



# The Psychology of Employee Engagement

# Contents

- 3 Foreword**
- 4 Accomplishment:**  
Why it's important to make regular progress
- 7 Autonomy:**  
Recognizing autonomy as a fundamental human need
- 11 Environment:**  
The effect of workplace environment on intrinsic motivation
- 14 Freedom of Opinions:**  
The importance of psychological safety in the workplace
- 17 Goal Setting:**  
Keeping employees engaged with clear, autonomous goals
- 21 Growth:**  
Creating a culture of learning and development
- 26 Management Support:**  
Building developmental relationships based on empathy
- 29 Meaningful Work:**  
Providing purpose, challenge and respect in the workplace
- 33 Organizational Fit:**  
The value of shared goals and aspirations
- 37 Peer Relationships:**  
Developing strong relationships and a sense of belonging
- 40 Recognition:**  
Why recognition is more than an occasional "thank you"
- 43 Reward:**  
How to avoid common mistakes around employee compensation
- 47 Strategy:**  
Why communication is key to inspiring your employees
- 50 Workload:**  
Keeping workloads manageable and avoiding burnout

# Foreword

By Phil Chambers, GM

The connection between individual employee success and overall business success is clear and proven — when employees are engaged, they are more productive, and so is their business. It is, quite simply, the best foundation for a successful organization.

However, while many leaders understand that the success of their employees drives competitive advantages like increased productivity and retention, most organizations typically place more importance on the expectations of their customers and shareholders than on those of their people.

Today's difficult circumstances are challenging everything in the world of work. Making sure your employees and teams feel that their wellbeing is prioritized, and that they are heard and trusted, is more important than ever before.

Strong connection to them is critical. But, it has to work both ways — connection from them is equally important. They are looking to leadership for clarity and direction, and need to voice their expectations. Without one or the other, navigating the uncertain future becomes even more complex. Now is the time to improve the support structure between employees and employers.

At Workday, we work with enterprises around the world such as WASH and Trustpilot, to provide them with the platform that turns employee feedback into the insights they need to drive employee success — and in turn — the success of their organization.

This requires far more than just a survey tool. If you have any questions about Workday Peakon Employee Voice or our approach to employee success, the team and I are always on hand to answer.



A handwritten signature in black ink, appearing to read 'Phil Chambers'.

**Phil Chambers, GM**  
Workday Peakon Employee Voice

# Accomplishment:

## Why it's important to make regular progress

A sense of accomplishment is an essential part of enjoying our work and reinforcing our self-image in the workplace. Sitting around all day doing nothing isn't as appealing as it sounds, especially when the alternative is to accomplish meaningful tasks.

In the words of the former General Electric CEO, Jack Welch, “never mistake activity for accomplishment”. In fact, when it comes to reflecting on the work we have done, we intuitively understand the distinction.





## Experiencing accomplishment through a sense of competence

Deci & Ryan's Self-Determination Theory, published in 1985, was a study that sought to establish the driving forces at the root of human motivation (this research was so influential, we'll be referencing it repeatedly throughout this guide). In it, they identified a sense of "competence" as one of three fundamental psychological needs that we seek to satisfy in our daily lives. They defined their concept as the extent to which we feel capable in our interactions with the world. When we perceive ourselves as competent at a particular task, we receive a boost in our motivation to complete it. On the other hand, uncertainty in our abilities can undermine our desire to even approach a task in the first place.

Deci & Ryan also identified that the positive relationship between competence and motivation is dependent on the condition of an "optimal challenge". The two psychologists found that if a task is too easy or too hard, we won't feel the same boost in our feeling of competence, even after completing it successfully.

## Making regular progress is better for accomplishment than big wins

So, when given the option to take on a challenging project with well-structured milestones, or one with a single deadline, which would you take? Judging by Deci & Ryan's research, most of us would be better off making consistent progress than shooting straight for the moon - this gives us an opportunity to reflect on our achievements and experience a sense of competence along the way. This idea is also supported by research from Amabile & Kramer, who highlighted the impact that "small wins" have on motivation.

Professor Teresa Amabile and Steven Kramer wrote in detail about how progress can boost performance in their 2011 book, "The Progress Principle". After analyzing 12,000 diary entries from 238 employees across seven major organizations, they found that when people consistently make progress on meaningful projects (even in small increments), they become more creative, productive, and engaged as employees.

## How to apply the “Progress Principle” in your workplace

Using Amabile & Kramer’s research as a framework, here are four simple things you can do to help your employees feel a regular sense of accomplishment:

### 1. Set clear goals and objectives

It’s important to set specific goals for your team to work towards. Ambiguous goals that are always changing make it much harder to know when you’re making progress, which in turn makes it harder to acknowledge any small wins that happen along the way.

### 2. Provide resources

Make sure people have the appropriate technology, training, support, and supplies to accomplish their goals. Grit and determination can only take us so far if we’re missing a key piece of equipment, or lack the necessary training to hit an ambitious target.

### 3. Allow ample time

Deadlines are important for keeping people on track and accountable, but setting them hours before they’re due means that employees will have no chance of securing the “optimal challenge” they require to feel competent.

### 4. Learn from failure

Sometimes people fail. It’s as simple as that. It’s important not to punish or criticize honest failure - if you do, then you’re only going to hurt morale and reduce the likelihood of people taking risks again in the future. Instead, place focus on discussing what went wrong and figuring out what can be learned from the experience.

“  
**When we perceive ourselves as competent at a particular task, we receive a boost in our motivation to complete it.**

# **Autonomy:** Recognizing autonomy as a fundamental human need

The reason autonomy is an important requirement for employee engagement is simple - having a sense of control in our lives is a fundamental human need. If we don't have any influence over how we approach a task, then our motivation to complete it will wane.





## The psychology of autonomy explained

The importance of autonomy has been recognized in many academic theories, though most notably in Deci & Ryan's Self-Determination Theory. The study by the two American psychologists sought to establish the primary sources of human motivation.

Deci & Ryan's work built upon an earlier argument by deCharms, who proposed that all humans have a desire to feel in control of the origins of their behavior - and that this provides the basis for intrinsic motivation.

Intrinsic motivation is the desire to complete a task that stems from an inherent interest and curiosity in the activity itself, rather than through coaxing by external influences (extrinsic motivation).

Deci & Ryan found that when we feel our actions originate from an external source, our overall motivation levels decrease because we feel we are being controlled. Without a sense of freedom in how (or why) we approach a task, we will eventually begin to lose interest.

## Introducing autonomy to the workplace

Even before the development of Self-Determination Theory, psychologists and management theorists had already recognized the need for employee autonomy in the workplace. In 1976, Hackman & Oldham proposed the Job Characteristics Model, which outlined five core job dimensions required for employees to feel satisfied at work. One of these dimensions was employee autonomy.

Together, Hackman & Oldham found that when autonomy is supported, we feel responsibility for the outcomes of our work, regardless of its success or failure. They argued that this greater sense of responsibility boosts motivation, and results in employees investing more time and energy into their role.

Some might fear that introducing more autonomy to the workplace means complete employee independence, however that is not the case. As humans, we are still able to feel a sense of control while collaborating in teams or fulfilling the requests for

others - all that is required is that there are no conflicts of interest, and that our interactions align with our own personal goals and values.

