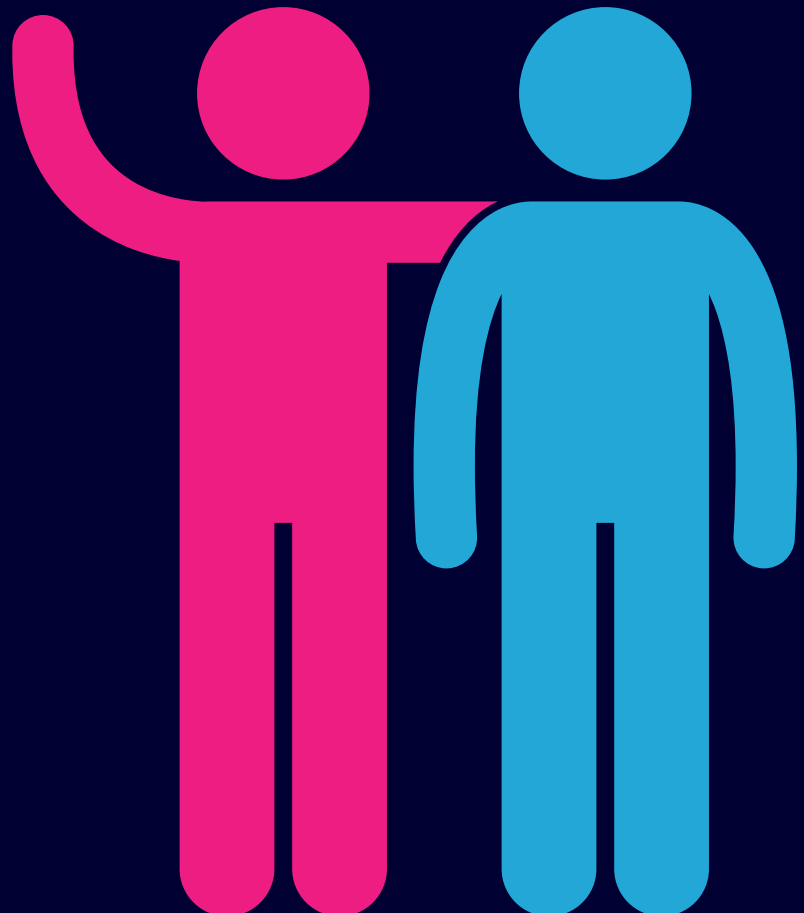


22 Surefire Ways to Boost Employee Engagement

A data-driven look at how to better engage your workforce, boost company productivity, and increase employee happiness.

by Tim Eisenhauer



Dear Reader,

The ebook you're about to read was originally published in May of 2014. Since then, tens of thousands of people downloaded it. The hunger for sanity, practical wisdom, and compassion in the workplace is extraordinary.

The research and advice in this ebook was expanded upon and turned into an entire book about employee engagement.

It's what prompted me to write my book...

In [Who the Hell Wants to Work for You? Mastering Employee Engagement](#), you'll discover 23 battle-tested principles to help you quickly and easily master employee engagement to make work more fulfilling and rewarding for everyone in your company. Result: your employees do what you want and need them to do — willingly, happily, enthusiastically, and beyond your wildest expectations!

With these powerful management tactics at your fingertips, you'll bring the best out of your employees ... and ignite an unprecedented level of engagement ... without strong-arm tactics, hair-pulling misery, or letting people take advantage of your good nature.

Thanks for reading.



Tim Eisenhauer

Co-founder and former CEO, Axero and Author of Who the Hell Wants to Work for You? Mastering Employee Engagement



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“There are a lot of ideas worth listening to in this company”

Companies have figured out what the best leaders knew all along: a strategy is only as good as the people and the systems that carry it out.

The most brilliant business idea takes scores of no less brilliant insights at every step of the execution in order to make it in the real world. These insights must come from people at every level of the organization.

In 1969, Thomas J. Watson, Jr, the second CEO of IBM, said,



There are a lot of ideas worth listening to in this company. Let's be sure we're paying attention. We are never so rich in ideas that we can afford not to.

Old news, right?

The new news is that business insights favor a particular state of mind that business psychologists call ***employee engagement***.

They also agree that being engaged in one's work is not a permanent characteristic of any individual. Rather, it is the way our mind responds when certain conditions are present.

Engagement starts with an individual. From there, it can go out like a light or spread like wildfire.

Companies that have learned to sustain, connect, and communicate engagement in their ranks have created something larger than the sum of its parts – an engaged workplace.

The whys of an engaged workplace are well-known:

- higher productivity
- better customer service
- lower turnover

Now what about the hows? How can rank-and-file employees, managers, and executives each contribute to an engaged culture?

Research shows that these 22 practices of some of the happiest workplaces in America can transform your daily experience, your team, and your business.



Employees: empower the individual

What does a highly engaged employee look like? Latest polls by human capital consulting firms like Gallup, Aon, and Blessings White find several common traits, including:

- taking ownership of projects and tasks
- having a clear understanding of goals and expectations
- being empowered to take action

Ultimately, we are all responsible for our own level of engagement. But it helps to know what triggers our minds to embrace one task and resist another.

Recent inquiry into human motivation by Daniel H. Pink and others points to these intrinsic drivers:

- **autonomy:** the urge to direct our own lives
- **mastery:** the desire to get better at something that matters to us
- **purpose:** the desire to make a difference
- **success:** the need to make progress toward goals
- **community:** the need for social interaction

Individuals at all levels of the organization engage fully when their job triggers an intrinsic driver – and check out mentally or emotionally when it doesn't.

Can companies take advantage of what their employees naturally want to do? Absolutely.

Here's how:

1

Hire traits and behaviors.

“

We will hire someone with less experience, less education, and less expertise, than someone who has more of those things and has a rotten attitude. Because we can train people. We can teach people how to lead. We can teach people how to provide customer service. But we can't change their DNA.

– Herb Kelleher, co-founder and former CEO of Southwest Airlines

Experience and education do not guarantee performance. People generally succeed or fail because of their behaviors and traits. Yet most companies favor technical skills over attitude in their hiring practices.

A study by Leadership IQ found that 46% of new hires fail within 18 months and that 89% of these failures are due to poor attitude rather than lack of skills.

Hire and promote the right behaviors and traits for your culture.

Not sure what these behaviors are? Look for the ones that set your top performers apart from the rest. The best employees typically exhibit both technical and leadership abilities. They build great relationships with customers. They brainstorm and innovate with colleagues.

Can you spot desirable traits and flag the troublesome ones during a job interview?

In his book, *Hiring for Attitude*, Mark Murphy, founder and CEO of Leadership IQ, recommends that hiring managers probe candidates for coachability, emotional intelligence, motivation, and positive temperament. Ask open-ended questions starting with:

"Why did you..." or "How did you..." or "Give me an example of..."

Encourage the candidate to tell a story. Vary your questions to steer him or her away from canned responses. Probe further into the answers. Look for language and behavioral clues to his or her mindset.

Case-in-point:

Southwest Airlines



For nearly 40 years, Southwest Airlines' motto has been:

"Hire for attitude, train for skill".

Attitude rules in selecting every crew member, from a baggage handler to a pilot. When evaluating candidates, the company looks for teamwork, altruism, modesty, taking one's work — but not oneself — seriously, and "warrior spirit" – doing what is necessary to help the company reach its goals.

Candidates must pass a series of interviews and character tests on the phone and in person. The interview questions are designed to drill down to each person's motivations, attitude toward others, work ethic, and ability to be a part of a team. According to Linda Rutherford, Vice President of Communication and Strategic Outreach, the company spends a disproportionate amount of time and resources finding the right individual for a job, but that upfront expenditure has helped lower turnover, promote from within, and increase productivity.

Southwest often hires teachers, waiters, or police officers to be flight attendants, because they exhibit a helpful, caring, and eager attitude. On the other hand, the company screens out those industry veterans that view their jobs differently than the star performers at Southwest view theirs.

2

Engage from day one.



To be successful, the first thing to do is fall in love with your work.

– Sister Mary Laretta

One practice that sets winning workplaces apart from the ordinary ones is the way they welcome and acclimate new hires.

Starting a new job at any point in one's career comes with some of the best attitudes an employer can hope for:

curiosity... enthusiasm... good intentions... beginner's mind...

Whether these behaviors persist in the face of inexperience or negative personal baggage largely depends on what happens in the first few days or weeks on the job. Does your company build on the new hire momentum – or does it kill it with lukewarm welcome and insipid orientation?

A 2013 study by the Institute for Corporate Productivity (i4cp) found that organized efforts to bring new employees into the culture pay off in both engagement and market performance. Some of the surveyed companies start as early as recruitment. Some assign mentors to new hires. Others believe it's important to galvanize not only the employees, but their significant others or entire families too.

Many of the employers on Fortune's **100 Best Companies to Work For** are famous for the unforgettable experiences they create for their new hires.

For example, Danny Wegman, the CEO of Wegmans Food Markets (no. 12 in 2014) has chartered jets to fly all new full-timers to Rochester, NY for a face-to-face welcome.

Case-in-point:

Zappos



Zappos.com finds itself at no. 38 on Fortune's *100 Best Companies to Work For* in 2014.

