Getting the Most from

your Employees

A guide to help you identify a range of strategic considerations to address in order to maximise the contribution that your employees make to your business

Everybody in your business, both managers and employees, must individually and collectively perform to a high standard if you are to achieve your business goals. But, as you well know, getting the most from your people is a major challenge in the sense that it's difficult to ensure that each individual employee contributes to the maximum extent all of the time; the challenge is further magnified as you not only have to think of individual performance, but you must focus on team dynamics as well. In light of such a diverse and complex undertaking as maximising employee contribution you will not be surprised to learn that it's a matter of working on many different strands as opposed to finding one or two magic solutions that will raise the commitment and performance of all employees.

Getting the Most from your Employees

This guide is intended to identify a range of strategic considerations which you must address in order to maximise the contribution that your employees make to your business. The focus here is primarily on employee performance, but there are also a range of guides on Personal and Organisational Leadership effectiveness which can be found at Business Tools and which address issues about how to get the most from managers in your business. This guide covers the following content:

This guide will help you consider important areas that drive employee performance from a strategic perspective and through a series of short reflection activities will also provide you with some food for thought as to what you might need to address/improve within each.

Getting the Most from your Employees

Almost everything you do with regard to your employees will have some impact on how they perform; from the type of employees you recruit in the first instance, to what you pay them, to how you manage them on a day to day basis and so on. In fact, there are so many facets to this area that it is dangerous to adopt a 'do this' approach because every business is different and faces its own unique challenges; what works well for some, might not have the same positive impact on other companies.

However, some commonly accepted factors that help to maximise employee contribution include:

Adopt a strategic approach to HR

Monitor Employee Feedback

Manage Recruitment and Selection

Effective Leadership

Recognise High Performance

Provide Continuous Training & Development

Enhance Employee Communication

Optimise Engagement Levels

Whilst there is no pretence that the factors above account for everything that is required to get the best from your people, they do provide general headings under which everything can fit. At the centre of it all is leadership and in seeking to get the most from your employees, it is vital that you do not overlook just how important this factor is; it has been proven through many studies, across a variety of sectors, that there is a strong correlation between management effectiveness and employee performance. Therefore, in truth, the first step in getting the most from your employees is to get the most from yourself, and your management team. As mentioned, there is a range of guides on the leadership issue which will help. A summary of what is required under each of the other headings is provided below.

1. Adopt a Strategic Approach to Human Resources

Often discussions on strategic human resource management focus solely on the various models and frameworks available, but adopting a strategic approach to HR is first and foremost a mindset; it is a way of thinking as much as it is a way of doing. Becoming more strategic in how human resources are managed within your business means recognising that the people who work for you are vital to your success; regardless of the number of employees you have, it will be they who set your business apart, or not as the case may be. In effect, they are your partners when it comes to realising your goals.

Armed with that mindset, the natural progression is then to align everything you do in the area of human resources to your overall business strategy because you understand that no strategy can succeed without motivated and engaged employees. In terms of practical focus, strategic human resource management (SHRM) is charged with generating a skilled, committed and engaged workforce which can really help your business to attain sustained competitive advantage. And to achieve that requires you to:

- ❑ Align everything you do in HR with the business goals.
- ❑ Develop and execute effective HR programmes to help support the achievement of the goals.
- ❑ Ensure that all HR processes are efficient and adding value.
- ❑ Maintain legal compliance in all areas.

As such, SHRM makes decisions regarding longer-term macro-concerns such as organisation structure, workforce planning, employee engagement, to name but a few, in order to determine how these elements can collectively help support the achievement of business goals. It then seeks to execute these strategic decisions in a manner that ensures there are coherent linkages between what happens on the ground as regards HR and what the broader aims of the business are.

It is not a criticism to say that SHRM has not been very prevalent in Irish tourism businesses to date and historically the focus has largely been on Personnel Management, with a shift towards a greater emphasis on Human Resources over the past decade.

The next stage in that journey is for human resources to be viewed as a true strategic driver of business growth and not just as a process for executing strategy.

