

What to do When Morale is Low

As featured in CIO Magazine, May 2002.

An individualized approach to communication, career development, and management is the key to harnessing employees' energy when their productivity is more crucial than ever.

By Dennis LaRosee

Television news programs often capture stories of everyday people turned heroes -- the man on the street who pulls an accident victim from a burning car, or the 10-year-old who saves a parent from dying by following a 911 operator's instructions. Though untrained as rescuers, they rise to the occasion as a surge of adrenaline powers them toward greatness.

In these situations, the adrenaline rush is short-term. But as cost-cutting and downsizing plague corporate America, managers are increasingly seeking the equivalent of a sustained surge of strength among their employees. Boosting staff motivation and morale is especially challenging when companies endure layoffs. At a time when corporations need to improve performance by increasing the energy and focus of their people, "morale busters" are working against them. These include employees' feelings of guilt at surviving a layoff affecting their friends, helplessness as increased workloads overwhelm them, and gnawing suspicions that more terminations lurk around the corner.

Those suspicions may indeed be fact. Labor Department statistics show unemployment increasing, and no rise in manufacturing employment over the last year. Continuing deep cuts in technology, telecommunications, and related sectors may nudge the unemployment rate higher. The cyclical nature of the economy, however, mandates that companies think long-term, as well as short-term, when giving renewed attention to staff morale. Businesses should be identifying, grooming, and providing incentives to those "survivors" who show promise as future leaders or outstanding contributors. To sustain individuals' morale and maximize their productivity, managers have to identify the unique factors and conditions that motivate and stimulate them, design staff positions around these factors, and adapt communication and management strategies employee by employee.

Following are guidelines for executives and managers seeking a personalized approach to building morale and driving heightened performance during downtimes.

Immediately engage senior managers. Shoring up the trust of senior managers -- the people whose opinions will trickle down to employees, and become apparent to vendors, customers, and other outside stakeholders -- is especially critical. Communications with them should provide credible evidence of better times ahead, and emphasize their important role in driving new growth.

The most effective senior managers tend to be risk-takers who are more concerned about dwindling opportunities for professional advancement than the waiting ax. As top performers, they are generally confident about their prospects, and will jump ship if they see more potential elsewhere. Executives should tap into their initiative and aggressive style by throwing down the gauntlet with a new challenge, such as a 5 percent improvement over last year's sales despite the unforgiving economy. Reinforce the rewards that will accompany achievement of important goals, and heighten the challenge for individual managers according to their level of ambition. Maintain a frank, tell-it-like-it-is communication style when providing new information about the company's overall performance -- both to senior management and to outsiders. Managers who sense that their CEO sports dual agendas, and is deliberately deceiving important constituencies, will quickly lose interest in powering up a floundering organization.

Offer reassurance and spark improved performance through tailored communications. Blanket reassurance following layoffs will not ignite the drive toward excellence that ailing companies require. Executives and managers have to customize communications to make them resonate with each individual.

How you communicate with senior managers, for instance, should differ from the messages you reinforce with individual contributors and hands-on personnel.

Hands-on contributors generally tend to seek certainty and freedom from risk. To maintain their morale, emphasize the value of their proven skills and the contributions they are making, but take care not to imply that their employment is guaranteed. Meet their need to understand the specific impact that downsizing will have on their work, and how they will be measured and evaluated in the future.

Reassign roles according to individuals' talents and backgrounds. After layoffs, managers may be tempted to reassign the work of terminated employees to those closest to them, but this knee-jerk reaction only places ailing companies in further jeopardy. Cash-strapped organizations have to move twice as fast to merely stay in place, and this requires immediately maximizing the productivity of remaining key people. Companies must move new responsibilities to the employees best qualified to handle them -- meaning not necessarily those next in line.

Executives and managers should consider reallocations systematically, and base decisions on objective assessments of individuals' professional backgrounds, talents, and typical work styles (loner or mentor; team player or budding leader, etc.), asking: Who's best suited? How will they be directed? Who will support them? What are the potential performance gaps moving forward? How will they be filled? How can we capitalize on each employee's unique background and needs to pull the best results from him/her -- knowing that a downsized workforce means that many individuals will not be fully prepared for their new roles?

Emphasize your use of objective assessment measures when communicating employee reassignments. Especially in smaller businesses, where workplace relationships are highly personal, showing a commitment to fairness and objectivity through valid evaluations of talents and skills can sustain morale even during difficult times.

Remain involved and available. Swirling rumors, backbiting, and infighting are the inevitable results of a remote management style following a downsizing initiative. Person-to-person communication after layoffs is more important than ever -- necessitating increased visits to the shop floor rather than a flurry of memos, and more frequent small-group and individual meetings to provide continued reassurance and coaching. Novice managers should be especially sensitive to the varied needs of the people supporting them, and realize that words that are meaningful to one colleague may have no impact on another. Take time to individualize your relationships with the team members who are supporting your efforts at success, and find out what is most important to each person.

Floundering morale following layoffs is a disease requiring quick eradication. Companies needing an adrenaline shot to move full speed ahead must depend on the full engagement of their remaining people despite their concerns about the future. An individualized approach to communication, career development, and management is the key to harnessing employees' energy when their productivity is more crucial than ever.

*Dennis LaRosee is senior vice president of Praendex Incorporated of Wellesley Hills, Massachusetts, and **PI Management Resources**, whose survey, the Predictive Index®, is used by executives to develop leaders and build businesses.*