggests there is a correlation between employee engagement and firm performance, some research[1] suggests that engagement does not drive firm performance, rather firm performance drives engagement. People are proud to work for a successful firm because a successful firm provides greater job stability, career opportunities, funding for development and so on.

So we need to start with a more sceptical view of employee engagement.

The "why" and the "how" of focusing on engagement

I would not argue that you should stop trying to enhance employee engagement, especially if the focus is on engagement rather than woollier concepts such as employee opinion or satisfaction. We need to focus on a tighter, more outcome-focused definition of employee engagement that covers three aspects:

- **Cognitive:** a positive mind set, thinking about the job, knowing what needs to be done, a belief in the task
- **Emotional:** energy, enthusiasm, passion for the job, a sense of pride and ownership.
- **Behavioural:** putting in effort and not being aware of the effort you're putting in

All three elements have a link to performance so spending time on engagement can be a value-added activity for HR. However, from supporting numerous large organisations with their employee

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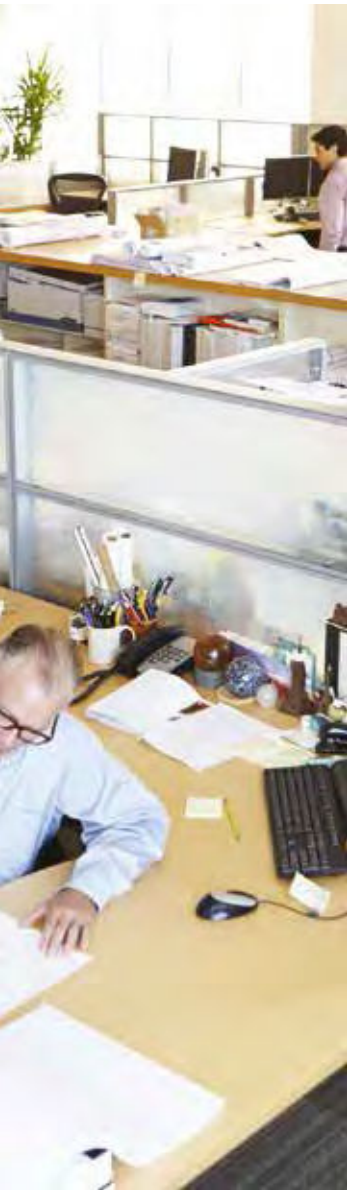
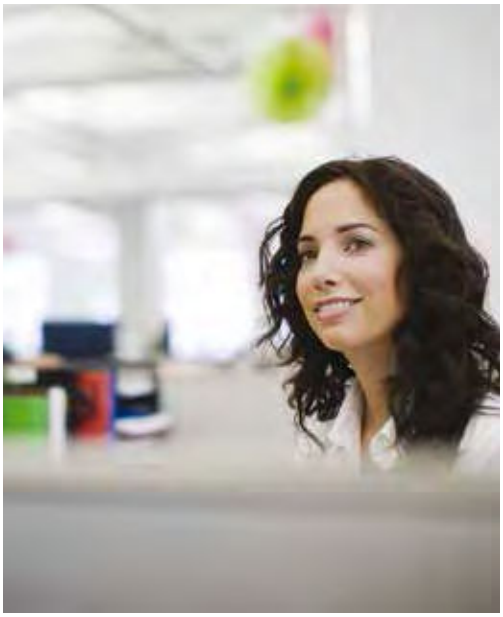




engagement efforts, I found that it is essential to challenge the '"why" and "how".

In thinking about the "why", HR's role is not to engage employees but to enhance organisational performance. So we should focus where the data shows employee engagement drives higher individual and overall performance in an organisation.

It is not enough to use generic research, often created by vendors with an angle, to justify investments in employee engagement. This is no basis to convince the leaders of an organisation.

