

Executive Insights

A Case Study in Successfully Increasing Employee Engagement

An Interview with Sarah Richardson



Contents

Introduction	3
Case Presentation	4
Case Approach	5
Case Outcomes	8
Summation	11
Biography	13



Introduction

Approaching cultural change can be daunting to organizations as well as individuals. According to McKinsey & Company, ..."while programs geared toward improving organizational performance have become increasingly common, they have also become notoriously difficult to carry out. Success depends on persuading hundreds or thousands of groups and individuals to change the way they work, a transformation people will accept only if they can be persuaded to think differently about their jobs."

Ms. Sarah Richardson, an accomplished Executive, reveals how she: 1) successfully approaches and instills cultural change across organizations; and 2) ultimately increases Employee Engagement, as captured in the following Case Study interview.



Case Presentation

Interviewer: Why is the current state undesirable to a degree where you dedicate leadership time, energy and resources into increasing Employee Engagement?

SR: According to Gallup, Inc.'s "2013 State of the American Workplace" report, "...70% of U.S. workers are not reaching their full potential -- a problem that has significant implications for the economy and the individual performance of American companies." Gallup further estimates that actively disengaged employees cost the U.S. \$450 billion to \$550 billion in lost productivity per year (Gallup Business Journal, June 11, 2013).

While organizations continue to attain Key Performance Indicator (KPI) targets, Employee Engagement Survey results continue to flounder. If 70% of U.S. workers are not reaching their full potential, and if we do the math within our own organizations, the productivity drain is staggering! As an example and using conservative numbers, if 70% of the staff in a 200-person organization, or 140 staff, are working at 80% versus 100% capacity, and the average salary plus benefits is \$60K and \$15K (25%) respectively, or \$80K in totality, annual lost productivity equals \$2.24 million annually (20% x \$80K x 140 staff). In addition to lost productivity, employee disengagement lowers profitability, top performer retention rates, customer satisfaction scores and growth rates and increases defects, patient and environmental safety incidents and absenteeism.

Moderate to high Employee Disengagement scores are not acceptable to me because they are not in an organization's, the customers', the employees' or the economy's best interests.



Case Approach

Interviewer: How did you approach Employee Engagement within your organization?

SR: With the assistance of my Senior Leadership Team plus a third party "performance excellence" consultant (Gwen Walsh, Executive Consultant, www.TechEdgeLLC.com), we devised a plan that was designed to mitigate employee disengagement in the below six (6) key areas as identified within our Employee Engagement Survey (EES). Our collective goal was to increase scores by creating a sustainable culture with the following attributes:

1. A vision for the future that is inspiring.
2. Professional development opportunities.
3. Communication channels, methods and tools whereby employees have input into decisions, are kept well informed, are elicited for their opinions and thoughts and see tangible evidence that action was taken as a result of the 2013 EES findings.
4. Public recognition for individuals and teams who "go above and beyond".
5. Workload balancing and resource management so that there are enough people in the organization to effectively and efficiently fulfill the business-prioritized demand/workload in a quality manner in order to deliver exceptional customer results and attain company goals.
6. Work processes that are highly efficient.

The first step for me, given that I have a passion for and excel in transforming technology cultures, was to convince my Senior Leadership Team that "people investment" is our #1 priority. Without having the right people in the right seats on the bus and 100% mentally engaged in strategies and tactics, the organization, customers and employees would suffer. With my direct reports on board and fully committed, the next step was to collectively develop a multi-phased EES Plan that could be implemented in incremental steps in order to drive and instill the necessary change into the culture in a manner whereby it would be sustainable versus be perceived as a "flavor of the day" program. With the assistance of a third party consultant who led multiple cultural change working sessions and served in an advisory capacity, my Senior Leadership Team and I devised a thoughtful and carefully orchestrated plan that included:

- ▶ Establishing an Employee Advisory Group who represents the voice of the employees as the EES Plan tactics were being vetted, participates in the socialization process, champions incremental change including methods and tools roll-out, provides implementation and course correction feedback and identifies anecdotal success stories.