CEO Tony Hsieh has built the company on "*fanatical*" customer service.

To keep up the standard of service, every new hire is required to attend 4 weeks of training, including 2 weeks in the call center.

Tony put himself through the first new hire training course — and every Zappos employee has done the same ever since. One reason why managers and cooks in the café take the training, is that everyone works the phones during the holiday season.

Zappos offers every new hire \$4,000 to quit before the training is over – the equivalent of an 8-weeks' pay for an average hourly employee and the ultimate test of fitting in.

Zappos doesn't want any of its people to work for a paycheck.

According to Tony, about 2% take the buyout – a small price to pay for cultural integrity.

3

Set goals.



Give me a stock clerk with a goal and I'll give you a man who will make history. Give me a man with no goals and I'll give you a stock clerk.

– J.C. Penney

Set goals.

Would you like to improve employee engagement by 20%? In its 2013 *Trends in Global Employee Engagement* report, Aon Hewitt lists performance management as the 2nd top driver of employee engagement in North America (after career opportunities).

When done right, performance management helps individuals set clear goals and understand how their work contributes to the company's success.

According to Blessings White 2013 *Employee Engagement Research Report*, "clarity about what the organization needs me to do – and why" is the top driver of employee contribution globally, accounting for 20% of all surveyed.

Clarity is the first step to setting real goals, the kind that inspire ownership and commitment.

Use simple and direct language that has specific meaning to the employee. Once they are clear about job expectations, let employees set their own goals. Ask them if they are working on learning a new skill or completing a certification, and make it a part of the evaluation.

The right goals can motivate people to achieve extraordinary results.

Leadership IQ surveyed 5,000 workers in various fields to study the impact of goal-setting on employee engagement. They found that people who set motivational goals are up to 75% more fulfilled than people who set routine goals. Unlike routine goals, motivational goals bring out a sense of success – an intrinsic motivator that our minds obey in any setting.

In his book, *HARD Goals*, Mark Murphy makes a case for goals that are:

- Heartfelt or emotionally appealing
- Animated by dreams and a vision
- Required or necessary and urgent
- Difficult or developmental, outside of the comfort zone

Set goals.

In other words, in order to motivate, a performance goal needs to be a true goal, something our heart desires, but doesn't yet have within easy reach.

That said, don't make your goals too hard.

While high expectations can motivate people to leave their comfort zones, unrealistic goals can also lead to quick disappointment and burnout. Especially when the goal is taking the employee in a new direction, let him test the ground first.

It's better to build on a small success than on a spectacular failure.

Aim for a stretch, not a strain, and let the employee demonstrate that he is ready for more.

While discussing performance goals, remember to tailor your expectations to the individual. What motivates one employee may be stressful or threatening to another.

Customize your tool. Many performance evaluation systems are built with sales teams in mind. Pick a solution that allows for customization into your industry-specific goals.

Case-in-point:

Motorla Solutions



Motorola Solutions is an impressive no.6 on CareerBliss *50 Happiest Companies in America for 2013*. In 2012, one year after it spun off its consumer cell phone operation, the company decided to radically change its performance review system – to get rid of ratings.

Shelly Carlin, Motorola's senior vice president of human resources, explained how the ratings became an obstacle to employee engagement:

“ In the old system, managers sat in judgment of another adult. By nature, that setup breeds tension. Employees won't be open to feedback because they'll want to defend their livelihood. We knew we would never completely eliminate the power differential in that relationship, but we wanted to encourage managers to ask questions of self-discovery. Most employees don't come to work wanting to do a bad job. They want to contribute, advance, and grow. Managers should be all about helping them do that.

To expedite the process, the company switched to a cloud-based system. HR leaders were able to send a unified message to employees around the globe, while managers received the freedom to adapt the process to local and individual needs.

Under the new system, a manager may meet monthly with one employee to track progress and adjust goals, but only twice a year with another.

Carlin believes that:

“ Performance management isn't a series of checkpoints. It should be much more fluid and customized than that.

The company trains its managers to educate and motivate employees, then leaves

Set goals.

it up to the manager and employee to work out a schedule.

The goal is to cultivate a crop of seasoned coaches who know when and how to intervene with their staff.

4

Keep the eyes on the prize.



I don't care how much power, brilliance, or energy you have, if you don't harness it and focus it on a specific target, and hold it there, you're never going to accomplish as much as your ability warrants.

– Zig Ziglar

Keep the eyes on the prize.

Even though employee engagement and job satisfaction are closely related, keep in mind that engagement is ultimately about performance, not satisfaction.

The last thing you want is a team of satisfied but underperforming employees. To boost performance, make it easy for employees to own their tasks and focus on results. Better yet, make it fun.

In her article, *Latest Game Theory: Mixing Work and Play*, published in October 2011 in The Wall Street Journal, Rachel Emma Silverman reported that several major employers relied on videogaming tactics to help employees focus on the task at hand.

IBM, No.37 on CareerBliss *50 Happiest Companies in America for 2014*, employs video game-like solutions throughout its intranet. One game is about making a virtual city more efficient. Others allow users to simulate business scenarios.

Deloitte, ranked 61 on Fortune's *100 Best Companies to Work For* in 2014, uses digital games for its Deloitte Leadership Academy, an executive education program for clients and employees.

The idea is to turn a routine or daunting task into a game of competition or collaboration – or a creative endeavor. One way is to assign points to business results, for example, completing jobs or staying within time limits. Some systems encourage friendly competition by publicly tracking everyone's scores. Some promote collaboration by assigning points for giving feedback or asking and answering questions. Some favor communication with points for blogging, commenting, and uploading files for public use.

Case-in-point:

LiveOps Inc.



LiveOps provides virtual call centers to household name brands, like Ebay and AAA.

The company employs 20,000 call agents – independent contractors working from their homes all over the U.S.

To motivate the call agents, the company opted for gamification – a type of software that helps employees collaborate and carry out business tasks, but looks and feels like a videogame.

Agents get points and virtual badges when they complete training, get certifications, keep their calls brief, and close sales. The system also rewards sharing knowledge, coaching, and networking, and tracks all points on public leader boards. The winners enjoy company-wide recognition, real-time feedback, and daily deals and prizes.

The solution provider Bunchball Inc. reported that, within a week of launching the program, 80% of LiveOps agents opted in.

Participating agents outperformed peers by 23% in average call-handle time and improved customer satisfaction by 9%.

Some sales agents reported 8 to 12% increase in closure rates.

5 Network.



In the long history of humankind (and animal kind, too) those who learned to collaborate and improvise most effectively have prevailed.

– Charles Darwin

Character traits and motivational plays only go so far to explain our state of mind and our success at work. An emerging field of network science looks at the strength and quantity of our ties to one another to understand the behavior of individuals and groups.

New research points to employee social networks as the secret sauce inside the high-performing workplaces.

TINYpulse 2013 Employee Engagement Survey of 40,000 employees at more than 300 companies discovered that "*employee happiness is more dependent on co-workers than direct managers*" and that "*team play and collaboration are the top trait employees love about their co-workers*".

In his January 17, 2013 article *Harvard Professor Finds That Innovative Ideas Spread Like The Flu; Here's How To Catch Them*, Drake Baer of Fast Company reported that a group of network scientists conducted a case study in a large aerospace company.

The study looked at the link between the engineers' inside-the-company connections and their success at filing patents or bringing new products to market. It turned out that the number and quality of connections were the second most important success factor, after a related variable – length of employment.

The study found that successful individuals had strong relationships, both with peers across departments and up and down the chain of command.

Similarly, successful teams were the most interwoven and highly connected to the rest of the company.

Ideas, insights, and inspiration spread from person to person within the network, much like office gossip or a flu virus. Those in the center of large, densely populated networks are first to get new information and to gather input on projects – an advantage over those working in isolation.

Well-networked teams are able to exchange ideas with the entire organization, gain

the broadest perspective, and command the most support.

Today's workforce, especially those dubbed generation X and generation Y (the Millennials), come equipped with social media networking skills.

To fuel professional networking, give employees opportunities to mix and mingle on- and off-line.

Intra-company social media, also called social business software, could be the missing link to strong employee networks.

Case-in-point:

HubSpot



HubSpot is an up-and-coming Internet marketing provider and one of Boston Business Journal's perennial favorites for *Best Places to Work in Massachusetts*.

The company loves all things social media and uses several tools to network with employees. Recruiting and performance management are just two examples of HubSpot's corporate-gone-social strategy.

All HubSpot employees can headhunt for the company through their own social networks by using Jobvite, a social recruiting tool that integrates with LinkedIn, Facebook, Twitter, and other on-line networks. HubSpot also uses Work With Us, Jobvite's Facebook application, to help employees spread the word about job openings.

In 2012, HubSpot decided to do away with the annual performance review in favor of real-time continuous social performance management. The company chose Work.com by Salesforce.com.

Now, any one of their 500+ employees can give feedback to any other employee, any time. Employees can also track progress towards their goals on-line and share their results.

More frequent feedback has been one outcome of the new system. The other is peer-to-peer recognition and rewards. To create an authentic feel, the company customized two Work.com employee recognition badges and the peer bonus program.



