THE SECRET TO BETTER
EMPLOYEE ENGAGEMENT AND RETENTION

"THE EASIEST HIRE IS THE ONE YOU DON'T HAVE TO MAKE, AGAIN."

1 Set the Vision
- Visualize the year
- Co-create plans that align
- Communicate goals & share successes

2 Multiply People
- Identify difference makers
- Give ownership and stand back
- Expect & inspire personal growth & dreaming

3 Deliver Results
- Organize the work
- Collaborate and execute on time
- Hit your numbers & reward your people

Set the Vision

Multiply People

Deliver Results

♥
CARE
about people
and the cause

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The Key to Retention: Employee Engagement

It's harder than ever to find and hold on to great employees (what we at CEDR call "Difference Makers").

Turnover is expensive. It's stressful. And, when people leave, it causes grief for owners and managers while putting more pressure and stress on the rest of your team to pick up the extra work.

Of course, the easiest (and least expensive) hire you will ever encounter is the one you don't have to make again. With that in mind, it's clear that one of the most important things you can do as a manager or owner of your business is to put more effort into hiring the correct people in the first place (we have another free guide dedicated to that subject here) and then *retaining* those employees who are great at what they do and support your business and your goals.

Retention is a complicated machine, and it's not something that you can "do" to your team once and then expect it to become self-sustaining. Rather, retaining great employees is an ongoing process that requires you to set your vision and

communicate your goals, and then find ways to accomplish those things in a way that supports both your team and your business.

When it comes down to it, getting your business to reach its maximum potential depends on building a team of Difference Makers that *work with you* towards a common result. And the key to keeping Difference Makers on your team comes down to Employee Engagement.

Ask yourself...

Is my team on board? Did they help me co-create what we want to accomplish? Do they have the tools and ability to accomplish what we are setting out to do? Are we measuring our progress? Are we celebrating our successes?

Employee Engagement

(definition):

"The level of an employee's commitment and connection to your business and its goals."

What Is "Employee Engagement"?
(Hint: It's not all about the money...)

People are looking for three things in a job: good pay, flexible working conditions, and meaningful work.

When faced with unexpected turnover, most employers assume that employees usually leave because they were offered better pay, better benefits, or additional incentives somewhere else. That said, the knee-jerk reaction is often to go into replacement mode and address the first two items in the list by looking at increasing compensation and benefit offerings.

Of course, you need the pay and benefits you provide your team to be competitive, but you don't have to be the top spender in your area to hold on to great employees. In fact, increasing pay to bring in new hires can create its own set of problems with existing employees.

The surprising truth is that, while pay does matter, and higher compensation can help bring applicants in the door and boost spirits in the short term, pay is not even in the top 15 on the list of things that cause employees to leave a job.

What makes employees want to stay in a role is that third item – a belief that their work is meaningful. And, as an owner or manager, you probably have more influence in this area than you realize.

An employee doesn't have to love everything they do in their job to be excited to participate and engaged in their work but, at some point, the things that matter most to your employees go beyond simply collecting a paycheck.

When an employee is "engaged," it means that they understand and appreciate their role in your business and the importance of that role in helping you to meet your business goals. Engaged employees don't just come to work on time because they will be punished if they show up late. They come to work on time because it's important to them to show up for their team each day, and to be where they need to be when they need to be there to support your patients or clients.

When your employees can see themselves in and understand their contribution to your business' goals and its greater purpose, they feel invested in its success and want to do their part to make that success a reality.

Now let's talk about what you can do to increase engagement at your business.

The Value of Employee Engagement

Keeping your team engaged increases profitability and allows you to spend less time addressing performance and behavioral issues. Here's what the research says:
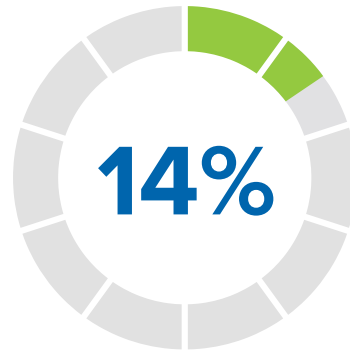
50%

Employees are **50 percent more engaged** at profitable companies than at unprofitable ones.*

20%

Teams with high engagement levels experience more than **20 percent higher sales** than teams with low engagement.*

87%
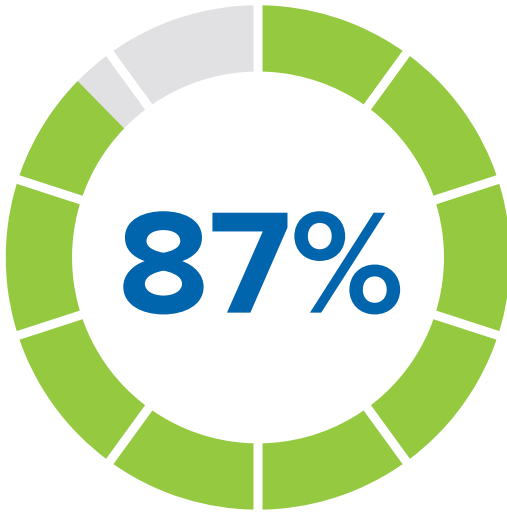
Engaged employees are **87 percent less likely** to leave an organization.***

14%

Productivity is **14 percent higher** among highly engaged teams than in teams with the lowest engagement.**

20%
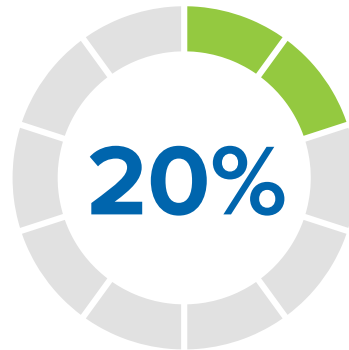
Engaged employees perform **20 percent better** than disengaged employees.***

Sources: *People Metrics | **Gallup | *** Corporate Leadership Council

Perform a Pulse Check

"Before we can become leaders, we must first become leaders of ourselves."