Case Approach

- ▶ Developing and executing a multi-pronged Communication Plan that promotes rich, bi-directional, transparent and consistent key message, information and discussion exchanges through "push" and "pull" methods and tools including:
 - "Happy Tuesday" organization-wide email updates;
 - "All Hands" interactive organization-wide meetings;
 - "Monthly Message" interactive Manager/Team meetings;
 - "Key Topics 1:1" interactive Manager/Employee meetings; and
 - "Skip Level" interactive Executive/employee meetings.

- ▶ Implementing a Professional Development Plan that includes Senior Leadership Team executive coaching, Leadership Retreats, Crucial Conversations training and empowerment, a Manager Development Program, ModelNetics, CAPM Certification (Certified Associate in Project Management), Technical Training/Development, Toastmasters and Emerging and Aspiring Leaders Programs.

- ▶ Reworking the existing Performance Evaluation process so it not only measures project and operational delivery goals (70%), but additionally measures leader and employee behavioral competencies (30%) through practical and easy-to-administer 360 degree survey assessments enabled through the:
 - "Leadership Scorecard". This tool measures a leader's ability to inspire and elevate others, catalyze change, foster teamwork, mentor and coach others and convey an executive presence.

 - "Behavioral Code of Conduct Scorecard". This tool measures each team member's communication, collaboration, trust, accountability and results-recognition competencies. The competencies themselves were identified as crucial by the employees as the result of an organization-wide survey which then led to the creation of our "Behavioral Code of Conduct" -- a one-page pledge that guides our organization's professional conduct with customers and with each other.

- ▶ Creating a "Thank You Kit" Recognition Program to real-time recognize individual and team accomplishments.

Case Approach

- ▶ Expanding Clarity and Remedy tool usage within the Project and Portfolio Management context to:
 - Accurately capture organization-wide resource utilization;
 - Identify the most constrained roles through data analytics;
 - Devise talent availability/shortage options and associated mitigation costs; and
 - Recommend initiative staging based on science vs. guesswork.
- ▶ Identifying the most inefficient processes, narrowing the list to the "top 4", then streamlining those processes to improve workflow efficiencies.



Case Outcomes

Interviewer: Your leadership direction, focus and actions were, no doubt, very deliberate. What did you achieve as a result?

SR: As with any cultural transformation initiative, including Employee Engagement work, sustainable change occurs over a period of 2-3 years versus within the first year. Since this work was started in earnest in 2013 and is continuing in 2014, it is highly anticipated that our organization's 2015 Employment Engagement Survey results will capture a significantly reduced Employee Disengagement score. While that score is forthcoming, the following tangibles have been realized thus far:

- ▶ The Employee Advisory Group has been embraced and has become pivotal to socializing and implementing organization-wide change.
- ▶ Participants are now actively engaged in and contributing at monthly All Hands meetings.
- ▶ The Senior Leadership Team and their direct reports are actively engaging in rich, bi-directional dialogue during Manager/Employee 1:1's.
- ▶ Each employee is receiving the same thorough and consistent messaging during Manager/Team meetings.
- ▶ I am regularly acquiring a pulse on Employee Engagement during Executive/Employee Skip Level meetings.
- ▶ All organization employees are receiving the professional development attention and opportunities that they had requested.
- ▶ The expanded Performance Evaluation process has become more meaningful in that it has identified leadership and behavioral strengths to leverage and deficiencies to mitigate vs. exclusively focused on project, assignment and task completion.
- ▶ Those employees who deserve public recognition are receiving appropriate "thank you's", so they know that they are valued by leadership and their peers. This is additionally encouraging mediocre performers to step up their game.
- ▶ Projects are being accurately estimated, both in level of effort and cost, plus properly staged now that demand, capacity and available skill set specifics are no longer a mystery, so effective planning can and is occurring.
- ▶ Four (4) of eleven (11) processes have been streamlined to where resource availability can be focused on value add vs. labor intensive work.
- ▶ We achieved 100% participation in our 2014 May-administered Employee Engagement Survey. All eligible employees completed the survey and now we're awaiting the results!

