Employee Engagement: Laying the Groundwork

AGENDA

- **Employee Engagement**
  - Defining Employee Engagement
  - Employee Engagement: The Numbers Behind the Story
  - Economic Effects on Engagement

- **Employee Engagement Surveys**
  - Benefits of Employee Surveys
  - Outcomes of Employee Engagement Surveys
  - Report Card on the Perception of Employee Surveys
  - The Greatest Mistakes Made by Organizations Conducting Engagement Surveys
  - Additional Key Measures for Success
    - Timing
    - First Steps

- **Owing Engagement**
  - Poll Question
  - Why the Lopsided Look at Employee Engagement?
  - Empowering Employees to Own Their Engagement
    - PEER™ Innovation
    - Engagement-Enhancing Tips for Employees

- **Q&A**
Defining Employee Engagement

- Key Components of Engagement:
  - Creates a Magnetic Culture® which draws talented individuals, engages them, empowers them, and makes it less likely that they will leave the organization.
  - Quantifies the number of employees choosing to exert discretionary effort to provide better outcomes for the organization.

Magnetic Culture® is a registered trademark of HR Solutions International, Inc.
Defining Employee Engagement

Three Types of Employees:

1. **ENGAGED**
   - Highly engaged and committed to the mission, vision, and values of the organization

2. **AMBITVLENT (NOT ENGAGED)**
   - They are “checked out”, lack of spirit and vivacity, and feel unappreciated and insignificant

3. **DISENGAGED**
   - Negative energy, they focus on problems

75% of the global workforce is NOT Engaged.
Defining Employee Engagement

• Top Drivers of Engagement:
  – Career Development
  – Open Communications
  – Direct Supervisor/Manager Leadership Abilities
  – Senior Management’s Relationship with Associates
  – Strategy/Mission
  – Associate Recognition Programs
  – Organizational Culture

* Determination of key drivers based on survey responses in HR Solutions’ International Normative Database.*
Employee Engagement – The Numbers Behind the Story

- Estimated costs of turnover in the United States economy: $5 trillion per year\(^1\).

- The cost of disengagement: $300 billion\(^2\).

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2 Getting Engaged by Steve Bates, HR Magazine Feb 2004
Employee Engagement – The Numbers Behind the Story

Recent research by HR Solutions, Inc. found that 37% of employees responded “Strongly Agree” or “Agree” when asked the following question:

“I thought of resigning in the last six months.”
Employee Engagement –
The Numbers Behind the Story

The following reasons were cited by employees for this trend:

- Benefits - 5%
- Career Advancement - 15%
- My Supervisor / Manager - 18%
- Pay - 23%
- Other - 39%

Do you know what your “other” is?
Economic Effects on Engagement

- Prior to the current recession, 41% of Disengaged Employees surveyed worried about job security. Since then, the percentage of the group maintaining concern for job security has dropped by nearly half, to 21%.

- Before the recession, a mere 6% of Engaged Employees felt insecure about their job. Now, 14% of Engaged Employees feel insecure about their jobs.
Economic Effects on Engagement

• Importance of Engagement as Recession Recedes:
  – New opportunities with outside organizations will open for high performers
  – Employees who stayed at job as result of poor job market will leave
Benefits of Employee Surveys

Discover and Implement Cost-saving Opportunities

Determine "Quick Wins" to Improve Engagement

Retain Top Performers

Align Employees with Your Company Strategy and Mission

Employee Surveys Deliver

Re-Focus Management Accountability to Encourage Sustainable Improvement

Streamline Communication with Field-Tested Best Practices

Promote and Support Your Organization's Brand

Benchmark Results to Global, National, Regional, and Industry-Specific Data
Outcomes of Employee Engagement Surveys

How do Employee Engagement Surveys typically differ from other Employee Surveys?

