

Employee Engagement

“Above and Beyond”

Written by William Peterson

What is Employee Engagement?

Employee engagement is when staff are prepared to go “above and beyond”. They are willing to do more than what is prescribed within the confines of their job descriptions or performance contracts. They choose to be in the organisation and impact on its business bottom line.



“You may just see a sweeper, but in 1968 Joe Saltzer, a cleaner working for NASA saw it differently. When asked by a visitor what he did, he replied, I’m helping to put a man on the moon.”

When employees CARE — they are emotionally and personally engaged—they use *discretionary effort* - in other words, they are prepared to do more than what is required without being asked to do so.

- ❖ This means the engaged sales team is prepared to work overtime when needed, without being asked.

- ❖ It becomes everybody’s job to pick up the trash in the store or yard, no matter who is watching or not.
- ❖ This means a project team member offers support to other project team members even when her section of the work is complete.

Employee engagement is both a process and a measurable outcome. It is not an event or a “once off” clever strategic people initiative. Neither is it a trendy imperative, tactically inserted into an organisation’s plan for operational effectiveness, helping it out of a temporary slump. Rather, it must be seen as a sustainable and integrated people management “best practice” for all organisations that are serious about being competitive and the best in their industry.

If your closest rivals are not serious about this key dimension to their business, then you have no reason to be concerned. Their mediocrity will suffocate their ability to be competitive.

Employee engagement are outcomes which companies receive from their employees based on what they have invested in them and their workplace environment. Companies must however ensure that their investment focusses on what really matters most to their employees. Motivating

employees to go *“above and beyond”*, is not a temporary tactical option, it must be seen as natural, critical and second nature, like blood feeding the heart and the brain.



It is also an equitable relationship of reciprocity between the organisation and its employees.

Levels of Employee Engagement

A global survey conducted recently by BlessingWhite suggests that in some parts of the world and this includes China, only one in five employees are engaged. In North America they say only one in three are prepared to go *“above and beyond”*.

Other studies, by Harter, J., Schmidt, F., Killham, E., & Sangeeta, A. (2009) suggest that only 29% of the workforce can be categorised as being engaged with 71% of employees falling into the category of not-engaged or actively-disengaged. **The study also says that only 12% of leaders in organisations have plans in place to address employee engagement challenges.**

The study further purports that engaged employees are 43% more productive and outperform their peers by 47% to 202%.

The study concludes with a most startling set of impacts on the bottom line of companies who benefit from engaged employees. It suggests that there is a direct correlation when comparing median differences between top-quartile and bottom-quartile companies who complete engagement surveys.

Below are results of top performing companies with the highest level of engaged employees:

- 12% higher customer ratings
- 16% increased profitability
- 25% lower turnover
(for high-turnover organisations),
49% lower turnover
(for low-turnover organisations)
- 49% fewer safety incidents
- 27% less shrinkage
- 37% less absenteeism; and
- 60% fewer quality defects

These results mean companies in the top quartile are twice as successful compared to those in the lower to bottom quartile.

Studies conducted by Gallup (2006), Towers Perrin (2006) all show there is a significant correlation between companies who score in the top five per cent of the engagement survey. These companies competitively outperform those companies who score in the lower percentile of the survey. **In other words, higher performing companies whose employees are**

more engaged show better bottom-line results.

The Challenging Playing Fields

Firstly, let's appreciate that we live in a world that has become global and hence we are all becoming inextricably interconnected. We are all swimming in the same global pond. We are impacted by what happens to our trading partners all over the world. It is important to review our current economic landscape and understand what it predicts for the foreseeable future and the consequences on companies, organisations, institutions and their fortunes.

According to an article extracted from the Economist dated July 21st - July 27th 2012, titled, "The emerging market slowdown", it suggests that the economic growth in these emerging markets have slowed down significantly. Consequently, their demand for certain commodities have also decreased, they are buying less, i.e. importing less.

South Africa is one such supplier from whom less will be bought. We have been negatively impacted as the demand for our commodities have come tumbling down off the back of a much steeper than expected slowdown amongst these fast growing, fleet footed emerging economies, e.g. China, etc.