### How to improve autonomy in the workplace

Now that we understand the importance of autonomy, how do we improve it in the workplace? The easiest way to make sense of

autonomy in practice is to think about it in terms of how we work, when we work and where we work.

# “ Providing people with flexibility in their working hours has been shown to boost productivity.”

### How we work - weekly sprints and autonomous goals

A top-down approach to setting goals isn't enough to keep people engaged. Locke's Goal-Setting Theory highlighted the fact that employees need to be involved in defining their own targets - and given a certain degree of freedom when it comes to completing them.

A good idea is to work in weekly or bi-weekly sprints, and allow team members to outline the goals they feel they can complete to help the team achieve its targets. When the goals are aligned with the wider team and/or business, employees also benefit from a greater sense of purpose.

### When we work - flexible hours

It might be scary to let people choose their own hours, but trust is an important part of creating better employee engagement. Providing people with flexibility in their working hours has been shown to boost productivity. Most of us recognize that some people work better early in the morning, others late at night - so why not give employees the ability to decide?

Autonomy is also impacted by the knowledge that our employer appreciates and supports our commitments outside of work, such as family responsibilities. Research has drawn a clear line between supportive work-life policies and our perceived level of flexibility, which results in higher engagement and longer than expected retention.



### Where we work - remote working

Remote working has been around for a long time, and it's hard to deny the impact that this has on job satisfaction. In fact, a 2017 report by Gallup revealed that opportunities to work from home play a crucial role in an employee's decision to choose or leave a job.

As well as supporting autonomy, being able to choose where we work can also help us navigate the distractions of a typical office environment, reduce the stress of commuting, and make it easier for us to take care of other commitments outside of work.

“  
**Without a sense of freedom in how (or why) we approach a task, we will eventually begin to lose interest.**

# Environment:

## The effect of workplace environment on intrinsic motivation

How comfortable are you right now? Is your environment too hot? Too cold? Too noisy?

All these factors can affect how well we're able to do our work, but the impact of workplace environment on motivation and employee engagement is more complex than you might initially think.



Firstly, there's the surface level view which was highlighted by Frederick Herzberg and his colleagues as part of their Two Factor Theory of motivation in 1959. Herzberg found that providing environmental comforts doesn't dramatically increase motivation to previously unattainable levels, but it does remove the possible causes of employee dissatisfaction.

Secondly, a well-designed environment can have further reaching, psychological effects. In essence, a great office space with luxuries and perks can make employees feel valued - which drives engagement and intrinsic motivation.

### How does office design impact employee motivation?

Even small changes to our work environment can have a large impact on performance. Before Herzberg's study of job attitudes, researchers were able to increase the productivity of workers at a Western Electric factory simply by turning the lights up and down.

The Hawthorne Studies (Mayo 1933; Roethlisberger & Dickson 1939) demonstrated that changes to our working environment are impactful not because they make us "feel good", but

because they signal to people within the organization that their well-being is valued. More recently, a UK government study demonstrated a 'profound' link between office design and employee motivation. A well-designed space can foster more connection, collaboration and autonomy - all key contributors to engagement - while bad design can leave employees feeling disengaged and uninspired.

### Cubicle farms vs. open-plan offices

Cubicle farms are the perfect example of an uninspiring work environment, and also one of the quickest ways to reduce employee morale and output. The other extreme is the open office plan, but there's growing evidence that open-plan offices can kill productivity. Numerous studies have demonstrated a link between a lack of control in the workplace and levels of job stress. Having little to no control over our workplace environment, paired with high demands when performing tasks, results in detrimental levels of job strain - which can even lead to stress-related health problems.



“

**...changes to our working environment are impactful not because they make us “feel good”, but because they signal to people within the organization that their well-being is valued.**

### Are agile workspaces the answer?

How do you provide a sense of control in the office? Thankfully, there is an answer in the form of a promising initiative from MIT known as “agile workspaces” - flexible spaces that are adaptable to employee needs and activities.

Agile workspaces allow employees to float between specific zones, such as ‘focus’ zones for individual working, ‘connect’ zones for collaborating with colleagues, and ‘vitality’ zones where people can relax. The design of agile workspaces is based on real data in order to work out the best ratios to support a range of activities and maximize productivity.

Unlike “hot desking”, where people can sit at any available desk (on a first-come-first-served basis), agile working does more than just optimize space; it provides space for different kinds of work, allowing employees to cope with demands, which in turn increases productivity and engagement. It’s also one of the most effective ways to support flat hierarchies and more team-oriented organizational structures - regardless of size.

### The case for company lunches and better tech

Another way to create more connection and collaboration is to encourage co-workers to eat lunch together. This often overlooked initiative has a lot of potential to open up new lines of communication between different teams in the office, and help generate creative ideas. In fact, a 2015 study by researchers at Cornell University found that eating together improved team performance, with cooperative behavior found to be twice as high.

### Dos and Don’ts of Work Environment

Fixing the air conditioning, offering free food and switching to an open-plan office might seem like the easiest way to have a positive impact on people within your organization, but there’s a little more to it than that. Here are a few things to keep in mind:

- Create separate spaces for focus, collaboration and relaxation

- Give people the choice of where, when and how they work
- Encourage co-workers to eat and spend time together over lunch

# Freedom of Opinions:

## The importance of psychological safety in the workplace

You're excited about an idea for a new project at work. What happens next?

Do you share the idea with your manager and peers in the hope they will be just as excited, or do you keep it to yourself because you're afraid it might be dismissed or rejected?



Your answer probably has a lot to do with how comfortable you feel expressing yourself and your opinions at work, otherwise known as “psychological safety”. This is the confidence to admit when you don’t know something, to ask for help when you’re stuck, and to take risks, without fear of negative repercussions.

In a two-year study on high-performing teams, Google identified psychological safety as one of the five key dynamics that set successful teams apart. The ability to share opinions freely is essential if you want your teams to be more creative, productive, and engaged.

## Psychological safety and engagement

The relationship between engagement and psychological safety was first identified by William Kahn in his 1990 paper Psychological Conditions for Personal Engagement and Disengagement at Work.

Kahn’s aim was to identify the conditions that enable employee engagement to occur, and he was particularly interested in “the moments in which people bring themselves into, or remove themselves from, particular task behaviors.”

During his research, Kahn conducted two workplace studies: the first in a summer camp and the second in an architecture firm. Through his time in these organizations, he defined engagement as an employee’s ability to harness their “full self” at work, and identified three psychological conditions that enable it, one of which was psychological safety.

Kahn defined psychological safety as “being able to show and employ one’s self without fear of negative consequences of self-image, status or career”, and showed that without it, an employee would never be able to be engaged.

### The “Ostrich Effect” and how a lack of psychological safety affects team dynamics

In 2015, William Kahn published his book *The Ostrich Effect: Solving Destructive Patterns at Work*, in which he highlighted the potential outcomes from a lack of psychological safety in the workplace. During his studies of working conditions in offices across the US, he encountered the following example:

“There were the engineers and product designers who barely spoke to one another but could not say why. I found the answer: a misunderstanding between their respective Vice Presidents had mushroomed into divisional conflict.”

