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Coping with crisis at Transport for London

Communicating redundancy at Pfizer Global Manufacturing

Don't shoot the messenger: conveying bad news and change

How mature is your internal communication function?

Strengthening employee relationships at National Grid

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Strengthening employee relationships at National Grid USA

Examining the thinking behind great employee engagement

BY ED POWERS

With over 20 years' experience in internal communication, Ed Powers, former head of communications for National Grid USA, believes he knows how to get the best from employees. In this analysis, Powers offers advice to the internal communication practitioner on how they can work with their senior leaders to build a strong employee-leader relationship resulting in a loyal and engaged team.

Generally speaking, those who are really good at employee engagement are able to put themselves in the shoes of average employees and understand what makes them tick. They then make decisions with employee interests in mind.

This analysis will be divided into three sections. First, how I reached the conclusion about needing to understand what's important to employees. Second, what employees want and thus what leaders can give to create an environment where engagement flourishes. Third, suggestions on how leaders can turn concept into action.

1. A leader requires empathy

What's the basis for my premise that leaders putting themselves in the shoes of an average employee is the most important part of employee engagement? The supporting evidence comes on three fronts. First, engagement is based on a leader's relationship with employees, and all relationships are about give-and-take. It's human nature that when we feel we're being treated well, we return the favor. Conversely,

if we feel that someone is taking advantage of us, we want nothing to do with that person or, in some cases, want to strike back at them.

Second, relationships are about the heart, not the head. Consider a common use of the word engagement, that of a wedding engagement. When a couple gets engaged, each partner is saying, "I care about this person, and I know he or she cares about me." While not quite as intimate, workplace engagement nonetheless can only happen when a similar emotional bond exists.

Third, engagement is about choice. Managers can give orders that employees have to follow, i.e., show up at this time, work on this project first, etc. Employees, however, have the power when it comes to what they believe, such as whether to commit without reservation to the company. They can only be truly engaged if they believe in their company, which, in turn, can only happen if employees think the company has their best interests in mind.

2. Meeting the needs of employees

So, if employee interests are the critical link to employee engagement, what's important to employees? Based on various forms of feedback from employees over the years, I've developed the following list.

Before we dive into the list, however, it's important to keep in mind that relationships are about perceptions. It might be easy to conclude that you've successfully addressed all the items on the list. But remember, that's your perception. If employees see it differently, a leader's relationship with them has a hole. You'll notice throughout this next section that I suggest asking you or a senior

nationalgrid

National Grid USA is a wholly owned subsidiary of National Grid, an international, London-based company. Its core business is the delivery of electricity and natural gas.

leader to trade places with an average employee before answering how well your company is addressing what employees want.

Ensure employees get the basics

Employees want minimal worry over job basics. The basics include job security. It used to be that employees in certain industries expected life-time employment. By-and-large, most people today understand that guarantees no longer exist. Yet job security remains as important as it's always been. Imagine that you're an average employee who may have to tell a spouse that your job is in jeopardy or that you've been laid off. If you're that employee, would you rather work for a company that seeks to maintain and expand jobs, or one known to continually reduce employment to cut costs? Your reaction may be, "That's not fair, sometimes we have to cut jobs." That's true but not the point. It's employee perceptions of how important their job security is to a senior leader that affects their willingness to engage.

The job basics also include fair wages and benefits, which are important on two levels. First, people need sufficient compensation to maintain a basic standard of living. Second, people have an inherent need to feel they're being paid what they're worth. Consider professional athletes who make millions of dollars a year, yet refuse to play or demand a trade when they feel ownership is short changing them. Average workers in average companies often feel the same way. The only difference is that their options may be more limited and result in them grudgingly staying in the job. Imagine for a moment you're a rank-and-file employee. Would you be satisfied with your paycheck? Would you perceive management as paying you what you deserve?

Build a sense of pride

People want to be able to brag about where they work. When they tell family and friends about their employer, they want to hear back, "That's a great company." Conversely, they don't want to have to put their head down in shame if their company is known for inferior products, poor service or ethical lapses. Public perception is thus quite important to how employees feel about their jobs and their willingness to engage. Enron provides a great example from opposite ends. During Enron's rise, when it regularly was appearing on the cover of business magazines as a shining star, getting a job at the company made you the envy of others. Yet after the exposure of the scandal that brought the company down, people were embarrassed to say they worked there. Now imagine you're a typical office or plant worker. Would you beam when you tell people about your company?

