



8 Simple Strategies to Boost Employee **Engagement and the Bottom Line**

A Solution Brief for Growth-Minded Organizations

NURTURE HUMAN POTENTIAL TO MAXIMIZE PROFITABILITY

Did you know that highly engaged business units reap 21% greater profitability than their less engaged counterparts? Highly engaged staff fuel business outcomes, increasing productivity 17%, sales 20%, and customer ratings 10% while reducing absenteeism by 41%, according to Gallup. On the flip side, disengaged employees cost companies \$450 to 550 billion² per year or an average of 34% of each disengaged person's salary.³

Most companies do not grasp engagement's impact and overestimate employee engagement levels. They fail to recognize how their everyday practices disengage employees or the simple changes that can turn them around. Instead, they rely on the HR department to promote engagement. Though they play a vital role, HR alone cannot drive widescale engagement in today's challenging environment. As a result, employee engagement in the U.S. shrank from the all-time high of 36% in 2020 to 20%, according to Gallup.¹

Intensifying competition and the Great Resignation make employee engagement more important now than ever before. Labor shortages jeopardize operational goals, especially customer-facing ones. Fortunately, companies can reverse this trend and reap the outcomes a highly engaged workforce delivers. First, they must take a long hard look at corporate and team business practices and create a plan to continually improve employee experience and workplace culture. Surveys, focus groups, and interviews can help identify opportunities. Consider improving access to resources, leadership and career development, team enrichment, and interpersonal communications skills-building.

Do not underestimate the power of modern technology to alleviate employee frustration quickly. For example, many workers struggle to get the information they need when they need it. Modern cloud-based ERP platforms connect workers with real-time data and processes on demand.

This solution brief examines eight proven strategies for improving employee engagement.

THE KEYS TO A HIGHLY ENGAGED WORKFORCE

















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¹ Gallup State of the Global Workplace Report https://www.gallup.com/workplace/349484/state-of-the-global-workplace.aspx

Sirota-Mercer, Deloitte, ROI, The Culture Works, and Consulting LLP Study in <u>Hrdive.com</u>

³ Borysenko, Karlyn, <u>How Much Are Your Disengaged Employees Costing You?</u> Forbes.com report



Get Back to Basics

The past few years brought significant turmoil to businesses and employees. The pandemic triggered widespread uncertainty, with employees pondering its effect on their work, company, and future. Many feared for their well-being while navigating mounting personal and professional responsibilities.

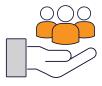
New business models, the Great Resignation, and accessibility issues exacerbated these problems. Technology helped organizations navigate unchartered waters, connecting people to their work and colleagues. But it didn't always make life easier. Disparate systems perpetuated information siloes, forcing workers to navigate multiple applications simultaneously and restricting workflow visibility.

Meanwhile, many organizations struggled to connect with employees. As a result, engagement declined and turnover rose. Organizations must monitor the effect of fluctuating working conditions and create an engagement strategy that emphasizes the following core principles:

- A sense of purpose
- · Empathy and support from the direct manager
- Open, ongoing communication
- · Professional development and career planning

"A good business system should make it easier for people to do the right thing and harder to do the wrong thing. It should recognize and reward individuals when they honor the Golden Rule and penalize them when they abuse it."

— Fred Reichheld, **Creator of the Net Promoter System**, in *Winning on Purpose*, *The Unbeatable Strategy of Loving Customers*



STRATEGY #2

Share Responsibility

Traditionally, human resource (HR) departments assumed responsibility for employee engagement. They surveyed staff and sponsored initiatives. However, this legacy approach neglects fundamental engagement principles and causes followers to fall behind their competition. Strong engagement hinges on supportive relationships, especially with supervisors. Therefore, organizations must distribute responsibility throughout the organization.

Businesses thrive when they enable managers to quickly adapt to changing business conditions and empower their team to do so too. Successful engagement tactics start from the top-down, with senior management consistently modeling them and encouraging their direct reports to do the same while providing access to the necessary resources.

Engagement practices do not end with leaders. Individual contributors must also take responsibility for their engagement, communicate their needs, and seek to derive purpose from everyday activities.

Built on the world's best cloud and mobile platform, Acumatica connects all users with the real-time information they need to work efficiently.

"We have dashboards, and some (employees) have their own personal dashboards where they can look at KPIs, revenue, projects we've bid on. Employees are more productive because they have instant access to the information they need. They don't have to call headquarters or waste time searching for the right information."



