



THE POWER OF THE PEACH

EFFECTIVE EMPLOYEE ENGAGEMENT

By John Smythe

In HR corridors of late, 'employee engagement' has become something close to nirvana. To have staff who are truly engaged, though, this must be more than a goal - it has to be incorporated into the ethos of the organisation.

With supportive comments from Criticaleye Members, John Smythe of Engage for Change gives his tips for truly engaging employees to benefit the bottom line. This article highlights some of the practical actions organisations can do to reap the commercial and cultural benefits of employee engagement done well.

“Tell me and I will forget, listen to me and I will remember, engage me and I will make it mine”... the evidence is overwhelming that organisations that engage their leaders and employees effectively are much more commercially and culturally effective than those that do not.

However, what is meant by effective engagement? Does it just mean more ‘engaging’ communication including using the latest that technology has to offer? Of course it doesn’t. First and foremost, it is a leadership philosophy and secondly, it is a set of tools, techniques and capabilities.

The purpose of engagement is to liberate people to contribute their best for the mutual benefit of themselves and their employers. Creating the right conditions for effective engagement thus presents a challenge to the dominating style of command and control leadership.

It is clear from our research and consulting (and many other sources) that

employees will only engage themselves if they are drawn more into day-to-day decisions and ‘big ticket’ change.

Thus tips on engagement without the insight that doing it effectively requires a new openness and a much more inclusive style of leadership, will fail.

The mutual benefits to employees and their organisations will only be available to bosses that have the courage to share power, albeit in a well-governed way.

Here are some of my insights and tips for effective engagement.

1. DAY-TO-DAY ENGAGEMENT

Most employees do not work at the core or pinnacle of a large institution. Most work in small crevices in departments, teams and branches, no matter how well-known or large their employer is.

Their ‘chief engagement officer’ sits way up in the heavens with the ethereal figures of top leadership.

It is thus worth reflecting that all the corporate surveys, engagement interventions and engaging communication processes make passing impact compared to the role model of the engagement officer.

Tip one: Make all leaders, managers and supervisors a ‘chief engagement officer’

At every level, recruit and develop people against a validated set of engagement instincts and capabilities based on personal decision-making practices, which will liberate people to engage themselves.

If you’ve got people engaged in your company, they’ll be more productive, so it has a very hard commercial edge to it, employee engagement

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**Andy Bond,
Chairman, ASDA**

I always try to balance my time with three equally important things. First of all you’ve got to define the vision - where you’re going as a business. The second thing is that you’ve got a responsibility to be the custodian of the people who work in the business, so I spend a lot of time on recruiting and developing significant people in the company. The third thing is that you’re obviously responsible for making sure that what’s going on in the shops every day is what you want it to be. So that sort of sense of ‘is every customer getting an experience to be proud of?’ is equally important. So I visit shops, read information, all the stuff that tells me what’s really going on, day-to-day. So strategy, people and the day-to-day experience that shoppers get are the three things that I do.

“Communication is also hugely important here. This is a company with 360 stores and 170,000 people - everyone needs to understand where you’re going and their role in it. So communication is massively important. This is a business that wants to change very quickly, and you can only engage people by great communication, so it’s up there as one of the biggest priorities. The simple rule is, if you’ve got people engaged in your company, they’ll serve people well and be more productive, so it has a very hard commercial edge to it, employee engagement.



COMMUNITY COMMENT

**Kevin Murray, Chairman,
Bell Pottinger**

When we talk about better engagement with employees what we really mean is changing employee behaviours.

We want them to work harder, more efficiently, or to provide a better service to clients, for example. They won’t do that, they won’t go that extra mile, unless they feel valued, empowered and motivated, so that often means we - as leaders - have to change our behaviours first.

I hate the cliché that people are our only assets. That’s rubbish. Committed people with positive, can-do attitudes are our real assets. So the key question always has to be: what do WE, as leaders, have to DO to inspire our people to feel committed and positive and willing to change their behaviours? When we answer that question, we stand a better chance of engaging employees better.



