FIRE AND THE PERFORMANCE WHEEL:

ITS IMPACT ON WORKPLACE PERFORMANCE

AN INSIDEOUT DEVELOPMENT RESEARCH REPORT

InsideOut DEVELOPMENT™

BYLD
Building Your Leadership Differentiators

INDEX

EXECUTIVE SUMMARY

Key findings

- On average, people are only 67% engaged at their job.

- On average, workers feel they are reaching only 74% of their maximum capacity each day.

  - Only 4% feel they're working at 100% of their daily capacity.

- A fired-up employee will produce up to 38% better results.

- 80% of employees say their managers impact their "Fire" at least monthly.

  - More than 50% of employees say managers impact their "Fire" at least weekly.

- **Most common ways managers decrease Fire:**

  - Micromanaging (57%)

  - Unrealistic expectations (42%)

  - Giving unclear instructions (38%)

- **Most common ways organizations decrease Fire:**

  - Toxic work environment (66%)

  - Unclear direction (42%)

  - Distrust of leadership (36%)

Introduction

There are many factors in life that hold us back from being 100% productive. One of these factors is a lack of "Fire." **Throughout this survey we will use the terminology "Fire" to represent one's passion, motivation, and/or drive**. Throughout this report, we recommend coaching practices as a key way to leverage and magnify employee Fire to reach more of their potential. We reference the Performance Wheel as a tool to visualize and address the four elements of performance.
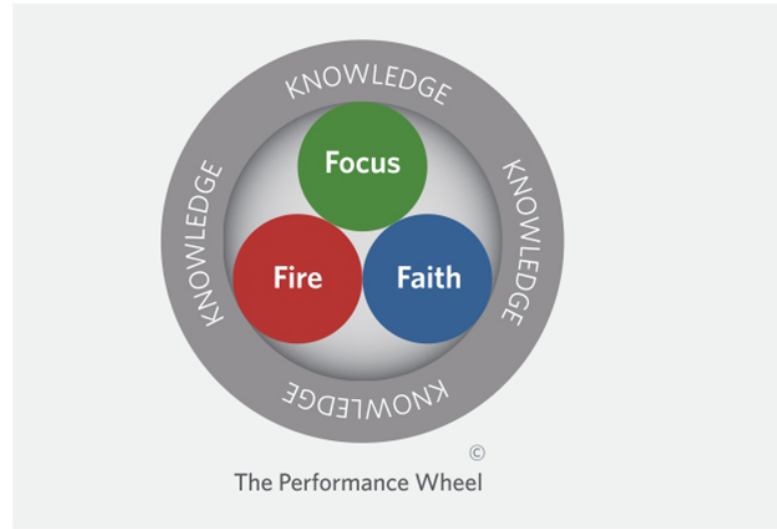
Identifying gaps in one (or all) of these elements of performance and working together to develop a plan to address them is the purpose of coaching. Anything impacting one of these elements of performance is called "Interference." Learn more about Interference in this research report.

RESEARCH FINDINGS

Performers see Fire as one of the most important elements of their performance.

We asked survey participants to rank which of the elements of the Performance Wheel most directly

The Performance Wheel

impacts their performance, both with a skill they know and their ability to learn a new skill. In both questions, Fire was ranked number one most often. Performers see the immediate value of being passionate about the work they're doing.

While performers initially see Fire as the number one factor impacting their performance, each of the elements of performance indicated in the Performance Wheel impact each other and compound for greater successes.

FIGURE 1: Which of the following most affects your capacity to learn?

FOCUS 28%
FIRE 43%
FAITH 28%

FIGURE 2: Which of the following affects your performance the most?

FOCUS 34%
FIRE 48%
FAITH 17%

A lack of Fire indicates disengagement

According to Gallup's State of the American Workplace, only 33% of workers in the United States are engaged in their jobs, which means the remainder are either disengaged (51%) or actively disengaged (16%). And each disengaged employee costs you up to 34% of their salary.

However, there are definite limitations to simply labeling each employee as "engaged" or "disengaged." This dichotomous classification could lead managers to the dangerous conclusion that "this employee is engaged; we shouldn't worry about them." Instead, engagement should be viewed as a spectrum unique to each individual employee.

