

The concept of better engaging employees is not new. We all know that the more engaged an employee is, the more productive and loyal they are. So, let's move beyond the generic and explore some specifics.

One of the biggest reasons employee engagement matters is the cost associated with replacing employees. The cost of replacing a \$10/hour retail store associate is approximately \$3000. Don't believe it? Well, let's think about all of the aspects involved in replacing an employee. For example, exit interviews, processing, advertising, resume research, interviews, reference checks, background checks and drug screening all factor into the process of replacement. And, the more senior the employee the more the cost to replace. And, let's recall that his list does not account for lost productivity during the search, new-hire training and mentoring. The value of keeping existing talent is real. So, let's talk about how we can go about keeping those employees.

If you want to better engage your employees, you need to focus on three key elements: Communication, Recognition and Growth.









Communication

The desire to know what is going on is human nature. Given the choice between positive gossip and negative gossip, human nature will tend to believe the negative.

Communication is how leadership battles these natural tendencies and builds a loyalty bridge with the distributed workforce. With that in mind, it has been said that a picture is worth a thousand words and a video is worth one million. Enterprises, especially distributed enterprises must utilize the power of video to more effectively communicate with their distributed workforce.

Good communication will help everyone understand what the organization goals are and how they are critical to achieving those goals. Every employee should understand how their role impacts the broader organization. Senior leadership should explain how the quality of each person's work contributes to the success of the whole organization. This is where video can be very helpful. Using recorded messages and role-play examples, leadership can explain to the front line teams firsthand how their work will enhance success. Armed with this knowledge, the employees will take pride in their work and will feel empowered.

Just like the phrase "people want to buy from people", it is also true that "people want to work for people." Every employee should have the opportunity to hear from senior leadership early on and regularly. The CEO of the company should not unseen and unknown. All employees should be able to recognize the CEO and be able to share some component of the CEO's vision for the company. The only way this will be possible is through regular and effective communication.

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"Employees want Communication, Recognition, and Growth; which in turn build engagement."

Kevin Kruse, CEO LEADx



CEOs and executive leaders should not be afraid to communicate with their most valuable asset. Imagine a CEO who refuses to speak to the Board of Directors. Their tenure would be short indeed. What about a CEO who doesn't speak with those directly responsible for meeting the organizational goals and objectives? Most executive leaders are usually good communicators, and it's one of the reasons they are in that role. Therefore, distributed enterprises should use that skill and get the message out.

In times of crisis, communication is critical to successfully navigating and issue. Do not wait until a crisis happens to open the lines of communication. Be sure to establish a steady flow of communication and when the crisis arises, the organization will already know where to turn for the best information and for leadership direction. Again, an established channel with video at the core will provide a quick delivery vehicle for messages and instructions.

And whether we recognize it or not, examples of this very concept happen every day. To cite a recent example, it was announced on the national morning news programs that a national retailer was hacked and that some credit card data was potentially stolen. Stories of this nature immediately make great headlines and get a lot of attention. An hour after the news breaks, a local shopper is in line at their local retailer. When she reaches the cashier, she asks, "I heard your company was hacked last night. Is my information secure?" The cashier could respond with "I don't know." Or, with good communication at the foundation of every employee, the cashier could respond briefly explaining that the company is not only aware of the issue, but that steps have already been taken. And, if the customer has concerns there are places to go for additional information. The difference between these two responses is the organization that has an established communication channel in place can move a message from the CEO to the front lines quickly and directly. Companies cannot simply depend on an email chain where the last link is the local store manager trying to repeat a message to all employees on all shifts. Putting a five-minute recorded video in every store and insisting that all employees watch the video immediately can have a profound impact on employee engagement, customer satisfaction, and brand reputation.



Recognition

It's no secret that everyone likes to be recognized in front of their peers. Even shy people still like to receive public praise. It validates them and gives them a sense of pride in their work and their accomplishments. An employee of the week/month concept is based on this principle. When we take a moment to recognize the work of an individual, that same individual will be motivated to repeat and even enhance the activity that brought them the recognition.

Recognition will not replace compensation, but recognition is a powerful tool that can be used repeatedly without the negative effects that "pay as reward" can have on a group. First of all, paying money every time someone does well is not generally a sustainable program. Financial limitations of any organization will prevent this from being a long term solution. However, recognition can be given with little or no cost. When monetary rewards are used, there is a strong inclination that the employee base will move to a position of entitlement and when the reward is not given it will have a very negative impact on the group. But recognition does not have the same downside. When honest praise is delivered and then in a later period it is not given, the employee is motivated to get back into the circle of praise or in other words, "I am going to get my picture back on the employee of the week board".

Depending on the act being recognized, there may be levels of recognition. But first and foremost the direct leader should offer the recognition personally to the employee. Next comes the awareness of this recognition. It might be in a group meeting or it might be posted on a cork board somewhere. But if no one sees it or remembers it, it has no lasting effect. But, this is another instance where digital media can be beneficial. When recognition is a regular occurrence, rewarding routine performances that achieved or exceeded routine goals and objectives, it is often better to simply post results rather than a more formal delivery of the recognition. A digital display in the employee area will give the local manager a chance to display local site results and easily recognize any who have gone above and beyond. This recognition could become part of posting current performance objectives.



"A person who feels appreciated will always do more than what is expected."

Dr. Justin Varney, Director of Public Health, Birmingham, UK



Growth

Simply put, no one wants to be doing the exact same role in an organization for the rest of their career. Everyone wants to improve, expand and to contribute more. This is called "Growth" and it is a critical component of employee engagement. If the employee can see a career path, they can set their own goals, timelines and objectives. The path does not have to lead from mail room to board room, but it should show a way that the employee can expand their personal contributions and increase their personal value to the organization. Growth does not mean promotion. Successful organizations must have a clear demonstration of how individual contributors are every bit as valuable as leadership roles. If not, your top talent will be continually walking out the door. If the only way to grow in the company is to become a leader, then many will not have a path and will leave.

In any organization there are required skills and compliance programs that need to be regularly reinforced to validate the competency and compliance of the organization. But these are only part of growth. The growth path contains elective items where employees can choose to invest their own time and energy. For example, the opportunity to move from retail associate to senior retail associate requires the completion of three elective computer based training courses. These courses may cover handling customer complaints, converting customer returns into new sales and the importance of getting customers to join the loyalty program. By completing these courses, the associate is now able to work in multiple parts of the store and contribute to overall company performance. This expansion of knowledge creates real value that will enhance employee engagement.



For additional information please call 888-440-7126

Summary

Employee turnover, especially in retail and hospitality, is a fact of life in modern society. High turnover can be crippling to the bottom line of an organization. Employee engagement will not eliminate turnover, but it will contribute to a decline in turnover. Employees who understand the company's mission, vision and values and who routinely see and hear from senior leadership will feel a connection to the company. People will stay where they are appreciated and likewise recognized. And, they will increase their efforts in order to capture that good feeling of recognition again. If there is a sense of expanding value, growth, contribution, appreciation and recognition, the employee will not seek it elsewhere. If an organization offers the chance for an employee to develop additional skills and enhance their value, they will continue to feel connected and have an increased desire to stay.

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