Interview with Leader Bruce Cutright

Following our interview, Bruce Cutright was inspired to contribute additional thoughts and observations. I include them here.

BRUCE CUTRIGHT:

When I reflect on Mary Lanning Healthcare's journey from low employee engagement to a highly engaged workforce, I am amazed, and amused, by my naiveté.

I was perplexed by the organization's high turnover rate of 22%. Our first-year turnover was at 48%. I wondered how this could be with a CEO who frequently rounded on all floors and consistently ate in the cafeteria and mingled with staff. He had demonstrated in his 20-year tenure as CEO that he truly cared about the staff. Our Chief Nursing Officer was long-tenured and respected for her knowledge. In all, our department directors were well-meaning individuals who cared about the staff.

As the Vice President of Human Resources, I felt I was succeeding at keeping the hospital safe from discrimination claims and compliant with government regulations. But I knew that we had to take a deeper look at the causes of the high turnover. We tried various management principles. We handed out books, and we tested our directors for management competencies. We were looking for turnkey solutions, and talk about "changing the culture" was prevalent among our management team. It wasn't until complete exasperation that I called Gallup, hoping to gain some quick solution and ideas that I could hand carry back to MLH and become the patron saint of an improved employee experience at our hospital.

I had pictured in my mind that I would be giving management awards to our best managers. Employees would be happily displaying buttons signifying their happiness and oneness with the organization. Oh, what a wonderful world this will be. However, shortly after visiting with Gallup consultants, I quickly discovered that it was my naiveté that was, in part, a barrier to improving our workforce. I was seeking behavioral modification programs, such as reward programs, the perfect pay-for-performance system that would incentivize improved employee performance, employee accountability standards that would keep employees in line with policy and behavioral standards that would define how each employee should act in the workplace. I was going to change our organization's culture by fixing the organization's weaknesses.

My journey to better understanding how to improve employee engagement began that day at Gallup when the Gallup consultant asked me what department had the highest turnover rate. I replied that it was our housekeeping department. Then the consultant asked why it was high. I responded, "people don't grow up to be housekeepers." The Gallup consultant patiently replied with, "some people do grow up to be housekeepers, and it is your job, Mr. Vice President of Human Resources, to find them." Ouch! The Gallup consultant was right, and I instantly knew it. Hence, my journey to understanding some fundamental principles of employee engagement began.

Fast-forwarding this journey over an eight-year period, MLH received the Gallup Great Workplace Award with a ratio of 11 engaged employees to one actively disengaged employee. This transition occurred during a time when four different CEOs led the hospital. People asked me how this happened: How did we do this with such change at the top leadership position? I have learned many lessons about employee engagement, but six main

themes have contributed most to our success:

(1) <u>Select the right person for the job.</u> There is much written about terminating an organization's low performers to make improvements in the workplace. And, many organizations spend more time, energy and money in terminating low performers than on the front end of the employee selection process. At MLH, we learned that using Gallup's predictive selection assessment was vital to improving employee performance, productivity and engagement, as well as reducing turnover. After using the assessment for five years, we conducted a study to test its effectiveness. Over a five-year period, we compared the performance and engagement level of all employees who we hired as "recommended" hires to "not recommended" hires. We found that "recommended" employees were two times more likely to receive a 5.0 performance rating (the highest) and were 1.65 times more likely to be engaged in the workforce than "not recommended" employees were. Using the tool coincided with significant improvements in all of our HR metrics.

(2) <u>Employee engagement lives and breathes at the workgroup level.</u> The CEO of any organization can have a significant impact on the workplace culture. A change in the CEO usually represents changes in the C-suite and new processes, corporate goals and initiatives. Over six years, MLH experienced the loss of three CEOs and the hiring of our current CEO. In spite of these changes, MLH's employee engagement levels continued to increase dramatically. How could this be? Three factors seem to best define employees' work experiences: (a) their direct manager (b) right fit/talent for the job and (c) their interaction with coworkers. Employees judge their workday experience on how well their boss and coworkers treat them and how much they like what they do each day. The CEO and other executives can contribute most to employee engagement by ensuring that employees have a good immediate boss and coworkers who care about them. Also, as mentioned previously, hiring people who are naturally talented to perform their work means that employees are not struggling to succeed in their jobs.

