

### **BOOK SUMMARY**

### **EMPLOYALTY**

By Joe Mull







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This is a book for business owners and executives who struggle to find and keep devoted employees. It's for those companies that want a more engaged workforce and a competitive advantage in hiring, quality, and performance. It's a book for leaders who want to make a case for changing how their organizations hire and treat employees. Because everything in *Employalty: How to Ignite*Commitment and Keep Top Talent in the New Age of Work by Joe Mull is anchored in the research and trends of what most employees want out of a job, it's also a helpful tool for job seekers and career changers to understand better the conditions to seek out for the highest degree of professional happiness.

However, the first thing to understand is that these three factors—an Ideal Job, Meaningful Work, and a Great Boss—work together to create a destination workplace. When they are each consistently present in the employee experience, commitment appears. That commitment, in turn, and across a team, produces a multitude of desired business results, including retention, reputation, and revenue.

#### IN THIS SUMMARY, YOU WILL LEARN:

- How the Employalty model is a framework for creating a positive work environment where companies can attract and retain top talent.
- Employees are demanding a better work experience, meaningful work, good bosses, and a healthy work-life balance.
- Why companies need to invest in their employees and offer competitive pay, benefits, and flexibility.
- How leaders can create a culture of belonging, so their employees feel valued and respected.



We are seeing record levels of job switching and ongoing staffing shortages across industries. Fewer people are entering the labor force, more workers are leaving, and even more jobs are being added to the economy. All three of these conditions are expected to persist for years.

There's another reason for the extensive job changes and understaffing in various fields: a significant shift in how work fits into people's lives. Workers are demanding less suffering at work. They seek more time, reduced stress, and better treatment. More than a decade of unprecedented job changes across industries has made one thing clear: employees want a more humane work environment experience.

#### **Employalty**

Employalty doesn't mean "employee loyalty." Employalty is a portmanteau combining the words "employer," "loyalty," and "humanity." It represents the commitment that employers make to consistently provide a humane, person-centered employee experience, as this leads to the highest levels of commitment at work.

Employalty is grounded in the idea that people perform at their best when they believe they have the best job possible. If you treat them better than they would be treated elsewhere, they will join and stay. When employees join, stay, care, and strive, every metric you track in your organization is positively affected.

Employalty also provides a competitive edge in hiring. When your employees describe your organization as the best place to work, you attract higher-quality candidates looking for their ideal workplace. Additionally, you retain good employees, minimizing the time and money spent on replacement and retraining.

The era of seeking the best person for a job is over. Now, you must create the best job for the person.

We understand what employees seek. Nearly every research study published in the past twenty years on attracting, retaining, and inspiring employees consistently highlights three key factors: commitment emerges when employees can do their Ideal Job, engage in Meaningful Work, and work with a Great Boss.

As we strive to create destination workplaces, we need to recognize that commitment isn't fleeting but fragile and variable. Everyone in your organization has their own internal scorecard.

In 2021, Americans quit their jobs in record numbers. However, people were not merely resigning; they were transitioning to Engineering your employee experience to align with the changing needs and values of the workforce isn't just about doing something altruistic. It's a business decision—a strategic one.

Dehumanization is the perception and treatment of people in ways that ignore and diminish their intrinsic worth as humans. In the workplace, dehumanization occurs when workers are viewed solely based on their role or functionality.

However, another consequence of dehumanization might be the most pervasive and damaging. Certain segments of society believe that individuals who refuse to endure dehumanization at work—and the suffering it causes—possess flawed character, a phenomenon referred to as "The Myth of the Lazy."

Perhaps the most despicable result of the Myth of the Lazy is that many workers are blamed for their suffering. Every employee's pursuit of a job that offers a better quality of life also represents a search for a workplace that acknowledges and respects their full humanity. For some business owners and leaders, this will necessitate a shift in mindset and beliefs.



#### **Ideal Job**

If you want the highest level of commitment from your workforce, you must first and consistently commit to them, not just as employees but as human beings.

The significant disparities between what people earn and what things cost today have caused suffering for many in the workforce.

After years of limiting pay, during which businesses claimed, "If we pay you more, we won't survive," the tables have turned. Now workers are telling businesses, "Unless you pay us more, we won't survive."

In 2018, PayPal leaders discovered that many of their employees had a net disposable income between 4 and 6 percent. The CEO set a goal to increase this to 20 percent, a figure often recommended by personal finance experts. Employee turnover at PayPal has been halved, saving millions in staffing costs. Customer satisfaction has also improved.

Note that compensation involves more than just wages. According to the Society for Human Resource Management, the most sought-after employee benefits include flexibility, health insurance, paid time off, retirement, parental leave, and life insurance.

Generous pay translates to a higher sense of duty and greater effort. What sustains this over time, however, isn't just the dollar amount. It's the feeling of being valued and taken care of.

However, managing workloads isn't just about adhering to a forty-hour workweek or implementing a shorter one; it also requires us to effectively manage the workload that employees carry during their allotted hours. To attract talent and inspire commitment, you must create the best job for the person. What many crave more than a hybrid or work-from-home schedule is the freedom to figure out for themselves how, when, and where to work.