Dr. Charlie Cartwright, Creator of the People Success Formula

## First, check in on your level of engagement as an owner or manager...

In order to set the stage for your employees to thrive and run your company for you, you have to be ready to serve as the standard bearer for what good engagement looks like. This means, at a bare minimum, you've got to be consistent with your policies, have integrity around compliance, and be an example of what it means to embody your company's mission, vision, and core values.

You can't ask people to engage with you, problem solve for themselves, accomplish goals, and help you run your business if you aren't holding up your end of the bargain as a leader. This includes understanding things like pay, wage and hour laws, maintaining a safe workplace, and checking in with your employees regularly to ensure that they are on track for success and that you are creating the proper conditions for them to be successful.

... then check in on your employees.

Once you've got a good grasp on your own level of engagement and are ready to lead the charge for your team, then it's time to take a look at each of your team members and evaluate where they stand on the engagement scale.

The lists on the next two pages should help you get an idea of how your business currently measures up from an engagement standpoint.
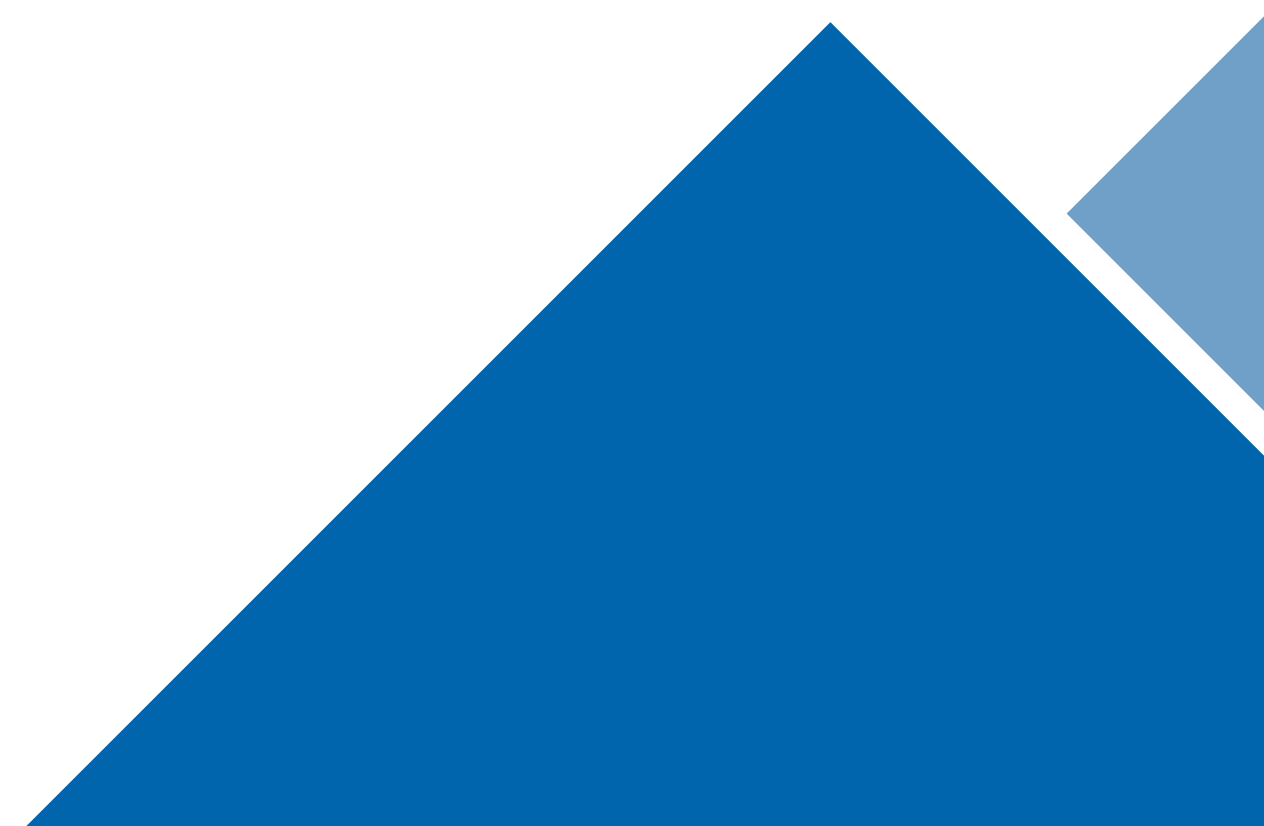
Signs That Engagement at Your Business Is
Medium to High

Employers:

- Value input

- Know your strengths and weaknesses

- Raise up ideas

- Support employee growth (personal and professional)

