

The Extra Effort Effect



Overcoming the barriers to releasing your people's potential

Employee engagement drives productivity. So why do most organizations fail to engage with their employees? Unit4's groundbreaking new research reveals the missed opportunity of half-hearted engagement and explains how genuinely involving your people in decision making can boost your productivity.

Productivity depends on engaging with employees

There's a productivity crisis. In the US, productivity grew by just 1.4% last year; in the UK, it's increased by only 0.3% in the last decade.

Engaged employees are happy to work harder, which improves productivity. So why can't companies achieve better employee engagement?

Unit4's new research, Decision-Making in the Future Business, reveals the tragic answer: it's because organizations aren't making enough effort to engage with their employees:

- CEOs aren't visible enough
- Companies don't ask employees their view and don't act on their feedback
- Managers don't trust employees to make the right decisions
- Employees are in two minds about speaking up

Managers claim they value employee input but don't actually trust it or act on it. Employees would like to contribute, but don't think anyone will listen to them.

As a result, employees feel undervalued, unheard and disempowered. They don't make the extra effort and productivity suffers.

The good news is, enough trust, willingness and respect do exist between employees and managers to tip the balance. With a few changes in culture and some helpful technology, organizations can truly engage with their people and reap productivity rewards.

CEOs are too remote

CEOs set the tone for the whole organization. But they're not getting out there enough to get their message across.

One in 5 employees in non-management posts have never had any contact with their CEO, and 58% have never met them one-to-one.

CEOs can't expect employee engagement if they don't make enough effort to engage with employees. If only they did, they would find that employees generally think very highly of them:

- Two-thirds believe the CEO is good at their job (67%), they lead with integrity (65%) and they're trustworthy (65%)
- Over half (57%) think they care about social issues and are motivated by more than just money (59%)

CEOs should turn up the dialogue with employees and activate the potential of this latent respect.

Companies don't listen to their people

Today, employees expect democracy at work. They'd like to be involved, but as our report reveals, the organization doesn't seem interested in including them.

Half of employees don't feel they have a say in where their organization is going and 90% of non-managers said they wouldn't feel very comfortable about voicing critical opinions.

The problem is, most companies don't ask the people who work for them what they think. Over a third (37%) rarely or never ask employees their views. Even when they were asked for input, 38% of employees said the company didn't act on it.

There's a gender bias operating here too, as men's feedback is more likely to be acted on (28%) than women's (13%).

The lesson is this: if you want productive, engaged employees, ask them their opinion and act on it, regardless of their seniority or gender.

Managers don't really trust employees

Organizations are saying one thing and doing another when it comes to empowering employees.

The majority (56%) of managers believe employees understand the direction the organization is going in and say they value their input (71%).

But less than half (47%) of managers trust employees to make decisions for themselves, claiming they don't know enough about the organization's structure or strategy to get it right.

There's a cultural undercurrent of suspicion and mistrust. Organizations are paying lip service to employee engagement when, in reality, the old guard isn't ready to let go of control.

Employees are in two minds about contributing

As a result of the business's ambivalence towards employee involvement, employees are sitting on the fence as well.

A third (35%) thought they could influence the organization's direction, and another third (31%) thought they couldn't. As many felt comfortable voicing criticism as those who didn't (both 37%).

As things stand, less than half of employees (44%) feel their views about the organization would be respected. There is also some bias in gender, age, experience and social background, with 28% thinking men have more influence than women.

Yet employees are optimistic: more thought they'd be heard (+14%) and respected (+25%) if they spoke up in future about something they disagreed with.

Employees want to be involved, but they're in two minds about contributing because they're not sure managers would listen to them, respect their views, or act on them. So they keep quiet, and their potential insight for improving the business remains untapped.

How to release the Extra Effort Effect

If you engage with your employees, you'll release their willingness to improve the business. They'll make that extra effort, and your productivity will improve. They might even come up with a disruptive idea that catapults you forward.

There are two main elements to achieving this: culture and technology.

Culture

The organization's leadership should create a democratic culture of respect in which everyone is asked their view. Opinions are heard and acted on regardless of age, experience, gender, or social status.

The leadership team should foster a no-fear culture in which it's seen as OK to try and fail – as long as you learn, try again and do better next time.

A culture which promotes employee engagement is:

- Open-minded to new ideas
- Committed to personal development
- Trusting of employees
- Recognizes and rewards desired behavior
- Promotes a positive atmosphere
- Gives continuous feedback
- Invites initiative
- Has a no-fear / no-blame ethos

Technology

Enterprise technology can provide data to inform recommendations and decision-making. Armed with empirical evidence, it's no longer the employee's word against the manager's. Access to data gives people the confidence to make suggestions.

Modern, modular systems, which are menu-driven rather than hard-coded, are easier to change. This lowers the barriers to experimentation, reducing the risk, cost and time it takes to try out a new idea and see if it works.

Software like Unit4's, which puts People Experience first, is intuitive to use, automates mundane tasks, and sets people free to do the work they enjoy. This makes work easier and more satisfying, releasing extra effort and boosting the organization's impact.

In summary

- Make sure the CEO is accessible
- Ask your people their views
- Listen to what they say and act on it
- Trust them to make decisions
- Create a no-fear culture
- Use technology that gives you insights and makes it easy to experiment

About Unit4

Unit4 provides enterprise software that prioritizes People Experience, making work easy and inspiring for people and helping to release the extra effort effect on your productivity.

Our research, conducted through the global research agency, Opinium, interviewed over 1,800 people in organizations of up to 1,000 employees across a representative sample of industries and geographies.

[Read the full report](#)

[Talk to us](#) about what a better People Experience could do for your productivity.