Beyond the Paycheck – Keeping Employees Engaged

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TODAY'S PRESENTERS

Matt Shefchik
Senior Consultant

Matt Shefchik has over 20 years in the field of compensation. Consulting with clients on compensation and human resource management projects since 2002, his areas of concentration are employee and executive compensation, sales and incentive compensation, job evaluation and employee engagement. He is an expert witness on compensation matters. In addition to his consulting experience, he was an executive officer of a human resources services firm.

Jenna Bidwell
Consultant

Jenna Bidwell has nearly 15 years of experience in human resources and consulting. She is a Gallup certified strengths coach and the team's expert on employee experience. She assists clients in measuring and growing employee engagement, developing and enhancing performance management systems and offering customized leadership training.

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ENGAGEMENT – WHAT IT IS AND WHY IT MATTERS

WHEN COMPARED WITH BUSINESS UNITS IN THE BOTTOM QUARTILE OF
ENGAGEMENT, THOSE IN THE TOP QUARTILE REALIZE **IMPROVEMENTS** IN THE
FOLLOWING AREAS:

41%
LOWER
Absenteeism

24%
LOWER
Turnover
(High-Turnover
Organizations)

59%
LOWER
Turnover
(Low-Turnover
Organizations)

28%
LESS
Shrinkage

70%
FEWER
Employee
Safety
Incidents

58%
FEWER
Patient Safety
Incidents

40%
FEWER
Quality Incidents
(Defects)

10%
HIGHER
Customer
Metrics

17%
HIGHER
Productivity

20%
HIGHER
Sales

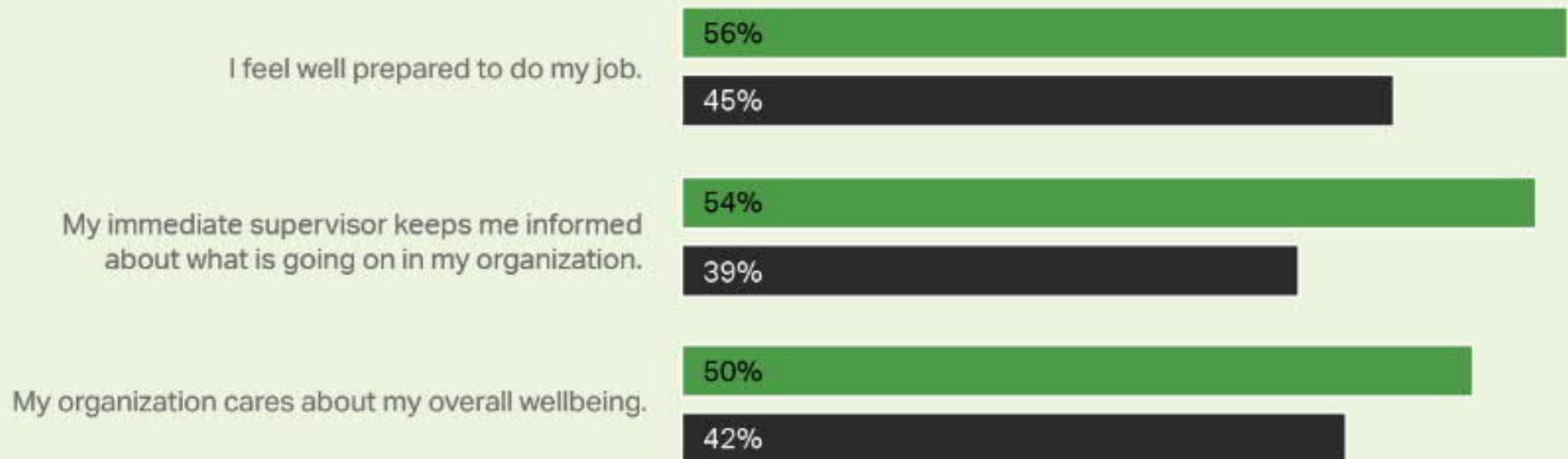**21%**
HIGHER
Profitability

Source: Gallup, State of the American Workplace (2017)