COMMUNITY COMMENT

**Rudi Kindts, Group
HR Director, British
American Tobacco**

Employee engagement goes beyond increasing employee satisfaction. The ultimate objective is to increase the discretionary effort employees are willing to put into the pursuit of the achievements of business and personal goals. Therefore, engaging with employees is a day-to-day leadership act through which employees understand the direction set, what role they play and clarity around the deliverables and resources available. At the same time they should expect inspirational leadership and access to development which enables them to deliver against expectations.

2. ENGAGING PEOPLE IN 'BIG TICKET' CHANGE

From time to time (and sometimes all the time) organisations need to mobilise around strategy and change processes, even if they cause loss and pain.

Our research makes it very clear that people have a much better chance of being engaged in day-to-day operations by supervisors and managers who 'get it' than they do when they are (usually) communicated at by messages from the heavens in 'decide and tell' or 'decide and sell' mode.

The usual objections are that 'we haven't time', 'they won't have anything to add', or 'it's my job to take decisions, theirs to act'. Again, the evidence is now compelling for



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**Katharina Auer,
24Auer Consulting**

Effective communication is a key driver of engagement, and engagement is a key driver of organisational performance, as supported by outcomes and ROI research. By this I mean communication as process: enabling senior leaders and managers to communicate effectively, to listen and to engage in dialogue, to create relevance and meaning for every individual. Realistically not every employee will be involved in shaping strategy or change - but every employee can be involved in shaping what happens at the team or local level, and so address the 'me' questions: 'what does this mean for me?'; 'what's in it for me?'. Without that relevance and without addressing the 'me' questions, engagement and commitment are unlikely, and change initiatives will be slowed down or fail.

turning the hierarchy upside down in order to drive better, faster strategy and change.

In a nutshell, the contention is that elitist, left-brained, top down change and strategy results in a spectator sport in which the elite shout at the people and people freeze like rabbits in headlights and are disengaged and unwilling, or unable, to help.

Tip two: The power of the peach

Inside every peach is a stone, which is a metaphor for the steadfast 'givens' that are present in any team.

Gather the group and negotiate the dimension of the stone, or the givens. Through rational negotiation the stone will shrink, the team will have coalesced, they will share a story about the strategy and, crucially, they will have defined the boundary of engagement for their people to contribute.

Tip three: Creating citizen readiness

People won't engage themselves until they believe the invitation and feel safe to change the pattern from 'parent-to-child' to 'adult-to-adult'.

Communication about the strategy must be starkly candid, revealing the heights and depths in a competitive context. Rituals like leadership meetings must be new, fresh and full of surprise. Top-level role models must be chief engagement officers and become guides not gods.

Tip four: Interventions that turn the hierarchy upside down

A strategy, or change process, is usually a field day for command and controllers with the inevitable disengagement of those on the receiving end who see another crushing and frightening black cloud with rhetoric along the lines of 'get on or get off the bus'.

The peach should precipitate the design of interventions which give some or much of the work to those affected and ultimately everyone, whether it is strategy, change or recovery. In a current case, a bottom up savings and new revenues programme - we call them engage to recover - found double digit millions within two months of mobilisation which, according to the CEO, would "never had been identified" by an elite group.

Tip five: Volcanic eruption or lava flow?

Many of these processes fizzle out after the leadership meeting closes. The keys

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**Gary Kildare, Vice President,
HR - Americas, Europe
& Asia Pacific, IBM**

Employee engagement is a combination of personal commitment to the organisation, its values, the leadership behaviour plus organisational citizenship. In simple terms, it boils down to 'compatibility and alignment'. It is a choice for employees and a commitment they make on a voluntary basis - and leaders need to recognise that it is the 'key' to delivering improved and superior business performance. As we continue to push our way out of the business recession the fight for talent increases - organisations with high employee engagement will not only see increased productivity but also reduce their risk of losing good quality people - and this also means they have greater ability to attract top talent.

to long life are a transparent progress and governance process which constantly celebrates progress, acknowledges difficulty and, most of all, makes execution teams publicly accountable.

A good solution is a self-reporting 'wiki' accompanied by a quarterly refresh process.