It is likely that they will shoot down the idea or seemingly play along while quietly going about their own business. However, if they do not actively support it we are wasting our time as their role modelling will change behaviour quicker than anything HR does. If they will not do it we have three choices as an HR leader:

- Do something else and stop whining about them not supporting our initiative
- Try to persuade them based on a deep data-driven understanding of why employee engagement will make a difference to performance specifically in our organisation
- Quit and go somewhere where leaders get it

In thinking about the "how", my research[2] suggests that carrying out expensive and time-consuming organisation-wide employee engagement surveys is a "spray and pray" approach that produces meaningless data at too high a level, which most organisations fail to action effectively. In my interviews I found several issues with surveys:

- **Post-event rationalisation:** manipulation of the numbers to achieve a desired outcome especially when linked to reward
- **A huge focus on action planning but no action:** the real key is follow through
- **Paralysis by analysis:** so much time is spent slicing and dicing the data that we lose track of why we are doing it
- **Only asking the questions we are comfortable with:** as a result the real issues that are driving engagement are not surfaced.

Done this way, it is a waste of time at best. At worst, it disengages people as they lose trust in the process and the intention behind it, especially when they compare the outcomes to the time and money spent on the process.

HR's levers to enhance engagement

However, there are ways to make HR's role in engagement impactful.

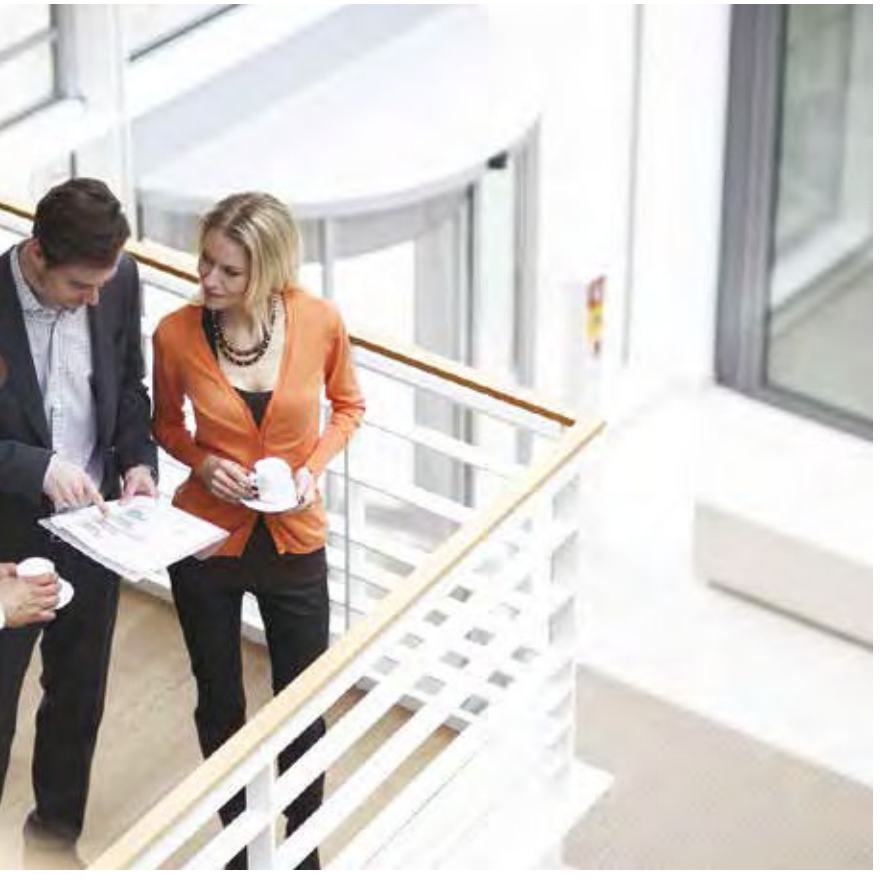
First, an HR leader should identify areas of an organisation that are material to overall performance (whether that is financial performance, patient safety and wellbeing or whatever metric is meaningful) and where the data suggest employee engagement drives this performance and focus efforts there.