To begin offering your employees more flexibility, you'll first want to invite them into a conversation so you can engineer ideal arrangements together. If you want to grant employees more autonomy through flexibility, you and the employee will need clarity on individual expectations and outcomes.

#### Meaningful Work

Since the mid-1970s, an increasing number of researchers have been exploring the concept of Meaningful Work. Study after study has abundantly demonstrated that when we view our work as worthwhile, important, or valued, it has a corresponding positive effect on work engagement, Employee commitment, and job satisfaction. Your organization must ensure that people's jobs encompass purpose, strengths, and a sense of belonging to harness the commitment that meaningful work fosters fully.

By 2025, Gen Z and millennial employees will constitute 65 percent of the US workforce. A key priority and central value for these two generations is the belief that businesses should do more than sell a product and generate profit. They also want their employers to be agents of change.

When your organization shows that it is genuinely making a positive impact on lives, you are addressing one of the essential components of Employment. Your organization's mission must be specific, transformational, and emotional.

Purpose emerges from the feelings that a product or service elicits in customers when delivered effectively. For employees to experience Meaningful Work, you need to convey a clear emotional purpose that positively affects the lives of others.

Where many companies fall short in defining purpose is not in finding the correct language, but in failing to embody that mission through their actions. This happens when decisions are not aligned with the mission. This practice—managers consistently communicating how employees' work aligns with the mission—is among the most critical actions in this process book.

Another essential tactic for fostering purpose is creating a culture of continuous recognition. When employees are celebrated for their contributions, they experience a sense of purpose and, consequently, meaningful work.

The best recognition "programs" are those that prompt a manager or peer to directly acknowledge a specific and timely talent or contribution made by someone. Purpose alone doesn't create meaningful work; employees need to engage in tasks that align with their strengths.

When we spend most of our time trying to improve on what we're not good at and don't enjoy, motivation wanes. While minimizing weaknesses can help prevent failure, research indicates that it cannot inspire excellence.

Employees who are actively encouraged to use their strengths at work handle their workload more effectively, show lower levels of absenteeism, and describe higher job satisfaction.

As leaders, we must install ways for our team members to utilize their gifts. This requires intentionality on the part of the leader and adaptability on the part of the organization. Eschew the belief that, as job roles go, one size fits all. Every person on your team is a unique individual.

Teams play a significant role in whether an employee experiences Meaningful Work. In addition to purpose and strengths, employees derive fulfillment—and therefore commitment—from one more set of experiences that is central to feelings of Meaningful Work. We'll capture this set of experiences in a single word: belonging.

Deloitte's researchers describe belonging as one of the most important issues for attracting, retaining, and activating employees in today's workplace.

According to Jeremy Schmidt, "The companies that are attracting talent show an empathetic and compassionate culture. People want to be treated fairly and equitably and be able to bring their true selves to work. We need to create an environment where everyone can feel 150 percent comfortable to be their authentic selves."

Belonging doesn't just lead people to stay. It's part of the cocktail of conditions organizations must foster to drive employee engagement and, thus, higher performance.

When we discuss making workplaces comfortable for all, we're attempting to create an environment where employees don't experience exclusion. Organizations that establish this kind of culture are twice as likely to meet or exceed financial targets, three times as likely to be high-performing, six times as likely to be innovative and agile, and eight times as likely to achieve better business outcomes.

It's not uncommon to discover that a team member is toxic. This person engages in back-channel communications, public or private criticism, cliques, keeping score, demeaning or dismissive comments, and pitting people against each other, among other troublesome behaviors that are detrimental and must be addressed.

Research clearly shows that diverse teams drive more revenue, make better decisions, catch more errors, and innovate more often. Team members must feel connected to the people they work with. The employee resource groups that companies have installed are one decisive way to enhance connection and, ultimately, belonging.

Connection also occurs when employees build meaningful relationships with co-workers over time and when team members form more sophisticated relationships with one another.

If you lead a hybrid or fully remote team, it's imperative to innovate in these aspects of belonging. How? We must encourage people to laugh together and learn about each other beyond work topics.

Beyond these virtual tactics, the number one recommendation for helping virtual teams form better connections is to try and gather in person at least twice a year.

The third element of belonging is contribution. When the individual talents, ideas, and efforts of team members are known to a team, there is understanding across the group of how that person is helping the team succeed. Be careful, though, to spotlight more than just accomplishments. Here, time and traits matter.

#### **Great Boss**

Seventy-five percent of individuals who leave a job cite their boss as part or all of the reason for their departure. How bosses treat their subordinates is the most significant factor influencing employee commitment. When an individual contributor can work to their full potential, it is because their boss has created an environment that facilitates this.

Too often, those responsible for hiring believe that if someone excels in a role, they will also be effective leaders in that position. Time and again, this has been proven false.

