

White Paper

The Emotional Drivers of Employee Engagement: How Organizations and Leaders Can Develop Positive Emotions

Why Emotions Matter

Today companies can and do rely increasingly on big data and algorithms to make decisions, allowing them to maximize operational efficiency and improve the customer experience, sometimes in real time.

But, as of yet, humans don't have that option for most of our decisions.

“When dealing with people, remember you are not dealing with creatures of logic, but creatures of emotion.”

– Dale Carnegie

People generally like to think they decide rationally, but research shows that most decisions are heavily influenced by emotions, and then later rationalized as people justify their choices to themselves and others.

That's certainly true when it comes to one of the most important decisions your employees are making every day, without even consciously doing it: *deciding whether to give their best effort at work.*

Engaging employees is not a simple paint-by-number exercise.

Though Artificial Intelligence (AI) promises paradigm shifts in companies' ability to customize an employee experience, and progress in the effectiveness of machines to detect human emotions is being made, for the vast majority of companies the ability to tailor engagement strategies in meaningful ways to the experience of each individual worker using these advancements is a long way off.

While data can undoubtedly guide an organization to improve the employee experience for their workforce on the whole, aggregated data is nearly useless when it comes to motivating any individual employee.

Instead, successful organizations continue to leverage the human element, giving an employee's leader the primary responsibility for engaging them.

Depending upon the company and its resources, leaders typically have a variety of methods to do so: recognition, monetary rewards, extra attention, perks, mentors, learning opportunities, special projects, support for career advancement, flexible work schedules, approval for volunteer activities, etc. Any one of these tactics might produce dissimilar reactions from different employees. It's up to leaders to choose the right ones for each. While public recognition for one employee may make them elated and inspired to achieve even more, the same recognition can simply leave another feeling embarrassed.

Good leaders must know their people well, because that is exactly what allows them to predict whether a particular engagement tactic will elicit a desired emotion – one that increases the employee's engagement – or not.

The Power of Positive Emotions

Substantial research now supports the idea that positive emotions in the workplace yield a range of tangible benefits: promoting creativity, increasing attention and intuition, enhancing problem-solving, memory, efficiency in highly complex decision-making, and fostering cooperation.¹ When it comes to their performance, the emotions employees are feeling can be as important as the skills and knowledge they bring to their roles.

¹ Lutgen-Sandvik, P., Riforgiate, S., & Fletcher, C. (2011). Work as a Source of Positive Emotional Experiences and the Discourses Informing Positive Assessment. *Western Journal of Communication*, 75(1), 2-27. doi:10.1080/10570314.2010.536963

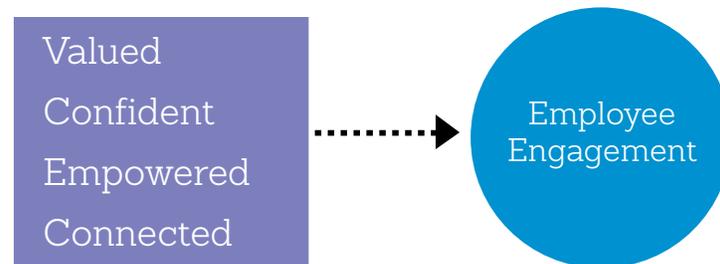
In addition, positive emotions appear to facilitate successful organizational change. Given that many companies today operate within rapidly evolving business environments, the ability to effectively implement organizational change is crucial. Researchers agree that employee resistance is among the biggest obstacles, and studies now suggest that employees' positive emotions can moderate the negative reactions that often accompany these change initiatives, leading to more positive outcomes.²

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Our research suggests that emotions are also deeply interconnected with employee engagement, a top concern for executives worldwide³ given the credible data now demonstrating the superior performance and earnings of organizations who achieve significant employee engagement gains.⁴

Which emotions matter most?

