# Creating Corporate Energy – How to Engage And Inspire Others

BY CHRIS ATKINSON

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## THE BACKGROUND

Despite huge bodies of research demonstrating the limitations of incentive and punishment as the key methodologies for driving employee performance most organisations remain fixated on such techniques. Moreover many organisations invest heavily in reward structures and benefits schemes expecting to boost employee engagement.

The tools of choice within this historical paradigm are i) Cash and incentives or ii) KPIs and performance management.

The critical problem here is that many leaders find it hard to imagine an organisational context where money isn't the driving force behind the motivation of their people. This mind-set ensures a progressive short-sightedness and even some cynicism towards the motivations of those around us. Whilst money will remain the primary reason why most of us work, it isn't an effective motivator nor is it actually very effective as a means to drive performance.

Secondly many organisations feel they can gain control over their employee's performance through ▶

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rigorous and detailed performance management techniques. By ensuring employees comply with targets and KPIs it is assumed we can secure good performance. Once again, sadly while measurement and goal setting appears to be a low risk strategy it is in fact entirely the opposite, it is a high risk strategy that can quickly destroy your organisational culture.

It is therefore perhaps no surprise that as a result of these factors, many organisations lack life. Many people are actively disengaged because they find work is boring, obvious, repetitive or unchallenging. Our people and culture represent the only unique advantage we have over our competition. The truth is, to keep our people inspired, we need to deliver and work in more engaging and creative ways.

Let me give you an analogy: If we see organisations like an engine, an engine needs fuel. The traditional fuel that powered these 'engines' was incentive and reward or punishment and fear. The features of this engine design were bonus schemes, performance awards, KPI based management, disciplinary processes and even anger/aggression. What we're seeing today is that the current workforce is running on a different kind of fuel so the 'engine' of the organisation must now change in response. The workforce we have today is fuelled by wanting to do meaningful work, wanting to feel trusted and wanting to feel respected. Unless the organisational engine can adapt to be powered by this different fuel we will increasingly see the core engines of our organisation's failing, through cultural collapse. ▶

