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Job Satisfaction Versus Workforce Optimization: Which is More Important?

With the rapid acceleration of technology evolution, globalization, and the changing demographics of tomorrow's workforce, employers must make optimizing their workforce a priority if they want to remain competitive. They also know that they need a top-down strategy to align skills and competencies with long-term business and mission goals.

This begs the question of which is more important - optimize the skills of your workforce or make your employees happy? Let's weigh the importance of employee satisfaction on job performance against the workforce optimization factors influencing workplace satisfaction.

Why Job Satisfaction Matters

According to Gallup's most recent [State of the American Workplace](#) report, only 33 percent of employees are engaged in their work. That is, only a third of U.S. workers are enthusiastic about and committed to their work and workplace. Worse, a majority of employees (51 percent) are not engaged and are actively looking for new jobs or monitoring openings.

Those statistics sound bad. On the one hand, you may feel compassion for employees who aren't happy. Then again, you could ask, "So what?" After all, aren't employees responsible for their own feelings and work/life satisfaction? It's really job performance that matters to a company, right? Besides, if dissatisfied employees leave the job, isn't the company better off without them? Do complex organizations and busy company leaders really need to care about employee happiness?

The short answer is "indeed, yes, companies need to care!" Here are a handful of findings and statistics from the Gallup study that show the impact of employee engagement on a company's bottom line:

- **Talent Retention:** Engaged employees are more likely to stay with the organization, reducing overall turnover and associated costs. Actively disengaged employees are almost twice as likely to leave.
- **Productivity:** Engaged employees show up and work. Companies in the top quartile of employee engagement experience 41 percent less absenteeism and a 17 percent boost in productivity compared with those in the bottom quartile.
- **Safety:** Engaged workers are more mindful of their surroundings and colleagues. Highly engaged business units experience a 70 percent decrease in employee safety incidents.
- **Customer Outcomes:** Engaged employees are committed to customers. Highly engaged businesses achieve a 10 percent increase in customer metrics and a 20 percent increase in sales.
- **Profit:** Committed, productive, safe, customer-focused employees net highly engaged business units 21 percent greater profitability compared to disengaged businesses.



Workforce Optimization: What Is It, Exactly?

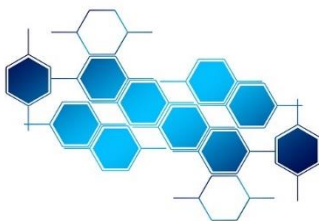
At its core, workforce optimization addresses these three questions:

1. Do our employees have the skills they need to succeed in their jobs?
2. Where are the competency weaknesses within our workforce?
3. How do we close the competency gaps?

As organizations today are preparing for the workforce of tomorrow, it's essential that employee skills and competencies are aligned with company goals and objectives to succeed today and into the future. Workforce optimization is key to getting there.

An optimized workforce is where:

- Your company has defined competencies required for success.
- Job descriptions are up-to-date, clear, and tied to key competencies.
- Employees create individual development plans that outline how to improve and grow.
- A pervasive culture of learning provides the tools, motivation and recognition that fosters true training, retraining, reskilling and upskilling impact.
- Employees and management purposely work together to achieve success for employees, the company, and their customers.



Essentials of Employee Happiness

What is it that makes employees happy and engaged? SHRM, in their 2017 report [Employee Job Satisfaction and Engagement: The Doors of Opportunity are Open](#), says that employee job happiness comes from a mix of the work environment and the work itself. The top five factors employees cited as contributing to job satisfaction were:

1. Respectful treatment of all employees at all levels
2. Compensation/pay
3. Trust between employees and senior management
4. Job security
5. Opportunities to use their skills and abilities at work

Gallup agrees that employee benefits and perks are only part of the answer. In fact, the report stresses, "if employees don't have great managers, if they don't know what's expected of them or if they are not in roles that match their talents, then the longest possible list of perks is not going to be a cure-all."

How Workforce Optimization Impacts Employee Satisfaction

Turns out, an optimized workforce makes for happy employees. When employees know what's expected of them, trust that they are building the skills they need to contribute to a company they believe in, and receive the respect and compensation they deserve, they are satisfied. Happy, even. And motivated to do more, learn more, and help the company to serve its customers well – today, tomorrow and into the future.

Employees want to be a part of something bigger than themselves. When they believe they can make a difference, they are engaged and motivated to do more.

Bottom Line: Which is More Important?

Employee satisfaction is not the same as satisfying employees. Clearly, they are interrelated and both are important. But when it comes to business strategy, workplace satisfaction must be the *outcome* of actively engaging employees through a workforce optimization program that drives improved performance. Businesses fail when they emphasize employee satisfaction at the expense of aligning for long-term business outcomes.

The real goal of employee engagement is strong business outcomes. Done right, an

optimized workforce will generate a high level of workplace satisfaction. A win-win for all.

For an inside perspective on how to energize employee performance through competency management, read our [white paper](#).

Ready to start optimizing your workforce?

Avilar – The Competency Company – can help you transform your organization from ordinary to extraordinary. Request a complimentary consultation or [visit our website](#) to schedule a demo. You can be confident that we will listen to your organization's specific needs and help you find the best solutions to the talent management challenges you're facing.



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