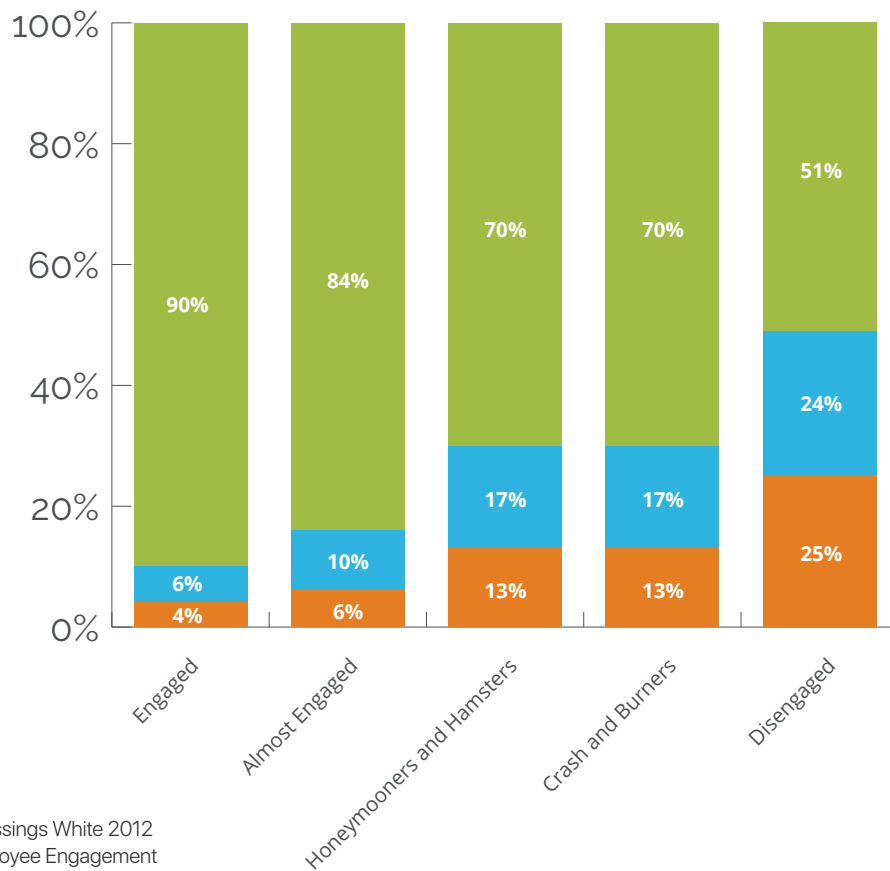
Managers: empower relationships

In her quest for a performance management system that brings the company and employees together, Shelly Carlin of Motorola Solutions stumbled onto one of the biggest roadblocks to employee engagement. If you want engagement, first, you must have trust.

The first place to look for trust or lack thereof is between managers and their direct reports. Employees join great companies, but quit bad bosses. A global survey by Blessings White found a strong dependency between disengagement and erosion of trust in immediate supervisors:

"I trust my manager" responses by engagement level – 2012*

Agree / Strongly Agree Neither Agree/Disagree Disagree / Strongly Disagree



*Blessings White 2012 Employee Engagement Research Report

Personal, trusting two-way relationships with managers up and down the chain of command are the backbone of employee engagement.

How can managers focus on building engaged relationships with their teams?

Try following these rules:

6

Use them or lose them.



To stay vigorous, a company needs to provide a stimulating and challenging environment for all these types: the dreamer, the entrepreneur, the professional manager, and the leader. If it doesn't, it risks becoming yet another mediocre corporation.

– Howard Schultz, Chairman and CEO of Starbucks

Use them or lose them.

Can you make your employees 24% happier while giving them more work?

24% of those surveyed by Blessings White reported "*more opportunities to do what I do best*" as the key to their job satisfaction.

The report also says that the main reason employees stay at their jobs is because *they like the work they do*.

The best managers learn employees' personalities and understand what people like about their jobs. They provide work that fully utilizes employees' skills and experience and is challenging for the right reasons.

Many people find their most productive and creative moments during unplanned and unscheduled activities.

LinkedIn cancels all meetings a few days each month so that employees can work on something they are passionate about – or attend a talk by their favorite inspirational speaker.

Give yourself and your staff "white space," for example, half a day per week to work on any task they choose.

Case-in-point:

Starbucks



Starbucks, no.48 on CareerBliss *50 Happiest Companies in America for 2014*, famously invests in its employees, whom it calls "partners." It is one of the first US companies to offer full health coverage and stock options to part-time employees.

However, one of the best investments the company ever made into its people was simply to allow a group of southern California employees to act on their desire to create a new drink.

In 1993, a Santa Monica district manager, Dina Campion, suggested that Starbucks add a sweetened blended iced coffee drink to its menu.

Starbucks CEO, Howard Schultz, a coffee purist, was horrified at the idea, but another executive agreed to champion the cause.

Dina enrolled a team at a local store to perfect the recipe, and in the fall of 1994 the Starbucks Frappuccino was born. (Starbucks took the name of a discontinued product by Coffee Connection, a Boston-based chain it acquired in 1994.)

In its first full year on the national market, Frappuccino grossed \$52 million. Business Week named it one of the best products of the year.

In his memoir, *Pour Your Heart Into It*, Howard Schultz calls it "*the best mistake I never made.*"

7

Support career development.



*When you become a leader,
success is all about growing others.*

– Jack Welch, former CEO of GE and best-selling author

2013 Trends in Global Employee Engagement report by Aon Hewitt cites career opportunities as the no.1 driver of employee engagement in North America.

How much difference does a future career path make in employees' day-to-day attitudes?

Blessings White reports that 24% of those it surveyed rank **career development and training** as the most important factor in job satisfaction. Likewise, poor career prospects is the top reason for leaving a job.

Unfortunately, it's too easy for managers to lose sight of individual goals and aspirations while putting out daily fires.

Remember: if they can't count on you to have their backs when it comes to raises and promotions, you can't count on them to have your back on critical projects.

Sit down with your employees to talk about career paths as often as necessary:

- Understand and support their ambitions
- Explain how current responsibilities will lead to future opportunities
- Point out the skills they need to master and set aside the time and resources for that purpose
- Offer help, coaching, and mentorship
- Build trust by honoring your commitments

Don't wait for the annual evaluation to start the dialogue. Do take advantage of a planned performance review to relieve employees' anxiety and renew your support.

Don't make it all about past performance. Surprise criticism can breed resentment and drive a wedge between the manager and the employee.

Instead, give real-time feedback throughout the year and use the annual review to zero in on career development and the future. Make it a tool to help your employees

Support career development.

succeed, and show them how to use it in their best interests.

Career is not always about rapid promotion.

Encourage breadth and depth of experience. Set your people up for the maximum impact in the immediate future and maximum opportunity in the long run.

Case-in-point:

University of Texas M.D. Anderson Cancer Center



M.D. Anderson Cancer Center at the University of Texas (no. 5 on Glassdoor's *Employees' Choice 50 Best Places to Work* in 2013) makes mentoring an institution-wide priority.

Career-specific mentoring programs connect employees at all levels to senior leaders serving as mentors.

The Hospital Administrative Fellowship Program, for example, allows participants full access to the entire senior operations team.

The program also matches each fellow to a specific executive, depending on interests and career goals. The mentor serves as a guide along the employee's career path, offering advice, selecting projects, and tracking progress towards goals at monthly meetings.

8

Make them visible.



The power of visibility can never be underestimated.

– Margaret Cho, comedian

Make them visible.

Being front and center, and in the spotlight, can be one of the most energizing and fulfilling experiences the workplace has to offer.

Sure, sometimes we fall asleep in the stands. But who can remain sluggish and apathetic on the court, when the game is on and all the eyes are on you?

Managers often act as gate-keepers to high-profile projects, clients, and the higher-ups. However, it is these types of interactions that lend meaning and urgency to everyday tasks.

The Institute for Corporate Productivity (i4cp) recommends that managers offer high-visibility and strategic assignments to engage their teams.

The i4cp study suggests a few ways to bring employees into the spotlight.

Some managers encourage people to research a new idea and present alternatives for going forward.

Others create opportunities to participate in cross-departmental projects – or to attend industry events and share what they've learned with the group.

Case-in-point:

LinkedIn



LinkedIn, the world's largest professional network and one of the pioneering spirits of what is now known as social media, believes in letting its people shine.

The company supports individual passion through career transformation paths, a global job rotation program, and an idea incubator called *[in]cubator*.

Once a quarter, any LinkedIn employee can pitch a product idea to top executives, including founder Reid Hoffman and CEO Jeff Weiner.

To win the company's support, the idea must benefit LinkedIn customers or employees.

The winning employee or team gets an executive mentor and up to three months to work exclusively on the project.

So far, 5 out of a total of 50 submissions have been approved.

One example is *go/book*, a meeting booking tool the company is currently using internally.

9

Let go of your inner micromanager.



So much of what we call management consists in making it difficult for people to work.

– Peter Drucker, management consultant, educator, and author

Nothing kills trust, drains motivation, and sucks all the joy out of work faster than needless handholding. Research by a global HR consulting firm, Mercer, shows that employees, regardless of age and gender, favor a flexible approach to work.