Second, we need to focus on what drives engagement. My research[3] suggests that there are four main factors:

- Individuals' natural levels of engagement – some people are simply more engaged than others. So assess this natural engagement when recruiting
- Engagement with the organisation – in my work with charities, supranational entities and many public-sector organisations employees are deeply engaged with the organisation's purpose. I would question, however, whether increasing shareholder value really engages people
- Engagement with the job – some people are engaged with the pleasure or the intrinsic reward of doing a great job. This is often the case in craft industries or tech companies where "geeks" are fascinated with the detail of their task
- Engagement with the manager – this was the clearest result and key finding – the manager is the key driver of engagement. As the saying goes, people leave their manager not their job. I found that managers who engage take a genuine interest in each individual in their team and engage them in a way that is relevant to them. They are honest and authentic. They give direction but allow people to get on with the job. They do not micromanage. They adjust their style to the needs of each member of their team. Engagement for them isn't a task or an HR initiative, it is a way of managing

Therefore HR needs to work at a manager level, looking at recent advances in cognitive psychology, organisational behaviour and neuroscience to understand the impact managers have on engagement at an individual level.

> *Engagement happens at a manager level so HR leaders need to get out of their office and spend time in the business understanding where to focus their efforts and working with key managers rather than designing yet another meaningless organisational initiative*



What HR should do

This brings us back to our title: what does this mean for HR?

Focus less on creating massive firm-wide surveys and more on working with key managers to help them engage their employees. Focus where this will make a material difference to organisational performance.

If managers are doing it well but not doing it our way let them get on with it. If they are not, understand why. If it's a lack of competence provide real-time coaching (perhaps from their peers who are doing it well) to help them do it better. If they lack the confidence then sit with them and help them understand the barriers and how to overcome them.

If it is a lack of commitment understand why and challenge them to recognise that this is a core part of their job. Ultimately, this might mean they will never be engaging managers. If their technical skills or customer relationships are still critical it might be best to create roles for them that do not involve them managing people.

So what's the overall message?

Engagement happens at a manager level so HR leaders need to get out of their office and spend time in the business understanding where to focus their efforts and working with key managers rather than designing yet another meaningless organisational initiative.

Centres of excellence and firm-wide initiatives will not do the trick. HR will only have a sustainable positive impact on employee engagement where HR business partners operate at the front line, physically in the business, rather than sit in an HR office.

FOOTNOTES

1. *Which Comes First: Employee Attitudes or Organizational Financial and Market Performance? Benjamin Schneider, Paul J Hanges, D Brent Smith, and Amy Nicole Salvaggio Journal of Applied Psychology 2003, Vol. 88, No. 5, 836 – 851*
2. *http://www.henley.ac.uk/web/FILES/corporate/ci-Henley_Centre_HR_Employee_Engagement_Report_March_2007.pdf*
3. *http://www.henley.ac.uk/web/FILES/corporate/ci-Henley_Centre_HR_Employee_Engagement_Research_Phase_2_May_2008.pdf*

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Special supplement

The power of positive leadership

> *To boost their employees' engagement, leaders have to help their people play to their strengths and find purpose at work. Positive leaders drill for strengths and make meaning*

Whether directly through personal interaction or indirectly through their decisions, leaders shape the quality of a workplace. Siegfried Hoenle describes how leaders can act to boost employee engagement.

Considering research results across organisations worldwide, leaders do not seem to deliver on engagement[1]. The levels of disengagement are high, harming the productivity and creativity of the workforce. What can leaders do differently to address this alarming state?

Positive psychology – a new pair of lenses

Unfortunately, leadership cannot be "fixed" by applying a new technique. No programme, policy or project will do the trick. What leaders need is a new set of lenses through which to look at leadership – and re-wire it.