Tip six: Gaia comes home - high speed mass digital engagement

James Lovelock's theory that the world is one living, connected organism inspired the film Avatar, where the people of the planet Pandora are all connected.

With the potential connectivity that technology affords, this is also becoming a reality on Earth. First mover organisations are engaging their people using digital technology that enables them to get input and wisdom from thousands or selected groups in very short order.



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**Ian Bowles, CEO,
Allocate Software plc**

Employee engagement has been key to the success of Allocate Software over the past four years. When I joined, I knew I wanted to transform the business radically and that many of the staff had long tenures. Preaching to the masses would not have been effective as a first engagement, so I met with every employee for 30 minutes in my first few weeks with the company. I asked everyone the same five questions and then listened and made notes. A month later, I set out my aspirations for the company over a three-year period. Every quarter the team were given updates on the stages of the journey we had reached and reinforced why we were trying to achieve the agreed plans. Given the massive change (four acquisitions in 36 months, as an example) we had to carry the core team with me. Compound revenue growth of 39 per cent, compound profit growth of 50 per cent and compound EPS growth of 40 per cent show that the engagement is working. However, we must do more as the company expands from its UK base.

Tip seven: Mass discourse and feedback with the front line

Sticking with the theme, digital fluency will be a necessary qualification to be a CEO within three years. Be a first mover in adopting bundling technology that allows executive teams, CEOs and change teams to hold a discourse with their chosen audience encouraging massive levels of feedback, that is then electronically clustered and boiled down to a few distinct themes that can be addressed by the sponsor team more or less in real time.

It will change the employee survey for good.

Tip eight: North Korea syndrome - don't believe the survey

Many organisations are almost impervious social systems (eg, Planet Vodafone, Ayling Island – British Airway's base at Heathrow). Even where there are good engagement scores, many people simply have no idea what effective engagement feels like unless they happen to work for a progressive organisation like Unipart, First Direct, Google or Gore-Tex.

Thus, they typically overrate their organisation's efforts to engage them and management is deluded and flattered by beating the competition. Switch to regular issue based sample polls.

Tip nine: Walls that engage

Every organisation has vast amounts of unexploited wall and physical space. Use this as a medium to bring the strategy/change journey to life. Allow employees to do their own visual stories.

Tip ten: Make your people community change experts

A strong driver of employee engagement is company sponsored community involvement by employees. Increase your peoples' confidence and self-esteem by inviting them to offer their learning about corporate change to chosen community projects. The learning will be reciprocal.

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**June Boyle, HR Director,
Organisation Effectiveness,
Lloyds Banking Group**

Organisations increasingly recognise the importance of engagement and the link to both customer advocacy and business performance. Our latest financial results show that we have are making good progress towards our goal of becoming 'a great place to work and a great place to bank' and we continue to play a significant role in supporting the UK's economic recovery.

The day-to-day engagement of colleagues has been key to our recent success. Lloyds Banking Group invites all colleagues to provide feedback on a range of topics each quarter. The outputs from colleague surveys provide line managers with a regular temperature check of engagement and the insights inform local action planning activities. The level of participation continues to be extremely high and the results reflect the strong turnaround in the business over the last 18 months. While the survey data provides some great insights, we are already planning for the next phase of the programme, taking into account both the practice and measurement aspect of engagement. This will help to create new and exciting channels, new ways to gather and respond to feedback and ensure the Group continues to demonstrate a strong desire to 'ask, listen and act' on matters that matter most to colleagues.

Looking ahead, Lloyds Banking Group remain committed to listening, investing and improving the colleague experience and I for one will be looking at its journey with interest.



John Smythe
Partner, Engage for Change

In 2003 John left Smythe Dorward Lambert, the acknowledged thought leader in organisational communication, to join McKinsey as a visiting Organisational Fellow researching current approaches to engaging leaders and employees to drive strategy and change. This research is recorded in his award winning new book, *The CEO: Chief Engagement Officer - Turning Hierarchy Upside Down to Drive Performance*.

Contact John through www.criticaleye.net