



The Art of Employee Engagement:

How Finance Leaders Can Inspire and Reignite Their Teams

FranklinCovey

Finance leaders who seek to chart a path through unprecedented change may find their teams uninspired and detached. Here's what's happening and how to refuel the fire.

The modern workplace is transforming at a dizzying pace. Norms and best practices—which once remained constant for years at a time—now change rapidly, driven by shifts in technology, economic conditions, social norms, and regulatory policy. Since the pandemic, the world of work has undergone disruptive and enduring changes, such as the popularization of remote work—a game-changer for the many finance sector employees who continue to express both the desire to [work a hybrid schedule](#) and widespread resistance to [return-to-office mandates](#). At the same time, the workplace has experienced a series of short-lived pendulum swings, as policies shift to accommodate new developments in society and culture. In the financial sector, factors like frequent regulatory changes and compliance fatigue, fraud and cybersecurity concerns, worker shortages, digital transformation, and overall competition have created a high-pressure environment that often feels unstable and frenzied.

Confronted by so much dynamism, financial leaders are challenged not only to make sense of it all but to uncover opportunities amid the chaos and lead their teams to new levels of achievement. Try as they might to rev up the organizational engines and seize the moment, they find to their dismay that their teams have checked out.

For finance leaders who know that optimal results can be achieved only through teams who are both highly motivated and highly efficient, improving engagement in this disruptive environment presents a high-stakes puzzle. Those leaders who get it right will raise overall performance, improve culture, and retain the best talent. Those who don't solve the puzzle risk underperformance, undesirable attrition, non-compliance, and brand damage—negative trends that can be difficult to reverse.

According to [Gallup](#), U.S. employee engagement has sunk to a 10-year low: Only 31% of U.S. employees are actively engaged at work, while 17% are actively disengaged. The question is, how can leaders inspire a sustainable shift?



Disengagement, while often subtle, can be corrosive. A [2024 Gallup report](#) revealed that \$8.9 trillion in global GDP is lost due to low engagement. While the finance industry was once known for having some of the most engaged workers, a recent [Qualtrics](#) survey revealed that the [finance and insurance](#) sector showed significant decreases in the percentage of workers willing to go above and beyond at work. Additionally, [Quantum Workplace](#) research suggests that only half of banking industry employees are actively engaged, while a recent [Medius report](#) uncovered that 60% of financial professionals are already planning to leave the industry over factors like burnout, culture, job security, and shifting workplace expectations.

The financial sector data reflects the bigger picture of worker disengagement, where a new employee apathy trend sweeps the workplace seemingly every quarter. During [“The Great Stay,”](#) many employees across sectors opted to remain in their current roles, even when they felt uninspired by their work. Within the last year, [“fauxductivity”](#) and [“quiet quitting”](#) gave way to [“quiet cracking”](#)—all attention-grabbing buzzwords that describe employees who physically stay put while mentally checking out.

But these trends aren't without cause. The constant strain of uncertainty, rapidly evolving technology, and having to do more with less culminated in \$438 billion in global productivity losses during 2024 alone, according to [Fortune](#). Regardless of which catchy title dominates the headlines, the takeaway is the same: Today's workers are less engaged than ever—and it's costing businesses big.

Against this backdrop, employee engagement has become a pivotal driver of organizational effectiveness. It's no longer enough for employees to simply clock in and out. As more rote tasks are completed with the help of technology, leaders need teams that can really show up, bringing the creativity and ingenuity that foster innovation and build a winning culture. To bring their best efforts to work, team members need to feel a sense of purpose, connection, and the shared belief that growth is achievable.

A Gallup meta-analysis found that employee engagement consistently correlates with a wide range of critical outcomes—from company profitability to team well-being.



A Systemic Problem Requires Systematic Solutions

One thing is certain: Today's finance leaders cannot leave engagement to chance.



A skilled manager may create pockets of strong engagement within a large organization, even as the rest of the workforce languishes. The key is to systematically foster an environment where employees are not just present but are genuinely invested in the organization's mission. This requires comprehensive leadership models—the creation and use of a common language, for example, and putting development and measurement systems in place—that bring everyone along, at every level of the organization. Creating true engagement requires nothing short of a cultural transformation.

Engagement is not just about job satisfaction or happiness at work. It doesn't necessarily develop because team members have a best friend at the office or even because they like their boss. It's about the emotional and psychological commitment an employee feels toward the organization. Engaged employees don't just show up—they show up with purpose and heart, inspired to make an impact.

Despite the financial services sector experiencing the second-longest workday and maintaining [95% efficiency](#), employee focus lags behind, partially due to increased multitasking and AI use. According to [ActivTrack's 2025 State of the Workplace Report](#), maintaining these impressive numbers as massive regulatory shifts, digital transformation, and overall disruption increase will require financial organizations to consciously prioritize change management and protect employee well-being to maintain momentum amid uncertainty.

