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Wanted: Fully Engaged Employees

Years of layoffs and cutbacks have taken a toll on the workforce. Here's how to get everyone back on track.

By Nancy Mann Jackson | April 26, 2010

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The cost-cutting actions employers have made to deal with the economic crisis have left businesses with fractured teams of disengaged employees. Studies show that employee engagement levels have dropped significantly since 2008. According to Gallup, more than two-thirds of American workers are "not engaged" or "disengaged" in their workplaces in response to the brutal economic and workplace changes over the past two years.

"People are disillusioned with the economy and the fact that many of them are having to do more work with fewer people, thanks to layoffs," says Dianne Durkin, president of Loyalty Factor LLC, which consults with businesses on change management, employee loyalty and customer loyalty programs. "You would think employees would be more engaged because of the economy, but I don't think anybody is."

And a lack of engagement among employees is costly for small businesses, leading to high turnover rates, shaky leadership and a dearth of good

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ideas. "What happens is you don't get the creativity and the innovation," Durkin says. "People [who are unengaged] aren't going to speak up about issues they encounter, they're not going to bring new ideas, and productivity really suffers."

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So how do you get employees engaged in unsettled times? Here are four ways that have worked for other small companies:

1. Ask For Help

Last year, when the economy was dragging and stress levels were soaring, New York-based telecommunications firm M5 Networks Inc. launched a year-long team growth program, "M5 Rock." The company's 100 employees were divided into 10 cross-functional teams from different parts of the organization, says president and CEO Dan Hoffman. In addition to competing in scavenger hunts and other teambuilding activities, the teams worked together on business issues such as developing new sales pitches and writing business plans for new products. Being asked for feedback and seeing that their ideas were valued led employees to become more invested in their jobs. After the program's end, Hoffman saw a 10-point increase on customer satisfaction surveys, as well as increases in employee satisfaction

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"When you ask employees for their input in solving business issues, it is absolutely amazing what they will come up with," Durkin says.

2. Focus on a Purpose

At Everblue Training Institute, every employee knows the mission: to build the earth's most sustainable work force. Owner Jon Boggiano believes that educating workers for a green economy will promote energy security, build prosperity and safeguard the environment, and he regularly reminds employees of the difference they are making.

Simply understanding and being reminded of the company's mission can help employees stay engaged, Durkin says. "Your work force needs to understand what your purpose in life is, beyond making money," she says. "Make it simple so people can identify with it, but you can really motivate people around these little statements that are very meaningful."

For inspiration, look at large companies that successfully focus on a simple purpose statement, such as Ritz-Carlton ("Ladies and gentlemen serving ladies and gentlemen") and Disney ("To use our imagination to bring happiness to millions").

3. Communicate Confidently

To keep employees engaged, ensure that employees understand the managers are in control and know exactly what they are doing.

Durkin recently worked with a furniture manufacturing company with plans to triple revenues and output within the next few years. While she wanted to help motivate employees about management's plans, she also wanted to make sure they knew that they weren't overlooked in the quest for greater profits and that their roles in the process had been considered.

"It's great to announce those plans, but people making eight, 10 or 15 dollars an hour can't identify with umpteen million dollars," Durkin says.



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"We sat down and outlined the steps and answered questions we knew they would have: How many people are we going to add? How much overtime will we have to work? Put yourself in their minds; think about what questions they will have. Just knowing that management has thought about the things they're concerned about makes a big difference."

4. **Recognize and Reward Good Work**

Last spring, HometownQuotes, an online service that matches consumers with local insurance agents, wanted to find a way to "keep morale high, engage our teams and break down silos throughout the organization," says Krista Farmer, communications manager for the company. The result was an incentive rewards program called the Q Point program, which recognizes employees for doing things like maintaining high customer satisfaction and keeping a keen eye on details. Each week, employees throughout the company submit Q Point nominations to the Q Point committee, which consists of three to five employees who review and discuss the nominations and award Q Points to nominated workers who clearly performed above and beyond their job description or exhibited out-of-the-box thinking. When an employee receives 10 points, he may turn them in for a paid half-day of vacation, or he may accumulate 20 points and exchange them for a full day of paid vacation time. Since launching the program, 13 of 24 HometownQuotes employees have earned at least a half-day off.

But recognizing good work doesn't have to be part of a formal program. At EAP Lifestyle Management LLC, owner Patricia Vanderpool and her management team regularly bring "little extras" to the office, such as Starbucks coffee or a drink from Sonic. At Payment Logistics Limited, Director of Sales Matt Bruno announces a goal at the beginning of the week, such as getting in a certain number of new applications. "Whoever meets that goal first gets lunch on me," Bruno says. "If they just meet the goal, they get a no-frills meal, but if they exceed the goal by a certain percentage, I take them to a higher end restaurant and get whatever they want."

"It doesn't take much to get someone motivated," Durkin says. "Just pay

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attention to someone. Say 'Great job.' Ask what would make their day better--and then follow through if you can."

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