In his book, *Drive: The Surprising Truth About What Motivates Us*, Daniel H. Pink argues that autonomy – the desire to direct our own lives – is one of only three primary factors shaping our gut response to our work. (The other two are mastery and purpose.)

He recommends that managers take three steps toward giving up control:

- Involve people in goal setting
- Use non-controlling language
- Hold office hours so people can come see them

To speed up the transfer of control from manager to employees doing the work, technology has created a virtual workplace. And many employers, like LiveOps, are eager to kill two birds with one stone: give employees their much desired space and reap the cost savings of housing fewer bodies.

However, experts warn that the virtual office comes with its own rules of engagement.

In the absence of a traditional supervisor, team dynamics become an even more important driver of individual contribution.

In his series on virtual teams, Keith Ferrazzi of Harvard Business Review offers this advice:

1. To start off, allow team members to form critical relationships inside and outside the team. Instead of asking them to read and digest documents on their own, invite team members to identify those people who are most important to doing their job successfully and get in contact with each one in the first two weeks.

Let go of your inner micromanager.

2. A small-but-significant first challenge will move everyone in the right direction. Choose something that every team member can weigh in on, contribute to, and see the results quickly, ideally within 60–90 days.
3. Email updates and weekly conference calls are not enough to sustain team momentum. Use technology: webcams, social business platforms –to stay in touch real-time. Celebrate small wins.
4. Humans are intensely social beings. They need to feel connected. Check-in with your virtual team personally and professionally. Let them share work success or a personal story before a meeting begins.
5. Don't allow multitasking. Research shows as many as 90% of people doing **other things** during conference calls, including visits to the kitchen, the pool, and yes, the bathroom. Collaboration can only happen when everyone is mentally present and engaged. Set that as an expectation – and call on people often to share their thoughts.
6. Don't mute your line and ask your team to limit muting whenever practical. Dead air kills group bonding and breeds disengagement.
7. Keep the conversation candid. Don't be afraid to ask, "**So, what's going on here that nobody's talking about?**" Praise those who speak their minds and remember: people will be watching closely to see that you don't subtly dismiss or minimize their issues.

Ultimately, micromanagement is only an imperfect substitute for those human relationships and working conditions that make it easy for us to put in our best effort.

Today's winning enterprises focus on relationships and conditions impacting their workforce on every level: person-to-person, manager-to-team, and company-to-employees.

Case-in-point:

SAS



SAS, which stands for Statistical Analysis Software, is no. 2 (behind Google) on Fortune's **100 Best Companies to Work For** in 2014.

The company's headquarters in Cary, North Carolina boasts a massive sports and fitness complex, free on-site health care, and deeply discounted childcare.

To prove that investing in people pays off, SAS has a 37-year history of revenue growth, surpassing \$3 billion in 2013.

Not only do SAS employees get unlimited access to company facilities, they get to choose when they use them, since everyone sets their own work hours. The company has a policy of a 35-hour workweek.

However, SAS culture is to simply trust employees. SAS Chief Marketing Officer Jim Davis told Fast Company:



I don't know anybody who really works 35 hours. The reality is if you trust people, and you ask them to do something – and you treat them like a human being as opposed to a commodity where you try to squeeze something out – they're going to work all sorts of hours. But they're going to enjoy those hours as opposed to 'slaving in the office.'

10

Be authentic.



This is a company of human beings not machines, personalities not products, people not real estate.

– Thomas Watson, Jr., 2nd president of IBM (1952–1971)

Be authentic.

In every kind of relationship, people favor those with whom they have established a human connection. So, it's hardly surprising that employees put greater trust in their bosses when they feel they know them on a personal level.

This is particularly true in North America.

When Blessings White asked employees to rate their immediate managers on eight critical skills, managers who showed their human side scored 59 percentage points higher than those who put up a front. The percentage gap was as wide as 64 points among the least engaged employees.

The message is simple, if often overlooked:

It is the manager's responsibility to authentically connect with people, which inspires trust and galvanizes the team.

According to Gallup's 2013 *State of the Global Workplace* report, 71% of North American and 87% of world-wide employees are "*not engaged*" or "*actively disengaged*."

Add the fact that disengaged employees are also the ones most sensitive to "*inauthentic*" bosses.

Showing your human side becomes the biggest untapped source of employee engagement!

If being authentic works, why do so few managers give it a try?

Blessings White offers this insight:



While companies focus on equipping managers with tactical skills such as delegation or matching individual talents to tasks, engagement is driven more effectively through leadership and connection skills. Particularly difficult for a manager is the challenge of authenticity – because they are typically being taught how to



behave or how to 'play a role.' In actual fact, it's becoming better known as a person to their direct reports – not being the person they think they ought to be – that will build the relationship needed to increase engagement.

Don't be afraid to show your vulnerability.

Often, we think we know what to expect from people, when in reality our entire past experience with them has been a result of our own attitudes. When we change the way we relate to people, their response changes dramatically. Set the tone for genuine communication with your team and use it for both work and play. Be honest about your own struggles and let people surprise you with their empathy and good will.

Trusting your team to know you as a person works both ways. You will find your people more responsive and yourself more effective as a manager. That's because trust is usually reciprocated, and because believing we're trusted (or not) makes a big difference in our willingness to do the work.

Case-in-point:

Zappos



Since 2009, when Amazon acquired Zappos for \$1.2 billion, the online shoe retailer has been scrutinized for new paths to both employee happiness and commercial success.

Zappos CEO Tony Hsieh gives some of the answers in his book *Delivering Happiness*. In particular:

“ *So many people when they go to the office, they leave a little bit of themselves at home, or a lot of themselves at home. And while there’s been a lot of talk over the years about work life separation or work life balance, our whole thing is about work life integration. Because it’s just life – and the ideal would be if you can be the same person at home as you are in the office and vice versa.* ”

Here are a few things Tony and his crew at Zappos have done to keep it real:

- Define the company’s 10 core values. No.3 on their list is: **“Create Fun and a Little Weirdness.”**
- Publish an annual Culture Book where employees and vendors talk about what makes being part of Zappos special to them.
- A spontaneous employee-driven response to a celebrity rant about Zappos’ products.

This last item turned into Zappos’ most successful PR campaign.

It started with Kanye West saying in a podcast:

“ I got into this giant argument with the head of Zappos that he’s trying to tell me what I need to focus on. Meanwhile, he sells all this shit product to everybody, his whole thing is based off of selling shit product.

In response, Zappos launched a new item on their site called “Sh-t Product,” a \$100,000 plunger. The description read: **“The perfect gift for the man who has everything”** plus a link to Kanye’s rant.

In an interview to PR Week, Tony said about the Kanye quip:

“ It was one of those random, fun ideas that a few employees came up with at 6am and an entire team set up a war room so we could launch a response by noon that day. I then emailed the staff and notified our PR team. With the video, we received more than 600 million media impressions; the response was almost universally positive.

11

Help.



I think my most important job in IBM is working with anybody who has a problem.

– Thomas Watson, Jr., 2nd president of IBM (1952–1971)

Help.

Not everyone is vocal about their needs. A helpful and compassionate attitude will lead you to uncover a hidden roadblock faster than a demanding one.

When you reach out to help, your actions say *“we are in this together,”* a far more uplifting message than *“you’ve dropped the ball.”*

Your willingness to give of yourself clears the air and makes it possible to find a real solution.

When in doubt, start your conversation with a question.

Leadership and communication strategist Steve Roesler points out that questions engage the brain more than statements.

In his article, *Ten Questions Designed To Engage*, he lists these favorites of his:

- How can I help you right now?
- What else do you need from me for this project?
- To whom can I introduce you to help make this happen?
- When can we get together to discuss our progress?
- What can we do to make this just a little bit better?
- Who else can we include?
- What other information can I provide?
- How can I best support the others in the group?
- What else would be helpful to discuss?

Case-in-point:

SAS



SAS has posted record profits every year since its inception, including the Great Recession of 2008-2009.

In January of 2009, after sales had plummeted and many of the competitors announced layoffs, SAS reached out to its employees around the world with a reassuring message: the company will not cut any of its 13,000 jobs.

Instead, Founder and CEO, Jim Goodnight, simply asked the employees to watch their spending and help the company survive the crisis.

His caring attitude once again made a huge difference. As he told Mark Crowley of Fast Company in a January 2013 interview,



By making it very clear that no one was going to be laid off, suddenly we cut out huge amounts of chatter, concern, and worry--and people got back to work.

12

Use non-monetary rewards.



There is more hunger for love and appreciation in this world than there is for bread.

– Mother Theresa

In its 2013 study *Trends in Global Employee Engagement*, Aon Hewitt reports that, while recognition is one of the top five drivers of employee engagement in North America, pay is not.

What's going on here? What's wrong with pay raises and bonuses for top performers? And how do employees want to be rewarded for extraordinary performance?

Competitive pay is a must for attracting and retaining top-notch talent in the private sector. Yet, when it comes to reinforcing behaviors, money has a few disadvantages.

First, the satisfaction it delivers is short-lived.

Second, experience shows that money never makes up for lack of intrinsic motivation: you simply cannot pay people enough to like their job.