**Values
Growth
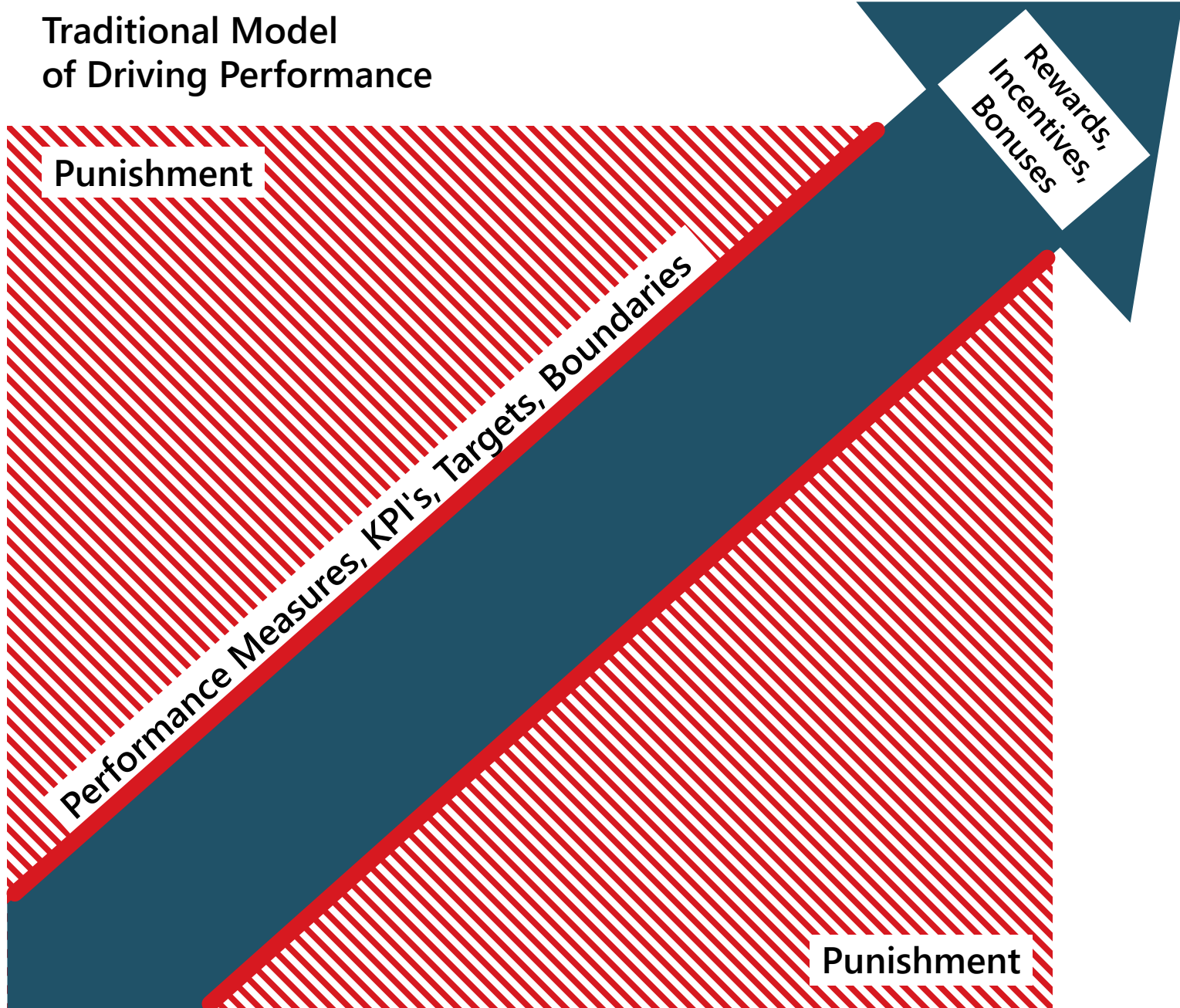Satisfaction**

**Incentives
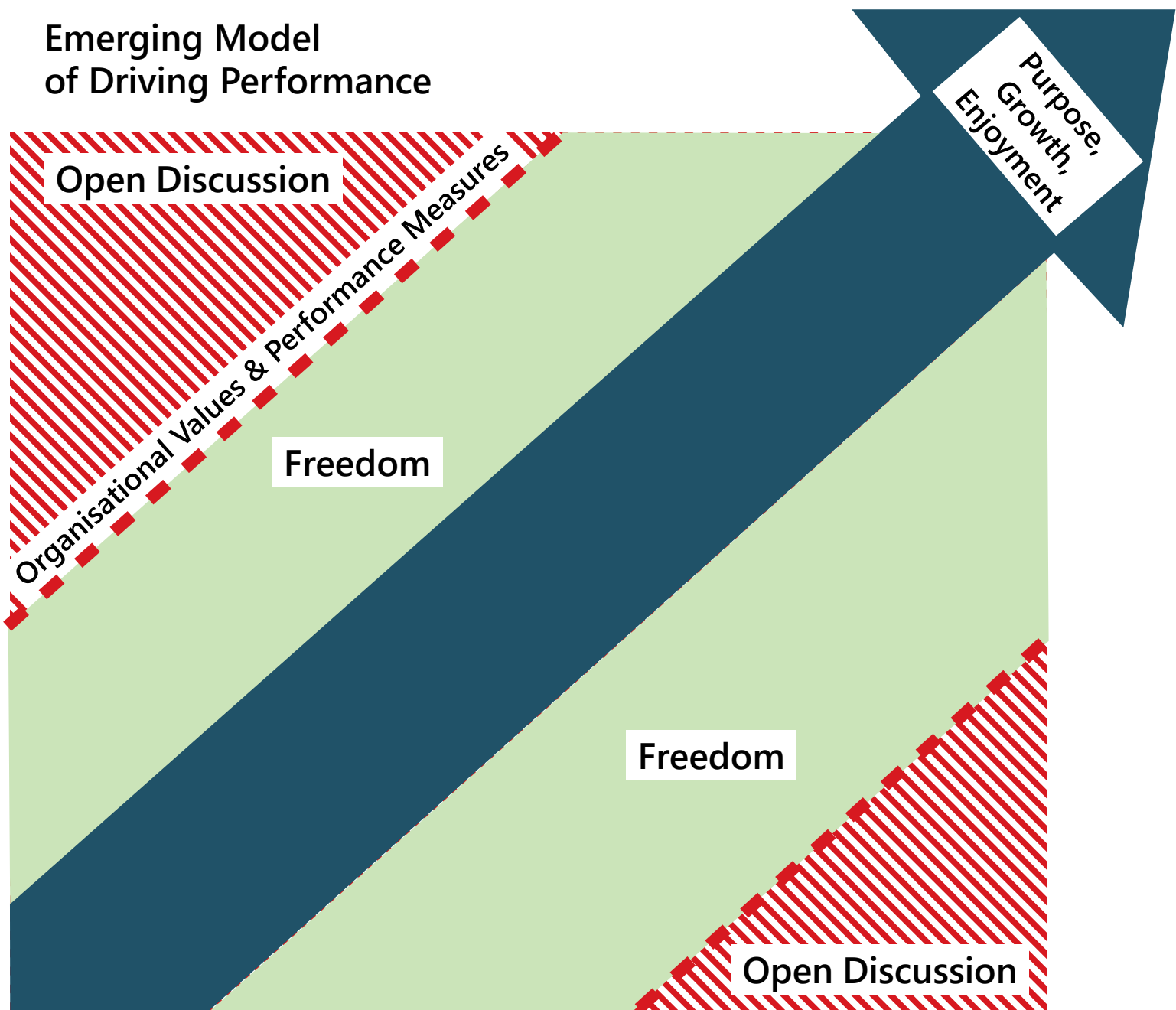