



Managing for Engagement – Communication, Connection, and Courage



A Report to the President and the Congress of the United States
by the U.S. Merit Systems Protection Board

The recommendations we offer to increase employee engagement are based on the principle that performance management is a continuing dialogue between supervisors and their employees. The actions we recommend are already key components of every leader's job. They can be characterized in three words: communication, connection, and courage. These are the foundation of effective performance management—communicating openly and honestly with employees, connecting with them as people to build strong working relationships, and demonstrating the courage to address and resolve problems.

Findings

Our findings are based on the responses of the 41,600 employees at all levels in 30 agencies who completed the 2007 Merit Principles Survey.

Effective performance management practices are a key factor in employee engagement. In our comparisons of the four agencies with the highest percentages of engaged employees with the four agencies with the lowest percentages of engaged employees, every positive performance management practice we reviewed (e.g., senior leaders communicating openly and honestly with employees; employees having written performance goals) is employed more widely in high engagement agencies than in low engagement agencies.

The vast majority of Federal employees take great pride in both their work and their agencies. Taking pride in one's work and workplace is an area in which the Federal workforce shines. Employees believe their work is important and meaningful and know how it contributes to the success of their agency's mission. The satisfaction they feel, which enables them to recommend their agencies to others as good places to work, is a vital component of employee engagement.

The majority of employees trust their supervisors and believe they are doing a good job, but higher level leaders are not as widely respected or trusted. Leaders, especially direct supervisors, play a critical role in facilitating employee engagement. Although two-thirds of employees express confidence in their direct supervisors, many employees do not have positive perceptions of their organization's higher level leaders. Employees' lack of trust in managers and executives may be a result of those leaders' failure to communicate honestly with employees about the organization as well as their lack of consistency between words and actions. Our comparisons of the four agencies with the highest percentages of engaged employees with the four agencies with the lowest percentages show that leaders in the high engagement agencies do a much better job of communicating with their employees.

Many employees do not feel free to express their opinions to management. A prerequisite to engagement is employees' perception that they can express their point of view. Less than half (46 percent) of all survey participants agreed that they could express their point of view to management without fear of negative consequences.

Most employees have written performance goals and the resources they need, but goals may not always accurately define current expectations. The majority of employees reported that their job responsibilities make good use of their competencies and they are usually provided with the resources, time, and assistance they need to do their jobs. Although more than two-thirds of employees said that they have written performance goals that clearly define the results they are expected to achieve, substantially fewer said the goals are current or accurately define performance expectations.

Many employees do not receive adequate feedback on their progress. Although research repeatedly shows that giving feedback to their employees is the most important and effective action supervisors can take to improve work performance, only 40 percent of employees at all levels said they receive informal or formal feedback at least every two weeks. Fourteen percent receive feedback monthly and another 14 percent receive it quarterly. Thirty-two percent receive feedback twice per year or less. We also found that many Federal employees are not benefiting from frequent reviews and discussion of their work with their supervisors. Forty percent discuss their progress with their supervisor only twice per year or even less often.

Substantial improvement is needed in holding employees accountable for results. Being held accountable for one's work is the most fundamental principle of performance management and is essential for ensuring high performance. Slightly fewer than two-thirds (65 percent) of employees agreed that they experience positive consequences when they achieve expected results and only 57 percent agreed that they experience negative consequences when they do not achieve expected results.

The management of poor performers needs to be improved. While the proportion of poor performers in the Federal workforce is relatively small, their management is seen as an important issue by employees. Fewer than one-third (30 percent) of survey participants agreed that their supervisor takes steps to deal with poor performers who cannot or will not improve. Rather than actively helping poor performers improve or removing them, some supervisors are apparently dealing with the problem of poor performers by transferring their work to others. Sixty-three percent of survey respondents reported that they routinely do more than their fair share of work because of poorly performing coworkers.

The assessment of employee performance is an area of concern. About 61 percent of survey participants agreed that their performance appraisal is a fair reflection of their performance. The accuracy and fairness of performance appraisals is a complex issue because performance ratings may be influenced by multiple factors unrelated to performance, such as supervisors' inability to separate individual performance from the impact of organizational processes and events; unconscious biases; impression management by employees; and, rating leniency. The complexity of performance assessment is increased by the human tendency to overestimate one's performance; employees believe they deserve high ratings and if they do not receive them, they conclude that they have been treated unfairly.

Only half of Federal employees believe recognition is linked to performance.

Recognition of employees' contributions is vital to engagement. Only half of our survey participants reported that they are rewarded for providing high-quality products and services to their customers and that recognition and rewards are based on performance in their work unit. Just over half, 55 percent, said they had personally been treated fairly in the receipt of performance awards. Promotions are an important form of recognition that an employee is doing an excellent job. Fifty-one percent of all the survey participants believe promotions in their work unit are based on merit.

More attention is needed to employee development. Many Federal agencies are not taking advantage of the opportunity to engage their employees through personal and professional growth. Fewer than half (46 percent) of survey participants reported that their training needs are assessed, while only 58 percent reported that they have real opportunities to improve their skills.

Employees would like more input and involvement in their organizations.

One-quarter of nonsupervisory employees and 35 percent of leaders believe that their input is used to make improvements in the organization. Half of all our survey participants are satisfied with their involvement in decisions that affect their work, while fewer than two-thirds reported they are proactively informed of work changes.