Positive psychology offers that new set of lenses. The research in this field searches for the keys to human flourishing. The aim is to find out what ingredients a life requires in order to be rich and fulfilled. Martin Seligman, one of the founding fathers of positive psychology[2], has found two concepts central to it:

Strengths are underlying personal qualities that energise us, contribute to our growth and lead to peak performance. When we tap into these sources of energy, we can reach full immersion in our task at hand, a state Hungarian Psychologist Mihaly Csikszentmihalyi calls "Flow"[3].

Meaning is what gives purpose to our existence and to what we do. We gain happiness from our actions when they are based on choices that make sense to us.

Many definitions of employee engagement include energy and meaning. Accordingly, employees are engaged when they are energised by work and show a genuine willingness to go the extra mile.

What does this mean for leadership? To boost their employees' engagement, leaders have to help their people play to their strengths and find purpose at work. Positive leaders drill for strengths and make meaning.

Drilling for strengths – mining for passion and energy

Positive leaders look for strengths instead of relentlessly focusing on deficits and gaps. They help employees leverage their passions and perform at their peak. In practice, they take three steps (remember these steps with the acronym ACT: **A**ssess, **C**hallenge & Support, **T**eam Design):

1 Assess

Positive leaders are curious about the people they work with. They care about more than skills, knowledge and professional experience. They believe that energy trumps everything else; they want to understand what makes their followers tick. Where employees have a passion is where they have the largest potential to perform, learn and grow. Positive leaders know that positive energy unlocks human potential and, therefore, engagement at work.

2. Challenge and support

Positive leaders challenge their followers to work in their areas of energy. They do not merely fill "gaps" revealed by a competency model. They help their followers maximise the advantages of their strengths. They challenge employees in two

ways: first, to use their strengths to tackle problems they have not tackled before; and second, to achieve true mastery in their areas of strengths. Along the way, in addition to the challenge, they coach them, providing support.

3. Team design

Positive leaders recognise that beyond leveraging individuals' strengths, they need to leverage team strengths. Team strengths depend on how each team member's strengths interact with other team members' strengths. This interaction influences how well the team performs as a group. Positive leaders leverage the full diversity in their teams. They ask questions like:

- *Do we have a critical mass of individuals in our development team who are courageous enough to go against the grain?*
- *Is our production team sufficiently passionate about the critical detail?*
- *Do the strategic thinkers in our management team hear the single voice of pragmatism?*

Making meaning – if not the leader, then who?

Especially in large corporations, employees often perceive their work as "meaningless". Opaque decision making, political agendas, a fragmented value chain, bureaucracy – all these devalue what employees perceive as the actual, often-invigorating purpose of work. Consequently, positive leaders need to offer meaning to their followers – no one else will! There are various sources of meaning; here, we focus on four that are particularly relevant to the workplace[4]:

Personal values

At work, people want to uphold their values. Workplaces that subtly require employees to compromise their basic moral standards destroy their identification with work and employer. Often, such organisations have a dysfunctional culture that can open the door to misconduct or even criminal behaviour. Leaders who evince clear values in their words and actions help employees connect with their work and experience a sense of purpose.

> *"Especially in large corporations, employees often perceive their work as "meaningless". Opaque decision making, political agendas, a fragmented value chain, bureaucracy – all these devalue what employees perceive as the actual, often-invigorating purpose of work*

Community

Since the early days of evolution, human beings have been hyper-social animals. The group we belong to gives us the safety we miss when we are on our own. The members of a cohesive community have each other's backs; they are there when an individual needs help. The good of the group takes priority over selfish motives because it promises future benefits to the individual.

Being part of a group makes sense. Research conducted by Gallup shows that people who have a best friend at work are seven times more likely to be engaged. Positive leaders know this. They emphasise the team over individuals, reducing internal competition for the benefit of mutual support and collaboration.

Positive impact on others

Giving makes us happier than receiving. Seeing the positive impact we make on somebody else's life gives our actions meaning.

Adam Grant's research at Wharton Business School in the US underlined this impressively[5].

He conducted a series of experiments with university call centres, which are tasked with raising scholarship funds. He looked at different ways to motivate the call centre agents.

