

Expert Perspective

6 Ways To Make More Money By Making Your Employees Happy

BY [Dr. Noelle Nelson](#) / 06-25-2012 | 10:00 AM

This article is written by a member of our expert contributor community.



From High Hopes To "Whatever"

Typically, somewhere during the first four to six months the eagerness and desire of most employees wane. Employees will only self-sustain their enthusiasm for the work a limited amount of time. After that, in the absence of feeling appreciated by management--that their work matters, that they matter--employees adopt the "whatever" attitude. The job becomes "just a job" and "I have to go to work" replaces "I want to go to work." Employees do barely what is required of them, if that.

Enter appreciation. Letting your employees know that they matter, that they count, that they are important, in down-to-earth, tangible ways, is how you bridge the gap between your differing expectations. You value your employees such that they can give you the full measure of their value in return. Increased employee value equals increased company value.

Make your employees happy by setting them up for success, theirs--and yours. Letting your employees know in concrete, practical ways that they matter, count and are important, can generate amazing profits, as exemplified by Alcoa's experience.

When CEO Paul O'Neill took the helm at Alcoa (Aluminum Company of America), the company, which had been enormously successful for nearly a century, was experiencing a serious downturn in profits and losing customers. Shareholders expected the usual incoming CEO speech about new products on the horizon, a promise to increase profits and lower costs, and so on. Instead, Mr. O'Neill announced that his only concern, his sole priority, was to increase worker safety. This so shocked investors that some pulled out of Alcoa immediately. That was a big mistake.

O'Neill's intense commitment to worker safety, implemented in practical, immediate and uncompromising ways, transformed the company such that within a year, Alcoa's profits hit a record high. Employee productivity soared as accident rates decreased from one accident per week in just about every Alcoa plant, to some plants going years without losing a single workday to an accident. By the time O'Neill stepped down some 13 years later, Alcoa's annual income was 500% larger than before he arrived.

Alcoa didn't offer their employees more money--what many businesses think of as the main way of motivating productivity--Alcoa addressed in actual, meaningful terms what really mattered to their employees: worker safety, critical in an environment where workers dealt with molten metal and extreme temperatures on a daily basis. There was no clearer way to declare to workers: you matter, you count, you are important.

Here are half a dozen ways to do just that:

1) Right resources, right results.

Make sure your employees have the tools, training and sufficient time to accomplish their tasks and meet company goals. Few things make employees feel as unappreciated, frustrated and unhappy as not having the appropriate resources for the job.

For example, at one point, Starbucks executives went into their stores and observed a distressing phenomenon: a number of otherwise good employees would "lose it" when faced with unexpected stressors, such as a customer yelling, or getting irritated and impatient, or even downright angry. Starbucks responded not by dunning the employees or counseling them individually, but--realizing that employees needed help in dealing with these customers--created training materials that gave clear and specific instructions on how to deal with difficult situations. Employees then practiced role-playing thorny customer interactions with their managers until it became virtually automatic for them to respond successfully in the stores.

When you give your employees what it takes for them to succeed at their jobs, they are happy and you thrive.

2) Increase employee success with regular, frequent, targeted feedback.

An employee should never be surprised by a year-end review. All along the year, your employees should receive regular, frequent, targeted feedback on their work. Feedback is critical to the employee's ability to know what they've done right, and what needs improvement.

You're more likely to be genuine and to be heard as genuine when your comments are immediate and specific. "You're doing a good job" may be sincere and may be heard as such the first few times, but after awhile, such expressions feel too generic and automatic to mean much of anything. "Your work is poor" is too general and therefore without impact, other than a demoralizing one.

Immediate feedback enhances your employees' willingness and ability to do what you expect of them. It's a powerful way to set them up for success.

3) Catch your employees in the act of doing something right.

Acknowledging how your employees are doing something right is a far more successful path to work excellence than pointing out what they are doing wrong. Psychology has long proven that people respond far better to positive feedback than to negative. By consistently letting your employees know what they are doing right, you accomplish several goals:

- You keep employees on the right track since people are likely to repeat behaviors they have been praised for
- By valuing their efforts, you increase your employees' sense of competence, which in turn, leads to increased competence on the job, and with it greater success--and happiness.

4) Your employees are only as good as you are.

Management studies show that, simply put, like attracts like. Your employees will show up on time, have a good attitude, approach problems eagerly and pitch in when needed, to the extent that you yourself encourage and support this behavior. It's up to you to set the example by making sure you show up on time, have a terrific attitude, enthusiastically attack problems and pitch in. Attitude matters tremendously in the workplace, and it does come from the top down. Your employees will not be able to perform well when faced with crotchety, disorganized, unappreciative managers.

5) Don't punish good employees for their excellence.

Good employees often find that they are, for all intents and purposes, punished for their excellent performance. How? Managers will often load a particularly effective employee with more and

more work just because--well, they're good. Not only is that unfair, but you may very well break an otherwise dynamite employee.

Good performers don't deserve to be mistreated in this way. Your best employees usually won't put up with it at all.

6) Learning and growth are critical to employee satisfaction.

Offer your employees training, classes, and opportunities to learn and grow in their careers, offer them many ways to increase their knowledge and skill. Today's workers want new opportunities to test out and develop their skills, they want challenges, they want the excitement of new information and knowledge. Let your employees know how valuable they are by investing in their ability to either do their job better or further their career whether within or without the company.

Your employees want to feel that the company is investing in their success by providing those tools to help them succeed. Whether it's on-line seminars, mentoring programs, audio conferences, live seminars, outside courses paid for by the company, workshops, whatever the means, training and education are important to today's workers.

Invest in your employees' success, they will invest in yours.

*Excerpted from [Make More Money By Making Your Employees Happy](#) by Noelle C. Nelson.
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