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## THE SOCIAL INTELLIGENCE COMPANY®

TEAM ENGAGEMENT
AND PERFORMANCE:

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# COMMUNICATION AND RESILIENCE ARE THE DIFFERENTIATORS

# ENGAGED AND DISENGAGED TEAMS

Emily works at an insurance agency managing a group of customer service partners who process claims and recommend upgrades for customers' coverage. Her team has had high turnover in the past two years, and she's lost some of her best contributors. Not only has she had to work longer hours to handle the increased workload, but she's had to tell her team about unpopular policies handed down from corporate, such as a new requirement to be in the office at least three days a week. She feels like a true middle manager—stuck between a rock and a hard place—and it's wearing her down.

Anthony is in the same role as Emily, but in a different location, and he feels the same stressors. Like Emily, he has moments where he feels overwhelmed, but he's learned some skills that are helping him—and his team—to not only persevere, but to perform at a high level. Though his job is certainly not easy, he feels engaged and committed to achieving his team's objectives.

Maybe you can recognize aspects of Emily and Anthony in your organization. Unfortunately, the disengaged and low performing leader (and team) is common, even though they both work at the same organization with the same pay, same benefits, and same hybrid schedule. Even the foosball tables are identical.

So, what is the difference between Emily and Anthony? It has to do with two fundamental skills: communication and resilience. Together, these skills (or lack thereof) have a profound effect on them and their teams' engagement. We'll revisit these two later, but first let's talk about engagement and the effects it has on people and organizations.

# LEADER AND TEAM ENGAGEMENT

Having an engaged team is critical, since engaged employees go above and beyond to meet goals and help their organizations succeed. They're the people you can count on – your top performers; the ones who get things done and done well.

*The benefits of engagement, both for employees and organizations, are well documented by multiple research studies. For instance, engaged employees:*

▶ Feel less stress
▶ Have better health and lower absence due to illness
▶ Are more committed to their organizations
▶ Are less likely to quit
▶ Make more effort to learn and develop new skills
▶ Take more initiative
▶ Are more innovative
▶ Make fewer mistakes.

Engagement also leads to better business results: engaged teams create better financial results, higher productivity, and superior customer service. For instance, a study of more than 100 publicly traded companies showed that employee engagement *predicts* profitability and customer satisfaction.

Unfortunately, engagement has been on the decline. Gallup reports that only 32% of employees are engaged, while a whopping 17% are actively disengaged, meaning they do more harm than good for their organizations. Research by McKinsey categorizes these actively disengaged employees as disruptive people who openly express their negative feelings and model poor performance. They are "productivity vampires," sucking the motivation out of those around them, creating more work for others and undermining morale.

According to McKinsey's research, employee disengagement and attrition could cost a median-size S&P 500 company between $228 million and $355 million a year in lost productivity.

Of course, leaders aren't immune to becoming disengaged themselves. On the contrary, according to Gallup, in the current environment, managers are ***even more likely*** than individual contributors to become disengaged. Being a manager today requires taking on the work of team members who have quit, and having to communicate to the team unpopular policies, such as return-to-work mandates. All of which leads to more stress and more work. Gallup found that managers are more likely than non-managers to be:

▶ Disengaged at work
▶ Burned out
▶ Looking for a new job
▶ Feeling like their organization does not care about their wellbeing.

While organizations have struggled with these issues since 2021, the decline has been particularly pronounced for managers. With all this change and disruption, leaders, and their teams, need help. Providing perquisites and flexible schedules can help, but these are short-term solutions that by themselves won't maintain engagement. Disengaged teams can become engaged again, and when this happens, they can turn around their dismal performance. The most critical element for lasting engagement is leadership. Frontline leaders have a direct and strong influence on engagement, and this impact comes through their ability to communicate effectively and build resilience within their teams.

# COMMUNICATION AND ENGAGEMENT

Research shows that leaders help build engagement by communicating in ways that *connect* with team members, which leads to productive relationships, collaboration, goal commitment, and psychological safety. It seems intuitive that leaders influence engagement, but research shows that organizations should double down on developing their leaders' communication skills since this type of training is effective and has significant impact on leaders' behavior.

In fact, a comprehensive, longitudinal study found that leaders directly affect engagement through their ability to communicate effectively with team members, and they do this first and foremost through meeting employees' basic communication needs, such as understanding a person's goals and how they prefer to achieve those goals. The most direct and effective way of meeting people's communication needs is through understanding their behavioral styles, which influences employees' preferences for getting work done and communicating with others.

*TRACOM's research has shown that leaders who communicate to meet team members' needs (called Versatility) are significantly more effective than leaders who do not communicate effectively. For instance, these engaging leaders are:*

- ▶ 27% better at developing effective relationships
- ▶ 27% better at leading teams
- ▶ 25% better at coaching others
- ▶ 22% better at influencing the commitment of team members
- ▶ 19% better at taking personal initiative.

This research shows the tangible effects that versatile leaders have on their teams' engagement. And these results were independent of the leaders' SOCIAL STYLE: an Analytical leader is just as effective as an Expressive leader, as long as they both communicate with Versatility.

So, how does Emily communicate with her team? She calls a team meeting and shares the quarterly customer satisfaction survey results, along with revenue goals. She emphasizes that the customer satisfaction results are influenced by a lot of factors, and that the team should just keep trying its best. She also points out that the revenue expectations are probably set unrealistically high by management, and to just keep trying. Emily's team has some of the lowest customer satisfaction ratings in the company and hasn't met its revenue targets in over a year. But back then, her team was completely different— most of them found new jobs, and the remainder are simply showing up… most of the time. She only meets one-on-one with team members when there's a problem with their performance, but by then it's usually too late and the person has already made plans to quit.

