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Engaging Employees

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The spate of industrial unrest in recent months has underlined the need for improved employee engagement, especially during difficult economic times. The 2009 MacLeod report, 'Engaging for Success: enhancing performance through employee engagement', compiled by David MacLeod and Nita Clarke for the UK Government, concluded that a wider take-up of engagement approaches would positively impact the country's competitiveness and performance. The research confirms what our intuition has been telling us: engaged employees perform better; are advocates for their organisations; generate more creative ideas and provide better customer service. They are also likely to experience increased job satisfaction; take less sick leave; and staff turnover is lower. Too good to be true?

Here's the challenge: of 75 potential drivers for engagement (Towers Perrin-ISR, 2006) the most important factor is the need for employees to believe that their senior management have a sincere interest in their well-being. This type of insight has understandably led to a raft of conference presentations calling for greater organisational trust, transparency and collaboration. Yes, trust is of course important, but how feasible is it to build a trusting organisation and what does this really mean for employee engagement?

First, we need to recognise that trust reflects at least two different elements: trust based on motives or integrity; and trust based on competence or ability. Both of these need to be constant over time. However, research also indicates that we are genetically hardwired to trust only a few people in terms of personal motives.

So how is it possible for leaders at all levels of an organisation to be trusted at a personal, let alone competence level in order for engagement to flourish? How many leaders would admit that they are not to be fully trusted?

In reality, all leaders are bound to have people in their organisation who do not trust them at some level. Not because as a leader they are untrustworthy in competence terms, but because they represent an agenda, or objective that could be perceived negatively by those with different interests. It is this understanding that organisations are inevitably characterised by many internal mutual and competing interests, such that politics are a normal element of how we work, which is missing from so many engagement strategies.

For example, many organisations are excellent at promoting collaboration and teamwork, but say little about how to compete for ideas, time, jobs and so on. Yet for many of us, management is a continual process of positioning our ideas and bargaining for time and resources. How does this behaviour impact upon our ideal of trust?

Similarly, implicit within the idea of engagement is the need for employees to 'own' their contribution, but this personal ownership necessitates a process of questioning and debating, not just accepting. Since we tend to trust those who demonstrate loyalty, how do we respond to those who challenge and question the prevailing view? The effectiveness of an engagement strategy is therefore very much dependent upon the 'mindset' that a leader has about how organisations work.

On our General Management Development Programmes at Cranfield we find that it is critical to distinguish between a 'rational' and 'multi-goal' approach to understanding organisations. The rational mindset reflects the need for top-down alignment and commonality of approach. In HR policies, this is often characterised by the need for consistency, and developing leaders to 'live' the corporate values of trust and teamwork. In contrast, in the multi-goal mindset organisations are seen as more akin to a corporate marketplace of varying secular interests, each vying for attention. If you doubt this is the case, just think back to the difficulties you might have experienced in getting your last annual budget approved.

Most of the time, managers experience both realities, but it is the first that usually prevails in terms of formal management principles. Consequently the starting point for many engagement strategies is board-driven policy;

a transactional approach with an emphasis on annual surveys and bolt-on engagement processes. This tends to be something done 'to' employees. One organisation I know actually developed a set of mission statement values that included employee inclusion and dialogue; but then proceeded to 'roll out' its communication of these values from the corporate centre without any discussion at all.

From the multi-goal mindset, the starting point is the employees themselves. Engagement must be seen as integral to delivering the business strategy, and reflects a continual trust-building dialogue between leaders and employees. This approach is undoubtedly less neat but encapsulates the idea that engagement is built from the bottom up as well as the top down.

Table 1 (right) lists ten key principles that business leaders need to consider in designing an approach built from this mindset.

Table 1

10 principles for building engagement

1. **Foster formal and informal participation; ask employees what engagement means to them**

2. **Provide organisational framing e.g. a mission, but genuinely seek views of many and justify conclusions to these stakeholders**

3. **Develop opportunity for personal choice e.g. flexible benefits, personal development plans**

4. **Build local identity and values from the bottom up**

5. **Encourage local innovation and build opportunity for variation across departments in application of (at least some) Human Resource Management processes**

6. **Embrace debate and invite dialogue on alternative approaches**

7. **Build learning capabilities; encourage knowledge transfer between pockets of good practice**

8. **Treat individuals as individuals: respect, develop and feedback**

9. **Encourage leaders to experiment with setting up small groups of employees to challenge the status quo**

10. **Develop line managers to lead engagement.**

Practical examples of these principles include M&S where main board directors and staff have regular breakfast briefings with no fixed agenda. At international law firm Freshfields Bruckhaus Deringer, a cross-section of their London office is engaged upon a process of examining and challenging working practices to improve engagement. I believe that the success of this type of initiative depends not on simplistic notions of trust; but on recognition that engagement requires the reconciliation of differences of viewpoint, and that this is inevitably a political process. A constructive approach to politics requires a type of leadership where differences are openly valued and debated, and to this end, the starting point for engagement must be for leaders to ask their employees what engagement means for them in the first place. That way, leaders are more likely to win personal trust. [MF]

For further information about Cranfield's 'Leading Employee Engagement in Difficult Times' programme visit: **www.cranfield.ac.uk/som/gmdp/lee** *or contact Sara Shakespeare on* **+44 (0) 1234 754569**

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