

RECHARGING EMPLOYEE ENGAGEMENT

Four imperatives for a new normal

INTRODUCTION

Engaged employees tend to perform better, remain with their employers for longer, and enable organizations to innovate and maintain competitiveness.

The COVID-19 crisis has disrupted ways of working and placed a spotlight on employee engagement, revealing cracks in the foundational employer-employee connection. First, the virus itself has left an impact on the health and wellbeing of employees, their families, and their friends, undermining good will and performance. Next, the need to control the spread of the pandemic has introduced changes to standard business operating procedures that require compliance. Finally, the rapid move to working remotely where possible, and the likelihood that this will be sustained even once the crisis eases, has diminished interactions between management as well as colleagues, eroding corporate culture.

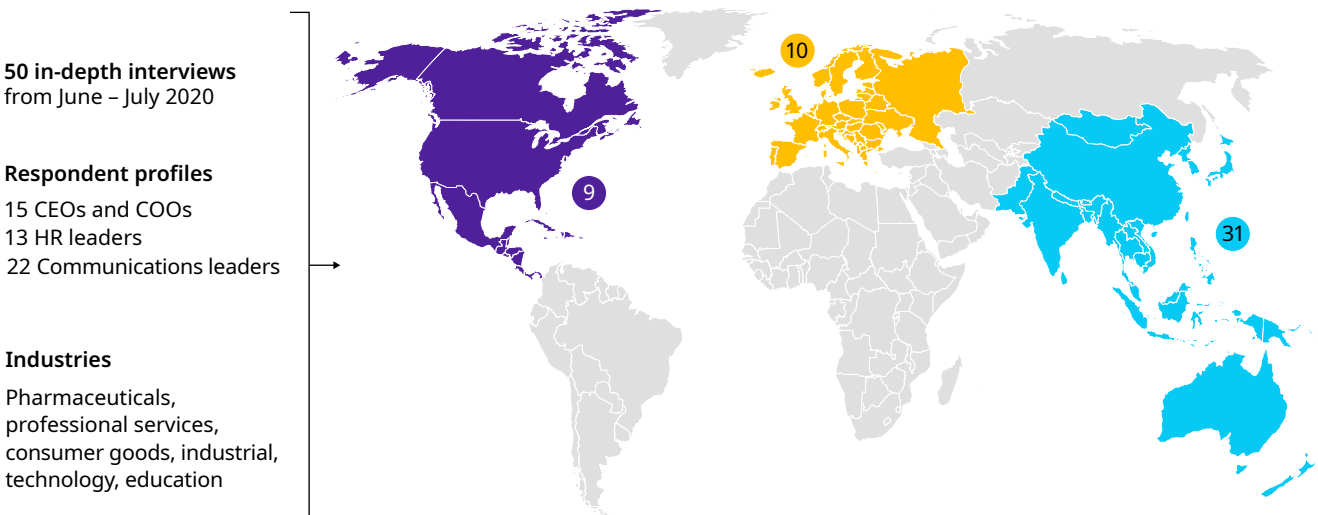
Against this backdrop, companies that fail to find effective solutions for engaging with their employees may experience productivity declines, behavioral lapses,

and lower retention rates. Those organizations that give the topic due attention and creativity, however, will reap dividends in the form of trust, loyalty, and effort.

44 percent of workers are able to work remotely (74 percent in some industries)¹

This paper presents findings from a study undertaken by the Wee Kim Wee School of Communication and Information at Nanyang Technological University in partnership with Marsh and McLennan Advantage and Edelman, which drew on interviews with 50 senior professionals working in different industries across the world (See Exhibit 1).

Exhibit 1: Interview breakdown



Source: Interview data

¹ World Economic Forum (2020). [The Future of Jobs Report](#)

THE WAY AHEAD

Employee engagement is integral to enhanced Employee Value Propositions — getting it right and ensuring it is well communicated require planned actions from leaders.

Before exploring the study’s key takeaways, it’s important to note the different ways to define “employee engagement” and the potential confusion over who owns employee engagement within organizations.

Long-standing definitions often bring up issues such as employees’ pride in their work, their sense of being valued, their satisfaction with the job, and their commitment to the organizations they work for.² But what is the balance of responsibilities between the employee and the employer? Is the onus on employees to make the effort and commitment or is it on the firm to provide a positive experience and environment to bring out the commitment and effort? In interviews with senior leadership, we found that companies tend to take a more firm-centric perspective, with C-suite and human resources professionals oriented toward outcomes while communications professionals were more focused on processes (See Exhibit 2).