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Managers' Confidence and Trust in Leadership Declines

% Strongly agree

■ Late April to mid-May 2020   ■ Early to mid-June 2020

I feel well prepared to do my job.
- 56%
- 45%

My immediate supervisor keeps me informed about what is going on in my organization.
- 54%
- 39%

My organization cares about my overall wellbeing.
- 50%
- 42%

GALLUP PANEL

Source: Gallup (2020)

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Communication

- Business/Fiscal Updates, Resetting of Performance Expectations

Compassion

- Increased flexibility, extra time off to care for sick/quarantined family members
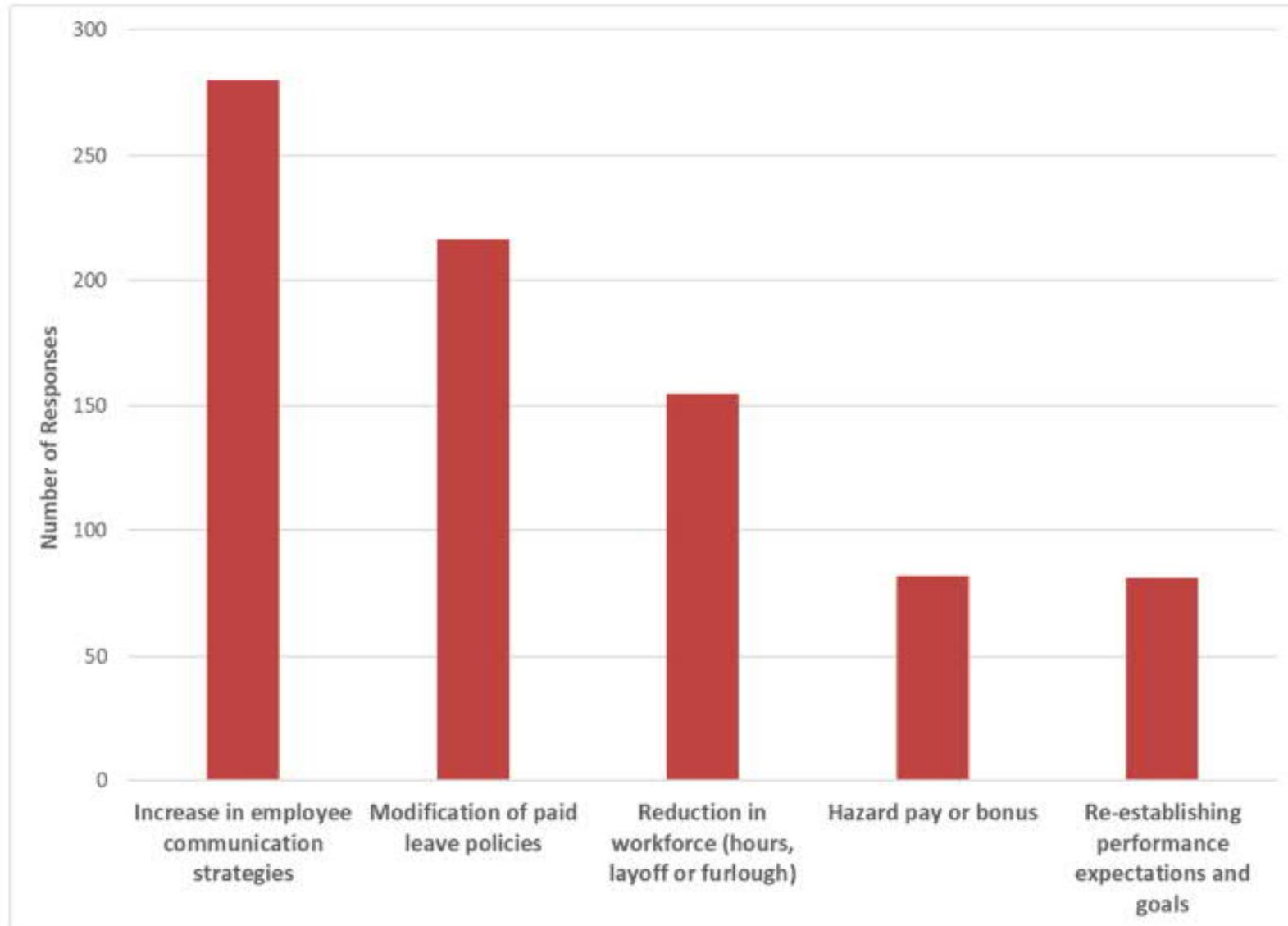
Community