- **Employee Engagement Survey** – measures commitment, motivation, sense of purpose, and passion

- **Employee Opinion/Satisfaction Survey** – gauges employees’ views, attitudes, and perceptions of the organization for which they work

- **Employee Culture Survey** – measures the shared assumptions and beliefs held by an organization or department by assessing the existing culture from the employees’ point of view
Outcomes of Employee Engagement Surveys

- Retention
- Reputation
- Employee Engagement
- Absenteeism / Tardiness
- Customer Satisfaction
“This survey will result in change for this organization.”

International Normative Data – 32% Favorable
The Greatest Mistakes Made by Organizations Conducting Engagement Surveys

1. Lack of commitment to the survey process from Senior Management

   • Key preventative measures to put in place to ensure this mistake does not occur:
     
     • Pre-survey communication should come directly from management, illustrating that the survey is an organizational initiative rather than an HR initiative

     • Consider creating a Survey Committee to instill broad buy-in and excitement

     • Involve the entire team in the action-planning process, which will ensure that changes are made based upon employee feedback
The Greatest Mistakes Made by Organizations Conducting Engagement Surveys

2. No qualitative feedback, and/or over-reliance on less valuable, negative open-ended comments

   • Key preventative measures to put in place to ensure this mistake does not occur:

   • Instill Feedback or Focus Groups: 5 Key Objectives
     1. Root-cause identification
     2. Become alerted to any organizational/departmental changes since the survey was administered
     3. Include employees and all managers in the conclusion-making and action-planning processes
     4. Determine the level of significance of specific items mentioned in the survey
     5. Highlight the keys to prioritize action planning

   • There should be no wide dissemination of the open-ended comments. The comments should be themed and categorized at the work group level for HR and the CEO/President to review.
Additional Key Measures for Success: Timing

• When is it a Good Time for an Employee Engagement Survey?
  • The most opportune time:
    • Changes in the works
    • New management
    • Annual Cycle

• How often do you survey your employees?
  • Organizations that do not survey regularly often depend on grapevine/anecdotal information, which is scientifically unfounded.

• A recent¹ SHRM poll asking “When is the last time you conducted an employee attitude survey?” revealed the following results from close to 3,850 respondents:
  • Within the last year: 33%
  • 1-2 years ago: 16%
  • 3-4 years ago: 8%
  • 5+ years ago: 8%
  • Never: 34%

¹ Poll conducted on SHRM’s homepage in August 2009.
Additional Key Measures for Success: First Steps

Get off to a great start:

• Establish a timeline which begins with the pre-survey communication and continues through to completion of the action-planning process

• Plan and brand the survey communication
Poll Question

Who Do You Think Should be Primarily Responsible for Workplace Engagement?

A. Employees  
B. Managers  
C. Responsibility Should be Shared  
D. I’m Not Sure
Why the Lopsided Look at Employee Engagement?
Empowering Employees to Own Their Engagement

HR Solutions’ Innovation: PEER™ (Patent-Pending)
Personalized Employee Engagement Report

- Participants can opt for a confidential Engagement Report
  - Discover their Engagement Level
  - Reveal areas where Engagement could be bolstered
  - Recommend action steps for individuals to improve their current Engagement Level

- **Best Practice:** Encourage managers to address employees and offer an opportunity to discuss report findings and work collaboratively on growing Engagement Levels

For more information on PEER™, including opportunities to test the report and learn your own Engagement level, please visit http://www.hrsolutionsinc.com/peer.cfm
Empowering Employees to Own Their Engagement

After first accepting ownership for individual Engagement, an employee can do many things to enhance their own Engagement level, including:

- Adopting a more positive “can-do” attitude
- Accepting ownership for being proud of where they work
- Asking for clarification if instructions from supervisors are somehow unclear
- Setting themselves up for recognition
- Requesting a Career Planning Meeting with a Manager
- Getting to know Senior Leadership
- Actively participating in, and contributing to, decisions affecting their work environment
- Asking for feedback about their work performance and acting on it
- Asking for any necessary resources which are currently unavailable and could help improve job performance
- Believing in their ability to contribute to the organization’s success
- Seeking learning, knowledge, and satisfaction from co-workers
Thank You!

Questions / Comments

For white papers, additional research, and/or any further questions, please visit http://www.hrsolutionsinc.com