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Two numbers for growth, innovation and high performance: Working and optimal employee energy

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In 2003, when Frederick F. Reichheld published his article in *Harvard Business Review* titled “*The One Number You Need To Grow*,” it changed how many people thought about doing surveys. Reichheld argued that to acquire more customers and grow revenues, organizations needed feedback from customers, but the form of that information did not have to be 50 to 100 questions that were traditionally found on customer feedback surveys. He suggested that one single metric could replace the long traditional surveys. His insights were not wholeheartedly accepted. As you would expect, there was disagreement and controversy. However, the *Net Promoter*[®] score (a short, one question, validated metric to assess customer reactions) which grew out of his work, is being used all over the world with success.

Think for a moment what could be done if that same model of using simple metrics could be part of every manager’s tool kit. What if managers could use an evidence-based system to help improve employee performance, team outcomes, innovation, growth and with all of that overall firm performance? In this paper that is what is being suggested. Rather than relying on annual measures of employee engagement, commitment or satisfaction, an alternative of simple, frequent

assessments of employee energy can provide high value to leaders.

In this paper a body of work that has progressed in a fashion very similar to that of the *Net Promoter* work is presented; however, the topic is about employees versus customers. The research, which started the use of employee energy as a key lever to improve performance, began in 1996. The focus is on employee energy at work—how to optimize energy, direct energy and measure energy in order to drive growth, innovation and high performance.

As Reichheld triumphed in helping many business and marketing professionals learn that simple was better, the same is being done by managers and human resources (HR) professionals. After introducing the concept of energy at work, details are provided about a large research project demonstrating that a key human capital metric, employee energy at work, can be assessed using only two numbers. These metrics are shown to be predictors of both short- and long-term firm performance. Data showing that energy, at the individual level, predict individual employee outcomes (e.g. turnover, 360 ratings of performance, sales, patient satisfaction and more) also are discussed. In the firm level studies, energy predicts firm survival and stock price growth when other factors such as marketing, sales, product, technology and leadership do not differentiate between the long-term winning and losing companies. In the same way that marketing professionals use the *Net Promoter* score as a quick number to improve customer service, leaders are utilizing

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employee energy as a fast, leading indicator of firm performance and employee outcomes.

In order to grow, innovate and create high performance organizations, employee energy at work must be optimized (not maximized) and directed. The article also weaves the tale about the processes and interventions that grew out of the research and case study work using these two numbers. The measurement of energy and associated research allow organizations to take an evidence-based approach to managing employees, not just once a year, but in the same way other organizational assets are measured and managed—frequently.

Over the last 18 years, our research team has collected over one million data points on employee energy at work. The article presents selected highlights from the research project, the learning from conducting large implementations of the employee energy process, what has been learned to date and why and how measuring employee energy has helped numerous organizations drive high growth and performance. Last, a sample set of data from the Leadership Pulse will be explored.

WHAT IS ENERGY?

Science, and in particular physics, tells us that energy is the *ability to do work*. There are two types of energy: (1) potential or stored energy; and (2) kinetic or moving energy. Energy cannot be created or destroyed. Therefore, managers can view themselves in the role of master directors, setting the stage for employees to optimally convert potential energy into moving energy. However, as is the case in physics, one cannot start thinking about the energy conversion process, and how to optimize energy, without data. Thus, the science of employee energy at work begins with the challenge of measuring and obtaining data on human energy at work. Once energy is assessed and a baseline set, then managers can learn how to optimize the process of converting potential to moving energy and then directing that energy to accomplish the goals needed to drive organizational objectives.

ENERGY AND EMPLOYEE ENGAGEMENT

While energy is related to engagement, the two constructs are different. Employee engagement, in fact, has become a catch-all phrase for many employee-related attitudes. However, numerous literature reviews on the topic conclude that the idea or goal of employee engagement is focused on employees staying on the job, being proud of their jobs and going “above and beyond” at work. The term engagement, with its associated meaning of long-term commitment and marriage as an ending state, in many ways does describe how this work has evolved. However, being tied together forever does not necessarily say anything about what one is doing during the highly committed formal relationship.

