Employee Engagement

MINNESOTA STATE

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Overview

- What is engagement?
- How is engagement measured?
- The engaging job
- One thing engaging managers do
- The #'s of engagement
- What engagement is not
- The areas of engagement

WHAT MAKES A WORKPLACE GREAT?
How to Engineer Exemplary Employee Engagement

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What Engagement Is…

WHAT ENGAGEMENT LOOKS LIKE

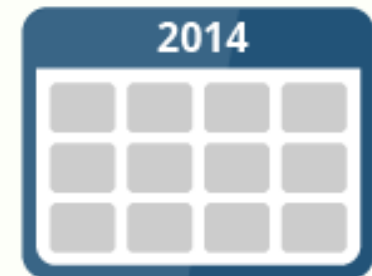Employee engagement is the product of three variables:

Advocacy.
Do you promote your organization's interests?

Discretionary Effort.
Will you commit extra time toward improving the organization?

Intent to Stay.
How long do you plan to work at the organization?

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How is Engagement Measured?

- Best or Great Places to Work
- Anonymous employee surveys
- Eight categories
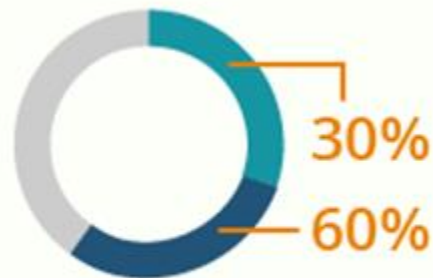- 40-60 questions
- Stack rank

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Engaging Jobs

WHAT DRIVES ENGAGEMENT

Engaging jobs:

- Require the use of a **broad range of skills**
- Assign end-to-end responsibility over **"whole" processes**
- Encourage autonomous **problem solving and decision-making**
- Contain **clear and consistent mechanisms** for feedback

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Engaging Managers Focus on Strengths

30%

60%

More than 60% of employees with supervisors who focus on their individual strengths **are engaged in their work**; double the 30% engagement rate of **U.S. workers nationwide.**

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The Results of Engagement

WHAT ENGAGEMENT PRODUCES

Compared to companies in the bottom quartile, those in the top quartile of employee engagement experience:

+22% profitability

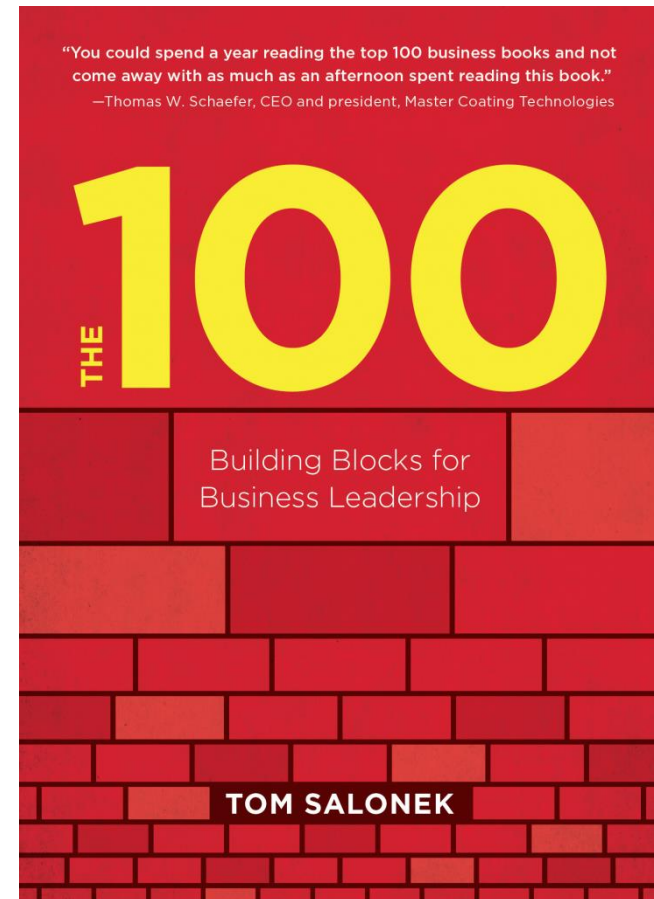**+21%** productivity

-48% safety incidents

-37% absenteeism

When companies can pair engaged employees with engaged customers, outcome-oriented **business performance increases by 240% over companies with neither group engaged.**

