Creating an Engaged Culture in a Closely Held Business
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Engagement is at the Heart of a Healthy Culture

In 1987 we published our first article on culture and emphasized that employee engagement is crucial to a healthy culture and business development. Daniel Patrick Forrester heartily agrees. In a very recent (August 19, 2014) article titled "Culture Really Does Eat Strategy for Breakfast" Forrester argues that culture forms the foundation for strategy and will either be a company's greatest asset or largest liability. Over the two decades that we have studied culture, we have discovered how a simple, straightforward idea (engaging people who *do* the work make suggestions *about* the work) has become complicated, conflict ridden, and counterproductive. A 2013 Gallup report concludes that only 30% of Americans feel engaged at work.

The Reasons for Failure

Employee engagement programs fail for seven key reasons:

1. Management lacks a congruent vision or direction for the engagement effort.
2. Mid-level managers, bypassed and excluded from the process, feel left out and alienated.
3. Employee suggestions are not considered in a timely and focused way.
4. Inadequate training in collaboration skills leaves serious skill deficiencies, and managers feel in over their heads.
5. Employees and managers are unclear about which decisions are shared.
6. Involvement participants get snarled in group dynamics, not knowing how to participate effectively in collaborative problem-solving.
7. Personnel most involved in the process assume everyone *else* knows of program successes. Internal public relations is anemic or non-existent.

Attempting to compensate for past managerial autocracy, too many organizations rush into engaging front line employees while simultaneously disenfranchising the supervisors and managers they report to.

A business leader described such a case. It was a time of budget cuts, layoffs, and low morale. A new CEO entered this scene with visions of participative management dancing in his head. His first edict: a mandatory team process of employee engagement in every department. The problem to him was simple: middle management didn't value the input of employees. That was why morale was so low and worker ideas were getting lost.

His edict caught middle management by surprise. They felt threatened. "Employee engagement" was suddenly an axe poised above their collective necks. They dug in their heels, and subtly sabotaged the program.

When members of one team requested a company wide "no smoking" policy, supervisors responded as they had with other requests. Employee suggestions were typed into a Word document and "tabled" indefinitely. Employee hopes were first raised then dashed.

The Success Formula

Tailoring an employee engagement program to meet the specific needs of a closely held company is a must from creation to implementation. Successful programs are "bottom up from the top."

1. Initially, the management team develops a congruent vision of objectives and directions for the engagement plan.
2. Early in the process, middle management becomes part of the team that designates areas for employee input. All supervisors participate in these initial sessions.
3. Managers learn to lead engagement groups that address and support the company's operational goals, vision and values.
4. Employee groups are clear about their mission and latitude of authority.
5. Managers and supervisors are trained to facilitate collaborative meetings.
6. Personnel at every level understand the difference between Command, Consultive, and Consensus decisions.

In its simplest form, employee engagement happens when a supervisor and a group of employees talk informally about how to do a job, what equipment is needed and what the results should be. At a more complex level, it may entail a joint meeting of management representatives, employees, and program managers to discuss purchases, training opportunities, or improved coordination of job tasks.

Always, employee engagement means finding and maintaining ways for employees to take part in the decisions that affect their work.

Some of our clients come to us after bad experiences with collaborative efforts looking for ways to repair the damage. In one instance, a department head told us how an explosive situation was created by management's failure to clarify the mission and direction of their employee engagement teams.

"I suppose it was naïve of us," the client said wryly, "but we really expected their suggestions to have something to do with production or quality. We were caught off guard when recommendations were about flextime and working from home."

We tell clients that there are three basic ways to respond to employee suggestions:
1. Say "yes" and implement the suggestions right away.
2. Say "no" and explain the "why" behind the decision.
3. Study the suggestion for further details and set a time limit.

Remember, leadership doesn't have to agree to every suggestion to maintain a successful program, but a timely response is vital. Employee engagement programs also fail from

lack of internal public relations. A company that doesn't celebrate its wins is one in which workers are unaware of success and feel unappreciated.

Employee engagement is not another management fad; it is the key element of a healthy corporate culture. It is an application of behavioral science that operates on two basic premises:

- People who do the work are often in the best position to make suggestions for improvement.
- People support that which they help to create.

Organizational productivity depends on a healthy culture and the engagement of every employee.