Activity 1 – Review your current approach to Strategic Human Resource Management

Consider the following questions to review your current approach to SHRM:
- ✓ Is the HR function always represented at senior management meetings and/or at board level where appropriate? Do you have clearly defined people-related strategic goals for your business?
- ✓ Does your current HR manager have the impact and credibility to influence key strategic decisions? Does he or she primarily take direction from you and other senior managers, or do they make proactive proposals as to where the HR function can support the broader business strategy, in areas such as:
    - o Sustaining growth and revenue?
    - o Reducing costs and generating efficiencies?
    - o Supporting the implementation of change programmes?
    - o Building customer loyalty and retention?
    - o Enhancing employee engagement levels?
- ✓ As part of this, does your HR manager have the capacity to execute strategic HR decisions through the creation of measurable targets and appropriate plans?
- ✓ Does your HR manager currently spend more of his/her time on strategic activities such as devising and executing an employee engagement strategy or on operational concerns such as personnel administration and record-keeping?
- ✓ How effective is your HR manager at determining manpower requirements and addressing issues such as succession planning? Do you generally have the right people in the right job at the right time? Are staffing levels appropriate to current and likely future needs? Who are the 'fast-track' managers and employees in your business and what initiatives are in place to develop, retain and progress them?
- ✓ How do the levels of employee engagement rank in your business compared to industry norms, and best in class organisations?
- ✓ What tangible value did the HR function add to your business last year? What measures are there in place to assess the effectiveness of the HR function?
- ✓ What technological, social or cultural shifts are likely to impact on how HR is managed within your business in the coming years?

2. Manage Recruitment and Selection

Of course, your ability to get the most from your people depends upon what you have to work with in the first place and that means ensuring that your recruitment and selection process is as effective as it can be. Unfortunately, even today, recruitment processes often concentrate too much on what people can do as opposed to who they are and how they think, but there is little point in recruiting someone with the wrong mindset because no matter how skilled they are, getting the most from them will be an uphill battle.

Activity 2 – Review your current approach to Recruitment and Selection

Consider the following questions to review your current approach to recruitment and selection:

✓ What strategic priorities have been established for your recruitment and selection process? What do you expect of it in terms of helping to maximise the contribution of your employees?

✓ When you look around at your existing management team and employees, would you generally consider your recruitment process to be a success in terms of the quality of employees it generates for your business? How often does the process end in a poor outcome in terms of the quality of candidate selected? How often do you find yourself settling for the 'best' of those who applied, even though you know they aren't really what you are looking for?

✓ Would you consider your current recruitment process to be a 'best in class' model? How do you know?

✓ How does your recruitment process reinforce the behaviours you value in your business and discourage those you don't?

✓ What public perception is your recruitment process generating for your business? Would you imagine that an unsuccessful candidate, although disappointed, would walk away with a positive impression of your business?

✓ How do your costs of recruitment compare to those of your peers and what returns is that expenditure generating for the business?

✓ How are you measuring the success of your recruiting process in the short-term and in the long-term?

3. Provide Continuous Training and Development

It should be a fairly obvious requirement that if you want your employees to deliver for you then, in addition to having the right attitude, they need to have the necessary skills to do the job well, so competence is clearly an important issue in its own right. A first consideration here is how training and development is viewed within your business – is it seen as an investment or an expense? Unfortunately, in many tourism enterprises it remains the latter and there is still a tendency for greater attention to be placed on what training will cost, rather than what returns it will generate for the business.

Ongoing training and development is vital, not only for the direct impact it has on the competence of your employees, but for the indirect psychological role it can play. For the majority of employees, when they are constantly learning new things

this can increase their desire to work harder and give more than if they sense they are stuck in a rut, doing the same thing day after day.