...only 33% of workers in the United States are engaged in their jobs...

We investigated more specifically how disengaged the average employee is, what leads to this disengagement, and what managers and organizations can do to better engage their employees.

### HOW ENGAGED IS THE AVERAGE EMPLOYEE?

We surveyed more than 1,000 full-time workers. Rather than simply asking them whether they were engaged or disengaged, we asked to score how disengaged (0) to fully engaged (100) they are in their current job.

We defined a score of 100—a fully engaged employee—as "an employee that works with passion and feels a profound connection to their company; they drive innovation and move the organization forward." We then defined a score of 0 as "an employee that is essentially 'checked out;' they're sleepwalking through their workday, putting time—but not energy or passion—into their work."

FIGURE 3: Thinking about your attitude toward your current job, rate your level of engagement from disengaged (0) to engaged (100).

67%

Engagement level at current job
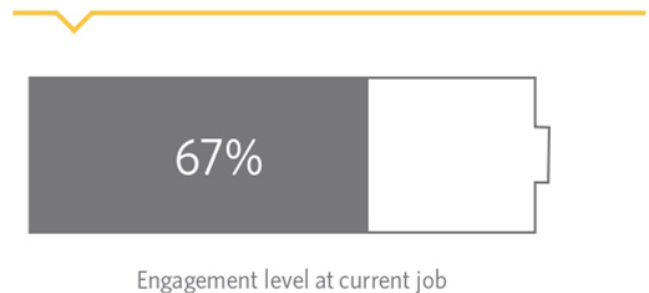
On average, respondents scored their engagement at only a 67 out of 100. This could be interpreted two ways:

1. Employees basically "sleepwalk" or turn on autopilot for 1/3 of their projects at work

2. Employees only give 67% of their effort on each project they work on.

Either way, it's bad news for organizations.

WHAT CAUSES DISENGAGEMENT?

Countless organizations will provide various answers to the employee engagement dilemma, but what really is the lever of employee engagement? As we analyzed our survey results, we discovered that a lack of passion, drive, or motivation—what we refer to as one's "Fire"—is one of the largest effectors of engagement within the workplace.

We compared our survey respondents' engagement with their self-reported Fire. We weren't surprised to discover that the greater someone's Fire, the greater their reported engagement.

FIGURE 4: Fire vs Engagement

How do people grade their own Fire? When asked to grade their passion about their current job on a scale from 0 (I'm just here for a paycheck and nothing else) to 100 (this is my life's work) the average respondent answered a 63.

FIGURE 5: How do you feel about your current job

63

0   I'M JUST HERE FOR A PAYCHECK AND NOTHING ELSE   100   THIS IS MY LIFE'S WORK
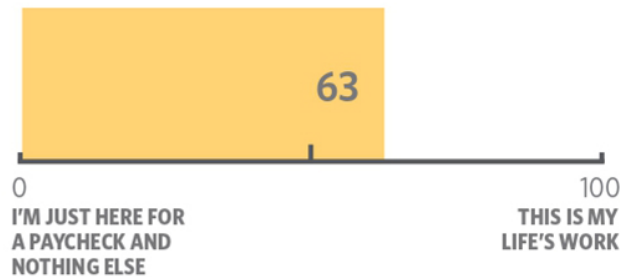
Younger Millennials and Gen Zers graded themselves 6 points lower than older respondents. Younger generations find much less value or passion in their jobs and are more likely to be disengaged.

KEY TAKEAWAY

While not the only cause (or effect) of disengagement, a lack of Fire can serve as a leading indicator of future engagement problems.

How does Fire impact performance?

We asked: "On projects/tasks that you have a lack of Fire to complete, please grade the quality of your finished work." Respondents graded their work from 0-100. The average response was a 68. This indicates that **when an employee has Fire about a particular project, the finished product will be up to 38% better than if they don't have Fire for the project**.

FIGURE 6: Fire vs Performance

SELF-ASSESSED FIRE (y-axis: 0% – 80%)

- 0-25: 39%
- 26-50: 53%
- 51-75: 62%
- 76-100: 72%

SELF-ASSESSED PERFORMANCE

How do managers impact Fire?