Employee engagement impacts employee energy at work. However, it appears from the research that engagement is a necessary, but not sufficient, condition for continual high performance. Engagement seems to consistently result in retention and positive attitudes (e.g. higher customer satisfaction), but it does not necessarily lead to higher overall performance. When engagement leads to improved employee energy utilization, however, we see positive links to both individual and firm-level outcomes. Thus, energy may

be the critical ingredient between engagement and performance. In fact, in many cases, energy alone provides enough data for decision making, providing managers with a more direct and leading metric focused on performance. Engagement work tends to provide data for priority setting of interventions that may positively affect energy at work.

HOW CAN ENERGY BE MEASURED?

Given the many definitions of engagement and the numerous types of employee attitudes studied, it is important to delve into not just the definition of energy, but also how it is different, and how it can be measured. In physics, energy measurement focuses on the rate at which energy is exerted. Scientists record the amount of energy needed to elevate temperature by one degree or to move an object of a given size and weight. Our definition and measure of human energy at work parallels these primary concepts from physics.

Energy defined: Energy is the internal force available for an employee to exert at work (ability to work) = our version of potential energy.

Energy measured: Energy is measured by assessing the level of energy it takes for an employee to be at his or her best at work (how energy is used) = our version of kinetic energy.

THE ROOTS OF STUDYING HUMAN ENERGY AT WORK

In addition to the body of work from physics, the theoretical work supporting energy came from two other streams of work: sports physiology and protection motivation theory. Each approach is briefly introduced next.

Sports physiology

In our 2005 research paper on energy at work, Welbourne, Andrews and Andrews discuss this theory in detail. Energy is an optimization construct. Think of energy like your body pulse. When beginning an exercise program the goal is to work toward a target heart rate, which is based on age, physical condition and other factors. It is not good to maximize your heart rate; it could lead to very negative consequences (e.g. heart attack). You also cannot burn calories well if you are too low on the heart rate. To optimize one’s workout, the goal is to be “in the zone.” The same phenomenon applies when studying employee energy. Employees have a target pace of work (or conversion level of energy, moving from potential to moving), and ideally managers can help employees learn how to stay “in that zone” and at their ideal performance level.

The sports physiology work, in particular, helped us move the measurement work toward the concept of optimization versus maximization. Just like over exerting oneself during an exercise routine, employees cannot handle over exertion at work for very long. When individuals start an exercise routine, they are given guidelines about optimal heart rates and working out in a target zone. Why would it be any different when expending energy at work? Why do we think the human mind and body can multi-task, work long hours

and continue to go “above and beyond” and not be at risk? It is unrealistic to think that energy in the workplace is any different from energy used when exercising or during other activities. In fact, the growing body of work on mindfulness and investments in wellness attest to this reality.

Protection motivation theory

Although the motivation literature is quite expansive, and there are multiple theories and models from which to choose, we focused on protection motivation theory because it had the closest application to the focus of our work. Marketing experts use the knowledge from this theory to help people alter habits and behavior (e.g. used for anti-smoking campaigns and to help people start brushing teeth). Protection motivation theory suggests that change in behavior is more likely when some level of fear is activated. However, fear must be targeted at something specific and balanced with ability to cope. Thus, fear is an optimization construct, with balance of fear and coping needed to change behavior. As we started measuring energy at work, we realized that too much stimulus affecting energy (non-optimal state) was the equivalent to high levels of fear, and helping employees optimize energy could be done by providing an ability to cope and by managing the anxiety-producing events.

Protection motivation theory also shed light on how to raise energy when it was too low, which was the case in many organizations when we began this body of work. These ideas led to work helping increase the sense of urgency in company cultures while simultaneously avoiding productivity or energy loss that could have ensued from these interventions. The key to success was balance, and this concept was used to help new leaders initiate change and to improve the success rate of large change events.