Leaders who tackle the problem of engagement should themselves feel that the work they're doing matters. Engagement is not only central to your company's success or failure; it's vital to quality of life in society at large. When leaders take a proactive approach to engagement—by focusing on the areas directly within their influence, rather than fixating on what's outside of their control—they can re-energize their teams and successfully help them navigate disruptive change. For those who succeed, the reward is not just a more productive workforce, but a happier one.

To understand disengagement, financial leaders must examine its root causes within their own organizations.

The common culprits of disengagement, according to [Gallup](#), are rapid workplace disruptions, communication breakdowns, and broken performance management practices. Contributing factors include burnout, poor-quality management, and lack of clear goals. New diagnostic tools and processes can help you understand what's happening in your organization:

Utilize Pulse Surveys

Improving employee engagement requires you to monitor employee sentiment and take action on feedback. These surveys provide leaders with insights from team members who can submit comments anonymously, fostering honest input that might not otherwise be shared. They also allow for tracking change over time, highlighting improvements or backsliding.

Establish Engagement Platforms

Organizations looking to improve engagement must also leverage platforms that enable teams to coalesce their efforts around important goals. By investing in a platform to align your teams on common goals and progress, you'll help to create opportunities for wins that empower employees and invite them to make an impact. To execute effectively, it's essential to narrow the team's focus by clearly identifying what must be done outside of the daily whirlwind. Otherwise, nothing else you do or achieve really matters.

Keep Score

An important part of the discipline of engagement is to keep score. People and teams behave differently when they're keeping score, and the right type of scoreboard motivates teams to win. Leaders can also leverage tools like Slack or Microsoft Teams to keep teams regularly focused on goals, giving a place for team members to highlight achievements and for managers to regularly offer praise and words of encouragement.

Identifying the most important priorities and tracking progress can help leaders know whether the overall company goals are being met. Other metrics offer more granular clues about the success of communal effort. For example, employee Net Promoter Scores (eNPS) measure team member advocacy. Declines in voluntary turnover rates signal higher engagement. Tracking productivity metrics can reveal whether innovation or collaboration is taking place. Sharing such metrics transparently reinforces trust and demonstrates progress.

Leaders can use measures like these to diagnose problems and identify "winnable games" that can drive higher engagement scores. When teams decide which activities have the greatest impact on the goal and track their progress, they'll be inspired and take ownership of their contributions in a more meaningful way.



What To Do When Engagement Is Low

In a 2024 FranklinCovey study, it was revealed that employees who ranked in the top 15% in practicing the *7 Habits of Highly Effective People*® were also highly engaged at work.

When employees take a proactive approach and focus on what they can influence rather than what they cannot (Habit 1), they experience less overwhelm and burnout. Similarly, when they define a clear vision of success and create actionable plans to achieve it (Habit 2), they counteract feelings of futility—a key driver of disengagement.

However, leaders play a critical role in defining success clearly for their teams.



Research reveals that only 15% of employees know their organization's most important goals, which signals detachment and a lack of clarity—certainly engagement killers.

When leaders communicate organizational goals and work with their teams to define and align around the most crucial initiatives, they can empower their reports while reducing burnout. Rather than spinning their wheels or throwing things at the wall to see what sticks, teams clearly understand the goals, the expectations, and their impact; this sense of purpose can keep burnout at bay.

By giving teams ultimate accountability and maximum visibility into how their efforts contribute to these most important outcomes, leaders administer the antidote to one of engagement's biggest killers: futility. Instead, teams feel like they are playing a winnable game—and that the work matters.

A key component of ultimate accountability involves keeping score—tracking the team activities that

contribute to achieving the group's goal. Using a scoreboard to track progress changes the level of energy we bring to any effort, including hitting goals at work.

But it's not all about tracking a team's activities. Leaders also need to hold themselves to a high standard of effectiveness. Rather than allow unclear goals or weak performance management to manifest in disengaged teams, leaders must invest in their own development. By holding regular 1-on-1s, fostering a culture of feedback, and navigating change with their teams, leaders can bridge the gap between management and employees—establishing a foundation of trust and purpose within the organization.

After completing FranklinCovey's *6 Critical Practices for Leading a Team*® course, managers report a 15% increase in satisfaction with leadership development opportunities.

Practical Steps for Finance Leaders

For finance leaders seeking levers that they can pull to boost engagement, here are some actionable tips.