Finally, perceived pay inequity makes for a very toxic workplace. And there is no keeping it secret. It's better to pay similarly for similar jobs, and use recognition and non-monetary rewards for going above and beyond.

Of course, any time you single out an individual or a group for a prize, someone is bound to feel left out. Do your part by making it clear what the reward is for and how the winners were chosen – and leave it up to your crew to respond graciously. Create new opportunities for others to win.

What you are after is making your best people feel appreciated. Choose rewards that are not only of practical value, but also emotionally meaningful to the recipient.

Here are some of the ways in which employers around the world recognize and celebrate performance of both individuals and groups.

- **Friday Drinks.** Take your team out to celebrate a win on a Friday afternoon. Leave early, so people don't have to stay after work – or bring food and drinks into the office and give the team the rest of the day off.

- **Extra Time-Off.** Celebrate beating a deadline or completing a project by giving your team some time to recharge and spend with their loved ones.
- **Subsidized Sports and Fitness Activities.** Why not support healthy recreation for your best people (if not for all)? Gym passes, participating in walking, running, and cycling events, or amateur sports teams are all great rewards for those employees who will use them.
- **Personal and Career Development.** Everyone can use a little training and coaching to take their game to the next level. There are great courses out there that benefit the whole person, as well as those geared towards a specific career. If this is not an option for everyone at your company, use it selectively to invest in your top performers.
- **Everyone's Favorites.** Are your people hooked on Starbucks or Netflix? A lot of pet owners around the office? People cherish thoughtful gifts more than expensive ones. Show employees that you know and care about them as people. Try personalized gift cards, chew toys for animals – or anything else you know they'll love.

Case-in-point:

Wegmans Food Markets



The family-owned East Coast grocery chain, Wegmans, is one of the lesser known names on Fortune's *100 Best Companies to Work For*.

In 2014 the company placed at no. 12, outranking such iconic retailers as Whole Foods and REI.

Even if you didn't know that almost half of Wegmans employees are 25 or younger, you probably guessed that money wasn't the main draw here. Rather, the company rewards employees with flexible scheduling, college scholarships, trips around the world to learn about products, and stretch assignments to help young employees grow within the company.

As a result, Wegmans' turnover is an incredible 4% compared to 15% at Whole Foods, and up to 100% in the grocery sector. Wegmans also fills two thirds of its job openings through internal promotions.

Like Zappos, Wegmans exists to delight the customer. Remarkably, managers and supervisors are not the only ones rewarding great customer service. Employees are encouraged to reward each other with store-paid gift cards. Another subtle perk is the ability to get a job for someone you care about. Wegmans gladly hires family and friends. In fact referrals are so frequent that one in five employees are related.



Executives: empower the culture

Strong, fit, and sound people management will take your employees a long way towards productivity and fulfillment.

However, to decisively win the hearts of your people, the entire company must pass the test of trustworthiness, honest and inclusive communication, and cultural integrity.

Blessings White 2013 *Employee Engagement Research Report* calls on the executives to:



demonstrate consistency in words and actions, communicate a lot (and with a lot of depth), and align all business practices and behaviors throughout the organization.

What does this mean for your company?

Here are a few possibilities:

13

Start at the top.



Example is leadership.

– Albert Schweitzer

Start at the top.

“Walking the talk” may be the single most effective employee engagement strategy company leaders have at their disposal.

Author and workplace expert, Nan Russell, explains in *Psychology Today* that the best leaders aren't focused on engagement.

Rather, they succeed by creating trust.

Trust in the workplace makes it possible for people to focus on teamwork, innovation, and passionate service – the magic ingredients of consistently high engagement and performance.

Case-in-point:

USAA



USAA, No 17 on Fortune's *100 Best Companies to Work For* in 2014, is a mutual insurance company. USAA offers coverage exclusively to US military, veterans, and their families.

Since 2007, when Major General Joe Robles, Jr. became the CEO of USAA, the 92-year old insurer has grown 53% in membership, 45% in revenue, and 68% in net worth.

During this period, which included the Great Recession of 2008-2009, and some of the highest catastrophe losses in USAA history, the company returned \$7.3 billion to members through dividends, distributions, bank rebates, and rewards.

USAA is one of the select few companies to earn the highest possible ratings for financial strength from Moody's, A.M. Best, and Standard & Poor's.

Bloomberg Businessweek, MSN Money, and the American Association of Individual Investors have all ranked it No. 1 for customer service, satisfaction, or advocacy.

His secret?

Joe believes in his company's mission: serving those who serve – and in personally modeling the virtues he wants to see in the workplace.

He calls himself Chief Culture Officer.

Joe believes that even a strong workplace culture must be fine-tuned every now and again, and that every adjustment must start with himself.

To move the company forward through the years, Joe has had to become an even better listener. He has constantly learned from those around him and grown as a

Start at the top.

leader and as a person.

In Fast Company's *30-second MBA* videos, Joe distills the guiding principles of his success down to bare basics:

- **Communicate, communicate, communicate.** If 100% of the people hear the message 10 times, they will deliver on it. The mission statement is especially important.
- **Listen.** When faced with a challenge, ask many people at all levels in the company what they think. If still undecided, find a mentor, someone who has the experience you lack.
- **Read.** Change is the only constant. Read as much as you can about what works in your industry and life in general.

USAA serves the veterans by helping them build financial security. This includes actively recruiting from the ranks of former US military.

Since 2005, USAA has hired more than 8,200 veterans and spouses, more than 30% of its 23,000 workforce.

14

Got culture?



A great business has to have a conscience. You have to know who you are and who you are not.

– Howard Schultz, CEO, Starbucks

There is a reason the word culture has become a corporate buzzword:

culture works. In a 1992 landmark study published in *Corporate Culture and Performance*, Kotter and Heskett tracked a group of corporations over a ten-year period.

Those that *“managed their cultures well”* outperformed peer companies that did not by a wide margin.

- Revenue growth: 682% vs. 166%
- Stock price increase: 901% vs. 74%
- Net income increase: 756% vs. 1%
- Job growth: 282% vs. 36%

Jim Collins' and Jerry Porras' bestseller, *Built to Last*, defines winning corporate culture as timeless ideology plus adaptive business tactics.

A retrospective study reported in *Harvard Business Review* showed that companies who fit this description outperformed their industries and the general stock market.

In recent history, Google, Facebook, and many others have led the market by creating a strong corporate culture.

Does your company have what it takes to rally around a common purpose, goals, and values?

Take a cue from Gen. Joe Robles of USAA and start by listening.

For example, do your employees refer to the company as *“we”* or *“they”*?

One way to create a *“we”* company is to show you trust your employees and defer to their judgment as much as possible.

ROWE (Results Only Work Environment) keeps people accountable for work goals and removes all other constraints. No expected time in the office, dress code, or unnecessarily standardized procedures. ROWE was pioneered by Jody Thompson

and Cali Ressler at Best Buy.

Now, Gap, Inc. and other companies are adopting it to create a trust-based high-performing culture.

Changing corporate culture doesn't have to be all-or-nothing. Many of the winners on Fortune's **100 Best Companies to Work For** have selectively discarded old rules as the company outgrew them.

NetApp (no. 33 in 2014 and one time top spot holder) started many years ago by rewriting its elaborate travel policy.

The new policy read:



We are a frugal company. But don't show up dog-tired to save a few bucks. Use your common sense.

Now several NetApp business units have replaced traditional business plans with **"future histories"** – an intentionally imaginative take on the near future of their business.

Case-in-point:

Camden Property Trust



Camden owns rental apartments in 10 states and DC. It houses more than 100,000 people and employs 1,700. In 2014, Camden ranked no. 11 on Fortune's *100 Best Companies to Work For*. The company had held top 10 spots since 2010.

Culture is the uncontested driver of this highly unusual workplace. For one, Camden loves surprises. In fact, one employee explains:



if you aren't willing to participate in singing, dancing or being on a stage in front of your peers at some point during your employment, Camden may not be the place for you.

The management and employees of Camden are wholeheartedly committed to... having fun. Frequent surveys show Camden employees to:

- see humor in everyday events
- bring the absurd into the workplace
- play practical jokes

This last category has expanded into an art form under the Chairman and CEO Richard Campo and President Keith Oden.

Flash mobs, rigged baking contests, and fighting runaway squirrels are all fair game.

Keith Oden once launched a multi-stage, hand-fired Nerf rocket attack on an unsuspecting finance group meeting. The group was hosting an outside vendor who was in the middle of a presentation.

Oops.

On the other hand, Camden is dead-serious about showing appreciation. For the past three years, the company has achieved better-than-expected financial results and has shared the wealth with employees.

In 2013, every nonexecutive employee received \$2,000 as a surprise bonus. More than 600 employees who live in Camden apartments get a 20% discount on rent. Employees can also rent furnished apartments for \$20 per night at vacation spots.

15

Communicate.



The single biggest problem in communication is the illusion that it has taken place.