Social factors that can reinforce these negative outcomes include a disconnect between teams and managers, imbalances of power, and failures in lines of communication.

“  
**The ability to share opinions freely is essential if you want your teams to be more creative, productive, and engaged.**

### How to create a sense of safety in the workplace

There are many ways to nurture a sense of psychological safety, and promote freedom of opinions in your workplace. Here are three examples that you can put into place easily and effectively:

#### 1. Avoid conflict, embrace collaboration

When a conflict arises, try and avoid triggering a fight-or-flight reaction. This can quickly result in the kind of behaviors that Kahn identified. Instead, look for ways to turn conflict into collaboration and see if there’s a way to create a win-win situation for all parties.

#### 2. Facilitate discussions and debate within the team

Leaders can moderate discussions in order to help foster psychological safety within their team. This includes making sure that team members get a chance to voice their opinion, and that discussions aren’t dominated by a small number of outspoken people in the group.

#### 3. Make it easy for employees to give feedback

Some people are more introverted than others, which is why it’s important to give your team various channels to raise concerns away from the spotlight. A feedback box or confidential surveys are two great examples.

# Goal Setting:

## Keeping employees engaged with clear, autonomous goals

For many, goal setting is focused solely on performance management, but setting the right goals can also have a significant effect on employee engagement. If goals are too restrictive or too vague, they can soon erode intrinsic motivation. Context and feedback are two other important factors that many managers overlook.

The truth is, goal setting isn't as straightforward as you've been led to believe. Here, we'll provide you with a scientific framework for goal setting, while explaining the underlying psychology that will help you to improve employee performance and engagement.





## Goal setting theory explained

Edwin A. Locke helped lay the foundation for our understanding of workplace motivation when he published *Toward a Theory of Task Motivation and Incentive* in 1968. The key findings of his paper were that challenging goals produce a higher level of performance than easy goals, and specific goals such as “make 50 sales calls today” are more effective than vague statements like “do your best”.

A few years later, Dr. Gary Latham studied the application of goal setting in real workplaces, and his findings supported Locke’s initial theory. Eventually the two joined forces and published *A Theory of Goal Setting and Task Performance* in 1990. It’s this book that provided a comprehensive goal setting framework that results in better employee performance, motivation and engagement.

Together, Locke & Latham outlined five key principles for setting effective goals:

1. Clarity - Goals must be clear and specific
2. Challenge - Easy goals are just as de-motivating as impossible goals

3. Commitment - People should be involved in their goal setting process
4. Feedback - Goals should be reviewed regularly and adjusted if necessary
5. Task Complexity - Large goals should be broken down into more manageable sub-goals

If you’re familiar with the concept of SMART goals then these five principles might not be much of a surprise. However, many people don’t realize that these rules are built around satisfying our fundamental psychological needs.

## Linking goal setting and Self-Determination Theory

As previously discussed in this eBook, Self-Determination Theory is one of the most influential frameworks for understanding human motivation. It is closely tied to employee engagement and, alongside highlighting the importance of competence (see Accomplishment), and autonomy (see Autonomy), it also introduces the concept of “relatedness”. All three of these requirements can be affected by how our goals are set.

### Competence

Our ability to meet clear and meaningful goals has a significant impact on how competent we feel. When we meet goals that have given us a suitable challenge, we are able to internalize our successes and feel proud of our efforts. This positive association ultimately leads to us becoming more intrinsically motivated to meet our targets in the future.

However, when goals are vague it can be difficult for us to measure our performance. This leads to a sense of incompetence and anxiety about how we're perceived by management or peers. A 1996 study of organizational environment by researchers Brown & Leigh found that "when role expectations and work situations are unclear, inconsistent or unpredictable, psychological safety is undermined and involvement is likely to be low." Ultimately, a lack of clear targets can impact our confidence in our abilities, and reduce the amount of effort we're willing to invest in the future.

### Relatedness

As well as clarity in our goal setting, goals also need to be relatable. Goals can't exist in isolation, they must align with the mission of the wider organization. When we can see how our personal targets contribute to the wider team, without putting us in conflict with fellow team members, we feel a greater sense of relatedness to the overall vision of the business.

Providing regular and ongoing feedback to employees can also create a sense of relatedness between individuals and the team. This can help managers to keep track of progress, eliminate blockers and adjust goals as needed, all the while maintaining a clear link in the employee's mind between the task and the overall purpose of their work.

As a manager you should think of this as "servant leadership" - a way to assist and encourage your employee on their path to complete a goal - rather than an opportunity to micromanage.

“  
**Goal setting is about providing clear expectations, handing over more control to your employees, and helping your team feel aligned to the mission of the organization.**





### Autonomy

The final link between goal setting and Self-Determination Theory is a sense of autonomy. As we've discussed previously, providing employees with control over their work can have a significant impact on employee engagement. The worst thing you can do as a manager is to assign people restrictive and uninspired targets each week - instead you should encourage the employee to think about the aim of their work, and suggest the goals they need to reach in order to get there.

Ultimately, goals exist to provide a way to measure the outcomes of work against a clear set of expectations, but exactly how this gets done can be left in the hands of your employees. In fact, a 1998 study of college students by Sheldon & Kesser found that pursuing autonomous goals enhanced progress over time and also led to better well-being.

### Goal setting strategies you can implement today

Changing the way you set goals is about setting clear expectations, handing over more control to your employees, and helping your team feel aligned to the mission of the organization. In order to maximize employee engagement and performance, you should consider:

- Using one or two-week "sprints" to set short-term, attainable goals as a team
- Asking your employees to define their own goals - and a way of measuring progress - at the start of each week, month and quarter
- Allowing individuals the freedom to decide how they will complete their goals
- Holding regular team stand-ups, or individual check-ins, to help eliminate blockers and keep your team aligned
- Inviting continuous feedback from your team to understand if they think their goals are attainable, and being prepared to restructure the goals if needed



# Growth:

## Creating a culture of learning and development

One of the most famous frameworks for understanding the psychological requirements we seek in life is Maslow's Hierarchy of Needs. Often depicted as a pyramid, Maslow's 1943 theory covers the most basic human requirements at the base - food and safety - before moving up to psychological needs such as friends, family and accomplishment. At the very peak is self-actualization - "the desire for self-fulfillment", namely becoming the best possible version of ourselves.



Maslow asserted that the more basic needs (safety, a sense of belonging) needed to be satisfied before we could start working on self-actualization. Although this has widely been discredited, the importance of self-fulfillment remains unquestioned.

The concept of personal and professional growth is encompassed in this journey towards self-actualization. Since our jobs form a large part of our identity in the modern age, it's especially important that our organization is able to support us on this path. When we feel our role is helping us develop into our “best self”, it can have an incredibly powerful impact on employee engagement.

## In search of a more accurate understanding of growth

Two decades after Maslow's Hierarchy of Needs was first introduced, American psychologist Clayton Alderfer took its core concepts and developed it into his widely-accepted Existence-Relatedness-Growth (ERG) Theory.