Promote Purpose

[Deloitte](#) reports that 86% of Gen Z workers and 89% of millennial workers say that having a sense of purpose is important to their overall job satisfaction. A team member's purpose need not be grand or overly ambitious; it doesn't require your company to singlehandedly tackle sweeping social issues or control shifting trade winds. Instead, this purpose might be to boost the customer experience, improve financial literacy and quality of life for served communities, or increase organizational efficiency by improving their current accounts receivable ratio. Defining purpose requires leaders to communicate the organization's mission clearly—including why it matters in a way that connects individual contributors to a bigger "why" of your work.



Ask yourself:

1. Does my team really know what the purpose of our work is?
2. Do they know our most important goals?
3. Do I know how to help my direct reports feel fulfilled and connected to our work?



Invest in Development

Stagnation breeds disengagement—and disengagement leads to lower performance and higher churn. A recent [Crowe Bank Compensation and Benefits Survey](#) found that the leading cause of turnover in the banking industry was lack of career development. To attract and retain talent in a highly competitive field, financial organizations must shift from front-loaded education to lifelong learning, by offering ongoing opportunities for upskilling, cross-functional learning, and mentorship across the entire business. Frontline managers, in particular, often need the most care and support, as they may be taking on an official leadership role for the first time. Leaders of leaders also need to develop their skills and mindsets, as they will have an outsized influence on the organization. Finally, investing in the front line will enable workers to remain agile and prioritize both connection and job security while promoting both engagement and retention.



Ask yourself:

1. Do we invest in our teams?
2. Do we invest in our leaders?
3. How do we see those investments pay off?



Build Trust

An oft-cited [Harvard Business Review](#) study indicates that 58% of employees trust strangers more than their bosses, while a recent [Gartner survey](#) found that financial service employees cited a perceived lack of respect among the top three reasons for leaving an organization. Fostering trust proves critical to both retention and engagement, especially as disruptions like AI technology and regulatory shifts continue to impact the workplace.

Finance leaders can bridge trust gaps at work through regular feedback and authentic communication. Notably, many financial institutions have already taken steps to provide personalized mentorship and coaching to fuel growth and engagement: Both [Goldman Sachs](#) and [Morgan Stanley](#) have replaced their outdated ranking systems in favor of constructive, consistent check-ins, while [Block](#) (formerly Squarespace) replaced annual performance reviews with continuous, real-time feedback to drive transparency and results.

Leaders who extend trust in smart ways will find their teams are more likely to respond with high levels of motivation, wanting to live up to the trust given to them—ultimately reducing isolation and improving collaboration across the board. Conversely, when workers become suspicious, guarded, and disengaged, they generate a trust deficit that can lead to a decrease in productivity and an increase in costs.



Ask yourself:

1. Have we engaged in any behaviors that may have caused a trust deficit?
2. How do we know we've created a high-trust environment that allows teams to innovate and thrive?



Model Self-Renewal

Work-life balance is paramount to any organization's effectiveness—especially in the financial sector, where [PwC](#) found that work-life balance was the number one driver of job satisfaction among workers in banking, insurance, and capital markets. [Burnout](#), which [McKinsey](#) revealed to be a condition experienced by 50% of banking and insurance employees, typically has several contributing factors, including unreasonable workloads, confusion surrounding expectations, low trust, and poor communication. In the financial sector, the push for employees to be always on and available in a tight labor market—where open positions remain vacant for months and workers must fill the gaps with fewer resources—makes burnout even more likely.

But even when leaders put in the work to fix those root problems, they also need to model and normalize the habit of renewal for their teams. Whether through self-development, quality time with family, or a simple morning meditation, both leaders and teams will find that taking time for renewal pays off at work by decreasing stress, prioritizing balance, and promoting creativity, collaboration, and innovation.



Ask yourself:

1. Do I model self-renewal so my team recognizes its importance?
2. How can I take time for renewal and encourage my team to do the same?



Master the Art of Employee Engagement for High-Performing Teams

Looking ahead, the future of work will demand a human-centered approach that promotes adaptability, resilience, and compassion. By leveraging time-tested leadership skills, finance leaders can build cultures of trust, purpose, and engagement—even amid unprecedented change and uncertainty. By doing so, they ensure their organizations are places where employees don't just work but truly thrive.

In our 35+ years of research and development in the areas of leadership, individual effectiveness, culture, and strategic execution, disengagement has become more commonplace—but it's not inevitable. We understand the challenges finance leaders and teams face, particularly during periods of disruption.

By aligning teams around meaningful purpose, investing in employee development, building trust, and modeling self-renewal, today's finance leaders can reinvigorate and prioritize their people to promote engagement, productivity, and positive behavior change at scale.

FranklinCovey's world-class learning solutions—delivered Live-Online, On Demand, or Live In-Person—are designed to build exceptional leadership skills, enrich your culture, and help your teams execute your most important priorities against a backdrop of rapid transformation and growing ambiguity.

For additional information about how we can help your organization, email us at info@franklincovey.com or visit [franklincovey.com](https://www.franklincovey.com).

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