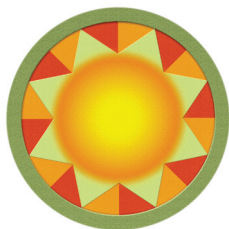


From the library of The Identity Circle — Insights and ideas about leading, managing and living through the lens of identity.

The Identity Imperative: Turning Employee Engagement into Value Creation

Synopsis:

The case for employee engagement is compelling: High levels of employee engagement correlate to performance in areas such as retention, productivity and customer loyalty. Still, there is something missing; something which can dramatically accelerate the case for employee engagement. The missing link is a strategic frame of reference that fuses the deepest needs of organizations with the deepest needs of human beings: *the need to create value in the world and to be recognized for it in return.*



The Identity Imperative: Turning Employee Engagement into Value Creation

Something's missing.

Not long ago, The Conference Board analyzed a mass of data about employee engagement and came up with a blended definition and key themes that crossed all studies. They defined employee engagement as “a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work.”

At least four of the studies agreed on eight key drivers.

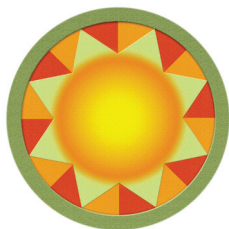
- ▶ Trust and integrity — how well managers communicate and ‘walk the talk’.
- ▶ Nature of the job — Is it mentally stimulating day-to-day?
- ▶ Line of sight between employee performance and company performance
- ▶ Does the employee understand how their work contributes to the company's performance?
- ▶ Career Growth opportunities — Are there future opportunities for growth?
- ▶ Pride about the company — How much self-esteem does the employee feel by being associated with their company?
- ▶ Coworkers/team members — significantly influence one's level of engagement
- ▶ Employee development — Is the company making an effort to develop the employee's skills?
- ▶ Relationship with one's manager — Does the employee value his or her relationship with his or her manager?

According to the report, there is mounting evidence that high levels of employee engagement correlate strongly to individual, group and corporate performance in areas such as retention, turnover, productivity, customer service, and customer loyalty.

If the case for employee engagement is so clear, as is how to achieve it, then, what's missing?

What is missing is a strategic frame of reference that reveals the interdependent nature of people and companies and how to make the most of that interdependence. The 8 drivers above may lead to heightened alignment, if they're firing on all cylinders. But even then, they fail to capitalize on the most powerful — indeed, crucial — platform for building strong employee-employer relationships: *value creation*.

Framing the employee engagement challenge in terms of value creation means focusing first on the need for alignment, since individuals and companies both need to create value in order to succeed — and need each other in order to do so. In this way, people and companies are wholly interdependent.



The conversation that value creation sparks isn't necessarily about shareholder value; it is first about *identity* — the unique characteristics that define one's value creating potential. Consider "value" the distinctive contribution a company or individual is capable of making — in the workplace, the marketplace, or the world.

Cracking the identity code

How can you create value, if you don't know who you are? It's hard. For individuals, identity explains who we are in many important ways, especially in defining our unique, value-creating capacities. When we discover our identities, we see what we are *meant* to contribute. And we understand why, when we use our innate capacities, we feel genuinely fulfilled.

The same holds for organizations: When companies discover their identities, they understand not only who they are, but because it reveals value-creating potential, their identity shows them what it will take to flourish over time.

Cracking one's "identity code" is the first step on the road to employee engagement. For people and companies, the process is the same. Both must answer 8 essential questions:

- Who am I?
- What makes me special?
- Is there a pattern to my life?
- Where am I going?
- What is my gift?
- Who can I trust?
- What is my message?
- Will my life be rich?

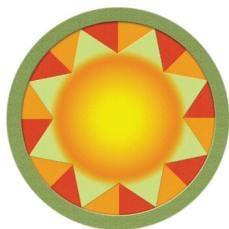
Here is what each of the 8 identity code questions asks you to do, whether "you" are an individual or an organization — and what you can do together to turn alignment into engagement.

1. Who am I?

Individuals. Most people define themselves by the labels they grow up with: their family names, their religions, their jobs, even the sports they play. Despite their importance in helping us navigate our relationships, these labels do not define who we are. Defining yourself as separate from all others is about finding your own integrity as an individual.

Organizations. Companies are quick to define themselves in relation to competitors. But being similar to other companies holds little relevance to discovering what makes your organization unique. The first thing organizations need to realize is that they are, simply, *themselves*. Competitive assessment becomes far more meaningful once managers have developed an unbiased view of their own institution, unencumbered by externally-informed assumptions about who they are.

