



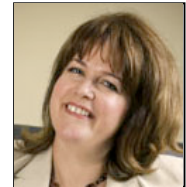
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The three-step strategy to improving employee morale

Restructuring and change can have a major impact on your workforce

Restructuring and change are becoming the norm as companies and employees alike adapt to the effects of the global downturn. Learn some valuable lessons on how to improve morale during tough times.

by Aniko Czinege, change and change communication specialist, CEO of [Workwise Communication](#) and author of *Melcrum's special report on Communicating during an economic downturn report*.



The recession continues to impact many industries, with restructurings and layoffs creating concern among employees. When profits are threatened, companies often view layoffs as a direct way to reduce costs, however, when efforts are focused solely on managing job cuts, remaining workers are left in limbo. Managers are also likely to become more directive, communicating decisions rather than involving their teams in decision-making processes.

Organizations don't always recognize the impact this behavior has on remaining employees or anticipate the long-term negative effects. This creates a potential time bomb. Disenchanted employees will be the first to go when the economy starts to improve leaving the organization without the workers it was most keen to retain.

Rarely does a company allocate sufficient budget to deal with employee morale issues. Yet there are tangible, cost-effective steps for organizations to take in moving employees away from feeling like victims or suffering "survivor syndrome." These steps help employees feel more in control of their environment, so they are better able to understand why things have changed and how they can positively impact outcomes.

The following three-stage approach will keep an organization on track, improve morale and promote productivity following workplace change. The steps help move employees up from the bottom of the change curve, where they feel disappointment and anger to feeling optimistic and happy. The important principle here is to maintain momentum, moving quickly to create a sense of urgency and progress.

The three stage approach to lift morale

1. Stage 1 - **Listen** Get feedback and ideas.
2. Stage 2 - **Communicate** with solutions to business issues and employee concerns.
3. Stage 3 - **Recognize** business and employee accomplishments and successes.

Strage 1: Listen to employees

Relationships between the organization and employees are fractured following a period of upheaval. And this situation won't improve on its own. Companies must take a proactive approach, beginning with listening to employees and getting their concerns out into the open. Leaders must acknowledge employee issues and be motivated to make improvements.

Of vital importance is publicizing that employee feedback is encouraged and necessary and that the organization values their ideas. Decide the messages behind the listening activities deployed, and use them consistently, for example:

- We know staff morale is low and want your help.
- We need to save money and are looking for ideas on how to best achieve that.
- We want to add to our top line and need your feedback on opportunities to look at.

Who does what in stage 1?

Leaders should be visible, approachable and well-briefed, so that they can field employee questions. Interaction should be face-to-face whenever possible. Key messages should also be developed and be used as part of regular, ongoing communication activities.

Managers need to believe in and support all listening activities. They should be briefed on the rationale and approach for these activities before they meet with employees, and asked for their ideas on how listening activities should be implemented.

Listening activities

- **Employee survey** - This can encompass routinely scheduled company surveys or those designed expressly to communicate change.
- **Employee discussion/focus groups** - Include as many employees as possible. Managers with the right people skills (listening, questioning, for example) can be trained to run these groups.
- **Management discussion groups** - Led by a facilitator, these sessions are designed specifically as management briefings. Managers are guided through a process that will enable them to run employee discussion groups and to get feedback on specific topics. (This approach works best with cost saving or similar topics, rather than morale and trust issues.)

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Stage 2: Communicate your solutions to business issues and employee concerns

The next stage is communication. The listening activities should have created lots of ideas and feedback. In this stage, it's important to build a shared understanding of your company's future, including substantive solutions to business issues and progress being made.

Who does what in stage 2?

Company leaders focus on addressing concerns expressed by employees in the listening stage and briefing managers on issues. The purpose is to create a shared understanding of the challenges and solutions facing the organization.

Build a shared understanding of your company's future, including solutions to business issues and progress being made.

Managers undertake specific efforts to communicate these outputs. They must create opportunities for dialogue and discussion, which leads to higher levels of employee engagement. Managers should also assure employees that they can expect honest and timely information. They should show their willingness to discuss anything on employees' minds and help employees feel comfortable asking questions and sharing solutions.