Although there are naturally many factors to consider when focusing on training and development, one particular point stands apart when looking at this issue from a strategic perspective. With the exception of statutory training which must be offered regardless, before any other training or development is offered in your business, a key question should always be asked: *how will this help us execute our strategies and realise our goals?* In truth it's a question that is rarely raised, but once you start to do so, it makes you think more intensely about what training is offered and why and, more importantly, it shifts the discussion away from cost to considering what the training will deliver for the business.

Activity 3 – Review your current approach to Training and Development

Consider the following questions to review your current approach to training and development:

- ✓ What strategic priorities have been established for training and development in your business? What do you expect of it in terms of helping to maximise the contribution of your employees?
- ✓ How effectively is training planned and delivered in your business at present in terms of meeting those priorities? Think for a moment now about key strategic goals you have had in place within the business for a number of years, perhaps in areas like financial goals, customer-related goals and so on. How has the training and development delivered in the business in recent years contributed to achieving those goals?
- ✓ How is training budgeted for annually? Does the HR/Training Manager make proposals as to what they feel is essential in the coming year to help execute your strategies and plans, and then their budget is negotiated accordingly; or is it a case that a budgeted figure for training is agreed first at a senior level, and then the HR/Training Manager must make best use of that amount allocated to them? How does what you currently spend on training and development annually compare with industry norms and best in class companies?
- ✓ How are training needs identified at present in your business? What formal analysis is undertaken to determine needs for managers and employees?
- ✓ Think of managers/employees who may have been with you for a number of years. What tangible role has training and development played in helping to maximise the contribution they are making to your business?
- ✓ How do you currently measure the impact and value of training and development to your business?

4. Optimise Engagement Levels

By addressing the issues outlined in this guide this will naturally contribute to raising engagement levels, but a number of additional points are worth exploring here. Often there is confusion as to what 'engagement' actually means and whilst it's important not to get too bogged down in terminology, there is an important distinction about engagement which is important to understand. In any business, it could be said that there are three levels of 'positive' employees:

❑ **Satisfied** – a satisfied employee is one who is happy working for you. And of course that's to be welcomed. However, this type of employee, whilst satisfied, might not feel any great affinity with your business and even though they mostly do their job to a good standard, they are not necessarily overly passionate about what they are doing. Naturally, these employees are better than having negative individuals around the place, but there is often untapped potential associated with them.

❑ **Motivated** – a motivated employee is someone who is not only satisfied and happy in their job, but translate that into extra effort and productivity.

❑ **Engaged** – an engaged employee is someone who is not only motivated but feels a real connection to your business and because of that connection, they understand what it takes for the company to be successful, they want to see the business succeed and are willing to do what it takes to help the business get there.

> **"** *engaging your employees requires you*
>
> *to think strategically* **"**

Now, the above might seem like tinkering with words, but it isn't and all the research shows that truly engaged employees are in the minority but when you have them, they are worth their weight in gold. The myriad of studies into this area is also showing that it is possible to raise the engagement levels of the majority of employees and that doing so requires you to address everything covered in this guide and more.

In fact, like all other issues covered here, engaging your employees requires you to think strategically and one way of focusing your thoughts is to consider your *Employee Value Proposition*. Generally in tourism, we are quite comfortable talking about 'value propositions' when it comes to our customers, but applying that principle to employees doesn't always meet with the same degree of acceptance by employers because it smacks a bit of 'the tail wagging the dog', whereby we are falling over ourselves trying to keep our people happy. This is not the case at all and seeking to do everything in your power to engage your employees does not mean that you overlook underperformance or let people do as they please.

Your Employee Value Proposition relates to the whole employment experience you offer and it is about much more than wages and benefits and includes issues like culture, development opportunities, rewards, leadership, teamwork and so on.

In fact, it's concerned with everything that impacts on the experience an employee has whilst working for your business. Specific and proven drivers of engagement include:

Leadership – as touched upon earlier, the higher the quality of leadership in a given business the higher the engagement levels seen, so doing everything in your power to improve leadership effectiveness has a definite payoff.