Physics

In addition to using the core definitions of energy in order to drive our research work, we also tapped into the concept of inertia. At first glance one may think that inertia is a bad thing. However, inertia is all about something in motion staying in motion or something at rest remaining at rest. The bad rap inertia gets is focused on the “at rest” part of the definition. We work with the “in motion” definition instead. How does a company in motion (going through change or growing) stay in motion? The work in physics allowed us to think more about how to build energy and how to sustain energy when the environment was changing. This was the need in our studies of initial public offerings (IPOs); many IPO companies find their ways of working are altered dramatically when they go public. However, to be successful post IPO, they need to harness the positive energy that got their firms to the IPO and avoid distractions that run rampant after this large-scale organizational change event.

THE IPO STUDIES: ROOTS OF THE ENERGY RESEARCH

The work on energy began in 1993 with a series of studies examining the predictors of long-term performance with thousands of firms. The focus originally was on initial public offerings, predicting stock price and earnings growth as well

as survival. In these studies, we learned that 3-year growth, 5-year firm performance and long-term firm survival (alive or dead) could be predicted from a series of factors representing energy at work. When we studied company culture, we focused on the sense of urgency exhibited in the culture. We later translated sense of urgency to the individual unit of analysis, the employee, and began studying energy at work. Both concepts – urgency and energy – needed to be optimized to drive high performance. The concept of balance, where people could thrive, emerged as an important theme.

IPOs are ideal samples to study in many ways. I like to call them the fruit flies of management because they live and die quickly, thus allowing for higher quality causal and longitudinal research. Also, IPOs are diverse, allowing one to generalize to the larger population of organizations. Finally, these firms have money to grow. Basically, if they spend their acquired funding wisely and if they have created an organization with the core strength to grow, they will do well. Human capital is part of this core strength.

LEARNING FROM THE LARGEST IPO COHORT—THE CLASS OF 1996

In 1996 close to 1000 firms went public, and we studied about 800 that met our research requirements. Names you might recognize from this sample include Yahoo!, Abercrombie & Finch, Wyndham Hotel Corporation, Forrester Research, Planet Hollywood and 1-800-Attorney, Inc. The sample is diverse in size of firms (from small teams of 4 to hundreds of thousands of employees), industry and country location. It includes young and old firms, high tech and other. This diverse set of companies is thus representative of the larger population of established organizations.

In 1997, we sent a survey out to the executive team members of all firms in the 1996 cohort, and we received responses from about 300 organizations. The survey focused on the resources that mattered to their success. We asked how important a number of items were to their firm’s performance to date. This approach addressed what the executives valued. Questions focused on the following potential organizational assets or resources: culture, ability to innovate, rewards structure, company structure (how organized), firm’s risk taking propensity, organizational strategy, marketing strategy, sales team and sales strategy, economic environment for the firm, employees in general, leadership team, management team, human resources team overall, staffing strategy, training and learning, venture capitalists and other investors, financing availability, product, technology used and lastly employee energy at work.

We then did extensive detective work to find out which firms were both alive and thriving ten years later. A firm was defined as thriving if it were alive and had a stock price at least at what it went out at when it went public in 1996. About 38 percent of these firms were alive ten years post IPO, and only 22 percent were thriving (per our definition).

EMPLOYEE ENERGY CREATES LONG-TERM COMPETITIVE ADVANTAGE

The only factor predicting longer-term performance (e.g. survival and stock price growth) was employee energy at work. Controlling for factors such as age, size, risks, profitability at

IPO and industry, we found that employee energy at work beat out marketing, sales, technology, leaders and culture as a predictor of longevity. It was the only statistically significant predictor found in the research. This finding should not be surprising if we consider that growth is all about moving forward, and how can one grow a business if employees are not expending energy to propel their organizations ahead? Also, long-term competitive advantage comes from building assets that cannot be easily copied; ongoing, optimal employee energy is just that type of human capital—unique, hard to copy and positively driving performance.