Our economic course has been further dented because of the European crisis, traditionally another strong trading partner of South Africa. When China suffers

economic "indigestion" we in South Africa, particularly in the commodities sector, also feel the constraining discomfort in parts of our economy. Considering that we are one of the world's leading mining and mineral-processing countries and that China is one of our largest trading partners, we therefore feel their slowdown on our economy.

The commodities sector is at the centre of our economic pond. If this sector struggles then consequently the impact ripples are felt not only at its sectorial epicentre, but in all other dependent sectors as well. We are an integrated and interwoven economy and we are extremely sensitive to what happens in the commodities sector.

Local economist and World Bank officials predict an economic growth forecast for South Africa of about 2½ per cent for the foreseeable future. So at best we will have a slower than predicted domestic growth. In addition, as backdrop, we face a world economic landscape that is going through its worst performance since the great depression of the 1920's - 30's.

There are serious and credible calls, local and international for the world to reform its global economic governances and practice. We must all, zealously work towards bringing about a more humane and just economic world order. If we succeed, we might be able to lengthen the period between the "up and down" cyclical economic swings. We might also be able to smooth out its fierce and merciless impacts, especially upon the poorer and more

vulnerable economies. We will however not be able to prevent the global economy's natural expansions and contractions.

How do businesses in South Africa then thrive, remain competitive, and grow strong amidst the current economic downturn? How do we ensure we are ready to ride the upswing when it comes along, because there will be an upswing.

World Competitiveness Report

South Africa was ranked 50th out 142 countries in the 2011/2012 World Competitiveness Report. We have improved by four positions. We must celebrate the fact that in some categories we are able to compete with the most competitive countries in the world. Unfortunately, there are other performance categories which hold us back. It nullifies the gains we have made in other performance categories where we have been impeccable and competitive. This "one step forward and two steps back" reminds me of the "crab in the bucket" dilemma. As soon one crab gets to the top of the bucket the rest at the bottom grab its legs and drags it back down.

Unfortunately, South Africa ranks near the bottom of the rating in a number of important categories:

Below is a selected view:

Pay and productivity	130 th
Business impact of HIV/AIDS	132 nd
Quality of the educational system	133 rd
Cooperation in labour-employer relations	138 th

Flexibility of wage determination	138 th
Hiring and firing practices	139 th

The above mentioned categories do have a causal link impacting levels of employee engagement.

Contrary Indicators

The Marikana Lonmin nightmare is a blot on our scorecard as a democratic and civilised society. It was a moment when our incumbent government came close to losing its legitimacy to govern its populace. This dark and tragic incident will for a very long time remain in our collective unconscious as a nation, arguably, our first post-apartheid, massacre. **This tragedy demonstrated employee disengagement in its most extreme and dangerous form.**

This unfortunate incident calls for all participants in our world of work to take serious stock about the way we honour, respect and reciprocate the fair exchange of labour. If this exchange lacks fairness and is not based on an economic model which is just, then there will be no industrial peace.

Creating the Right Conditions for Employee Engagement

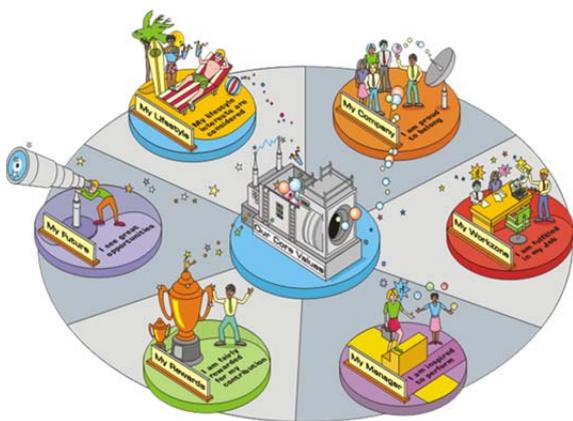
"All men can see these tactics whereby I conquer, but what none can see is the strategy out of which victory is evolved".

