



The Human Dimension

THE LEADER WITHIN

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"During times of change and complexity we help busy executives and their teams deliver against their most important priorities."

We find improved performance is the reward for your investing in people.

The emphasis in THE LEADER WITHIN is on the changes and growth we make within ourselves, as leadership is basically a personal growth experience over time.

'For things to change first I must change.'

Leaders build Engagement ...

Often in the discussion of employee engagement, we hear about performance planning, reward systems, training and development, and role and career management, amongst other areas. These are critical, but generally operational and targeted to the individual. This is not enough for higher levels of organisation-wide engagement.

It is important to consider the opportunities for your employees to collectively engage in the bigger strategic picture, i.e. for them to see, explore, interpret and influence what that picture is and why it is.

To create these opportunities is to create a greater sense of purpose and a greater shared understanding of what we do and why we do it day-to-day. This is more likely to lead to shared decision-making and activity in line with the intended business strategy, with the benefits flowing into performance levels.

What if your company already pays competitively, has a flexible work arrangement policy, has comprehensive performance management processes, employs effective communication mechanisms and offers a great benefits plan (including pet insurance!), but your engagement and retention levels are not what you want them to be?

Not a week seems to go by without another news item about the fast-approaching retirement bubble, the ever-changing motivational factors of the latest generation, the increasing diversity of the workforce, and the sweeping socio-economic and geo-political issues we face in our shrinking world.

The good news is that a fairly sizable body of research has emerged in the past few decades, making it clear that it really is worth it to invest in employee engagement and retention.

Many studies have established a link between management practices and employee engagement, employee retention, customer satisfaction and customer loyalty - as well as the "holy grail" of the corporate world, bottom-line business results.

The problem is that the list is so broad that it makes it nearly impossible to prioritise efforts.

Well, reading between the lines, you can see that three key areas emerge as the foundation of virtually everything on the list.

To improve engagement and retention, focus on these three critical areas:

1. Selection

The point is that if you want highly engaged employees who are going to stick around, you cannot leave the selection process up to chance.

Perform a complete job and competency analysis for each position. Clarify your organisation's strategy, mission, culture and work environment. Understand the personality dynamics on the work team, as well as the management style of the team with the vacancy.

Then, thoroughly and honestly evaluate all candidates against these factors. And, make sure that every single person who touches the selection or promotion process is fully trained in how to conduct a rigorous candidate fit evaluation.

2. People Skills

Study after study has shown that the person's manager has perhaps the greatest impact on employee engagement and retention. Some organisations still, however, make the classic mistake of assuming that the person who is a great individual contributor will be a great manager of people.

Sometimes, this is because the organisation is afraid that the individual might leave if they do not receive a salary increase and new title, and the career path is structured such that becoming a manager of people is the only way to get those things. This is incredibly short-sighted.

Just think of all of the people who may leave, or worse yet, stay and become disengaged, when they have to work for a person who is not skilled in (or interested in) managing people. The ripple effect on productivity levels, and the organisation's ability to execute on its strategy, can be staggering. Smart companies use the same level of rigor to promote from within as when making external hires.

Let's assume, managers do have decent people skills and they have a desire to manage people. Can they make the tough decisions when a well-liked team member consistently underperforms? Can they communicate effectively as to why this year's bonus is so much lower than last year's? Do they know how to implement that great flexible work arrangement policy in a way that will balance employee needs with productivity goals? In other words, will they be the kind of managers that can inspire engagement and retention?

Again, it is not wise to leave this up to chance. Define what great management looks like in your organisation. Monitor how they are doing in implementing people-related programs and policies. Help them seek and act on upward feedback from their people. Provide them with the tools they need to manage performance effectively and provide career development opportunities to their people. And, keep them 'in the know' about important organisational issues so they, in turn, can communicate them to their teams in a way that generates a climate of trust and respect.

3. Develop leaders

Who will decide on those important organisational issues and set that innovative strategy or inspirational mission in the first place? Whose behaviour can shape the culture and affect the climate of the entire organisation in no time at all? Who needs to establish the budget to create those great selection tools and that comprehensive management development training program?

Clearly, an organisation that is devoid of effective leaders will have significant challenges engaging and retaining employees.

Leaders need to receive candid feedback, but all too often people assume they are already completely self-aware. Or, people are afraid to speak the truth to leadership. Leaders need ongoing training and development, but all too often people assume leaders already know everything they need to know.

And, sometimes the leaders themselves are their own worst enemies. They may be afraid to seek feedback or ask for training for fear that people will see their weaknesses and their authority will be undermined.

Smart organisations establish targeted and personalised development plans for their leaders and provide them with a good deal of feedback, training and support. Effective leaders make better decisions and drive strong business results. All of which are nearly impossible to do without a highly engaged workforce.

It may be hard to see immediate results, but perseverance in these three areas will pay off. And, not just for the short-term. These investments will continue to pay off for years to come.

In summary, the key conclusions about employee engagement are as follows:

- It is easier and less expensive to re-recruit your existing workforce than it is to replace it.
- By measuring employee engagement and understanding what drives it, you will uncover what HR programs should be implemented or re-worked.
- Optimum engagement is most likely to be achieved when all your HR activities are integrated via a comprehensive talent management plan.

In the final analysis, the true benefit of workforce engagement is not reduced recruiting costs. It is the increased productivity and morale brought about by a workforce that has faith in the organisation's future and its role in it.

Call to Action:

Here is a summary and check lists of what leaders need to focus on to ensure your people are engaged.

As a leader ensure you develop ...

- A clear, compelling organisational vision and strategy
- A culture of respect and trust
- Frequent, open, two-way communication
- Clear, aligned goals
- Meaningful work
- Adequate tools and resources to perform work
- Competitive benefits and compensation
- Flexible work policies
- Regular performance and developmental feedback
- Opportunities to learn and grow
- Personal connections with people in the workplace

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