Dale Carnegie & Associates conducted research to examine emotions in the workplace and their relationship to employee engagement. In our most recent study of nearly 3,300 respondents from 10 countries, analysis revealed that feeling *valued*, *confident*, *connected* and *empowered* are key emotions for engagement.



What do we mean by these four emotions?

- **Valued** – Employees feel valued when they are recognized, sincerely appreciated and rewarded for their contributions, in a way that respects their personal preferences.
- **Confident** – Employees feel confident when believe they are set up for success and that they have the support of their leader and the organization.
- **Connected** – Employees feel connected primarily through their relationships with others. Those with whom they interact most often and with whom they have most in common have the greatest impact on their feelings of connectedness.
- **Empowered** – Employees are empowered by feeling part of something bigger than themselves, by being listened to and by being given autonomy and flexibility to achieve results within their defined role.

² Avey, J. B., Wernsing, T. S., & Luthans, F. (2008). Can Positive Employees Help Positive Organizational Change? Impact of Psychological Capital and Emotions on Relevant Attitudes and Behaviors. *The Journal of Applied Behavioral Science*, 44(1), 48-70. doi:10.1177/0021886307311470

³ *Navigating uncertainty: Global leadership challenges* (Rep.). (2017). London, UK: London Business School. Retrieved April 11, 2018, from https://www.london.edu/news-and-events/news/key-takeaways-from-the-2017-leadership-institute-survey-1364#_Ws5FiojwZPY.

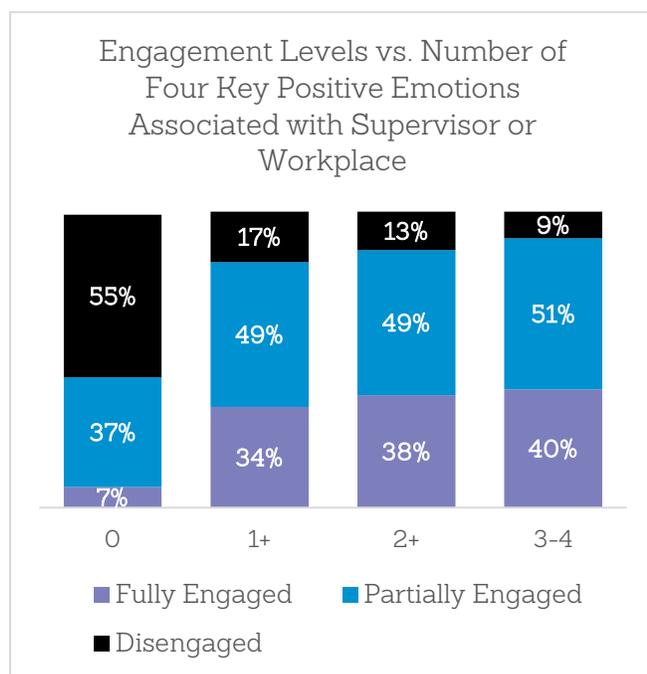
⁴ Gallup, Inc. (2017, February 15). State of the American Workplace. Retrieved from news.gallup.com/reports/199961/state-american-workplace-report-2017.aspx

About one in five respondents did not associate any of these key four positive emotions with their supervisor or workplace, though they may have connected other positive emotions with them. Among these respondents, the level of full-engagement was just 7%, nearly five times lower than among respondents who could claim feeling even one of the emotions: *valued*, *confident*, *connected* or *empowered*.

Thirty-eight percent of employees associating at least two of these key positive emotions with their supervisor or workplace were fully-engaged, as were 40% of those feeling three or all four of them.

Perhaps as important, given the serious impact that disengaged employees can have on an organization, the level of disengagement drops dramatically for employees who feel at least one of the emotions we've identified, from 55% to just 17%. Among the fortunate who associate at least three of the four key emotions with their supervisor or workplace, disengagement is rare at just 9%.

