Once you have identified the key drivers of employee engagement, you can start to create and implement a road map for achieving outstanding organisational performance through the service-profit chain.

Business journals are brim full with articles about leadership. Ignore them – they are all far too complicated. Effective organisational leadership is simple:

Have a vision of where you want to get to, and clearly and persuasively communicate that vision to employees. Be consistent in your behaviours as you strive to achieve that vision. Do this and your employees will follow. Fail and you will be out there on your own.

Involve your people and value their input
Business journals are also brim full with articles about change. Ignore these too because they typically start from the Machiavellian premise that ‘people hate change’.

This is nonsense of course. People love change – in fact they can hardly get enough of it.

Through the 1990s the UK DIY retail multiples experienced growth of over 185 per cent and in 2004 the sector was estimated to be enjoying a turnover of just over £7.3 billion. People hate change? And when the paint brushes and electric drills are put away for the night, these same people are tuning in to makeover shows and gardening programmes.

People hate change? No, if people are involved in change (DIY) and their input to the process is valued they will readily engage with it.

Look after your reputation
If the world believes that your organisation is a poor ‘corporate citizen’ they will tell your people. If your employees believe what they hear they will increasingly distance themselves from the business. And if they don’t, they will get increasingly frustrated if they see that you are doing nothing to correct these misconceptions.

Either way, organisations that proactively manage their reputations will also enjoy higher levels of employee engagement.

Could it be any simpler?
Well, actually, it could, because a common theme runs through all three stages of the process of communication. A major study by Watson Wyatt: Connecting Organisational Communication to Financial Performance has given us the ultimate end-to-end measurement: from key driver of employee engagement (communication) to shareholder return on activity.

The research found that ‘a significant improvement in communication effectiveness is associated with a 29.5 per cent increase in market value and that companies with the highest levels of effective communication experienced a 26 per cent total return to shareholders from 1998 to 2002, compared to a 15 per cent return experienced by firms that communicate least effectively’.

Effective communications create engaged employees, creating loyal customers who in turn create bigger profits. Furthermore, they found that organisations that communicate effectively were ‘more likely to report employee turnover rates below or significantly below those of their industry peers.’

But we need to be clear about what is being said here. The report highlights the return on effective communication, not information. And communication is not just about telling people what you want them to do or are about to do to them – it is about genuine two-way dialogue with both employees and the outside world. And although this is simple it
is not always easy. In fact it is going to be really difficult to implement because there are four substantial barriers in place in most organisations:

Managers do not see communication as part of their day job
Most managers focus on ‘hard’ measures, delivering the required outcomes on time, on budget, and on target. The ‘soft’ stuff is all too often done on the side of the desk, as an extra-curricular activity, or abdicated to personnel.

Giving people the information and instructions they need to achieve these outcomes is clearly part of the manager’s role. Communication, however, is still seen as ‘soft’ stuff, even though the reality is that it is the hardest driver of organisational performance that managers have at their disposal.

Managers have not developed their communication skills
Human beings are, bar none, the most effective natural communicators in the animal kingdom. A change in inflection, the tilt of the head and a knowing look can convey the most subtle nuances and utterly transform the meaning of a sentence.

But this is natural one-on-one or one-on-few communication, using techniques our species has evolved over millennia and which we have practiced as individuals throughout our lives. Organisational communication operates on a totally different scale and uses thoroughly unnatural tools.

Mobile phones, email, PowerPoint and teleconferencing are immensely powerful tools for communicating with a large, widely spread audience, but all have been blamed for our failure to communicate effectively.

Why? Because our natural communication skills are so good we take it for granted that we will be competent organisational communicators too.

We are therefore making the assumption that we can use unnatural tools to engage with an unnaturally large audience without acquiring any additional skills. Naturally we are wrong!

Communication channels are absent, inappropriate, or over-subscribed
Decades of failing to take organisational communications seriously means that in many businesses appropriate channels have not been created or effectively maintained.

As the head of internal communications for a major blue-chip corporation recently commented “a decade ago the ‘internal communications department’ was an ex-journalist who churned out the employee newsletter once a month”. Now things have moved on considerably, but even within progressive organisations there is still a legacy of poor channel infrastructure, usage and management to be tackled.

Communication around corporate citizenship is disjointed
Like internal communications, ‘community communications’ is a new and developing discipline which is working through a host of legacy issues. Foremost amongst these are the need for organisations to enter into a true dialogue with the communities within which they operate and for all of the positive interactions within these communities to be ‘joined up’.

Again much progress has been made, but although corporate and social responsibility (CSR) teams have done great work in gathering and promoting a wide range of issues, few companies could claim a truly strategic approach. And even fewer could claim that CSR is owned by each and every employee, which is where it needs to be if employees are to feel personal ownership and pride in the organisation they work for.

A manifesto for outstanding organisational performance
It is clear, therefore, that employee engagement is a major driver of organisational performance. Plus effective organisational communication is a significant driver of employee engagement.

If, as I do, you find the argument persuasive and you want to begin the process of breaking down the barriers to successfully harnessing the service-profit chain for your organisation, I believe that you should sign-up to the following four-point manifesto:

- **Education:** Every manager in your organisation must understand how effective communication drives performance;
- **Development:** Every manager in your organisation must recognise the difference between natural and organisational communication and commit to developing the required skills;
- **Infrastructure:** The organisation must invest in the development and maintenance of appropriate channels of communication;
- **Community:** The organisation must actively manage its reputation as a corporate citizen and positively engage employees and the wider community alike.

This is a simple plan, but it is not a sequential plan – all four areas can, and should, be tackled simultaneously. This means that it will not necessarily be an easy plan to deliver, but business leaders must deliver because with almost nine out of ten employees currently being either ‘disengaged’ or just ‘moderately engaged’ at work, the opportunity to drive outstanding organisational performance is simply too enormous to ignore.

**Andy Parsley helps organisations positively engage with two key audiences: their employees and their customers, both existing and potential. A marketing communications expert, he is the founder of Green Lion Insights and Solutions – an employee engagement consultancy and a regular writer and speaker on employment issues.**

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