# Make Managers Responsible

At nine companies, various tools tie engagement to leadership.

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(www.shrm.org/Publications/hrmagazine/PastIssues/2012/Pages/201203.aspx)Corporate leaders are making more demands on managers to maintain high levels of employee engagement, and HR professionals are drawing on a variety of strategies to get managers involved in nurturing an engaged workforce. Employee engagement has a direct impact on worker performance, dedication to mission and drive in helping an organization accomplish its goals.

Research has shown that employee engagement is higher when responsibility for sustaining it is spread throughout an organization.

A 2008 study by the American Society for Training & Development cites organization leaders, including managers, as key players in creating a culture of engagement. Here's why: While the corner offices provide inspiration and strategies, managers bring ideas to life with the help of the rank and file. Managers' daily contact with employees affects employee performance and morale.

"Management must be informed and trained, and ultimately accountable for their team's engagement," says Razor Suleman, founder and chief evangelist of Achievers, a San Francisco-based provider of web-based employee rewards and recognition programs.

How do companies hold managers accountable for employee engagement? The methods and strategies vary according to industry, size and culture, but here's a peek into HR practices at a handful of companies where all leaders work hard on engagement.

Measure and Train

WD-40's President and Chief Executive Officer Garry Ridge says holding managers accountable for employee engagement starts with identifying the business' strategic goals, then linking engagement to strategy.

Every two years, the San Diego maker of lubricants and cleaners conducts an opinion survey of its 334 employees. Results from the survey provide engagement measurements and are shared with each department and geographic region. Each team is charged with identifying areas for improvement. Supervisors and managers meet with their reports to discuss results.

"Every 90 days, we sit down with every employee in the company to reflect on their progress against their goals and our values," Ridge says. "Our goals are tied not only to financial performance but to the cultural performance of the company, which includes the level of engagement scores."

Ridge says the company ties engagement, metrics, coaching and training for managers together using leadership tools that can be tailored to fit an organization's culture and operating style. Ten leadership development competencies are used for evaluation, one-to-one and group coaching, and personal development programs for managers.

Positive results come from taking the mystery and uncertainty out of talent management, he says. WD-40's process includes goal setting and regular feedback between employees, managers and leaders.

SMART Goals

The National Consumer Panel in Syosset, N.Y., has just 80 employees, but it serves as the backbone for consumer data collection and boasts two notable brands as partners—SymphonyIRI and Nielsen. The business uses an array of initiatives to keep managers rewarded and accountable for employee engagement.

First, SMART goals—that is, specific, measurable, achievable, realistic and time-bound goals—are created for each employee. Managers meet with employees in weekly team meetings and individually to discuss progress in meeting their objectives. Employees participating in the talent management program target specific skills to develop for promotion and lateral moves.

## 'Managers are held accountable through metrics as well as informal data, feedback and information, including turnover.'

Jane Slater, manager of human resources, conducts two employee satisfaction surveys annually "to keep a pulse on satisfaction and engagement." In addition, managers solicit feedback from employees regularly.

Slater points to Chief Operating Officer John Toomey as a driving force behind initiatives aimed at enhancing engagement, including awards, recognition and mentoring programs that let employees know their opinions make a difference.

Managers understand that maintaining engagement is a process, says Slater, adding that "It is ongoing, not a destination. Managers need to feel engaged as much as employees. If they do, they share its benefits."

Educating Managers

Executives at Deer Valley Resort in Park City, Utah, evaluate managers on criteria that relate to employee engagement:

- Being available for their teams.
- Treating employees with respect.
- Representing the company.
- Informing employees of job performance.
- Providing constructive feedback, coaching and recognition.

At this ski resort with 2,600 employees, "We educate our managers on the value of employee engagement in their own personal job satisfaction," says Christie Delbridge, employee relations manager. The company holds MAST meetings—short for managers and supervisors together—and training sessions as forums for managers to brainstorm, share best practices and learn new techniques for improving engagement.

New-employee orientation, team-building activities, an employee website and newsletter, and ongoing management training have a positive impact on engagement, says Delbridge, who adds that these events reinforce the culture and allow workers to share experiences and ideas.

Removing Barriers

Management accountability for employee engagement at Suntiva, a management consulting firm in Falls Church, Va., isn't a mind game, although chairman and founder Hany Malik admits that his doctorate in clinical psychology comes in handy when dealing with the company's 91 employees. "We like to use the term 'professional intimacy' because there are no barriers; people can communicate freely," Malik says.

The company has an annual planning meeting in October for all employeesto recap the current year and set goals and discuss strategies for the following year. The results are shared with managers, who are responsible for monitoring progress toward achieving goals and devising course-correcting plans to keep their teams on track. Weekly dialogues with employees regarding strategy and how employees are connected to that strategy, as well as feedback during the performance review process, help determine managers' effectiveness.

Managers are rated by their teams on their performance in several areas, including engagement.

Feedback

Suntiva offers one-to-one coaching and extra supervisor assistance to managers struggling to meet goals and expectations. Managers can also receive training to enhance their technical and soft skills.

Peer Learning

Alcoa, based in New York City, uses goal setting, monitoring, feedback, bonuses and recognition to keep its 60,000 employees engaged and its managers on task.