- Give feedback, good and bad

- Have a sense of humor

- Care about work/life balance

- Treat employees consistently and fairly

Employees:

- Open about successes and challenges

- Troubleshoot and problem solve

- Bring ideas to the table

- Take accountability for their role in business growth

- Readily accept feedback, good and bad

- Ready and willing to help fellow coworkers

- Enthusiastically accept new responsibilities

- Self-motivated and looking for ways to improve performance

Signs That Engagement at Your Business
# May Be a Problem

Employers:

- "My way or the highway"

- Inability to delegate / lack of trust in team

- Stifle ideas from subordinates

- Indifferent to or unaware of employee well being

- Save feedback for performance evaluations / write ups

- Easily frustrated and quick to react

- "Employees should be grateful that they have a job"

- Plays favorites (and everybody knows it)

- Inflexible with policies

Employees:

- Sarcastic / passive aggressive

- Arriving late / leaving early

- "That isn't my job" / "Not my problem"

- Passes blame / makes excuses

- Lack of care / concern for patients

- Burnout

- Frequent absences

- Abrupt resignations

- High turnover

3 Steps to Better Engagement & Retention

1. Set the Vision

2. Multiply People

3. Deliver Results

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about people
and the cause
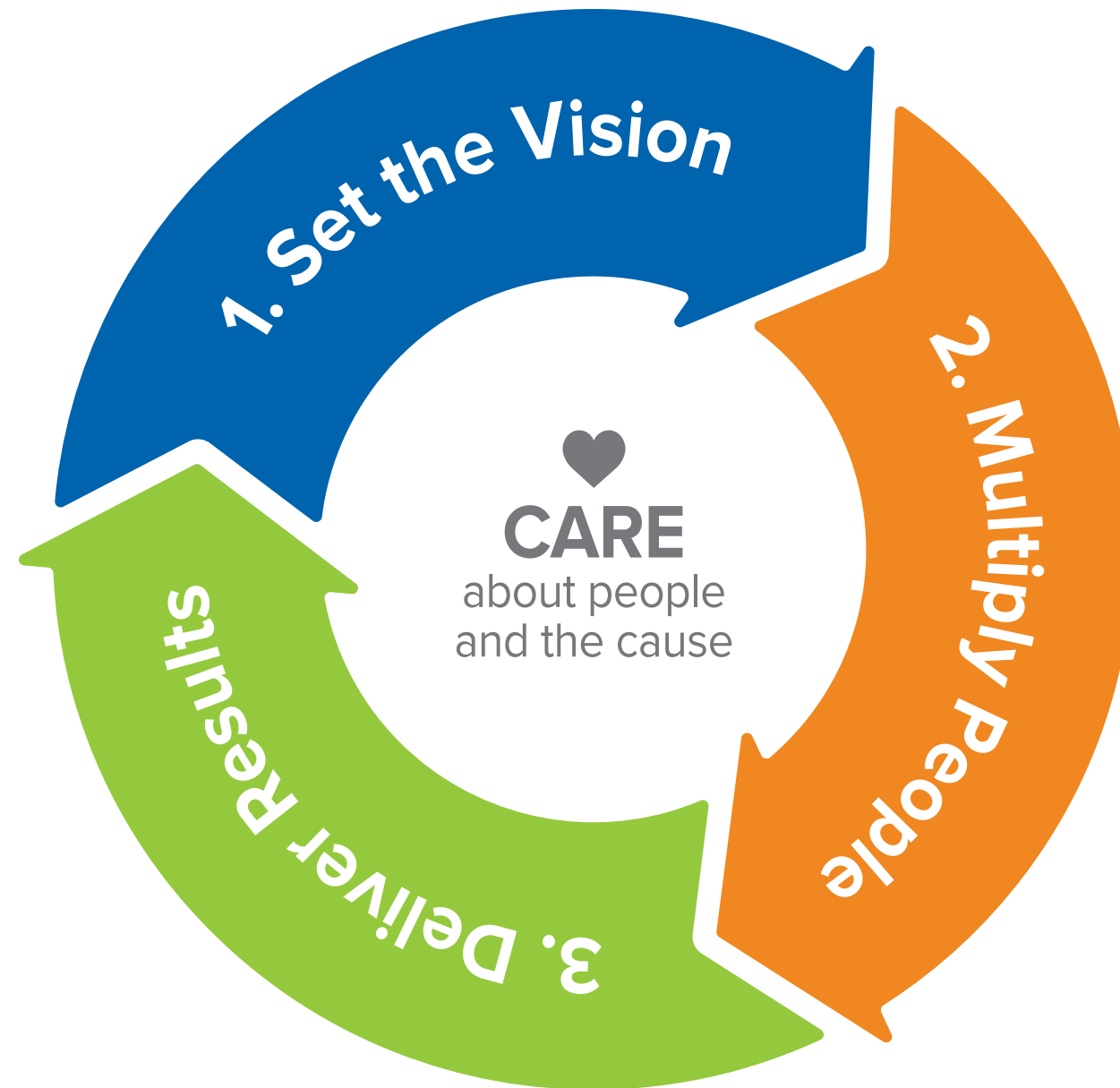
1. Set the Vision

Build a Culture of Engagement for Your Business

The best thing you can do to get your team engaged is to build a culture of engagement for your business.