Culture – culture is undoubtedly intangible but it has a major, if somewhat hidden, impact on day to day life in any organisation. Whilst there is no 'right' culture, there are certain environments which build engagement, whereas others do the opposite and you, and your management team, can play an important role in building a culture which draws employees in rather than pushes them away.

Control and Participation – controlling how individuals behave within the business is critical to engagement because when certain team members are allowed to step out of line without consequence, this serves as a de-motivating factor for engaged employees as they question why they should bother. Equally, on the flip side, too controlling an environment stifles engagement because people sense a lack of autonomy and empowerment, so allowing your employees to be actively involved in decision-making when appropriate helps to raise their engagement levels.

Challenge – for most employees having a sense of challenge in their work is vital to how engaged they feel with the business. When work feels repetitive or mundane, employees naturally feel less engaged so you continuously need to find ways to introduce a sense of challenge for your employees.

Conflict – the manner in which conflict is managed can have a major impact on how engaged employees are likely to be. Constructive conflict, which leads to new ideas and better solutions should be encouraged but well managed so that employees feel that they can speak their minds or contribute in an appropriate manner. Destructive conflict, on the other hand, which adds no value should be dealt with promptly; failing to do so will impact engagement levels as most people hate to work in a poisoned atmosphere.

Teamwork– the levels of teamwork in your business are both a driver of engagement and a reflection of it. When people work well together they build bonds and trust increases and this in turn improves general engagement levels because most people prefer to work in collaborative environments. On this issue of teamwork, a useful exercise to conduct, or to have your managers conduct with their employees, is based on the Internal Customer/Supplier Concept and the rationale for it is explained below.

It is useful for employees within a given department or area to spend time thinking about who their internal customers are and reflecting upon questions such as:

❑ Who are our internal customers? What do they need from us? How do or can we find out what they need from us?
❑ How can we measure our ability to deliver what they need?
❑ Do we have the skills and capability to deliver what they need?
❑ Do we always deliver what they need? (If not, what prevents us?)
❑ How do we check whether their needs may have changed?

Based upon their discussions, employees can perhaps complete a simple summary table as shown:

Our Internal Customers	They depend upon us for/to ….	How well do we consistently deliver for them? Score 1-5 (Poor to Great)	Ideas on how we could improve our service to them

This can help employees in the department to pinpoint ways they can deliver better service for their internal customers. Equally, each group of employees will have internal suppliers, other departments who supply them with services, and as part of the exercise it's useful for them to also think about their internal suppliers by asking questions such as:

❑ Who are our direct suppliers? What do we need from them?
❑ How do we let them know what we need?
❑ Do our suppliers have the skills and capabilities to measure and deliver what we need?
❑ How do we inform them when our needs change?

Again, they might develop a summary table such as:

Our Internal Suppliers	We depend on them for/to ….	How well do they consistently deliver for us? Score 1-5 (Poor to Great)	Ideas on how they could improve their service to us

By conducting the exercise and sharing such information between all departments, this simple but powerful tool - when well-managed and facilitated - can help to improve teamwork across the business which, as stated, is good for the levels of engagement seen.

Change – finally, how change is managed in your business can also impact on the levels of engagement seen. On the one hand, too little change can result in stagnation which destroys engagement, yet too much of it, or too much meaningless change can simply frustrate employees and causes them to disengage.

