

Transformation and Turnover Can't Coexist

By Stefanie Krievins

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Business transformation is an endeavor taken across many years. Most systems are upgraded, converted, or replaced entirely to meet the business' needs for another decade into the future. Does the same hold true for your people and their skills? The answer is, "Yes," but when done strategically, based on engagement level and upskilling.

Otherwise we cannot expect a disengaged workforce or a workforce that is turning over – in the wrong places at the wrong times – to drive change and transformation.

What is engagement?

A global analytics and advisory firm, [Gallup](#), sets employee engagement benchmarks and defines it with these three levels:

- Engaged employees are involved in their work and the workplace with enthusiasm. This teammate pitches in to help and doesn't complain; eagerly adds her well-thought out suggestions; and challenges the status quo out of service to the business.
- Not engaged employees are unattached to their work. They put in their time, but not their heart, mind, energy, or passion. They check in at 9 a.m. and leave at 4:59. She attends meetings and might add a thought or two but you're never quite sure why she's there. His work is done on time but there's no evolution of the work. You've seen the same version of that report for the past six quarters. They say, "Yes" so as to not ruffle any feathers.

- Actively disengaged employees are not just unhappy – they’re resentful and acting out on their unhappiness. He gossips and hosts meetings after the meetings to discuss how incompetent his coworkers are. When you walk in the room, she stops talking. They’re eager to tell you everything that isn’t working about the transformation effort but offers no real solutions; says, “I don’t have time for that,” more than, “Let me help.”

Disengagement is costly.



According to [Gallup’s 2024 global workplace engagement survey](#), active disengagement is costing American employers (at least) \$1.9 trillion dollars in productivity, which is the equivalent of Italy’s GDP or approximately 5% of the American GDP.

This isn’t chump change. Can you imagine if our companies could channel another \$2 trillion dollars into transformation instead?

Disengagement isn’t just about some bad behavior. Employees that fall in this segment are actively undermining themselves and their organizations. They are internal saboteurs. And, as humans, they deserve happiness and meaning. They deserve to be in the place where they can drive change that is meaningful to them.

Transformation can’t happen when you allow disengaged workers to remain disengaged.

Disengaged employees usually fall in two camps:

- *Low skill and low ability to deliver with accountability.* These individuals don’t yet have the knowledge, skills, and ability to deliver on great work. They don’t have the know-how as to what is the right kind of transformation for your business. If they let their insecurities get the best of them, they will lash out at their manager and colleagues. They hoard information and are a

bottleneck in the work. These employees tend to not be able to drive transformation because they just don't know enough yet to be helpful.

- *High skill and low ability/willingness to deliver with accountability.* These employees were either once your rock stars or their manager has allowed their high abilities to be an excuse for tolerating other bad behavior. These employees tend to tell you why their idea is the best; all other ideas are terrible; or all the reasons they can't deliver.

As captured in the Institute for Digital Transformation's book, "Digital Transformation Demystified," Reynaldo Lugtu quoted Professor Deborah Ancona, "Employees will resist because they still see old behaviors as critical to their success and central to who they are while seeing the new norms as risky" (p. 12). These employees are unwilling and/or unable to be risky. Without risk, there is no business transformation.

If your organization tolerates non-risky and undermining behavior, it increases the risk that engaged employees will leave. Transformation can't happen when your engaged employees leave.

Turnover of engaged employees is an expense; turnover of disengaged employees is an investment.



Engaged employees embrace corporate values; develop relationships to breakdown silos; offer new solutions to old problems; and commit to the bigger vision. Engaged employees want to know more about your customers to serve them better; want to spend time identifying the real problem and not just bandage a solution. **Transformation is energizing.**

Disengaged employees create chaos and aren't focused on the goals to rally the team around. They frequently want to do as little as possible and put in bare minimum effort. Their ideas are bad because they're so disconnected from the problem. They haven't kept up with current trends so they're grossly out of touch with the possibilities of the future. **Transformation is exhausting.**

As a leader, if you want transformation, why would you continue to use precious payroll dollars to fund disengagement? On a day-to-day basis, it might feel easier to keep avoiding their apathy or anger. Then when review time comes around, you remember how little they actually contribute to innovation, change, and growth.

Leaders committed to transformation must have teams devoted to the known organizational values that set the stage:

- Openness to change
- Customer-centricity
- Innovation
- Agility
- Willingness to learn
- Trust
- Entrepreneurship
- Tolerance toward failure
- Communication

Disengaged employees rarely exhibit enough of these values to be successful. Highly engaged (i.e. highly valuable) employees hold these in spades, want to improve, and – most importantly – will only tolerate working with colleagues who are willing to hold up their end of the bargain. High-caliber employees have more choices than ever and a transforming organization must win them over by allowing them to share work with other A-players...or at least B-players willing to get better.

Here's my challenge to you and a checklist for increasing employee engagement and investing in the right kind of turnover:



- Create a plan to transition out your disengaged employees in the next 90 days. Make “Staying and resisting change” NOT an option in your culture.
- Fund training and coaching to upskill your people who want to engage in change.
- Promote managers who demonstrate a commitment to transformation and corporate values.
- Hire new team members who add value to the culture: they increase the skillset, intellectual property, and diversity of your organization.

Author Bio: Stefanie Krievins (pronounced Kr-evans, like Evans) is the president of The Change Architects, a boutique integration firm dedicated to driving transformation and upskilling in mid-market and enterprise organizations. Because plans don't equal action, she designs programs that unify competing commitments and creates a leadership routine for hitting OKRs. This framework is The Change Architecture and integrates leadership development, change management, talent experience, communications, and project management in simple ways to make complex work happen.