In one trial he brought in a student who personally thanked the entire group of agents for changing his life by raising the funds for his scholarship. In the following month, the call centre employees up to doubled their calls and increased their revenues by up to 400%.

Positive leaders work with this powerful source of meaning. They enable their followers to feel helpful to others, be it clients, colleagues or the general public.

400%

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x7

Being part of a group makes sense – research conducted by Gallup shows that people who have a best friend at work are seven times more likely to be engaged

Leaving a mark

Meaning is about having an impact on the world that transcends our own short existence. We want to be part of something that still influences the world when we are no longer here. We want a glimpse of immortality; we care about how we will be remembered. Positive leaders know this and they help their followers to feel significant. They stress the importance of the shared mission and the criticality of every team members' contribution.

Conclusion

Positive leadership goes beyond leveraging strengths and making meaning. But the practices suggested in this article are a start. For employees and organisations, the potential benefits of positive leadership are huge. Leaders who engage their employees help them flourish in life. And for their companies they boost productivity, creativity and financial returns.

> *We want a glimpse of immortality; we care about how we will be remembered. Positive leaders know this and they help their followers to feel significant. They stress the importance of the shared mission and the criticality of every team members' contribution*

FOOTNOTES

1. *Gallup State of Global Workplace Report 2013*
2. *Martin Seligman (2002): Authentic Happiness. New York: Atria.*
3. *Mihaly Csikszentmihalyi (1990). Flow. New York: Harper Collins*
4. *Kim Cameron (2008). Positive Leadership. San Francisco: Berret-Koehler.*
5. *Adam Grant (2011). How Customers Can Rally Your Troops.* Harvard Business Review, *June 2011.*

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Special supplement

New ways to run engagement surveys

Andrew Marritt describes the growing use of innovative technology to measure employee engagement.

"A new market has emerged: Employee feedback apps for the corporate marketplace. These tools are powerful and disruptive, and they have the potential to redefine how we manage our organisations." Josh Bersin, *Forbes*, August 26 2015.

The measurement of employee engagement is changing. Businesses have been measuring engagement for several decades and the market is currently estimated to be worth $1bn per annum yet most reports suggest that engagement is trending flat if not actually decreasing. Something is obviously not working.

There are many reasons businesses are growing frustrated with current methods. Slow, expensive and resource-intensive are some of the more commonly heard. In many businesses the only internal things that are now measured on an annual cycle are engagement and performance management – both run by HR. In both cases, business leaders are demanding better results and more real-time insight.

Today many firms are capturing an "always-on" stream of customer data from a wide variety of channels from short surveys to social media. Here, the emphasis has switched to continual listening, rapid resolution and bringing deep insights of customer needs into everything from product development to service provision.

Many of the trends observable in engagement measurement can in fact be viewed as an application of a "voice of the customer philosophy" by employees. At the same time there is a shift in the demand side to run surveys differently. We are also seeing a shift in supply caused by technology. These technology changes can be classified into four categories:

Automation

Technology-led automation is something that is happening across society and it should be no surprise that it is also surfacing in engagement measurement.

Firms are automating the parts of the engagement measurement and analysis process that before was typically done by analysts. It started with relatively simple report automation: the production of thousands of template-based pdf reports moments after a survey closed. While this might, and should, have been utilised by firms for some time to increase their margins, now most of the new entrants are using automation to reduce prices and complexity radically. The new business models are disruptive.

Real-time reporting via dashboards is becoming the norm. We are seeing a shift from the multi-page result presentation to one-page infographic-style reports. Ultimately there is a shift from seeing the provision of a large numbers of individual reports as complexity to seeing it as a commodity solution.

