



Success. Mapped.

A photograph of a woman with long brown hair, wearing a blue t-shirt with a white graphic, smiling as she works with a young boy. They are both wearing blue gloves and are focused on a task. In the background, another person in a blue shirt is visible, and the setting appears to be an outdoor area with a building and a car in the distance. A large, semi-transparent blue circle is overlaid on the bottom half of the image, containing the text.

How to engage employees when facing change and uncertainty

Lessons learnt from a leading Australian NFP

Context and purpose

In a time of great change and uncertainty, what practical steps can an executive team take to maintain and enhance employee engagement?

Employee engagement is never more important than when an organisation is facing challenges to its very survival and needs its employees to get behind the actions that will enable the organisation to survive and prosper.

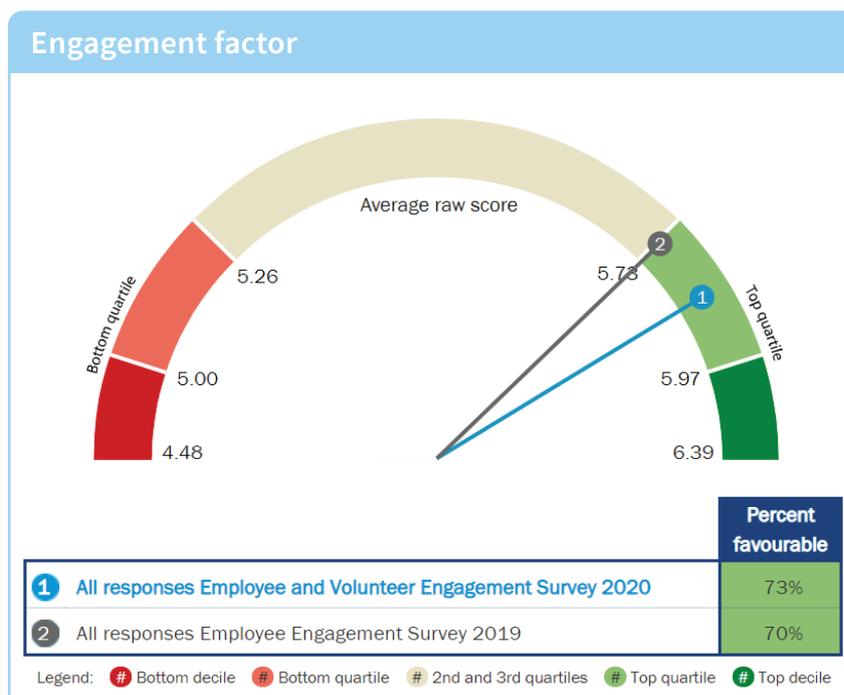
This case study details how a leading Australian not-for-profit organisation addressed major challenges – not only having to deal with the impact of the COVID-19 pandemic, but also having to manage significant sustainability challenges, whilst dealing with rapidly increasing costs at a time when revenues were not rising at the same rate.

And these are just two examples. There is no shortage of challenges in areas such as managing multiple services, promoting diversity and inclusion, becoming more consumer-centric, developing and integrating the required technology support, communicating across a widely dispersed workforce, and retaining and developing staff, to name just a few more.

In this extremely challenging environment, this organisation was able to not only maintain but increase employee engagement. Employee engagement was measured at 73% (in the top quartile of Insync’s NFP benchmark) in July 2020, right in the midst of the pandemic. This was up from 70% in 2019.

Key indicators of improvement included:

- Being proud to work for the organisation increased from 86% to 90% (top quartile)
- Job satisfaction increased from 80% to 83% (top decile)
- Willingness to recommend the organisation as a workplace increased from 79% to 82% (top decile)
- The response rate to the survey increased from 72% to 76% – indicating commitment to the organisation and confidence that responses would remain confidential and be acted upon.



What made the difference?

The organisation's Chief Executive Officer and Director of People and Culture were invited to reflect on what their organisation has done to achieve these great results.

The name of the organisation is being kept confidential, but if anyone would like to discuss the lessons in greater detail, we will be happy to facilitate this.

An organisation's employee engagement is affected by hundreds of interactions that take place daily – in both a vertical (manager to team member) and horizontal (peer to peer) direction. Every single interaction affects the drivers of engagement in some way – either slightly enhancing or detracting from relationships (having a sense of belonging and connection), autonomy (feeling that you have sufficient control of your work), mastery (being challenged, using/developing your skills and having a sense of accomplishment) and purpose (experiencing meaning, feeling that you are making a positive difference in the world).