Punishment**
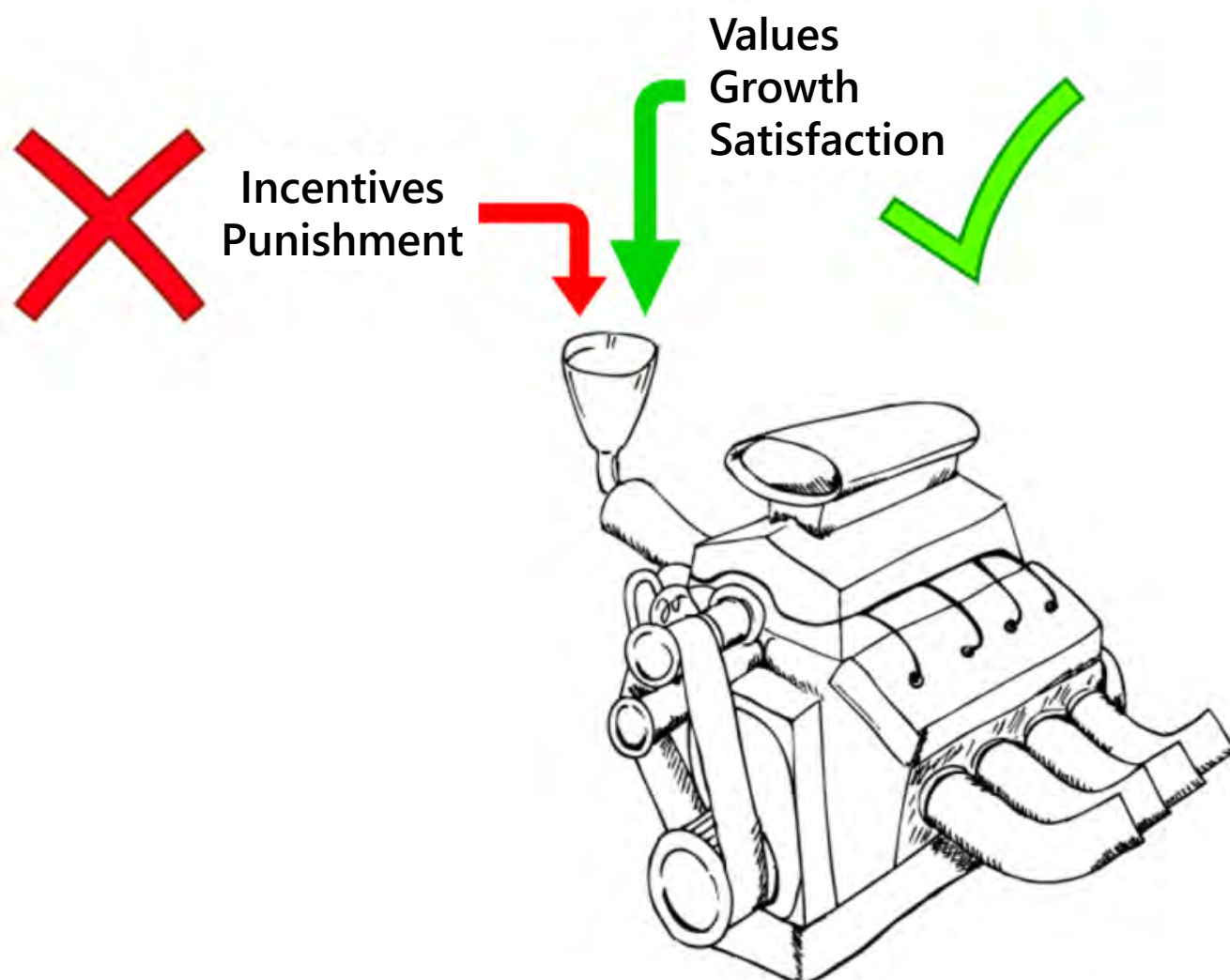
## WHAT IT MEANS IN PRACTICAL TERMS