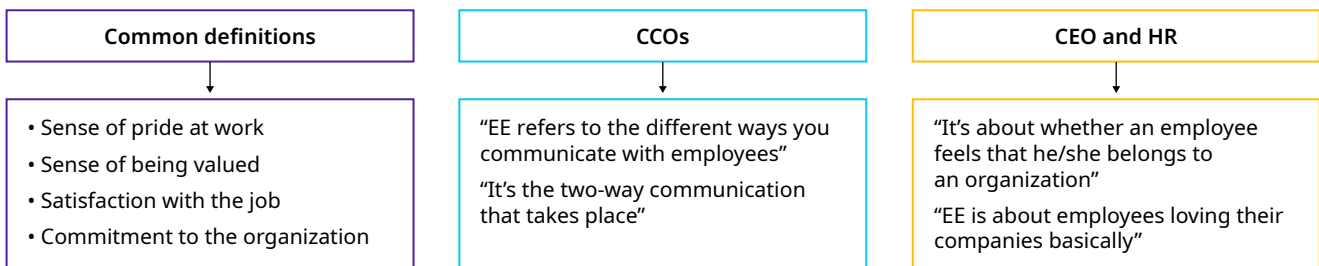
Ownership of employee engagement initiatives within firms present challenges: In some organizations, employee

engagement outreach is handled by HR; in others, it is driven through an internal communications function; and in still other instances, initiatives are driven by the chief executive, who “sets the tone, drives the culture, and lives and communicates the values.”

Misaligned perspectives, compounded by a lack of clarity as to who owns the employee engagement program, can result in uncoordinated actions by the various stakeholders and, consequently, sub-optimal results.

The following four imperatives seek to reconcile these potential disconnects and enable company leaders to craft and deliver successful employee engagement strategies. The essence of effective programs rests in actively listening to employees, employee-focused messages, the deployment of human-centric technologies, and careful coordination across key corporate functions (See Exhibit 3 on the following page).

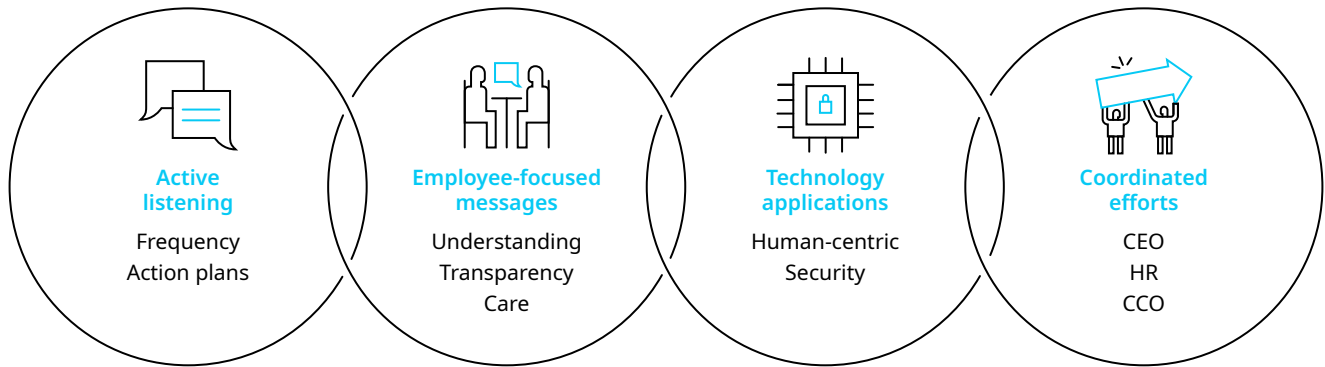
Exhibit 2: Employee engagement is viewed differently by stakeholders



Source: Interview data

2 Society for Human Resources Management (2006). [Employee Engagement and Commitment](#).

Exhibit 3: Four imperatives of employee communication



Source: Marsh & McLennan Advantage analysis

1. ACTIVELY LISTEN TO EMPLOYEES' FEEDBACK AND FOLLOW UP WITH ACTIONS

Secure frequent feedback

Taking the pulse of employees frequently through surveys and feedback not only provides organizations with a clearer understanding as to which aspects of employee engagement need improvement, it also ensures that leaders have the necessary information to develop and adjust initiatives.