Employee advisory work groups should be set up to address a number of challenges most critical to the organization. Because this program thrives on momentum, these groups should have clear objectives and a limited shelf life. Potential activities must be honed down to focus only on their most important issues. A kick-off meeting can define the team's scope, role and timescales. Work groups should also encourage leaders to communicate progress through all communication channels.

Communication activities

- **Public forums** - Communication should take place in person through Town Hall and team meetings, site visits and brown bag lunches. Gossip is curtailed if managers become more transparent with performance data, such as sales figures and customer information. A highly visible and approachable leadership team shows that senior management cares about its workers. This alone serves to foster a more positive employee work environment.
- **One-on-One dialogues** - Discussions between managers and direct reports enhance personal communication and increase trust.
- **Electronic media** - Emails, web casts and other means of rapidly reaching out across boundaries should be employed to reinforce messages and speed the flow of information.

Stage 3: Recognize business and employee accomplishments and successes

Focusing on quick wins and success stories and recognizing employee accomplishments will help keep morale as high as possible. No one is immune from becoming despondent and unproductive when they work in a doom and gloom environment. Negativity is often exacerbated outside the workplace by personal issues and a constant onslaught of negative news stories.

Who does what in Stage 3?

Leaders and managers seek out successes and recognize and thank employees for their contributions to the company and/or team initiatives. Every effort should be made to point out quick wins, for example, a project deadline met, a new order placed, or success in a key objective.

Focusing on quick wins and success stories and recognizing employee accomplishments will help keep morale as high as possible.

Recognition activities

- **Formal initiatives** - include established companywide recognition programs as well as rewards such as small bonuses and plaques.
- **Informal gestures** - include such things as a warm "thank you" for a job well done, or a congratulatory email or hand-written note.
- **Public recognition** - includes acknowledging an employee or work group's contributions in a meeting with their peers, or in company publications. Being recognized publicly often has the added bonus of encouraging and motivating peers to strive for similar successes.

Case study

Workwise Communication recently had the opportunity to work with an organization that made extensive restructuring changes. Subsequently, results in the company's annual employee survey saw a large decline from previous scores. Leaders wanted to know the extent of the dissatisfaction, what had led to it and how it could be addressed. We trained respected managers to run discussion groups and invited all employees to participate. Nearly 90 percent did so. The groups discussed issues with a focus on identifying actions that could make the biggest improvements to their workplace. These outputs were widely shared and formed the basis of action plans for different business units. Taking this approach brought issues into the open. The language changed from "this is not a good place to work" to "what can be done to make things better?" Changes to the environment became a shared problem rather than a topic for gossip. Employee advisory groups were established to identify how to make the organization a better place to work. A survey was put in place to measure what progress was being made, if the right activities were underway and to identify new areas for improvement. Overall, the effort was viewed as an ongoing activity instead of a "one off" event.

Maintaining morale

This three-stage approach can lift employees out of the bottom of the change curve, however ongoing adjustments are needed. Managers should be trained to enable a more empowered workplace, particularly when they no longer have easy access to traditional motivational tools such as promotions, bonuses and pay raises.

Following are a series of useful, cost-effective tools to deploy in today's economic environment; managers should review the following activities:

- **Autonomy** - The freedom, independence and discretion employees have in carrying out their jobs.
- **Skill and task variety** - Employee's activities to ensure that they are making best use of their different skills and abilities. Also to check that the extent to which their job involves "whole" and meaningful work so they have ownership over a whole process rather than small parts.
- **Decision making** - How the managers are making decisions. If they are very directive, ask them to look for opportunities where employees are can be consulted. Promote more self management, where employees have autonomy to make their own decisions.
- **Career development** - Team members have up-to-date career development plans which recognize the limited resources available but draw on cost effective activities such as job rotation, mentoring and coaching.
- **Objectives** - Individual objectives to check that employees are clear on their priorities and contribution to the organization.

Keeping employees motivated and engaged after restructurings and layoffs isn't easy. But the steps outlined here are simple, cost-effective ways to stay on the right road - and to retain the people you need once the job market picks up again.

Other recommendations:

[How to communicate during difficult times](#)

[Communicating during an economic downturn](#)

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