

## Keeping Employees Engaged

- *What is an Engaged Employee?*
- *Impact on Productivity*
- *Creating an Engaging Environment*
- *Effective Compensation Plans*
- *Training to Engage*
- *Securing Talent through Lasting Engagement*

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As the economy emerges from its recession-induced hibernation, it's reasonable for you to believe that your employees will be reenergized and ready to take on the world. However, when you consider the blows workers have taken both financially with dwindling bonuses or pay cuts, and emotionally with the fear of losing their job, they may actually be left feeling exhausted and numb. And, the scary part is they may never tell you that. You could literally have an organization of disengaged employees who on the surface show their support of the company but have actually mentally and emotionally checked out. In essence, work has become the source of a paycheck and nothing more.

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### ***WHAT IS AN ENGAGED EMPLOYEE?***

An engaged employee is one who is invested in their company and their book of business. An engaged employee is someone who continues to generate creative ideas in the face of hesitant clients and dwindling sales. They're putting in extra time on weekends and working late during the week. Engaged employees find, secure, mine and grow business because it is their business.

If you think of the office as a battlefield, engaged employees are coming to work with their armor on ready to go to battle everyday. In contrast, non-engaged employees are merely showing up—unprepared and waiting for someone else to lead them.

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### ***IMPACT ON PRODUCTIVITY***

**Engaged employees deliver a 39.2% greater earnings-per-share over non-engaged employees, according to a Tower Perrin survey. This means an engaged employee can deliver about 40% more net income dollars to your bottom line over a non-engaged employee.**

However, a Gallup poll of 100,000 employees found that **only 29% of employees in the U.S. workforce are engaged.** The same survey showed that **54% of employees are non-engaged, and 17% are disengaged.** If your staff is within these averages it means **only 3 out of 10 of your employees are delivering value to your organization.**

Furthermore, according to the Carnegie Management Group, for every 100 employees 70% engaged as a group, it would take 116 at 60% to achieve the same results. For every 10% engagement is reduced, those additional 16 employees cost the organization over \$452,000 a year -- and that's at minimum wage! Needless to say, the financial impact of a disengaged workforce is significant.

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### ***CREATING AN ENGAGING ENVIRONMENT***

A common mistake in management is the expectation that employees will magically show up to work engaged. The reality is that an environment that engages employees must be created. A game plan must be provided along with an engaging leader to lead the charge.

Creating an engaging work environment for your workforce starts from the top down. The emotional connection that must be forged with employees from a management role begins with your company's culture. The values and ethics of the leadership must be aligned with the employees. Having articulated values and ethics and acting upon them is making a stand in the world and is inspiring to employees.

Another way of connecting emotionally with employees is asking questions and actively listening to their response. Management often incorrectly project their assumptions and presumptions regarding customers, work tasks, database tools, etc., onto employees.

Try conducting your own monthly focus group with your employees, to determine what's working that needs to continue and what's not working that needs to change. Actively listening to your employees' ideas – and implementing a few of them – is a great way to show them respect. This kind of leadership and management will engage employees.

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### *EFFECTIVE COMPENSATION PLANS*

Complicated compensation plans create disengagement. You should align your compensation plan with what you want your employees to do. If you want a focus on gross margin and gross margin growth then build a plan that offers a percentage of gross margin. If you want each sales rep to bring in a certain number of new accounts each quarter, then have a component of the compensation plan that rewards for hitting such goals. Compensation plans aligned with the corporate goals will make sense to employees and communicate that management knows what they're doing.

It's critical to understand compensation from an employee perspective. Money is not a motivator. Money is a reward for completing the necessary tasks at work that lead to success for the business. Money alone should not be viewed as an effective method for motivating or engaging employees. The secret to making a compensation plan work in your company's culture is learning what your employees want to do with their earnings.