Activity 4 – Review your current approach to Employee Engagement

Consider the following questions to review your current approach to employee engagement:
- ✓ What strategic priorities have been established for employee engagement in your business? What do you expect of it in terms of helping to maximise the contribution of your employees?
- ✓ At present in your business, do you have a defined engagement strategy to realise those priorities, or a clear set of actions that you consistently apply to raise engagement levels? How successful have those initiatives been? If you don't do anything specific in this area, why not?
- ✓ What proportion of your employees would you consider to be fully engaged with the business and giving their all on a consistent basis? What proportion are somewhat engaged? What about those who are disengaged, are there many of those about? If yes, how are you dealing with them?
- ✓ Do you currently measure employee engagement, or is it employee satisfaction that you measure?
- ✓ If asked, how would your employees collectively view the way they are led and managed at present? Where might there be blockages as regards leadership effectiveness?
- ✓ How aware are your employees about your Vision and Mission and do you think those statements make a meaningful difference to them? Do you believe that the majority of your employees 'fit' with the culture of your business at present?
- ✓ When your employees are left unsupervised, as best you can ascertain, do they generally tend to work to a high standard and feel empowered in the manager's absence, or do they see it as an opportunity for some 'down' or 'goofing' time?
- ✓ How effective is communication between managers and employees in your business? How do you know?
- ✓ What are the levels of destructive conflict in your business like at present? A little, a lot?
- ✓ How effectively do you manage change in your business? Where possible do you try to do so using a participative model, or is it usually top-down in nature?

5. Enhance Employee Communication

The association between communication and getting the most

> **"** *put in place a range of communication channels to interact with employees* **"**

from your employees is very strong and where there is open, two-way and effective communication in a business the levels of contribution will always be higher. On the one hand, the structural components of communication are critical and one of the most frequently heard complaints from employees is that they get fed up with not knowing what's going on, which is often reflected in the simple phrase 'nobody tells me anything around here'. There should be a range of formal channels in place which allow you to interact with employees on a daily, weekly, monthly and yearly basis.

More important however is the mindset that lies behind how you communicate with your people. If you genuinely view them as partners in the business, then it is natural for you not only to communicate with them, but to draw them into the decision-making process as much as you can. You cannot involve, or empower your employees if you do not communicate with them in a meaningful way.

Activity 5 – Review your current approach to Employee Communication

Consider the following questions to review your current approach to employee communication:

✓ What strategic priorities have been established for employee communication in your business? What do you expect of it in terms of helping to maximise the contribution of your employees?

✓ If you have ever used the phrase 'open-door policy' with your people, does the reality live up to that promise?

✓ How are your general expectations of employees communicated to them as regards their behaviour, contribution and so on? How consistent is the direction given to employees by your managers on a day to day basis? Is it clear and coherent or constantly uncertain and changing?

✓ When important messages must be given to all employees is this more likely to be delivered through face-to-face channels, or through memos/emails?

✓ As well as normal daily ad-hoc communications, does communication with employees happen in a structured manner across the business: for example, does each manager hold a Daily Briefing with their employees, and a Monthly Meeting to discuss work/team related matters in greater detail? How is technology being used to enhance communication?

✓ If asked, what do you think the majority of your employees would say about how effective they feel communication is in the business? Would they collectively feel that their opinion counted? Do they feel listened to? Would they say that they felt it was safe to speak their mind on issues affecting them? To what degree would they say they felt they could initiate ideas, questions, suggestions, etc.?

✓ How is feedback given to employees – individually and collectively? What informal/formal mechanisms are used to provide for two-way feedback between employees and their immediate manager?

✓ How effective is inter-departmental communication and does it contribute to building the levels of teamwork?

✓ How comfortable are you, and those in your management team, in allowing open and constructive communication with employees?

6. Recognise High Performance

Better businesses understand the importance of recognising, validating and rewarding outstanding work and there are many financial and non-financial modes to do so including with pay, benefits, work-life improvements, incentives as well as with various forms of awards and acknowledgements.

Recognising high performance, at one level, does of course include issues like performance-related pay and so on, but as a starting point here, recognition in a broader sense is about making your employees feel 'compensated' or valued when they deliver high performance. As a result,

> " *there is a direct link between non-financial awards and incentives and improved job performance* "

you should maximise the use of informal and formal structures which allow you to acknowledge and where appropriate to reward good

performance; feeling undervalued will serve as a negative force on the contribution employees make. Some managers undervalue non-financial recognition and reward programmes as somewhat "pink and fluffy" activities, but there is strong evidence to suggest that there is a direct link between non-financial awards and incentives and improved job performance, so they are more than just about making employees feel good about themselves. In terms of formal recognition initiatives, many organisations have an 'Employee of the Month' scheme or similar and when well designed and managed they can be very beneficial. However, it is not unusual for such schemes to 'run out of steam' after a while, so you need to ensure that whatever your approach is that it stays fresh over the longer term. Another difficulty with such schemes is that the selection criteria is not always formally defined and communicated so the decision-making process can be a bit unclear.