These ever-occurring interactions mean engagement (like everything else in life) is not entirely predictable, and that relating causes to effects is not a simple matter. There is some uncertainty in figuring out which actions made the greatest impact.

Notwithstanding this complexity, this organisation has been able to distil five key factors that it believes have made a big difference to its ability to engage their employees. These are:

- 1. A clear and engaging direction for the organisation**
- 2. A united and diverse leadership team (top three levels of the organisation)**
- 3. A transparent and authentic approach to managing change**
- 4. A big focus on workplace wellbeing**
- 5. A consistent and ongoing effort to improve communication**



1. A clear and engaging direction for the organisation

Indicators:

- Our senior leadership team has a vision for our organisation that inspires me – increased from 58% to 65% (top decile)
- Our organisation has a clear set of organisational values and behaviours that guide my everyday actions – increased from 72% to 76% (top quartile)

With the advent of a new CEO just over 18 months ago, the organisation spent a lot of time re-evaluating where it was going and what it wanted to achieve.

Critically, the leaders did not rush the process, giving them plenty of time to consult staff. They were well aware that trying to rush sometimes ends up taking twice as long.

They started with fundamental questions such as “What will welfare look like in the 21st century?” There was an enormous amount of dialogue with employees in small groups and in workshops to ensure that many different views were heard and considered.

There are at least five notable features of this organisation’s strategic plan:

- The vision, purpose and values are clearly congruent with each other (they fit together comfortably and reinforce each other rather than rub up against each other)
- It combines (a) delivering positive outcomes with those in need (welfare) and (b) creating a fairer society so that there will be fewer people in need in the future (advocacy)

- There are fresh and engaging ideas and words that came out of employee consultation
- It’s inspiring yet achievable (for example, the vision is to have a just and fair society where everyone can thrive. It doesn’t mean that everyone will thrive, because people will make their own choices and poor choices will naturally have adverse consequences. But the vision is that no one should be held back unfairly and denied the opportunity to thrive.)
- They examined the implications of the plan in great detail with team members – how will this plan affect your role, what will it look like for your team, what does this mean for you?

The end result was summarised on a single page for ease and clarity of communication and understanding.

A slightly modified version is shown overleaf.

1. A clear and engaging direction for the organisation (cont.)

<p>Our vision</p>	<p>We believe in a just and fair society where everyone can thrive</p>
<p>Our purpose</p>	<p>To drive positive outcomes with those in need...[<i>welfare</i>] ...and to challenge barriers to thriving [<i>advocacy</i>]</p>
<p>Our strategies (see Appendix for more detail)</p>	<ul style="list-style-type: none"> • Integrated person-centred approach • Advocacy and prevention • Exceptional people • Learning from and supporting Aboriginal people • Challenging how we do things: innovation, technology and continuous improvement • Financial sustainability and philanthropy
<p>Our values</p>	<ul style="list-style-type: none"> • All About People – we show respect and compassion, placing people at the heart • Focused on Strengths – we believe in and amplify the strength of people and communities • Fiercely Inclusive – we make sure everyone can belong • Trusted Partners – we walk alongside and inspire trust • Curious & Creative – we seek new ways to do better • Gutsy & Courageous – we tackle difficult issues, speak up and take action, even when it's hard

2. A united and diverse leadership team

Indicators:

Leaders in the top three organisational levels (over 50 respondents) are very highly engaged and are in the top decile of the benchmark:

- 98% are proud to be working for the organisation (up from 96% in 2019)
- 91% are satisfied with their jobs (up from 89% in 2019)
- 96% would recommend the organisation as a workplace to others (up from 93% in 2019)

These highly engaged leaders are in turn setting a great example for the people reporting to them and helping to create an environment where others will feel a sense of commitment to the organisation and will strive to see it succeed.

There is good continuity in the senior leadership ranks, which is underpinned by good succession planning. Some key roles, including that of the CEO, have been filled by internal candidates. This helps to create a sense of continuity and confidence. It helps to reinforce the desired cultural attributes and to foster trust between team members and senior leadership. Where there is good continuity, senior leaders understand the organisation's ethos, have strong internal networks and know how to get things done within their organisation's unique context.

While the senior leadership team must be squarely united behind the organisation's vision and values without exception, diversity of thought regarding how to respond to the changing environment, how to innovate and how to achieve the organisation's stated goals is to be welcomed. This organisation

has different personalities in the leadership team (as is to be expected and valued) and therefore has a certain amount of creative tension that allows for issues to be debated from different viewpoints. They also have agreed ways for dealing with, and resolving, disagreements constructively, using the ideas of people such as Linda A. Hill (Collective Genius).

