



Increasing Employee Engagement with a People-First Culture

📌 human resources employees management

Summary: Job seekers have the advantage across most industries, including the financial industry. By increasing employee engagement and creating a people-first culture, CFIs have an opportunity to keep high performers and stand out from the competition. We explain what employee engagement means and how you can practice it.

To many executives, the idea of building greater engagement sounds like a job for human resources, or a call for better fringe benefits, such as baseball outings, celebrations, and snacks. Though employees might enjoy sports and cupcakes, and they certainly enhance overall morale, those perks are a separate matter from getting employees more positively enmeshed with their individual tasks.

Job seekers have the advantage across most industries, including the financial industry. Community financial institutions (CFIs) have an opportunity to keep high performers and stand out from the competition by increasing employee engagement and creating a people-first culture that focuses on personal development and fulfillment.

CFIs have excellent reasons to make that effort. Gallup research regularly finds that [organizations in the top quartile for employee engagement are reaping benefits](#) over the rest. Those with the best employee engagement have approximately 40% lower absenteeism, 50% better worker retention, 20% better sales, 20% stronger profits, and customer ratings that are between 10% and 20% better than companies in the bottom quartile.

But what does it mean to increase employee engagement? Many executives conflate employee satisfaction with employee engagement, and they focus on material benefits. While those perks are important for establishing an enjoyable workplace culture, they don't necessarily translate to greater employee engagement with one's specific job functions and duties.

When employee satisfaction is prioritized over engagement, CFIs may find themselves retaining low-performing employees and losing high-performing employees who end up seeking the fulfillment they need elsewhere, creating a shortage of skilled talent. Utilizing employee engagement strategies is the best way to keep that talent within your organization and to entice other potential employees. The things that people require in order to deeply engage in their working lives are both commonplace and more profound.

Those employees need:

- **A clear sense of the job you want them to perform.** According to a Gallup poll, only half of workers strongly agree that they know what managers expect of them at work. Those who believe that their job description is a faithful reflection of what they actually do are 2.5x more likely to be engaged with their work.
- **The tools they need to do that job.** The idea that workers need good tools seems obvious, but a surprising number of jobs don't provide them. Think about how frustrating it is to chop vegetables with a

dull knife and you'll quickly realize how much better working life can be when employees have effective tools.

- **An understanding of how their work contributes to the company's overall mission.** If the work an employee performs is not somehow part of a greater whole, then that work feels pointless. Pointless work does not pave the road to happy, engaged employees. The British used pointless labor — breaking stones, in this case — as a form of [punishment for prisoners at Dublin's Kilmainham Jail](#). What might have been a productive part of a quarrying operation turned punitive when there was no obvious reason for the work.
- **Opportunities to grow.** A 2018 Korn Ferry study indicated that [33% of people who changed jobs did so due to boredom](#) and the need for new challenges. No one thrives by doing the same thing, day after day and year after year. Manager feedback, interesting short- or longer-term projects that let a worker stretch outside their typical role, and opportunities to learn new skills and collaborate in new ways are all vital to worker longevity and loyalty.
- **Autonomy.** Once they understand what's expected from them and how their work contributes to larger goals, employees thrive on being given as much autonomy as possible. No one wants to be micromanaged or treated like a child. Instead, they want to feel that they own their ideas and have agency in their working lives.
- **Opportunities to excel.** Nothing is better than the feeling that comes from being really, really good at something. The best workplaces and smartest managers set their people up for success and find places and tasks for them to deploy their strengths.

By giving your workers clarity, tools, connection, autonomy, growth, and opportunity, your CFI can greatly increase employee engagement and earn a reputation for being a standout company to work for. In a labor market where good talent is hard to find and sometimes even harder to keep, having these intangible values at the core of your workplace is essential to attracting and retaining a good team.

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ECONOMY & RATES

Rates As Of: 01/26/2023 05:35AM (GMT-0800)

Treasury	Yields	MTD Chg	YTD Chg
3M	4.72	0.30	0.30
6M	4.79	0.03	0.03
1Y	4.68	-0.03	-0.03
2Y	4.18	-0.25	-0.25
5Y	3.60	-0.41	-0.41
10Y	3.51	-0.37	-0.37
30Y	3.65	-0.31	-0.31
FF Market	FF Disc		IORR
4.33	4.50		4.40
SOFR	Prime		QBER
4.31	7.50		4.32

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