



Employee Engagement

Managers as Mentors:
The Real Key To Employee Engagement
(and Profit Growth)

Enterprise Leaders Worldwide
www.enterpriseleaders.com

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There is an ancient Chinese proverb which says, *man with sour face should not open shop*.

Even thousands of years ago, the link between engaged employees... happy repeat and referral customers... and increased revenues and profits was clearly understood.

Today, the understanding of that connection between *people* and *profit* has moved on considerably, but the conclusion is the same — happy, passionate and engaged employees are key drivers in revenue and profit growth.

Most CEOs, senior executives and HR professionals recognize the link between people and profit — and clearly understand that when employees are connected to their company at an emotional and intellectual level (through their hearts and minds), they consistently work and perform at a higher standard.

More importantly, higher levels of employee engagement leads *directly* and *indirectly* to higher levels of revenue and profit growth.

Building on the good work of ancient Chinese philosophers, leading HR consultancies around the world (including Towers Perrin, The Gallup Organization, Hewitt, Hay Group, CLC, DDI and Blessing White) have proved conclusively that engaged, passionate and motivated employees positively impact



A happy and engaged shopkeeper—connects with customers, and drives revenue and profit growth

bottom-line results.

A quick 'Google' on *Employee Engagement* on the internet will reveal endless statistics, but here are just three from ISR, a Chicago based HR research firm which studied the engagement of 664,000 employees from 71 companies around the world. ISR found:

- **Operating income** was up 19.2 percent in high engaged companies versus a decline of 32.7 percent in low engaged companies.
- 13.2 percent improvement in **net income growth** over a one-year period for companies with high employee engagement.
- 27.8 percent improvement in **EPS** growth in companies with high engagement.

Clearly though, not every employee or



The link between engaged employees, happy repeat and referral customers, and revenue and profit growth is conclusive.

manager in an organization is engaged.

In fact, the most commonly cited statistic (by Gallup) states that only 29% of employees are engaged, and have a feeling of passion and pride in their work and a desire to go the extra mile for their customers and company.

Middlemen and Women

Gallup's extensive research suggests that close to 60% of employees are *not-engaged*. They are the middlemen and women who neither over perform nor under perform, but turn up each day to work. They do a job which is OK, but not at a level of excellence which is needed to make the organization world class, or have a dramatic positive impact on its bottom-line profits. The real opportunity for profit growth in any company comes from helping *not-engaged* employees become *engaged*.

Actively Disengaged Employees

More shockingly, Gallup suggests that as many as 17% of employees are *actively-disengaged*, undoing the good work of engaged employees, sapping morale and spreading toxic



Statistics suggest that around 20% of employees are actively disengaged

energy throughout the organization.

In a football team of 11 players, that is nearly 2 players who are damaging the team's performance.

What team could ever win with two toxic employees on board hampering its performance?

In your own organization, you may be able to divide your staff into the same three categories. The percentages may differ a little, but it is likely that you will have employees who are *engaged*, *not-engaged* and *actively disengaged*.

The Importance of Managers on Employee Engagement

It's widely accepted that the greatest impact on whether an employee is engaged or not, comes from their relationship with their direct line-manager.

The greatest impact on the line-manager's level of engagement, comes from their own higher-level manager who sits above them. This manager/higher-level manager relationship carries on throughout the organization all the way up to the CEO's office.

It goes without saying, you will forever struggle to have fully engaged employees unless you have fully engaged managers.

According to Gallup, a disengaged manager is 3 times as likely to have disengaged employees working for them, than an engaged manager.

Research and one's own personal experience suggests that the impact managers have on the morale, performance and engagement of employees has a larger bearing on an employee's attitude, commitment and drive than any other single influence in the organization.

It is that linkage between line-manager/

employee (and line-manager/higher-level manager) that we focus on at Enterprise Leaders Worldwide.

For there to be engagement in your company, there has to be a two-way relationship, a bond and an understanding between managers and employees, at whatever level they are in your organisation.

Unlike in personal relationships between friends and family where the connection evolves naturally, business relationships require a degree of framework, and a common language, so the employee has a better understanding of the company, and feels more involved in it.

Turn Your Managers into Mentors

The most effective way to create this relationship is for your managers to become mentors to their employees and proactively involve them in your business.

This is something the ancient Chinese also understood, in the proverb, *'Tell me and I will forget; Show me and I may remember; Involve me and I will understand.'*

At Enterprise Leaders Worldwide we provide you with the *tools* and *strategies* to allow



Managers have the biggest single impact on the engagement levels of employees. Mentoring allows managers to connect (and engage) with employees at a deeper level.

your managers to involve your employees in your business at a deeper level, ultimately creating a stronger connection between your employees, managers and company as a whole.

Our scalable 7-step 'Enterprise-Wide Mentoring Programme' allows you to shine a spotlight on your employees and managers, helping you to profitably engage with them — at a time and pace which suits you, and at a level of investment which is affordable for any sized company.



Proven 7-Step Approach to Employee Engagement

As Richard Hammonds, MD and Chairman of a 700 strong manufacturing and retail company said of his employees and managers after using our Enterprise-wide Mentoring Programme, *"The best way of describing it is, they are awakened to an opportunity that they could never see before and it is very difficult to describe but they become alive and alert, they're different people from a business perspective."*

Richard Hammond's company saw an immediate 20% increase in its revenue as a result of his managers becoming mentors.

Start with an introductory telephone call...

To arrange a one-to-one private telephone session, and explore how turning your own managers into mentors could grow your revenues and profits, simply call us on +44 (0)207 558 8017 and ask to speak to Richard Parkes Cordock. Alternatively, start by downloading a copy of our FREE book (*People Upgrade*) from www.enterpriseleaders.com.