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## Why ‘no worries’ isn’t the way to approach engagement

Australia really is the Lucky Country. While Europeans and Americans lose sleep over shrinking growth and rising unemployment, our challenge is how to make the most of a booming economy that is the envy of the world. We shouldn’t let our famous laconic attitude stand in our way.

Australia is currently experiencing the upside of a fundamental shift in the global economy from the developed to the developing world. Thanks to industrialisation, urbanisation and the rise of a new middle class, China, India and most South East Asian countries have an insatiable appetite for minerals, energy, food and fibre.

With our bountiful commodities, strong trading relationships and close proximity, Australia is ideally placed to satisfy these countries. needs for decades to come. It is one of the greatest opportunities in history to transform our economy and build up wealth for future generations. But are we ready for it? Competing countries are already circling our opportunity. Australian businesses need to seize the benefits of the boom by supporting innovation, growing their skilled workforces, attracting investment and increasing productivity.

All these goals require a workplace where employees are engaged and motivated. However, engagement does always not sit well with our national persona.

### Cultural change

A “no worries” philosophy has underpinned the Australian character for decades. While endearing when applied to our home and social lives, at work this casual approach is an obstacle to future growth and we should address it.

After a decade of economic prosperity, it’s not surprising that we have grown complacent. But it is dangerous. While our economy is booming by empirical measures, we are under-performing relative to many other countries when you apply other important indicators.

One example is productivity. Productivity is producing more from less, and we used to be good at it. It enabled us to enjoy better lifestyles, expand our businesses and invest in Australia.s future. But recently, we have neglected it. In the 1980s, our productivity performance was 2.8 percent a year. By 1991-2000, it was 2.1 percent a year, and in the ten years to 2010, it slumped to 1.5 percent a year.

Innovation is another area of concern. Innovation drives economic growth, individual wealth creation and employment. It is our point of difference. Australia will never be able to deliver products as cost effectively as Cambodia or Thailand, Brazil or Bangladesh. But we can leverage our thinking and educational capital to add value to commodities and exploit new technologies that are high value and high margin.

Unfortunately, our innovation performance is poor too. We have slipped from fifth to eighteenth in the World Economic Forum’s Global Competitiveness Index and our R&D spending is growing by just 8 percent a year (China’s is growing by 22 percent).

If these trends continue, they will hinder our growth, send jobs offshore and discourage potential investors. It’s time engagement

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and performance were put on the table as real business issues. We need a fundamental shift in leadership attitudes: “no worries” can last no longer.

## Engage for growth

Many leaders understand the value of people but are challenged by how to relate engagement to performance in terms of financial returns.

Yet there is a clear business case. [A recent study](#) found compelling evidence that engagement is crucial for driving sustained organisational performance. Organisations at the 75th percentile on employee engagement experienced 16 percent greater profitability than organisations at the 25th percentile.

It’s true today’s business environment presents obstacles to leaders hoping to motivate their people to perform better. They include disparate, often globalised, workforces; flatter, less hierarchical structures; and the entry of generation Y into the workforce, with their different expectations around responsibilities and communication. All these impact a leader’s ability to persuade and inspire.

Be assured, it is worth the effort, and can result in multimillion dollar improvements through improved leadership, innovation, engagement and [productivity](#) interventions.

## Steps to Unlock Engagement, Improve Productivity and Lead in a Global Economy

### 1. Link Engagement to Tangible Outcomes

People are a source of competitive advantage, and employee engagement levels can make or break an organisation’s strategy. Approach engagement from a whole of business perspective and relate it directly to productivity improvements and bottom line results. If you treat it as a feel-good exercise to simply boost morale, you’re wasting your time.

### 2. Closely Manage Performance

[Performance management](#) systems have the ability to align individual and organisational performance to drive productivity and business results. Acquire a robust system for managing performance in your business. Invest in a system with inbuilt reporting function that provides transparency surrounding performance metrics. This will give you total visibility of goals, objectives and outcomes achieved from top to bottom and enable you to ensure your talent is focused on the right things and performing at the top of their game.

### 3. Address your Organisational Culture

Many organisations define their vision and strategy without considering whether the existing culture supports the new strategy. The success of executing the strategy is dependent on the culture alignment.

Start by defining your organisational culture, taking into account the needs and future state of the economy. This should set the tone for “the way things are done around here” and the style of leadership you expect. A useful tool is [Johnson and Scholes “Cultural Web”](#); a framework that identifies six interrelated elements that help to make up the pattern of the work environment. These six elements consist of [stories](#), rituals and routines, symbols, organisational structure, control systems, power structures. If you address each of the six factors individually, you begin to understand the bigger picture: what isn’t working, what needs to be changed and what you should stick with.

### 4. Prioritise Leadership Development

Develop core leadership capabilities to support the business strategy and drive high levels of engagement and performance. We believe there are seven distinct levers for building a high-performance culture, including Visioning, Discovery, Collaborative Vision Building, Reengineering, Mindsets and Behaviours, Embedding, and Evaluating. [Leadership](#) and people drive all seven of these levers. We also know that people perform and act according to what they THINK their leader cares about.

### 5. Track and Measure Outcomes

Incorporate key human capital metrics into your business scorecard.

Start the discipline of being able to quantify gains and improvements made on the people front. It can be challenging to put a value on human capital – but potential value buckets can include the dollar value attributed to increased productivity and cost-savings associated with improved [retention](#).

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