Clearly Define Shared Mission and Objectives

Before the pandemic, employees felt plugged into their company's success, with 49% reporting they strongly agree their supervisor keeps them well informed. Now only 36% believe management clearly communicates company progress, according to Gallup.1

Remote work can isolate employees and fuel confusion. For example, they can easily miss or misinterpret messages during virtual meetings since people derive 65% to 90% of meaning from nonverbal cues.4 Meanwhile, lack of impromptu conversations between colleagues perpetuates misunderstanding.

Senior leaders must craft and convey key messages that resonate with each team and individual. But before they cast a vision and set milestones, they must give each team a voice and learn how they view their function. Storytelling and analogies can help leaders share their passion and connect dots in a memorable way, while technology helps distribute and reinforce messages.

Acumatica's cloud-based ERP system empowers clear, multi-channel communication by integrating diverse business and collaboration applications on one centralized platform.

"Acumatica has been really transformative for our business. It made our team joyful about how they were working, not stressed or worried . . . If you're looking for a cloud-based solution that is flexible for your current and future business needs, I highly recommend considering Acumatica."

- CHRIS WILLIAMS, DIRECTOR OF BUSINESS OPERATION **INTERACTION ASSOCIATES**

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STRATEGY #4

Promote and Personalize Flexibility

Prospective employees rank flexibility as their top priority, and 82% of current ones cite it as a reason to stay with an employer. Others claim they would sacrifice 10-20% of their pay for more flexible working options. 6 As a result, about 90% of small and medium businesses (SMBs) have or are building flexibility into their employee engagement strategy.5

Some employees thrive when they can adjust their schedules to accommodate childcare. Others prefer tuition reimbursement and development opportunities. Companies should also evaluate remote employees' work conditions to ensure they allow them to do their best work. Do not assume everyone has the same access to equipment and workspace. For example, the pandemic forced some employees to create makeshift workstations in small apartments and among noisy neighbors.

Leverage technology to enable flexibility. For example, Acumatica provides users with the same experience on a PC and mobile phone and automatically opens the last task the user performed.

According to SMB research, 50% of businesses implementing changes to promote flexibility reported they were extremely valuable in attracting and retaining talent.

Acumatica customer, Interaction Associates helps companies develop leaders, build inclusive teams, and improve their culture with training and development materials. Acumatica's flexible platform enabled the company to improve their employees' experience so they can better support customers.

⁴ Creative Commons, <u>Principles and Functions of Nonverbal Communication</u>
⁵ <u>SMB Directions for the Future of Work</u> eBook sponsored by Acumatica, Dell Technologies, and Workday

⁶ Grant Thorton's State of the Work in America survey. Reported by Business Wire



Foster Collaboration, Communication, and a Team Culture

Companies often underestimate the power of collaboration to boost engagement, resolve problems, and deliver superior outcomes. However, 75% of employees consider collaboration and teamwork essential, according to SMB.⁵

Organizations inadvertently thwart collaboration when they dole out projects in a vacuum and measure success without soliciting feedback. For example, 86% of employees blame lack of communication or collaboration for workplace failures. Companies that practice empathy and open communication promote collaboration. To nurture a collaborative culture, organizations must:

- Practice two-way communication and give all employees a voice.
- Recognize and leverage each individual's strengths.
- · Automate manual processes and workflows so employees can focus on strategic work.
- Use technology to facilitate communication.
- Centralize key data and provide real-time access
- Promote transparency to unify employee efforts and keep them on the same page.

Acumatica facilitates collaboration by connecting robust ERP functions with external systems and presenting users with an end-to-end view of real-time data. In addition, they can visualize project data with integrated workflows and leverage automation to eliminate error-prone manual tasks.

"With our previous systems, departments would work in isolation as each had their own system focus with little consideration for how their actions affected another department. With Acumatica's one version of the truth, the understanding and realization that what one department does affects another has created deeper alignment and decisively improved collaboration between departments."

- ZANE ZIETSMAN, CHIEF OF STRATEGY AND DIGITAL OFFICER, DIGITAL PLANET

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STRATEGY #6

Clarify Expectations

Employees flounder without clear expectations. They hold onto false assumptions, which frustrates them and diminishes productivity. Unfortunately, the pandemic amplified this dilemma, forcing organizations to find new ways to engage employees and drive clarity to counter dwindling productivity and rising turnover.

