



Strategically Align Your 2010 Workforce: Employee Engagement vs. Job Satisfaction

If employee job satisfaction has been a focus for you to help achieve your organization's goals and keep turnover to a minimum, you're not alone – you just may have missed the mark a little. In these most challenging economic times, all U.S. businesses, whatever the size, must find ways to operate leaner and smarter. Focusing on employee engagement versus job satisfaction can make all the difference.

What's the Difference? As with love, integrity, trust, and other age-old concepts, there isn't universal agreement on what these terms mean, but there are some generally accepted underlying concepts.

For example, an employee engagement report that surveyed over 660,000 employees in more than 50 companies world-wide defines employee engagement as, "the extent to which employees are committed to, believe in and support the company's values, feel pride in working for their employer, and are motivated to go the extra mile."¹ The book, "Employee Engagement: A Roadmap for Creating Profits, Optimizing Performance, and Increasing Loyalty," defines it as, "The degree to which people commit to an organization and the impact that commitment has on how profoundly they perform and their length of tenure."²

Job satisfaction is defined by prominent researcher Edwin Locke as, "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences."³

Another author defines it as the extent to which people like ... or dislike ... their jobs.⁴ These concepts are basic enough.

So what's the difference? Job satisfaction is a state of happiness or contentment about one's job. It probably reduces turnover, and probably has some indirect impact on organizational performance. Employee engagement is a state of commitment to the organization, feeling good about its goals, and working hard to achieve one's share of those goals and results.

For Example: Dale is very comfortable in his job. His boss is nice and the work is pleasant. He focuses on his job every day and gets his work done, with good quality. He is a reliable cog, and is well trusted. He feels job satisfaction.

Kim loves her job. She has a good relationship with her boss. When she sees inefficiency, she tries to eliminate it. When a customer is dissatisfied, she does something extra to make it right. When a co-worker does something poorly, she provides coaching. There is a gray, fuzzy line separating her company from herself. She demonstrates employee engagement.

My father taught me to work; he did not teach me to love it.

Abraham Lincoln

Research Support: Research consistently shows a positive correlation between employee engagement and organizational results. For example:

- J.C. Penney stores with top-quartile engagement scores generate 36% better operating income than similar sized stores with bottom-quartile engagement scores.⁵

- Employee engagement at double-digit-growth companies exceeds engagement at single-digit growth companies by over 20%.⁶
- In a Fortune 100 manufacturing company, a low-engagement group averaged 5,658 quality errors (as measured by parts per million) while a high-engagement group averaged only 52.⁷

... leaders can conceive and articulate goals that lift people out of their petty preoccupations and unite them in pursuit of objectives worthy of their best efforts.

John Gardner

How to Increase Engagement: There are many ways to do so. We will focus on a few of the most commonly accepted ones.

1. Ensure goal alignment: Employees should know how their pursuit of their work goals helps the organization. There are several key components to this. First, the organization has to have goals. Second, it has to have key strategies for achieving those goals. Third, it has to communicate those in a way that has meaning. Fourth, the individual's established work-related goals should support the organization's goals, both in actuality and in clear perception.

This can be considered, "Line of sight." The employee can clearly grasp how successfully achieving his/her work goals helps the organization achieve its goals.

The communications aspect of that should not be taken lightly. Management should constantly reinforce the broader company goals and how the employees' work impacts them. The goals, the linkage, and the progress toward those goals should be constantly re-emphasized.

Few things help an individual more than to place responsibility upon him, and to let him know that you trust him.

Booker T. Washington

2. Empower: "Empowering" is different than "delegating." Delegating is asking someone to do a specific task, probably with defined boundaries. While empowering also involves

asking someone to do something, the person becomes much more in control of how it gets done, and in determining and executing the steps needed to do it well. The person has much more ownership of the goal and the task. And, the person feels (and indeed, is) more responsible for its achievement.

One aspect of empowerment is that it yields challenge. It is not rote mechanics. Challenge breeds ownership, and it breeds pride in success. Dealing with challenges trains people how to stretch, perform better, and grow. It is a productive way of life.

In some cases, a manager may be hesitant to empower others. *The staff does not have enough knowledge of the various issues. Or, they haven't demonstrated the skills to prove they can handle it.* Start small if you have to. One opportunity at a time.

3. Provide Development Opportunities: Developing your employees creates a win for everybody. It enables the employee to do more. It enables the organization to get more done. Perhaps most important, it makes employees feel valued. Employees' desires for continuous development repeatedly surfaces as a top priority in engagement surveys, morale surveys, etc.

To be clear, development does not mean sending everybody to a class. It is most valuable when it is handled separately with each employee, and is based on the organization's needs and goals and on the employee's individual needs and goals. It is likely to be most effective when it is a targeted assignment, rather than a class. That way, the learning is real rather than theoretical, and is likely to be the most meaningful and impactful. Most importantly, from an employee's point of view, it is career development, not tactical skill building.

In conclusion, it should be no mystery why these methods of increasing engagement would lead to superior organizational performance. They involve employees going specifically in the right direction, taking responsibility to get there, and increasing their professional value and skillsets in doing so. The result is a motivated and engaged workforce that positively impacts the

strength and performance of the organization as a whole.

If you have a positive attitude and constantly strive to give your best effort, eventually you will overcome your immediate problems and find you are ready for greater challenges.

Pat Riley

Did You Know?

- One study showed that in a group of companies with high employee engagement, operating income improved by 19% over 12 months, while companies with low employee engagement showed a 33% decline.¹
- Development Dimensions International (DDI) estimates that moving an organization with 10,000 employees from low to high engagement can have an impact of over \$42 million.⁷
- According to "The State of Employee Engagement 2008," a documentation of over 7,500 survey participants worldwide, 53% of employees trust their organization's senior leaders, while 75% trust their own immediate managers.⁹
- One survey showed that 38% of large organizations have a formal, dedicated engagement program, while only 23% of small organizations do.¹⁰

Sources and Recommended Reading

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