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What Engagement Is <u>Not</u>

- Gimmicks like foosball tables, Nerf guns, or beer-thirty Fridays
- An environment where we're all friends
- Expensive

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Tom Salonek

- Intertech Founder
- Winner of dozens of best places to work awards including Fortune's *Top 30 Places to Work in Tech*
- Past instructor, UST Graduate School of Business, Management Center
- Harvard and MIT Executive Ed.
- *The 100 Building Blocks for Business Leadership*

"You could spend a year reading the top 100 business books and not come away with as much as an afternoon spent reading this book."
—Thomas W. Schaefer, CEO and president, Master Coating Technologies

THE 100

Building Blocks for Business Leadership

TOM SALONEK

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Alignment with Goals

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Alignment with Goals

Example questions asked of your employees:

- *I understand the organization's plans for future success.*
- *I understand how my job helps the organization achieve success.*

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Mission and Goals

- For mission, goals, and other organization-wide strategic initiatives:

  1. Define it
  2. Communicate it
  3. Relate it (this is the one usually missed)

  If you can't succinctly do this, don't expect your people to!

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Values and Culture

- Culture is values
- Values are points of difference
- If you can't succinctly say them, don't expect your people to

Want a values checkup? Try the Jim Collins Martian exercise

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Values and Culture

Attitude: Each day we choose our attitude. Attitude is contagious. For others to be positive, excited, and inspired, we must be.

Commitment: As a team, we deliver. We demand more of ourselves than others could ask.

Excellence: We're committed to a world-class customer experience and world-class customer satisfaction.

Values and Culture

- Integrate values into the organization's fabric

- For example, at Intertech, we:
  - Evaluate fit-to-values in interviews
  - Benchmark candidates to our gold standard via an online assessment
  - Cover in new employee orientation
  - Have daily recognition through the Intertech's ACE program
  - Include ACE nominations in the weekly company e-newsletter
  - Review values at monthly meetings
  - Have quarterly ACE prize drawings
  - Have the yearly ACE awards

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To Create Alignment, Use a Theme

- Choose a yearly organization-wide goal
- Gamify with a theme
- Have individual and shared rewards
- Give monthly updates
- Celebrate success

A theme helps connect an individual to the big picture

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Teamwork

Teamwork

Example questions asked of your employees:

- *Goals and accountabilities are clear to everyone on my team.*
- *My team effectively collaborates leveraging individual strengths.*

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Goals and Accountability

- Dale Carnegie's Key Result Areas (or an equivalent approach) have a:
    1. Clear performance expectations
    2. Matrix of overall goals to individuals
    3. Learning goal

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Focus on Strengths

- By the time of adulthood we are "baked" as a human
- Don't be in the human change business
- Focus on strengths, manage weaknesses

Tiger Woods ranked 61st on the PGA for chipping. Short game average. What did Tiger practice? World class driving and putting

– *Now, Discover Your Strengths* – Marcus Buckingham

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Teamwork Quotes

- "There is no limit to the amount of good you can do if you don't care who gets the credit." – Ronald Regan

- "Its easy to stop one guy, but it's pretty hard to stop 100." – Jack Stack

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Engagement in Hiring

- Use a team interview

- Include potential co-workers in the hiring process

- Don't include them unless you'll listen to them

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Trust with Co-Workers

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Trust with Co-Workers

Example questions asked of your employees:

- *I have a close and trusting relationship with my coworkers.*
- *I feel loyal to my immediate team or work group.*

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Trust with Co-Workers

- Use a tool like TriMetrix or Insights to create a "cheat sheet" on how to relate to team members and leverage strengths

Mark	• Match his pace in presenting to him • Don't be vague or leave things open to interpretation • De-motivated by routine tasks
Bob	• Stick to facts • Don't give new projects on Monday • Be flexible on non-urgent project dates
Sue	• Give time to think, share reasoning behind decisions • Expects responsibility • State expectations—is this a priority, is there a deadline
Sally	• If not engaging in joking, it doesn't mean she doesn't approve • On big projects, help by encouraging delegation • Point out important things
John	• Give time to think • Ask, don't tell • If doesn't believe in an idea, won't do it • May get into more detail than needed

