

The Enthusiastic Employee
How Companies Profit by Giving Workers What They Want
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All organizations would like employees to display a top level of enthusiasm for their jobs, company and co-workers, in all circumstances.

Worker motivation, morale and performance.

All managers spend too much time – and they consider this as a drain on human resources – with difficult employees.

But we forget the biggest problem: workers who aren't openly troublesome but who are indifferent to the organization and its goals. They are the silent killers and their economic cost is enormous.

A company can operate to tackle this in one of two ways:

- Pressure employees to do more.
- Treat its workers to motivational events.

Neither of both approaches gets to the root of employee indifference. We need to turn indifferent employees into enthusiastic ones by first understanding what they want and then we must give it to them.

Sounds maybe absurd but this is a powerful way to business success:

- Research proves that there is generally little conflict between the goals of management and those of employees. The question is how to sustain motivation people naturally bring to their jobs.
- Workers have basic needs that management can and should address: equity, achievement and camaraderie.
- Employee enthusiasm is an enormous competitive advantage.

One can state that loyalty is dead because of the new economic conditions (no more lifetime careers at caring companies).

A transactional system – workers are nothing more than a paycheck – is not really an option as gains from a transactional relationship are temporally. Organizations just receive the minimum required and monitored from their workers.

Example: you cannot expect employees to treat customers with individual care and concern if you treat your employees as invisible, interchangeable and expendable.

This book offers a new alternative: partnership. Partnership involves the bonds that develop among people working collaboratively toward common and long term goals and having a genuine concern for each others' interest and needs.

What workers want: the big picture.

Our assumptions about human motivation have to be accurate because the effectiveness of critical business policies depends on them.

Many theories focus on one aspiration as the central motivator and claim that most people are frustrated with the achievement of that aspiration.

The authors are critically towards theories like 'New Generation', 'Baby Boomers', 'Gen X.' which they call unsupported theories.

They find that overall satisfaction of workers with the type of work that they do is strong and constant. Younger workers are no more disenchanted than their elders.

The Three Factor Theory of Human Motivation in the workplace states that there are three primary sets of goals: equity, achievement and camaraderie.

The theory maintains that:

- These three sets of goals are what the majority of workers want.
- No other goals are nearly as important.
- These goals haven't changed over time and cut across cultures.
- When your organization works to achieve these goals, you will have a highly motivated work-force and a firm performance.

Employees seek to satisfy these three needs in any employment situation.

We see that management is acting today in a different way although the essentials of human motivation have changed very little.

Enlightened management understands that what the overwhelming majority of people seek from work doesn't conflict with management's objectives and usually strongly supports them.

Employee enthusiasm and business success.

Long-term successful companies have one thing in common: a morale of their workers much higher than most other companies.

This high morale is a result of specific policies and practices.

The authors develop here the example of Intuit, a software developer in order to prove their case that employee enthusiasm translates into stronger business performance. Companies with enthusiastic employees are 30% to 40% more productive.

The People Performance Model, based on extensive research, states that the relationship between morale and performance is reciprocal.

The key points of the People Performance Model are:

- People and their morale are tremendously for business success.
- Employee morale is a function of the way an organization is led.
- Success breeds success.
- Management has to boost employee's sense of equity, achievement and camaraderie.

Motivated by fair treatment.

The concept of equity: the degree to which people believe their employer treats them with fundamental fairness relative to generally accepted societal standards. These standards include: a 'living wage', adequate nonwage benefits, sensitivity of handling layoffs, safe working conditions and equality of employment opportunity.

Organizations have to understand that employees are not fungible objects.

Workers experience very often layoffs as base inequitable treatment rather than as prudent business stewardship. This attitude comes from the sense of substantive equity (whether the thing itself is fair) and the sense of procedural equity (whether what is done is done fairly).

Downsizing despite being profitable sends following message to the workers: 'Forget all that talk about you being an asset to this company: you are a cost and a disposable commodity. We have to keep or costs down.'

Loss of security and the lost sense of fair treatment leads to strong reactions and can be strongly negative to the organization.

The authors judge the way many companies are using downsizing as a strategic maneuver, as largely misguided and self-defeating because it violates a fundamental need of the workers and damages heavily the sense of equity necessary for effective organizations.

It takes courage as a company not to downsize when other companies in the industry take that path.