- Staying connected when physically distant (remote work), maintaining a strong existing culture

Care

- Enhanced safety measures, responding to individual/high risk employees

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Element 1: Communication

ORGANIZATIONAL RESPONSE TO PANDEMIC

ORGANIZATIONAL REFLECTION

Past	Present	Future
What have we stopped or paused but is core to who we are and will want to return to?	What do we want to continue as-is because it is working?	What do we want to stand for? What is our purpose?
What do we want to fully let go of (values, activities, products)?	Which values are serving us well?	What kind of an organization do we want to become?
What will we happily leave behind versus what will be difficult for us?	What about our organization will continue but change and improve permanently as we move into the next normal?	What do we want to create that is new – new practices or ways of working, new norms that are emerging?

Source: Adapted from Ronald Heifetz, Alexander Grashow, and Marty Linsky, "Leadership in a (permanent) crisis," Harvard Business Review, July-August 2009, hbr.com

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COMMUNICATION AND EMPLOYEE IMPACT
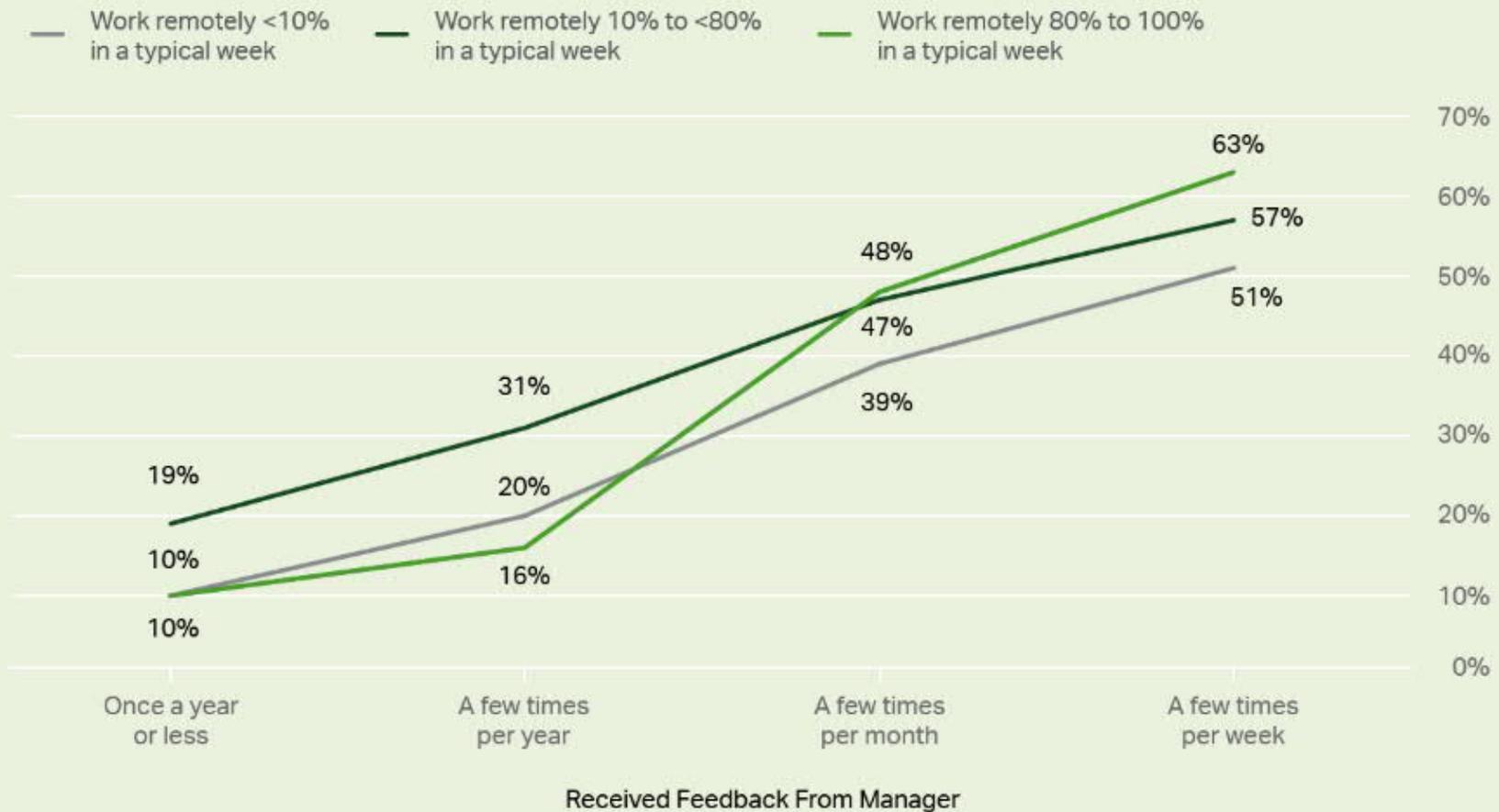
Source: Gallup Article "Performance Management Must Evolve to Survive COVID-19", August 31, 2020