An engagement index measures employees' company pride, satisfaction, intention to stay, and likeliness to refer a family member or friend to work for Alcoa. With 200 locations in 31 countries, scores vary, but the goal is 81 percent engagement overall, according to company leaders.

Engagement data and other metrics are shared with managers regularly and through presentations at quarterly meetings.

"Engagement actions that are related to a manager's performance objectives are factored in, and they do have an impact on a manager's year-end performance rating," says Mike Barriere, chief talent officer.

Managers who garner high engagement ratings get the spotlight in corporate communications and gain opportunities to share their expertise: Managers who miss the mark are paired with managers with high ratings for peer learning. HR helps managers with low engagement scores pinpoint engagement drivers and develop action plans.

Caring Environment

Sheltering Arms Physical Rehabilitation Centers in Richmond, Va., a 500-worker enterprise, helps people rehabilitate from strokes, joint replacement surgeries, spinal cord and brain injuries, and amputation. A caring and engaged atmosphere is part of the environment, says Ellen Vance, vice president and chief human resources officer.

Managers' evaluations factor in staff engagement. Vance says 40 percent of every employee evaluation, including manager evaluations, measures performance against organizational expectations derived from behaviors exhibited by highly engaged employees. "Managers are held accountable through metrics as well as informal data, feedback and information, including turnover," Vance says.

Employees and managers help set organizational goals and pinpoint desired behaviors. In addition, managers orient employees to the "Sheltering Arms Way," but "compassion here is typically grassroots in nature and highly contagious," Vance says.

Incentives Tied to Metrics

Richard A. Manson, vice president of human resources, says he wants Olympic Steel's 1,000 employees to go the extra mile because they want to, "not because they have to." Managers at the Cleveland seller and distributor of carbon, steel and aluminum products are judged on engagement based on quantitative measures such as profit, on-time delivery and quality, and areas such as teamwork, accountability and employee development. Manson says promotions, pay increases and other incentives are tied to those measures.

The company sets goals at the beginning of the year. Objectives are tailored to an employee's ambition, in consultation with his or her manager. Results are checked throughout the year.

"Managers are rated on what they do and how they do it. They receive constant feedback and coaching in addition to their annual reviews," Manson says.

Constant Review

Lee Burbage is no ordinary fool. His position as "people fool" for The Motley Fool financial media empire in Alexandria, Va., keeps him busy separating the so-so managers from the FREAKs—managers who are fiery, resourceful, enlightened, astute and key. Managers who earn this designation, created by "head fool" Tom Gardner, can look forward to bonuses, cooler projects, more resources and increased

responsibility. Those that fall short experience career purgatory—they aren't fired, but they also aren't nurtured. The company has 250 staffers.

## Engagement rises when managers take time to interact with workers.

Despite the informal office atmosphere and pop culture décor, there's no fooling around when it comes to managers' accountability for engagement. Burbage says quarterly meetings include "person by person" reviews. "If you're failing to develop your team, it becomes obvious," he says. "The impact is reduced responsibility and scope. ... Future challenges are assigned elsewhere."

Being a better leader, as measured by engagement, drives management career decisions and influences salary.

Monitoring accountability is a bit unorthodox. "We've done away with annual performance reviews," Burbage says. "We're just trying to give constant feedback. ... We have 12 people focused on organizational development, and that's outside traditional HR."

Have Fun

The online retailer Zappos.com Inc., with 3,221 employees, uses several strategies to maintain its focus on management accountability, emphasizing communication and relationship building.

Monthly engagement reports are sent to senior managers and then filter out to the whole company. Managers develop a feedback plan for each employee.

The notion that engagement rises when managers take time to interact with workers shapes the engagement strategy. That's why corporate leaders require managers to spend 10 percent to 20 percent of their time on professional and personal team-building activities— from happy hour to hiking to catching the latest flick.

"When employees and managers begin to separate and not engage in the fun and little weird activities held at work, the sense of family becomes eroded, and the heart and soul of the company changes," says Shannon Roy, the company's programs, events, activities, charity and engagement manager. "Everyone is accountable, not just management."

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# Web Extras

**SHRM article:** Raising Engagement (www.shrm.org/Publications/hrmagazine/EditorialContent/2010/0510/Pages/0510fox.aspx) (*HR Magazine*)

**SHRM article:** The Gallup Q10 Employee Engagement Questionnaire (www.shrm.org/Publications/hrmagazine/EditorialContent/2010/0510/Pages/0510fox3.aspx) (*HR Magazine*)

**SHRM article:** Tools of Engagement (www.shrm.org/Publications/hrmagazine/EditorialContent/2010/0210/Pages/0210rivenbark.aspx) (*HR Magazine*)

**SHRM video:** Mike Byam, managing partner of Terryberry Comp., offers observations on how companies can help managers in the important work of boosting employee engagement. (www.shrm.org/multimedia/video/vid_archive/Pages/102810_byam.aspx)

**Toolkit:** HR Leadership Council Employee Engagement (https://www.hrleadershipcouncil.com/hrforum/solutions/employee_engagement.aspx) (Corporate Executive Board)

**Report:** Employee Engagement Report 2011 (http://www.bs-muc.de/aktdoku/report.pdf) (BlessingWhite)

**Study:** Learning's Role in Employee Engagement: An ASTD Research Report (http://store.astd.org/Default.aspx?tabid=167&ProductId=21134) (American Society for Training & Development)

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