

Does Employee Disengagement Cost Your Company?

Disengaged employees cost your organization money – but how much, and where does it show? Here are several areas where you can, and should, measure these costs.

Disengaged employees do less work per day; they waste time by procrastinating or griping. An outside firm can survey your workforce, anonymously, to determine the level of engagement. One example: in 2008 Staffing World reported that, on average, American workers wasted 2 hours in each work day. To annualize this, multiply those lost hours by the number of working days in a year (about 200 days). To determine the annual cost, multiply that by the number of employees, times the average hourly wage in your organization. (Another approach to this calculation is to determine the wasted fraction of a work day.

In the Staffing World report, this would be about a ¼ of the work day. Multiply that by your organization's annual payroll: was 25% of your payroll wasted last year?)

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Are You Challenging Your Star Performers?

Moving High-Potentials to Star Performers

Employees with the potential to become star performers tend to recognize their gifts from the get go through their better work output when compared to their peers. Of course, it's only natural for these possible model employees to feel a bit gyped or cheated if their bosses fail to realize their latent talent or skill. Many of them will immediately move to another company if they're not challenged, motivated, or recognized in their line of work. Then again, there are others who are willing to become long-term employees, but are then sidelined because their employers lack the insight to recognize how special they really are.

As an employer, both of the above scenarios must be avoided at all costs because these high potentials are company assets that could prove useful to your company in the long run. As such, it's important for businesses to know how to search for and develop these prospective high-output employees in order to maximize their innate potential. If you fail to do so, then you'll be wasting assets right then and there either by providing your workers tasks way below their skill level, or by driving them out of your company altogether because of your inability to cultivate their talents.

Identifying and Profiling High-Potential Employees

Identification of high potentials can be quite tricky because of the self-constrained budgets and minimal resources of most organizations—especially for those employees who are right in front of you but remain in the lower rungs of the corporate ladder.

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Disengaged employees accomplish less with the opportunities they encounter. It may be most obvious in a sales organization. Will the employee make the extra cold call? Push for a closing date? Check back on customer satisfaction? Disengagement may be as easy to measure as a loss in year-over-year sales.

Disengaged employees do not initiate or innovate. They become satisfied to do the same old things in the same old ways. This is an obvious problem in a marketing organization, where it is critical to attract new customers by generating new campaigns. But most very successful organizations thrive on employee suggestion programs, where front-line workers contribute to improvements on the assembly line, to innovations in products, or to streamlining processes.

Disengaged employees are more likely to resign or to be terminated. They resign because they hope to have more fulfilling careers elsewhere. They are terminated because their performance did not measure up. What did your organization spend on severance payments last year? Were those disengaged employees? Consider the lost productivity from the time an employee resigns to the time the replacement worker becomes a fully-functioning member of the team. Ask your Human Resources department what it costs to recruit, background-check, interview, and finally hire an employee. Then annualize the cost: how many employees were hired last year?

Disengaged employees lead to disengaged customers. Your organization is a rare and endangered species if it does not depend on repeat business. Your organization also benefits from favorable word-of-mouth to attract new customers. Your customers will notice poor or slow service; lack of attention to detail; or anything that says “I don’t care”. Have you lost customers due to intangible issues? Has the number of customer referrals gone down, over the last year? What did that cost your organization?

Now you can build your business case to invest in employment engagement. We have the tools necessary to increase employee engagement.

Contact us today at burtch@harmonycc.net

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In order to identify and develop high potentials, you must first learn what motivates them to commit to your company in the long-term, how to maximize their output, and what attracts them to a given organization.

Anyhow, a recent survey of chief learning officers reveals that internally developing a strong base of talent is one of the key



methods in refining and grooming a high potential to star-performer status. When it comes to retaining and motivating key staff as well as keeping costs down in terms of employee training, this approach is second to none. What's more, maintaining the balance between sustained independent thinking and organizational experience should reduce any risks of wasting corporate resources on unknown variables.

Assessments in the Development of High Potentials

High potentials are characterized by their quick movement in various roles in a given company. These individuals are best identified as early as possible in order for you to start molding them into better performers in the long-term. Passion is also a good indicator of high potentiality, but true star-performers-to-be must have excellence hand-in-hand with enthusiasm. They typically have a methodical career path that just screams that they are meant for bigger and better things inside your organization. As prospective leaders and star performers, they are expected to set the standard for model employee performance, slide into new positions with ease, and should receive special coaching and mentoring to further improve their abilities.

Once you've identified your high potentials, it's only natural for you to expect them to deliver better performances as time passes by. In fact, it's highly recommended that you incrementally add to their responsibilities (and paycheck) in accordance to their ever-increasing capabilities. Every time they improve themselves, take them to the next level of their career path in order to keep them challenged without necessarily overwhelming them with too much work. The very best of these special people will then meet you halfway by quickly rising to the top heap of the company hierarchy on their own.