To maximize engagement – and minimize disengagement – look for ways within the employee experience to help people feel *valued*, *confident*, *connected* and *empowered*.



Are Negative Emotions Important?

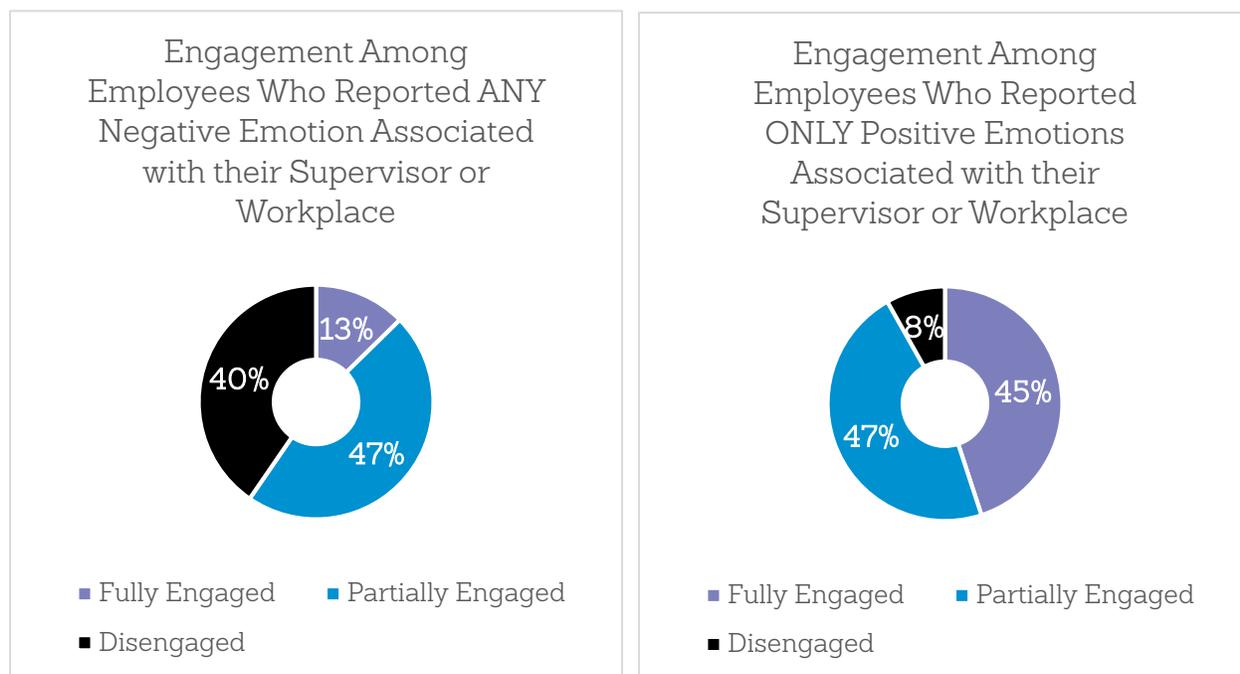
An employee experience that avoids consistently creating negative emotions for employees is also critical, as there is a direct relationship between negative emotions and an employee's level of engagement.

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Unfortunately, it's not uncommon for people to feel negative emotions at work. Almost four in 10 employees feel at least one of 12 significant negative emotions as a result of their interaction with their immediate supervisor, and fully half reported at least one negative emotion associated with either their supervisor, the workplace, or both.

The most commonly reported negative feelings associated with supervisors in our study included *anxious* (14%), *disinterested* (11%) and *irritated* (10%). The workplace itself elicits *anxiety* (13%), *boredom* (12%), *disinterest* and *irritation* (both 10%).

At the same time, *occasional* negative emotions aren't necessarily always counterproductive. Short-term feelings of frustration over a lost opportunity can prompt action or a decision, or stimulate competitiveness and increased effort, whereas *ongoing* anxiety can lead to avoidance behaviors that negatively impact performance. We focused on the more persistent emotions by asking the question "*Which of these emotions best describe how your immediate supervisor (or workplace) makes you feel?*"



Employees who chose any negative emotion to describe the feelings they connect with their supervisor or workplace are disengaged five times more than employees who feel only positive emotions.

