THE LEADERS' ESSENTIAL GUIDE TO EMPLOYEE ENGAGEMENT

Myths and realities with *Emotional Agility* author and Harvard psychologist Susan David



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OUR EXPERT



DR SUSAN DAVID

Susan David, Ph.D. is one of the world's leading management thinkers, an award-winning Harvard Medical School Psychologist, and is a member of the Virgin Pulse Institute Science Advisory Board.

She is a frequent contributor to the Harvard Business Review, New York Times, Washington Post, Wall Street Journal and guest on national radio and television.

Her acclaimed new book, *Emotional Agility*, introduces the concept that Harvard Business Review heralded a Management Idea of the Year. A #1 Wall Street Journal best seller, *Emotional Agility* describes the psychological skills that are critical to thriving in today's world of complexity and change.



Meet Susan David



THE SWITCH OFF

- 1. Gallup. Reasons Why Employee Engagement Programs Fall Short. Gallup. 2017. Read <u>here</u>.
- Garman K. Sorenson S. How to Tackle U.S. Employees' Stagnating Engagement. Gallup. 2013. Read <u>here.</u>
- Deloitte. Engaging the Workforce. Deloitte. 2016 Read <u>here.</u>
- McKinsey. The People Power of Transformation McKinsey. 2017. Read <u>here</u>.

In the modern working world of increasing complexity, financial uncertainty, rapid technological changes and blurred lines between work and home, global employee engagement levels look bleak. Gallup¹ reports that just 33% of Americans go to work with gusto. Worldwide, that figure is a mere 13%. In the US alone, disengaged employees cost USD \$450 billion to \$550 billion per year in lost productivity.² And Deloitte reports that engagement impacts revenue growth and retention, as well as performance metrics such as productivity.³

Dr. Susan David, one of the world's leading management thinkers, author of the #1 Wall Street Journal bestselling book *Emotional Agility*, and a member of the Virgin Pulse Institute's Science Advisory Board, acknowledges the sheer frustration managers and HR leaders feel when confronting statistics like these:

"Too often, they receive the data and wonder: what should I do if my team is feeling disengaged?

"They know engagement is important but want to understand, as a leader in an organisation, how they can actually impact the status quo in a meaningful and practical way.

"It's critical that they continue to aspire to this. Because everything that an organisation is trying to achieve, from growth to customer centricity – and especially cultural transformation, as a 2017 McKinsey report on the topic confirmed – is dependent on the engagement and buyin of employees."⁴

This paper, developed exclusively with Susan David for Virgin Pulse, offers practical strategies that leaders can use to effectively impact employee engagement in their organisations. It tackles myths, then draws on Susan's consultancy research to help leaders identify and implement key drivers of engagement and high performance.



MANAGING MYTHS

Defining what employee engagement is, and isn't, is an important starting point, according to Susan. "I've experienced a lot of confusion around engagement," she says. "A lot of managers ask 'How do I get my people more engaged?'. They're often looking for quick-fix solutions and unfortunately there are none. It's important to address this, and other, common misconceptions."



MYTH 1: IT'S ALL ABOUT THE MONEY

"Many leaders think that engagement is about money," Susan says. "The mistaken idea is that if you pay more, employees will be more engaged. My research as a consultant, carried out in global organisations with upwards of 180,00 employees, has shown that only about 4% of people identify pay as being key to their engagement.

"That's not to say money is unimportant. If people are paid dramatically below the market rate, then it will impact on employees' perceptions of how they are valued, and in turn their engagement. But pay is best thought of as a hygiene factor for the organisation: as a basic to get right, but not sufficient to create and sustain engagement. Pay in and of itself is not key, according to my findings. That is really important to appreciate."

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MYTH 2: ENGAGEMENT IS JOB DESCRIPTION FRIENDLY

Susan is clear that engagement can't be written into a job description: "Engagement is owned by one person and one person alone: the employee. It is the employee's to give, not the manager's to demand. All that managers can do is create a circumstance where engagement is fostered, and where the employee wants to give the best of themselves."

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MYTH 3: IT'S HARDER! BETTER! FASTER! STRONGER!

"Engagement as a way of squeezing out discretionary effort to the benefit of the organisation but at the cost to the employee is complete myth," Susan says. "Effective, healthy engagement benefits the individual, as well as the organisation. It's not a tool to facilitate burn out. Done well, engagement impacts on bottom line results but it also contributes to individual wellbeing. When people feel effective, interested, stimulated, and that they're progressing, it helps their wellbeing, home life, and career development."