Sun Tzu

How do companies gain the competitive edge and give their customers what they

want in a modern economy where differentiating on product and price has become increasingly difficult? It is a known fact that one of the most difficult things for your competitors to copy overnight is a passionate and committed workforce who are “choose to people” and are prepared to go “above and beyond” for the company for whom they work. If your organisation largely consists of Brand Ambassadors with these attitudes and commitments then your competitors will figuratively “bite the dust”. To create fertile workplace environments for employee engagement an organisation must ensure that they invest in the following six dimensions which are important for employee engagement namely:

Six Dimensions of Employee Engagement



- **My work zone**
“In my work team we are encouraged to, and generally practice, participative decision making etc.”
- **My future**
“I would stay with my company even if offered a similar job elsewhere with slightly higher remuneration etc.”

- **My company**
“I would recommend the organisation’s products and services as the best in the markets in which we operate etc.”
- **My Manager**
“My immediate manager is accessible, approachable and actively listens to others etc.”
- **My Rewards and Recognitions**
“People in my work team are adequately recognised and rewarded (financially and psychologically) for excellent performance etc.”
- **My Lifestyle**
“Organisational policies and practices are in place to facilitate balance between work demands and the personal needs and preferences of staff etc.”

To implement these conditions it needs unwavering conviction, supported with time and passionate energy. It must commence with the CEO and his/her executive team trumpeting and living the message and practice throughout the organisation.

Return on Investment (ROI)

This engagement environment will motivate and inspire employees to be engaged and they in turn will:

- Want to make things better and do those discretionary acts which often is “not in my description”, i.e., going “above and beyond”.
- Appreciate the bigger picture; understand the business context and its challenges.

- See their colleagues as their internal customers - give respect, love and support.
- Commit to continuous learning thereby owning their development, improving their performance and the work of others.
- Innovate and support new ideas and development.
- Consciously support the company and bring in business.
- Become fans of the firm and with evangelical zeal, spread the good news about its products and services.

As you may notice these are essentially non-core areas of a job role and therefore difficult for your rivals to imitate.

Rally employee Effort around Key Business Drivers

It is critical for every organisation to work out what their business drivers are that will help them survive the current downturn and thrive in the upturn. These drivers must be used to focus the efforts of all employees. Employees respond best when they understand “why” and where their contribution fits into the bigger organisational picture.



Measuring Employee Engagement

If you as the reader had to estimate how many of the staff in your organisation is fully committed, what would you guess the percentage to be? How many of them are treating the organisation as if it is their own and are taking full accountability for their duties and responsibilities? How many of them really ***WANT*** to be there to go “above and beyond”?

How vital is it for you to measure and know the level of your staff engagement? We have an online engagement survey which allows you to periodically measure your employee engagement levels. Having this information regularly updated on your people agenda dashboard will help you as an organisation take proactive action where necessary.

It’s a “Give-and-Take” Relationship

There must be a formal way in which organisations show a willingness to reward employees who are prepared to “go above and beyond”. Over and above the psychological rewards contained in “Thank you”, “that’s a job well done” and team meeting recognition sessions, companies must find formal ways to track and reward employees materially, when they consistently “go above and beyond”.

The reward system should be designed to capture, monitor and set up opportunity to reward such behaviour. This will give a

clear message about what the organisation really values.

The “Dark Knight” Rises

In pursuit of continuous organisational performance, care must be taken to



ensure proper work life balance for employees. As companies call employees to “go above and beyond” they must be aware of the over engagement side effects like: burn-out, disengagement, etc. (Macey, Barbera, and Young, 2009)

Conclusion

The challenge for organisations will not let up. The world economy continues to limp and trundle up a hill like a battered and unfit runner. The economy will, however, recover. The question is, what kind of company will it find, waiting to take full advantage of its rich pickings?

“Every morning in Africa, a gazelle wakes up. It knows it must outrun the fastest lion or it will be killed. Every morning in Africa, a lion wakes up. It knows it must run faster than the slowest gazelle, or it will starve. It doesn't matter whether you're a lion or gazelle - when the sun comes up, you'd better be running.” - Unknown



With contributions from Bennie Pienaar and the editorial team: Marian Peterson and Mario Garces