80% of workers said their managers impacted their Fire at least monthly, while more than 50% reported that their manager impacted their Fire at least WEEKLY. This impact can be both positive and negative depending on the manager's actions.

FIGURE 7: What does your manager do that increases your Fire? (respondents chose their top three)

- 49% — Create opportunities to learn and grow
- 48% — Give recognition
- 43% — Truly listen to you
- 42% — Lead by example
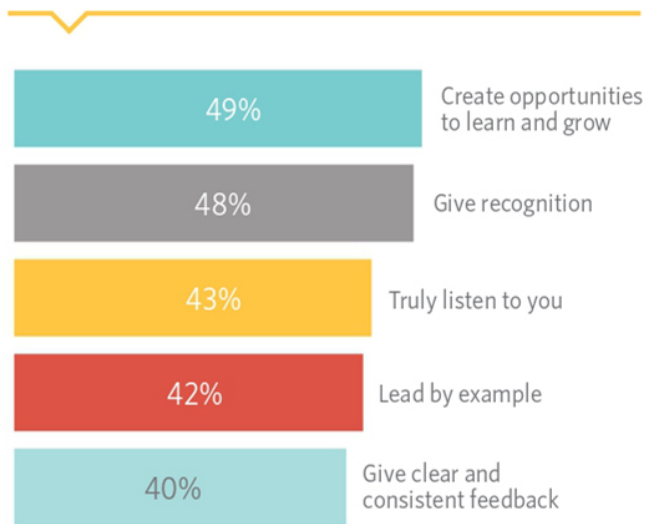- 40% — Give clear and consistent feedback

KEY TAKEAWAY

When employees aren't fired up about a task or project, they are less likely to give it their full effort. They are more likely to procrastinate and make mistakes. They are less likely to take ownership of a project.
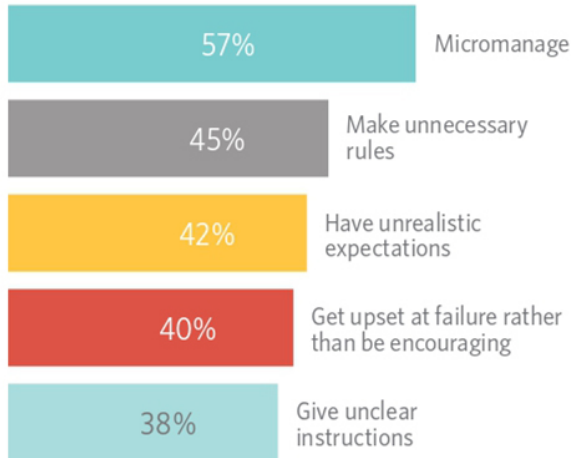
"Accountability is doing what needs to be done because someone expects it of you. Ownership is doing what needs to be done because you expect it of yourself."

—Alan Fine, New York Times bestselling author

FIGURE 8: What does your manager do that decreases your Fire? (respondents chose their top three)

57%	Micromanage
45%	Make unnecessary rules
42%	Have unrealistic expectations
40%	Get upset at failure rather than be encouraging
38%	Give unclear instructions

THE VALUE OF FEEDBACK VARIES BY GENERATION

18% *Young Millennials and Gen Zers were 18% more likely to say clear and consistent feedback increase their Fire and*

28% *28% more likely to say coaching increases their Fire compared to older respondents.*

They were also nearly twice as likely to say an Outside-in approach—when a manager simply provides the answer rather than allowing the employee to apply their own skills and knowledge to a problem—will decrease their Fire.

KEY TAKEAWAY

Manager actions are the biggest contributor to employee retention, but managers also play a huge role in the day-to-day performance of the employees who stay. Even the best employees can be burned out by manager tactics. Help your best employees do their best work by creating opportunities to learn and grow.

How can organizations impact Fire?

Managers have a clear, direct impact on their employee's motivation, but managers and employees don't operate in a bubble. Organizational processes can also weigh on an employee's Fire.

Make sure your organization sets your employees up for success. To see the best and worst organizational practices for motivating employees, we asked: "What can organizations do to increase your Fire?" and "What can organizations do to decrease your Fire?"