So...what is engagement? "Employee engagement is a positive presence marked by energy, dedication, and absorption. It's employees bringing their best and full selves to work." ⁵

5. Quotation: Susan David, Ph.D. Adapted from Kahn, 1990 and Schaufeli et al. 2002.



THE SUSAN DAVID METHODOLOGY

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For Susan, a qualitative, open-minded approach was key to understanding what truly drives employees. Speaking about her method she explains: "While engagement scales are plentiful and vary from organisation to organisation, I wanted to determine the core factors – 'universal' human essentials that accounted for engagement, and went beyond the standard statistics and metrics. Engagement is an emotional and deeply personal experience, and so I wanted to understand at a deeply personal level, what drives it.

"To this end, I've gone into global organisations small and large, and often exceeding some 180,000 people, and identified engagement hotspots where individuals are outstandingly driven and performing at the highest level. I asked: 'What is it that's leading you to bring the best of yourself to your work?'

"After painstaking transcription and analysis, psychological themes and patterns around engagement began to emerge.

"I discovered some fundamental, critical engagers that are true to employees regardless of their geography, culture, training, business units or professional level. These are incredibly important, and I want to share with leaders exactly what they are."



ENGAGER #1 TEAMING: ALLOW EMPLOYEES TO BELONG

"The first and most important engager is creating a sense of 'teaming' – people who are dynamically able to come together to meet objectives," Susan says.

"What this really speaks to is the psychological sense of belonging. If you can help the individuals in your team feel seen for who they are, then in turn employees feel like they can be their whole best self. With this comes a sense of being included and having a voice. It creates a shared vision and a roadmap for how everyone works to achieve team goals.

"A healthy dose of fun shouldn't be forgotten here. You must strive to be a leader who can create a sense of levity, lightness and liberty as appropriate to business and cultural values.

"Don't assume that if you just push that little bit more that your people will be more successful. This may become self-defeating. And my research suggests that what actually leads people to being more productive is a relaxed and friendly atmosphere where bonds are formed, where they can collaborate more and discuss conflict in constructive ways."

• TEAMING: ACHIEVE IT BY

- Recruiting people that fit with the team's shared values and work ethic.
- Celebrating team milestones, targets, and collective achievements.
- Seeking out opportunities for personal connections through collaborating, listening, and coaching.
- Being with your team emotionally, not just physically.
- Taking work, but not yourself, seriously.

Remember: Teaming isn't about being childish or mandating forced fun. Rather, it's about celebrating milestones and doing things in line with business values and objectives.



ENGAGER #2 Stimulating work: Stretch employees to The edge of their ability

When it comes to engagement, Susan highlights a need for leaders to strike the delicate balance between bored and overwhelmed employees. "There's a critical space in people's psychology that feeds on progression and development," she says. "It's captured in the book The *Progress Principle*, which shows that people who do best are those who are constantly making progress.⁶

"The problem is that when employees have been in a job for a long time they use skills on a daily basis that aren't being expanded in any real way. They begin to feel over competent – and over competence is a real risk factor for disengagement. Employees get bored and feel like there's a lack of growth in career and life.

"Just as risky, though, is over challenge. Over challenge comes when employees feel like they're always thrown into the deep end with no support and they always have to muddle through the next change, the next project, the next strategy refresh, and so on. It's experienced as very stressful and employees never get to a place of competence, where their feet are on solid ground.

"The balance between over challenge and over competence is the sweet spot of engagement. And it starts by asking yourself: 'Is each member of the team working at the edge of his or her ability?"

O STIMULATING WORK: ACHIEVE IT BY

- Increasing inter-departmental communication so employees experience an expansion of their network and learning.
- Identifying opportunities to rotate and expand roles, including leadership and client-or customer-facing opportunities.
- Being involved in teaching a topic or leading a portion of a meeting or working session.
- Expanding skill sets through internal knowledge capture and sharing opportunities.
- Being open to learning from mistakes.

Remember: When people try new things, they make mistakes. Create a 'high wire-strong net' mentality that lets people take risks, while also feeling supported enough to learn through error.

6. Teresa Amabile and Steven Kramer. The Progress Principle: Using Small Wins to Ignite Joy, Engagement, and Creativity at Work. Harvard Business Review Press. 2011

ENGAGER #3 Empowerment: Help employees shape Their experience

Giving employees a degree of control over their working lives is key to a switched-on workforce, Susan says. "People become disengaged when their levels of empowerment and ownership are micromanaged on the job. This is in line with self-determination theory – an established research program in psychology that identifies the human craving for autonomy.⁷

"It is really important for leaders to understand these themes in psychology and engagement research, and to try and focus on helping people – as far as possible – shape the way they do their jobs.