MAXIMIZING COMMUNICATION

Surviving

Regular and transparent fiscal updates to all staff

Requiring regular virtual meetings with remote workers and managers.

Thriving

Highlight performance output – demonstrate contributions to overall success

Using the remote environment as an opportunity to connect – be more intentional with communication

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Resetting of Performance Goals – How two Organizations Responded?

1. Complete overhaul of existing performance system.
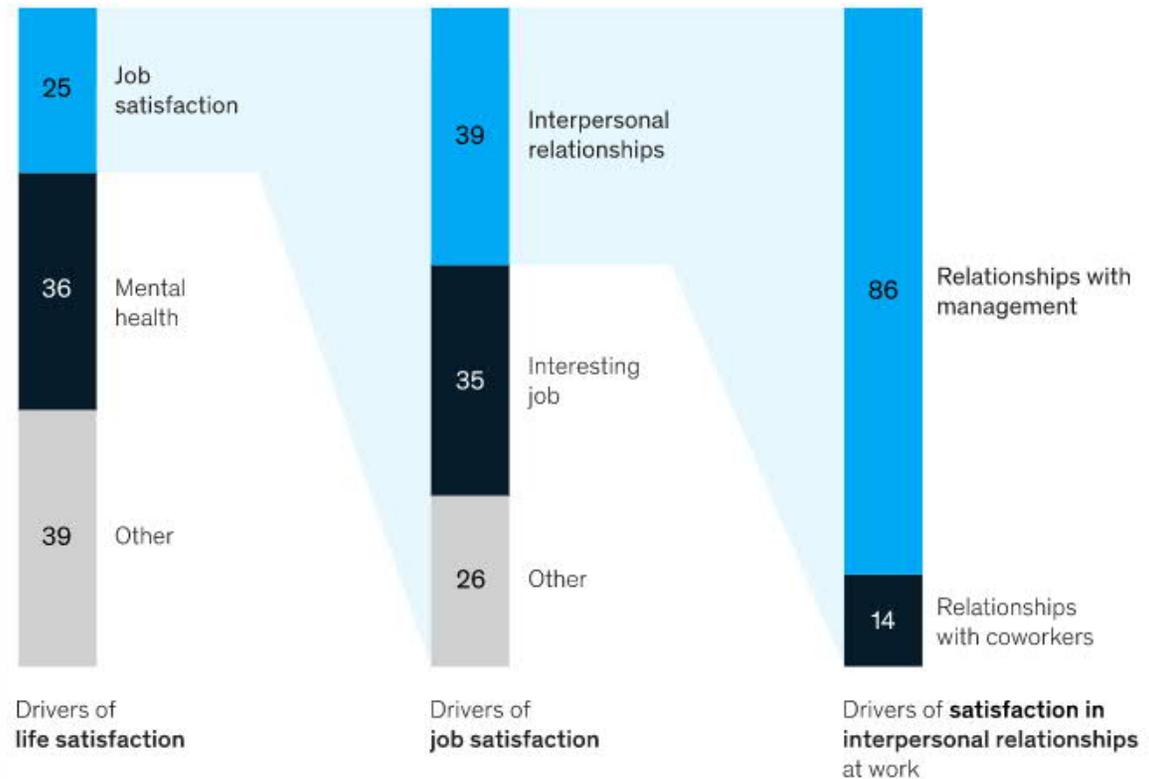
2. Need for new incentive plans.