We don't mean this passively, as in, "allow a culture of engagement to develop for your business." Rather, if you haven't done so already, take an active role in defining your practice's Purpose, Mission, and Core Values.

Test your ideas with your employees to ensure they resonate and are authentic and, more importantly, *build that profile with them!*

By working *with* your employees to develop your company culture, you can be sure that it will mean more to your team than empty words. By involving them in the process of defining your company's core values, you can ensure that whatever you come up with will match up with your employees' personal values, and this will give you the best chance of getting your team personally invested in seeing your business succeed. Once you've got something you all feel good about, post the results somewhere in your office that your employees will see every day.

Creating your company culture is not an exercise in marketing or advertising, and it's more than an HR function. This is about establishing a foundation for your business on which all of your future management and business decisions will be based. Engaged employees know why they are there. When you establish your Purpose, Mission, and Core Values together, you make it so employees can see themselves within your organization's culture:

Purpose: "This is why we exist and what my role is."

Mission: "This is our objective for this year and I need to do my part to get us there."

Core Values: "These are our promises to one another; I can get behind them because they align with my personal core values."
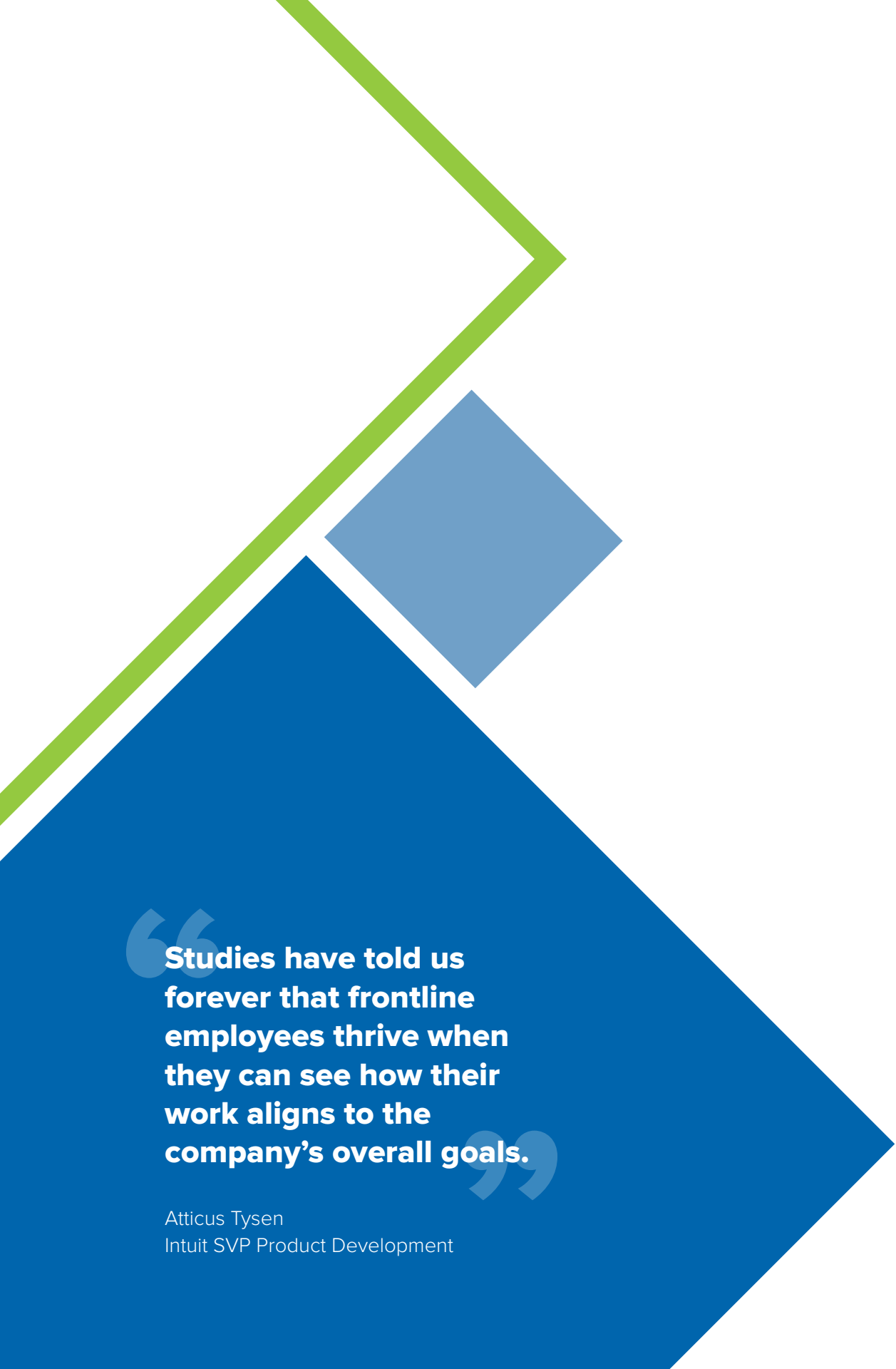
Click here to see CEDR's Purpose, Mission, Vision, and Core Values.

