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## Employee engagement critical when economy a challenge

“Why should we care if employees are happy? We’re in a recession. Shouldn’t they be thankful to have jobs?” That’s the attitude some employers may have in the current economic climate.

But while fear can certainly be a motivator, disengaged employees may still underperform during a recession. Add job insecurity to the mix and some employees may be running for the exits, according to a study of 800 working Canadians conducted by Paul Fairlie Consulting.

### Meaningful work is effective work

Employees may try to be more effective in a bid to keep their jobs, but a lack of certain job characteristics may keep them from doing so.

In the study, employees saw themselves as being most effective when they had variety, control, clear feedback, recognition and a significant impact on other people and things. These five must-haves of meaningful work were more strongly linked to effectiveness than perceptions of supervisors, co-workers and pay levels. Even good work processes and communications, which are engineered to increase effectiveness, did not make employees feel as effective as having meaningful work.

Having a job with significant impact was critical. When this was high, employees reported 1.6 times more effectiveness than when it was moderate, and almost three times more than when it was low.

Who felt the most effective? Employees in jobs with high significance and clear feedback — almost four times more effective.

In short, employees may stick around and work hard in a down economy. But despite their best efforts, a lack of meaningful work can still hamper their performance.

### Job insecurity... how depressing

Employers may think employees are scared into performing well when their jobs are at stake. In fact, their performance may suffer due to mood problems.

When job security was at its lowest, the average employee reported 11 days of depression and 15 days of anxiety per month. This is compared to only three days for



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both problems when job security was highest.

Depressed employees are unproductive. They have trouble with concentration, memory, multi-tasking, decision-making and learning. They also lose interest in their work.

Depressed workers also lack positive affect, a trait that helps them to generate creative, flexible and integrative ideas. Without this, excellence and innovation are impossible. Ironically, many companies are focusing on innovation in order to hit the ground running post-recession. Not surprisingly, positive affect is also linked to performance — the “happy, productive worker” effect.

### Job security and retention

This may come as a surprise but less secure employees may be more likely to quit.

Among employees in the lowest quartile for job security, only 26 per cent agreed they truly belonged in their organization — compared to 90 per cent in the highest quartile. Similarly, only 62 per cent in the lowest quartile agreed they did not currently intend to quit their job while a whopping 94 per cent agreed in the highest quartile.

How do employers make sense of this? Perhaps employees who expect the axe to fall already see themselves as outsiders. They may look for new jobs as a pre-emptive strike and beat their employers to the punch. Employers might not expect employees to quit in a weak job market but job availability has little impact on quitting. It may be once employees start looking for jobs to replace the ones they expect to lose, they discover opportunities that were pre-

viously unknown to them, including recession-proof jobs.

Not everyone is going to leave because of job security but it’s important to consider who might. Highly valued employees with strong, transferrable skills get anxious and insecure, too. When they look for new work, they’re more likely to find it. It doesn’t matter whether an organization is actually planning to downsize. It is employee expectations, not reality, that drive these effects.

### Tips for employers

**Re-tool jobs and workplaces to be more meaningful:** Don’t assume meaningfulness is inherent only in certain jobs. Most jobs can be imbued with more variety, control, feedback, recognition and significant impact. Ensure these things are widespread prior to downturns. During downturns (and cutbacks), remember that feedback and recognition are free.

**Communicate:** Re-communicate the meaningfulness of people’s jobs and the organization in general. It may already be there, but not obvious. This is helpful in downturns when job redesign is unfeasible.

**Conduct employee surveys in unstable times:** The answers could reveal a lot about employee perceptions when engagement and focus are most needed (and most compromised).

**Advertise EAPs:** Encourage employees to use employee assistance programs (EAPs), if available. EAPs can help employees cope with mood problems that affect performance.

**Manage employee feelings of job insecurity:** If jobs are secure, give compelling proof. If you’re not sure, communicate a plan for weathering the storm and perhaps even thriving. Engage employees in carrying out the plan. Structure this involvement to be high in the five must-haves of meaningful work. Proactivity and direction are more engaging in unstable times than complacency and lack of information.

*Paul Fairlie is president and CEO of Paul Fairlie Consulting, a Toronto-based research and consulting firm that helps employers create meaningful and healthy workplaces. He can be reached at [pfairlie@paulfairlieconsulting.com](mailto:pfairlie@paulfairlieconsulting.com).*