"This makes the working environment personal rather than enforced. And while hierarchy will always exist in business, in my experience, highly engaged teams are those which function openly and inclusively, and allow all employees to make an impact."

O EMPOWERMENT: ACHIEVE IT BY

- Creating a work environment that invites discussion and collaboration rather than dictating project work plans.
- Simplifying operating structures or flattening teams to enable accessibility and easier collaboration.
- Focusing on results and outcomes rather than face-time or attendance.
- Giving freedom to employees to set their own path to completion.

Remember: To be a leader who provides and is a role model for the give and take of flexibility.

7. Positive Psychology Program. What is Self-Determination Theory? Positive Psychology Program. 2017. Read here



AN APPEAL TO BUSINESS LEADERS

As a closing thought, Susan has some sobering words for leaders. "Collectively, worldwide engagement statistics, like those reported by Gallup and cited at the start of this paper, are discouraging. I predict the statistics could go down even further given the situations that many organisations are experiencing: unprecedented levels of complexity, rapid technological change, and globalisation. These all stress the system. And they can result in intangible cultural issues like engagement seeming non-essential, difficult to deal with, and ultimately being side-lined.

"But I'd argue this provides even more of an opportunity to recognise the human connection, and be the leader

that you most want to be. From a management perspective, employee engagement begins with your humanity, compassion and commitment to ensuring that everyone is doing their best. If you can do that, then already a major roadblock to engagement is addressed.

"You're sending a signal that says: 'I see you, I care, and I'm willing to invest in you'. In this environment, individuals become more attuned to their wellbeing and stress and are better equipped to manage these. It creates a situation where people are coming to work engaged, centered and connected to their values.

"It's good for them, and it's good for business."

O THE VIRGIN PULSE DIFFERENCE⁶



of employees are more engaged at work thanks to Virgin Pulse





of employees enrolled in the Virgin Pulse program are more likely to stay with their organisations



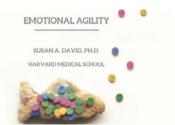
of employees credit Virgin Pulse with making their company a better place to work



of employees report increased productivity as a result of using Virgin Pulse



ADDITIONAL RESOURCES



Susan David on Emotional Agility

Get Unstuck, Embrace Change, and Thrive in Work and Life <u>Learn more</u>

MANAGING STRESS AND MENTAL		
WELLBEING WITHIN YOUR ORGANISATION		
You know that the mental well-eng of individuals within your organization touches every aspect of your business. From the violde - evenes, absorbeing,	HOW LEADING EMPLOYERS APPROACH MENTAL WELLEEMS HAS CHARGED Landing reservities and anabenics, particularly Dr. Source (are for hearest Mental School and the	
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or instant only see oning service, whether within or outside the workplace. Componitied mental health and stress affect your organization's ability to meet business goals, attract (and retain) top talent, and compete in a complex and even-changing business works.	In summation, unhealthy thought patterns, coupled will unhealthy habits, had to suboptimal doutcomes. These patterns permissis the life of an individual, and affect cares, elidionship, and physical withting. To their end, healthy habits and thoughts do the opposite. Endopses have the opposite half in "indigat" permissions have the opposite half in "indigat" permissions have the opposite half in "indigat" permissions have an opposite half in the opposite based to habits and choices that the insulat antimes.	

Manage Stress & Mental Wellbeing in the Workplace

Learn more



Get Engaged White Paper -

te Pulse

Dr. David Batman

How a healthy culture can drive greater employee commitment and engagement <u>Learn more</u>

Additional resources



ABOUT VIRGIN PULSE

Virgin Pulse, part of Sir Richard Branson's famed Virgin Group, helps employers create workforces that are happier, healthier and ultimately more productive in all aspects of their personal and professional lives.

The company's modern, mobile-first platform delivers a personalised user experience that utilises gamification to engage users in building habits that inspire meaningful and measurable change across individuals and businesses.

By helping employees thrive at work and in all aspects of life, Virgin Pulse is helping change lives and businesses for good. Unlike narrowly focused employee health solutions, Virgin Pulse's solutions span the full wellbeing spectrum - from traditional wellness to strategic wellbeing - providing organisations with solutions that are appropriate for them today and tomorrow.

More than 2,500 organisations representing many of the Fortune 500 and Best Places to Work have selected Virgin Pulse's solutions to engage their workforces and drive their businesses forward.

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