VIEW NOW

If you need help with this process, **download "The Manager's Playbook: Your Company Culture as a Management Tool" for free**. You'll find it full of guidance and exercises to help you develop a culture that fits your unique business.
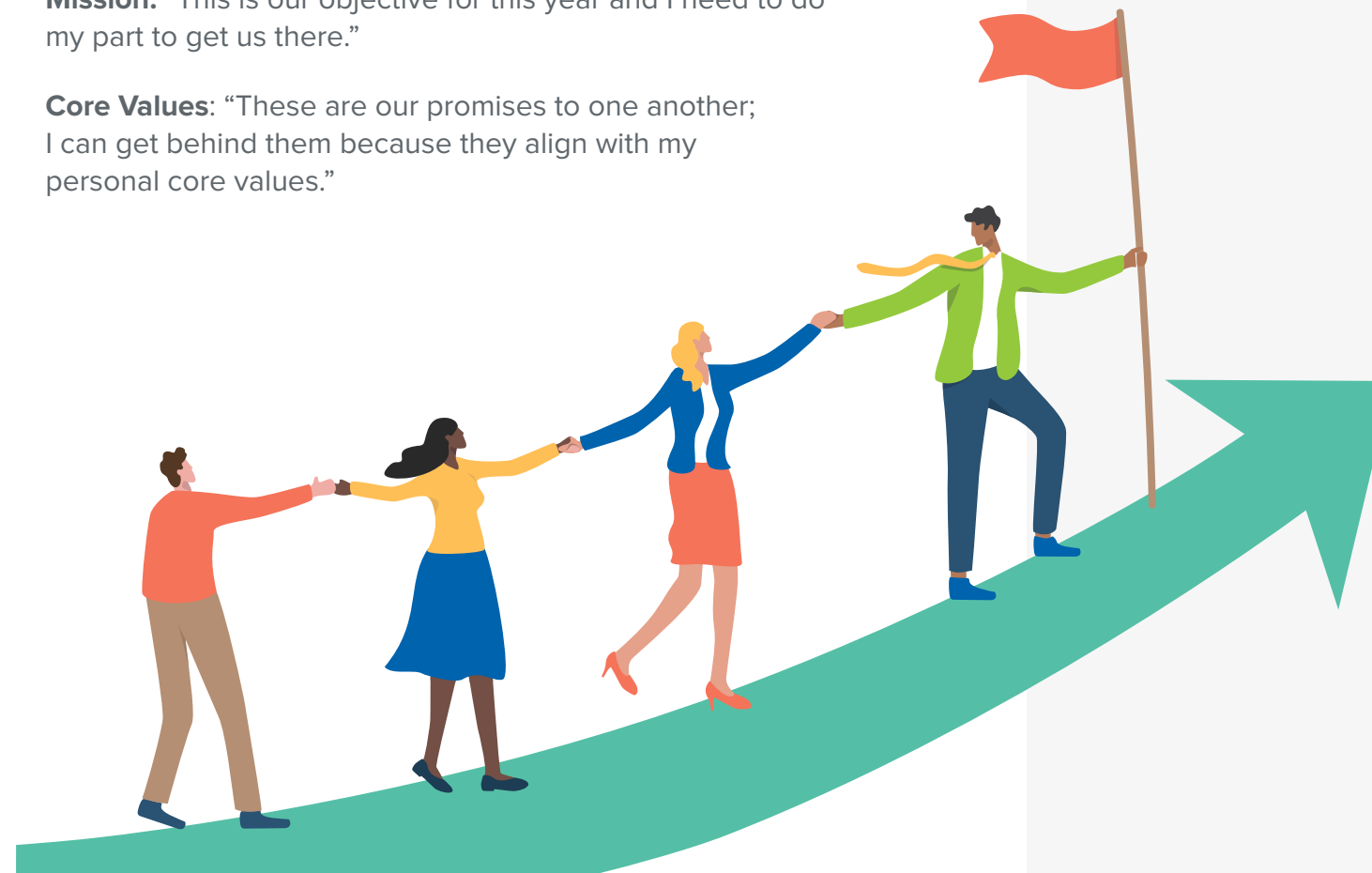
Visualize the Year & Co-Create Plans That Align

It's a lot easier to get where you want to go when everyone is rowing in the same direction.

But, to create the sort of alignment that ensures everyone on your team knows which priorities are the most important to focus on day to day, you first need to have a common destination in sight. This, in a nutshell, is why ambitious goal setting is a key component of employee engagement.

Set S.M.A.R.T. Goals

Where a well-defined company culture makes a great compass that can tell you which way you all want to be heading as a team, setting clear and measurable S.M.A.R.T. goals is how you will know whether or not you're on track to make it to your destination. These goals will also let you know when it's time to celebrate your arrival.

Employees want to be good at their jobs. They want to stand out, celebrate successes, and receive positive feedback for their performance. But, if they don't know which tasks need to be prioritized over others, they'll feel insecure about their

work and spend precious time waffling between the many things that require their attention rather than focusing on what matters most.

Work Together to Create Ownership

Look to your company culture and/or work with your team to create a few (between 1 and 4) primary objectives that you would like to see your business achieve over the course of the next year. These could be anything from "increasing patient referrals," to "adding another operatory," or "keeping to the daily schedule." Whatever your objectives, they should be based on your business' needs and align with your core values.

