

# How to Recession Proof Your Workforce

By David Lee

If you're interested in keeping employee motivation, morale, and engagement high despite the impending downturn in our economy, it's important for you to "Recession Proof" your workforce. By Recession Proof, I mean do the things that help employees remain motivated, determined, and inspired during difficult times.

## **If Employees Are Overwhelmed, They're Not Engaged**

At the risk of stating the obvious, motivated, determined, and inspired employees are more likely to be engaged than those who are stressed out and overwhelmed. Employee engagement—the desire to contribute to one's employer's success—requires energy and interest. Overwhelmed, beleaguered employees don't have the energy or the interest necessary for engagement. Their attention and limited energy are focused on trying to make it through another day. Employees in survival mode usually aren't thinking of new ways to provide value to their employer.

## **Employee Engagement is Most Important—And Most Challenging to Achieve—In Difficult Times**

The importance of employee engagement cannot be overstated—especially during difficult times. Research by Watson Wyatt Worldwide revealed that companies with high employee engagement enjoyed 200% greater profits during the difficult economic cycle just prior to 2002.

Thus, if you want maximum employee engagement during these upcoming turbulent times, you need to know how to maximize your workforce's ability to handle the following without becoming stressed or overwhelmed:

- Major change
- Uncertainty
- The daily pressures, demands, difficulties, and frustrations of work life

In short, you want to help maximize your workforce's level of resilience. In the rest of this article, we'll outline how you can do that.

## **Actions That Lead to High Levels of Employee Engagement and Motivation During Challenging Times**

**Give Employees As Much Control As Possible Over Their Work** - Decades of research on stress have shown that the degree of control an individual has in a difficult situation is the #1 factor determining how stressful they find that situation. Thus, the more decision-making authority employees have in their work and the more they can determine how to execute the directives passed down from senior management, the more pressures and work demands they can handle without becoming stressed.

Giving employees as much control over their jobs as possible also accomplishes what every manager should seek to accomplish:

*Creating an atmosphere where employees think and act like small business owners.*

Small business owners are the ultimate “Can do” people. Whatever it takes to get the job done, they do. There is no such thing as “that’s not in my job description.” They’re also forever focused on opportunities to make their business more viable.

The more you design your employees’ jobs so they replicate that small business owner experience, the more confident, involved, and entrepreneurial your employees will be – just what you need

during difficult times. You do this by designing as much decision-making authority and flexibility into their jobs as possible – according to their skill, experience, and maturity level. You also help them think and act like a small business owner by coaching them on how to solve their own problems, rather than always being the “Answer Guy.”

**Help your employees build self-efficacy and feel the “thrill of victory.”** – Self-efficacy is the belief that one can effectively face a challenge or master a task. The greater our self-efficacy, the greater the challenge we can face without feeling stressed. People with a high degree of self-efficacy welcome challenge. They find it exciting, rather than something to be avoided.

Consider the difference between a first-time downhill skier and an expert. While the novice might find the Bunny Slope challenging and even scary, the expert finds the expert runs invigorating. As the novice gains experience – and self-efficacy – she not only can handle increasingly more difficult runs without being afraid, she now finds them exciting (as opposed to terrifying).

Building self-efficacy is like strength training: you grow stronger through challenge. You can help your employees develop their “self-efficacy muscles” if you:

- Give employees stretch goals and assignments that challenge them.

- Give employees opportunities to lead projects.
- Give them as much autonomy as possible.
- Challenge them to solve problems, rather than doing it for them (and coaching them on how to do this.)
- Make sure they have the tools, resources, and training they need to excel—i.e. to feel the “thrill of victory, rather than the agony of defeat”.

Making sure your employees have the opportunity to feel “the thrill of victory” is especially important during times of change and uncertainty, when they are likely to feel anxious, vulnerable, and someone impotent. Find ways to involve your employees in short term projects that contribute to the change initiative, provide clear end points, and will show concrete results.

Getting the chance to make a difference leads to a greater sense of control, being involved in a successful project builds confidence and creates a more positive emotional climate. This is especially important when major changes come from senior management and frontline employees have had no say in whether the initiative happens. While strategic decisions are understandably driven by senior level executives, frontline employees should be given as much autonomy as possible in the operational execution of these initiatives.

Doing this activates two of the most powerful factors that mitigate stress: control and self-efficacy.

**Keep the dream alive and celebrate your wins** – Research on trauma and resilience has shown that when people feel their lives have meaning and purpose, they have a far greater capacity to deal with traumatic events and difficult times. Inspired people—people ignited by a worthy cause—rise above challenges.