Leading organizations have moved away from a “one mega-survey every so often” model to a “continuous feedback” model. The tighter cadence of a frequent feedback approach — whether time-based (such as monthly) or work-based (such as at the end of a project) — ensures that organizations can identify and deal with problems in a timely manner.

Frequent communication is even more critical during times of crisis, when overcommunication should be the norm. As one chief communications officer observed: “COVID-19 requires much more intense communication that occurs more often and is more specific than ever before.” Another remarked: “The importance of communicating well to employees [in a crisis] is underscored and emphasized.”

Follow up with actions

Company leaders need to address the issues revealed through the surveys. As one senior leader stressed: “The key is to get feedback and act on the feedback. The quickest way for people to feel disengaged is if they feel that they are not listened to.”

Firms need to inform employees about the follow-up actions and how they will be taken forward. Proposed solutions may need to be adjusted based on employee response to avoid losing participation and trust. Senior management should demonstrate a clear commitment to listening to employees and set an example as to what is expected of employee engagement across different locations, functions, and levels of seniority.

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2. COMMUNICATE WITH EMPLOYEE-FOCUSED MESSAGES

Demonstrate an understanding of differentiated workforce concerns

Effective communication depends on appreciating workforce heterogeneity, and leaders need to balance their messages to ensure that different groups of employees feel that their concerns and priorities are recognized.

Many businesses already have a hybrid workforce that includes gig workers, independent contractors, and remote and on-site permanent employees — and the COVID-19 pandemic has accelerated and intensified this contractual and operational model. Moreover, firms' workforces are often also multigenerational, with up to four generations (Baby Boomer, Gen X, Gen Y, and Gen Z) working side-by-side. Each generational cohort will differ in their motivating drivers, expectations, and how they prefer to be communicated with. Remote employees are more concerned about their mental wellness and work-life balance than those who work onsite.³ Younger generations prioritize opportunities to learn while their older counterparts tend to focus on recognition.⁴

Increasingly, companies are facing the demands of employees for purposeful work and opportunities to contribute to the social good. As one interviewee remarked: "The workforce has changed. People don't stay as long as they used to. They need a sense of purpose." Young people in particular are voicing their growing concern over economic, political, and social injustices, as well as climate change, and expect that

their employers will share those concerns and play an active role in addressing them.⁵

Investing in Corporate Social Responsibility initiatives and encouraging employees to volunteer in the non-profit sector are valuable efforts, but they are no substitute for strong Environmental, Social, and Governance (ESG) practices across the core business. Indeed, analysis suggests that top employers, as measured by employee satisfaction and attractiveness to talent, have significantly higher ESG scores than their peers.⁶

Communicate with transparency

Employees expect transparent and truthful communication from their company, especially during difficult times — such as in the thick of corporate, economic, or political crises, or during organizational restructuring. The travails of the COVID-19 pandemic have not diminished the inevitable data leaks and pervasive social media that shine a bright light on leadership behaviors. As one interviewee noted: "Employees are making judgments about their employers based on what companies did or didn't do during the crisis. Brands will be especially impacted. Some will come through this with a worse reputation."

The workforce has changed. People don't stay as long as they used to. They need a sense of purpose.

3 The World Economic Forum (2020). [The Future of Jobs Report](#).

4 Mercer (2020). [Global Talent Trends](#).

5 Edelman (2021). [Trust Barometer](#).

6 Marsh & McLennan Advantage (2020). [ESG as a Workforce Strategy](#).

CASE STUDY

Unilever

Unilever invests heavily in creating a workplace that is nurturing and conducive for its employees to succeed. At the onset of the pandemic, Unilever Shanghai moved quickly to safeguard employees and their families, such as setting up hotlines for mental health concerns, providing transportation options when public transport was cut in various countries,

and redeploying employees quickly into other areas of work where that was possible. After announcing these measures, the firm also made certain that the measures were disseminated widely and repeatedly to the workforce to ensure that employees who needed them most were aware of them.