When Anthony meets with his team, he is enthusiastic about the customer satisfaction results, pointing out areas where the team is doing well. He asks for their ideas on how to improve and based on these conversations, sets specific goals for the team along with strategies for achieving those goals. He helps his team understand how their customer service is related to the team's revenue targets. He meets regularly with each team member, discussing their personal ambitions and how they can develop their skills and advance within the company. He understands his team as individuals and communicates with them in ways that motivate them. Anthony's manager has noticed how skilled Anthony is at "connecting" with his team and inspiring them to perform at a high level. She's also noticed that Anthony's team consistently achieves their revenue targets, along with having high customer satisfaction ratings.

Anthony is communicating effectively with his team, but engagement doesn't stop with good communication. In fact, communicating effectively simply opens the door to higher engagement. Leaders can promote even higher team engagement and business performance by modeling and supporting resilience. Thus, developing resilience is the next step for leaders to enhance their effectiveness.

# RESILIENCE AND ENGAGEMENT

Resilience—the ability to recover from adversity and more forward productively—is an essential life skill. Psychologists say it's perhaps the most important ability for succeeding in life since it provides people with the wherewithal to cope with challenges, remain optimistic, and move forward productively.

While resilience is clearly important, it's only recently been studied as an aspect of employee engagement, and this research has definitively shown that resilience leads to engagement: resilient employees are more engaged with their work and organizations. Even more enlightening, leaders have a direct influence on employees' engagement through their own resilience. For instance, two longitudinal studies found that leaders directly affect engagement by influencing their team members' optimism, resilience, adaptability to change, and self-confidence.

In other words, a leader who behaves with resilience and models this for others, inspires their team members to become more adaptable to change, more self-assured in their performance, better able to recover from setbacks, and more optimistic about outcomes. And it doesn't stop there. Research has found that the engaging climate these leaders create also leads to higher team effectiveness, such as cooperating with one another and across teams.

It's not only leaders that play a role in creating a resilient and engaged team—team members themselves can also influence engagement through their own resilience. Research on over 11,000 employees revealed that individual team members' levels of resilience were a better predictor of employee engagement than traditional measures of engagement. For instance, team members' optimism, feelings of control, and personal resilience were all better predictors of engagement than external factors such as having a clearly defined job and being given recognition.

*TRACOM has conducted research showing the connection between resilience, engagement, and job performance. We studied 322 leaders who were rated by their teams on resilience and other skills, and we compared leaders with high resilience to leaders with low resilience. We found that the high resilience leaders outperformed the other leaders by more than 20 percent in some areas. For instance, highly resilient leaders were:*

▶ *22%* better at managing stress

▶ *21%* better at influencing others during times of change

▶ *20%* more comfortable initiating change when needed

▶ *18%* better at building a positive culture

▶ *15%* better at finding opportunities in challenges and supporting change.

This accumulation of newer research on engagement clearly shows that resilience is an important element for organizations to consider when developing their people.

Now that we know something about resilience, let's revisit Emily. You probably noticed how she minimized the importance of customer service and achieving financial goals, and simply told her team to "do their best." Essentially, she's telling them that goals are *outside of their control* and that no matter what they do, they probably won't succeed. Her message is clear: things happen *to you* at this company, and don't bother trying too hard because it won't matter anyway. She probably isn't fully aware of how her behavior is affecting the team, but she's giving them a master course in how *not* to be resilient and effective, and it's showing in the team's high turnover and low performance.

Anthony, on the other hand, takes a much different approach. He shows optimism by celebrating the team's successes and getting their ideas for improving. He sets realistic goals and collaborates with the team to develop concrete plans to meet those goals. By doing these things, he's showing the team that events are *in their control* and that they can succeed. He communicates with candor when needed, even though he knows the message might be unpopular, such as return to work requirements. Anthony is giving a master class in how to be a resilient and effective leader, and it's paying off for him and his team. Anthony and his team aren't immune to the stress of the modern workplace, but they've got some key skills that are helping them to not only survive, but even thrive.

# CONCLUSION

Today's business environment has never been more challenging and stressful for leaders and their teams. It's clear that engagement is the critical factor. Engaged people are more productive and more likely to stay with the company, and engaged teams are more effective and have superior bottom-line results.

Recent research has revealed the critical pathways for achieving these outcomes: develop leaders and teams that communicate effectively and are resilient in the face of adversity. It begins with communication since this is the most direct way to influence team members and develop productive relationships. With communication as a basis, developing and modeling resilience leads to even greater gains in engagement and effectiveness.

So, even though Emily and her team are disengaged and bordering on burnout, hope is not lost. She has the capability, she just needs to develop her skills and understanding of how small changes to her behavior can result in big benefits to her team, herself, and her career.

## SOCIAL INTELLIGENCE TRAINING

TRACOM Group is the leader in Social Intelligence. All of our learning solutions are easy to learn, remember and apply and are based on rigorous research that help professionals better understand themselves and others.

## OUR TRAINING SOLUTIONS

▶ SOCIAL STYLE for Communications
▶ Adaptive Mindset for Resilience
▶ Behavioral EQ for Emotional Intelligence
▶ Personal Agility for Innovation

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