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Element 2: Compassion

Servant Leadership – "How do I make my team members' lives easier – physically, cognitively, and emotionally?"
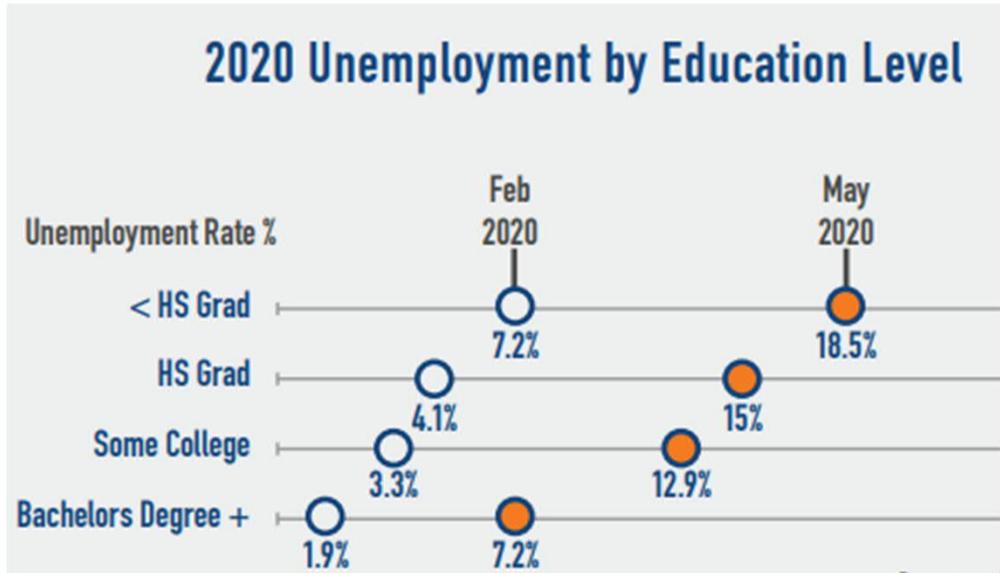
Relationships with management is a critical factor in employees' life satisfaction.

