

Building Engagement in an Economic Crisis



Even without the threat of layoffs, **many employees are worried** about how today's turbulent economy could affect their job security, employee benefits or 401(k)s. Indeed, **employee engagement has never been more critical.** Consider these strategies to help your employees stay positive, calm and committed.

BY JULIE BOS

THESE DAYS, THE GLOBAL ECONOMY IS FLOUNDERING—and for many companies, so is employee engagement. From global corporations with thousands of employees to mom-and-pop shops that employ just a handful, no business is immune to the effects of the global economic downturn.

Although managers can't do much about the economy at large, they can do certain things to safeguard their companies against professional and organizational disaster. Perhaps one of the best is engaging employees.

"Companies do what they have to do to survive—and smart companies take advantage of difficult business downturns to develop their people," says Steve Hardesty, Ph.D., director of consulting services for Assess Systems (formerly Bigby-Havis). "This prepares the company to weather the storm with the best and brightest of its talent more fully onboard and permits it to recover rapidly and more successfully."

Focus on Open, Honest Employee Communication

People crave information in times of crisis. Unfortunately, employers that hide bad news from employees end up hindering their employee engagement efforts—and squelching the positive morale.

Wise companies focus on building trust with their employees by being open and forthcoming with information. They also seek employee feedback and design new ways for employees to communicate with management. At the end of the day, it's about honest communication and being a good listener, allowing employees to vent and express their concerns.

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Rymax Marketing Services, the largest factory-direct manufacturer's representative in the incentive industry, is one company that strives to do it right.

"Communication is a major key to success," agrees Ruth Kliwinski, human resources manager. "At Rymax, we hold monthly management meetings where all the departmental heads and executive management team members are present. This type of brainstorming fosters team engagement and is very productive. Also, our President will hold quarterly meetings with the entire company, generally over lunch, which he provides for the employees. The fact that he is so available is also a factor in increased employee engagement."

Promote Stability and Security

It's natural for employees to be fearful in uncertain economic times. Many have lost friends to layoffs, some have spouses who have lost jobs, and all of them are worried about how the tough economy will affect them. To help calm employees' nerves, respond to their cares and concerns; show them how they fit in with the future of the company; and remind them they are valuable members of the team.

"To weather the economic storm, companies should turn their focus to their most valuable asset: their employees," says Kliwinski. "By investing in their employees, whether it's through a formal incentive program, or a simple monthly breakfast, informal birthday celebrations and some after-work team-building exercises, the company is showing that it does care."

Set a Clear, Compelling Direction that Empowers Each Employee

Employees are bombarded by bad economic news these days, which can cause them to get distracted and lose focus. To help keep them on track, managers should regularly communicate their expectations—even the ones they think are implied or understood.

Managers can set and discuss clear goals both through annual employee reviews, as well as through any company incentive programs. Then, each manager should review and refresh these goals quarterly, based on the team's success.

Coach Employees and Managers Who Have Not Worked During an Economic Crisis

Not everyone has experience working through a recession. Focused training can help. Specialized coaching can be instrumental in helping managers and employees maximize their core strengths and minimize weaknesses. Make sure your training programs teach active listening skills, and offer group sessions to talk through different economic issues that impact the business.

Emphasize Career Growth, Training and Development

"The advantage of developing internal talent is that these employees already understand the organization and its culture—and are already committed to it," says JoAnn McMullan, Ph.D., chief operating officer of Assess Systems. "If you can channel those opportunities and help them grow and develop, you've got a much better chance of retaining a workforce that is committed to the organization's success."

"It's always important to know employees' skills and strengths and to continue developing them for alternate roles within the company," agrees Kliwinski. "This enables you to move employees into different areas of the company, where they are more challenged—and therefore more engaged."

Keep Recognizing and Rewarding High Performance

Remember, recognition provides employees with a personal, positive indication that they are valued contributors. This can be tremendously powerful when economic news is negative.

"At many companies across the country, employee morale may be down," says Kliwinski. "However, companies should use this as an opportunity to strengthen their recognition program and tactics. If an employee has taken on a heavier workload, managers should acknowledge it. If an incentive program is in place, the manager shouldn't forget to use the program to reward its employees. Remember: even small recognition can go a long way."

Demonstrate a Strong Commitment to Employee Wellness

Let's face it, downsizing and "right-sizing" cause stress. So do job consolidation, heavier workloads and the threat of layoffs. Unfortunately, this fear and underlying stress have an impact on quality and productivity.

Not only should employers continuously assess employee workloads, they should go one step further and help maintain the health and vitality of those who work for them. Often that means promoting the employee bene-

fits that focus on health, exercise and stress-reduction.

Focus on Retention Efforts to Deflect the Higher Turnover Rates Expected After Economic Recovery

Eventually, the economy will turn around. And as more jobs become available, turnover risks increase. Focus on your top talent to ensure that they stay with your company as outside opportunities rise.

Remember, studies show that it costs

an average of two and a half times an employee's salary to replace them. It's much more cost effective to keep the employees you've got—and invest your money in consistent employee motivation, recognition and rewards.

Conclusion

Yes, times are tough; but building employee engagement should be a non-negotiable part of every employer's survival strategy. During hard times, do your best to help ensure everyone is engaged—and pulling in the same direction. ■



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