What Drives Workplace Emotions?

Anything within the employee experience can elicit emotion, from entry into the recruiting process to exit from the company. That includes all elements of the workplace, the office environment, the work itself and the people doing it along with them. The emotions can be mild or intense, fleeting or persistent. Emotions are an adaptive response, an integral part of learning, memory and our decision-making processes, and a significant part of what makes us human.

Attempting to simply hide emotions at work isn't the answer. Hiding emotions is difficult; non-verbal signals tend to reveal them anyway and give others the sense that you're hiding something. Even people who *can* completely hide their emotions risk a downside; they are often considered "unfeeling" or "unreadable," which can negatively impact the trust others have in them. Moreover, internalizing negative emotions can be physically unhealthy. Demonstrating appropriate emotion is part of building and maintaining relationships; it makes you understandable and helps others relate to you.

Discounting the role of emotions in the workplace is also counterproductive. Instead, organizations should consider emotions as they establish or review policies and processes, focusing not just on how they work, but how they make those using them feel.

Leaders play a crucial role. The more often two employees interact, and the more they have in common, the higher the impact that relationship will have on an employees' emotions, mood and engagement – whether positive or negative. While the impact of senior leaders is growing with the transparency and

direct communication that technology now allows, an employee's manager continues to account for a significant part of the variance in engagement.⁵

Developing Positive Emotions in Your Organization

Recognizing and accepting the role emotions play, even in professional interactions, is a vital first step.

For organizations:

1. **Consider emotions in your employee experience design.** Just as desired emotions are the focus of a well-designed customer experience, the employee experience should be centered on how each touchpoint makes employees feel. Listen to feedback and take action.
2. **Put the emphasis on the right emotions.** While making employees feel “amused” or “happy” is nice, it's not likely to be the best focus for increasing engagement.
3. **Hold leaders accountable for engaging their employees.** If you want employee engagement to be seen as a strategic priority, leader evaluations should reflect how well they foster positive emotions that engage the employees reporting to them, as well as the results they achieve.
4. **Ensure your people have the necessary skills.** Identifying emotions is one thing – and AI is getting good at that – eliciting desired emotions is another, one still more art than science. In many instances, it's still interpersonal interactions between real humans which have the most impact. If we expect leaders at all levels to carry the primary responsibility for improving employee engagement, they may need training and support.

For individual leaders:

1. **Be mindful of your own emotions and the impact they have on others.** As a leader your responsibility is to promote a positive climate for your team.
2. **Anticipate the emotional impact of any change that will affect employees.** Prepare for a range of reactions and plan how you will handle them.
3. **Find opportunities in your everyday work to make your people feel valued, confident, connected and empowered.** Make it a daily priority.
4. **Get help if you need it.** The interpersonal skills that help leaders succeed in engaging the people they work with can be learned and enhanced.

Organizations and leaders who build positive emotional capital among their employees supply a valuable resource companies can tap into in times of need.

As progress toward tailoring engagement strategies through technology continues, it's important to remember that the emotions employees experience at work directly affect their performance, and that human relationships continue to have a powerful impact on those emotions.

Our network of 290 Franchisee partners in more than 90 countries together help people gain greater influence and make meaningful contributions in the places that matter most. Dale Carnegie Training can help your organization build effective interpersonal skills that generate the positive emotions essential to a productive work environment and that lead to increased employee engagement.

⁵ Beck, Randall, and Jim Harter. (April 21, 2015) “Managers Account for 70% of Variance in Employee Engagement.” *Gallup.com*. Retrieved from: news.gallup.com/businessjournal/182792/managers-account-variance-employee-engagement.aspx.