Share of satisfaction explained by each factor,[1] %

25 Job satisfaction	39 Interpersonal relationships	86 Relationships with management
36 Mental health	35 Interesting job	
39 Other	26 Other	14 Relationships with coworkers
Drivers of **life satisfaction**	Drivers of **job satisfaction**	Drivers of **satisfaction in interpersonal relationships** at work

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COMPASSION LEADING TO FLEXIBILITY

Layoffs, Low Wage Workers, & Leave

2020 Unemployment by Education Level

	Feb 2020	May 2020
Unemployment Rate %		
< HS Grad	7.2%	18.5%
HS Grad	4.1%	15%
Some College	3.3%	12.9%
Bachelors Degree +	1.9%	7.2%

Source: pewresearch.org

Programs employees state will ease their stress and improve their well-being during the COVID-19 pandemic

#1 Increased paid time off

#2 Work from home policy

#3 Flexible work hours and arrangements

#4 Roth/401(k) retirement plans

#5 Emergency hardship assistance

#6 Mental wellness programs (i.e., Employee Assistance Programs, access to a therapist)

#7 Subsidized internet and/or cellular service

#8 Health Savings Account (HSA) and/or Flexible Spending Account

#9 Paid family/caregiver leave

#10 Access to telehealth services

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Source: MetLife's 18th Annual U.S. Employee Benefit Trends Study 2020

MAXIMIZING COMPASSION

Surviving

Legal compliance on new leave regulations

Address survivor guilt and burnout after layoffs

Thriving

Individualized approach to challenges

Proactive outreach to understand employee needs
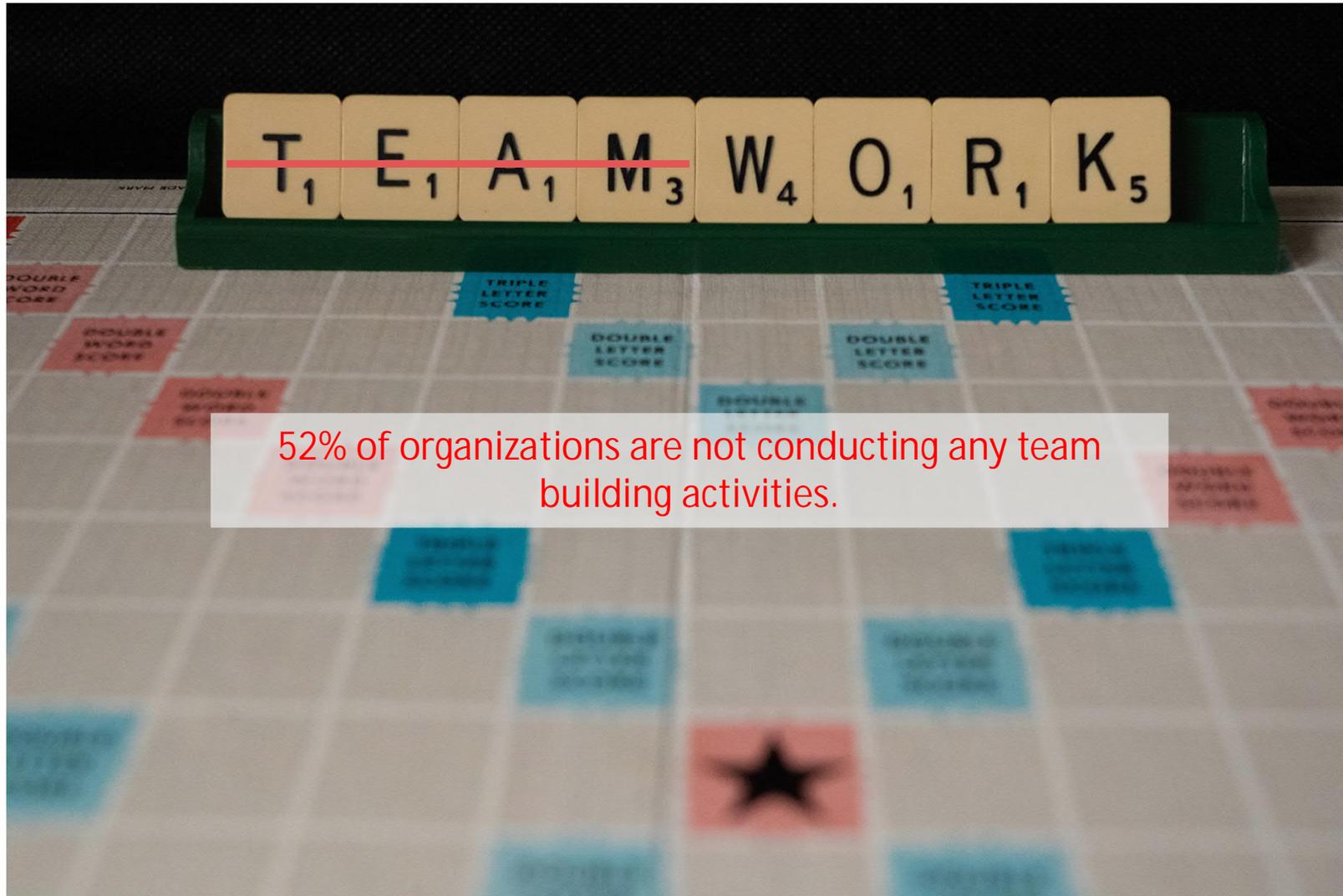
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RECENT EXPERIENCES - COMPASSION