Importantly, all the leaders see themselves as part of the greater good. They are firmly committed to the organisation's direction and values. There is no tolerance for rogues (dishonest or unprincipled people). Unfortunately, the leadership teams in some organisations are severely undermined when one or two members are dishonest or unprincipled, and seek to undermine their colleagues or don't hide the fact that they are cynical about what the organisation is trying to achieve.

This phenomenon is not as unusual as we might hope or expect and it plays havoc with employee engagement. Part of this organisation's success is explained by the fact that it is not undermined by any senior leaders who put their own interests ahead of the collective interest.

“ **Importantly, all the leaders see themselves as part of the greater good. They are firmly committed to the organisation's direction and values. There is no tolerance for rogues.** ”

3. A transparent and authentic approach to managing change

Indicators:

- My manager ensures that all employees have the same opportunity to be heard – increased from 71% to 78% (custom item, not benchmarked)
- I have a strong sense of belonging to our organisation – stayed consistent at 64% (top quartile)

Not too long before conducting its employee engagement survey, the organisation had to manage a difficult change process. It involved a major restructure of roles within the organisation whereby more than half the roles in the organisation were reclassified at a lower level than previously.

The impact of this was that numerous people had their wages frozen for future years (to bring them back in line with the new classification). This painful exercise was driven by an imperative to match flat funding levels with increasing wage levels under the equal remuneration order.

The leadership team thought that implementing this change could have a negative impact on engagement. However, as previously shown, engagement actually improved slightly. How can one explain this?

The way in which the change process was managed seems to have made a big difference. The leadership team was very open and transparent. Leaders were genuinely committed to acting in the best interests of employees and of the organisation. Employees seemed to genuinely feel that their leaders were acting in their best interests.

The leadership team managed the change process in the following ways:

- They made it very clear why change was necessary – they showed very clearly how rising costs and flat funding were unsustainable. They didn't hide or massage information

- They did their best to increase funding levels as the first resolution to the challenge, rather than manage wages downwards – engaging in very strong public advocacy that was visible to employees to have funding levels increased
- They were very clear about the process that was being followed and how decisions would be made. Keeping jobs was a priority. They also sought to minimise harm to individuals. They consulted widely. A menu of options were provided to reduce costs in a way that was most suitable for individuals (e.g. reduced working hours, working nine days per fortnight, extended annual leave, etc). In the end, there were no cuts made to current wages; rather, in relevant cases, wages were frozen and employees who were affected understood that wages in those roles would not increase in the foreseeable future.

The crucial component when managing change is trust. The leadership team must trust team members to act constructively when all the relevant information is presented to them with authenticity and transparency.

On the flip side, team members need to trust that the leadership team is genuinely managing a difficult situation in order to achieve the best outcome for them, and for the organisation and its clients. Trust like this takes a long time to build and only a short time to break down when leaders don't demonstrate integrity. But this trust is the glue that helps the organisation manage through difficult times.

4. A big focus on workplace wellbeing

Indicators:

- I look forward to coming to work each day – increased from 69% to 73% (top quartile)
- The person I report to is interested in my job satisfaction – increased from 76% to 77% (top decile)
- Our organisation capitalises on the potential of all its people regardless of gender, ethnicity or disability – increased from 73% to 80% (top decile)
- Our organisation cares about and is committed to me – increased from 52% to 56% (top quartile)

Two of the organisation's six strategies relate to people:

- **Exceptional people** – We will attract, develop and retain exceptional people from diverse backgrounds who are curious, creative, gutsy and courageous. We recognise that everyone is different, we will build on our strengths and be proud of our impact. We will be high-performing and fiercely inclusive, where everyone is connected and can be heard.
- **Learning from and supporting Aboriginal people** – We will work to ensure our services are inclusive of all people. We are starting this work by committing to a Reconciliation Action Plan, to ensure our services are culturally appropriate for Aboriginal people, as clients and staff members.

The organisation places a very high priority on diversity and inclusion, and goes to great lengths to make people feel welcome and accepted. A good example of this is the onboarding process. The organisation has invested in cost-effective technology that allows it to manage the onboarding process exceptionally well. Onboarding extends over three to four months. The onboarding process includes:

- Before the new employee starts, the line manager gets a sample text that they can edit and send to the new employee: *Dear Mary, we are so glad to have you coming on board tomorrow. Our office opens at 8.30 am. Jane at reception knows you will be coming in. Just so you know, our dress code is...You can park... By the way, what's your favourite snack...*

- When the person arrives, their desk, technology (including log-ins) and other required resources are all ready, together with a sign welcoming the person to the organisation
- In the afternoon, the manager catches up with them to see how they are going and enjoys a snack with them (this is what they previously indicated they liked)
- The workflow also prompts the new employee on which learning tasks and resources should be prioritised, while giving them flexibility to fit it in with their schedule.