The diagram below shows the traditional methodology of organisational performance management. This method ensured employees came to work for money and kept working by 'carrot and stick' systems.

The emerging design of high performing organisations has taken a radical step away from this design and in doing so is seeing a radical shift in organisational performance. In this new design, there is greater freedom of decision making and organisational values now work ahead of performance standards as the method of ensuring alignment or appropriate behaviour. The motivation for working now becomes commitment to a purpose, a sense of growth and satisfaction or enjoyment in the work itself. Where people cross the new wider boundaries, punishment is replaced by an open conversation to explore the reasons, feelings and context of the individual's behaviour.

**Traditional Model of Driving Performance**

Punishment

Rewards, Incentives, Bonuses

Performance Measures, KPI's, Targets, Boundaries

Punishment

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## Emerging Model of Driving Performance

**Open Discussion**

Organisational Values & Performance Measures

**Freedom**

**Freedom**

**Open Discussion**

Purpose, Growth, Enjoyment

## THE EVIDENCE SPEAKS FOR ITSELF

I'm sure intellectually this makes sense to you but this is not just theory, the research is unequivocal:

A 2013 paper by **Gallup** looked at 263 research studies across 192 organisations in 49 industries and 34 countries. In total, they studied 49,928 business units including 1,390,941 employees. Their findings showed that organisations with an average of 9.3 engaged employees for every actively disengaged employee experienced 147% higher earnings per share (EPS) compared with their competition.

Another paper by **Aon Hewitt** in 2011 called Trends in Global Engagement used data from 2008 to 2010 which included a massive 6.7 million employees and represented more than 2,900 organisations. They found organisations with high levels of engagement (65% or greater) outperformed the total stock market index and posted total shareholder returns 22% higher than average in 2010. On the other hand, companies with low engagement (45% or less) had a total shareholder return that was 28% lower than the average. ▶

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## SO WHAT SHOULD YOU DO?