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How to Enhance Communications within Your Company

In communication, what is true for human interaction is true for business. Listen well, express yourself and be receptive of suggestions and criticisms. Within the organization, good communication increases employee satisfaction, which is eventually translated to customer satisfaction.

Listen well – Communication allows the transfer of appropriate and accurate information from top to bottom or across different organizational levels. Oftentimes, top executives are too involved in planning and developing strategies that they readily assume that their directives will be received positively by the managers and employees. This is not always the case. An important ingredient of effective communication is knowledge of what the recipients need to know and there is no better way than to listen to them. To enhance communication, approach them and listen to them. Show courtesy. This way, the message “Listen to me as I listen to you” is conveyed concretely.

Be objective – Be understanding and do not judge their feedbacks immediately. Reaching the wrong conclusion can lead to strained work relationships. Prevent this by being sensitive to the perceptions and expectations of managers and employees. Promote good will by politely accepting negative feedback. Avoid arguments in order to minimize undesirable feelings within the company. However, arguments are sometimes necessary for resolving issues. In such cases, give time to each contender and evaluate each side objectively.



Estimate their capacity for information – Before giving them information, gauge what the managers and employees can take in first to prevent information overload. Avoid giving insufficient information as well because this could lead to unsatisfactory performance.

Be creative – After factoring in their views and inputs in strategic plans and objectives, the next challenge is how to enhance information transmission. It is not enough just to talk or send out memos. Combine accuracy, creativity and sincerity to effectively communicate different kinds of information. Get the managers’ and employees’ attention by sending out teasers, then holding a big event. If this is too extravagant, provide information in appealing packages. Or send out messages that peak their curiosity so that they are encouraged to seek out information on their own.

Always evaluate – Evaluate whether your communication techniques are effective by asking your subordinates directly or conducting surveys. Ensure the anonymity of the participants so that they will answer truthfully. Collate and compare the results. If there are praises, then it means that the communication techniques are effective. If there are criticisms, then look at them constructively and learn from them. Through this, communication becomes a company-wide affair and not just the job of the HR department.

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One Minute Ideas

How does controlling one's attention contribute to safety in the workplace?

One of my favorite quotes from Tom Peters is his statement that after 25 years of consulting, everything he's learned can be boiled down into five words: **“Attention is all there is.”** What you put your attention to is what you get. Try to wake people up to the fact that all of us have attention patterns that are somewhat restrictive, that are useful in certain circumstances but mismatched in other kinds of situations.

Generally people who are very good at focusing their attention and blocking out distractions also miss things in their environment. When you're driving, for example, you're looking straight ahead and you don't see things on the side. On a safety level, that can be dangerous. Try to show people where they're good and where they need improvement, and give them some specific exercises and techniques for broadening their effectiveness.

“Creativity is allowing yourself to make mistakes. Art is knowing which ones to keep.”
~ Scott Adams

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Coaching & Consulting



1650 Faxon Avenue
Memphis, TN 38112

Tel: 901-272-7390

E-mail: bburtch@harmonycc.net

Visit Our Web Site at:
www.harmonycc.net

Strategic Planning and Leadership

Are you focused on a successful future?

Well-managed, competitive companies have accepted the leadership challenge of creating an effective strategic plan for their business and sharing it with everyone in the organization. In doing so, they position themselves to respond to opportunities rather than react to market conditions and competitive pressures.

Too many business people view weak market conditions or a poor economy as the reason for their lack of success. However, even in the worst economy, leaders in every field emerge victorious. Why? Because they realize that success is not based on the conditions of the world, but on the decisions they make and the goals that they choose to set and achieve. Success doesn't just happen. It happens because you predetermine your success, plan, set goals, and make it happen.

Planning the future of your business entails four stages:

1. Understanding the current condition both inside, as well as outside the company,
2. Visualizing and identifying the future as you want it to be,
3. Determining the goals you must achieve and planning their achievement, and
4. Implementing the plan.



Leaders who take the time to create and communicate a vision, a strategy, and a plan, find that they are able to create a level of motivation and commitment that fuels continuously higher levels of achievement. They are also able to attract highly skilled, motivated, and innovative people and have the ability to propel and otherwise mediocre business into one of power and respect.

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Schedule of Public Courses

The following courses are being offered to the public by Harmony Coaching & Consulting. Click on the associated link for more information on the program or to register.

Course Title	Date(s)	Time	For More Information/Registration
SHRM Learning System® is the preparation course for the HR Certification Exam <i>(Every other Saturday)</i>	Sep 25 thru Dec 4	8:30am - 4:00pm	www.cbu.edu/shrm
The Coaching Clinic® is a two-day workshop for executives, managers and leaders to experience and learn coaching skills and competencies.	Oct 21 & Oct 22	8:30am - 5:00pm	www.harmonycc.net/coaching-clinic.php
Leading at the Speed of Trust™ is a two-day workshop for anyone interested in increasing revenues, decreasing costs, enhancing/repairing relationships, or improving their credibility with employees or customers.	TBD	TBD	Email: info@harmonycc.net

