GALLUP®

Positioning Engagement for Success

What Type of Workplace Do You and Your Coworkers Prefer?

Your organization's leaders want to know.

By partnering with Gallup on employee engagement, your organization is starting a unique and compelling conversation. You are acknowledging that every individual plays an essential role in making a difference within the organization and demonstrating a commitment to creating meaningful change.

This document provides ideas for how organizations can begin to strategically position engagement as a lever that drives organizational performance and an engaged culture. Although these strategies and actions vary by organization, the themes presented are most commonly seen in the actions and practices of our most successful clients.

The Hard Truth — Not Every Engagement Effort Works

Many organizations are focusing on engaging their employees, yet the number of engaged employees has remained relatively stagnant over the past 15 years. After working with thousands of organizations, Gallup has found that many face common pitfalls that often impede an organization's commitment and success at engaging employees.

- **Failing to strategically prioritize and position engagement:** Transformative change requires intentional effort, planning and positioning for it to occur. It also takes a commitment and willingness from leaders to invest their time, effort and resources to create and sustain desired changes. When leaders do not participate in creating an engaged work culture, nor view engaging employees as a strategic priority, the organization takes note.

  The result: Engaging employees often fails to gain the energy it needs and can be seen as yet another initiative amid a sea of other priorities. While organizations may experience pockets of engagement, wide-scale organizational change does not occur without strategic prioritization and positioning.

- **Survey-centric mentality:** Organizations that position employee engagement as "just a survey program" are missing a tremendous opportunity to leverage the power of engaging employees. While technology has made it easier to create employee surveys, measurement should be part of a larger strategy. By focusing mainly on survey activities, leaders and managers can be tempted to "check a box," thereby filling an apparent organizational need. Often, this ease of data collection and reporting leads to solutions that are pointed at a specific survey metric instead of actually improving workplaces and business outcomes.

  When companies only focus on measuring engagement rather than improving workplaces, they often fail to make the necessary changes to meet employees' positional and development workplace needs.

- **Rushing toward a finish line:** Creating a culture of engagement does not occur overnight. The process takes time. Carefully consider your organization's starting point, and review your organization's short- and long-term goals. Companies can stumble when the emphasis is only focused on compliance-driven behaviors and not on creating a scalable solution that addresses employees' performance needs. While compliance-driven activities can initially work to change behavior, Gallup's best clients learn how to move beyond those activities pointed at scores and toward an integrated performance strategy driven by engaged employees. What's more, companies can get into trouble when they promise too much too soon and are not prepared for the follow-through and endurance it takes to make the desired changes. Real, sustainable improvements will occur over time but only with focused efforts organizationwide and at all levels.

Fortunately, Gallup has found that creating a culture of engagement is possible. While actively disengaged workers outnumber engaged workers by a ratio of 2-to-1, some of Gallup's elite clients average nine engaged workers for every actively disengaged worker — translating into superior outcomes for individuals and their businesses.

Positioning Engagement for Success

High-growth companies have a clear purpose of success behind their strategy for engaging employees. This approach includes a multipronged plan, including leadership involvement and commitment, and requires three critical components:

1. Strategic positioning
2. Maximizing your analytics
3. Effective change management

Strategic Positioning

Leaders in the world's top-performing organizations understand that employee engagement is a force that drives real business outcomes, and they position it accordingly. These dynamic leaders position engagement for success by seeking alignment across the organization.

- **Alignment to the business strategy:** Engagement fails to take root when leaders have not bought into its value. Leaders should be aligned with the objectives of the investment, clearly articulate goals for improvement and consistently communicate to employees. They also need to be active participants in the process and invest their time and resources in its success. Gallup's best leaders understand that they need to position their managers and teams for success and work on removing systemic barriers to performance optimization.

- **Alignment to the human capital strategy:** Many traditional human resources staff have now become critical business partners in executing and achieving the organization's strategy and mission. Our best clients know that their engagement strategy needs to incorporate the fundamentals of performance development through all phases of an employee's life cycle. Top-performing organizations recruit competitive talent and invest in the candidates' development and retention from the day they are interviewed. Once hired, the new employees will experience a unique hiring and onboarding strategy that aligns with the company's cultural and business goals. Investing in everyday working moments and incorporating engagement drivers into the workflow, even as businesses change and adopt new initiatives, is crucial.

- **Align engagement to the organization's identity:** Leaders can strategically mobilize the performance-differentiating power of engaged employees when they align their culture with their organization's purpose (why their company exists) and their brand (how they want to be known internally and externally). Having a strong identity is the difference between misaligned, engaged teams moving in potentially different directions and highly aligned, engaged teams working toward common goals.

Ultimately, alignment informs another critical strategic process: setting the tone and direction for the company's engagement initiative.

Based on Gallup's decades of research and experience working with organizations, we discovered that the best leaders do not stop at alignment, but also spend time communicating *why* engagement is important for the future and *how* it connects with the larger vision. Communication and transparency from leadership is a critical step in successfully engaging employees.

Maximizing Your Analytics

Metrics are most effective when leaders are purposeful about measuring and tracking factors that are critical to the business's overall performance metrics and are connected to the larger strategic objectives of the company. Gallup's best clients don't just focus on measuring engagement. They also focus on using their metrics to identify potential barriers or levers to this success to drive improved business outcomes. Gallup finds that organizations that invest in calculated and validated engagement approaches are more likely to have greater success in engaging employees.