Mobile and user interface changes

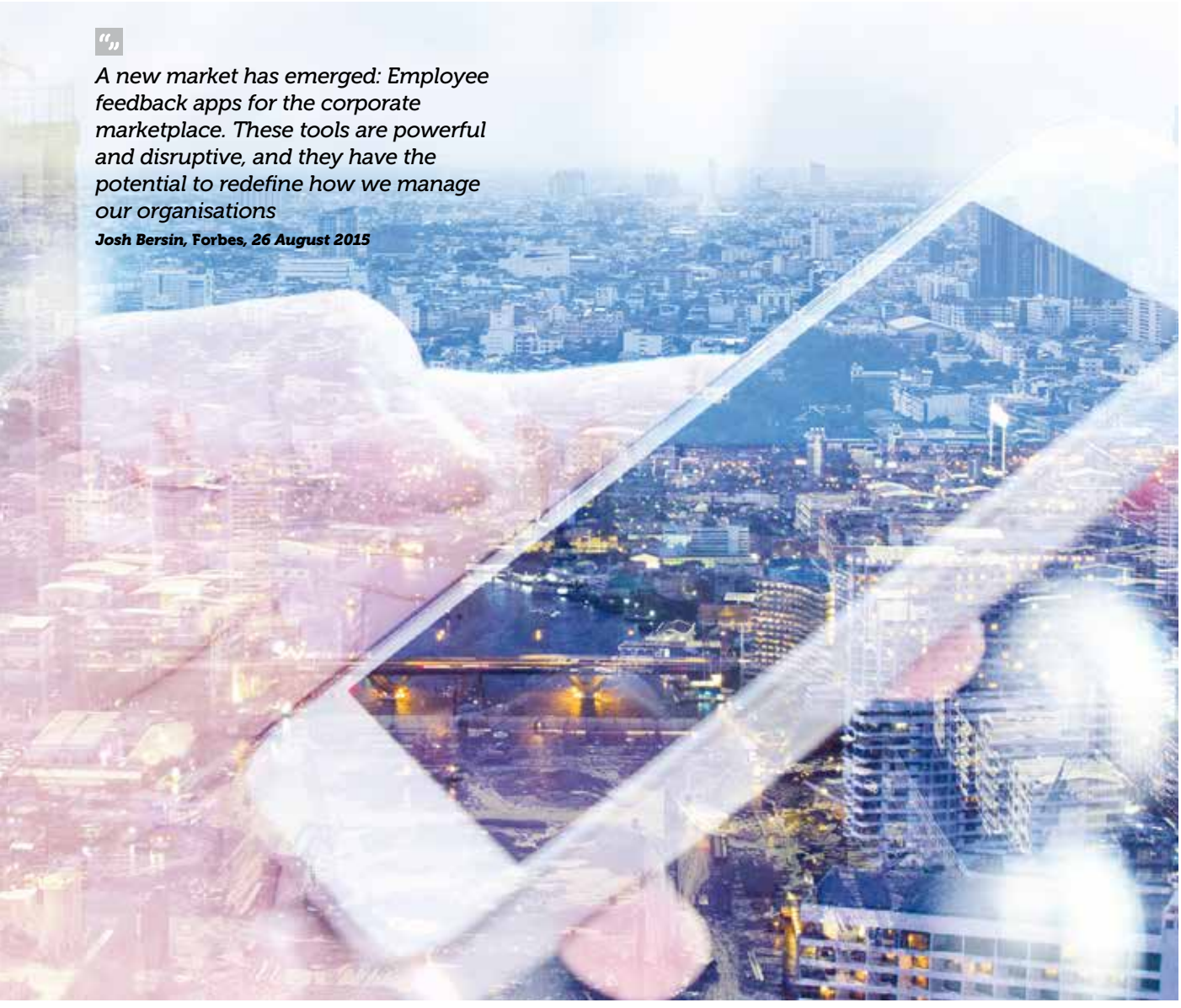
The second technology-led shift has to do with the way that employees are able to take surveys.

Mobile has become the dominant channel for employees to take surveys. We see respondents taking surveys just before the work day, during lunchtime and even in the evening. They're interacting on the edges of their days and grabbing a mobile device to do it.