– George Bernard Shaw, Leadership Skills for Managers

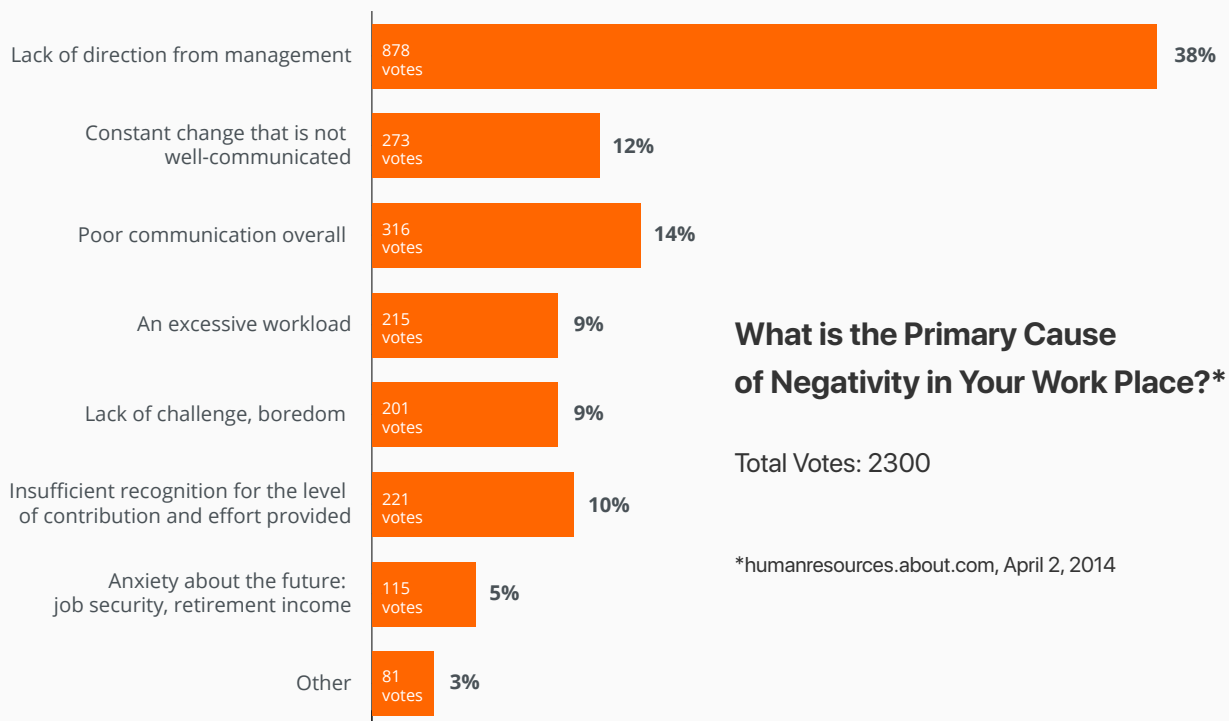
Communicate.

In 2014, About.com took an on-line poll to find out why people don't care for their jobs. The top three causes of negativity at work, together accounting for 64% of all responses, are all communication-related:

Lack of direction from management: 38%

Poor communication overall: 14%

Constant change that's not well-communicated: 12%



In 2013 TINYpulse surveyed 40,000 employees from 300 companies around the world to find out that ***only 42% of employees know their organization's vision, mission, and values.***

The study concluded that ***"too many executives are not communicating and reinforcing their company's guiding principles and mission,"*** and the result is

apathetic, disengaged, or actively disgruntled employees.

Talking and writing does not always equate with reaching your audience. When asked about an opening night of one of his plays, George Bernard Shaw famously replied: *“The play was a great success, but the audience was a dismal failure.”*

How can companies avoid failing their internal audiences?

Communicate opportunistically, as well as at regular intervals, through any means appropriate to the occasion. Promote openness and transparency. Promptly address concerns. Give employees a clear line-of-sight: where they are going, how they are doing, and where they fit in.

In a 2013 whitepaper, *A New Way to Work*, Unify (formerly Siemens Enterprise Communications) offers these tips to more engaging employee communications:

- Tell people what they need to know to do their jobs well
- Use internal and external social networks
- Listen as you speak: start and join multi-way conversations
- Access all media types, information, and people
- Respond in real-time
- Aggregate networks
- Add intelligence to filter, summarize, and act on events
- **Use plain language**

The last suggestion, although by no means new, remains one of the most powerful and underutilized means of engaging people.

Case-in-point:

IBM



International Business Machines (IBM) is one of the most successful companies of all times and one of the best places to work before being a good place to work became fashionable.

The company reached peak performance under the second CEO, Thomas J. Watson, Jr.

Tom Watson, Jr., who succeeded his father as CEO of IBM in 1956, made his mark on the company by tirelessly communicating his principles and values.

In 1970, he made this passionate appeal to IBM employees:

“ A foreign language has been creeping into many of the presentations I hear and the memos I read. It adds nothing to a message but noise, and I want your help in stamping it out. It’s called gobbledygook. There’s no shortage of examples. Nothing seems to get finished anymore, it gets ‘finalized.’ Things don’t happen at the same time but ‘coincident with this action.’ Believe it or not, people will talk about taking a ‘commitment position’ and then because of the ‘volatility of schedule changes’ they will ‘decommit’ so that our ‘posture vis-à-vis some data base that needs a sizing will be able to enhance competitive positions.’ That’s gobbledygook.

16

Go on a mission.



Basically, our goal is to organize the world's information and to make it universally accessible and useful.

– Larry Page, CEO, Google

Go on a mission.

Nowadays most companies can readily produce a mission statement. Some go to great lengths to compose and prominently display these writings in print, on the web, and in the workplace.

The question is, does it help?

It depends.

Successful companies teach us that being on a mission doesn't begin nor end with a mission statement.

Words themselves are not as important as where they come from.

Did you crowdsource your mission statement – or did you let a top executive hammer it out? Did you take a fresh look at your company, your business, and your market – or did you rehash old rhetoric?

Does your mission statement reflect how people feel about their jobs – or does it impress marketing and HR?

Likewise, spreading the word is less important than putting it into everyday practice. Does your stated mission change the way your company hires and promotes people, allocates funds, develops products, and treats customers?

Case-in-point:

Google



In his article, *Passion not Perks*, Laszlo Bock, Google's SVP of People Operations, explains Google's take on corporate mission:



Other companies make similar products, and yet our employees tell us that they are drawn to Google because being here means something more than 'just' searching the internet or linking friends.

Google started by searching out what excited employees about their work. ***"If we were motivated by money,"*** says CEO Larry Page, ***"we would have sold the company a long time ago and ended up on a beach."***

Google's mission is to organize the world's information and make it universally accessible and useful. Its strength comes from people seeking opportunities to turn this idea into reality.

Here's one example.

On January 25 of 2011, when the news of the Egyptian revolution broke out, a few Google employees decided to do something to help people in Egypt stay connected during those trying times.

Over the weekend, a small team of engineers from Google and Twitter came up with a service enabling anyone to tweet by leaving a voicemail.

On Monday, January 31, ***Speak2Tweet*** went live with 3 international phone numbers that would instantly tweet the message using the hashtag #egypt, no Internet connection required.

People could listen to the messages by dialing the same phone numbers or going to twitter.com/speak2tweet.

Go on a mission.

On February 1, Google updated **Speak2Tweet** with country-specific hashtags depending on the origin of the call.

Says Laszlo Bock,



The translation of our mission into something real and tangible has a huge effect on who decides to join Google, how much engagement and creativity they bring to this place, and even on how they feel and behave after leaving.

17

Be transparent.



The man who can keep a secret may be wise, but he is not half as wise as the man with no secrets to keep.

– E. W. Howe, American novelist

Be transparent.

Transparency is another way of showing trust. 2013 TINYpulse Employee Engagement Survey confirms that employees everywhere appreciate being trusted with sensitive information.

When researchers at TINYhr analyzed anonymous responses from more than 150 global companies, they discovered that *management transparency* went hand-in-hand with employee happiness 94% of the time!

Employee Happiness	Correlation Coefficient "r"
Transparency of Management	0.937
Rating Of Co-workers and Team Members	0.928
Relationships with Co-Workers	0.916
Effectiveness Of Reponding To Feedback	0.916
Rating Of Direct Supervisor	0.743
Rating Of Company Culture	0.351

Source: TINYpulse.com Engagement Survey. © 2013

The correlation coefficient is a measure of the strength and direction of the linear relationship between two variables. A correlation greater than .80 is described as strong, whereas less than .50 is generally weak. Specifically we used a Pearson's "r" correlation coefficient which is a measure of the linear correlation between two variables.

Not only was *management transparency* highly predictive of how people really felt about their jobs, it was the chief contributing factor! Co-workers, supervisors, and influence over the company's affairs all came in as runners up.

Be transparent.

What's more, transparency seems to impact overall performance. In his book, *Transparency: Creating a Culture of Candor*, Warren Bennis cites a 2005 study of U.S. 27 "most transparent" companies. The study group beat the S&P 500 by 11.3%.

Transparency doesn't depend on costly infrastructure. Rather, it calls for an ongoing conversation between top executives and the rest of the company.

Or, if you are like Red Hat (no. 23 on Glassdoor's *Employees' Choice 50 Best Places to Work* in 2014) and Google, you let everyone in on everyone else's conversation – by default.