The vital difference is that of external (extrinsic) versus internal (intrinsic) motivational forces. Leading organisations are recognising that they must create an emotional connection with their workforce and that this cannot happen through incentive or punishment.

The key influencing areas to drive engagement and emotional satisfaction in work are:

I) Line manager personality

II) Characteristics of day to day work

III) Organisational culture

IV) Senior team qualities and traits

V) Induction and orientation process

Reference: **Driving Performance And Retention Through Employee Engagement.**

If we want to change the design of our organisations, we need to take a deep and hard look at these critical areas. We need to change the design of the organisational engine to promote intrinsic satisfaction from work, environment and our working relationships.

### I) Line Manager Personality

Firstly invest heavily in the development of line managers, encourage them to increase their self-awareness over the impact of their behaviours using **360 degree assessments** and honest open feedback. Ensure all line managers are spending more than 50% of their time face to face with ▶



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their team not locked away in offices or on e-mail.

## II) Characteristics Of Day To Day Work

Be flexible in your attitude to work assignment, most people are doing what their job description says so we have already moved away from the official 'system'. The next step is to build your organisations and teams around their natural strengths and talents. Largely popularised by Gallup, **the strengths based approach** says give people more of what they are good at and less of what they aren't! Stop trying to make everyone okay at everything, we all have different talents, allow your teams to play to theirs!

## III) Organisational Culture

Reinforce the values of the organisation vigorously. Ensure the behaviours of the organisation demonstrate a visible and powerful commitment to those values. Where employees are not aligned to your values those people need to be challenged immediately and if they don't fit with the culture you desire then it needs to be made clear to them that their future will not be within the organisation. Do not allow counter-cultural people or behaviours to exist, no matter how good their technical performance may be. The culture of your

organisation is your number one priority.

## IV) Senior Team Qualities And Traits

Your senior team have some unique challenges. Their behaviour is more closely watched and scrutinised than any other people in the organisation. Additionally, they may only get a few minutes of direct contact with an employee which will, in turn, influence that person's opinion of both the senior executive in question and in fact the wider leadership team.

Senior leaders therefore need to be acutely aware of their impact as role models and the messages they might be unconsciously communicating. Ideally senior leaders should be seen to be visibly empowering the organisation by removing unnecessary processes and barriers to progress. It is essential that all senior team members have someone independent as a personal coach.

## V) Induction And Orientation Process

As famously demonstrated by the Zappos '**We'll pay you to quit**' policy, inductions can make a lasting impact on your culture. Far too often a new starter's initial experience of their new employer is somewhat chaotic, disorganised and filled with the gossip and rumours that accompany coffee room conversations! ▶

> *Most organisations and managers obsess about motivating people through the least effective means*

When people start in your organisation they need to be encouraged, supported, welcomed and most importantly introduced to the values, principles and ethos of the organisation. Don't fail your people during this critical period!

In conclusion, I would emphasise that driving high levels of engagement doesn't mean we can get our employees to work really hard and not pay them. People are always going to want to be fairly and appropriately compensated for the work that they do, and moreover it's morally right that organisations reward people for their efforts, time and even sacrifices. But the key is intrinsic and extrinsic motivational forces are largely impacting two separate and different needs.

Most organisations and managers obsess about motivating people through the least effective means. Release some of your organisational controls, invest time into your culture and you will see a transformed workforce. There is a wealth of

motivation, passion and engagement to be found once we move beyond carrots and sticks. ■



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Chris is an international business speaker and author who combines a strong commercial focus with a deep psychological knowledge to inspire individuals and businesses.

He travels extensively worldwide as speaker specialising in engagement, organisational culture and inspiring leadership. Over the last 14 years Chris has worked with diverse business sectors in more than 20 countries worldwide with 43 different nationalities. He is also Training Director of UK based training consultancy Elysian Training Ltd. Chris can be contacted through his website **http://www.chris-atkinson.co.uk**.

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