Once your objectives are defined, have your employees come up with their own set of goals they can work toward to help your team meet your objectives. Having your employees come up with their own goals will help you ensure that they are bought in to seeing them achieved and will help create a natural sense of accountability.

If the goals they come up with miss the mark, help guide the employee to get back on track. Then, work together to define objective Key Performance Indicators (KPI's) or Key Results you can use to measure whether or not the goal was reached and, if not, to help you see how far off you were with your initial projections.

> "Studies have told us forever that frontline employees thrive when they can see how their work aligns to the company's overall goals."

Atticus Tysen
Intuit SVP Product Development

S.M.A.R.T. Goals Are:

Specific - You have to know what and where a target is if you hope to hit it.

Measurable - Look at a specific KPI or set of KPIs to identify where the bar should be placed.

Attainable - Aim high, but not so high as to be unrealistic.

Relevant - Tying your goals to elements of your Company Culture can help them resonate with your team.

Time-bound - Set an end date when you expect the goal to be reached.

> "The art of management lies in the capacity to select from the many activities of seemingly comparable significance the one or two or three that provide leverage well beyond the others and concentrate on them."
>
> Andy Grove
> Former Intel CEO

Communicate Goals & Share Successes

Set the Bar High

Mediocre goals breed mediocrity. And having no goals means your team won't have anything to strive for beyond continuing to collect their regular paychecks.

Aim high when setting goals for your practice in order to give your employees something great to work toward as a team. Holding employees to a high standard of performance based on specific, measurable goals derived from your company's mission, purpose, and core values can actually increase engagement. It's a thrill for a team to reach a milestone together. And your highest performers won't feel engaged if the bar for success is too low or non-existent, or if low performers aren't held accountable for underperforming.

Create a Feedback Loop and Check In Often

Just like "engagement" and "retention" are not things that you "do" to your employees, communication and giving feedback are not things that you do "to" or "at" your team. For many employers, the idea of communicating with team members is not only time consuming, it can be nerve wracking. If this resonates with you, it may be because you are waiting for something to go wrong before you make the decision to "talk to" your employees.

Replacing the concepts of delivering feedback "to" or "at" someone with the idea of communicating "with" your team is probably one of the easiest and most productive shifts in thinking you can make as a leader. This simple switch will make it much easier for you to deliver what you are trying to say in a way that ensures you are heard and that encourages people to follow you.

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Set the expectation for a continuous, transparent feedback loop at your business from the start. Make sure your new team members are prepared and expect to receive praise and coaching from you early and often, and let them know that it is okay to come to you or other leaders with questions or concerns as they come up. Even better, let them know that providing input and critical thinking is required from members of your team and be ready and open to receive that input as it comes.

HR Pro Tip: Scheduling regular one-on-ones can help you develop a healthy feedback loop for your practice. Not only will this give your employees the face time with you that they crave, but it will give you an opportunity to get to know your employees and make them feel seen and heard as individuals. Plus, these meetings will help you identify what motivates each of your employees, what challenges them, and help you learn how to give them recognition and corrective feedback in the ways that they are best able to receive them.

Practice Active Listening When Meeting with Employees

Signs of Active Listening

- Asking questions

- Focused on their response

- Asking for clarification/follow ups

- Eye contact

- Exhibiting patience

- Summarizing what the other person said

- Mirroring body language

Signs of Distracted Listening

- Thinking up your response while they are talking

- Interrupting

- Being easily distracted (don't pull out your phone!)

- Avoiding eye contact

- Closed-off/unwelcoming body language

- Defensiveness

- Responding too quickly

Celebrate Successes

Celebrating wins together may well be the most important part of the goal-setting process when it comes to engagement. This doesn't necessarily mean paying out monetary rewards for every success. Celebration can take many forms, including recognizing employees for their contributions individually or during team meetings, giving out an extra day or a few hours of time off, or just taking a moment to give yourselves a round of applause or do a happy dance – whatever makes sense for your team and helps the role players feel proud of and appreciated for their accomplishments.

Of course, there may come a time when you fall short of your goals. When that happens, you may still be able to find ways to celebrate the effort that went into the process, though you'll also need to identify what went wrong and figure out a way to remove the barriers to success during the next round of goal setting. Engaged employees want to see your business succeed, and that means being willing to take accountability when things don't go to plan.

2. Multiply People

"Being a great place to work is the difference between being a good company and a great company."

Brian Kristofek, President and CEO, Upshot

When we talk about "multiplying your people" we don't mean "increasing the size of your staff". Rather, this section is about helping the people on your team meet and maximize their personal potential.

Identify Difference Makers

Difference Makers are those employees that are enthusiastic, engaged in their work, and accountable to your business goals. They may even bring a set of skills or energy to your office that was missing before they came around. In short, they are the employees that you can trust to get their work done without you having to constantly look over their shoulder and police their performance.

If you're hiring "cultural adds" rather than "cultural fits", every employee at your business has the potential to become a Difference Maker. The trick is learning who is going to be the most successful, engaged, and effective at each task you need accomplished for your business.

Once again, creating a healthy feedback loop is a great way to identify the Difference Makers on your team. After all, if your employees don't feel comfortable coming to you with

their ideas to solve problems, how will you know who has the stand-out ideas? Holding regular one-on-ones with your team can help encourage the development of a healthy feedback loop at your business.

Give Ownership and Stand Back

In the words of venture capitalist and author John Doerr, "Micromanagement is mismanagement."