Recommendations

For All Employees

1. **Take an active role in managing your own performance.** If you need more guidance, direction, or feedback than you are receiving, ask for it. Reflect frequently on your own performance and consider how you can improve it.
2. **Adopt a continuous learning mindset.** Work with your supervisor to create and implement a focused development plan with clear objectives that include both enhancing your strengths and overcoming problem areas that may be impeding you from performing at your best. Be an advocate for positive change in your work group.
3. **Prepare carefully for progress review meetings with your supervisor.** Be prepared to summarize your progress on assignments and your accomplishments since your previous meeting. Bring a list of issues you want to discuss and questions you want to ask. Consider any barriers to high performance you face and ask your supervisor for help in overcoming them.

For Leaders at All Levels (Supervisors, Managers, and Executives)

- 1. Hire with care and use the probationary period as part of the selection process.** The best way to avoid performance problems is to invest the time and effort required to hire only candidates who have a high potential for success in the job. Clearly define the technical and nontechnical competencies and other qualifications required for success before you plan your recruiting and selection strategies. Provide applicants with an accurate job description and a realistic preview of the pros and cons of the position. Use a multiple hurdle approach in which only the best qualified move on to the next step in the selection process. Use the probationary period as it was intended, as the final step in the selection process, and separate employees who do not perform well during this period.
- 2. Develop a strong working relationship with each employee.** The essence of performance management is an ongoing dialogue between supervisors and their employees. Develop strong working relationships with your employees by talking with them informally and frequently (e.g., two or three times per week). Get to know them as people, provide informal feedback, and learn about their concerns and goals.
- 3. Meet regularly with each employee to review progress and provide feedback.** Schedule regular meetings with each employee to discuss the employee's progress on current assignments and any obstacles that may be impeding success; provide feedback and recognition; explain new assignments; communicate high expectations for performance; provide information about the work unit or organization; respond to the employee's questions or concerns; and review progress on development plans. The optimal frequency of these individual meetings will vary with the employee, his or her assignments, and the job. Monthly is usually a minimum time frame.
- 4. Model requesting and applying feedback.** Set an example for your employees by requesting feedback from them on your performance as a supervisor and by sharing with them feedback you receive from your manager. Discuss with employees how you plan to use the feedback you receive.
- 5. Give all employees the opportunity to grow and develop.** Conduct annual or semiannual assessments of each employee's strengths and development needs. Provide development opportunities for all employees, including both specific training needed for the current job and wider skill development. There are many free and low-cost development opportunities available.

6. **Hold employees accountable for their performance.** Manage poor performance promptly and assertively. Hold all employees accountable for their performance by:
 - t Consistently communicating high performance expectations.
 - t Working with each employee to define individual performance goals with specified outcomes and timelines.
 - t Regularly reviewing and documenting employees' work.
 - t Meeting regularly with employees to review their progress toward achieving their performance goals.
 - t Providing frequent constructive feedback and coaching.
 - t Providing recognition and other positive consequences for good work.
 - t Taking prompt corrective action when employees are not performing well, making it clear that continuing poor performance will not be tolerated, and following up with negative consequences if the poor performance continues.
 - t Avoiding transferring low or poor performers' work to others.

For Managers and Executives

1. **Involve employees in building a high performance organization.** Use the results for your agency from the Merit Principles Surveys, the results of agency surveys, and additional employee input to identify strengths and weaknesses in your organization. Use this information to work with employees to create and implement an action plan to build a high performing organization.
2. **Build employee trust and confidence through frequent, open communication.** Invest substantial effort in gaining the respect and trust of your employees by openly sharing information about the organization, both positive and negative, aligning words and actions, and making it safe for employees to express their perspectives. Develop personal connections with employees through meetings, visits to work sites, exchanges of ideas, and other forms of in-person communication.
3. **Engage new employees with an onboarding program.** Nurture your investment in new employees by providing a year-long onboarding program that makes them feel welcome and valued, helps them build good relationships with coworkers, equips them with the information and resources they need to perform well, and helps them adapt to the culture and operation of the organization.
4. **Closely link recognition and rewards to performance.** Develop and heavily communicate to employees a recognition program that tightly links recognition to performance. Ensure that recognition and rewards are available

to all employees in all jobs who perform well. Use within-grade increases as a recognition tool. Award these only to employees who have met or exceeded expectations, i.e., performed at the “fully successful” or higher level, and let employees know they are receiving the salary increase because of their successful performance. Set aside more funds for monetary awards and distribute them judiciously, giving the awards only to those who most deserve them. Develop non-monetary recognition practices so that rewards are not constrained by available funds.

5. **Select supervisors who will effectively manage performance.** Select supervisors who can and will provide honest feedback and actively manage the performance of all their employees, including low performers. If supervisors do not effectively manage performance during the probationary period, they should not remain in a supervisory position.
6. **Hold every supervisor accountable for effective performance management.** Make it clear to all supervisors that they are personally responsible for effectively managing their employees’ performance to produce results. Regularly review with each supervisor his or her management of the work group.
7. **Provide supervisors with the training, resources, and management support they need to effectively manage their employees to achieve high performance.** Provide supervisors with the support they need to successfully manage their work groups, including training, resources, and management support. In particular, remove organizational obstacles to taking justified actions against poor performers, and back up supervisors when they take needed actions.
8. **Evaluate the effectiveness of your agency’s current performance appraisal system.** Determine if your agency’s performance appraisal system facilitates or impedes the achievement of your agency’s mission. Assess how it contributes to or detracts from accountability, communication, and recognition of good performers. Consider the advantages and disadvantages of different systems. Involve employees in the evaluation and solicit their ideas for alternative approaches.