Together. *De-label one another.* Beginning with the recruiting process, companies should make a conscious effort to understand the unique "who" that defines the individual. Asking questions such as *who are you without your job, your money or your family?* can lead to compelling conversations that reveal self-



awareness as a dimension of leadership potential. Similarly, employees need to be able to understand the identity of their organization, beyond business plans, market focus and even culture.

2. What makes me special?

Individuals. The answer to this question can only be found by *unearthing what you love*. What we love provides the clues to finding our natural capacities, which lie beneath the surface of our lives. In identity discovery, you trace the meaning of the activities you love to their roots — for example, cooking, skiing, dancing, travel — as the pathway to learning what makes you special.

Organizations. All companies have distinct capacities that inform their identities and make them “special” as well. Consider these capacities “institutional talents,” because they belong to the enterprise as a whole, rather than to simply one or more of its parts.

Together. *Focus on capacities, not just strengths.* The difference between capacities and strengths is significant: Strengths can be learned skills, which when practiced over time allow you to get “good at” them. But they may not spring naturally from who you are and thus may not really be that important to you — a fact that will eventually reveal itself to you and others. Alternatively, capacities flow from your identity, which gives them staying power. Aligning people and institutions around their natural capacities brings passion, not just skills and experience to bear, leading to far more sustainable results.

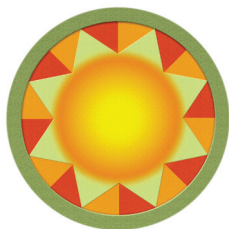
3. Is there a pattern to my life?

Individuals. Yes there is, but most people never see it. Unfortunately, many people believe there is no pattern at all, that their lives are composed simply of random events, where they move from job to job, or place to place, as opportunity knocks. These are people destined to go through life having missed the big picture — their own.

The pattern I’m talking about comes clear in connecting the various “dots” of our lives, particularly, those most memorable achievements from the time we were children. The story revealed in that pattern brings order and meaning to our lives — and shows us that we haven’t wasted our time; that our efforts, our failures as well as our successes, really do inform who we are. Finding this ‘life pattern’ helps us understand how we really do create value in the world.

Organizations. Organizations too benefit when they comprehend the pattern that has informed their “lives.” This theme, whatever it may be, helps explain not only how the company has created value to date, but the path that will most likely allow it to create value in the future.

Together. *Make value creation everyone’s center of gravity.* How do you create proprietary value? is a question that is as applicable to people as it is to organizations. Ask it both ways: for employers, in job interviews with recruits and in conversations with employees on leadership tracks. For employees, in those same job interviews, or if on the job when assessing career potential. Determining whether an individual’s and an institution’s value-creating potential are in sync is fundamental to predicting how successful their relationship will be.



4. Where am I going?

Individuals. Most people ask this question out of frustration: They don't really know where they are going. Managers are no different. Often, seemingly confident executives, when cornered privately, are not entirely sure where their company is heading, despite all the work that's gone into setting its course.

Organizations. The right answer to the question, Where am I going?, is I don't know, but that's all right. There is no need — in fact, there is no way — to know everything about tomorrow. Complexity and uncertainty constitute the norm for all of us. Admitting that you don't have all the answers is actually an act of courage and, thus, leadership.

Together. *Stay human.* Business thrives on precision and efficiency, on forecasting and measuring returns on investment. Knowing how things will turn out in advance is a deep-seated motivation for organizations. But predictability isn't a "language" that is conducive to building relationships between human beings. To bring managers and employees closer together, encourage the expression of vulnerability, of not knowing all the answers, in advance.

5. What is my gift?

Individuals. Your identity is your gift to the world. Call it a gift, a purpose, or a mission. It is that irrepressible need we all have to *give* that captures our imagination and urges us forward. It is something you are compelled to do, simply because of who you are. For individuals, finding that gift is a matter of *following the signs of joy* — those aspects of life that stir you deeply and draw upon the capacities and life pattern that distinguish you.

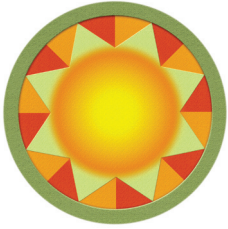
Organizations. For companies, no matter how large or complex, the process is the same. Making an organization's "gift" explicit makes it possible for employees to form deep attachments to the organization, since the company's value creation process nearly always includes societal, as well as economic benefits.