Alderfer proposed that human needs can be grouped into three different categories:

- **Existence** - the requirements for physiological and physical safety
- **Relatedness** - the requirements for social interaction and external self-esteem
- **Growth** - the requirements for internal self-esteem and self-actualization

In contrast to Maslow's suggestion that the most basic needs needed to be satisfied first, Alderfer's theory argued that we're able to fulfill our different needs simultaneously. He used the example of the “starving artist”, who is so engrossed in their work and focused on growth needs to the detriment of existence. Some of

“  
**When we feel our role is helping us develop into our “best self”, it can have an incredibly powerful impact on employee engagement.**

the needs defined by Alderfer are less “concrete” than others. The factors required for us to feel physically safe, for example, are more tangible than those that contribute towards self-esteem. Alderfer argued that when we are unable to satisfy our less concrete needs, we revert to pursuing those that are more easily defined. For example, we may chase external self-esteem in the form of a pay rise when we feel like we lack opportunities to achieve personal growth.

This is useful to bear in mind when addressing employee complaints and concerns. Even when an employee raises an issue around pay or promotion, it could be a sign that they’re ultimately suffering from a lack of personal development.

### **Supporting growth in the workplace with strong mentors**

One of the best approaches for helping people grow is mentoring programs. Mentors provide people with career-enhancing functions like sponsorship, coaching and exposure within the organization. Mentors can also offer support through counseling and friendship, which help young professionals meet social and external self-esteem needs in the workplace.

The beauty of mentorship is that it can be a two-way street. As we discuss in the management support section of this guide, developing a strong developmental relationship with employees can be a surefire way to foster growth and engagement.

Mentorship can help the mentor to meet their own growth requirements too. Enabling a younger or less experienced colleague to grow can provide internal satisfaction that feeds the mentor’s internal self-esteem and moves them closer to self-actualization.

# “..developing a strong developmental relationship with employees can be a surefire way to foster growth and engagement.”

## What is a learning organization and how do you become one?

Establishing a mentorship program is a great way to encourage growth within your company, but for things to really take off, you need development to become a cornerstone of your culture by becoming a learning organization.

The term “learning organization” was first coined by Peter Senge in 1990 when he published “The Fifth Discipline”, a book focused on developing the capabilities of organizations through collaborative work. The concept has since been adopted by the wider management theory community, and one of the best definitions of it was offered by David A. Garvin, a former professor at the Harvard Business School.

According to Garvin, a learning organization is “an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights.”

There are three clear requirements of a learning organization. For each we'll provide a breakdown of the requirement, and offer examples of things you can put in place that will ultimately provide more growth opportunities for your employees.

### 1. A supportive learning environment

People need to feel comfortable expressing their thoughts and opinions, which includes disagreeing with managers, asking “obvious” questions and owning up to mistakes. In order to create this sense of psychological safety, it's necessary for managers to be empathetic and supportive.

Exploring the unknown and taking risks is another characteristic of a learning environment, which should happen naturally if you approach psychological safety correctly. If people are comfortable admitting their mistakes then they are more likely to try something new in the first place.

Finally, a supportive environment offers time for reflection. Moving from one project to the next without making time to understand what went well (and what didn't), means you miss out on valuable lessons that could save time, money and effort in the future.

### 2. Concrete learning processes and practices

In order to build a learning organization it's important to have clear processes for the collection, interpretation, and dissemination of information. Retrospective meetings not only provide time for reflection, they provide a platform for understanding the original aim of a project, what actually happened, and how things could be changed for other projects.

Information on its own isn't very helpful. Making sure there are ways to spread information throughout the organization is just as important as collecting it. You could set up an internal wiki, share lessons from different teams in a weekly newsletter, or hold informal learning sessions where individuals can share their expertise with others.



### 3. Leadership that reinforces learning

Managers and other senior leadership need to lead by example when it comes to building a learning organization. Do they encourage debate and ask for fresh perspectives on problems, or expect everyone to fall in line? If managers make time for retrospectives and reflection, or invite criticism and opposing opinions, then that behavior is more likely to spread throughout the business.

### Individual growth depends on organizational culture

Moving from the essential needs for survival, to self-actualization, is often a very personal journey. However, with so much of our lives spent at work, it's the responsibility of the organization to create an environment that supports growth and development. Most organizations know how to meet the existence needs of their employees (which, at its most basic, can be providing a laptop and desk), but it takes more than that to unlock real engagement.

While you can set up an effective mentoring program within a few weeks, transforming your company into a learning organization might take a little longer. What's certain is that the benefits that come from putting your employees on a path of personal growth far outweigh the time and money invested.



# Management Support: Building developmental relationships based on empathy

While it might not be entirely fair to say that “people quit their bosses, not their jobs”, it is true that managers have a huge impact on our overall experience in the workplace.

In the past, the role of management was primarily concerned with execution and efficiency, but in recent years the focus has shifted towards coaching and empathy. Management support is all about developing emotional intelligence and empowering employees to do more, without relying on the outdated methods of reward and punishment. Taking this modernized approach will only serve to increase employee engagement.





## Moving from transactional to transformational leadership

Pulitzer Prize-winning historian James MacGregor Burns formalized the idea of two distinctive approaches to management support in his 1978 text, “Leadership”.

Transactional leadership focuses on supervision, organization and performance. The focus is often on specific tasks and uses reward and punishment as a motivational technique.

Transformational leadership is when “leaders and their followers raise one another to higher levels of morality and motivation.”

Building on the work of Burns from a few years earlier, industrial psychologist Bernard M. Bass wanted to help explain how transformational leadership could be measured, and how it impacts motivation and performance in the workplace.

Bass identified four elements of transformational leadership that you can apply yourself:

### 1. Individualized consideration

How well do you attend to the needs of individual team members? Instead of issuing commands, it’s more effective to listen to your employees needs and coach them towards the desired outcome. This approach requires ongoing communication and support, but it also fulfills an individual’s need for self-development and boosts intrinsic motivation.

### 2. Intellectual stimulation

Do you expect things to be done your way, or do you encourage people within your team to challenge ideas and propose more creative solutions? Intellectual stimulation is all about encouraging people to think independently and figure out better ways of completing tasks.

### 3. Inspirational motivation

How do you inspire your team and keep them motivated? Part of being a good manager is about getting people onboard with your company’s mission and providing enough context that people are invested in your vision. Strong communication skills are key. If people buy into your vision, they are more likely to stay motivated and believe in their abilities.

#### 4. Idealized influence

How can you expect your team to maintain high standards if you always deliver half-finished projects? Employees need to trust you. That means you have to live by what you preach. “Do as I say, not as I do” just won’t cut it in today’s working environment. You don’t need to be perfect, but there needs to be a level of consistency between what you say and do. In essence, idealized influence is all about being a positive role model.

#### Management support is about showing people you care

Alongside setting a good example, supportive managers also fill the role of a mentor, imparting experience and knowledge onto their team. In 1985, Kathy Kram, now Professor Emeritus of Organizational Behavior at Questrom School of Business, proposed the concept of “developmental relationships”, an approach to mentorship based on mutual support.

The biggest difference between a traditional mentor-mentee dynamic and Kram’s developmental relationships is that Kram advocates a two-way exchange. Instead of lecturing,

“**Management support is all about developing emotional intelligence and empowering employees to do more, without relying on the outdated methods of reward and punishment.**”

managers should build an effective relationship with the employee by coaching and counseling instead. This results in a much more robust level of management support through sharing important information, providing support with personal problems and facilitating professional growth.

