

The Holiday Effect on Employee Energy

Many companies avoid collecting any type of survey data from employees in November or December. They do so because they have learned through experience that scores are lower if you do surveys during those months. Given that way too many people still think of employee survey work as test administration work, everything involved is done to improve chances of getting good grades (oops, scores).

However, let's rethink this little tidbit of knowledge. Instead of avoiding the data, what about learning from the information you could collect.

The question that we've begun to ask is when does the decline in employee energy start and how long does it last. We have been collecting weekly or monthly energy data from employees for over 20 years, and since that time, we have explored what we call the "Holiday Effect." Employee energy changes for the Holiday season. What has been interesting is to see the differences by industry in how energy changes, when it starts and then how long the recovery takes.

What might affect changes in energy around the Holidays? Here are a few factors:

- The firm is seasonal and directly impacted by the Holiday season. This is the case with retail stores and organizations affected by the annual mailing of Holiday gifts and delivery of services associated with the Holidays.
- Employees are distracted by family issues, the need to buy presents for others, and the Holiday parties at business and with friends.
- Many people suffer more from depression during the Holidays. They may have relationships gone bad, families that fight, arguments about who's going to host the festivities, family emergencies that make the Holidays even more dramatic, and the list goes on.
- An organization may have a natural rhythm that slows down during the Holiday season. It just sort of "happens;" everyone feels it, and it's part of how things are done.
- Year-end activities affect the business cycle and level of activity. This includes the need to close financials, focus on budgeting, and other business-related activity. This increases the level of business activity at a time when employees are trying to get the Holiday work done.

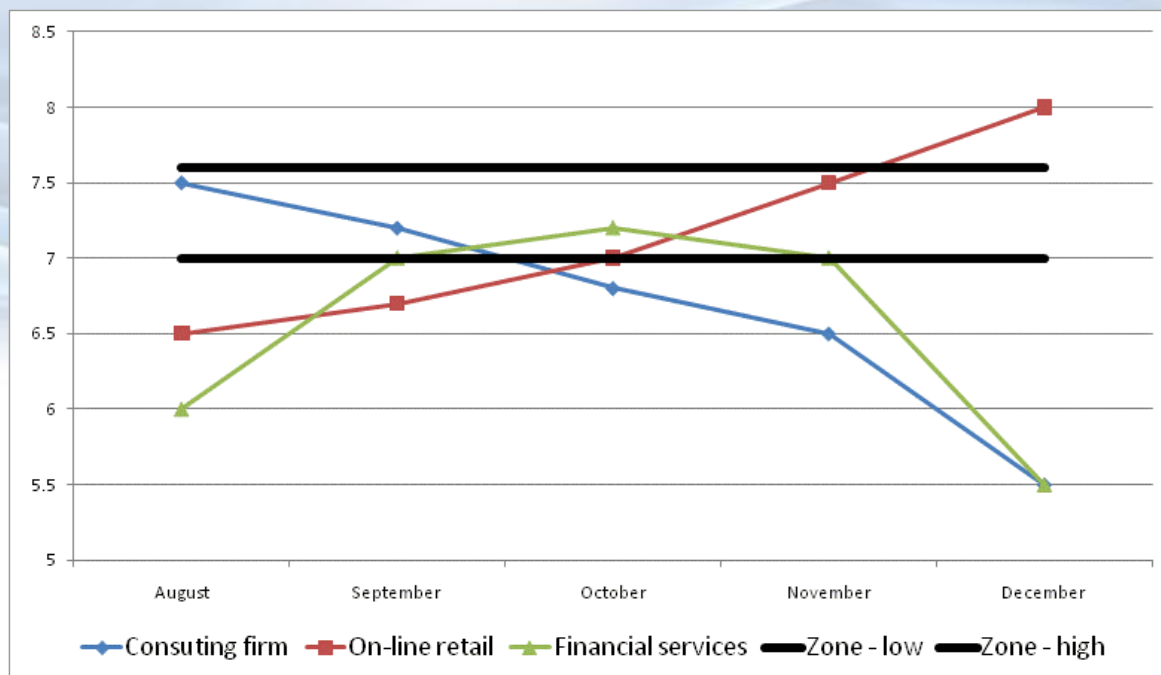
If the Holidays affect energy at work, they also impact real productivity. Therefore, knowing when the Holiday effect kicks in within your organization and managing the recovery

period are critical for optimal business performance during this time of the year. Our data show Holiday effects as short as 3 days in some firms and as long as 3 months in others.

Measuring the Holiday effect

Below in Figure 1 is a sample of 5 months of data from three different organizations. In each month, employees were asked to rate their energy at work. Energy is measured with a 0 to 10 point scale that has been validated with extensive research done in multiple organizations for over 20 years. In addition to asking employees to rate their energy, they are also asked to rate the level at which they are most productive. Using a formula developed from the validation work, the report-out process not only shows the energy trend (using mean or average scores), but it also shows the productivity zone, calculated using the “where most productive” number and a formula. The zone (two dark black lines in Figure 1) represents the zone where the energy numbers should be in order to maintain optimal productivity. Net – things are good when the energy dots are between the two dark black lines.

Figure 1: Energy trend in three different organizations



What you see in this example are examples of three different Holiday effects.

The consulting firm (blue line) starts to experience lower productivity or energy dips starting in October and continuing to go downhill through December. Reading the comment data from the consultants and sales people, one finds that “things” are slowing down because it’s harder to get in touch with clients, employees have external commitments, the Holiday season seems to start at this firm with Halloween, and then it goes on through Thanksgiving and hits its maximum distraction in December.



The second firm is an online retail company (red line), which is affected when people start sending gifts for the Holidays and buying based on online sales, which starts in mid-October and last past January. Rather than losing productivity by declining energy, these employees are working overtime, going in when sick and doing all they can to handle their own personal Holiday work in addition to a very busy time at their day or night jobs. The productivity loss in this organization comes with employees coming close to burnout as their energy escalates too quickly (above the zone where they are most productive). Our research shows that being slightly above the productivity zone is good for the business, but when the number starts to become too high for employees, they begin to reach their maximum endurance and start to burn out or suffer productivity losses from too much stress.

The third firm (green line) is in the financial services industry. They had lower scores in August due to summer vacations, and then they picked up the pace of work from September through November, slowing down only with the onset of the December holidays.

A little knowledge to manage recovery

Our learning over the years has been to not only measure the Holiday effect but to manage it in order to smooth out productivity and improve the client experience. In fact, rather than not measuring employee energy (because scores will be worse), some clients have chosen to measure energy more frequently so they can be “on top” of the Holiday effect.

Do you really want productivity to start slowing down in October? In most cases, the answer will be no. Also, do we want employees burned out, taking antidepressant medication, and having problems with their families because workload is not managed properly? Again, the answer is probably not.

In order to manage the workforce and retain talent, proactively learning about your own firm’s Holiday effect cycle is best. With a little knowledge, managers can proactively manage and give their employees the gift of peace of mind and their employers the gift of improved productivity. Managers also can work with the recovery cycle to assure clients are delighted and the next year starts with financial wins because employees are energized and engaged to do their best.