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All In! Engaged Employees Are Essential to Growth

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Principal

Companies often like to say that people are their “most important asset” — after all, how many times have you read that phrase in an annual report? The problem is, not all companies behave as if they really mean it. In this particular economic climate, that could be their loss.



While it may seem counterintuitive in a time of deep job-market malaise, investment in employee engagement has probably never been more important.

And it's not simply a matter of "building morale among the survivors." An increasing body of evidence shows employee engagement improves performance, an objective that is at least as important in tough times as shaving costs.

According to Towers Perrin's Don Lowman and Julie Gebauer (two experts on the subject who've published an in-depth study and subsequent book), engaged employees are, to put it simply, more valuable employees. They see problems and offer solutions. They take ownership of change and help bring it about. They happily seek out challenges (and in fact dislike not having them). Fully engaged employees also help colleagues and customers selflessly — and they speak highly of the company everywhere they go.

This last aspect is key, because engaged employees are marketing assets — the most cost-effective agents of viral marketing money can buy. From the golf course to the dinner party to the in-flight conversation, they are constantly spreading the good word — about the work they do, the people they work for, and the products and services they make and sell. Even more important, engaged employees embrace, live and breathe the brand, delivering on the company's value proposition, increasing customer satisfaction, creating positive marketplace buzz, and creating a real competitive edge.

What does engagement involve?

There are a number of obvious factors, including good pay, good working relationships, educational support and advancement opportunities. But other factors, equally critical, involve an employee's emotional and intellectual engagement, including:

- Clarity about the company's vision
- An understanding of how one's work fits in
- Frequent and honest communications from management
- Feedback opportunities and input on decisions; and
- Pride in the company's reputation, not only as a business, but as a corporate citizen.

Your internal brand, in others words, must be nurtured as much as your outside brand, and policies (and platforms) need to be developed and leveraged to increase employee involvement. It's what ensures that people understand the company's direction, strategy and objectives. It's what builds a sense of shared identity, fosters enthusiasm and collaboration, and ensures that the best ideas (and practices) flow across your organization, instead of remaining siloed within individual divisions, departments or offices.

Achieving engagement takes money, of course, but that investment is relatively small, certainly when compared with the ROI, which the Towers Perrin study makes clear. The study, involving 40 global companies, finds a strong correlation between engagement and results, including substantially higher operating margins, net profits and earnings per share. It also shows a correlation between employee engagement and employee retention — that is, a willingness to stick with the company, even when other good offers come in.

Of course, in the current job market, that's something you may not be worried about. But when job opportunities grow, you'll be glad your employees are engaged and on your side.

Wendy Blattner is a Sequel principal responsible for marketing and communications strategy as well as client relationships.



ABOUT SEQUEL

Sequel is a branding, marketing and communications consultancy. We transform companies through a creative, disciplined approach to strategy and design. Our modular, business-focused solutions leverage insight, imagination, experience and expertise. The goal, for every client, is simple: to ignite change and accelerate success.

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