

Employee Engagement

This write up provides an overview of the employee engagement study that is currently being carried out.

The Problem:

For over 50 years, measuring and analysing employee engagement or satisfaction is seen as the holy grail of leadership development around the world. Study after study measures how satisfied or engaged employees are, and opine what leaders need to do differently in order to enhance the numbers. The logic given is something like this: happy employees make customers happy and happy customers translate into greater revenue and profit.

But is this really true? Years ago, a global financial services company observed that over a six-year period while employee satisfaction scores had steadily increased, both revenue and profitability had actually declined or stayed flat.

Furthermore, is a leader's job simply to please employees? And are all employees the same, and should each employee's opinion count equally? Are the current methods of measuring engagement really effective, and is the data even useful? Is there more to leadership than managing employee engagement?

We believe the current over emphasis on employee engagement does not do justice to the full responsibility of leadership because it only enquires what followers want from their employers and leaders. At best, we believe employee engagement accounts for only a third of leadership, and two other important parts are entirely missing:

1. What leaders expect from followers, and
2. What leaders need to do in addition to driving employee engagement in order to create a better future

Most studies ask the same questions to all types of employees regardless of their performance level. The 80:20 rule says that in most organisations, 20% of the people produce 80% of the results. Performance evaluation data in most organisations follow a bell curve wherein roughly 20% of employees are top performers, 60% are average performers, and 20% are low performers. By default therefore, an employee engagement survey relies heavily on the opinions of average and low performers. And that is what makes such data less useful than it should be, yet companies around the world spend billions in terms of time and money in developing "schemes" to enhance engagement, including well-meaning but ineffective leadership development initiatives.

Through this research study, Iclif will focus on resolving some of these problems, and produce more meaningful information, analysis and advice for leaders, followers and organisations alike.

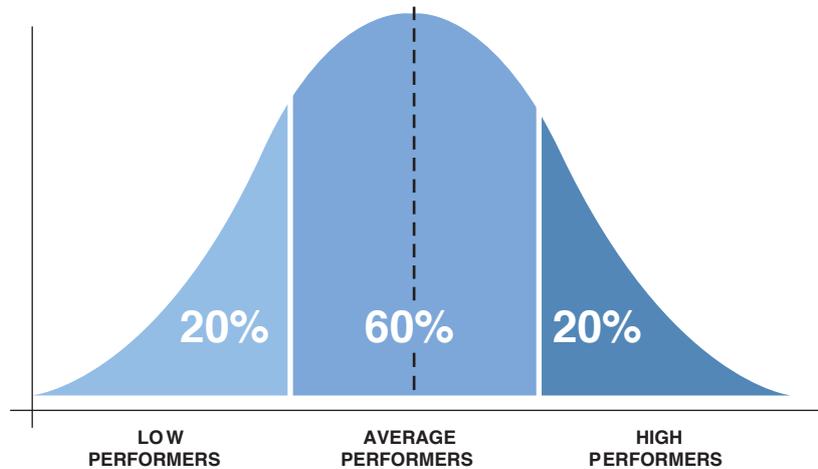
Our Going-in Assumptions

1. *A certain amount of top-down leadership is necessary:*

The primary work of leadership is to create a better future for others. Creating this better future involves envisioning something that does not yet exist, and something that is often not even a perceived need in the minds of people. Hardly anyone believed Steve Jobs when he said in 1995 that the future of mobile music will be a hard drive in listeners' pockets. So today's complex environment sometimes requires a certain amount of top-down leadership as many would challenge and resist ideas that seem audacious and unbelievable. Yet, most leadership and management experts regard feedback and adhering to follower needs in high esteem resulting in business leaders relenting, and losing sight of a grand vision. Iclif research seeks to reconcile the perceived difference with an inquiry into the value proposition delivered by top-down leadership. This will include a rationale for the need of a certain amount of top-down leadership, list the challenges associated with top-down leadership, and how visionary leaders overcome those challenges while actually creating the better futures they envision. The findings will immediately suggest new and unique angles for content development while also capturing practical and usable suggestions to help better future creators remain firm and stay the course despite feedback and resistance.

2. *Identifying employee engagement needs by performance level is more useful than blanket surveys:*

There is a long standing belief that people performance follows the Bell Curve. This essentially says that there are a small number of high performers and an equivalent number of low performers with the bulk of people clustered as average performers.



Typical engagement studies do not differentiate the specific needs of the different groups; it assumes an equal playing field where everyone has similar needs regardless of their category of performance. To better develop, retain and engage, both leaders and followers must change their view and recognise that not everyone is the same and therefore they cannot all be managed and engaged in the same manner. Through focused investigation, Iclif research will offer a distinctive view into the different expectations and needs of employees along the Bell Curve. We believe the needs and expectations will vary significantly by performance level i.e. as one moves from right to left along the bell curve. The demand for hygiene factors such as flexi time, more compassion and more benefits will begin to out-weigh high performance related factors such as the need for more challenging assignments, opportunity to take risk, and more learning.

Armed with such segmented data, companies will be able to provide more focused and targeted initiatives for leadership and talent development. Iclif will use the data to inform and strengthen future programme offerings.

3. *Incorporating the view of leaders in the engagement equation is key:*

In the various studies done on employee engagement, the views of employees i.e. followers are extensively explored. The concept of engagement is complex and involves commitment from BOTH leader and follower in the workplace. Given that organisational engagement implicates a relationship between an organisation i.e. leaders and its employees, optimal levels of engagement in an organisation can only be attained ONLY when the needs of BOTH leaders and followers are met in tandem. In the first phase of our research (Asian Leadership Index), we presented a general overview of the perspectives of followers in Asia and their desires and expectations from ideal and current leaders. This next phase will incorporate and integrate the other dimension of engagement; the leader's perspective on followers, and enable Iclif to present not only a unique but also holistic standpoint in the engagement equation.

Research Design and Methodology

Iclif invites interested companies to participate in this study as our partners. HR departments of partner companies will need to identify suitable respondents based on their performance evaluation data so that we can profile employees all along the bell curve.

The advantage for partner companies will be that they will get a confidential report about the state of leadership and followership within their organisation.

Iclif will profile several large companies across Asia before bringing the study to a close by the end of 2015.
