

A Perspective on Strategy & Employee Engagement

Rajesh Ranjan

In *Five Key Principles of Corporate Performance Management*, Bob Paladino explores the reasons why companies fail to implement their strategies. It discusses four barriers that companies encounter in failing to realize their strategic objectives. These are:

- i. The Vision Barrier: A miniscule of workforce understands the strategy (and hence the (firm's) vision is blurred for them).
- ii. The People Barrier: Only few Managers have the incentives to implement the strategy.
- iii. The Resource Barrier: Majority of the organization fail to align the budget for the strategy implementation.
- iv. The Management Barrier: Very limited executives spend adequate time understanding and on actual execution of strategy.

A study by McKinsey & Co. on 'Why do most transformations fail?' identifies lack of employee engagement as one of the important causes why transformation fails in firms. While talking of the root cause of lack of engagement, Harry Robinson says that the people throughout the organization don't buy the change narratives outlined by the top leadership and hence, do not invest extra energy to try to make change happen.

From the above, it emerges that the disconnect between the 'decision-makers' and 'workforce' leads to non-attainment of the goal & objectives, and firms eventually continue with the status quo with a few cosmetic changes and nosedive in effecting the desired transformation. Organizations which can bring all sections of employees together in a cohesive manner, i.e., properly engaged employees, reap the fruits of the successful implementation of their strategy toward transformation.

Purpose is what drives us to do something. In an organization, employee engagement can be understood as the purpose for which employees perform. Employees who are aware and have found the purpose of their work display passion for their tasks and feel a deep connection to their assignments. Surveys indicate that business units with employees having high-average levels of engagement achieved higher levels of customer satisfaction, were more productive, more profitable, and experienced lower levels of attrition and accidents than others.

A passionate employee toils and strives to achieve the target. Purpose directs the life decisions, influence behaviour, shape goals, and makes sense. For some, purpose is associated with fulfilling work. Aligning with the howsoever routine job with the holistic sense of purpose drives people to do wonders. Marla Gottschalk in a Harvard Business Review (HBR) article 'If You Want Engaged Employees, Offer Them Stability' writes: "If you want to develop an environment where contributors thrive, your workforce must be able to count on some basic things - such as role clarity, timely feedback, adequate resource allocation, and attention to how our work is structured." There may be variations in employees' perception of job satisfaction. Factors, such as the intrinsic nature of a job, core self-evaluation, compensation etc., are some of the measures of job satisfaction. Need is to inculcate and encourage Organizational Citizenship Behaviour (OCB) and lessen the effects of Counterproductive Work Behavior (CWB). It is apt to note that what motivates people is not necessarily the

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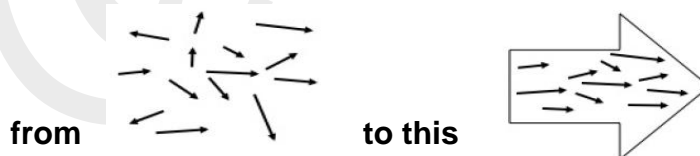
same as what makes them happy. Abraham Maslow's 'Hierarchy of Needs' theory explains the motivation levels wherein the next higher level becomes dominant once a lower need is substantially satisfied. Organizational setup must be able to understand and ensure that the needs of its employees are fulfilled, else it would lead to dissatisfaction. The Exhibit-1 below explains employees' four responses to job dissatisfaction.

Exhibit-1	Constructive	Destructive
Active	VOICE – actively tries to improve situation	EXIT – leaves the company
Passive	LOYALTY – passively waits for improvements	NEGLECT – allows worsening

Dr. Linda Ackerman Anderson writes: "When change happens, people go through a very natural and common emotional transition. They may be shocked, disoriented, afraid or angry. These feelings need to be acknowledged and supported by leaders. If they are resisted or repressed, the feelings will not only persist, but they may also intensify, making the challenge of change/ transformation even greater." The management should adopt timely and adequate communication channels to keep employees onboard with the requirement of the company and they should be given the voice (exhibit-1) i.e., they should feel part of the change process.

According to Kanter, Stein, and Jick, managing change has become the ultimate managerial responsibility as firms continuously engage in some form of change—from shifting organizational boundaries, to altering firm structure, to revising decision-making processes. Studies suggest that the role of middle management becomes very critical when an organization is going through a change as they are the bridge between working levels and top leadership. If any employee or a cadre of employees become averse or even indifferent to the strategic goal, it would lead to the disaster.

In an HBR article 'Execution Is a People Problem, Not a Strategy Problem', Peter Bregman writes: "...organization's biggest strategic challenge isn't strategic thinking—it's strategic acting. He would depict the challenge graphically, as shown in Exhibit-2 below:



It is seen that even in well-run, stable organizations, people are misaligned, too broadly focused, and working at cross-purposes. Human and other resources must be aligned exactly the way corporation's goal requires them to be. Employees must form a common bonding inspired by the enshrined organizational values of the corporation and align their motivations and actions to achieve greater success for all the stakeholders concerned.