Consumer web technologies have changed

$1bn

The measurement of employee engagement is changing. Businesses have been measuring engagement for several decades and the market is currently estimated to be worth $1bn per annum



A new market has emerged: Employee feedback apps for the corporate marketplace. These tools are powerful and disruptive, and they have the potential to redefine how we manage our organisations

Josh Bersin*, Forbes, *26 August 2015

the way we expect to interact with our devices and engagement surveys cannot escape this trend.

Many of the question types used were the same as we used on paper but digitalised. Digital-only surveys are not bound by these constraints. In a world where people expect to touch, slide and scroll through long-form sites, survey interfaces need to adapt to become more user-friendly.

Big data technology

The majority of the new entrants are focusing on the previous two technologies. While this is right for medium-sized businesses, larger companies and organisations typically have a set of needs that extend these simple cases.

Whereas employee survey data has historically been treated as an island – analysed in the context of the perception of data or a predefined limited set of demographic information – survey data can now be used to give critical insight into the reasons why.

To do this type of analysis requires that the survey data can be linked on an individual basis to both an extended set of demographic data, and to behaviour data, either from HR or business systems.

In addition to the ability to handle large data sets, analysts are increasingly using non-table data structures to better answer questions. One alternative that offers great potential is so-called "graph databases", where data is stored in a network. Such data structures allow us to ask very different questions.

With network data we can more easily answer questions not only about the individual employees but also the relationships between the employees. We see early promise in a network perspective where we look at contagion of engagement –how changes in employee engagement can spread across an organisation.

"Whereas employee survey data has historically been treated as an island – analysed in the context of the perception of data or a predefined limited set of demographic information – survey data can now be used to give critical insight into the reasons why

"Historically it has often been acknowledged that open text is the most valuable part of a survey, however it's been very difficult and resource-consuming to deal with it at scale. Text analytics can solve this problem and therefore provide new opportunities to capture this richer form of information

Machine learning

The final technology trend that is starting to disrupt the engagement survey world is the application of machine learning – the use of algorithms to search for and learn patterns in large quantities of data. Machine learning is also the basis of much so-called "predictive analytics".

With employee survey data we are seeing great success with three applications of machine learning: using text analytics to make sense of vast amounts of open text answers; using pattern-spotting techniques to make probabilistic assessments of which populations are most likely to raise certain topics; and to use survey data to answer business questions.

Historically it has often been acknowledged that open text is the most valuable part of a survey, however it's been very difficult and resource-consuming to deal with it at scale. Text analytics can solve this problem and therefore provide new opportunities to capture this richer form of information.

Experience shows that with these techniques it is possible to analyse open text responses in almost any language, to categorise a comment against a continually evolving set of categories and score against things such as sentiment and to do so in near real time. With this capability it is possible to radically rethink how and what kind of data is captured.

The second use of machine learning is to identify groups most likely to be discussing certain topics.

For example, you might discover that those talking about a shortage of career development opportunities are much more likely to be women and/or Generation Y-ers who are in the upper-performance grades.

Finally, survey data is increasingly important to answer strategically important business questions that involve the workforce.

For example, you might link the survey data to sales data from a CRM system to try and optimise sales performance. In some cases it is possible to use existing survey data. In others surveys need to be used to collect new data.

The quote at the head of this article cites tools that are powerful and disruptive, that change the way we manage and lead our organisations. Used well, this kind of technology can be an organisational learning tool, deployed in a wide variety of applications far beyond the traditional engagement survey.

So with all these opportunities, where to get started?

It is advisable to do four things:

1) be open with your employees about how their data is being used and how the new approaches do not need to mean lower levels of confidentiality

2) pilot some approaches with new use cases or in discrete populations

3) consider these pilots as initially supplementing existing work until you are ready to use a more innovative approach

4) consider how to prepare your organisation to respond quickly to ongoing, real-time feedback.

The overall goal of "employee listening is the same as the "voice of the customer": provide insight that drives revenue opportunities while enriching the employee experience.

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