In addition, the CEO makes a point of calling each new starter to personally welcome them to the organisation. This is no small commitment in an organisation with well over 500 people. He has a brief discussion with them to learn a bit about them, discuss their role and talk about how they will contribute to the organisation's vision and purpose. If they can't take the call, he will simply leave a brief voice message of welcome and say that he looks forward to meeting them when the opportunity arises.

Embracing new starters in this way sets the tone for their employment experience. The examples above show how an organisation can show genuine care and appreciation for employees (which employees in turn value and appreciate greatly) in an efficient and effective way, without needing to spend a lot of money.

5. A consistent and ongoing effort to improve communication

Indicators

- Information is openly shared in my team – increased from 69% to 70% (top quartile)
- Our culture encourages me to openly and freely express myself – increased from 62% to 67% (custom item, not benchmarked)
- The organisation communicates about what’s happening in a timely manner – 59% in 2020 (not included in previous surveys, custom item, only 9% disagreed)

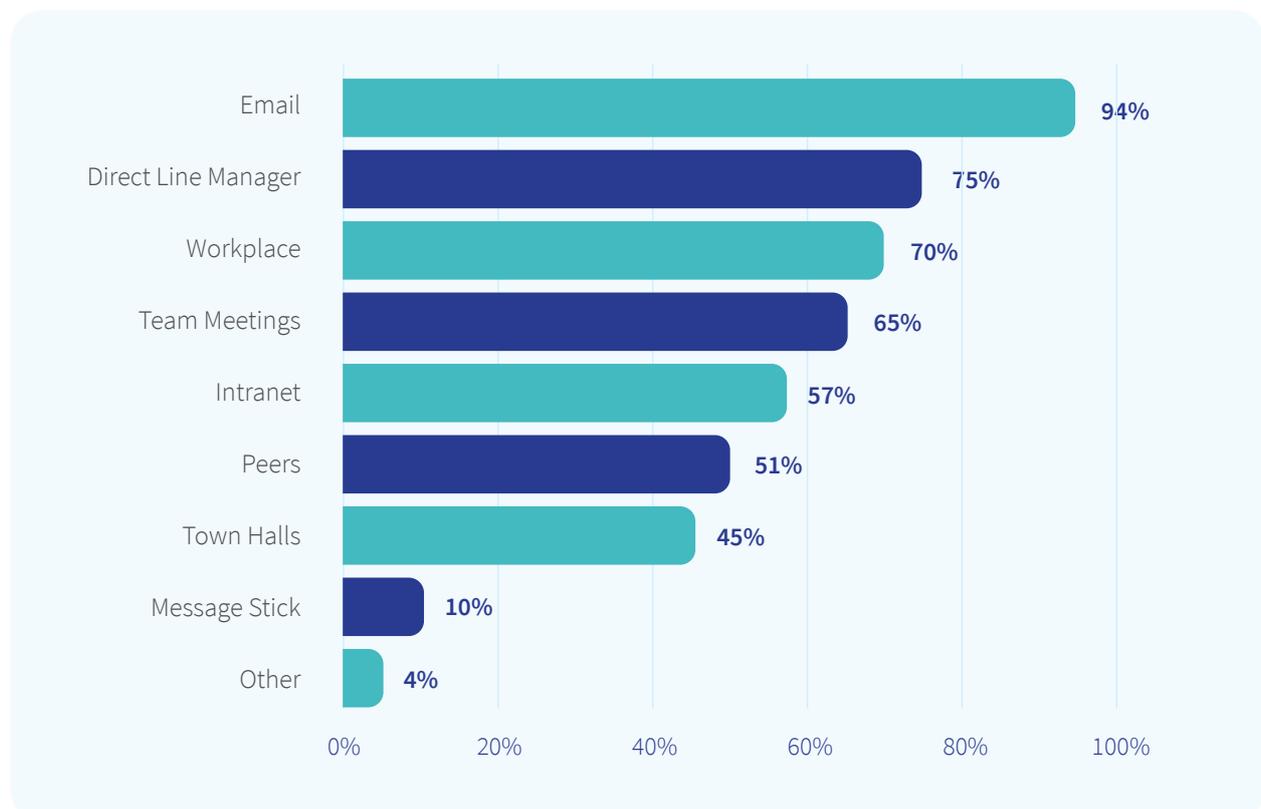
The organisation puts a very high priority on communicating well with employees.