Make employees feel important

It's basic human nature to want to feel important, regardless of what your job is. Let me share a story I've heard in various circles that makes the point beautifully. A person walking down the street comes to a construction site where a man is slowly and with great effort putting bricks into place. When asked what he's doing, the man replies that he's laying bricks. The person walks a bit further down the street and sees a second man doing similar work, yet at a much quicker and energetic pace. When asked what he's doing, the man replies that he's building a cathedral.

Contrast this with the fact that most employees cite share price, earnings growth and cost control as the highest priorities at their companies. Also, most companies resemble the shape of an iceberg, with only the relatively small percentage that's above the water line having direct customer impact. If you were a bookkeeper, clerk or janitor at your company, would you feel important? Like the energized bricklayer, would you say you're building a cathedral?

Ensure employees feel valued

A close corollary to wanting to feel important is wanting to be appreciated. If your CEO swapped places today with an average employee, do you think they'd come away feeling appreciated or taken for granted? Appreciation can take several forms. Money is one, such as through spot bonuses. But by itself, money is not enough for people to feel they're appreciated. Words of appreciation are very effective but only when used properly. For example, saying thank you to a group without singling out the handful who did the lion's share of the work is going to miss the mark. Programs that offer "pins and prizes" for milestones are a nice element within a broader recognition effort but are insufficient by themselves. Imagine if for your 25th wedding anniversary you sent your spouse a catalog and told him or her to pick out a gift. Appreciation is a



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KEY POINTS

- **The most effective way to begin a successful program of employee engagement is to create a sense of empathy whereby the leadership team understands employees to such an extent that they can make decisions with employee interests in mind.**
- **Employees have a number of needs that should be understood and addressed. These include being appreciated, trusted and treated fairly.**
- **To progress with a successful program, internal communication practitioners need to continually encourage the leadership team to listen to employees, absorb the feedback they hear and implement the suggestions where appropriate.**

- ◀ critical part of any relationship – employees who feel appreciated will regularly go above and beyond the call of duty.

Place trust in employees

The author Stephen Covey has done research that shows a strong connection between trust and employee engagement. He says that trust “brings out the best in people,” while “people who don’t feel trusted are rarely motivated.” Trust is a fundamental component of any relationship. When trust goes in a marriage, for instance, a break-up or divorce usually is not too far behind. I suspect you may be thinking to yourself, “Any organization, ours included, has employees who can’t be trusted.” That’s true, but what’s the orientation of your work rules? Does it start with, “Here’s how we’re going to do it because we trust you. We’d only change it if you gave us reason to.” Or does your approach revolve around, “We must do it this way otherwise someone will cheat the system.” Put yourself into the shoes of an employee, do you feel trusted or micromanaged?

Show the CEO has a human side

Employees want to know that a CEO cares, about them as people, not just as a means to an end. It’s a mistake when companies call employees their most important asset. An asset is a thing with a price tag that can be replaced if it’s broken or no longer useful. No one wants to be described that way.

Showing that a company cares about its employees can take many forms, such as implementing flex hours to help people balance work and family obligations. Often, whether or not employees see the CEO as caring comes in how they and subsequently you handle an issue. For example, a few years ago National Grid changed the hours in a call center in the northeast of America to match staffing to the high and low periods for calls, which made perfect business sense. Yet the change was disruptive to the workforce, most of whom were involved in child-care arrangements. National Grid showed it cared by giving its employees several months’ advance notice and worked with them on the transition.

Incorporate fun into the work environment

Employees know that at its core work is a serious undertaking, yet they don’t want work to be serious all the time. Fun can be a way to relieve the stress associated with meeting deadlines or production targets. It allows people to relax and recharge their batteries following completion of a project. And it can be the way to break up the monotony of repetitive work.

Southwest Airlines is known as a company where employees have fun. It regularly ranks among top performers in its industry and among companies with the best corporate reputations. The company regularly gets long lines of applicants when jobs are available.

Fun depends on corporate personality and can range from a ping pong table in the break room, to a photography contest, to employee volunteer programs, to dress down days. Would your CEO describe your company as a fun place to work if they swapped places with a line worker?