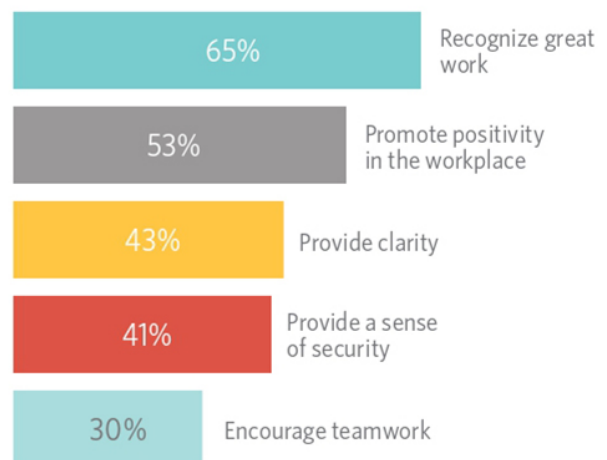**FIGURE 9:** What can organizations do to increase your Fire? (respondents chose their top three)

65%	Recognize great work
53%	Promote positivity in the workplace
43%	Provide clarity
41%	Provide a sense of security
30%	Encourage teamwork

FIGURE 10: What can organizations do to decrease your Fire? (respondents chose their top three)

66%	Toxic work environment
42%	Unclear company direction
41.5%	Unrealistic benchmarks
38%	Lack of necessary tools
36%	Distrust of organizational leaders
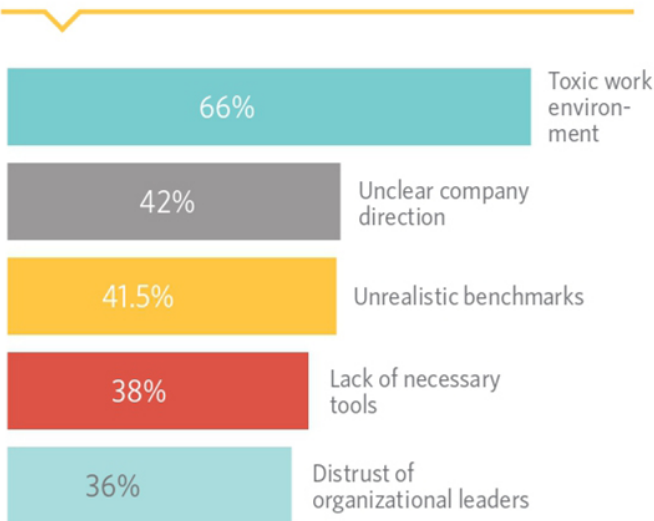
FIGURE 11: Those Who Said "Toxic Work Environment" Also Said:

38%	Unclear direction
37%	Unrealistic benchmarks
34%	Distrust of organization leaders
33%	Lack of necessary tools
28%	Corporate bureaucracy slowing things down
16%	Top-down directives
14%	Stifling innovation
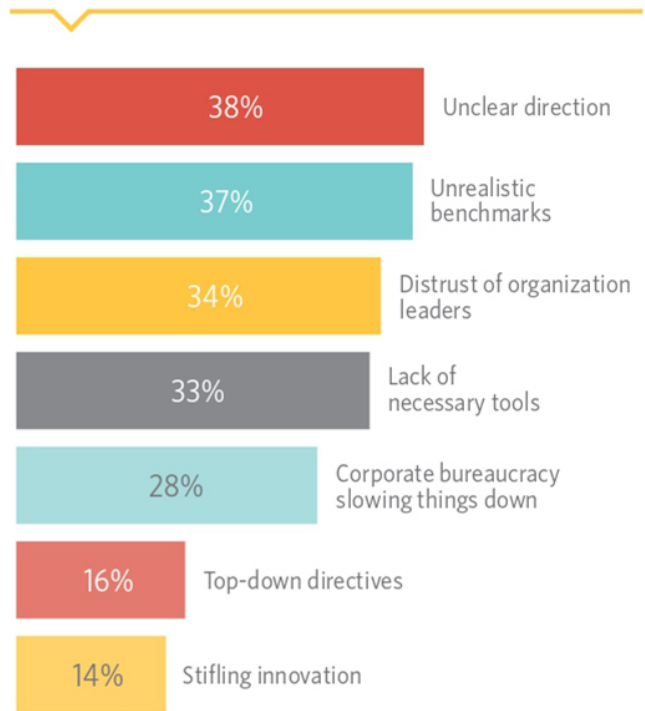
TOXIC WORK ENVIRONMENT?