Ultimately, these peer-to-peer relationships are a mutual exchange which provide a sense of expertise, equality, and empathy. Traditional mentors are often much more useful

for people in the early stages of their career, whereas developmental relationships can last the duration. Kram’s study showed that in some cases, developmental relationships lasted almost 30 years!

#### Empathy and emotional intelligence is the way to employee engagement

Handing down instructions and expecting people to do exactly what you say might be one way to manage people,

but it’s not the same as management support. Modern forms of management are all about using empathy and emotional intelligence to build better relationships with your employees. When done right, people are more willing to invest in their work, which results in better overall motivation, engagement and performance.



# Meaningful Work:

## Providing purpose, challenge and respect in the workplace

Meaningful work can be different things to different people, but most of us will agree that we want our work to be valuable to ourselves, our company and in many cases, society as a whole. A lack of meaning can quickly lead to a loss of motivation and a decline in employee engagement.

Considering how much time we spend at work, it's important for companies to consider the value of meaningful work, especially as it's tied so closely to our identity and sense of self.



## What does meaningful work mean in organizational psychology?

In the world of organizational psychology, the concept of meaningfulness encompasses two things. Firstly, the meaning of work, or the connection we feel towards the purpose of a task, but more importantly, psychological meaningfulness: the extent to which we feel our work is valuable and valued.

Psychological meaningfulness is one of three critical states defined in Hackman & Oldham's Job Characteristics Model. In their model, meaningfulness occurs when we feel we're contributing to something bigger than ourselves - which could be the team, company or wider society. Their research also highlighted that the job we do needs to require a variety of skills, and involve tasks with a clear beginning, middle and end.

By completing tasks that align with both our skills and values, we are made to feel that we have the opportunity to do what we do best everyday. This reinforces our sense of competence and increases engagement.

## Three ingredients of meaningful work: tasks, roles and relationships

Another useful framework for understanding "meaningfulness" was offered by William Kahn, who published one of the most significant studies on employee engagement in 1990. Kahn studied members of an architecture firm and counselors at a summer camp to identify the conditions that cause people to feel engaged or disengaged at work.

In his paper Psychological Conditions of Personal Engagement and Disengagement at Work, Kahn identified three factors which influence psychological meaningfulness:

- **Tasks** - how challenging, varied, and clearly specified tasks are considered to be
- **Roles** - the prestige or attractiveness of the role
- **Relationships** - the interpersonal relationships and encounters we have with our co-workers

When these three aspects of work are in place, employees are more likely to

consider their work meaningful. A 2007 study of a multinational oil company by psychologists Olivier & Rothmann found that psychological meaningfulness was one of the strongest predictors of employee engagement.

### How to make work more meaningful for your employees

The first step in making work more meaningful is to look at the tasks themselves.

As with so many aspects of employee engagement, it's essential to have a two-way conversation with people in your team to understand which tasks they prefer working on and provide the right level of challenge. It's highly unlikely that you're able to give people only the tasks they enjoy working on, but there are ways to shift the balance in their favor.

- **Job sharing** - Look for ways you can sculpt someone's job role. Maybe one person in your team enjoys interacting with customers on social media, but your current social media manager would rather focus on new content and paid advertising. Shuffling job responsibilities around can result in everyone doing more of what they enjoy every day.

“  
**By completing tasks that align with both our skills and values, we are made to feel that we have the opportunity to do what we do best everyday.**

- **Agile teams** - Maybe you can't slice and dice people's job roles, but it's still possible for people to work on different tasks and develop new skills as part of larger projects that occur across departments.

The second step towards making tasks more meaningful, is to connect them with the bigger picture.

If you give someone a task without providing any context then it's unlikely they will find it very engaging. But even the most routine jobs are often tied to a higher purpose. Take the case when John F. Kennedy visited NASA and asked a janitor what his job

was. The man's response "I'm helping send a man to the moon" shows that he understood the bigger picture.

However, it's easy to lose perspective, even when you find your work varied and challenging. In order to combat this, managers need to make sure they're continuously reinforcing how the work of their employee contributes to the success of other people in their team, the department, business, and in some cases, society.

But beyond the tasks themselves, we also need to consider relationships at work.





Ultimately, we can find meaning through the people we spend our days with. This could be because we share similar beliefs and values, or simply because of mutual respect.

One company that perfectly embodies this principle is Toyota, who highlight the importance of respect on their website. “In our relationships with our colleagues and with others, it is important everyone is respected both for what they contribute and who they are.”

Respect for our colleagues is an attitude that needs to be cultivated, but it’s just as important to create opportunities where employees can connect, such as putting a dining table in the office so people can share stories over lunch. It’s also important for managers to set an example that others can follow, like trying to find common ground and build connections with other people across the business.

## **Meaningful work doesn’t have to be an elusive concept**

Meaning is different for everyone, but there are some solid psychological principles that can help people in your business find more meaning in their work. Give people a variety of tasks to do, relate them to the bigger picture and create a culture of respect between people.

# Organizational Fit:

## The value of shared goals and aspirations

Each of us comes with our own set of skills, values and goals, which need to align with those of our organization in order for us to perform at our best. In organizational psychology this is known as person-organization (P-O) fit, and it's been repeatedly shown to be key to retaining good people.

Unlike the concept of “culture fit”, which can lead to hiring people that you would enjoy spending time with, but aren't necessarily a good fit for the business, “organizational fit” focuses on the values, motivations and attitudes of an employee. When there is a good alignment between the organization's values and those of the individual, the result is higher employee satisfaction and performance.

## Organizational fit is more than working with like-minded individuals

Most researchers define P-O fit as the compatibility between an organization and an individual, but Amyl Kristof-Brown, Professor of Management at The University of Iowa, has distinguished between different types of fit and how they work together to create company culture:

Supplementary fit - occurs when an employee “supplements, embellishes or possesses characteristics which are similar to other individuals”.

Complementary fit - occurs when a person’s characteristics “make whole” the environment, or add to it what was missing.

Another way of looking at “fit” is as “needs-supplies” - when an organization satisfies individuals’ desires - and “demands-abilities” - when an individual has the abilities required to meet organizational demand.

“**When there is a good alignment between the organization’s values and those of the individual, the result is higher employee satisfaction and performance.**”

Kristof-Brown has unified all these factors into a concise definition that demonstrates the requirements for organizational fit to occur.

P-O fit is “the compatibility between people and organizations that occurs when”:

1. At least one entity provides what the other needs
2. They share similar fundamental characteristics
3. Both of the above are present

## Attracting the right people and improving organizational fit

The importance of organizational fit can’t be overstated; it has a large impact on employee turnover, employee attitudes, social behaviors, personal performance, and the performance of the organization as a whole. There are three main stages at which an organization can interact with, and impact, the P-O fit of its employees:

1. Organizational entry
2. Socialization
3. Long-term outcomes

Within each stage there are clear steps you can take to increase the likelihood of a good organizational fit, which in turn will increase the chances of someone integrating quickly into your business, performing better on the job and committing to your organization in the long run.