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### *TRAINING TO ENGAGE*

A “baptism by fire” approach to training communicates to new employees that the company's management doesn't know what they're doing. This translates to the employee that management can't really be trusted and in turn prohibits the employee from being fully engaged. A more engaging approach is to offer daily training. Whether it's a 15-minute lesson on creating a voice message script or role-playing to effectively communicate product features to a client on a sales call, gaining confidence in fundamental techniques can be critical to employee success and engagement.

A great example of an effective training opportunity is your company's sales meetings. By focusing on the obstacles preventing success along with the week's victories, you can generate both ideas for solving problems as well as sharing techniques for continuing success. Suddenly, these meetings can be a source of excitement for employees, engaging and energizing them for a productive work week.

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## **SECURING TALENT THROUGH LASTING ENGAGEMENT**

As the economy - and job market - continue to improve, maintaining an engaged workforce becomes increasingly important. Here are eight specific actions that can help you raise the level of engagement with your employees and lower the risk of defection from your team:

- 1. Sincerely thank your employees for their contributions in pulling the company through tough times.** This seems so obvious, yet so many managers forget to consistently acknowledge the efforts of their team.
- 2. If your employee benefits program isn't competitive, find ways to make it more attractive.** If you can't reduce their out-of-pocket expense for healthcare, maybe you could afford to give your staff a little extra paid time off. You'll be surprised how much mileage you can get out of giving everyone a day off with pay.
- 3. Conduct a salary survey to ensure your firm's wages are competitive.** This is critical if you've executed across-the-board wage cuts over the last year. People have a long memory when it comes to adjustments in their pay. You may need to allocate a portion of the 2010 budget to enhancing compensation for your existing team. Consider engaging a third party to assist you with this process or, at the very least, do some research online through sources like Salary.com.
- 4. Be open to flexible work arrangements.** If you don't allow your employees to telecommute because you think people who work from home goof off all day, relax. In a 2009 study of its 2,000-employee workforce, Cisco found its telecommuters experienced a significant increase in work/life flexibility, productivity and overall satisfaction as a result of their work arrangement. The study also validated that these arrangements drive efficiency, with an estimated annual savings of \$277 million to the organization.
- 5. Find creative ways to recognize and reward your workforce.** This can be as simple as touting a specific accomplishment by sending a company-wide email. And if you can free up some dollars to take everyone out to dinner, or perhaps sponsor a fun team-building activity, get this on the calendar as well.
- 6. Start investing in top performers.** Studies show managers often neglect the care and feeding of their top performers, assuming since they're doing well, they don't need or want training or coaching. But surveys show employees want to feel invested in, not neglected. What makes this action even more urgent are the results from a brand new study, The 2009/2010 U.S. Strategic Rewards Survey, by Watson Wyatt and WorldatWork, revealed that employee engagement levels for all workers at the

surveyed companies dropped 9% since last year -- but the number was nearly 25% for top performers. That means up to a quarter of your best employees could be seriously disengaged. Now's the time to get close to your "A" players -- or the competition will!

7. **Stop beating up your sales team.** A small change in approach, from "make the numbers or else" to "I want you to be successful" can resonate in an entirely different way with sales reps. Motivate, don't dictate. Let them know you look forward to rewarding them with generous commissions as the economy improves.
8. **Be open about new positions you anticipate creating as business improves.** People want to know they're not stuck in dead-end jobs. If they believe a promotion may be on the horizon, they're more likely to stay.

The most frustrating thing about great employees who leave for greener pastures is that we often have no idea they've been disengaged. Part of what makes them great is that they're "low maintenance." They really are good actors, so we're blindsided when one day they come in to our offices and tell us they're leaving. As the saying goes, the best offense is a good defense. Take proactive steps now to foster high engagement among employees in your organization, and avoid losing your precious talent to the competition as the economic tide turns.

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*For information on how you can acquire top performers to strengthen your workforce, contact Pro Staff at **1.800.938.WORK** or [www.prostaff.com](http://www.prostaff.com).*

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