However, as important as energy might be, most leaders know very little about their own energy at work, their employees' energy levels, how to assess energy, how to direct energy and how to optimize it. The rest of the article will focus on these topics, drawing on 18 years of research and client or case study work on energy, analyzing over one million data points from a broad range of firms around the world.

MAKING ENERGY EASY TO MEASURE AND MANAGE

In order to help managers optimize and direct employee energy at work, we moved toward creating a simple way to measure energy. Simplicity is key because energy, unlike similar constructs such as employee engagement or commitment, fluctuates quite a bit. Therefore, once measurement starts, it needs to continue on a frequent basis. Many organizations are now measuring energy frequently as a supplement to employee engagement initiatives. This works for two reasons: (1) employee engagement affects energy, and energy in turn impacts performance, and (2) managers use the more frequent energy measurement process to help them work toward their longer-term employee engagement goals. In a sense, the employee engagement survey work and associated action taking are more like the annual reporting process in an organization, and the energy measurement process parallels the types of weekly sales, quality or production tracking an organization would do.

In order to create a fast, easy and useful measurement tool, in 1996 we introduced a two-item energy metric. Using a color-coded scale (from blue to red), employees are asked to rate their current working energy and the energy level where they are at their best or most productive. The simplicity and color-coding have allowed us to use this question effectively in over 50 countries, with questions being translated into over 15 languages. Regardless of location, energy predicts outcomes in the same way.

The energy math used shows that two calculations predict future performance. First, the gap between working energy or energy today and optimal energy or energy at one's best predicts performance. The absolute value of the gap is used to create a number of metrics and reports. Average energy does predict performance, but the gap score is more accurate.

Managers can track the trended energy data, and they also learn that variance in energy over time is a key indicator of future performance. When an employee's energy is shifting too much, he/she is not "in the zone." Going back to the physics parallel definitions, the gap represents efficiency in converting energy at work. With zero gaps, employees are at their best and most efficient. We conducted research to understand, at a team level, how to present the gap scores

in a way that is useful to individual managers (*calculations and process used for determining group zone status can be obtained from the author*). Using outcome metrics such as 360-degree performance, sales and turnover, we calculated target energy zones. When energy is "in the zone," teams are not at risk, and when the scores are out of the zone for multiple periods of time or when trending in the wrong direction, then it is a clear sign that actions are necessary.

PROCESS TRUMPS RESEARCH AND TECHNOLOGY

The energy work started in 1996 as a small research project using Lotus Notes on a laptop computer, and since that time it has evolved to use proprietary, globally scalable software-as-a-service (SaaS) technology. As the process has become accessible to more organizations, the lessons learned from implementation, working with managers and teaching employees about energy have generated new learning. Below is a summary of some of the key takeaways.

Survey fatigue is a myth

We learned early on that if individual data were provided to employees, learning shared with them and the information integrated into the way business is conducted, employees see frequent survey work as a benefit. It shows management is listening, and that employee data are at least on equal footing as other metrics. Fatigue is all about being bothered with questions that lead to data no one uses.

Action is not always needed

When collecting trend data, managers need to respond to changes; they don't need big interventions for every piece of information. Communication about trends is important, but it does not have to be a monumental endeavor. If the data are simple, the process surrounding it also can be easy.

Employee energy at work is just one more piece of business data

The most successful implementations have integrated the energy data into the way business is already being done. Managers combine energy data with sales, production, quality and other reporting data. Unlike the way annual surveys are managed, frequent energy work is integrated into weekly management meetings, monthly town halls, quarterly reporting and other forms of already used communication about business results.

Data spurs conversation

When managers ask what action to take when their team level energy declines, one easy intervention always works. Print out a trend chart, get the team together and ask them to talk about why the "number" changed. Simple data can inspire passionate and honest conversations.

