Employee Engagement And The Organization Development Practitioner

Dick Axelrod

Every major corporation in the world is paying attention to employee engagement. There are good reasons for this. Engaged employees are more productive, provide better customer service, have less absenteeism, and are less likely to quit than their disengaged counterparts. There are many studies that support these findings. Here are a few:

- Northwestern University found that organizations with engaged employees have customers who use their products more, and increased customer usage leads to higher levels of customer satisfaction. (Cozzani and Oakley n.d.)[1]

- Engaged organizations are 52% more profitable than their disengaged counterparts. (MacLeod and Clarke 2009)[2]

- McKinsey & Company, in a global study of successful organizational transformations, identified co-creation, collaboration, and employee engagement as key success indicators. (McKinsey & Company 2010)[3]

This growing body of research has caught the attention of leaders who are constantly seeking ways to improve their organizations. This research supports what they intuitively know: engaged employees make a difference.

If you are an OD practitioner, you are likely to come across employee engagement in one form or another in the course of your work. If your organization is starting a major change initiative or is seeking to create an engaged workforce, you are likely to be working with leaders who are asking the eternal management question, "How do I engage people in the purpose of the enterprise?" The answer is not easy. That is why Organization Development Practitioners must

have the expertise to play an important role in helping leaders to address this issue.

Before we delve into this subject, however, let me propose a definition of our subject. The Conference Board, in a review of the various studies and approaches to employee engagement, developed this definition: "An employee can be considered engaged if he or she is intellectually stimulated and passionate about his or her work, and demonstrates that through his or her intended actions." My own personal definition is: "engaged employees put their wholehearted selves behind what needs to be done".

HOW TO CREATE AN ENGAGED WORKFORCE

While the benefits of an engaged workforce are clear, how to create an engaged workforce is not. As much as leaders, and some OD practitioners for that matter, would like to be able to plug people into a process and immediately turn them into engaged employees, employee engagement is not a 'plug-and-play' activity. Creating the engaged organization requires a systemic and holistic approach. It requires looking at work design, at everyday conversations between leaders and those who work with them, at what happens when we meet, at leadership behaviors, and at how change occurs in organizations. OD practitioners, through good contracting, can identify which interventions make sense and then, collaboratively, design interventions that will increase employee engagement in their client system.

Designing Work with an Engagement Edge

In *Productive Workplaces*, Marvin Weisbord writes, "The quickest way to increase dignity, meaning, and community in a workplace is to involve people in the redesigning of their own work. That is also the shortest route - in the long run - to lower costs, higher quality, and more satisfied customers"[4]

There are four secrets to designing work with an engagement edge:

- Secret 1: Find Meaning
- Secret 2: Put Autonomy in Charge
- Secret 3: Construct Scorecards
- Secret 4: Create Challenges

Finding Meaning

The work itself may be intrinsically meaningful, as in the case of a healthcare professional or school teacher. And, when the work itself is not meaningful, people may still find meaning in the work they do. A janitor, who worked with the famous heart surgeon Michael Debake, when asked what he did, said that he helped to save people's lives. He knew that, by keeping the operating room infection-free, he played an important role in saving people's lives. This janitor had found meaning in his work, above and beyond the mundane tasks of washing walls and floors.

Putting Autonomy in Charge

Autonomy is in charge when people are able to make decisions on their own without going through countless organizational levels. Increasing autonomy increases a job's motivating potential.[5]

Constructing Scorecards

When people have information about how they are performing, they are able to adjust their behavior accordingly. Scorecards enable people to find out how they are performing on a regular basis without having to consult their supervisor.

Creating Challenges

When you are faced with a challenge that calls for slightly more from you than your current level of skill, you are engaged.[6] If the challenge is not enough, you say, "Why bother?", and if it is too much, you may not try. Everyone has different challenge thresholds. It is important to match the challenge to the person and the job.

When work provides meaning, when people have the autonomy to make decisions, when they know how they are performing, and when the right amount of challenge is present, engagement with the work increases.

Practice 'Everyday Engagement'

At Boeing Commercial Engineering, employee satisfaction increased 40% along with numerous productivity improvements when our 'Everyday Engagement Process' was used. We call our approach 'Everyday Engagement' because, when it comes to engaging employees, everyday conversations matter.

While most organizational change efforts focus on engaging employees in the latest initiative, 'Everyday Engagement' turns the process upside down. 'Everyday Engagement' starts with finding out what is important to employees in terms of their work, and then jointly figuring out ways to bring more of what they care about into the workplace. The second step is for local units to come together to identify how to make their work group a great place to work. This focus on the individual and solving issues at the local level provides people with a sense of ownership and control over their work environment, which leads to increased engagement.