Inspired employees persevere and overcome. Inspired employees pull together and attack challenges with vigor and determination. Therefore, during difficult times, you must dial up your inspiration quotient. You do this by “keeping the dream alive” by sharing stories of the good things your company is doing. You do this by collecting stories from your employees and your customers about how employees went the extra mile, provided great service (whether internal or external), made a difference, etc.

By the way, this is one of the reasons why both Southwest Airlines and Ritz Carlton have such strong, can-do cultures. They continually share stories of the great things their employees do.

The more your employees believe they are part of a great company and that they are making a difference, the more inspired and courageous they will be in the face of adversity.

**Communicate, communicate, communicate.** – We know from the research that ambiguity—i.e. “not knowing”—is right behind lack of control as a major factor determining how stressful people find difficult situations. As folk wisdom tells us people have an innate fear of the unknown.

The more “in the dark” your employees feel about what’s going on, the more likely they are to assume the worst. Therefore, along with giving employees control, and plenty of opportunities to succeed, removing as much ambiguity as possible will make a huge difference in how comfortable with change your workers will be.

During the economic downturn of the 90’s, I interviewed senior VPs at both Compaq and Patagonia, both companies having gone through a significant downsizing. Both executives said that the most important thing they did to keep this unpleasant reality from becoming a complete morale bloodbath was that they kept employees apprised of what was going on every step of the way.

There’s an interesting interplay between knowing what can be known and being comfortable not knowing what isn’t yet known. An experience I had several years ago illustrates this. I was taking public transportation in Melbourne, Australia and found the map of the transit system to be confusing. I wasn’t sure what stops I should take to get to the various places I wanted to visit.

If the transit workers were unfriendly and unwilling to help, as I had experienced with their American counterparts, I would have been understandably reluctant to ask for help. If this had been the case, each trip on the transit would involve deciding whether the anxiety of not being sure how to get to my destination was greater than the anticipated discomfort of getting a surly response to my request for help. Because getting needed information would likely result in discomfort, “not knowing” was uncomfortable.

However, my experience was the exact opposite in Melbourne. The transit workers were extremely friendly and willingly provided information. Because of their accessibility, I was able to sit back and enjoy the “not knowing” journey. I had faith that when it was time, they would let me know. And they did.

Likewise, if employees have faith that you will let them know what’s going on as soon as *you* know, they’re far more comfortable with all the things they—and you—don’t know. Because so much during uncertain times is unknowable, it’s important to get this right.

Thus, during difficult and uncertain times, amp up your communication. How? Ask your employees what information they want and the best ways to get it to them. Try to make it face-to-face (even if it’s “semi-face to face” through web conferencing) as much as possible, and allow for Q&A. Because a

percentage of employees are not comfortable speaking in groups, make sure you make it clear they can ask in private.

I know you're busy and don't have time to do non-stop Q&A meetings. This is where you balance recognizing your time constraints with the recognition that time invested in answering employees' concerns will buy you increased engagement, morale, and buy-in.

**Strengthen relationships** – Research on stress and health has shown that people with strong relationships are more resilient. They overcome traumatic events more quickly, they are less likely to get sick, and more likely to recover from life threatening illnesses.

Therefore, the stronger the relationship between labor and management, and among your employees, the more resilient your company will be. You foster strong relationships by modeling teamwork, respect, caring, and authenticity.

Fight the natural tendency many people have during difficult times to get “lean and mean”. Don't become a grim, no-nonsense, all-that-matters-is-the-bottom-line machine. Research by the Gallup Organization and other firms has shown that when employees believe their boss and their employer cares about them, they are far more productive and loyal.

Thus, during difficult times, don't forget to take time for team building, relationship building, and increasing esprit de corps. Invest in low-cost team and companywide events that allow employees to relate as humans, not just “Angela from accounting”.

**Remove Unnecessary Sources of Stress** – There's no need to add to the stress that an economic downturn or uncertain times bring. You don't want your employees spending their precious energy and coping resources struggling to overcome ineffective processes, ridiculous rules and policies, and other obstacles that make it hard from them to do their jobs well.

Smart employers, even in good times, ask their employees about what they, the employer, does that frustrates them, makes it hard for them to do their work well, or just adds unnecessary aggravation.

