

STRENGTHS-BASED ENGAGEMENT: IS YOUR ORGANIZATION ATTEMPTING TO ENGAGE AVERAGE OR MARGINAL PERFORMERS AT THE EXPENSE OF YOUR TOP ACHIEVERS?

The senior leaders of a national sales organization complained about their rampant turnover of account managers, as well as marginal sales performance across locations. They called upon human resources to create a myriad of programs and projects to bolster the competencies, skills and morale throughout the organization in order to increase engagement, reduce turnover and maximize sales. They enticed sales managers to spend extra time in the field working with struggling account managers. These managers received additional incentives when their people met their objectives. After a year, location performance only improved sporadically; turnover was still excessive, sales were still soft and the organization's leadership now realized they were turning over an increasing proportion of their higher-producing account managers.

A prerequisite of any great company is its ability to leverage and engage its most valued asset—highly talented and productive people. Great leaders recognize this and are keen to provide their top performers the unique support, encouragement and incentives to secure their engagement, increase retention and capture even higher levels of performance. It is widely understood that the most engaged teams are the most productive, yet within each team there is a possible variance with respect to the team members' engagement.

Diversity is inherent in any team or work unit—not only with demographics, but also with differing talents, skills, experiences, attitudes and ultimately, performance. There is a range of individual performance within every role, team and organization. Likewise, there is a range of individual engagement within every team. For instance, within any sales

force, there are top, average and perhaps even struggling salespersons and within this same group, there are differing levels of engagement.

Is engagement proportional to performance? One would like to think so. However, if organizations simply apply broad and universal engagement initiatives, they may miss the needs of top performers. By ignoring these needs, any engagement effort will be either remedial or diluted because the focus will shift to average or marginal performers.

CASE STUDIES

Kenexa has begun to study the relationship between talent, individual engagement and personal performance. A sample of research outcomes is provided in Table 1. This table consists of selected items from four survey/performance studies of different types of retail oriented companies. The samples consist of more than 480 participants whose individual engagement was compared to their measured performance (metrics and rank were provided by each organization). The actual engagement studies had a differing number of items per survey and the table represents items that were identical and tracked over the four surveys.

At first glance, one can cite certain positive correlations between engagement and performance. However, there is not a consistent relationship between the two variables, suggesting that some organizations do not maximize all levels of engagement with top performers. Some items carried a negative correlation, meaning top performers tend to score lower than average or weak performers. This trend was consistent across all four samples. For example, restaurant general managers (n=89) were ranked by performance and

TABLE 1. CORRELATION (RELATIONSHIP OF ENGAGEMENT AND PERFORMANCE AMONG FOUR RETAIL/RESTAURANT COMPANIES)

Engagement Item	Restaurant General Manager Performance n=89	Retail Sales Representative Performance (Jewelry) n=169	Retail Sales Representative Performance (Furniture) n=191	Retail Franchise Performance (Convenience Store) n=36
Extremely satisfied with work	+0.046	+0.052	+0.086	+0.114
Gladly refer friend/family to company	+0.040	(0.063)	+0.011	+0.190
Rarely think about a new job	+0.276**	+0.068	+0.107	(0.008)
Have close friends at work	+0.215	N/A	N/A	+0.137
Receive information necessary	(0.127)	N/A	+0.109	(0.308)
Regularly receive recognition for good work	(0.032)	(0.052)	+0.016	+0.049
Engagement Aggregate	+0.024 (41 items)	(0.055) (15 items)	+0.066 (25 items)	+0.093 (42 items)

**p<.01

then grouped into performance quartiles. Initially, the higher performing general managers indicated stronger levels of engagement across the three primary engagement items (see Figure 1). However, this positive trend does not sustain itself and indications of an inverse relationship between engagement and performance emerge (see Figure 2).

FIGURE 1: RESTAURANT MANAGERS—PERFORMANCE QUARTILE (BASED ON PERFORMANCE RANK) TO ENGAGEMENT (SURVEY ITEMS)

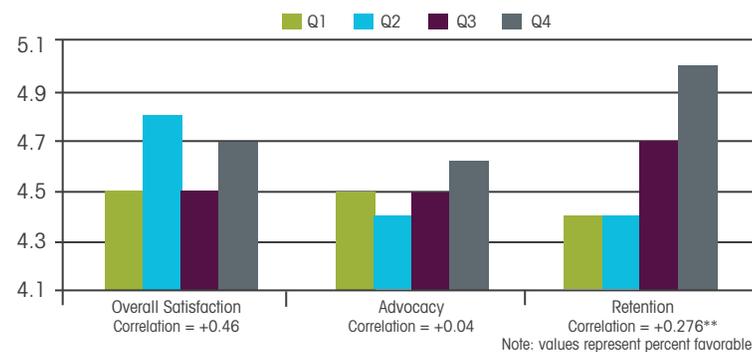
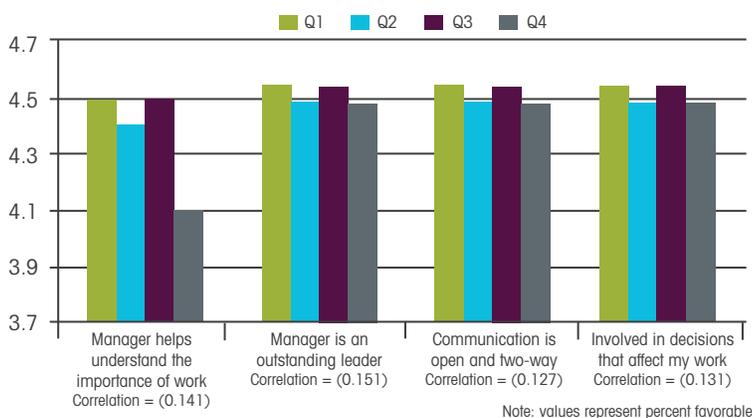


FIGURE 2: RESTAURANT MANAGERS—PERFORMANCE QUARTILE TO NEGATIVE CORRELATED ENGAGEMENT ITEMS



Less successful general managers were more involved in decisions, more likely to feel the company had honest two-way communication and had more positive feelings about their manager. Even though the highest performing general managers had some corresponding indicators of stronger engagement, there are many examples where the reverse was true. This could be because these engagement items had little influence or meaning in differentiating performance or it could signify that stronger performers may not be receiving appropriate or adequate support.

Effective leaders and managers need to consider whether their efforts to engage and support their staff are allocated in the areas where they can provide the greatest return (performance). Attempting to engage the less successful at the expense of the stronger performers will likely produce mediocre results. Great companies direct engagement in proportion to the productivity of teams and with the productivity of the individuals within these teams.

After further consultation and analysis, it was determined that top performing account managers were actually less engaged than marginal performers. Top performers felt undervalued and under-appreciated since the initial support effort was not focused on their needs, but on the needs of the struggling and poorer performers in the organization. The organization was not investing in them, other than simply increasing their sales quota each year. Senior leaders and human resources managers collectively met with top performing account managers and not only discussed their organizational/team engagement results, but took their ideas and created engagement and developmental plans around the needs of their top-producing account managers. ■

www.kenexa.com
contactus@kenexa.com