As an employer, your goal is to maximize the output and performance of your employees, which means that, in some cases, your focus should be more on "what" an employee accomplishes in their role as opposed to "how" they go about getting those things done.

You need a room to be cleaned and sterilized as soon as you complete an appointment. But the approach an employee takes to cleaning that room is less important than seeing that the work gets done effectively and on time.

Of course, process is important and should still be addressed when it has a negative effect on outcomes, your patients or customers, or other employees. But it's important to allow

for flexibility where you can in order to ensure that your employees are able and willing to take ownership of their work and goals.

You absolutely should offer coaching to an employee when a process just isn't working, but you'll want to avoid the temptation to maintain control of every step along the way to achieving a certain goal. The more unnecessary restrictions you put on your employees with respect to how they complete certain tasks, the more likely they will be to start referring all of their small problems back to you or another manager rather than tackling them on their own, and that's bad for a measure-results approach to achieving your goals.

Expect and Inspire Personal Growth and Dreaming

When you can connect your company culture and business goals to your employees' personal aspirations, accountability will take care of itself. Plus, your top performers will be at their highest level of engagement when they believe that you support them both professionally and personally.

Take an interest in your employees as individuals. Ask them about their kids, their pets, how things are going with their move, or whatever else is going on in their lives. Let them know that you want to see them succeed and are willing to help them find a path to realize their personal and professional ambitions. Take an interest in and encourage them to achieve their goals outside of work.* And, when you learn that one of your employees is struggling with something, go to bat for them where you can.

"Going to bat" for your employees doesn't mean you can't have disagreements with your team members. In fact, the ability to disagree and still work together to find solutions to problems is a sign of healthy engagement. What it does mean is that you are able to see your employees as individuals with their own personal wants and needs and can rise up as a leader to help employees meet those needs when you see an opportunity to do so.

Going to bat for your employees can include:

- Offering feedback and praise the way they prefer to receive it
- Recognizing why someone is struggling and identifying ways to help them
- Protecting their time off (not pushing back when they use protected sick time)
- Providing opportunities for them to increase

their skills and grow
- Looking for ways to help them vent and release when the pressure is too much
- When you ask, "Are you OK?", you pay attention to the answer

You can't be expected to inspire your employees or encourage their personal growth if you don't know anything about their aspirations or what's happening in their lives. This is yet one more great reason to schedule and hold regular one-on-ones with your employees.

Finally, to take this idea one step further, set an example for your team of what personal goal setting and achievement looks like. Let your team in on your personal aspirations and share your successes with them when you get there. When your team sees you aim high and hit the mark, it may inspire them to do the same.

*Side note: when an employee has goals outside of work it can be a good sign that this person is ambitious and holds themselves to high standards, which is often a good indicator that they're the type of person you want working for your business!

3. Deliver Results

Organize the Work

It will be easier for your employees to stay motivated when everyone on your team knows they are working on the right things. And, when each of your team members' goals are based on your organization's top-level objectives, it will be easier for your employees to connect the work that they do to the success of your business.

Once you and your team are in alignment with your objectives, divide up the work between your employees. Have each employee identify what they can do in their role to help you achieve your objectives and work with them to set measurable goals in service of those objectives.

Say, for example, that you want to double the number of patient referrals that come in over a given year. Your office manager might want to focus on developing a patient incentive program, your clinical team might look for ways to make your patients more comfortable

during their appointments, and your front desk person could make it their goal to remind every patient to refer someone during each follow-up phone call. There is no one "right way" to reach an objective, and each employee will likely have their own ideas about the best way they can help your team get there.

Again, *make sure your team is involved in coming up with their own goals*. Your employees are likely to be more excited about and invested in programs they helped design, whereas mandates that are given to them from the top down could foster resistance.

Collaborate and Execute on Time

Nothing pushes a team ahead like a clear-cut deadline.

When setting goals for your team, attach a measurable metric (aka, a KPI or Key Result) to a specific deadline. There is no right or wrong timeframe for this — some organizations will opt for quarterly goals, others will

prefer a six-week cycle, while still other businesses will set monthly goals.

Whatever you decide, set your timeframe, stick with it, and check in often with each employee to see whether or not they are on track. If your team is way off the mark, don't be afraid to pivot to another number or metric, or to set a new goal altogether. The idea is to keep your team engaged in working together toward a common objective, so you'll want to avoid crushing their spirits with immovable and unachievable milestones.

When you're doing it right, rather than policing, your job becomes one of cheerleading and removing barriers. If an employee is struggling, see what can be done to help them out, whether that means you helping them to adjust their process or finding another employee who can take on some of their workload. After all, in a culture of engagement, it's important for problem solving to be seen as a team sport rather than a series of siloed and individualized efforts.

> **Again, make sure your team is involved in coming up with their own goals. Your employees are likely to be more excited about and invested in programs they helped design, whereas mandates that are given to them from the top down could foster resistance.**

Hit Your Numbers and Reward Your People

We cannot stress this enough – *recognizing your team for their contributions to your business' success is key to driving employee engagement!*

A rising tide lifts all boats and, when your business is successful, your team should feel the impact of that success, as well.

