



# CULTURAL COMPETENCE CONFERENCE

## “Employee engagement and retention”

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# Our discussion today...

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- ▶ What's important to them?
- ▶ How are they feeling today?
- ▶ What do we need to do to retain top talent?

# What do people value?

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- ▶ Interesting, challenging work
- ▶ Opportunities to learn, grow and advance - including alternate career paths and mobility
- ▶ Personal connections with senior personnel (a respectful and engaged manager)
- ▶ Fair salary and bonuses
- ▶ Competitive benefits
- ▶ Job security
- ▶ Fun work environment (to round out the edges of daily work experiences)
- ▶ Flexibility
- ▶ Inclusive work environment

# Why are we concerned about this?

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Most companies are dealing with these same issues

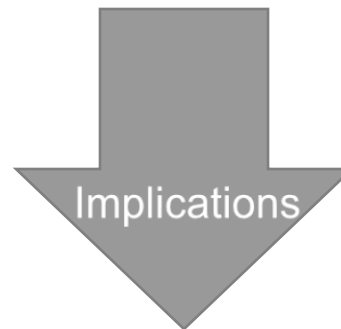
- ▶ The top companies are considering new ways to work, do business, communicate and to pay more competitively

Researchers are observing:

- ▶ Increase in turnover of top performers and highest potentials
- ▶ Increased burden on remaining employees
- ▶ Loss of discretionary effort
  - ▶ Employees are not motivated to give that extra effort
  - ▶ Conference Board estimates that discretionary effort has decreased by 50% since 2005

The implications:

- ▶ Turnover ↑
- ▶ Employee engagement ↓
- ▶ People Environment ↓
- ▶ People Brand ↓
- ▶ Quality Service? ↓



# Insights from recent studies

## McKinsey: Leadership through the Crisis and After (executive survey, Sept 2009)

- Most important leadership behaviors for managing corporate performance, both through and after crisis:
  - Inspiring others
  - Defining expectations and offering rewards
- Increased emphasis on challenging assumptions and encouraging risk after the crisis

## Corporate Leadership Council (2009)

- Anticipation of change is more damaging to performance and retention than change itself
- Set stability expectations, don't promise stability
- Re-establish networks to fuel engagement and productivity
- Support career self-reliance to overcome organizational barriers

## Leading through change

## McKinsey: Motivating People, Getting Beyond Money (survey, June 2009)

- Three noncash motivators—praise from immediate managers, leadership attention, and a chance to lead projects or task forces—as effective or more effective motivators than the highest-rated financial incentives

## Towers Watson (2010)

- Employee well-being (physical, social, psychological) linked to sustained engagement levels, regardless of economic climate
- **Effective leadership: Know them, grow them, inspire them, involve them, reward them**

# Where do we go from here?

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- ▶ Intense focus over the next few months on our people to show them we care about them and that a people focus exists in tougher times too
  - ▶ Should not take significant incremental effort or cost

## **Apply Towers Watson Effective Leadership Model**

***Know them***

***Involve them***

***Grow them***

***Reward them***

***Inspire them***

# Know them

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- ▶ Encourage executive interaction with each other and teams
- ▶ Help leaders have meaningful conversations
  - ▶ Develop conversation enablers to assist leaders with team/relationship building
  - ▶ Show leaders that building a “people community” matters
- ▶ Explore how to support our people to use social media to engage and connect throughout the organization
- ▶ Encourage dialogue and feedback at all levels

# Grow them

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- ▶ Hold executives accountable for coaching and truly reward them for doing so
- ▶ Develop a framework for learning experiences
  - ▶ Challenge assignments
  - ▶ Create opportunities
    - ▶ Clients
    - ▶ Teaching
    - ▶ Speaking
    - ▶ Proposals
  - ▶ Support learning opportunities

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# Inspire them – use communications to model the environment we want to build

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## Our people and leaders need:

- ▶ An inspiring vision – why is our environment special and unique
- ▶ Clear direction – clearly defined expectations, where the organization is going and what it will feel like
  - Focus on the results and how we're going to achieve them
  - Be clear about actions being taken and why
  - Talk about victories and successes

## Our communications must:

- ▶ Inspire—not just exhort
- ▶ Be fun—give people a reason to listen
- ▶ Support the environment we want **to build**
  - Personal connections and engagement with our leaders
  - A fun work environment
  - Inclusivity, opportunity, learning
  - Recognitions and rewards

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# Use the right communications to support our strategy

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## Model the environment

- ▶ Rebalance communications – people/quality directly linked; increase sense of fun; inspire through leadership messages; use more casual, personalized videos from our leaders and engaging content for webcasts and meetings

## Support our leadership cadre

- ▶ Develop a model program of year-long recognition events for local use
- ▶ Continually remind leaders of the need to personally engage; provide help and talking points at appropriate points throughout the year

## Embrace social media and encourage dialogue at all levels

- ▶ Polls on internal issues, social media dialogue with leaders, ability to provide instant feedback on communications and events
- ▶ Roll out social media engagement program between our people and our leaders
- ▶ Roll out tools to support two-way dialogue, personal connections, learning from one another, and problem solving challenges

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# Involve them – draw on their creativity

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- ▶ In solving business problems
  - ▶ Contests
  - ▶ Use social media to solve problems for our leaders
- ▶ Ask them for ideas to create a fun workplace
  - ▶ Jeans days
  - ▶ Fund raising
  - ▶ Picture walls
  - ▶ Contests
  - ▶ Best day at work sessions
  - ▶ Affinity group activities

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# Reward them

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- ▶ Pay fairly at market
- ▶ Consider unique variable compensation plans
  - ▶ Are we reaching the younger generation in their terms?
  - ▶ Do we need to really step out of the box? (timing, amounts)
- ▶ Encourage recognition
  - ▶ One on one
  - ▶ Through communications