Custom metrics strategies win

We found early on that asking only about energy resulted in high quality research and the ability to create alerts based on

predictive metrics. However, supplementing the energy metrics with carefully planned additional questions that address current strategic issues led to even higher quality outcomes (e.g. improving quality, reducing costs, enhancing patient satisfaction, etc.). Developing a metrics strategy based on the need to continually realign direction, helped meet the overall goals of optimizing and directing energy toward meeting key business objectives.

Manage the conversation versus waiting for it to happen

Through creative question writing leaders can manage the company conversation in order to proactively coach or remind employees about key goals. By asking the right questions, the company dialogue can change in a way that supports the business moving forward and achieving goals. We call these types of questions “influence questions.”

Employees need to be part of the solution

As the technology developed and became more customized, we added individual employee reports, employee journals and action taking tools to the technology suite and implementation process. By making employees part of the solution, we also positively changed how performance management was being done. Managers ask employees to track their energy and record what is affecting it, then every month, or every other month, employees and manager meet to engage in dialogue about what they learn. The continuous process focuses on the work, the drives of energy and what is getting in the way of meeting objectives.

Energy goes down; it's inevitable

Things happen that reduce energy levels in the business. Great people leave; companies lose customers; the economy tanks, and stock price goes down. The key metric here is not how much a number goes up or down but the *speed of recovery*.

Routine kills energy

Much of our work has been done within high growth companies. Monitoring energy over time in these firms has led to substantial learning about how to grow successfully. One key finding is that moving from random to routine often kills energy. Standard meetings, communication via newsletters and reporting all sound good, but when we see firms change from informal and random communications to routine and bureaucratic systems, employee energy decreases. This learning has led to development of programs teaching managers how to routinize randomization in their work.

Occupation matters

Our research shows that there are occupational differences in where employees say they are at their best. For example, HR and sales professionals will often report they are most productive or at their best at a score of 8 (1 to 10 scale), while programmers and engineers report optimal energy closer to

5–6. People in sales say they need to be at a high number to deal with rejection, while engineers and programmers need slower pace to do their work. These variances in optimal levels do not matter for data analysis because the organization's own gap scores and variance are used for prediction.

Energy measurement works around the world

We have collected data from firms all around the world, and energy has been translated into multiple languages. Although the mean score on energy may differ by country, the data predict performance outcomes in the same way because we use an optimization construct and the prediction is based on the gap, not the mean score.

Technology is desired but organizations can start measuring energy in other ways

Over the years, we've been involved in building technology to roll out the energy process. We needed to move data quickly, provide reports to individual employees and drive action. Speed of reporting has been critical because it is inappropriate to ask employees to answer a new question if you have not reported on the last incidence. Technology is necessary for large-scale implementations, but it is not required to assess energy in smaller groups or units. We've used post cards to collect the data for truck drivers and manufacturing personnel, and in some cases, employers have constructed very low technology methods of learning about energy levels (e.g. marbles of different colors). Ability to scale and go fast improves with technology, but the energy work can be done with low or no technology.

Frequency matters

We have learned that annual or every other year employee data are very effective for research; however, these processes are not useful for day-to-day management. Managers use sales data collected on a frequent basis; quality and production data are examined weekly or daily. If employees are truly an important asset, then why is it the norm to collect information on employees so infrequently? The energy work has proven that simplicity in measurement can lead to going faster and to using human capital data to improve leadership.

CASE STUDY VIGNETTES

In order to explore how organizations have used the energy measurement process to drive business goals, a few short cases are discussed in this section.

Case #1: From publishing paper to software development

Publishing is an example of an industry that has been disrupted by new technologies. In this case, the organization in question waited too long to evolve. Their business had been dependent on printing magazines and large books for associations and private businesses (e.g. membership directories,

yellow-page type publications). They needed to change, and they had hired several new executives to help transform the business.

