



Yet Another Reason to Focus on Employee Engagement: The Employee Free Choice Act

by Beth Linderbaum, Ph.D.

The entry of unions can pose a serious challenge to organizations that are not currently organized. The process can be divisive, time consuming and financially challenging. When managers listen to their employees and build effective workplaces for their employees, unionization efforts are avoided and productivity is high. Engaged employees make good decisions and serve customers well.

The Employee Free Choice Act (EFCA), approved by the House and defeated in the Senate in 2007, is expected to resurface under the administration of President Obama. If passed, the EFCA will tip the balance in favor of unions, making it easier for unions to enter the work place. Secret ballot elections will be eliminated, and once a majority plus one or more of employees signed union cards, the union will be certified. Furthermore, the EFCA will change the collective bargaining process as well as increase penalties for employers found guilty of unfair labor practices.

Whether or not the EFCA passes, organizations benefit from taking steps to proactively engage employees. Bottom line, unions are expensive to organizations and don't always add up to a good deal for employees. Bad relations between union leaders and management can bring a business to its knees. A focus on employee engagement can be valuable for sustaining a union-free environment and for improving business outcomes.

Engaged employees perform better, stay longer and are less likely to unionize. This translates to better business results for organizations. Organizations with higher levels of employee engagement outperformed the S&P by 24% over a three year period. Taking a closer look at your organization's practices around employee engagement is more critical than ever before.

Do we communicate our expectations and values to employees?

Employees become more engaged when expectations between employees and employers are aligned. To put it a different way, every employee holds certain kinds of expectations toward the organization, such as "What can I get by working for this company?" Organizations also have expectations to their employees in order to keep their business running, such as "What can we get from our employees? What can we promise them in return?"

It is important to have balanced expectations between employees and employers. This balance is often found through understanding the employee value proposition. What do employees value about working for your organization and how does that connect with what we want for our customers?

When organizations fail to communicate with employees around expectations, employees will not feel fairly treated. It requires consistent communication. For example, many employees do not understand how competitive their wages and benefits really are in the market place. We often find that employees are not even fully aware of benefits that they have.

Do we develop leaders who create positive and engaging environments?

You may have heard the saying “employees leave bosses not companies.” This is supported by the research. One of the strongest predictors of employee engagement is a person’s satisfaction with his or her supervisor. Developing socially intelligent leaders who act with openness and support is an important part of creating a positive work environment. The first step to developing your leaders is identifying where development is needed. Assessing the skill level of your leadership can be done through assessment centers, online instruments, or 360-degree feedback tools. Most leaders want to do a good job; they just lack the awareness of how their style impacts people. For example, the shy leader who doesn’t give regular feedback can be seen as aloof, unsupported and as unfair when it comes time for performance reviews.

Do we provide opportunities for development and career growth?

Providing opportunities to participate in development programs not only improves employees’ performance, but also fosters positive feelings toward the organization. Employees who see possibility in their career choices in the organization are more involved in their work and more willing to learn new skills. In addition, employees who have a career development plan are more engaged in their work because they are growing. Wellness programs considering employees’ health and well-being develop the non-work aspects of people but result in a host of positive outcomes for both employees and employers.

Do we conduct regular surveys and follow-up on the results?

Organizational surveys tap the pulse on employee engagement. They provide a voice to employees and give valuable feedback to leadership. Conducting a survey alone is not enough. In fact a survey without follow up is worse than not doing one at all. The follow-up is most important because after “voice” employees need to know the messages were heard. When organizations fall short in following-up on survey results, not only is employee trust is violated but ROI is left unrealized.

When examining engagement in your organization, the first step is to determine where is your organization stands in light of the questions above. Then decide where you have room for improvement. Improving only one can yield a substantial return on investment by fostering an engaged and committed workforce.