

THE LEADERSHIP KEY E-BOOK

REINVIGORATING THE DISENGAGED WORKFORCE

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EXECUTIVE SUMMARY

Studies reveal that both employees and business corporates continue to struggle with problems that are in fact, two sides of the same coin. Ironically, they are threading on the common issue of **employee disengagement**. A recent survey by AON Hewitt reveals that virtually half of the world's employed workforce is underproductive and disengaged; further inferring that a disengaged employee individually costs the organisation an average of \$ 10,000 in profit annually.

While employees end up plateauing on their jobs when they ideally have a lot more to contribute, business corporates are burdened with the adverse effects of employee disengagement. In a world where motivation drives efficiency and fuels creativity, it becomes imperative that corporates empower a smarter and satiated workforce, thereby capitalising on their collective intelligence for a common outcome.

So, why is employee disengagement a persistent problem that most corporates struggle to deal with; and is there a way to build a motivated and engaged workforce?

Statistics disclose that the number one factor known to influence and contribute to an employee's disengagement is in fact, the level of engaged leadership their immediate managers and supervisors have on them. A team that enjoys a healthy employee-managerial relationship contributes to increased productivity and resonates with the collective goals of the team and organisation at large. An engaged and satisfied employee:

- Is self-motivated, promotes employee competitiveness and superior performance amidst team members
- Resonates with increased self-esteem and morale, creating a positive and healthy work culture in the organisation
- Is satisfied with current job and company, hence reducing the risk of employee attrition

This e-book addresses the adverse implications of employee disengagement and its role in the corporate structure. In this e-book, we highlight key factors that contribute to employee disengagement; while discussing remedial measures to overcome them.

PART 1: ANALYSING WORKFORCE PRODUCTIVITY

How productive is your current workforce? Do you recognise the early signs of a disengaged workforce?

A majority of employees push themselves just hard enough so as to retain their jobs; and in response, are paid a salary that just about wet's their appetite not to quit. There are only a handful of employees who are self-motivated and high performers. Most often than not, it is this select segment of employees that make it to the topmost positions of the organisation.

It is observed that the ratio of engaged to disengaged employees working within an organisation is quite drastic with the ratio of engaged employees being at a bare minimal. This dysfunctional attitude is what ultimately leads to under productivity, lack of interest and attrition. This amalgamation of human psychology and corporate finance is what most believe, is the first sign of impairment towards employee disengagement.

A recent study on the state of global workplace in the year 2013 reinstates the above point, reviewing only 13% of worldwide employees to be actively engaged at work. In contrast, the study pulled up a staggering 63% of worldwide employees to be limitedly engaged, inferring they exhibited a half-hearted interest towards their work and job. These employees, although physically present at work; show lack of ownership and keenness to the job on hand. They raise a huge risk of becoming dysfunctional and disengaged if ignored. The study also revealed that 24% of the employees worldwide were quite actively disengaged; and hence if not motivated soon enough were likely to make a corporate switch.

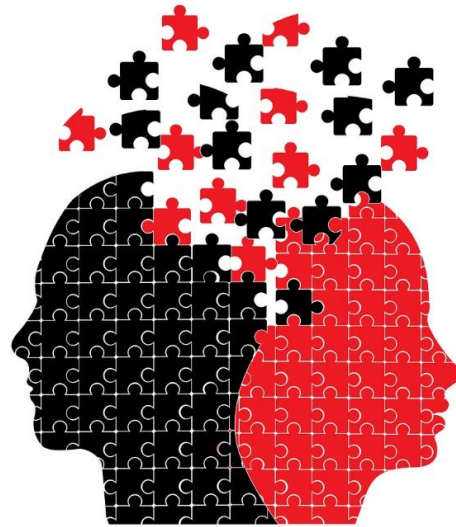
While the implications of leaving these early signs unaddressed can be quite detrimental to the organisation; it is surprising that most corporates look to address the problem at a very superficial level. The fact that employee disengagement is a persistent problem and a potential threat to productivity infers it can lead to enormous costs and loss to the company.

RECOMMENDATION: STRATEGY PLANNING

Analysing the root cause to this problem will help identify permanent solutions that in the long run, will help eliminate the issue all together.

PART 2- THE DEMOGRAPHIC INFLUENCE ON DISENGAGEMENT

Although the global trend of employee engagement is regressing downwards, the ratio seems to vary across countries. In fact, some countries have successfully overcome any concerns they might have faced with employee disengagement and are currently enjoying the success of a predominantly engaged and productive workforce. The study on global disengagement claims Australia is one such country to have successfully done so; with 26% of their employees actively engaged and only 16% of them actively disengaged.



