Engaging Employees and Customers:
An Interview with Heather Gordon
By Ben Baran, Ph.D., Agility Analytics Practice Leader

My research, teaching and consulting frequently focuses on employees and the strategic use of human capital, and the topic of employee engagement has been hot for some time now. It's clearly important—organizations oftentimes thrive most when their employees are fully contributing their efforts and expertise. Related to the topic of employee engagement is the area of customer engagement —another critical topic.

Recently, I had the wonderful opportunity to pick the brain of someone who is on the front lines of engaging both employees and customers at one of the world's largest companies: Heather Gordon, Ph.D.

Heather is currently the customer strategy manager at Duke Energy Corporation. **Here's my interview with her.**

HEATHER GORDON, PH.D.

Heather, you have deep expertise in the psychology of human behavior at work at two of the world's largest companies, so I'm curious to know what you think about employee engagement in general. First, what is it and does it matter?

Employee engagement is the extent to which employees are passionate about their jobs, committed to the organization, and their willingness to go above and beyond to help the organization accomplish its goals. Simply put, employee engagement is how engaged an employee is with their job and organization. And it absolutely matters. Think about a time when you felt extremely engaged in your job and with your organization... likely, you contributed more to the organization and you did more than the status quo for success. More importantly, you left work with an enhanced sense of your own well-being and a feeling of being valued. Likewise, the organization benefits from an engaged workforce in many different ways. First, engaged employees tend to be more loyal to the organization, they

feel a sense of commitment and camaraderie with their fellow co-workers, helping to improve employee retention and reducing the expenses associated with recruitment, selection, and training. Second, much research has been dedicated to demonstrating the impact an engaged workforce has on the bottom line. An engaged workforce is more likely to result in higher customer engagement and satisfaction, an effect size as high as r =.43. Contrast that to the correlation of r = .14 with the effect of ibuprofen and pain reduction and you can see the impact of employee engagement and customer satisfaction.

Here's the citation to that research article:
Winkler, Konig, & Kleinmann (2012). New insights into an old debate: Investigating the temporal sequence of commitment and performance at the business unit level. Journal of Occupational and Organizational Psychology, 85(3), 503-522.

In your experience, what are some things that leaders and human resource functions can do to increase employee engagement?

It's simple—engage their employees in the process, ask for their feedback, take actions on it, and recognize them for their efforts. For HR, two jobs are critical—aligning the organization and the leaders to listen to the feedback from their employees, and providing the structure, tools, and resources where employees can be developed. For managers and leaders, talking with their employees is the first step. Many large organizations today provide employee engagement surveys, which is a great start to get collective feedback. However, it must not stop there. The most important piece of the puzzle is getting the employees' thoughts and ideas to address the opportunities the survey demonstrates. When you engage them in the process of creating the solutions, you get their investment in the solutions and share the accountability in making the organization a better place to work.

Also, a simple "thank you" and recognition for hard work can go a long way. Imagine the impact of a senior leader hand-writing a thank you note to an employee, thanking them for going above and beyond. I've seen it done before and it has a huge impact on the employee and the overall culture.

Recently, you changed your focus from employee engagement to customer engagement. First, what was that change like for you personally? And second, what are some of the similarities or differences between the two?

I thought it would be a huge shift, and in some ways it was, but in most ways it wasn't. At its core, engagement is the same for employees and customers. We all want to be heard and want to feel as our needs are met. Once I realized that for customer and employee engagement there is the same process of getting feedback, acting on that feedback and communicating the actions as a result of the feedback, it didn't seem so different. Likewise, similarly to how HR practitioners have to prioritize which talent and leadership offerings and services are provided and modified, on the customer side we have to decide which products and services will be best received and needed by our customers.

The same article above demonstrated that there is a causal effect of employee engagement on customer satisfaction. The big difference I see between the two is that organizations have more direct control over the employee experience and thus, the engagement levels of those employees. While customers have many more external influences that may impact their judgments and experiences with a company, the experience of the employee can be greater influenced by the practices and culture of the company.

For me, it's especially easy to think about how employees engage the customer in settings such as retail. For example, someone helping me pick out a pair of shoes at Nordstrom directly interacts with me, learns about my preferences and sizes, and brings me pairs of shoes to try on. And my experience with that person shapes my perception of Nordstrom overall. Is it the same with Duke Energy? Why or why not?

Customer engagement is the responsibility of every company and every employee. It is not tied only to those who have direct interaction with the customer. For example, at Duke Energy, we do have those customer service representatives who directly interact with the customer. However, much of the work is being done behind the scenes and at a distance from the customer- for example, making sure the grid is appropriately set up to prevent outages and sources of energy that will meet their needs. Distance from the customer does not

mean that the engagement strategy needs to occur at a distance. To be successful, the company's culture and employees must have the customer at the forefront in all of their decisions, whether or not they are directly interacting with the customer.

What are some practices you've found effective in enhancing customer engagement? Do you have any specific ways in which you measure customer engagement or any ideas about how it could be done?

It's about providing real-time experiences and service that reach customers when they need it.

Whether that is a service, product, mobile app, or just electricity, it's getting their need fulfilled. You can do this by applying insights to the data you have on customer behaviors. By collecting and analyzing data on customers' behavioral consumption patterns, you can begin to predict what customers will need and hopefully get it to them before they are asking for it. It's also about listening to the customer, and then listening again. You must understand and empathize with the issues the customer is facing and figure out a way to solve that problem. This is only accomplished through leveraging and embracing customer feedback.
Another thing I have seen that's very effective is having a holistic view of and understanding of what can impact the customer experience. I've been witness to some incredible work dissecting the impact of internal and external events on the overall engagement of customers. When we can understand those impacts, we can begin to understand how information should be communicated with customers to make sure they have the knowledge and background that will impact their experience.

How is customer engagement related to agility, or the ability to sense and respond to the forces of change?

With customer engagement, we must have a broader perspective than simply trying to engage and serve our customers in their current environment. We are building the capabilities to meet their future needs. If we don't do this, someone else will serve their needs as more options for energy sources and services emerge. Therefore, we must remain agile to the needs of customers by remaining

attuned to their changing needs and the changes to external trends in the environment. In order to be successful at agility, it goes back to the right workforce and engaged employees—employees who are willing to go above and beyond in understanding their customers and delivering superior service every time.

Thank you very much, Heather, for providing your insights on both employee and customer engagement.
Find this thought provoking? Leave a comment, like and share!

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