Rubbermaid CEO Schmitt articulated the alternative philosophy :” When we would take out people we could give up our future: we'd demotivate the people who remained, we wouldn't have the loyalty we have now and the good people remaining wouldn't be here for long.”

This policy is the best for business. Downsizing companies only outperformed the S&P slightly during six months and finally netted a negative 24% by the end of three years. Layoffs are not only painful but also costly: several payments following layoff, higher training cost and fewer people willing to make personal sacrifices to help the company.

Companies concerned about offering stable employment follow these specific practices:

- They exhaust all possible alternatives before laying off people.
- They first ask for volunteers when layoffs cannot be avoided.
- They act generously and decently when no more volunteers.
- They communicate honestly, fully and regularly about the entire process.
- They recognize the impact on the 'survivors' and take actions to minimize the negative impact.

Employment stability may not be confused with tolerance for unsatisfactory employee performance.

Besides job security, compensation is extraordinarily important for morale and performance. Pay is vital, both substantively (necessary for living a decent life) and symbolically (measure of respect and achievement).

The heart of respect is equality: the treatment of each individual as important and unique without regard to any other characteristics such as gender, race, income, perceived performance or contribution.

Management should concentrate on eliminating humiliation and indifference to employees and provide a safe working environment.

An open communication policy in the company is crucial.

Motivated by achievement.

A clear, credible and inspiring organizational purpose translated for the workers into a 'reason for being there' is a basic condition for enthusiasm.

There is a strong correlation between pride in the organization and the overall satisfaction of workers.

Sources of employee pride are:

- Excellence in the organization's financial performance.
- Excellence in the efficiency with which the work gets done.
- Excellence in the characteristics of the products (usefulness, distinctness, quality).
- Excellence in the organization's moral character.

People want to work for an organization that does well but also does good. Here the authors refer to the study of Collins and Porras (Built to last). All the successful companies had an emphasis on a vision that was 'more than profits'.

In order to promote and sustain long-term profitability companies have to build positive and trusting relationships with all major constituencies: customers who want to go the extra mile to purchase its services, employees who give their all, suppliers who feel genuine partners, a community that supports the company's legitimate business interests.

People are motivated by doing something that matters and doing it well.

A management style that works.

Autocratic and laissez faire management are equally effective in demotivating the majority of workers.

Participative management is the best way to go. This style stimulates active involvement. The person in charge expects employees to think and exercise creative judgment.

Today we see discussions on when participative management is the matter of 'steep (many layers in the hierarchy)' or 'flat (larger numbers reports to fewer layers)' organizations.

Companies with outstanding long-term performance have extraordinarily flat structures which makes them less costly to manage.

Organizations with committed and enthusiastic workers require fewer controls. But the process is circular: the fewer controls, the greater the commitment and enthusiasm.

Flat organizations lend themselves to decentralized decision making. This is best accomplished by self-managed teams (SMT's). An SMT: can produce the whole thing for an identified customer, contains within all the skills needed, has access to the necessary information and resources and receives awards based on the team performance.

On average, organizations that promote-from-within perform much better than those that do not. Programs to identify organizational talent is crucial.

Motivated by camaraderie.

People don't want to come to work to fight. They want to work collaboratively. The greatest satisfaction comes from interacting as a team on the job in the service of common performance goals. Teamwork is needed for about every job at every level. Cooperation is the glue that binds the parts of the organization.

There are two basic strategies in order to reduce conflicts:

- Conflict management: when conflict stems from a real divergence of interests/
- Partnership building when the root cause is misperception.

The total organization culture and how to change it.

The essence of the described culture is a 'partnership' relationship. Partnership harnesses the natural motivation and enthusiasm.

Partnership organizations assume that the great majority of their workers are motivated.

Actions to become a partnership organization must begin with, and be sustained by, senior management. Changing relationships, changing the way people treat one another can only be achieved by hard work.



Sometimes it appears that people don't care whether the organization or their colleagues succeed. This is caused by: a combination of the daily on-the-job frustrations, a management treating them as sources of problems, cost and resistance and the behavior of a tiny but highly visible minority of employees who really don't care.

Senior leadership in partnership organizations needs insight into the human nature – not just eloquence in communication – and perseverance over a period of years to translate the philosophy into specific and daily management policies.
It requires seeing and treating employees as genuine allies in achieving change.