Increased flexibility in time of COVID and beyond:

1. Core work hours – remote and onsite

2. New regulations – leave and unemployment

Element 3: Community

MISSED OPPORTUNITIES - ORGANIZATION

52% of organizations are not conducting any team building activities.

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MISSED OPPORTUNITIES - INDIVIDUAL

Photo by Cytonn Photography on Unsplash

Photo by Kelly Sikkema on Unsplash

Photo by Adolfo Félix on Unsplash

Photo by Helena Lopes on Unsplash

MAXIMIZING COMMUNITY

Surviving

Asking employees how well they feel connected to their colleagues or org?

Virtual activities – trivia, happy hour, recognition opportunities, etc.

Thriving

Facilitate network opportunities, mentorships

Strength-based team building activities

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Team building during the pandemic – how do you do it?

1. Provide training and support – specifically remote workers.

2. Remote manager hired in the middle of the pandemic – leading a virtual team utilized the CliftonStrengths assessment for team to build deeper relationships and appreciations for staff.

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Element 4: Care

MetLife Employee Benefit Trends Study 2020

- During COVID: "2 in 3 employees state they are feeling more stressed than before the COVID-19 Pandemic"

Lyra Health – American Worker in Crisis: Understanding Employee Mental Health in Unprecedented Times (from ongoing pandemic to racial justice movement – uncertainty and upheaval is reality for many)

- 80% of workers report that recent events have negatively impacted their mental health

▶ **Employees with lower personal annual incomes:**
(Percentage of employees who are feeling more stressed as a result of the pandemic)