One of the telltale signs of a toxic work environment is poor communication—exclusively negative communication or lack of communication entirely. Coaching is one of the most effective ways to have clear and positive communication between leaders and employees.

Other signs of a toxic work environment are shown by the responses employees choice in addition to "toxic work environment."

When respondents selected toxic work environment, they were more likely to also select "unclear direction," "unrealistic benchmarks," and "distrust of leaders" as factors limiting their Fire.
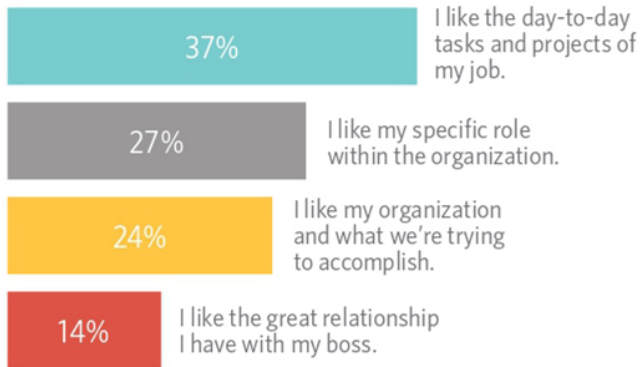
KEY TAKEAWAY

Organizations set the tone for manager-employee communication. Avoid a Fire-draining toxic environment by providing a clear company direction, providing the necessary tools, and by developing your managers into excellent coaches.

Not all Fire is created equal

A lot of Millennial research talks about "feeling fulfilled" and "liking what you do" and "doing something that matters." But a lack of Fire toward a particular project can show up even if you love your job and organization. And vice versa.

FIGURE 12: Rank the following in order of which is most important in increasing your overall Fire to do a good job:

37%	I like the day-to-day tasks and projects of my job.
27%	I like my specific role within the organization.
24%	I like my organization and what we're trying to accomplish.
14%	I like the great relationship I have with my boss.

KEY TAKEAWAY

Supporting employees in their day-to-day tasks and projects can be a difficult task, but it is a crucial element to keep employees engaged. It isn't enough to illustrate the good your organization is doing. Employees need to feel connected to and inspired by their daily tasks, too.

HOW ORGANIZATIONS CAN INCREASE EMPLOYEE FIRE

Use the GROW® Model

No one is fired up about every element of their job. Some tasks and projects need to be performed well despite a lack of Fire. Managers can increase an employee's Fire for a task of project using the GROW Model. Used properly, it increases ownership of projects and increases Fire.

The GROW Model is a tool that can be used to impact many elements of performance. It structures conversations so managers can help employees focus on the elements of the task they do have Fire around or focus on the Fire they have for the end goal of the project.

Use coaching best practices to limit Fire-detractors

The chart below represents that top three organizational '"Fire-detractors" according to employees. Are any of them impacting your organization? Check out one of these free resources to help.

Fire-detractor	What to do about it
Toxic work environment	Increase and improve communication between managers and employees. **READ:** 3 Big Benefits of Building a Coaching Culture
Unclear company direction	Use multi-level communication strategies to ensure all communication clearly articulates the same company direction. **READ:** Building a Coaching Culture
Unrealistic benchmarks	Increase ownership of outcomes by enabling employees and managers to work together to set attainable goals. **READ:** The GROW Model and Goal Setting

ABOUT THE SURVEY

The research found in this report was conducted by InsideOut Development in October of 2019. The associated survey was completed by 1,025 responders from a participant panel provided by SurveyMonkey. The sample was collected from full-time workers located in the United States of America. Responses were generated from a nearly equal split between female (530) and male (495) survey participants. Respondents ranged from age 18 to more than 60 years of age.

ABOUT INSIDEOUT DEVELOPMENT

InsideOut Development is an award-winning training and development company with more than 25 years of experience driving results through coaching. It's all about breakthroughs. InsideOut Development's approach has helped individuals, teams, and organizations across the globe achieve higher levels of performance and success.

To learn more, visit www.insideoutdev.com or contact us at 888.262.2448.