Since the engagement industry began in the late 1990s, the term "employee engagement" has taken on a life of its own. Almost every employee survey, regardless of its purpose, is referred to as an "engagement" survey. But few instruments have been validated or subjected to academic peer review. As a result, many companies are attempting to increase engagement by focusing on problems that may not be linked to improved performance outcomes. Scientifically validated instruments are important to use when measuring engagement.

In addition to measuring employee engagement, some organizations decide to include other indices or items that measure other workplace conditions that impact performance. When deciding to include these additional items, the best organizations are conservative about what to include and exclude. Adding too many to a single measurement can become overwhelming and unfocused. If employee feedback is desired, they elect to strategically pulse employees at a different time of year. Regardless of what is asked and when data are collected, organizations need to have a plan to take action on the results.

Often integrated within broader employee engagement strategies, some organizations also use advanced analytics to identify and address specific problem areas that are inhibiting the creation of a best-in-class employee engagement program and environment. This approach involves combining many data sets, including operations data, human capital management system data, customer data, survey data and external market data (i.e., social, Google search, demographic).

Organizations have used these methods for recruitment optimization, turnover risk management/individual employee flight-risk predictive values, performance management system optimization, goal achievement forecasting and pivotal role identification.

Effective Change Management

Companies that integrate engagement into the "way they do business" recognize that taking the Q^{12} survey is just the beginning of the engagement journey. Engaging employees requires a year-round focus on changing behaviors, processes and systems to meet, anticipate, discuss and respond to evolving needs. For a company to create a culture of high performance, a total commitment from all organizational levels is necessary — from the leadership team to front-line employees. It's what organizations do to make specific, targeted improvements within the workforce that matters most, and it's the only way to make a sustained impact.

Understand where the company is today and where it wants to be in the future.

All companies begin at different places in their journey to create a culture of engagement. With new demands on how performance is managed and how quickly work is done, companies must be purposeful about where to invest in their employees.

Every company's starting point is different, as well as its internal capabilities and how fast it can change. While some need to move quickly to realize rapid improvements, others are better off pacing themselves. After a company takes a baseline measurement, a three-year road map is a recommended strategy; however, the strategy should be based on the company's needs for improving engagement. This approach will help create realistic milestones and actions — from the organizational big picture to the individual level.

Multi-Level Solutions

Commitment to employee engagement — at all levels of the company — is vital for positive change. Therefore, organizations, leaders, managers, teams and individual contributors have a hand in creating a culture of engagement and driving higher performance. It's imperative that everyone in the company takes ownership of the initiative and their own personal engagement.

- **Company level:** Dedication to engagement is demonstrated at the organizational level. Leaders need to ensure that the company provides all necessary resources and establishes a systemic way to enable and support the desired changes.

- **Leadership level:** Leaders hold immense power when it comes to fostering a culture of engagement. By providing direction, casting a vision for success and removing barriers to progress, leaders have a tremendous cascading impact on managers' and employees' engagement levels.

- **Manager level:** An engaging team has people who are managed through a lens of effective performance expectations. Managers need to connect their teams to the people and resources needed to drive performance, lead sessions to understand the meaning behind survey results and co-create goals that move the team forward.

- **Team level:** Ultimately, teams set the tone of a company's team culture and dynamics. It's the responsibility of each team member to help set goals and establish plans for driving better performance together.

- **Individual level:** Individual contributors are also responsible for owning their personal engagement. Workers at all levels of the company need to create individual goals that support both their needs and the needs of their coworkers.

Tools for Integration

To help organizations embed and sustain a culture of engagement, organizations need to push past the critical tipping point of "doing engagement" to "leveraging engagement to drive performance." At this turning point, employees stop treating engagement as a thing to do and start using it to perform better, collaborate more efficiently and enhance business outcomes.

Gallup has studied organizations that have been successful at creating cultures of engagement and have found a few themes that are consistent throughout:

- **Learning and development:** Companies are more likely to create higher engagement levels when they tailor education and tools to each unique audience in their organization. Similar to developing individuals' unique talents and strengths, organizations are most successful at cultivating engagement when they honor what is specific to each role and choose a learning approach that meets that need. Rather than focusing primarily on skill building and knowledge transfer, companies also utilize programs that are designed to change employee behaviors that improve performance. With a focus on performance development, leaders, managers and teams strengthen engagement on a firm foundation — having built the internal capacity for actualizing real change.

- **Communication and knowledge management:** While companies have different reasons for choosing to focus on employee engagement, central to any effective communication strategy is an emphasis on engagement as a way of transforming the workplace. Organizations that focus their communication efforts on survey logistics alone send the inaccurate message that engagement is just a one-time event rather than a way to manage and drive performance. To see long-term, sustainable business results, the best companies develop communication and knowledge-sharing plans that help employees understand that engagement is foundational to the company's culture, values and practices.

- **Champion and coaching network:** An Engagement Champion is an employee — an HR team member, business partner or respected leader or manager — who acts as an internal advocate for engagement efforts. The majority of Gallup's best clients — some of the world's highest-performing companies — have appointed and leveraged Engagement Champions to educate, inspire and sustain engagement.

  Equipped with in-class and online tools and resources, Engagement Champions aim at:

  - promoting and advocating for workplace engagement

  - guiding managers through the engagement process

  - offering managers ongoing support throughout the year

  - empowering managers to take the necessary steps to create engaging teams

  - providing developmental and consulting conversations

Creating a culture of engagement requires more than completing an annual employee survey and then leaving managers on their own, hoping they will learn something from the survey results that will change their daily behavior. It requires a company to closely examine the critical engagement elements that align with performance and the organization's business and human capital strategy. Managers and leaders should keep employee engagement top of mind because every interaction with employees can have an impact on engagement and organizational performance.