Employees who make below $50,000

70%

Employees who make $50,000 - 100,000

66%

Employees who make more than $100,000

62%

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MAXIMIZING CARE

Surviving

Upgraded safety measures, protocols, & PPE

Share and highlight current benefits & EAPs

Thriving

Advanced safety measures – increased cleaning, reduced contact
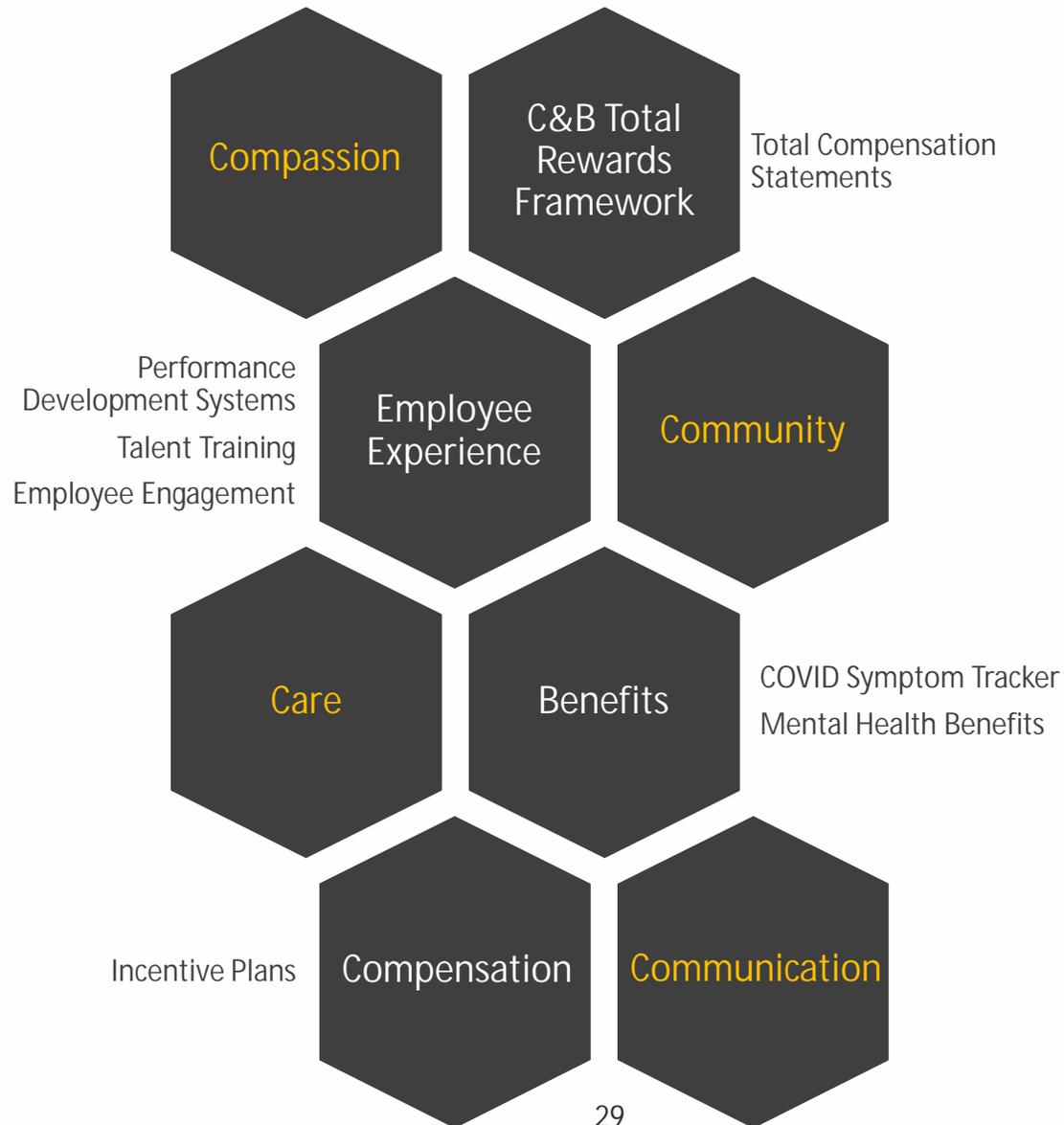
Mental health benefit offering enhancements

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How to ensure we are keeping employees safe?

1. Introduction of contact barriers.

2. Organization introduced HC360 to help manage return to school for both students and employees.

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Compassion

C&B Total Rewards Framework

Total Compensation Statements

Performance Development Systems

Talent Training

Employee Engagement

Employee Experience

Community

Care

Benefits

COVID Symptom Tracker

Mental Health Benefits

Incentive Plans

Compensation

Communication

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Questions?

Upcoming Total Rewards Webinar: Compensation Solutions in Economic Downturn
September 30, 2020

https://tinyurl.com/y536dhyr

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