Case Outcomes

Interviewer: How do you see other leaders approaching similar Employee Engagement situations?

SR: Many organizations focus almost exclusively on job mechanics verses people aspects. Not all organizations measure Employee Engagement and of those that do, few take meaningful action that can be translated into tangible results. Per Gallup, "Many companies are a long way from implementing Employee Engagement Strategies, and this is showing up in America's national engagement levels." (Gallup Business Journal, June 11, 2013) Gallup recommends six (6) key strategies of which my organization has operationalized all six:

1. "Focus on engagement at the local and enterprise levels;
2. Select the right managers;
3. Coach managers and hold them accountable for their employees' engagement;
4. Define engagement goals in realistic, everyday terms; and
5. Find ways to connect with each employee."

I would additionally argue that there is a seventh strategy. Once I began to head down the Employee Engagement path, I realized that it's not a one-time initiative or program. The seventh strategy is recognizing that it's a long-term commitment that requires passion and perseverance in order to produce and sustain enduring results.

Interviewer: You initially mentioned that you leveraged a third party "performance excellence" consultant. How did you leverage that person's talents to achieve your goals?

SR: Success is, no doubt, a collective effort. The third party "performance excellence" consultant:

- ▶ Led highly effective strategy and planning working sessions with my Senior Leadership Team and me;
- ▶ Recommended and continues to recommend results-oriented methods;
- ▶ Developed and continues to develop practical tools;
- ▶ Provides Executive and Senior Leadership coaching; and
- ▶ Serves in an advisory capacity.

Case Outcomes

The consultant and I both recognized, however, that our organization would only continue to evolve and become culturally self-sustaining, if the EES Plan, methods and tools were both embraced and implemented by the entire Senior Leadership Team, myself included. As such, we have invested significant critical thinking, passion, time and energy into successfully:

- ▶ Owning and committing to the plan;
- ▶ Modifying the methods and tools to best fit the organization's culture; and
- ▶ Performing the lion's share of the work in terms of executing the plan and instilling a "high employee engagement" mindset into the culture.



Summation

Interviewer: How would you summarize your "lessons learned" – specifically what advice you would offer others approaching Employee Engagement?

SR: Multiple key lessons come into play when advancing this type of organizational change – to be successful you must be:

1. Willing to make tough choices.

Ultimately, your senior leadership team must not only unequivocally commit to being change agents, but they must also proactively model the desired behaviors. With that, you must evaluate each leadership member's "fit" otherwise you are placing your credibility plus end goal attainment at risk. There are actually two key points imbedded within my statement: 1) sweeping change cannot be driven by just one person (the Executive); and 2) stagnant leaders tend to propagate status quo thinking and behaviors within their teams.

2. 100% attitude and energy committed.

In your role of Executive, each time you evaluate a situation, make a decision or pursue a course of action, you must intentionally ask yourself the following pivotal questions:

- Does this and how does this impact Employee Engagement?
- Are my decisions and actions, including my tone of voice, word choice and body language, congruent with my Employee Engagement messaging and goals?

3. An inquisitive active listener.

Rather than accepting invalidated assumptions, ask thoughtfully crafted probing questions to not only elicit candid feedback, but act upon employee recommendations. Recognize that Employee Engagement is about each and every employee – it's not about YOU. Keep your antennae up. You cannot ask too many questions and, if you are genuine in your desire to receive honest feedback, you must be perceived as approachable. Creating a "safe zone" where you encourage and respectfully accept feedback is imperative, even if the message is contrary to your own viewpoint.

4. Vulnerable.

When pursuing uncharted organizational change territory, we inadvertently make mistakes. We must own and learn from our missteps, apologize, course correct and continue forward momentum.

5. A "celebrationist".

Enthusiasm energizes people and teams. By choosing to enthusiastically recognize incremental successes, regardless of how large or small, you will be encouraging those around you to continue leading the charge.