Celebrate wins, milestones, the completion of special projects, and whatever else you can on the way to meeting your objectives to keep your team engaged and energized. This means making an effort to notice and celebrate the small things in addition to major achievements – that extra effort to meet a deadline, going the extra mile to improve a patient's experience, or going out of the way to help out a coworker. Make recognition frequent, available, and attainable to all of your team members to keep them excited about their work and engaged in working toward your business goals.

Again, this doesn't necessarily mean providing monetary rewards. In fact, the achievement of goals should be kept separate from conversations about compensation. This doesn't mean you can't offer incentives for hitting a goal, but goals are there to support your business and give your team something to work toward together. When you tie meeting goals directly to raises or bonuses, any shortfalls could end up having a negative impact on engagement.

Encourage your team members to support and recognize each other, as well. This could be as simple as asking employees to give other team members "shout outs" for achievements and effort during team meetings, or putting a "Recognition Box" in your break room in which employees can drop kudos to their team members that you share regularly during meetings.

This may seem like a minor concept, but the value of recognition can't be overstated. In fact, according to *Deloitte Review*, "high-recognition companies have 31 percent lower voluntary turnover than companies with poor recognition cultures."
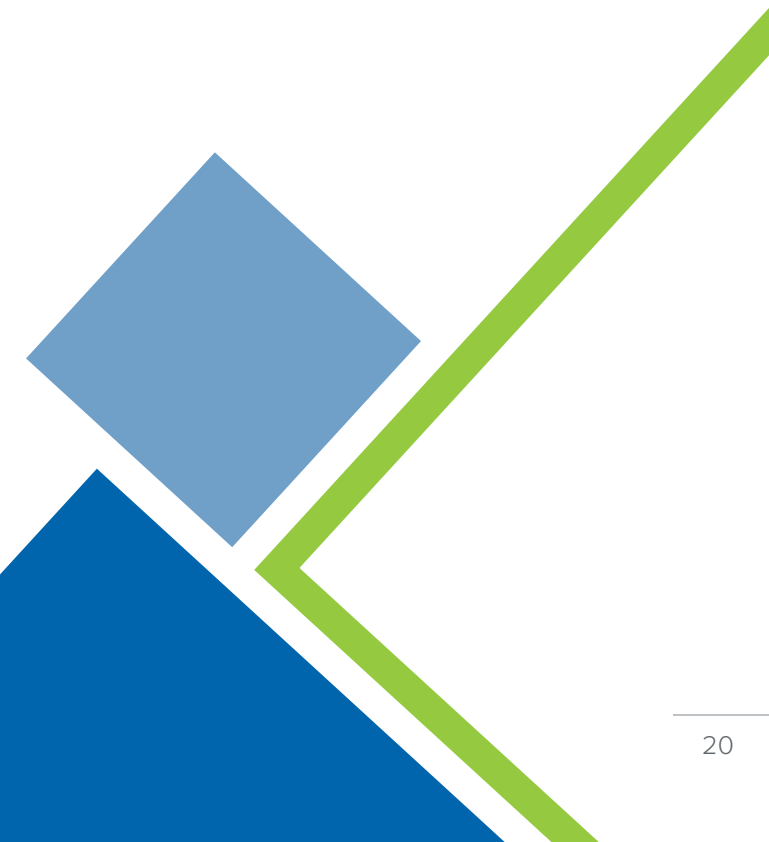
Conclusion

Employees are leaving and/or changing their jobs in record numbers. And, as a result, CEDR's HR Solution Center is fielding an unprecedented number of calls from employers who want to know what they can do to get employees to stay on their payrolls.

It's a problem that's affecting businesses across the country, and many of the employers we work with are struggling with where to start to address the issue. Most are willing to do whatever it takes – raising salaries, offering additional perks and benefits, incentivizing good performance with gifts and rewards – anything they can think of. And, where each of these ideas may provide a boost in employee happiness in the short term, most employers are shocked to learn that *money isn't a primary factor* for the vast majority of employees who resign from their jobs!

Just like you can't pay someone enough money to become a better employee, there is no "magic number" you can offer a disengaged employee that will make them happy in their role and make them good at their job.

The reason most employees give for leaving a company relates, not to compensation, but to *company culture*.

What does this mean for business owners and managers like you? It means that, in order to reduce attrition at your business, the best thing you can do is to focus on keeping employee engagement high, which means building a culture of engagement for your employees and doing all you can to reinforce that culture over time. And the best part is that *defining and adhering to your company culture won't cost you a dime!*

All it takes is a little bit of work up front to define your core values, your purpose, and your mission, along with goal setting and healthy communication to keep your employees connected and accountable. And, with the right tools and leadership, any business owner or manager can take their team from disengaged to Difference Makers, and increased employee retention will be a natural byproduct of that effort.

Great teams need great leaders.

And good leadership starts with knowing that your business is compliant with all of the laws that apply to it. That means having a professionally drafted employee handbook in place, HR experts in your corner, and software to help you maintain solid HR documentation.

If you're a CEDR Member, you're covered.

Not a CEDR Member yet?
Contact us to learn how our HR experts can help you build a stronger team and a better business.

CONTACT US

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CEDR Hiring Guide: How to Find and Attract Difference Makers

Make Working Interview Work: CEDR's Guide to Working Interviews

Job Description Templates from CEDR's HR Experts

CEDR's Difference Maker Toolkit: How to Define Your Ideal Employee

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