Maintain fairness

From our earliest days as children, nothing seems to grate on our nerves more than perceived unfairness. It’s no surprise then that the same holds true in the workplace. The question of fairness takes two main forms for employees. The first deals with how behavior and performance are treated. Does everyone who shows up late for work receive the same reprimand? Is workload shared equally? Is everyone expected to pull their weight when it comes to night and weekend work? The second deals with how reward and opportunity are handled. Do people receive comparable pay for comparable work? Do select people always get the plum assignments? Are the criteria for promotion opportunities the same for everyone? Fairness falls into the same category as trust. It’s either there or it’s not and when it’s not, the relationship deteriorates.

Tell the truth

People will often stretch the truth, avoid certain facts or tell small lies to avoid hurting the feelings of others. And while the intentions may be good, the relationship is affected when the full truth comes out. The same is true in the workplace, where truth has two important components. The first covers what business leaders say to employees. Employees don’t want spin. If jobs are dependent on winning a new contract, it’s best to say that. And while terms like “rightsizing” may sound less painful, employees resent the lack of candor and your credibility suffers as a result. It’s important to be positive and optimistic in employee communications. However, painting all communications with an “everything is wonderful” message leads over time to employee skepticism about whether the full story is being told.

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The other component about truth deals with what employees say to leaders. Many companies actively encourage employees to speak up, whether it's to point out wrongdoing or to share ideas for improvement. The problem comes, however, if nothing is done with the information or, even worse, the messenger is viewed as the problem. When that happens, truth becomes a casualty as far as employees are concerned.

Make sure actions mirror words

Employees want actions, not words and pictures. Saying one thing and doing another is a sure way to kill engagement. If you say training and development are important, you'd better have the classes and job opportunities to back it up. If you say that employees will have decision making authority, make sure their managers get the same message. National Grid provides a good example of aligning actions and words. In 2001, the company experienced a horrific substation accident in the US that killed one worker and maimed two others for life. The company embarked on a long-term effort to change its safety culture. At the time of the accident, US employees cited cost control as the company's top priority. Through sustained actions related to safety, National Grid was not only able to significantly improve its safety performance, but employees rated safety as the company's highest priority. Keep in mind that everything a senior leader does – or doesn't do – is interpreted by employees.

3. Three steps towards improvement

You may be thinking to yourself, "This all sounds nice, but what am I supposed to do with it?" The answer is to take three steps.

1. Listen to employees

Encourage your CEO to get together with a small group of employees on an ongoing basis. This will bring answers to questions such as "What are employees talking about? What do they like about what's happening in the company? What do they dislike? What's their current biggest frustration? How excited are they about their work?" From this the CEO should gain an accurate picture of how employees see the company and their jobs.

It's important to meet with the same group of employees over an extended period of time. Doing so enables the CEO to build a relationship with them and gain much richer insight than if they're constantly meeting with a new group of employees. Choose the people for your ongoing group carefully. You want a cross representation of the organization, and you want people who are reasonable and will speak candidly. Avoid employees who are at the extremes – "yes" people and habitual naysayers. You may be wondering, "I thought the employee survey

was the best way to get feedback from employees?"

The employee survey is a good tool, but it suffers from two serious limitations – it can only be done every one to two years and it's strictly one-way information flow. And remember, engagement is tied to relationships, which are tied to personal contact. Think of it this way. If you wanted to know how your spouse feels about the marriage, would you talk with them or leave a survey at the breakfast table for them to complete?

2. Take action based on the new information

The second step is to make decisions that take into account the input you've received from employees. This doesn't mean you always say yes to what employees want, but what they have to say does get factored into senior management's decision making. An important adjunct is to communicate to employees how a decision was made and how their interests were considered. For example, suppose employees are complaining about lack of advance notice on weekend work, which makes it hard for them to plan activities with family and friends. The reality of the situation is that weekend staffing is needed to keep up with customer orders but that exact staffing levels can't be determined until the customer orders are in late each week. The solution a senior leader communicates back to them describes the business imperative of meeting the customer orders, acknowledges the importance of employees being able to have time with family and friends, and presents a solution in which staffing is tiered and rotated so that employees will know if they likely are on duty, may be on duty or definitely have the weekend off.

3. Take time to assess and evaluate

The third step is to keep the list above of what's important to employees in your top drawer and periodically take it out to ask yourself, "How are we doing on each?" Answer candidly and trust your instincts, particularly if they are informed by what you're hearing from your small group of employee advisors. Missing the mark on any of the items can be an "engagement buster" that you need to be prepared to address.

When you boil it all down, the simple point is that the more you engage employees on what's important to them, the more they'll engage with you on what's important to the company. Your openness to understanding what makes your employees tick is an important first step in achieving just that. scm

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