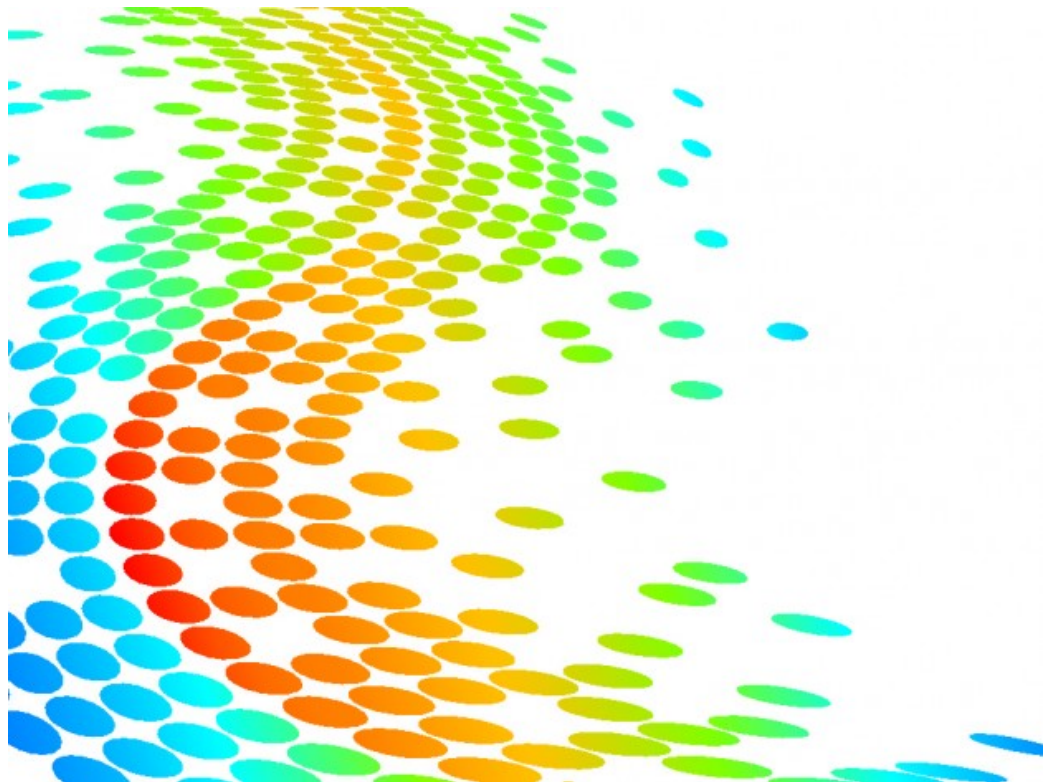
Summation

6. Appropriately patient.

Change adoption rates vary by organization and by person. The rule of thumb is that as long as discernible progress is being made, you are on the right track. Forcing change at an unabsorbable fast pace is as detrimental as allowing your change effort to meander or derail altogether.

7. Appreciative of the journey.

As an Executive, you continuously set the tone for the work ahead. If you are truly passionate about and enjoy the path you are taking, not only will others notice and respond in kind, but you will accomplish "that much more, that much quicker". The ultimate joy, of course, is in witnessing the positive impact on your team. Watching a team become empowered as they knowingly influence organizational change through their recommendations and feedback, is a joyous and humbling experience.



Biography

Ms. Sarah Richardson is a transformative, inspirational and results-driven Business and Technology executive within large-scale healthcare and hospitality environments. She attains aggressive goals, catalyzes change and advances sustainability by designing and executing high performance-based strategies, cultivating top-tier talent, infusing expectations and accountabilities, instilling customer-centric practices and forging collaborative cultures.

Ms. Richardson's professional profile is available at:

http://dynamic-cv.com/sarah_richardson/

For more information on Ms. Richardson's case study, please contact:

Sarah Richardson
Phone: 702.808.3064
Email: SarahLeader101@gmail.com

May, 2014