The intervention was led by the organization development (OD) team in partnership with the executive leaders. In order to support their change initiative, energy pulsing (note that this is the term we use for short, frequent surveys) was done every two weeks. For the first three months, the process was conducted only with the management team. This is a common implementation process that helps strengthen long-term success in two ways: (1) these leaders learn by doing, and (2) the time is spent assuring that the leaders are strong enough to carry the torch of the upcoming changes. The metrics strategy focused on two sets of questions. Measurement was done every two weeks, with the first monthly questions addressing energy and the second using three questions to assess readiness for change. After the first three months the process was rolled out to the entire employee population, with managers who participated in phase one being those responsible for taking action with the data from their employees.

Where it was assumed that leaders would be supportive of the change taking place, a key learning for the team was that the senior leaders were not ready for change and were not energized by the new initiatives. It was clear that without support from the top it was unlikely to be a positive experience when rolled out to all employees. In fact, we found an interesting pattern. The leaders were very positive and energized in the first four weeks; however, as the communications rolled out and when the firm got to the point where it required that leaders personally engage in changing their own habits, scores dropped. We saw spikes downward in both energy and change readiness. With this information, the OD team was able to dig into the details and make changes necessary to assure all leaders were supportive before rolling out the program changes to all employees. Also, because the leaders and managers learned by doing, they were equipped to keep employees energized by the change through the rest of the year.

Case #2: Driving innovation to grow

This organization is a family-owned manufacturing firm. They grew quickly for many years, and the growth came from adding new locations. The firm came to a point where further expansion by geography not only was costly but also an unprofitable option. They worked to understand how to drive innovation and take advantage of the locations and employees they already had in place.

The initial approaches to change their culture to become more innovative were not successful. There was an underlying problem associated with the firm; it focused on risk aversion vs. risk taking, and this did not bode well for building innovation. The company was traditional, and employees grew up with core family values, which were primarily about maintaining the status quo.

In order to help change the conversation in the company and celebrate innovations and risk-taking behaviors openly, they began measuring energy and innovation every other week for three months and then monthly after that. The project continued for one year. Questions designed to spark discussions about barriers to innovation, to celebrate small

innovations and to understand related topics such as trust, confidence and ways of working together were explored. Through the data and dialogue that resulted, employees slowly started thinking differently about risk taking. Visible and high level conversations showcased wins that grew out of the data-driven conversations. Energy increased and improved. Over this period of time the organization was able to launch multiple new product lines, and the outcomes of their overall initiative led to bottom-line profitability that exceeded goals.

Case #3: From change management to thriving on continuous improvement

After five different change management programs in four years, employees at this telecommunications firm were a tad frustrated. Always being told that the change will be over, the organization went into yet one more upheaval. Waking up to a new reality, the organization's HR leadership team decided to think about change differently. They worked to get rid of all the old change management books and start from scratch. An important piece of this work was the measurement strategy, and in this case, energy was a key metric. Optimizing and directing – and then redirecting energy – was an agreed-upon goal. Rather than focusing on a change management cycle, the firm's OD and HR teams worked to market and sell the evolution the firm was undergoing.

Through a series of analysis models, we used metrics on the rate of change people were going through. We learned that the marketing and sales approach worked – so much that employees going through the highest levels of change were the ones most energized and most productive during this time. What initially was thought to be negative (change), through some very basic marketing strategies, ended up being a positive outcome and desired state for employees. Employees wanted to be in on the new business. No one wanted to be left behind. The result was faster and less expensive change, and perhaps more important, successful change, high customer acceptances and improved sales.

