

# Nice companies *do* finish first

 By [Johan Poolman](#)

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Local employers are having a hard time. They are not only struggling to fill vacant positions for high-skilled workers, but they are also struggling to keep their employees at work!

According to a recent *Adcorp Employment Index*, there are now as many as 829 800 unfilled positions for high-skilled workers in South Africa, with senior management and professionals (medicine, engineering, etc.) suffering the most from shortages. And this in spite of the fact that South African skilled and educated workers - particularly professionals in management positions - are getting paid more than in any other middle-income developing country, to quote the World Bank. To make matters worse, sickness-related absenteeism for 2011 alone has resulted in a loss of output of R3.9 billion. It seems we have a problem, Houston, and throwing money at the problem ain't going to solve it!

## One way around the skills shortages

One way would be a more focused and aggressive recruitment effort, but this is hardly going to make a difference to absenteeism. A more effective approach would be to do more to retain talented workers, and to do even more to get employees engaged and committed to the organisation, which should make absenteeism less of an issue. Engaged workers, according to Julie Gebauer, managing director for Towers Perrin, are 'freely giving their time, energy, creativity and knowledge to their work'. They enjoy doing their best, will gladly recommend their company as being a good employer to their friends, and are prepared to do more than is required of them to help the company succeed. Getting your workforce engaged, however, seems to be easier said than done. According to Blessing White, only 31% of the 10 914 workers surveyed in 2010 are engaged. And the situation could actually be worse than this - according to the same Julie Gebauer, their recent *Global Workforce* study showed that 'barely 1 in 5 employees (21%) are engaged on the job'.

## Getting your employees engaged does seem to be the way to go

There is ample research - despite the causality debate - showing that companies with high levels of employee engagement are more productive and have better employee retention ratios than less engaged companies. To illustrate, the Corporate Leadership Council in their quarterly *Engagement Trends* report for 2010, found that 'employees most committed to their organizations put forth 57% more effort and are 87% less likely to leave their company than employees who consider themselves disengaged.'

## Doing something about engagement is a noble thought

However, the question is: where do you begin if you don't even know how engaged - or disengaged - your organisation is? Engagement levels can most certainly be inferred from pointers such as employee turnover, absenteeism levels and exit interviews, but they may not provide a complete picture. And using indicators such as these will be particularly difficult for medium-size companies who sometimes don't even have an established HR function. Using a more formal measuring instrument makes business sense if you want to improve productivity and actively pursue business objectives. A formal assessment, such as *Mindset Management's Flow@Work Survey* or Mandala Consulting's validated *Benchmark of Engagement Quotient (BeQ)*, will serve as a source of insightful and actionable information that will make the implementation and tracking of targeted engagement interventions much more effective.

## Measuring engagement

Measuring engagement will also enable organisations to examine the relationship between engagement interventions and business outcomes so they can quantify their competitive and financial gains. Best Buy, a US mass retailer which has been

separately tracking its engagement and customer satisfaction levels for quite a few years, began to compare these two over the past few years. With respect to their individual outlets, they found that 'for every 10th of a point it boosted employee engagement, its store saw a US\$100 000 increase in operating income annually.' Now *that* makes business sense.

## A lot can be done to ensure that employees are happily engaged at work

Managers should proactively and regularly measure the engagement level of their organisations, implement targeted measures to address specific areas of concern, and adopt behavioural strategies and workplace practices that will sustain higher levels of engagement. Organisations with a highly engaged workforce will be more productive and customer focused, and hence more profitable - they will in a sense be first. In addition, they will have a better chance of retaining their most talented employees, and will also be regarded as a more attractive employer and a better place to work for - which will certainly boost recruitment drives. A company with a highly engaged workforce will, in fact, be a **nice company that finishes first**.

For more information about engagement or engagement surveys, go to [www.mindsetmanage.com](http://www.mindsetmanage.com).

## ABOUT JOHAN POOLMAN

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