## Organizational entry

Organizational entry is at the beginning of the employee journey and involves the recruitment, selection, and socialization of new employees. The two key factors that affect this are the way in which a person chooses a particular job, and the selection process of an organization.

In reality, job seekers are more concerned with how well their values align with an organization than demographic similarity (i.e. “culture fit”). In 1991, organizational psychologist Jennifer A. Chatman studied the selection and socialization of employees in public accounting firms, and found that even when a job has attractive qualities, values are a better predictor of job choice intention.

On the other side of the table (literally, and metaphorically) an interviewer’s perception of an applicant’s values factors hugely into the selection process. In most cases, interviewers can assess the compatibility between the applicant and their organization values with a significant level of accuracy.

It’s important to attract the right people, with the right values, to your

organization from the very beginning and there are steps you can take to improve the chances of this happening:

1. Make sure your company values are on your “careers” page. Communicate those values through employee stories, social media and other channels that candidates might be using.
2. Keep hiring managers and HR in alignment during the hiring process. If an interviewer is unclear on the values and mission of your organization, this can jeopardize their view of a candidate’s suitability for the role. Involve multiple people in the process and ask them to articulate how they see company values before allowing them to make a hiring decision.
3. Ask value-based questions during interviews. You might get on well with a potential hire, but unless you ask the right questions, you’ll never know if they are a good fit for your business. Asking questions that directly address the values of an employee can make the potential for P-O fit more obvious.

## Socialization

After selection, socialization is the way that you continue to nurture a strong organizational fit. Socialization is “the process by which an individual comes to understand the values, abilities, expected behaviors, and social knowledge that are essential for assuming an organizational role and for participating as an organization member.”

Outside of the academic definition, socialization is more often considered as “onboarding”.

Chatman’s study, which tracked the early careers of 171 entry-level auditors in eight of the largest U.S. public accounting firms, found that regardless of what happens during selection, socialization can “contribute significantly to changes in person-organization fit over recruits’ first year.”

The study surfaced some key findings, which can easily be applied to your own business:

- **Formal training is not the same as onboarding.** While new hires might need some form of technical training, it’s equally important to organize informal events where they can engage with your company’s values and other people within the organization who embody those values.
- **Make your values present around the office.** The perception of your onboarding can be just as important as the process itself. Ensure that leadership can articulate your values and make sure you have well-defined processes for new starters.

## Long-term outcomes

The final piece of the jigsaw to consider is the long-term outcomes of your employees’ and business’ work. In order for a good organizational fit to exist, employees need to feel that the mission of your business is also contributing to the things that they find valuable in life.

A simple way to do this is to reinforce the vision of the business before every company-wide meeting or project review. This allows you to tie results and progress to a bigger purpose and keep the values of your organization at the front of mind for your team.

When it comes to defining your values, it’s not enough to think that you can copy what other companies within your industry are doing. Research has shown that even organizations which appear highly similar, such as a group of accounting firms, can vary widely in their underlying value structures.

## The Solution: well-defined values and a seamless employee experience

Hiring the right people provides a good start to organizational fit, but creating the conditions in which someone can work in alignment with their individual values is a much bigger challenge. It’s an ongoing process to make sure people encounter your company’s values early and often, and that those same values are communicated clearly across the business for the duration of their stay.



# Peer Relationships:

## Developing strong relationships and a sense of belonging

Most of us spend the majority of our waking hours with our colleagues, which makes peer relationships an essential part of enjoying the work experience. This also affects how well we can collaborate and form effective teams in order to overcome challenges on the job.

As organizations move away from fixed hierarchies and embrace more fluid team-based structures, it's never been more important to create an environment that allows people to express their ideas, exchange information and build real human connections..



## Psychological safety: The foundation of effective teams

Psychological safety is a shared belief held by team members that the team is safe for interpersonal risk taking. Originally defined by William A. Kahn as “being able to show and employ one’s self without fear of negative consequences of self-image, status or career”, the idea has been adopted by Amy C. Edmondson, a Professor at Harvard Business School.

Edmondson highlights the importance of psychological safety between colleagues, emphasizing it as a key requirement in her concept of “teaming”, a form of project management where constantly evolving teams are formed in response to challenges.

For the concept of teaming to work, Edmondson states that team members require three important characteristics:

- **Curiosity** - Members need to be motivated to learn about other people’s skills and knowledge.
- **Passion** - Team members should be willing to invest a lot of effort, and stretch in order to overcome a challenge.

- **Empathy** - Key to collaboration under pressure, team members require empathy in order to understand the perspectives of others in search of win-win situations.

This agile approach to forming teams is used by some of the world’s most innovative companies, including Google. As part of their own huge two-year study, the tech giant also identified psychological safety as one of five key dynamics that set successful teams apart.

As a result of creating a sense of psychological safety in your workplace, employees will more frequently ask for help and feedback, share information, discuss mistakes, and experiment with new ideas - all of which are important learning behaviors and contribute to a culture of engagement.

## Developing strong relationships and a sense of belonging

Apart from allowing us to form effective teams, peer relationships also affect our sense of “relatedness” to our organization. When we feel connected to others and experience a sense of belonging, our motivation to complete tasks increases. This was highlighted in Self-Determination Theory, one of the theories at the heart of employee engagement.

In order to meet our need for relatedness, we need to feel as though our colleagues are contributing towards team goals. If we feel there’s a risk of being let down by someone in the team, our perspective can shift inwards and lead to more individualistic behaviors.

Social support in the workplace can also improve our intrinsic motivation, as demonstrated by Ronen & Mikulincer, who stated that employees need to “feel that support is available when needed, that their capabilities and efforts are being affirmed and appreciated, and their acts and initiatives are not being interfered with or interrupted.”

## How to encourage teamwork and better peer relationships

When it comes to creating a sense of psychological safety, it falls on managers to embody the types of behaviors they want to see in their team. Managers need to ask genuine questions, listen intently and demonstrate their own enthusiasm for team goals. When they do, the same three characteristics required for Edmondson’s “teaming” will start to become part of the culture.

In addition to management efforts, peer-to-peer recognition should be encouraged, both in daily interactions and through team announcements. You can set up communication channels specifically for praise, or call out risks and recent accomplishments in weekly standups.

Strong peer relationships can take time to build, but they create an environment where everyone is comfortable expressing their opinion, asking questions or sharing information, which in turn supports learning, collaboration, and innovation. Relationships in the workplace are much more than having a catch-up about the weekend over a Monday morning coffee.

“  
**When we feel connected to others and experience a sense of belonging, our motivation to complete tasks increases.**



# Recognition: Why recognition is more than an occasional “thank you”

The importance of employee recognition cannot be overstated. According to a 2016 Gallup study, employees who do not feel adequately recognized are twice as likely to say they'll quit in the next year.

Recognizing good work can be as simple as a handwritten thank you note or a public shout-out - which makes it a low-cost option compared to bonuses and other incentives used to retain employees. But how can you tell if your recognition initiatives are going to be effective? The best place to start is by understanding the psychological impact that feedback can have on employees.