LEARNING FROM THE LATEST LEADERSHIP PULSE

In order to put some of the pieces together and provide an example of the energy work, the following is from a recent Leadership Pulse report. We took the technology we developed for energy pulsing in organizations and applied it to a larger sample of leaders from around the world. This pulse survey goes out every 4 to 6 months to a panel of global leaders. The project was started as a way to track large-scale energy trends and to provide participants with feedback on key topics as well as comparative benchmarks from their peers. In each pulse dialogue (our term for short survey), we ask energy and supplemental questions exploring key business trends and topics of interest to the participants. In the pulse used as an example in this paper, we asked questions about energy and confidence in various aspects of leadership. For purposes of this paper, we will only examine the energy work; however, the full report is available at www.leadershippulse.com. A total of 540 individuals participated; the

participants come from a large range of industries, and their job titles range from manager to CEO.

The individual learning that comes from the Leadership Pulse is built around personal diagnostic reports. These are automated reports given to all participants after the energy pulse closes. Also, leaders who participate can do so as an individual (personal feedback only) or opt in their team (receiving overall team reports). Learning also comes from webinars, technical reports and user guides. Personal reports are stored in a confidential manner, and users can examine not only their most recent results but also their trend data.

ENERGY RESULTS FOR LEADERSHIP PULSE

In this most recent round of the Leadership Pulse, we found that the average working energy across the whole sample was 7.0. This number is the highest average energy for the leadership pulse sample measured to date (the Leadership Pulse began in 2003). Overall average energy has been on the rise, and has been since September of 2010.

The average energy where participants stated they were at their best was 8.22. The gap between 8.22 and 7.0 is lost productivity. Only 18 percent of respondents indicated they were at their best energy, and only another 8 percent of respondents were half a point or closer to their optimal energy. Over 50 percent of leaders who responded were one point or more away from their best energy.

From our research, we know that being one or more points away from optimal energy increases risk of lower performance and turnover. We also examined the relationship between energy and financial performance. As firm performance improves, energy is higher and the gap between optimal and work energy becomes smaller. The pattern of data is consistent with prior Leadership Pulse data sets and also similar to what we see in individual organizations.

LEARNING FROM THE LEADERSHIP PULSE EXAMPLE

In order to supplement the energy numbers, we also include open-ended comment questions. We ask leaders to talk about the things that are affecting their energy at work. Some sample comments from the higher and lower scoring individuals can help add understanding to the leader experience. Responses from people who score their energy at a 10 (which is at risk of negative outcomes such as burnout) are below:

Attention is too scattered across both critical tasks and important necessary but non-strategic tasks. No scheduled time to prudently plan.

Organization restructure that is less than optimal for moving the business forward.

Multiple priorities; more individualized competitive environment so feel need to “touch” everything to be rewarded and/or be recognized.

Lack of clarity and direction from my supervisor. Shifting priorities.

Trying to save my job and that of all my colleagues.

CHANGE everywhere; confusion about what to do, why or when.

Stress—too much to do and too little time to do a quality job; confusion over strategic direction; in-fighting amongst leaders.

Sample positive comments from people reporting the “very energized and energized” zones:

The more clarity I have about what I should be doing and that it will be impactful the more I feel I can fully engage and give my all and my best.

I have very strong energy around helping the company succeed and enjoy helping create and implement strategies and ideas.

My energy level is highest when I am working on new projects, or thinking about how to create change.

It’s exciting, as business is pretty good and taxing our ability to do everything we are supposed to be doing.

Great projects, our upside potential is amazingly high, and we are working with excellent people.

Positive energy factors: management support; sufficient staffing; work uniformly aligned within organizational goals.

The majority of comments in this pulse are somewhat negative, consistent with the number of people who are reporting relatively large gaps between working and optimal energy at work. These data are quite consistent with the within-company data we have been observing over the last few years. The data pinpoint the fact that most firms, overall, have an opportunity to improve by focusing in on the factors that are affecting leader energy and possibly all employee energy.

Our research finds that leader energy is related to employee energy. However, most organizations have no idea if energy is declining or on the rise. Consider the improvement that could be made if leaders were more aware of their own energy and how it is affecting employees.