Of course, bonuses and cash/non-cash incentives have a role to play and can be useful when they are based on clear targets which stretch employees and require them to go beyond the norm. It is vital not to fall into the trap of incentivising your people for what you already pay them to do. For example in some hotels and restaurants, in order to stimulate wine sales, employees are often rewarded to some degree for each bottle sold. Whilst this is understandable, it does mean that a message is sent out that 'selling wine' is additional to the normal role of the server, when except perhaps where a sommelier is present, it's an integral part of it. Some companies

overcome this issue by setting a minimum sales target and then incentivising for sales over that amount. Furthermore, incentivising the individual can lead to a growth in selfish behaviour whereby employees strive to maximise their own rewards and this can reduce levels of collaboration. It is for these reasons that team-based incentives are often used but these too can lead to the higher performers feeling unrewarded. The key message here is to give a lot of thought to how you devise and apply any such schemes in your business.

In many industries there is a growing shift toward pay schemes whereby the basic pay component comprises only a relatively small element of the overall package potentially on offer, with the rest being performance-related in some shape or form.

In tourism, this is growing in popularity in management and sales roles, but as technology improves the ability to measure individual employee performance, the performance-related pay model will likely find wider application across the industry.

Activity 6 – Review your current approach to Recognising High Performance

Consider the following questions to review your current approach to recognising high performance:
- ✓ What strategic priorities have been established for rewards and recognition in your business? What do you expect of it in terms of helping to maximise the contribution of your employees?
- ✓ How closely are your recognition and reward schemes aligned to your business goals? How committed are you to providing sufficient resources to make the schemes worthwhile and appealing?
- ✓ How have the needs and expectations of your employees been integrated into the design of your existing schemes and initiatives? How well do your employees know and understand the 'total rewards package' on offer? How appealing are the various rewards and incentives to them?
- ✓ How clear, objective and understood are the criteria associated with any reward or recognition schemes you have in place? Are they seen as fair and equitable?
- ✓ What impact are your schemes having on individual employee contribution? How do you know? What impact are such schemes having on the bottom line? Can you quantify this?
- ✓ How are your initiatives reviewed and evaluated to keep them current and of interest to employees?

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7. Monitor Employee Feedback

There are a variety of formal and informal channels which allow you to gather feedback from your employees, and indeed for you to provide them with feedback, ranging from job chats, appraisals, employee satisfaction surveys and so on. Any business needs to adopt an integrated approach to generating feedback but more importantly the management team must do something with the feedback they receive. This may sound like an obvious requirement but too often, feedback from employees is

solicited but little or nothing changes as a result which serves as a significant demotivator for those involved.

The exact approach you adopt here will depend upon many factors but whatever you end up with, monitoring employee feedback must not be an ad-hoc, or indeed a periodic activity. Many tourism managers mistakenly believe that, as our industry is very 'hands-on' and managers frequently work closely alongside employees, as a result there is no need for structured approaches to

gathering feedback – they hear it continuously. Perhaps, in past times this might have worked but the growth in the complexity of the work environment, and the radically changed employee expectations from it, mean that not soliciting feedback in a structured way is a lost opportunity and will potentially lead to hidden problems within your business. Equally, without one-to-one, private, interactions you will not hear the real concerns and indeed hopes of individual employees.

Conclusion

The purpose of this guide was to highlight some of the priority factors that you must consider from a strategic perspective when seeking to maximise the contribution that your employees, individually and collectively, make to your business. The reflection activities will hopefully have indicated specific areas where you might need to strengthen, or revise your existing approach and doing so is worthwhile because any improvements - no matter how minor - you make in the various themes addressed here can but have a positive impact on business performance.

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