Do this with your employees. While you can't eliminate all sources of frustration and stress, I can guarantee that unless you're perfect, your company is doing plenty of things that create unnecessary stress.<sup>1</sup>

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<sup>1</sup> For a survey tool you can use to ferret out these sources, email [David@HumanNatureAtWork.com](mailto:David@HumanNatureAtWork.com)

## If You Recession Proof Your Workforce...

You'll have a group of employees who are able to:

- Respond to challenges with a "can do" attitude.
- Remain upbeat and determined, despite the difficulties you face.
- Focus their attention on making a difference, rather than on complaining about things they can do nothing about.

- Handle greater challenge, pressure, and demands without becoming stressed.

**About the Author:** David Lee is the founder of HumanNature@Work. He is an internationally recognized authority on organizational and managerial practices that optimize employee performance, morale, and engagement. He is the author of *Managing Employee Stress and Safety*, as well as several dozen articles on organizational and individual performance that have been published in trade journals from North America, Europe, Australia, and Asia. For more of his articles, go to [HumanNatureAtWork.com](http://HumanNatureAtWork.com). For information on David Lee's services and programs, call 207-929-3344 or email: [Info@HumanNatureAtWork.com](mailto:Info@HumanNatureAtWork.com).

### Comments about David Lee's Work:

"Thank you for doing such an outstanding job keynoting our conference. As you could tell by the response, participants loved both the content and the delivery of your presentation."

*Dr. Ian Gawler, Director, The Gawler Foundation, Victoria, Australia*

"I've now worked with over 150 presenters since you last were a part of MEBSR's Spring Conference, and still you stand out as the best person we've ever had come and present on how we best work with one another, increase productivity and thrive."

*Sanna McKim, Executive Director, Maine Businesses for Social Responsibility, ME*

"It was a sheer delight to sit back and listen, learn and laugh as David weaved his extensive knowledge of the material with his abundant practical wisdom generously sprinkled with personal reflections, stories and his own wholesome humor. David brings a rare blend of practical knowledge and genuine humanity to his presentations. One cannot help but leave his sessions smarter, and a better human being, as he has a way of touching one's heart as well as one's head."

*Bill Gaertner, MD, Wisconsin*

"I was inspired by David's presentation. As onboarding new ladies and gentlemen at the Ritz-Carlton, Hotel Company LLC is one of the cornerstones of our success, I cannot agree more with his statement that, 'Everything you do in onboarding matters'."

*Diana Oreck, Vice President Global Learning & Leadership Center, Ritz Carlton, Maryland*

David, I wanted to thank you for being part our show in Las Vegas. The feedback I have received about your sessions was fantastic!!!!!! Three cheers to you.

*Julie McNeney, COO, International Council on Active Aging, Vancouver, BC*

“Having seen a lot of speakers, I can’t tell you just how impressed I was by David. I even waited in line to talk with him... I learned a great deal and laughed my butt off in the process... When we have someone who is so genuine and so well prepared, we owe it to each other to spread the word.... I take it very seriously when I recommend someone else’s work and... he’s great!”

*Naomi Judd*

“David's unique blend of humor and professionalism provides an engaging forum to absorb the content of his presentation. David does not hesitate to encourage participation and captures the audiences attention consistently throughout the seminar. I left the seminar feeling that this experience was well worth the time and money.”

*Dennis Hebert, Jr., President, Merrimack Valley Chapter of the NH Credit Union League, NH*

“David’s presentation style is unparalleled! The substantive and timely content of his subject materials is immediately adaptable to the workplace making his seminars an invaluable aid to an employer seeking to be an “Employer of Choice.”

*Lynn M. Lombard, VP, MMG Insurance Company, ME*

“I can honestly say that your sessions were highlights for me at the conference. Since then I have perused your website and read many of the articles posted on there. Again, thank you and kudos to you for the great presentation!”

*Rob Huppée, Amica Mature Lifestyles Inc., Vancouver, British Columbia*

“David has an uncanny ability to not only capture the attention of his audience, but also maintain a consistent level of interest in his students... Although I recognized and easily understood most of the concepts that David presented in his class, his perspective (which I value immensely due to his knowledge and intellect) and innovative style of teaching sparked my curiosity and interest, and more importantly, triggered my brain to ask more questions, deeper questions... David also has that rare ability to teach effectively to individuals that are at different levels of comprehension and understanding, and exhibit different styles of learning. ... Lastly, I would like to add a very important detail regarding David’s style of teaching and his personality. His wit and great sense of humor were very appreciated in the class by all. He has what I like to call ‘intelligent’ humor which is a gift.”

*Aditi N. Thakur, Accenture, Colorado*