## Why feedback needs to address performance and the bigger picture

Organizational psychologists Hackman & Oldham highlighted the importance of feedback in 1976 as part of their Job Characteristics Model - a five part framework for crafting the perfect job role. In it, they specifically outlined that a good role should offer employees an opportunity to “learn how effective they are being at work.” According to Hackman & Oldham, feedback is required in a role as it allows us to know how well we’re performing against expectations, which promotes feelings of satisfaction and competence.

Similarly Deci & Ryan’s Self-Determination Theory - a 1985 study on human motivation - established a sense of competence as a fundamental human need that is required for us to be motivated to undertake a task. In addition to competence, Deci & Ryan also highlighted the psychological need for “relatedness” - an understanding of how a task contributes to a bigger picture, and the impact it has on others.

Regular interaction with our managers and peers can boost our sense of relatedness as it helps us feel more confident about our relationships within the organization. The same 2016 Gallup study also highlighted that the most memorable feedback comes directly from an employee’s manager.

## Don’t forget to provide context

While it’s nice to hear that you’ve done a good job from others, it’s vital that people understand what they did well so that they are able to reflect on the feedback and continue to do the same kind of work in the future. It’s much easier to give this kind of feedback in real-time, compared to digging out specific examples at the end of the year.

Many organizations still rely on annual reviews and performance ratings as their main form of feedback, but there’s growing evidence that real-time recognition is more relevant and actionable, while also reinforcing the beneficial effects identified by organizational psychologists. Recently, the tide has swung so far against the annual review that companies such as Adobe, Microsoft, IBM and Deloitte have all moved towards a more frequent feedback approach.

# “ While it’s nice to hear that you’ve done a good job from others, it’s vital that people understand what they did well...”

## Some roles are more feedback-rich than others

The last thing to keep in mind is that some roles are more feedback rich than others. Someone in sales or customer support is more likely to receive recognition as a result of closing a deal or getting positive feedback from a customer. That’s why it’s important for managers to make sure they are distributing feedback evenly amongst various members of the team.

## How to make employee recognition part of company culture

Now that you understand some of the theory behind recognition and why it’s such a powerful driver of employee engagement, we can start thinking about how to put it into practice.

There are three main characteristics of effective employee recognition:

1. Recognition is better in real-time - Saying “thank you” to someone as soon as they meet an important deadline is more effective than recognizing someone for something they did a week ago.

2. Feedback needs to be sincere - Sending a blanket email thanking your team for their hard work over the past 3 months is less effective than writing a personalized thank you note and leaving it on someone’s desk.
3. Context is essential for people to internalize feedback - It’s important to make sure people know exactly what they did well, which boosts their feeling of competence and makes them more likely to do the same again in the future.

Based on this understanding, here are some simple employee recognition ideas you can implement straight away:

- Acknowledge employees publicly: Send an email to your team

highlighting someone’s recent good work, or mention specific people at the company meeting.

- Personalized rewards: The more personalized the reward, the better. Take your team out for breakfast when they reach an important milestone, or give your star performer their favorite bottle of wine.
- Implement a peer-to-peer acknowledgment system: Allow employees to acknowledge others when they meet targets or go above and beyond for a customer. This also helps to build a recognition culture within your company.



# Reward:

## How to avoid common mistakes around employee compensation

Rewarding people with an end-of-year bonus or pay rise might seem like the easy way to boost employee motivation, but when it's done incorrectly, it can actually have the opposite effect. Receiving enough compensation for our work is essential, but the impact of financial reward on motivation relies much more on context and interpretation than how much you're paying people.



Early thinking around workplace compensation included research by John Stacy Adams, who understood the value of perception when it came to reward. Adams identified the importance of “fairness” - employees want to feel that their rewards both reflect the effort they’ve put in, and are in line with what their peers receive - but generally considered financial benefits as an effective way to boost performance.

It wasn’t until Deci & Ryan distinguished between the effects two different types of motivation (intrinsic and extrinsic) in the 1970s that researchers realized that compensation can potentially reduce productivity in the long-term.

## **Be aware of the risks that come with reward**

Let’s start by explaining the difference between intrinsic and extrinsic motivation. Intrinsic motivation describes the internal desire to complete a task because it’s considered interesting and valuable by the person undertaking it. On the other hand, extrinsic motivation describes the type of motivation that originates from external sources, such as reward or punishment.

Ultimately it’s intrinsic motivation that really powers employee engagement - and it’s easy to get your head around: we all feel far more excited and invested in doing something we love than something we don’t. In Self-Determination Theory, Deci & Ryan found that introducing rewards to a task doesn’t only serve as a short term, extrinsic boost - it can also have the effect of eroding intrinsic motivation in the long-term because the subject starts to feel like their behavior is being controlled.

In order to be at our most motivated, Self-Determination Theory demonstrated that humans need to feel that they have autonomy in the way they approach a task. It turns out that our sense of autonomy is quite delicate, and introducing control in the form of a reward can affect how we feel about a task, even if we were intrinsically motivated to do it in the first place.

However, done correctly, rewards can actually improve our intrinsic drive to do something. When rewards are perceived as an accurate reflection of our achievements or demonstrated skill, they can support our feeling of competence, and our levels of intrinsic motivation increase.

### Rewards must be a fair reflection of efforts

In 2013, building on the work of Deci & Ryan, two researchers by the names of Fall & Roussel defined the concept of “organizational justice”, which further explains the factors that underpin the relationship between compensation and autonomous motivation.

According to Fall & Roussel, rewards need to be perceived as fair in three key areas if they are to be effective:

- **Effort** - The amount of effort we invest must be reflected in the returns we receive
- **Process** - The decision making process surrounding compensation must be unbiased
- **Interpersonal** - We need to be treated in a fair and respectful way by authority figures

If any one of these areas is perceived to be unfair, then the psychological tension that it creates can lead to reduced effort and even attempts to sabotage the enthusiasm of others.

“  
**When rewards are perceived as an accurate reflection of our achievements or demonstrated skill, they can support our feeling of competence, and our levels of intrinsic motivation increase.**



## What can you do to reward people fairly?

One of the quickest ways to make sure people feel fairly rewarded is to start having open conversations about compensation. These conversations should involve an explanation of the factors that are considered when calculating pay, and how this process happens.

Most businesses determine employee salaries by using a combination of market rates, personal performance, and how much that performance affects the bottom line of the business. Communicating this openly gives people a sense of the factors that are within their control, and those that aren't. It's also important to be transparent about what people need to do in order to reach the next pay grade, which will give your employees something to aim for and a sense of certainty around their position in the company.

These conversations can happen on a one-to-one basis with line managers, or can take the form of a compensation information session that happens across the business once a quarter. Either way, both initiatives should provide time for an open discussion where employees can ask questions and raise concerns.

Some companies like Buffer have even embraced complete pay transparency, in which all employee salaries are publicly visible on their website. This helps to address the gender pay gap and attract a more diverse and passionate workforce. Buffer's model is one of the most forward thinking, but here are three, increasingly more subtle, methods of pay transparency you could consider:

1. Make everyone's salary visible internally
2. Share salary ranges instead of exact numbers to give employees more context
3. Create a formula for how to calculate salaries and explain it to employees

A recent study by Payscale surveyed 71,000 employees to investigate the relationship between pay and engagement. Their study found that the potential negative effects associated with paying below market rate can actually be mitigated by having transparent conversations around pay. That doesn't mean you can get away with paying people less, but it does highlight the importance of having open conversations around rewards.