To learn more about 'Everyday Engagement' see: Terms of Engagement: New Ways of Leading and Changing Organizations, Berrett-Koehler 2010, Richard H. Axelrod, and www.everydayengagement. com. For a case study on the work at Boeing see The Handbook for Large Group Methods, Jossey-Bass, 2006, Bunker and Alban.

What Happens When We Meet?

The most overlooked fast-track everyday engagement opportunity available can be found in regular meetings. It is in meetings where people decide whether they will sit on their hands or join in. The fastest, easiest way to increase engagement in your organization is to focus on meetings. High-engagement meetings:

- Welcome people into the meeting space.
- Connect people to each other and the task.
- Help people discover 'the way things are'.
- Elicit people's dreams.
- Enhance decision-making.
- Attend to the end.

We have created a framework for high-engagement meetings called the meeting canoe. This canoe shape shows the flow of the previously identified meeting components. It represents a conversation that starts small, and expands to its widest point when people have a clear understanding of the current state and the future they would like to create. It narrows as decisions are

made, next steps are identified, and the meeting closes.

The Meeting Canoe
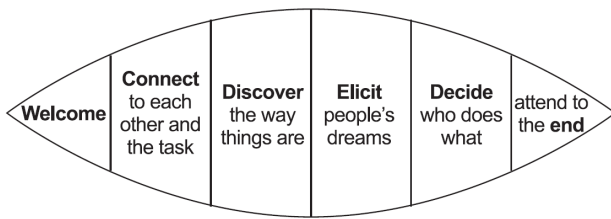
Employee Engagement Surveys are the Beginning, Not the End

OD practitioners know how to bring about organizational change through the use of surveys. The key is to avoid thermometer solutions. Thermometer solutions are not unlike treating someone who has a pneumonia-related fever with two aspirins. While it may bring down the fever, it will not deal with the underlying cause. Using employee surveys to measure engagement levels is the first step. The real payoff comes when leaders and employees participate in a dialogue about the survey results in order to understand jointly why people responded the way that they did, and so that they can identify ways to improve their work environment. Surveys are the beginning, not the end, of your employee engagement work.

What Neuroscience Can Teach Us about Employee Engagement

Author David Rock has researched the neuroscience of engagement and developed what he calls the SCARF model. This model identifies five factors (Status, Certainty, Autonomy, Relatedness, and Fairness) that, when present, increase the reward state in the brain, which increases collaborative and innovative behaviors. When these factors are missing or diminished, people feel threatened and collaborative, innovative behaviors decrease.

When you look at large group interventions, such as Future Search, Open Space, The World Café, or our own Conference Model, in relation to the SCARF model, it is easy to see why participants become so engaged in the work.

Status increases when people are involved in addressing issues that are normally reserved for the organization's leaders.

Certainty increases when people participate in a change effort instead of being 'on the outside looking in'. When they are "in the know" and have information about what is happening, they feel better.

Autonomy increases when people believe they can have an impact on their own situation. How many times have we heard, "I would rather be part of what is going on than to have something done to me."

Relatedness increases as people connect to each other and to the task.

Fairness increases as people experience their voices being heard and influencing the outcomes. They experience themselves as part of a larger group doing what is in the best interest of the organization and its stakeholders.

Can Work Be Too Engaging?

There is an ebb and flow to engagement. We are engaged in some parts of our work and not engaged in others. This is probably a good thing because we all need time to disengage as well as to engage. In the past, when most people were employed in manual labor, with the exception of skilled craftsmen, it is safe to say that most people did not find their work engaging. But with the advent of knowledge workers, work has become increasingly stimulating, interesting, and yes, engaging. As a result, it becomes more and more difficult to disengage from work. Add in 24/7 technology and work becomes all-consuming. One of the findings from neuroscience is that creativity and productivity increase when we have downtime. So despite my enthusiasm for creating engaged organizations, it is important to recognize that we need to balance engagement with disengagement. A walk in the park can sometimes be more useful than spending those extra hours at work. A good night's sleep can be more beneficial than staying up to finish that endless stream of emails.

ENGAGEMENT IS THE NEW CHANGE MANAGEMENT

For some, the words "change management" may be an oxymoron. But when leaders talk about bringing about organizational change, they talk about change management. So let us not quibble about terms; rather let us explore what a change process looks like with a foundation of employee engagement. In traditional change management, people are involved after the key decisions have been made and leaders begin to worry about buy-in. In the New Change Management, employees and key stakeholders are involved early and often in the change process. As a result, they connect to the work and build communities for action. New Change Management asks the questions, "Is the process fair?", "Will people be treated fairly?", and "Will the outcomes be fair?"

Every organization is different. Every change process is different. That is why I believe that the most practical tool an OD Practitioner can possess to create a high-engagement change process is a set of core principles. These core principles act as a North Star to guide you when you are lost and do not know what to do. Here are the four principles that are the basis for the New Change Management.