Leaders see communication as being about having conversations, rather than sending out messages. It’s not about a hierarchical approach where messages come down from the top. They want to have a level playing field where people’s voices can be heard. They have implemented an internal social media platform called Workplace that doesn’t put barriers in the way of people speaking up.

Many conversations about social justice issues are started by people from all over the organisation.

To continue improving communication they seek ongoing feedback on the effectiveness of the communications as well as people’s preferred channels.

For example, in their 2020 engagement survey, they asked people to indicate how they access organisational communication and information, with the following results:



5. A consistent and ongoing effort to improve communication (cont.)

They also included a free text question relating to how they could improve communications, which yielded the following main themes:

- **Consistency in communication methods:** streamline methods across different departments, agreed protocols
- **More frequent communication:** consistency in updates, weekly for example, weekly huddles
- **Social activities:** more social catch-ups encouraged, morning teas etc., face-to-face catch-ups
- **Openness and transparency,** open and honest dialogue encouraged
- **Consultation with employees:** consult with staff before changes are implemented
- **Manager check-ins:** More check-ins to staff from line managers – opens up the lines for communication

- **Information sharing:** encourage information sharing between peers and teams, information sharing at all levels.

They will also be implementing metrics to see which channels are most used and most effective. For example, at virtual town hall meetings – how many people log on, which segments are most effective, which get the best feedback, etc.

They will use these metrics to implement a more disciplined communication framework – specifying all the communication channels that will be used, what information will be exchanged via the various channels, who is responsible for them, how they will be measured, and how unnecessary duplication will be avoided (some duplication is necessary as people like to access different channels, but there mustn't be so much that it causes noise in the system).



So where does this organisation go from here?

Continuous improvement never stops – by definition. Just as a gardener needs to continue watering, trimming, pruning and weeding a garden, senior leaders can never sit back and think that the job is done. People need constant communication, connection, development and recognition to continue achieving high performance standards.

This organisation will continue implementing its strategy. It will continue to nurture its strengths. It won't take its strengths for granted. It knows that its strengths will wither away if it doesn't continue investing in them. It is also responding to employee feedback on where improvements can be made, in areas such as:

- **Communication:** staff who are not onsite / connecting staff who are in isolated areas / more transparency, ensuring a common method is used, reducing the frequency of communication methods changing, further consultation between departments...
- **IT/technology:** linking systems together, rationalising platforms, having efficient policies and procedures, improving response times, managing quantity of emails, system outages...
- **Recognition of staff:** value the work done and efforts made, nurture staff, Christmas functions...
- **Maximising staff potential:** Staff progression paths / more professional development / more external professional development to do jobs better / more training opportunities...

Insync is very grateful to this organisation for sharing its experiences so generously and authentically.

If you would like to learn more about any specific topics discussed above, please contact us and we will facilitate an introduction.



Appendix – Description of the six strategies

Integrated person-centred approach	<p>We will aim to meet the diverse and often complex needs of our clients, through strong connections between our services and with other organisations with complementary skills. We will seek to understand the whole person and their strengths in the context of their community. We will do this by integrating our services, being deeply embedded in our communities and actively listening to our clients' voices.</p>
Advocacy and prevention	<p>We will use our voice to inform the community on important social issues to:</p> <ul style="list-style-type: none"> • build compassion and understanding for those in need; • reduce demand for our services through prevention; and • drive social change for a fair and just Australia.
Exceptional people	<p>We will attract, develop and retain exceptional people from diverse backgrounds who are curious, creative, gutsy and courageous. We recognise that everyone is different, we will build on our strengths and be proud of our impact. We will be high-performing and fiercely inclusive, where everyone is connected and can be heard.</p>
Learning from and supporting Aboriginal people	<p>We will work to ensure our services are inclusive of all people. We are starting this work by committing to a Reconciliation Action Plan, to ensure our services are culturally appropriate for Aboriginal people, as clients and staff members.</p>
Challenging how we do things: innovation, technology and continuous improvement	<p>We will challenge how we do things, both to continually improve our service delivery and to develop new approaches to achieving our purpose beyond our existing services. We will seek to maximise our impact and reach through the use of digital tools.</p>
Financial sustainability and philanthropy	<p>We will live within our means, balancing our operational budget each year and maintaining an adequate balance sheet. We will deliver Government services within the funds allocated for them. We will endeavour to raise philanthropic funds to further our purpose.</p>

Insync focuses on four critical success factors to enhance your success.



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