

Does Staff Engagement contribute to Operational Excellence?

Operational Excellence is critical in today's increasing competitive global market and is fundamental to both the winning and retaining of valuable contracts. A key part of delivering operational excellence is Staff Engagement but what does this mean and are you and your staff really engaged?

Staff Engagement

The UK Institute for Employment Studies (IES) defines Staff Engagement as *"a positive attitude held by the employee towards the organisation and its values."* An IES Study undertaken between 2003 and 2007 concluded that engaged employees ultimately *"go the extra mile"*; that is, they put in additional discretionary effort without prompting nor reward

The UK Sunday Times runs an annual competition 'The Sunday Times Best Companies to Work For'. This prestigious competition has been running for 12 years.

The leading organizations in the "Sunday Times Best Companies to Work For" list recognise that focusing strongly on 'people' brings meaningful benefits such as real **workplace engagement**, better staff retention, reduced recruitment costs and of course significantly improved financial performance.

Discretionary Effort

Discretionary Effort is defined as *"the difference in the level of effort one is capable of bringing to an activity or a task, and the effort required only to get by or make do"* and is one of the key positive signs that someone is *"engaged"*.

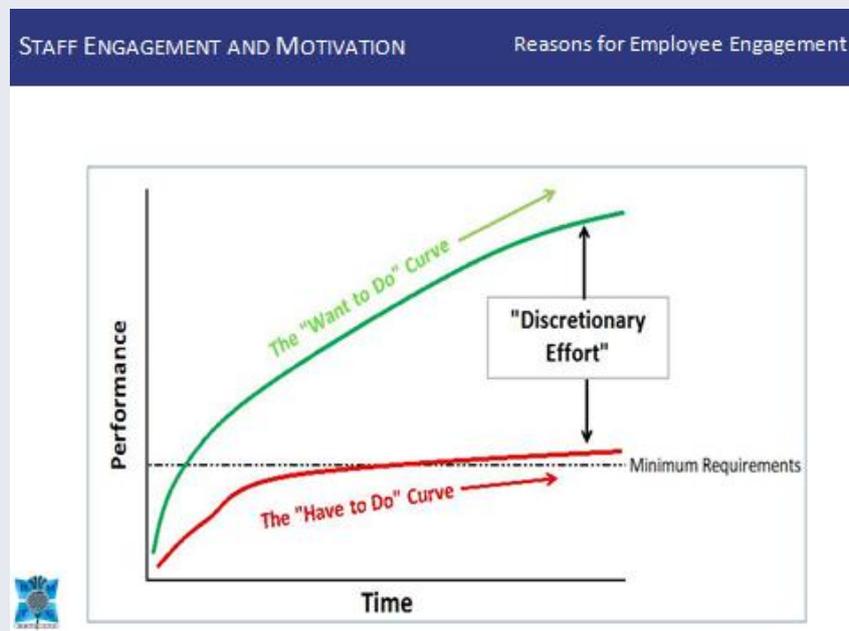


Figure 1: BMTG Advanced Certificate in Operational Excellence ACOE

Ask yourself the following questions:-

1. How much discretionary effort are you gaining from your teams?
2. Are you achieving your targets for Customer Delight/ Satisfaction?
3. Do you have a robust personal appraisal system that focuses on behaviours and measurable targets?
4. Does your personal appraisal system link into personal development plans?
5. Do you have a mechanism for measuring staff satisfaction
6. Have all staff got a job description with clear accountabilities linked to the overall business strategy?
7. Are team objectives linked to your business strategy?
8. Do you reward and recognise high performing teams / individuals
9. Do your business performance measures drive the right behaviour?
10. Do you yourself demonstrate the behaviours of an “engaged” employee?

If the answer to more than 2 of the above questions is ‘No’ or “Don’t Know” your staff are highly unlikely to be effectively engaged. Disengaged staff means you are **not maximising your business results or bottom line.**

Consider the following:

“It’s a fact : The higher the level of engagement , the higher the performance of the business. The research is not inconclusive, not limited to one country or industry, and not contained to a few hundred people – it’s overwhelming.” (DDI inc)

“The essence of competitiveness is liberated when we make people believe that what they think and do is important – and then get out of the way while they do it” (Jack Welch, General Electric)

“There is one key to profitability and stability during either a boom or bust economy: employee morale” (Herb Kelleher, founder of Southwest airlines)

“Motivation is the art of getting people to do what you want them to do because they want to do it” (Dwight D Eisenhower)

“Employees will only complain or make suggestions three times on the average without a response. After that they that if they don’t keep quiet they will be thought to be troublemakers or that management doesn’t care” (Peter Drucker, Business Guru, Author, Professor of Business)

In 2007 Towers Perrin studied 360,000 employees in 41 companies over 3 years. The results strongly suggested that **highly engaged employees boost bottom line by as much as 60% and were 47% more productive than staff with low engagement.**

Groups that were defined as being engaged added 2.06 points of net profit. Groups that were defined as being disengaged reduced net profit by 1.38 points. On a 5% total net profit, this is a net increase of over 60% (engaged v’s disengaged).

SOME BASIC TIPS TO IMPROVE STAFF ENGAGEMENT

1. Leadership Credibility

- Lead by example and not lip service
- Treat Others as they wish to be treated – not as YOU wish to be treated
- Articulate a consistent message



2. Listen and Respond

- Be available to your employees
- Take time to do something with your staff
- Do Management walkabouts and talkbacks

3. Personal Objectives

- Are linked to your company strategy and consistent throughout the whole management team.
- Drive the right behaviours
- Are SMART – Specific, Measurable, Agreed, Realistic and Time specific.

“The soft stuff is the hard stuff” (Jack Welch, former CEO of General Electric)

About the Author: **Ian Shipley**



Ian is a highly accomplished, passionate, visionary, and results driven Operational management professional who has spent more than 20 years at a senior level within the service sectors within UK FTSE 100 and FTSE 250 companies.

The common factor throughout Ian’s career has been a passion around service excellence and delivering results through highly motivated teams.

Ian is the author of the **Advanced Certificate in Operational Excellence (ACOE™)** course which has received critical acclaim from attending delegates