# Strategy:

## Why communication is key to inspiring your employees

Strategy is essential for providing a sense of direction for everyone in an organization: from the CEO right down to the front-line staff. In fact, a 2013 report for the Institute for the Study of Labour by Carpenter & Gong found that employees who believe in the mission of their organization are 72% more productive than those who don't.



However, many businesses make the mistake of communicating their strategy from the top down, meaning the company mission might never reach or resonate with the people at the heart of the business. Research by Gallup in 2013 found that only 41% of employees knew what their company stood for and what set it apart from competitors.

Putting an effective strategy in place requires attention to both planning, communication and implementation. When employees are onboard with your strategy, they're more likely to have a clear sense of direction, feel committed, and ultimately, be more engaged.

### **The link between strategy, internal communication and engagement**

Mary Welch, from the Division of Applied Communication at Lancashire Business School, and Paul R. Jackson, from the Manchester Business School initially developed their “internal communication matrix” as a way to understand the critical relationship between internal communication, various stakeholders, and engagement outcomes.

Their framework highlighted how an effective internal communication strategy can influence both engagement and strategic outcomes by creating a sense of belonging, and developing a better understanding of organizational objectives. Together, they explained that effective communication ultimately leads to improved innovation, competitiveness and organizational effectiveness.

Without effective communication, your business strategy starts to become redundant. It doesn't matter how robust your strategy is, if the message is vague and only reaches half of the people within your organization, your employees will fail to fall behind it.



# “ When employees are onboard with your strategy, they’re more likely to have a clear sense of direction, feel committed, and ultimately, be more engaged.”

## How to communicate your strategy more effectively

With the importance of communication established, how do you make sure that your employees aren’t among the 59% that Gallup identified as being unaware of their company’s mission?

### 1. Move past a top-down approach

Do you think a single email from the CEO is enough to communicate your strategy?

Instead of trying to spread the word in one go, it’s much more effective to disseminate your strategy through line managers and even employees themselves. Find ways for managers to integrate regular communications into employees’ daily routines, like team meetings and 1-on-1s.

You could even put together a team of employees to act as ambassadors that communicate updates in your strategy to other teams and departments through presentations or group training sessions.

### 2. Experiment with different channels

Email is the obvious choice when it comes to communicating strategy, but that doesn’t make it the right one.

Why not communicate your strategy on social media? Maybe you could put up physical posters around the office in attention-grabbing places?

Speak with your employees and get a better idea of which communication channels they’re using and how information spreads around the office. Tap into those networks and figure out a creative way to get your message across so that people are more likely to remember it.

### 3. Give your messages some context

Your strategy in isolation might not mean much to employees. If you explain that you’re changing

your service offering in response to customer research, they are much more likely to get behind the idea than being told, “this is the way it’s going to be from now on”.

Again, it’s important to make the process a two-way exercise. When developing your strategy it can also be useful to gather feedback from employees to identify trends in customer behavior.

## The perfect strategy is nothing without communication

Your strategy might be perfect, but without the support of everyone in the organization there’s no guarantee that it will even get off the ground. If you implement some of the ideas mentioned above, it will create a deeper sense of involvement across the organization.

Giving employees a chance to be part of the conversation, propose their own ideas and help spread the message will boost engagement all by itself. Communication is an ongoing process, so don’t forget to keep the conversation about strategy going throughout the year.

# **Workload:** Keeping workloads manageable and avoiding burnout

Maintaining a manageable workload is one of the best ways to avoid employee burnout, which, unsurprisingly, is considered the complete opposite of employee engagement. Burnout can impact the physical and psychological well-being of individual employees, and lead to higher turnover and absenteeism in your organization.



While it's important to set ambitious targets as a business, this shouldn't come at the expense of your employees. We'll start by examining the factors that contribute to burnout, before offering some well-established ways of ensuring that employee workloads remain aligned with employee engagement principles.

### **Heavy workload, low engagement and poor performance**

Burnout is characterized by three outcomes: exhaustion, cynicism and inefficacy - and it can be a cycle that's difficult to break out of. Each of these factors reinforces the other: for example, exhaustion leads to us distancing ourselves from our work, which often increases our cynicism towards our role, before both eventually impact our effectiveness at our job.

More worryingly, it's a condition that can occur for many reasons. Employee burnout can take hold when we feel like our workload is insurmountable, we lack the necessary skills to get the job done, or even when our work just doesn't fit with our personal values.

In 2001, psychologist Christina Maslach published a study on Job Burnout, which established six key factors at the root of this phenomenon. Alongside the scale of workload, control, reward, community, fairness, and values were also identified as significant contributing forces. Workload, however, was singled out by Maslach, and identified as being the primary cause of employee exhaustion.

### **Why our perception of workload is just as important**

Maslach's research also highlighted that, while heavy workloads can be a big problem for engagement, it's also our perception of our workload that can impact how quickly we burn out.

The link between workload and burnout relies heavily on the concept of "fit", or how closely job demands align with our perceived ability to cope. Even when actual demands may not be that high, our perception of the demands can be enough to start triggering exhaustion.



## How to make workloads more manageable and prevent employee burnout

When managing your team, it's important to keep their perception of workload in mind. Even when the actual demands should be manageable, if tasks are ambiguous or poorly communicated, it's easy for them to feel overwhelming. Here are some simple ways to make sure you're not putting your employees' well-being at risk.

### Set clear priorities and goals

Stretch goals have their uses, but they need to be approached in the right way. Setting clear priorities and forcing your team to focus on mission-critical tasks helps to keep things in perspective. Instead of letting people work through an endless to-do list, get them to highlight at least one, and no more than three things, they want to focus on for that particular week.

### Stay on track with regular team catch ups

It's easy to stay focused at the beginning of a project, but over time other priorities and emergencies can throw you off course. Daily standups are an effective way to

stay on track, break down bigger projects into manageable chunks, and get support from teammates.

### Avoid multitasking at all costs

Multitasking is 40% less productive than monotasking – which means people need time to focus on a single task before moving on to the next one. Juggling 10 tasks at the same time can quickly lead to the feeling that we have an overwhelming number of things to do. Even if our workload is manageable, multitasking can have a negative impact on our perception.

### Be willing to adjust your expectations

Some projects take longer than expected, people get sick, and other priorities can get in the way. Plans are good, but they quickly change out in the wild. Communication is the best way to understand if your team's workload is reasonable or not. Talking with your team members on a regular basis means you can adjust for unexpected delays and re-prioritize as needed.

“  
**Employee burnout can take hold when we feel like our workload is insurmountable, we lack the necessary skills to get the job done, or [...] our work just doesn't fit with our personal values.**



+1-925-951-9000 +1-877-WORKDAY (+1-877-967-5329) Fax: +1-925-951-9001 [workday.com](https://www.workday.com)

---

© 2023 Workday, Inc. All rights reserved. WORKDAY and the Workday logos are trademarks of Workday, Inc., registered in the United States and elsewhere. All other brand and product names are trademarks or registered trademarks of their respective holders. 20230131-the-psychology-of-employee-engagement-ebook-enus