"Default to open" – a mindset both companies embrace – means that managers start from the place that everyone in the company deserves equal access to information, then chose what, if anything, needs to be kept confidential.

In practice, this might mean videotaping CEO staff meetings for the entire company...

... or encouraging tough questions from the audience during a CEO address...

... or frequent opportunities to speak with top management face-to-face. (Google's Larry Page and Sergey Brin host "all-hands" meetings every Friday)...

... or posting product roadmaps, launch plans, team goals and status reports on the intranet, so that everyone can see what everyone else is working on.

Google's SVP of People Operations, Laszlo Bock says:



We share everything, and trust Googlers to keep the information confidential

Whether or not your company is ready to break down all the silos, the fact remains that engaged employees everywhere want to know how the company makes decisions and how they can contribute.

Be transparent.

One big area of concern is pay and benefits.

Make it as clear as possible to employees how compensation decisions are made and how performance makes a difference in their paycheck.

Case-in-point:

Whole Foods



The natural and organic grocery chain, Whole Foods Market, is no. 44 on Fortune's *100 Best Companies to Work For* in 2014.

The company keeps few secrets from its 72,000 employees.

Whole Foods lets every employee see everyone else's salary. New hires are voted in (or out) by the entire team after a 90-day trial.

Not only do Whole Foods employees participate in choosing new team members, they have a bigger say in their own careers than elsewhere in the industry.

Every year, the company posts thousands of promotional opportunities and new jobs for all to explore. The transparency in pay and promotions helps keep employees happy and promote from within.

The company says that 90% of the managers, including some of the top executives, got their start from somewhere in the store.

18

Give them a voice.



We try to have as many channels for expression as we can, recognizing that different people – and different ideas – will percolate up in different ways.

– Laszlo Bock, SVP of People Operations, Google

Give them a voice.

In order to discover hidden potential in their employees, many of today's most innovative, influential, and forward-thinking companies follow these two rules religiously:

1. Never assume you know what your employees think – let them tell you.
2. Take the risk of sharing too much, rather than miss out on an opportunity to connect, collaborate, and learn from one another.

Employee surveys are one way to solicit feedback and take the pulse of engagement. There are a million survey questions you could ask. Chose the topics that matter the most at your company.

SAS, for example, focuses on open communication, respect from fellow employees, transparency into career paths, and being treated as a human being.

Google's largest employee survey, *Googlegeist*, collects feedback on hundreds of issues. Once the results are in, employees volunteer to solve the biggest problems and work in teams across the entire company. One recent outcome is a new engineering to product management job rotation program. Another one is a company-wide pay raise.

Recreational Equipment, Inc. (REI), no. 69 on Fortune's *100 Best Companies to Work For* in 2014, uses social business software to get input and exchange ideas. *Company campfire*, launched in 2012, features blog posts by REI executives, employee awards, products and research. Employees can comment, ask questions, and debate issues.

Listening to employees can be as simple as asking a few questions face-to-face. The Institute for Corporate Productivity (i4cp) recommends conducting *stay interviews* – an alternative to *exit interviews* – to discover what makes employees happy, productive, and loyal. Stay interviews also allow managers to resolve minor issues, demonstrate to employees that they are valued, and prevent unwanted turnover.

Once you have your feedback, what will you do with it?

Google, for one, believes it's just as important to empower employees to find solutions as it is to encourage them to speak up. On top of **Googlegeist** and a host of other surveys, Google routinely reviews GUTS (Google Universal Ticketing Systems) – a place for employees to raise concerns about anything, similar to New York City's 311 line. An urgent case may call for a **FixIt**, a 24-hour stretch when the entire company focuses on solving a specific problem.

Is there a downside to openly discussing problems and solutions with employees?

Google's Laszlo Bock believes it's a matter of managerial skill:



Some people will argue that giving employees so much information and such a loud voice leads to anarchy, or to a situation where, since everyone's opinion is valued, unanimity is impossible, as anyone can object and derail an effort; an environment where 10,000 people can say 'no' but no one can say 'yes.' The reality is that every issue needs a decision maker. Managed properly, the result of these approaches is not some transcendent moment of unanimity. Rather, it is a robust, data-driven discussion that brings the best ideas to light, so that when a decision is made it leaves the dissenters with enough context to understand and respect the rationale for the decision, even if they disagree with the outcome.

If you want your people to fully engage in their work, leave room for their own voice and initiative.

Let them take part in decision making. Be open to new ideas. Support employee-led programs.

An inspiring mission and shared insights are only meaningful to those employees who can put their knowledge and beliefs into action.

Give them a voice.

In the words of Laszlo Bock,



People look for meaning in their work. People want to know what's happening in their environment. People want to have some ability to shape that environment. Mission. Transparency. Voice. These three components of our culture create a virtuous cycle of attraction, community, engagement, and innovation.

Case-in-point:

Edward Jones



Tired of counter-culture, twenty-second century ideas of greatness?

Here's how a nice conservative company does it.

Edwards Jones (no. 4 on Fortune's *100 Best Companies to Work For* in 2014) is the fourth largest financial advisory firm in the US, rivaling Starbucks in number of locations.

At the end of 2008, Edward Jones was facing a cost-cutting dilemma: cut jobs or find other ways to save \$100 million to offset lost revenues.

The company turned to its associates to come up with cost savings ideas.

The management picked the best ideas and rewarded the winners with a pair of tickets to the MLB All Star Game in St. Louis. When the results were tallied, Edward Jones ended up saving \$120 million – plus the jobs and commitment of its people!

19

Say thank you.



Treat employees like they make a difference – and they will.

– Jim Goodnight, Founder and CEO, SAS

Say thank you.

Looking for happy, hard-working people? Thank employees often for things big and small. Acknowledgement is the quickest way to restore trust, transform a strained relationship, or energize the whole workplace.

Great companies understand the power of a simple *“thank you”*. They also have their own special ways of expressing gratitude.

Camden Trust likes to give hugs.

Starbucks launched a special card collection from a mobile app Red Stamp, so that customers can thank their baristas by mail, email, or social media.

LinkedIn bought 3,458 iPad Minis to thank all of its full-time employees for their hard work.

While managers need to know and appreciate their people, research says that it's even more important that team members appreciate each other.

The 2013 TINYpulse Employee Engagement Survey reports that co-workers contribute more to employee happiness than do direct supervisors. The study found a 92% correlation between employee happiness and their rating of co-workers, as compared to a 74% correlation between employee happiness and how they rate their direct supervisor.

Say thank you.

Case-in-point:

Philips Electronics

The Philips logo, consisting of the word "PHILIPS" in a bold, blue, sans-serif font.

Philips North America (No. 24 on CareerBliss) has built peer-to-peer recognition into company-wide HR practices.

We Are Philips allows employees to nominate co-workers who demonstrate key values and behaviors.

The winners for each behavior are announced throughout North America three times a year.

Another way to publicly acknowledge coworkers is to give “thanks badges,” up to five per week. Thanks badges are a popular feature of Philips social business platform configured for officeware and mobile devices.

20

Let the walls help.



Ninety-five percent of my assets drive out of the gate every evening. It's my job to maintain a work environment that keeps those people coming back every morning.

– Jim Goodnight, Founder and CEO, SAS

Let the walls help.

The more companies rely on employees to innovate, to engage customers, to lead and inspire other employees, the more they must pay attention to the environment where all these activities take place.

SAS, an early pioneer of the *workplace-as-a-perk* movement has reaped the benefits hand over fist. Strong cash flows have allowed the company to remain private.

Plus, in the industry where competition for talent is fierce, SAS employee loyalty is legendary. The annual turnover is only 2-3% compared to an industry average of 22%.

Google, LinkedIn, and Facebook have all followed suit in creating office space utopia for their employees.

But why stop at the office?

Zappos is spending \$350 million to develop the entire neighborhood in downtown Las Vegas where Tony Hsieh plans to relocate his company.

Aside from the corporate headquarters, the "Downtown Project" includes apartment buildings, restaurants, daycare, a medical center, outdoor concert space, shops, yoga studios, a dog park, and even office space for other companies, to attract investors and revitalize the area.

When funds are limited, pick the renovations that hold the most sway over your constituents.

Cambridge, Mass. based HubSpot offers standing desks and a jam room full of musical equipment – to get over a mental block or relax with teammates.

On a very basic level, access to *natural sunlight, fresh air, and live plants* are a few things that your employees will appreciate either consciously or subconsciously.

Let the walls help.

When redesigning your workspace, look into green technologies that both add comfort and save you money in the long run.

U.S. Green Building Council reports that green office buildings can increase employee productivity by as much as 16%!

Case-in-point:

DPR Construction



DPR Construction (no. 10 on Fortune's *100 Best Companies to Work For* in 2014) specializes in green design. Not only the company itself, but many of its clients, like Facebook and Genentech, are known as great places to work.

DPR owns two net-zero-energy solar-powered office buildings, in Phoenix and San Diego. The regional headquarters in San Diego houses about 60 employees and an office wine bar. The building boasts minimal interior walls (no cubicle farms here, thank you!), 14-foot exposed ceilings, operable windows, and "Solatube" skylights.

In the lobby, a giant digital dashboard continuously tracks energy usage in the building. In a few years, the construction is expected to pay for itself in energy savings alone.