Together. *Make society better.* As pie-in-the-sky as that may sound, striving to do so is the most powerful way a company can bond with its people. Whatever form improvement takes — an organization's identity should always make that connection clear — it calls upon the best of both the employer and its employees, if that goal is to be realized. From the identity perspective, all value flows upstream: if you help solve problems at the societal level, the economic rewards will come.

6. Who can I trust?

Individuals. Once you begin to understand your identity, you have a new filter through which to gauge the strength and value of all of your relationships, whether those are in the workplace, or with your family and friends. Of all the people you will come to know over the course of your life, there are only a few individuals you will really be able to "trust" in terms of how your identity aligns with theirs. These people form your *inner identity circle*. Find them. They are your sanctuary, and you are theirs.

Organizations. The challenge to organizations is similar and the goal is precise: to align with people who understand and can benefit from the organization's



identity. Doing so makes the organization more efficient since its interests are automatically aligned with the interests of the people who, by their nature, appreciate and reinforce the company's unique characteristics.

Together. *Find people who will want what you have to give.* Where alignment is the goal, it is important that people connect with companies who really want their special gifts. That's when productivity is highest. Companies should select people, not only on their experience and skills, but on the strength of who they are and how well their identities align with the organization's identity. Trust arises naturally when the connection between two 'beings' is based on appreciating the other's value-creating strengths.

7. What is my message?

Individuals. The question, What do you stand for?, is asked time and again by people wanting to know what cause or purpose fuels the choices you make in life. In asking this question, what people ultimately want to know is whether they can relate to you, and if so, how. No matter what your answer, they are looking for a frame of reference they can count on. Telling people what you stand for explains you in your entirety. Not as a collection of traits, skills or competencies; but you, as a complete and undivided being. When your identity is clear to you, it will be time to stand up and be counted. At that moment, fear of rejection by others will no longer matter.

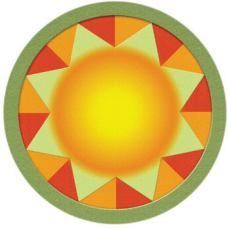
Organizations. The same is true for companies. Once organizations understand their identities, they must make them public, if they want people to fully appreciate their unique strengths and the value-creating potential those strengths imply.

Together. *Bring identity into the performance management conversation.* In terms of identity, "performance" includes one's particular contribution to how well the organization is creating value. Employers should make "identity performance" — their own and the employee's — part of the performance evaluation process, since it provides common ground for addressing value creation in human, as well as business, terms.

8. Will my life be rich?

Individuals. Not surprisingly, the first image this question brings to mind is money. There's nothing wrong with money; we all need it to support ourselves and our families. It is why shareholders invest and what companies require in order to grow. As much as wealth may be about money, however, it is equally about those things that, like a magnet, draw people back to you over and over again. For instance, the sincere recognition, thanks, or admiration you receive from people who matter to you, which in turn fuels your determination to redouble your efforts at whatever you did to win those rewards in the first place.

Arriving at an answer to this question calls for you to *surrender to the pull of your identity*, in the sense that you allow your identity to become your center of gravity. Figuratively speaking, you are handing over the reins of your life to that part of yourself you can count on the most to make wise decisions today — decisions which will shape the legacy you leave tomorrow.



Organizations. In business terms, this question is all about sustainability. For leaders, the idea of attaining a “rich life” for the institutions they lead is an invitation to decide what truly matters. What are the things that will add up to a life future generations of employees will be proud to call their own?

Together. *Make leadership an identity exercise.* Through the lens of identity, leadership starts by “leading one’s self” in ways that produce self-awareness, self-confidence and the courage to know what paths to follow and which ones to avoid. Identity-based leadership, then, can be and should be practiced by everyone within a company. To advance the cause of employee engagement, organizations should encourage identity awareness among everyone, while simultaneously shaping the leadership development process in ways that make dexterity with the identity discipline a criterion for continued promotion.

So, who are we together?

Expressing one’s identity with clarity and confidence engenders an unmatched level of trust between people and the companies they work for. This is because identity aligns the interests of organizations and individuals in ways that humanize the corporation and honor the human being inside every “employee.”

Answering the 8 identity code questions is vital to achieving long-lasting employee engagement, for the answers to those questions reveal the value-creating potential of organizations and individuals, as the basis for building meaningful, mutually beneficial relationships.

In short, employers and employees, alike, need to understand and respond to each others’ “identity signatures,” if employee engagement is to become the strategically significant experience organizations seek and the personally fulfilling one people deserve.