One of the key factors to their progressive change has been through engaged leadership. In order to overcome the problems of disengagement, it is important we outline tools and solutions that can help build a thriving and motivated work culture.

RECOMMENDATION: EMPOWERING ENGAGED LEADERSHIP

Identifying a select pool of employees who have consistently shown a keenness to excel against all odds is the first step towards overcoming employee disengagement. These high performers are self-motivated and driven by ambition, contributing to their increased productivity and superior performance. In addition to this, their positive attitude, loyalty, and ownership skills make them worthy of a promotional jump in the corporate ladder. Identifying and rewarding such employees with leadership roles will help instil the right attitude and work ethics into the team.

PART 3- THE ADVERSE EFFECT OF WORKFORCE DISENGAGEMENT ON BUSINESS PERFORMANCE AND FINANCIAL OUTCOME

Actively disengaged employees are more likely to cause a negative impact on your business for the cited reasons:

- They show little or no interest in their work and hence are likely to miss deadlines and deliver poor quality work
- Their lack of interest makes them a frequent absentee, resulting in additional costs on employee leave, worker compensation and training new hire replacements
- Their lack of presence and ownership can put additional pressure on team members, causing disruption and dissatisfaction amidst the team

INCUR COST AND LOSS TO THE BUSINESS

Disengaged employees are prone to function with a disinterested mind-set. They undermine productivity which immediately risks the quality of the job on hand. In a world where quality is the key to success, disengaged employees raise the risk of incurring losses and costs due to negligence and poor quality.

STIMULATE NEGATIVE ADVERTISING

Employees of an organisation become the first point of contact to the outside world. A disengaged employee can through their lack of interest and skills, sabotage the values and ethics your company stands for. In a business where customer satisfaction reinforces a sales pitch; negative customer service is a sure way to drop sales.

RECOMMENDATION: IDENTIFYING DISENGAGED EMPLOYEES

Considering the impact of such employees to your organisation is detrimental, it is important to identify and re-engage employees who show signs of disengagement. Recognising and addressing their concerns, while putting them on remedial programs play a pivotal role in overcoming the problem.

PART 4- THE ROLE OF LOW ENGAGEMENT AND MORALE

Amidst a multitude of economic uncertainties and productivity issues, employee disengagement and low morale are considered far more detrimental to an organisations' capacity to function as a successful unit. Although interrelated, they are subtly different in their severity. While employees with low morale might lack the drive to be high performers, they often retain a sense of obligation towards their work and the people who depend on it.

On the contrary, disengaged employees have crossed the line beyond low morale and are at a state when they have little to no interest in their craft and do not feel a sense of remorse or obligation towards it. They've most often reached a point beyond self-restraint and control; propelling them to absent themselves from work, even at the cost of undermining productivity.

Addressing issues of low morale can help prevent it from infiltrating to disengagement; and thereby nip the issue in its bud. Leaders in management roles should take keen interest in sustaining the energy levels and positive morale of the team. Personal interactions and open house meetings can help arrive at a panoramic view to the situation.

Recommendation: Encourage an open and friendly relationship between leaders and subordinates. Discuss on milestones, accomplishments, and any challenges they might be facing at work. Instil team spirit and positivity.



PART 5- THE EPIDEMIC OF DISENGAGEMENT

Ever come across a day when you've spent unnecessary hours discussing about a topic you ideally had no interest in; but found it addictive enough to engage in?

What about a day when you're college's sombre mood and lack of interest seemed to have found its way onto your table?

The human limbic system, which is responsible for triggering emotions, can detect an emotional chord from a person who is milestones away. This intuitive ability is what makes us connect and respond to people the way we do.

So, while we are wired to detect and emulate emotional resonance from people who are miles away; we have a tendency to sense, attract, process and trigger negative emotions and moods far more quickly than the positive ones. So, if a particular member in your team is showing early signs of disinterest and disengagement; it is important you address the negative mood before it spreads its way across other team members.

Recommendation: Most employees, including disengaged ones; look to their immediate leaders for inspiration and emotional support. Empower your leaders to be upbeat and passionate about their work for they have the power to influence and set the mood rolling for the entire team and company at large. They also have the task of re-engaging disengaged employees such that they find purpose and meaning in their work.



PART 6- SYSTEMIC INFLUENCE ON DISENGAGEMENT

Did you know that organisational disengagement is a systemic dysfunction?

A study by Acountemps reveals that 33% of employees attribute disengagement and low morale to the poor communication they share with their senior leads and immediate managers. This clearly infers that the root of the problem stems from a dysfunctional system within the organisation.