Trust with Co-Workers

- Create an environment where it's O.K. to be wrong

- Lead the way and admit mistakes

- A highly functioning team has disagreement without questioning intent

- Not questioning intent requires trust and knowledge of that person as a person

- Have a corporate calendar the includes business and social events…

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Business and Social Events

Look for opportunities to celebrate and your people to know each other as people:

- Celebrate wins (e.g. winning a Best Place award, record sales year, …)
- First Friday BBQ, new employee lunches, …
- Celebrate employee anniversaries. Include the family
- Recognize birthdays, childbirths, major life events
- Don't be in the fulltime party planning business, let employees know they're free to organize their own events

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Connect Team Members with Technology

- Team technologies:
    - Yammer = Facebook for a organization's employees
    - Slack = Facebook + a repository for project teams
    - Uber Conference = Auto-dial conference system for team huddles
    - Evernote = Team notes and collaboration

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Manager Effectiveness and Trust in Senior Leaders

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Manager Effectiveness and Trust in Senior Leaders

Example questions asked of your employees:

- *My immediate supervisor cares about my development.*
- *I trust, respect, and like working for my immediate supervisor.*
- *There is open and honest communication between employees and managers.*

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Leadership, A Way of Thinking

- How we think and what we do

- "We become what we think about." –Earl Nightingale

- "Adversity doesn't build character. It reveals it."

S: SW

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Solid Leaders...

- Take blame for mistakes
- "Great leaders look in a mirror when there is a mistake and look out a window when there is a success." –Jim Collins
- Create an environment where mistakes are O.K. This creates an environment of execution.

"If you do nothing, you'll make no mistakes." –Ted Salonek

S: Truck

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Leadership, The 7 Roles of a Leader

1. Plan organizational goals

2. Align individuals with the goals of the firm and hold them accountable

3. Solve problems

4. Delegate

5. Give praise

6. Give corrective feedback correctly

7. Treat people with care… Rudolph Giuliani said "Weddings are optional. Funerals are mandatory"

Check out Dale Carnegie's books on management.

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Job Satisfaction

Job Satisfaction

- There are "spheres" of job satisfaction

- Free beer doesn't matter if your work's mundane and your manager's a moron

- When addressing engagement, start from the inside and work outward

Job Satisfaction & Supervisory Satisfaction

Career & Personal Development

Work Obstacles/Extrinsic Rewards

Senior Management & Firm Confidence

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Job Satisfaction

- Here are the factors of job satisfaction
- Start from the top down:
    1. Stimulating and challenging work
    2. Clear expectations
    3. Continuous feedback
    4. Unparalleled learning
    5. Explicit career paths
    6. Fair reward and recognition
    7. Inclusive culture

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Moving Beyond Job Satisfaction

- Make the job more than just a job

- From financially helping families at RMH to an annual STEM college scholarship, the Intertech funded Intertech Foundation serves a purpose that's more than making $$$

- Create opportunities to help others through volunteering. Include family members

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Benefits and Pay

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Pay

- The goal is to make pay not be a de-motivator
- Thoughts from a Board member…

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Benefits

- What benefits can you offer that don't cost money?

- If you don't know, ask your employees

- Examples:

    - 9 9-hour days (a four day weekend every month w/o taking vacation)

    - WFH

    - Sabbatical program

    - Employee driven outings (e.g. golf or trap league)

- ACE Recognition program… winning the Oscar isn't about money

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Feeling Valued

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Feeling Valued

Example questions asked of your employees:

- *The organization makes investments to make me more successful.*
- *The organization sees people as it's most important asset.*

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Positive Feedback

- Data on the need for positive feedback:
  - Human flourishing is predicted by a ratio 3:1 for positive to negative affect
  - It takes 5 good or constructive actions to make up for the damage done by 1 critical or destructive act
  - The pleasure of gaining a certain amount of money is less than the pain of losing the same amount

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Giving Praise

Two effective ways to give praise:

