

# I N F O Bulletin

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Information Bulletin for Group Insurance Plan Administrators and Benefit Advisors


**INDUSTRIAL ALLIANCE**  
INSURANCE AND FINANCIAL SERVICES INC.

## The Administrator's Corner



## Meeting the Challenge of Employee Commitment

Committed employees represent a long-term competitive advantage for companies that are seeking productivity and innovation gains in today's challenging business environment. The real wealth of a company resides in the competence, know-how and commitment of its employees. How can companies successfully inspire employee commitment in order to improve performance?

Meaning, motivation, and management are three important factors that determine employees' commitment level within a company. "To be committed is to voluntarily adopt behaviours that go beyond contractual agreements," said Michel Tremblay, Omer DeSerres Business Chair at the HEC Montréal and renowned expert on employee commitment.

### How to give meaning to work within a company

It is vital for senior management to establish a client-centred vision that provides meaning for its employees. Work is considered meaningful if employees understand what they do, know why they do it, and if their work contributes to client satisfaction.

Employee commitment toward their company depends upon inclusion and involvement. The sharing of values and the feeling of belonging are therefore essential to employee commitment.

### How to motivate employees to put heart into their work

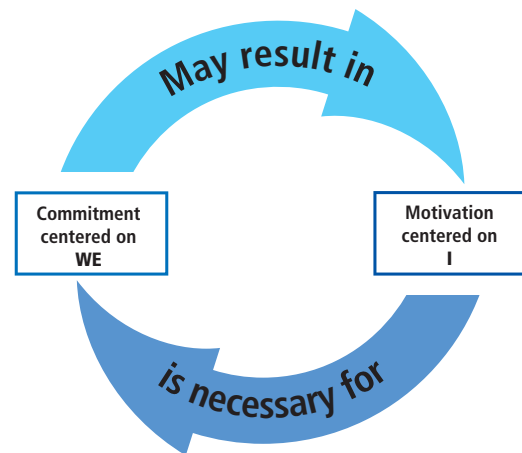
Well-defined responsibilities can inspire greater commitment among employees. Opportunities to work independently, a sense of accomplishment and collaboration with other team members can all enhance employee commitment.

Beware! Motivated employees who like their work are not necessarily committed. A Canadian study published in February 2008 by Towers Perrin shows that 32% of employees surveyed are not committed, even if 86% like or even love their work. "In fact, commitment begins when the 'I' becomes a 'we,'" says Philippe Collas, Executive Manager at Secor.

To develop the "we," employees must feel like they're part of a team and that they each influence the success of the company. They understand their contributions better if they are aware of the strategic vision and the objectives of the company and consequently are in line with them.

### The communicating vessels of commitment and motivation

Related but separate, these two elements are essential



Source: Commitment at the heart of performance, Insert, *Les Affaires*; Montreal, April 5-11, 2008.

### How to establish an environment in which employees feel fully committed

Management plays an important role in employees' commitment. Management style and communication with employees give meaning to group actions. Management attitude can either stimulate or diminish employee morale and commitment. Without good leadership, management has little chance of successfully inspiring commitment among employees.

Work environment also influences employees' commitment. Four elements are essential in creating a favourable work environment: conveying a vision, communicating the company's objectives, recognizing efforts and taking employees into consideration.

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A recent survey of 34,382 Quebec employees (43 companies; 12 different sectors) conducted by the consulting firm Secor, reveals that: "A third of workers are committed...They commit voluntarily and intentionally. About a quarter of workers, however, remains uncommitted." Moreover, the study shows that employees want:

- to be trusted
- to be allowed maximum independence and professionalism in their work
- to be consulted more often, and to have their efforts recognized
- to be informed about the company's objectives, strategy and results

Employees will remain motivated and committed if their employer consults them, considers and listens to their concerns, and takes these concerns into account.

"Taking a pulse" is a way for management to do an in-depth examination of the commitment of employees within the company. There is often a commitment gap between what management thinks and what employees experience. Management needs to identify sources of stress and discontentment that adversely affect a motivating environment. Openness and close listening allow employees to feel confident and to express annoyances that limit their work. After "taking the pulse," concrete actions must be taken by the company in order to maintain employee commitment.

### In summary

If you believe that employees are the most valuable element of your company, it is worth it to invest the necessary time and energy to inspire their commitment.

Employees will not be committed if there is no clear vision from management. Commitment emerges if there is meaning combined with a motivating work environment. Self-motivated employees believe in what they do and know where the company is heading. Management influences commitment if everybody is united around a common objective.

The following illustrates this important distinction:

- Two stone cutters in the Middle Ages were chipping square blocks out of granite. A visitor to the quarry asked what they were doing. The first stone cutter, looking rather grumpy, "I'm cutting this damn stone into a block." The second, who looked pleased with his work, replied proudly, "I'm on this team that's building a cathedral."<sup>1</sup>

These two stonemasons basically perform the same work, but the second found meaning in it because he subscribed to his team's vision. This is how management inspires commitment and adds value to the company.

<sup>1</sup>From "The Only Thing That Matters: Bringing the Power of the Customer into the Center of Your Business," by Karl Albrecht; Harper Business, 1992, p. 145.

## Additional methods to report fraud

Further to the article entitled "Insurance Fraud Prevention Resources to protect group benefits," which was published in the previous INFO Bulletin, Industrial Alliance is pleased to present new recourse against fraud. It's now possible to report misuse on our website:

[www.inalco.com](http://www.inalco.com). In the *Group Insurance* section, click on the *Fraud Prevention and Audit Services* heading. You will be directed to the *Report a Fraud* feature and will have access to the online form.

A few examples of misuse that you might want to report:

- Leaving a blank form bearing only the signature of the insured to health providers (doctors, dentists, pharmacists and therapists)
- Forwarding claims to the insurer, without obtaining services, in order to receive a refund

It's fast and convenient. Simply fill out the online form and click on *Send*. This tool, designed to protect your plan, is completely anonymous and confidential. Don't hesitate to use it. It's there for you!

## About Industrial Alliance

Industrial Alliance is among the most solid financial institutions in the country and is a leader in insurance and financial services. With offices from coast to coast, Industrial Alliance contributes to the financial well-being of over three million Canadians and has \$50 billion in assets under management and under administration, making it the 5<sup>th</sup> largest life and health insurance provider in Canada.