

CASE STUDY

Creating a Multi-Generational Culture of Engagement

Sodexo Health Care

This is one of four case studies, prepared for the MetLife Mature Market Institute by David DeLong & Associates, demonstrating how companies are successfully shaping their cultures to motivate their Multi-Generational employees. These case studies are part of the Multi-Generational Tool Kit developed by the MetLife Mature Market Institute.

Overview

Leadership at Sodexo Health Care, a division of the global food and facilities management services company, believes that building an engaged workforce means both recognizing and transcending generational differences. The needs of different generations are acknowledged in employee communications, training, and flexible work design, but these differences are also transcended by rewarding caring behaviors that are expected of everyone. These behaviors are key to both high-quality customer service and employee retention, which combine to support business growth.



Sodexo recognizes that to support growth that is both profitable and sustainable requires building a trained and committed workforce. This challenge is even more daunting in an era of major demographic changes, given that Sodexo expects to hire two million people in the next decade. Because the company needs

so many managers and staff, leaders are focused on recruiting and retaining employees of all generations.

Customer Service Above and Beyond

When an assistant manager in food and nutrition services of Sodexo Health Care adopted a dog from a local animal shelter recently, he learned that the animal had been given up when its elderly owner moved to a residence that did not allow pets. After making some inquiries, he discovered that the former owner had moved into a retirement community where Sodexo provides food and building services. On his own time, the manager drove his new pet two hours for a reunion with the elderly gentleman, who was thrilled to see that his beloved companion had found a loving new home.

An Act of Kindness Connects to Business Growth

How does this act of kindness connect to the aggressive growth strategy of one of the world's largest employers? One key to Sodexo's success will be its ability to create a culture that fully engages employees to provide a quality of service that goes beyond their job descriptions.

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While the dog-loving manager's gesture may be unusual, it typifies the type of commitment that management is trying to create by building a culture of employee engagement that maximizes quality service, while also accelerating personal development, enhancing job satisfaction, and ultimately increasing employee retention.

Sodexo Builds Engagement

Sodexo's North America Health Care Division has been particularly aggressive in building employee engagement to support its growth strategy. This unit manages food and facilities management services for almost 2,000 sites in the U.S., including acute care hospitals, long-term care facilities, and active retirement communities.

Many initiatives and practices contribute to Sodexo's industry-leading retention numbers, but here are four factors that have helped this division improve employee engagement across all generations:

1 Define and Measure "Engagement" in a Practical Way

Trying to increase engagement can be a huge waste of resources unless you are clear about the outcomes you want. "We have taken a systematic approach to what drives engagement," says Deborah Hecker, senior vice president of strategic planning. The company relies on external expertise to define areas that are important to individual employees, such as frequent, fair informal feedback.

But management also regularly conducts internal focus groups to make sure externally defined factors are what Sodexo employees really care about. Every two years, the company uses a major consulting firm to conduct surveys that evaluate employee engagement. The most recent report found 65% of Sodexo's employees were "fully engaged."

Still, Patrick Connolly, chief operating officer of Sodexo Health Care, is cautious about relying solely on these measures. He notes:

"You can talk about engaged employees in technical terms, how committed they are to growth and success, for example, but there is also an emotional part of engagement that is much harder to describe. That is what you have in your heart when you go home at night. To us, engagement means employees who are really committed to improving the lives of those they serve."

Connolly's team is careful to articulate and measure the impact of employee engagement, recognizing some aspects are easier to evaluate than others. They also know that building employee commitment is not a short-term initiative.

2 Explicitly Link Training to Behaviors that Support Engagement

Culture change inevitably requires giving people the tools they need to behave in ways that will make them successful. For Sodexo, that means "acting to put patients and residents at the heart of everything employees do." To create and reinforce this kind of culture, the company created the CARES training program. Compassion, Accountability, Respect, Enthusiasm, and Service are the behaviors covered in the training that not only improve service quality, but also give more meaning to the work. By improving the communication and empathy skills of every employee, no matter what position they hold, Sodexo creates the expectation that everyone has a role to play in positively impacting customers' well-being.