Mid-level and senior management roles become the backbone of the entire corporate structure. It is important you accentuate the importance of employee and job satisfaction. While most management strategies involve performance improvement programs and increased wages as a remedial solution to overcome employee disengagement; no amount of monetary relief can instil the feeling of worthiness and purpose, which is in fact, the primary reason for the problem.

RECOMMENDATIONS:

- Address the basic needs of your employees
- Make them feel valued
- Define a sense of purpose with their work
- Encourage feedback and suggestions and make them feel belonged
- Chalk out career goals and incentives for team members and exhibit concern in their personal growth

In a business where your employees reflect the face and mood of your company; people management is key. Internalise loopholes that contribute to disengagement. Remember, that your employees are your biggest assets. Addressing their concerns and making them feel important and content at work is the first step towards a thriving and productive workplace.



PART 7- THE POWER OF ENGAGED LEADERSHIP

The role and influence of a resilient leadership team cannot be emphasised enough. Considering the greater benefits that engaged employees bring to the company; it is important to get to the crux of the matter. Identify the primordial reasons for disengagement and any behavioural patterns you recognize in the country. While every company might have a list of obstacles that are unique to their system; it helps to draw up comparisons from the outside world too.

Global research has cited three primary reasons for employee disengagement:

1. The relationship an employee shares with their immediate front-line manager
2. The level of trust and goodwill an employee shares with the senior leadership team of the organisation
3. The level of passion and ambition they hold with their work and career with

RECOMMENDATIONS:

- Endorse open communication across teams
- Communicate the company's vision, while displaying its virtues in your attitude and decisions
- Encourage constructive feedback and ideas from employees. Encourage team spirit and empower every employee with the support they need to excel in their job

Rather than ceremoniously pulling an employee out on an improvement program, introspect on your leadership skills to bring about a positive change. Alternatively, address key systemic issues that might have seeped into the organisations. Employee contribution is paramount to a corporate's growth. Instil a sense of purpose and life's worth within your organisation and appreciate their valued contribution.

CONCLUSION

Engaged employees contribute largely to a company's growth prospects and foothold in the market. Studies reveal that engaged employees increase annual revenue by twice-fold. The fact that they are high performers indicates they are satiated in their current job and hence, are less likely to make a corporate jump. In addition to this, the skills and goodwill an engaged employee brings to a company is priceless, making it all the important to proactively create and sustain a thriving workplace.

In this e-book we draw definite indications on the role and responsibilities of corporate leaders on overcoming employee disengagement. Your onus as a company is to:

- Train managers and senior roles on the right qualities of leadership skills
- Provide them with the support and infrastructure they need to drive effectiveness within the organisation
- Realign hiring strategies that are in sync with the company's vision and purpose
- Focus on innovating methods to sustain longevity of employee engagement and job satisfaction
- Promote a healthy and congenial working atmosphere that helps bring out the best from each other

Employee disengagement is a persistent problem that needs to be tackled with change and progressive thinking. Staying open to innovative ideas and strategies is the key to overcoming the issue permanently.



ABOUT LEADERSHIPHQ AND SONIA MCDONALD

LeadershipHQ provides solutions, programs and interventions that will help your organisation to achieve maximum success.

Leadership is our passion; we live it, breathe it and love it!

Our purpose and vision is to partner with organisations and leaders in building high performance leadership, culture and strategic interventions – improving staff engagement, motivation, retention and ultimately, the bottom line.

We deliver tailor-made programs, interventions and workshops to achieve organisational and cultural change, inspirational and high-impact leadership and leading-edge business strategies. Our consulting services are aimed at the success you want to achieve and unlock the untapped resources of your people.

We are the leaders in leadership and strategy. We understand the reality of a profitable business today demands strong leadership and diversity of thought. We bring value to our clients by facilitating the integration and alignment of the business strategy with workable talent management, diversity and leader impact strategies through the latest research, analysis and work in neuroscience as well as leadership.

Sonia McDonald, as Director of LeadershipHQ, brings an extensive knowledge of human resources, organisational development and leadership through a career spanning over twenty years. She is a thought leader, coach, consultant, speaker and trainer in the field of leadership development, gender intelligence and strategy. She is an expert in building leadership and strategy confidence and capability in Australia and is renowned for her innovative approach to leadership, organisational development and neuroscience as it applies to leadership.

Her focus is on delivering customised interventions and programs to ensure her clients' unique business and people requirements are met. She is a talented, innovative, high energy and passionate leadership and organisational development consultant dedicated to delivering exceptional outcomes.

"What I love most about my work is knowing that I have had a positive impact, not only on the viability of the business I am helping, but also on the wellbeing and engagement of their people."

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