1. Let them relive the win... "How'd you do that?"
2. Hand-written note > Praising in person > Sending an email

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Giving Praise

1. Be specific

2. Acknowledge they went out of their way

3. Stay what it personally means to you

Reward and Recognize Retention

- 5 Year – Watch
- 7 Year – Sabbatical or $12,500 bonus
- 10 Year - All inclusive international trip
- 14 Year – Sabbatical or $12,500 bonus
- 15 Year – All inclusive local trip
- 20 Year – All inclusive international trip
- 21 Year – Sabbatical or $12,500 bonus

Getting Feedback

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Feedback and Communication

- Create avenues for proactive feedback, like Town Hall

- When asking for feedback implement

- Or, go into detail as to why you can't implement

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Feedback Questions

- Start/Stop/Continue to get feedback:
  - Start doing: What is something we can start doing to improve how we run our organization?
  - Stop doing: What's something being done that's a waste of time?
  - Continue doing: Remind us on what we should continue to do as we grow?
- Hassles to get feedback... a hassle is a minute wasted doing something that could be avoided with a change in how we run the organization, a system or process change, etc.
  - What's a hassle for you?
  - What's a hassle for our organization?
  - What's a hassle for our customers?

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Strategic Communication

Communicating Touchy Subjects

- A study by Harris/Osborne:
  - 7% of communication happens with words
  - 38% of messages are gleaned through perceptions of voice, including tone, rate, and inflection;
  - 55% of communication happens through face and body language.
- Email or text is read using the tone of the reader not the writer
- Discuss sensitive things face-to-face

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Communicating Bad News

- Giving someone a choice when there's bad news to communicate
- Even if the choice is between two equally disagreeable scenarios
- Choice gives a sense of control

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Some Leadership Communication Tips

If you need cooperation on something, ask for support before you go public. People want to follow thru on commitments.

In 1987, a social scientist named Anthony Greenwald asked voters on election-day eve if they'd vote.

100% said yes.

On election day, <u>86.7% of those asked went to the polls compared to 61.5%</u> of those in the "control group" who were not asked.

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Some Leadership Communication Tips

Get people to like you.   Social scientist Robert Cialdini, said, "People prefer to say 'yes' to those they know and like."

In 2005, Randy Garner mailed out surveys to strangers with a request to return them. The request was signed by a person whose name was either similar or dissimilar to the recipient's.

According to a study reported in Yes!, "Those who received the survey from someone with a similar-sounding name were nearly twice as likely to fill out and return the packet as those who received the surveys from dissimilar sounding names."

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Extend Wins, Cut Losses

- A study on human behavior gave participants the option to:

    Win $10 once — or— Win $5 twice

- They overwhelmingly preferred to win $5 twice. In the same study, participants were given the choice to:

    Lose $10 once — or— Lose $5 twice

- They preferred losing $10 once

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Communication and Meetings

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An Organizational Calendar

- Create a calendar with meetings, communications, and social events
- At Intertech, we have the following standing/set at start of year:
  - Daily huddle
  - Weekly KRA meeting
  - Weekly company e-newsletter
  - Monthly management workout
  - Monthly all company meeting
  - Yearly Town Hall
  - Yearly management strategic planning offsite
  - FedEx days
- In addition to the above, social, volunteering, and award events
- Relax in the process…

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Daily Huddle—My #1 Recommendation

- Daily huddle:
  - Updates for your area. These are big rocks and group worthy. If there's nothing significant for your respective group, honor time and say "No big updates."
  - Metrics (Below are an example for a leadership team… six data points in any direction are a trend)
    - Sales and profits for the next three months
    - Leading indicator (three months out, what's the metric that shares how your organization will be doing in the future?)
  - Stuck items. What are big problems or potential future big problems for your respective areas. There doesn't need to be a stuck item.

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Close the Engagement Loop and Summary

An **Intertech** Course

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Close the Engagement Loop

- After a Best Places employee survey, get or purchase the results
- Analyze and discuss your team's engagement results
- Ask employees for ideas on what can be improved

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Summary

- Align the employee with goals/mission
- Build teamwork by having employees know one another as people
- Have clear job performance expectations
- Remember the 3:1 ratio for flourishing
- Make jobs challenging, grow skills
- Make pay a non-demotivator
- Identify unique, meaningful benefits
- Be strategic in communication
- Get survey results, close the loop

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Thank You!

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