So, who should we hire to lead teams? Decades of research in engagement, organizational development, and motivation identify three key factors: coaching, trust, and advocacy.

Coaching involves assisting someone in processing their knowledge, thoughts, and feelings to determine their next steps. A good coach listens carefully, asks insightful questions, and leaves the responsibility for deciding on the next actions with the other person. At the core of coaching is the practice of setting aside judgment in favor of curiosity. Coaches operate under the assumption that people are both capable and decent.

Coaching stands out as an essential leadership skill.

Gallup's research indicates that one meaningful coaching conversation per week can significantly influence engagement and retention. Employalty is about creating a more humane employee experience. Next, leaders must grant and earn trust.

David Horsager says several patterns of behavior are required to be a leader who earns trust. Chief among them is pairing competence with humility. Here, the trait of knowing what you don't know is critical. Trust is also rooted in people believing what you say. For this reason, leaders and business owners must follow through on their plans and keep their promises. We must also be transparent

whenever possible. Additionally, to nurture commitment, leaders must grant trust to employees often before it is earned.

In organizations where employees trust their leaders highly, workers report 74 percent less stress, 106 percent more energy at work, 50 percent higher productivity, 13 percent fewer sick days, 76 percent more engagement, 29 percent more satisfaction with their lives, and 40 percent less burnout.

Where trust is lacking, innovation can be stifled; where trust is given, innovation can flourish.

Start by believing that your employees have integrity. Treat them as humans with scruples and employees with talents. Then, define goals, discuss progress periodically, give feedback, and provide support. That's the trust recipe.

Beyond earning and granting trust, a Great Boss truly cares for his or her people, extending beyond the mere tasks and duties of their job. Advocacy, in simple terms, means acting in another person's best interests. Great Bosses engage in continuous advocacy for the individual first and the position second.

If having a great boss is a key ingredient to Employalty, then advocacy is essential to being a Great Boss. Advocacy also entails leaders absorbing blame and distributing credit. When failure happens on a team or project, a Great Boss acknowledges, "This is my fault." Conversely, when successes are achieved, a Great Boss promptly states, "credit goes to...," identifying a person or team.

To attract talent, your organization must have great bosses, from the CEO to front-line managers.

Nearly nine out of ten bosses believe they are leading effectively, yet fewer than two out of ten employees agree. This disconnect is everywhere. Now more than ever before, employees from all industries are rejecting unnecessary suffering at work. As such, they are rejecting, in all forms, the prospect of working for a bad boss. If you want to have any hope of attracting talent, positioning them to become psychologically committed, and enticing them to stay, you must insist on better bosses.

#### Implementing the Employalty Model

The Employalty model provides the simple framework leaders need to find and keep employees, unlock their commitment, and level up their company's performance. Giving employees their Ideal Job doing Meaningful Work for a Great Boss is the blueprint for getting employees to join, stay, care, and try. It's how you turn your enterprise into a destination workplace.

Your first step should be to assess the current state of your organization against the Employalty Scorecard. First, you can ask your team members. In addition, you should open a dialogue with your workforce to understand better what is and is not working well across the three factors of Ideal Job, Meaningful Work, and Great Boss. You can do this via focus groups, interviews, or by adding openended questions to your survey that ask employees to tell you more.

Once you've gathered insight, you'll next want to create a 30-day, 90-day, and 180-day plan.

Once you've created this set of plans, begin communicating with your employees. Introduce the Employalty concept to your organization. As weeks turn to months and you execute your three plans, periodically reassess and adjust plans accordingly to ensure you are actually improving the employee experience in each of the nine Employalty dimensions. The most apparent indicators of whether your organization is getting things right or wrong are applicants and turnover.

As you grow ever closer to creating the kind of employee experience that reflects all nine dimensions of the Employalty model, it's time to start using that to your advantage. Highlight the conditions you've worked to create for your employees. Share them in job postings, on your marketing channels, on social media, and with your vendors and business partners. Once you've put in the effort to make your company a great place to work, tell everyone.

Remember, great employees follow Great Bosses, not just on the job but out the door. Keep Great Bosses, and you'll keep great employees.

Over time, an Employalty movement requires a partnership between those who lead on the front lines and those who control the resources and strategy of the organization. Like cogs in a complex machine, if one gear malfunctions, the whole mechanism goes kaput.

After years of overwork and dehumanization, employees have gotten a glimpse of what's possible as some companies started engineering a better, more humane employee experience. Now that more and more workers are seeing a new way of working, they want only that, and those who cling to the old way of doing business are struggling to do business.

Companies that embrace Employalty understand that commitment is a two-way street. If we expect people to devote their time, attention, and effort to meeting our company's needs every day, we must devote ourselves to meeting our employees' needs every day.

When employees love what they do, how they do it, and who they do it with and for, their health, well-being, and quality of life soar. They respond to these conditions with emotional and psychological commitment. That commitment, in turn, and across a team, produces a multitude of desired business results, including retention, reputation, and revenue.

Remember, people will do their best work when they feel they have the best job possible. Commit to them, and they'll commit to you.

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