



press clip

Engage workers or pay price

Enthusiastic employees work harder, writes Elizabeth Allen

THEY'VE seen their colleagues swallowed up by redundancy, had their hours cut and been told to not even think about a pay rise or bonus this year.

On top of that, they're working harder than ever before.

Morale among Australian workers has slumped, with recent research showing almost four out of five employees are planning to change jobs at the first opportunity.

It all adds up to bad news for "employee engagement", the phrase used by management experts to describe an employee's enthusiasm for their job.

Engaged, or happy, employees mean a more stable workforce, greater productivity and higher profits.

But a Gallup Poll last year found only 18 per cent of Australian employees were engaged, 61 per cent were not engaged and 21 per cent were actively disengaged.

"Not-engaged employees are essentially 'checked out'," says Naomi Simson, CEO of Sydney-based rewards company Red Balloon.

"They're sleepwalking through their workday, putting time — but not energy or passion — into their work."

"Actively disengaged workers aren't just unhappy at work; they're busy acting out their unhappiness. Every day these workers undermine what their engaged co-workers accomplish."

The Gallup Organisation estimates actively disengaged employees cost Australian businesses more than \$33 billion a year.

They take more days off work than engaged employees, are physically and psychologically more stressed and deliver a lower level of customer satisfaction and loyalty.

Conversely, performance consultant Suzanne Mercier says engaged employees are happier, physically healthier, more productive and cooperative and stay longer with an organisation. So what makes an employee become engaged or disengaged?

"People want to connect with something bigger than themselves," says Simson, whose company rated ninth this year on the BRW list of 50 Best Companies to Work For.

"They want to contribute to the bigger picture — what difference they made, what their score card was and were they recognised for it."

Engagement, or putting in extra effort, flows when an employee is given responsibility and interesting

work, has a good working relationship with managers, receives feedback and has a good relationship with other staff. But the most important determinant of an employee's enthusiasm is their immediate manager.

Research by Australian recruitment firm Hays shows 70 per cent of employee engagement is determined by an employee's immediate manager.

Exit Info director Lenore Lambert says bad managers are responsible for one in five employee resignations.

"The old adage that 'people join organisations and leave managers' still rings true," says Lambert, whose firm conducts exit interviews for employers.

Lambert says employers like to blame the "usual suspects" such as pay when staff leave.

But she says money rarely makes it into the top five reasons why employees resign. She lists these as: no opportunities for career advancement, lack of interest in the nature of the work, lack of challenge, poor direct management and desire for a career change. Red Balloon's Simson says great places to work have a culture which acknowledges people who perform. Her organisation sells "life experiences", ranging from horse riding to sailing to gourmet cooking classes, which can be used by employers to reward staff.



Management mistakes

1. Believing people are lucky just to have a job.
2. Ignoring rumours.
3. Lack of recognition.
4. Saving praise for last.
5. Not standing by your employees.

Source: Recruitment firm Robert Half

THANKS: Acknowledgment keeps workers engaged. Horseriding is one experience offered by Red Balloon