CONCLUSION

The first step to growth, innovation and improving performance is assessing a firm’s assets, and per our research, employee energy at work is a critical factor. The leadership pulse results tell us that, across companies and globally, energy is increasing. This type of upward movement has helped many firms move their performance in a positive direction, but up is not always good. A deeper understanding of optimal energy is needed for business leaders to help direct employee energy at the goals that organizations are trying to achieve.

Over the last 18 years of research, each analysis shows that a simple two-number measurement of employee energy provides strong and robust diagnostics. Yet most organizations rely on traditional, once a year or every two year

employee surveys. These larger, less frequent surveys serve a value; they are much like an annual report. However, that does not make them a leadership tool. Annual reports provide a lens on lagging indicators, while energy delivers a leading metric to help organizations optimize, direct and redirect energy continually.

ASK THE RIGHT QUESTIONS TO LEAD: THE PATH TO ENERGIZING EVERYONE EVERYWHERE

Leaders can innovate and move organizations and their people in new directions. *Lean, simple* and *fast* are the buzzwords that reflect the reality of today's organizations. In order to be successful in helping organizations grow, leaders are using new models for optimizing human capital. Using two numbers to help drive growth and performance is one way to start. Utilizing data to ask questions and engage in

dialogue creates the type of intervention that organizations need today to stay agile.

Moving into new territory requires some risk taking and new learning. Leaders will need to rethink how they manage human capital in today's lean, fast era. It is the job of everyone to help grow business. People and departments are speeding up, and in order to support employees in meeting this goal in how managers manage need to change.

Ask in order to lead. Do not ask for permission to lead; use data to ask employees questions that will provide leaders with information they need to win. Frequent data on employee energy at work can provide the impetus for inclusive conversation. Ask questions that will start intentional, high quality conversations. Ask to drive growth, innovation, continuous improvement and high performance. Ask to energize everyone everywhere in your organization



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In the zone: This term alludes to the time when a person is at his/her best. When exercising, target heart rate is used. When applying the zone to work, we examine where and when employees are most productive and at the same time feeling a great sense of accomplishment. Examples of artists painting and focused on creating their masterpieces are often used when describing what it is like to be “in the zone.”

J. P. Kotter’s *A Sense of Urgency* (Harvard Business Press, 2008) provides insights on sense of urgency, which is related to employee energy at work.

For an additional source of information on energy at work, see R. W. Quinn, G. M. Spreitzer, and G. M. Clark, Building a sustainable model of human energy in organizations: exploring the critical role of resources, *The Academy of Management Annals*, 2012, 6(1) 337–396.

To learn about the ways in which marketing professionals are using simple metrics to assess customer attitudes and then use the data to drive fast changes, go to Frederick F. Reichheld, One number you need to grow, *Harvard Business Review*, December 2003.

Learn how energy is used to understand student experiences, go to G. M. Spreitzer and T. Grant, Helping students manage their energy: taking the pulse with the energy audit, *Journal of Management Education*, 2012, 36(2) 239–263.

An original published piece that uses early energy research is T. M. Welbourne, S. Andrews, and A.O. Andrews, Back to basics: learning about motivation and energy from running on my treadmill, *Human Resource Management*, 2005, 44(1), 55–66.

This article explores the use of employee energy measurement with leaders and how data can be used to help manage the organization: T. M. Welbourne, Taking the pulse of leaders to optimize and direct employee energy at work, *Employment Relations Today*, 2014, 41(1), 1–10.

For an extensive literature review of employee engagement, focusing on new ways to move forward with this body of work—Web sites with more articles: www.eepulse.com—see “From the Energy Files”—www.leadershippulse.com—see reports, and www.whatsmyenergy.com (for benchmarking data). T. M. Welbourne and S. Schlachter, “Engaged in What? Creating Connections to Performance with Rewards, Recognition and Roles,” technical report prepared for the Incentive Research Foundation, 2014.

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