Since moving into the new building in 2010, the company has reported reduced absenteeism and increased employee loyalty.

An independent survey showed DPR employees to be near 100% satisfied with the air quality, thermal comfort, and personal workspace – well above national averages for similar buildings.

21

Engage outside of work.



A man should keep on being constructive, and do constructive things. He should take part in the things that go on in this wonderful world.

– J. Willard Marriott, founder, Marriott Corporation

True vision and character extend far beyond what we do for a living into all areas of our lives.

Companies gain credibility when they pursue their vision where it does not directly boost their bottom line. And when the leaders help people make a contribution outside of work, they build character for the entire company.

Doing good for its own sake is admirable.

However, if you believe that doing good is good business, you are in excellent – and growing – company.

Engine maker Cummins Inc. (no. 20 on Forbes' *25 Best Places to Work* in 2014) involves more than 27,000 employees in social service projects in the cities where it does business.

Cummins believes that volunteering together strengthens relationships among managers and workers and leads to higher engagement and productivity at work.

Management consultants at Boston Consulting Group (no. 3 on Fortune's *100 Best Companies to Work For* in 2014) frequently donate their time to the U.N. World Food Program, Save the Children and other philanthropies.

In the wake of the earthquake in Haiti, BCG took consultants off client projects so they could volunteer in disaster areas.

Corporate volunteering may be especially important to the youngest generation of employees.

A study by AMP Agency found that 61% of the Millennials feel personally responsible for making the world a better place, and over half would not take a job unless the employer shared their ethics.

Start by volunteering locally or enlist services like Taproot or Catchafire to place corporate teams with organizations across the United States.

Engage outside of work.

During the warmer months, look into outdoor activities like cleaning up a park or helping a local organic farmer.

Case-in-point:

SAP



Business software giant SAP (no. 42 on Glassdoor's *Employees' Choice 50 Best Places to Work* in 2013) relies on teamwork and communication among its global workforce of 66,000.

In 2012, SAP launched its *Social Sabbatical* to help entrepreneurs and small businesses in emerging markets – and the same time train promising employees to work on international teams.

Participating employees get a fully paid, 4-week leave of absence to develop business strategies and infrastructure for disadvantaged communities around the globe.

SAP partners with local non-profit organizations, entrepreneurship incubators, and social enterprises to make a lasting impact on the community.

Internal surveys show that, after their return from *Social Sabbaticals*, employees are *“more motivated to perform”* and *“proud to work for SAP.”*

22

Play.



Have fun. The game is a lot more enjoyable when you're trying to do more than just make money.

– Tony Hsieh, CEO, Zappos

Play.

What can be more engaging than fun? If you don't believe your four-year old, ask Google, Zappos, Camden Trust, LinkedIn, and many other companies who believe that goofing off regularly amounts to a strategic advantage in the marketplace.

Zappos holds annual Bald and Blue days, when employees can shave their heads or dye their hair blue to earn between \$50 and \$300 for local charities. Zappos CEO, Tony Hsieh, owns a fleet of party busses, a party house, and a 40-foot-long praying mantis that shoots fire from its antennas, mounted on a truck. The busses and the house are available to employees and business associates for spur-of-the-moment trips and parties that help Zappos fulfill on its corporate goal to ***“create fun and a little weirdness.”*** And the mantis is a reminder of the scale on which the fun and creativity take place.

Besides breaking up the routine, eccentric jokes may serve a business purpose. The famous advertising executive David Ogilvy advised, ***“The best ideas come as jokes. Make your thinking as funny as possible.”***

Fun at work doesn't need to be outrageous, nor should it be confined to after-hours.

Google combines ground-breaking software development with scooter parking stalls, whimsical doodles, and public April Fool's Day jokes.

LinkedIn and other tech companies hold hackdays when employees can take a break from assigned projects to play with any products and any design features they choose and show off their creative gifts to the rest of the company.

Case-in-point:

Newman's Own



How much is a joke worth?

Newman's Own line of natural and organic foods started as a joke between actor Paul Newman and his friend, author A.E. Hotchner.

The two used to pour Paul's homemade salad dressing into fancy wine bottles and give them as gifts to family and friends. When someone jokingly suggested they sell it in stores, Paul proposed to "shamelessly exploit his celebrity status" by putting his face on the label – but only if all of the profits went to charity.

The first Newman's Own salad dressing appeared in stores in 1982, taglined ***Fine Foods Since February***. Since then, the company has donated over \$400 million to charities and First Amendment awards.

In 1988, Paul Newman co-founded Association of Hole in the Wall Camps, residential summer camps for seriously ill children. Today SeriousFun Children's Network operates in 50 countries and has hosted more than 385,000 children free of charge.

Newman's Own has also sponsored The New York Times Neediest Cases Fund, Shining Hope for Communities, Safe Water Network, Edible Schoolyard NYC, Fisher House Foundation, the WILD Young Women Programme (New Zealand), and Pilgrims Hospices (UK).

Now it's your turn!

The tide has turned on the **Office Space** culture. As pioneers like SAS, Google, and Zappos are adding new dimensions to employee happiness, companies everywhere are investing into employee morale and well-being.

Likewise, employees are less willing to accept pay in exchange for being pressured and stifled.

The jury is in and the vote is unanimous:

If you intend to keep up with competitors, keep your best people, and attract new talent, you must do what it takes to help your employees thrive.

How engaged is your company?

Surveys and interviews are great. If you are not in the habit of asking your people directly, there are also metrics that more or less speak for themselves:

- **Turnover.** Happy employees keep their jobs.
- **Employee referrals.** Happy employees bring their friends to work.
- **Socializing outside of work.** Happy employees make friends at work.

Where do you start?

Start with yourself and your own vision. Does the company – management, executives, HR – see employees as partners, contributors, and collaborators? If this is not yet a full-fledged reality, do you see it as a possibility? Next, ask employees what the company can do to remove barriers to your vision.

Go Social.

These are exciting times for HR and IT!

As companies are moving towards collaborative, transparent, self-motivated workplaces, office technology is undergoing a vast and rapid transformation.

Static and centrally controlled intranets are making room for mobile-accessible, customizable social business networks.

Connect your employees through a [social intranet platform](#) to:

- Collaborate in real time
- De-clutter your email and voicemail
- Post self-help and self-training tools
- Encourage feedback and interaction, and...
- Increase employee engagement, happiness, and fulfillment.

Make a wish list and get started...



@timeisenhauer

I'm Tim Eisenhauer, co-founder and former CEO of Axero. Axero develops and markets a social intranet and collaboration platform. Over five million people use the platform, and that number is growing.

Axero saves people time and frustration. That's the technology promise. The social element adds up to something extra—employee engagement, which has always been a vital topic for Axero, a virtual company in a highly competitive market.

I am fascinated by human behavior and ingrained biases in our thinking. If we are to achieve success, we must learn to work with the human brain, and not against it. It's true for software development. And it's true for employee engagement.

Like any manager and business owner, I learn by doing. That said, I've learned an awful lot by reading and observing. The research, case examples, and advice in [Who the Hell Wants to Work for You?](#) have changed Axero and my life for the better. I am confident they will do the same for you.

A handwritten signature in black ink, which appears to read "Tim Eisenhauer". The signature is stylized and cursive.

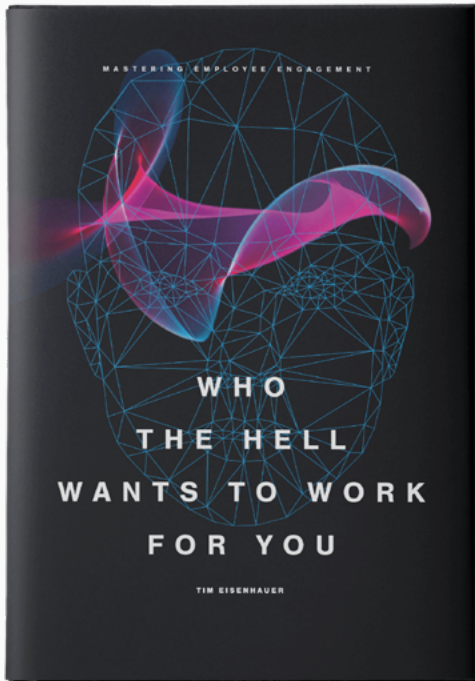
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"Tim Eisenhauer's book Who The Hell Wants To Work For You is a terrific primer for individuals, managers, and executives who wish to create a culture of superior employee engagement in their enterprises."

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Tim Eisenhauer, bestselling author, President and Co-founder of Axero, has been featured in:

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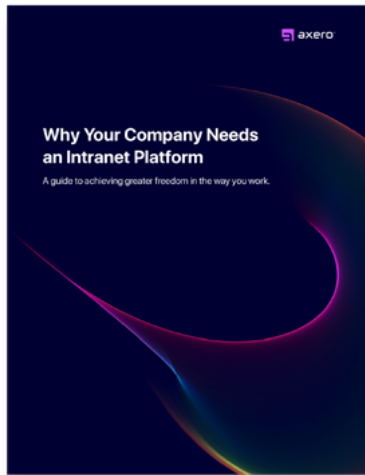
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