(3) <u>Employee engagement is organic. Behavioral modification techniques fall short of sustained employee engagement.</u> Achieving high levels of employee engagement cannot be accomplished in a short period. Hiring the right employees, ensuring that they have a good boss and acting on employee opinions rarely occurs in short order. People are complex beings with individual needs and are uniquely intrinsically motivated. Sustained employee engagement can only be gained by understanding each individual's needs and motivation. The reward of more pay is very *satisfying* once received, but it does not necessarily improve the employees' level of engagement. After receiving the reward, the motivation to continue the desired behavior is far from guaranteed. Employees who are naturally driven to perform their tasks will continue to perform at a high level. Conversely, employees who struggle to achieve a task will likely continue to struggle to perform that task, even if more pay is offered.

(4) <u>Focus on employee well-being.</u> Because employees are all unique people with individual needs and motivations, organizations are not likely to succeed in improving employee engagement with a one-size-fits-all rewards program. Employees want personalized recognition and want to feel cared for by their immediate boss, coworkers and the organization. MLH initiated a well-being program that was created to meet the employees' total well-being, and not just the physical "wellness" of the individual. MLH launched a well-being initiative by focusing on each employee's level of well-being as identified by Gallup. Employees are assessed on their level of purpose (career), social, financial, community and physical well-being. Employees who have participated in the MLH well-being program are significantly more engaged than those who have not participated. When asked in a survey, employees who participated in the well-being program responded highly that the organization cares about them as individuals. In all, well-being program participants were more engaged than those who did not participate. We all want to work for an organization that truly cares about us as individuals, and not just as a work unit. MLH expended time and money to demonstrate to our employees that, in fact, we do care about them as people.

(5) <u>Strengths-based management works.</u> In our daily work lives, we are happiest when we are performing tasks that we enjoy. Astute managers recognize that their department achieves higher performance when employees are routinely assigned to tasks that they enjoy doing. When employees are regularly assigned to tasks that they

are not good at, they struggle and have lower levels of engagement. These employees are often referred to as "low performers," and corrective action plans are designed to correct their weaknesses. However, even when the weaknesses are corrected, the employee is not likely to be a super performer in his or her respective job. MLH has used the Clifton StrengthsFinder® to help identify employee strengths. Once completed, employees and managers have a better understanding how employees can use their respective strengths in the workplace. If this is accomplished successfully, employees' engagement is higher and overall team performance improves.

(6)   <u>Act on employee opinions.</u> For the last eight years, MLH has routinely used Gallup's Q^{12}® employee engagement survey to assess employees' levels of engagement. Managers are required to share the results of the survey with their employees. Employees are requested to actively participate in planning sessions to improve the workplace by focusing on dimensions the survey identifies. Tenured employees now have the expectation that this will occur, and the continuity of surveying every year demonstrates that the organization cares about employee engagement. Good managers have become experts at encouraging employees to speak up in action planning to improve the workplace.

We can attribute enhancing employee engagement at MLH to all of the points I made previously, and perhaps, a gestalt-like combination of each of the previously mentioned themes. Certainly, understanding the "why" of our mission has been a contributing factor. But understanding the "why" does not necessarily improve engagement without the implementation of the previously mentioned foundational themes. Passion for a mission cannot be forced on employees. The right fit employees must be selected, they need to work for a good boss, they must like their coworkers and they must be able to use their strengths at work before they can be fully engaged to achieve the organization's mission. Managers are misled into thinking that they can instill passion in each employee. As I was reminded years ago, employees have a passion for something, and "it is your job, Mr. Vice President of Human Resources, to find it."