- **Widen the Circle of Involvement:** expand participation in a change process by including new and different voices so the few no longer decide for the many. When you widen the circle, you produce a critical mass for change and better ideas.

- **Connect People to Each Other** and to powerful ideas through conversations. As people get to know each other and connect to the task at hand, you build the foundation for change.

- **Create Communities for Action** by creating common ground, aligning behind a compelling purpose, and unleashing talent. This produces a group of people who have the will to get things done.

- **Promote Fairness** by creating processes which demonstrate to people that their voice counts. Creating change with an egalitarian spirit and with a process that is fair ensures that the outcomes are fair.

A set of change principles, while valuable, is not enough. Behind every successful change process is a leader. In our work we have interviewed dozens of people who have led successful change processes: processes that have increased productivity by as much as 25%, significantly improved the quality of patient care by reducing wait times by up to 40%, and where employee satisfaction has increased by 40%. What was striking about these leaders was the premium they placed on three practices:

- They were honest in their dealings with the organization.

- They believed in transparency. They shared information openly and widely.

- They were trustworthy and they trusted employees to make decisions that were in the best interest of the organization.

Taken together, the four engagement principles—Widen the Circle of Involvement, Connect People to Each Other, Create Communities for Action, and Promote Fairness—and the three leadership practices—Honesty, Transparency, and Trust—form the New Change Management. Apply any principle or practice and you will benefit. Apply them together and you get a systemic impact that is greater than the impact of applying the principles and practices individually. In organizations where the New Change Management is practiced:

- People grasp the big picture, fully understanding the dangers and opportunities.

- There is urgency and energy as people align around a common purpose and new directions.

- Accountability is distributed throughout the organization and people come to understand the whole system.

- Collaboration across organizational boundaries increases as people connect to the issues and each other.

- Broad participation quickly identifies performance gaps and their solutions, improving productivity and customer satisfaction.

- Creativity is sparked when people from all levels and functions, along with customers, suppliers, and important others, contribute their best ideas.

Where to Start

The best place to start is with a new change process. Design it using the principles and practices of the New Change Management while incorporating learning from neuroscience. But what if you have a change process that is already underway? You can start by taking a 'time-out' and reviewing a current change process through the lens of the principles and practices identified in this article. You can start by applying the four secrets to designing work with an engagement edge. You can start by initiating everyday engagement conversations in your organization. Last but not least, you can start by creating engaging meetings, the most overlooked fast-track engagement opportunity there is. No matter which approach you use, the important thing is to start somewhere. You will not be disappointed. Enjoy the journey!

BIOGRAPHY

Dick Axelrod brings more than thirty-five years of consulting and teaching experience to his work, with clients including Boeing, British Airways, Hewlet Packard and the NHS. He is faculty in Columbia University's Principles and Practices in Organization Development Program and the University of Chicago's Leadership Arts Program. Dick authored the award-winning Terms of Engagement: New Ways of Leading and Changing Organizations, and co authored You Don't Have to Do It Alone: How to Involve Others to Get Things Done, which the New York Times called "the best of the current crop of books on this subject." Dick is the recipient of the Organization Development Network's Lifetime Achievement Award.

The Alexrods in the UK

Dick and Emily Axelrod are in London on 9th June 2011 giving a public lecture "Leadership with an Engagement Edge" and in Oxford from 13th-15th June running a 3 day workshop "Engagement is the New Change Management: How Large Groups Foster Engagement". To reserve places at these events contact info@quality-equality.com or call 01865 744618

May 2011

REFERENCES

[1] Cozzani, Charles A., & Oakley, James L. Forum for People Performance and Measurement. Executive Summary. *Incentive Performance Center*. www.incentivecentral.org/pdf/employee_engagement_study.pdf (accessed March 7, 2010).

[2] MacLeod, D., & Clarke, N. (2009). *Engaging for Success: Enhancing Performance through Employee Engagement*. Department for Business Innovation and Skills. www.berr.bov.uk/file52215.pdf (accessed March 7, 2010).

[3] McKinnsey & Company. (2010). What Successful Transformations Share: McKinsey Global Survey Results. *McKinsey Quarterly*, March. www.mckinseyquarterly.com/Organization/Change_Management/What_successfu_transforamtions_share_McKinsey_Global_Survey_resutls_2550 (accessed March 17, 2010).

[4] Weisbord, Marvin R. (1987). *Productive Workplaces Revisited: dignity, meaning and community in the 21st century*. San Francisco. Jossey-Bass.

[5] Hackman, J. R., & Oldham, G.R. (1980). *Work Redesign*. Reading MA. Addison Wesley.

[6] Csikszentmihalyi, Mihaly. (1997). *Finding Flow: The psychology of engagement with everyday life*. New York. HarperCollins.