Place care for employees at the center of communications

Employees engage most when they feel their organization cares about them. To this end, senior leaders need to display concern and care toward employees, particularly during a crisis. After all, without a healthy workforce, there is no business. During the first phase of the pandemic, more than two-thirds of surveyed employees thought their chief executive needed to do more in handling the crisis and fewer than half of the respondents thought that companies were doing well enough in implementing safety measures to protect workers and customers.⁷

Workplace mental health issues have been rising for some time and will continue to linger long after the pandemic is over. Factors that contribute to employee mental health issues include: fear of job and income loss; social instability; loneliness induced by social distancing and travel restrictions; and exhaustion due to blurred boundaries between work and personal life.⁸ Employees want empathy and support from their employers for the difficulties they face in order to help them get their work done, given the challenges they may be facing at home.

Measures exist to help organizations look after their employees' well-being, including: developing employee health-monitoring apps; upgrading employee health benefits; offering childcare allowance; and offering vaccination programs to show employees that they matter.

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⁷ Edelman (2020). [Trust Barometer Spring Update](#).

⁸ Marsh & McLennan Advantage (2020). [Digital Tools for Mental Health](#).

3. TAKE ADVANTAGE OF TECHNOLOGY

New technologies are driving workforce restructuring, and many companies are preparing their employees to adapt.⁹ However, technology is not only enabling operational innovations — it's also enhancing processes such as employee workflows, administrative processes, talent management, and benefits. These are, in their own way, methods of workforce engagement and communication.

The pandemic revealed that many businesses are struggling to engage properly with their workforces in a virtual work environment, a situation that is likely to continue well beyond lockdowns. Filling out online employee surveys or broadcasting video town halls can speed up two-way engagement processes, but some chief communications officers worry that technological dependency or opportunism may “risk overshadowing the human aspect of communication.” Indeed, in a separate study, nearly a quarter of employees who

responded said that the digitalization of human resources processes had resulted in the loss of some necessary human interactions.¹⁰ Online focus groups or virtual “ask-me-anything” sessions offer suggestions as to how technologies can assist human-centric employer-employee communications when face-to-face opportunities are limited.

When leveraging digital solutions, two additional (and related) issues need to be borne in mind. First, information collected via digital communication channels needs to be analyzed with a human mindset to shed light on employee voices and needs — a superficial scan of single data points or top-line results can lead to erroneous conclusions. Second, in rolling out digital communication strategies, companies should address the risks of data security and anonymity. Failing to abide by appropriate protocols may result in irreversible damage to organizational trust.

CASE STUDIES

Microsoft

Microsoft leverages technology to facilitate two-way communication with its workforce through Yammer, a social networking tool. The tool enables employees to share their thoughts and doubts openly and anonymously with business leaders, who not only benefit from absorbing constructive feedback, but also can then contribute their perspectives to these conversations. The tool also helps employees broaden their perspectives by using a “Discovery Feed” to learn more about their peers’ experiences.

Shell

Shell has invested heavily in technology to ensure its workforce is engaged and that communication efforts reach all parts of the organization. For example, it uses the WorkJam app to disseminate targeted and consistent communication to front-line employees and retail staff. This application also enables workers to provide feedback and to access training materials. Shell then carefully analyzes the training reports of employees to understand how they are doing and to identify areas for improvement.

9 World Economic Forum (2020). [The Future of Jobs Report](#).

10 Mercer (2020). [Global Talent Trends](#).

4. COORDINATED EFFORTS FROM HR, COMMUNICATIONS, AND THE CEO

Enhancing employee engagement via communications processes requires the CEO, the HR function, and the communications function to work in lockstep. Each stakeholder plays a different role in employee engagement initiatives: the leading role, the facilitating role, and the supporting role. The first of these roles involves setting goals and designing initiatives; the second entails implementation; and the third enhances the role of the other two.

The pandemic has demanded more from each of these stakeholders, necessitating that they adjust their roles

and set new norms for the future. The prominence of employee well-being has placed greater expectations on the human resources function. The importance of clear, timely, and repeated interactions with employees has elevated the communications function, with some organizations shifting the role of facilitating employee engagement to the communications function from human resources. And, finally, in a crisis it is more vital than ever that the CEO should “walk the talk” and “live” employee engagement. When initiatives are endorsed by the chief executive, employee trust increases.

Crises present an opportunity to revisit old assumptions and act as a spur for innovation. Bold measures designed to recharge employee engagement — and pursued long after the immediate crisis ends to become standard organizational practice — can deliver an energized, healthy, productive, and committed workforce.

ACKNOWLEDGMENTS

This is a summary version (with additional reflections) of the report: Recharging Employee Engagement: Management and Communication Synergy, which was launched in November 2020. The full report is available for download [here](#).

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