

EVERYONE WANTS TO FEEL VALUED AT WORK

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December 11, 2014 By Ro Gorell

We measure our self-worth by how much we get paid – ‘People go to work for money and feeling valued is often about financial reward.’ A point of view shared by Lucie Carrington, writing in The Sunday Telegraph’s supplement on Employee Engagement in 2011. True, to a certain extent. BUT we also have a need for recognition for who we are e.g. our personal qualities and what difference we make – which isn’t usually about money.

At the time the UK was experiencing a slight up-turn in the economy, and businesses were starting to pay bonuses again which, according to Carrington, was to stave off fear of attrition caused by pay freezes and itchy feet.

It’s not surprising that in an economy that has seen many organisations instigating pay freezes the focus should turn to employee engagement. The transactional nature of the employer/employee relationship rears its head in times of uncertainty and perceived scarcity.

What Really Does Make People Feel Valued?

I'm going to revisit one of the theories I learnt many years ago on motivation. The one that fits the bill is that of Frederick Herzberg – his Two-Factor theory looks at:

Motivation: gives positive satisfaction – challenging work, recognition, responsibility

Hygiene Factors: not in themselves motivators but their absence become demotivators – job security, salary, fringe benefits

Looking at an uncertain economic situation it's easy to see why wage freezes and job security lead to reduced employee engagement in the context of this theory. After all, if you're being paid less and not feeling sure about the future basis of your employment you're less likely to be inclined to take on challenging work and shoulder responsibility. It makes sense that there's a dip in engagement because these two hygiene factors are absent.

Paying people bonuses has a transitory positive effect because it offsets some of the need to meet the hygiene factor about money. But, if job security is missing, motivation will still be low.

It's not an either/or type equation. Balance, like most things in life, is the name of the game. If your business decides to freeze pay and cut benefits then at a subliminal level the message it sends out to employees is: we don't value you (not the job you do) as much.

If you as an employee perceive that others are receiving more positive treatment you feel aggrieved i.e. the comparison factor kicks in. Home goal to businesses who have found themselves in this unenviable position because they are undermining two key facets of human psychology – feeling you make a difference and a sense of fair play.

Add to this heady mixture the **change agenda** – usually the big type of change that has people quaking in their boots – you have a heady mixture for employees not feeling valued, sensing a lack of equity and bags of uncertainty. Not exactly going to get employees engaged is it?

The pay cut/freeze change agenda

So, back to the question in hand, how can you reduce the effects of the hygiene factors so that employees feel valued when a business is faced with the ‘We need to freeze/cut pay’ dilemma. Here’s my starter for 10, based on personal experience and a huge amount of research. It’s not rocket science and I’m open to different views:

Create Transparency and Reduce Uncertainty.

Pay freezes should have time frames on them and should be transparent in how they are applied – preferably no weasel get out clauses for the favoured few e.g. making up salary loss with expenses! (Remember back in the UK when the MPs expenses scandal erupted? The excuse given at the time was that MPs’ expenses were claimed for lots of ‘non essential’ items because their salaries were too low?)

Identify clear costs and benefits.

Recognition by managers, Leaders and C-suite execs that productivity may well take a dip because motivation WILL be affected by it. Kidding yourself that this will not have an impact on the bottom line is blind stupidity. A fully thought through commercial plan looking at tangible and intangible cost/benefits should be carried out BEFORE the decision is made, to understand the real impact of freezing/cutting pay. The commercial rationale has to stack up.

Treat Employees Like Adults.

Ask employees for their thoughts – you have a pool of highly talented employees who understand how their jobs work day to day better than you do. Find out from them what productivity measures they can come up with to help the business find alternatives – you might be surprised with the results.

Explain why cash flow matters.

Doing a cash flow reality check is part of running a business – and this is a massive issue for some businesses. (Trust me, when you run your own business you constantly carry the mantra “Cash is King” in your psyche.) BUT, it still doesn’t mean that you don’t have to treat any pay freeze/cut with a ‘that’s the way it is’ attitude. Explain what it means so that employees understand why you’re taking this measure. And explain in words they will understand. Always be mindful that cashflow is a today problem that you and your employees can work on together – freezing pay will be a ‘from today’ problem if handled badly.

Job Satisfaction, Doing Meaningful Work, Being Valued for Who You Are

Few of us have the luxury of not having to swap our time for money i.e. work! And this, for me, is at the heart of employee engagement. How would you answer the following question?

On a scale of 1 -10 how likely is it that you would you continue doing what you are doing if you didn’t have to earn money? (1= ‘definitely wouldn’t be spending my time doing this’ and 10 = ‘absolutely would be spending my time doing what I’m doing’.)

We all want to feel we are doing meaningful things with our time. And this is at the heart of the question. Is what you are doing meaningful to you?

Engaged employees feel valued for who they are and feel that they make a difference doing the job they do. Discretionary effort flows and performance follows suit.

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