The uncertain times also left managers struggling to find answers. Senior executives must drive clarity from the top-down by sharing progress and outlining expectations, especially when business operations are fluctuating. Technology can put evolving strategies and expectations in front of employees. For example, Acumatica dashboards present each user with KPIs customized for their role and responsibilities along with company goals and project status. Intelligent reporting aggregates real-time information from across the enterprise and converts it into role-based reports to ensure everyone has up-to-date information.

Acumatica applies the same business logic to all data, no matter how it is entered or transferred.



Embrace Diversity, Equity, and Inclusion

People connect easier with those with similar backgrounds, interests, or views. Though innocent, this breeds implicit bias and often influences hiring decisions. However, diverse companies are 35% more likely to outperform the competition, according to McKinsey,8 and 70% more likely to capture new markets per Harvard Business Review⁹ research. Therefore, unless organizations purposely diversify their workforce at all levels, they will lose their competitive edge. After all, employees and customers want to see themselves in the company's leadership and workforce. In addition, 76% of candidates consider diversity important when evaluating employers, according to a Glassdoor survey.¹⁰

Achieving true diversity requires strategic analysis and planning. Companies must set diversity, equity, and inclusion (DEI) goals and understand how each department, level, and position stacks up. Then they can work to close gaps. Many employees do not fully understand diversity's impact. Training programs can promote awareness while the right technology drives transparency, collaboration, and shared responsibility.

"Effective solutions must bolster the health and vitality of the surrounding communities as well as the individual relationship. This is where issues such as protecting the environment, supporting diversity, and defending social justice come into the picture. While the primary purpose of a great business is making customers' lives better, this can't be accomplished by short-changing those broader responsibilities."

- Fred Reichheld, Creator of the Net Promoter System, in Winning on Purpose, The **Unbeatable Strategy of Loving Customers**

Acumatica delivers a technology foundation that supports diverse, global teams with multilingual translations, localized business practices, multicurrency, and international accounting and tax support.



STRATEGY #8

Drive Engagement with Modern **Applications**

Engagement fuels success by providing "the right conditions for all members of an organization to give their best each day, committed to their organization's goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well-being," according to EngageForSuccess.com, a voluntary movement that promotes employee engagement.11

Technology can make or break these conditions, enabling them to freely focus on goals or obstructing them with awkward or inefficient processes. Today's workforce expects instantaneous access to information and tools. Engagement plummets and mistakes abound when workers hunt and peck for information and reenter data in multiple systems.

Acumatica's future-proof ERP solution engages users with integrated systems, automated workflows, and an intuitive interface. Its 360 views provide transparency into customer data while the centralized database facilitates real-time access to role-based data. Integrated business processes eliminate redundancy and inaccuracy. Additionally, dashboards engage users with personalized KPIs and alerts. On-the-go mobility enables users to access work anywhere on the same workspace. Thanks to open APIs that connect people, information, processes, and systems with modern technologies, users can work seamlessly across the globe.

Acumatica engages employees with a modern ERP application that is easy to use, easy to learn, and adaptable to their specific roles.

⁸ McKinsey & Company, Why Diversity Matters

⁹ Harvard Business Review, <u>How Diversity Can Drive Innovation</u>
¹⁰ Glassdoor <u>Diversity and Inclusion Workplace Survey</u>

¹¹ EngageForSucess.com, What is Employee Engagement



Award-Winning Usability

Acumatica consistently earns top marks for usability, with customers and analysts praising its intuitive nature and open architecture. In 2022, Acumatica earned top marks from G2 and won the Best Usability Award and Easiest to Use Award.

Nucleus Research also selected Acumatica as the market usability leader in its ERP Technology Value Matrix.

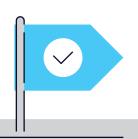
Acumatica's intuitive, personalized reporting delivers the usability that employees desire. Multi-dimensional reporting enables users to analyze corporate and personal KPIs from different perspectives, while drill-down capabilities help them research specific factors. Users can also take immediate action directly from the dashboard.











"We've been on Acumatica for four years. It's really has been a night and day difference with the communication. Having that one version of the truth that integrates our inventory, order processing, eCommerce system allows us to understand our customers. All one place has been paramount to our success."

 ETHAN PLATT, PRESIDENT, AMERICAN MEADOWS

ABOUT ACUMATICA

Acumatica Cloud ERP provides the best business management solution for digitally resilient companies. Built for mobile and telework scenarios and easily integrated with the collaboration tools of your choice, Acumatica delivers flexibility, efficiency, and continuity of operations to growing small and midmarket organizations.



Business Resilience. Delivered.