"If a dishwasher in the hospital kitchen feels they are impacting the patient's safety and security, they get more value out of what they do and will be

more committed to the job,” says Connolly. These common and consistent behaviors ultimately reduce employee turnover and improve client satisfaction with Sodexo’s performance.

Sodexo’s management uses training to encourage employees to transcend the transactional nature of much traditional food service and maintenance work. Bob Schondelmeier, senior director of training and talent development, says:

“Our product happens when an employee delivers a meal, cleans a room, or helps someone with a problem. Every day we have millions of these interactions, and it is how our employees behave at the time that matters. If we have engaged employees who care about what they are doing and want Sodexo to succeed, then we have a much better chance of delivering quality service.”

For example, employees are encouraged to stop and talk to a patient who may need cheering up, even if it slows down tray delivery time. Critics often suggest this kind of spontaneous behavior must drive up operating costs, but Sodexo found that is not the case.

“Everyone’s reaction is ‘this is going to cost us money,’” says Jeff Wilson, vice president of human resources. “But we’ve experienced just the opposite. People seem to incorporate these behaviors into their workday, and our labor costs have not gone up.”

Making employees feel respected and included as team members for who they are is another aspect central to Sodexo’s culture of engagement. Learning Labs are in-the-field training programs designed to improve performance by dealing with various dimensions of diversity, such as gender and generational differences. For example, the half-day class on Generations in the Workplace is a highly interactive session built around

case studies and discussions. Training sessions like this help managers become more sensitive and willing to engage with people different than they are, says Schondelmeier. “It makes it easier to see another employee as a person instead of an object,” he adds.



3 Customize Offerings for Different Generations

Sodexo’s efforts to support diversity in its workforce led management to see the need for initiatives that appeal to different generations. Until recently, Sodexo was a “face-to-face” company. “But now we have become much more aggressive in using webinars, online training, as well as Web tools like Second Life and YouTube,” says Wilson. “We need to make sure we are engaging all different ages.”

Flexible work options represent another way that Sodexo accommodates its changing workforce. Given the demographics of the labor pool, Sodexo realizes that it will increasingly have to rely on older workers. Giving veteran salaried employees the option to negotiate reduced hours, to work remotely, or create job sharing arrangements are other inducements to retain staff. Wilson says:

“Many employees in Sodexo have considerable tenure, and these new options allow people to flex in their current life stage so they do not have to leave the company. It is good for those taking care of older parents and kids. But we have

found employees not even interested in flexible arrangements themselves like working for a company with that option in case they need it.”

4 Lead with the Right Messages

To find what is really valued in an organization’s culture, listen to the stories leaders and employees are telling about each other. One way COO Pat Connolly addresses the emotional side of engagement is by focusing the organization on real stories of employees who have gone out of their way to serve others.

In fact, Sodexo has an elaborate process to collect, vet, and celebrate stories of service excellence and caring. For example, a Sodexo food service team in one Pennsylvania nursing home wanted to help an elderly woman who could not attend her grandson’s wedding in Atlanta. So they recreated the wedding scene, decorating the dinner table in colors chosen for the wedding reception, made a lovely cake with fresh flowers, and coordinated everything by phone so she could feel part of the special event.

About Connolly’s frequent open forums with managers in the field, he says, “I talk only briefly about financial results, share price, or growth in margins. Instead, we spend 90% of the time talking

about the way we change people’s lives. And we do that by sharing stories, because they make the culture real.”

Conclusions

Sodexo’s leaders know they must engage employees of all generations to support continued growth. To do this, they have identified approaches such as storytelling that engage people of all generations. They have also identified practices essential for building engagement, such as defining outcomes and training for specific behaviors needed. Finally, they have recognized that to appeal to a multi-generational workforce, they must sometimes customize offerings, such as flexible work options, and communicate through a variety of channels to reach employees of different ages. Wilson concludes:

“You have to be patient. Building a culture of employee engagement is a journey, so you need to be proactive and ask, ‘What do we want to be known for?’

Continued focus is the key. You can’t relax. We must look at tomorrow’s labor force and keep asking, ‘Will this be enough to bring people to the table and keep them engaged?’”

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