

HR Solutions International, Inc. **Employee Engagement: Laying the Groundwork** 

Presented by: Kevin Sheridan, CEO HR Solutions, Inc. September 16, 2009

#### **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

#### Owning 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:

Satisfaction

Characteristics

of Employees

· Comfortable with

and recognition

· Content with the

and Mission

organization's Strategy

beyond or exert extra

discretionary effort

- 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

#### Engagement . ROE - Return On **New Characteristics** of the Employees Engagement · Meeting job expectations · Self-Motivated · Improved Customer Satisfaction and Loyalty · Content with current job · Loyal Reduced absenteeism · Committed to Transformation organizational rewards the organization · Greater retention · Sustainable growth · Passionate about their work · Increased profit · Inspiration for others · Enhanced reputation · Optimistic about (customer and job . Tend not to go above and their work goals candidate referrals) · Supportive of their coworkers · Natural Customer Service orientation



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

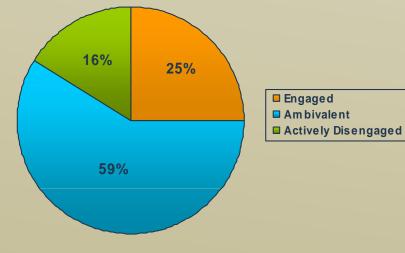
#### 2. AMBIVALENT (NOT ENGAGED)

• 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<sup>1</sup>.
- The cost of disengagement: \$300 billion<sup>2</sup>.

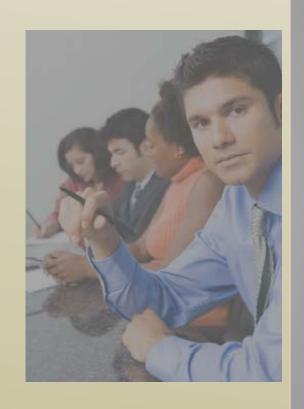




# **Employee Engagement – The Numbers Behind the Story**

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:



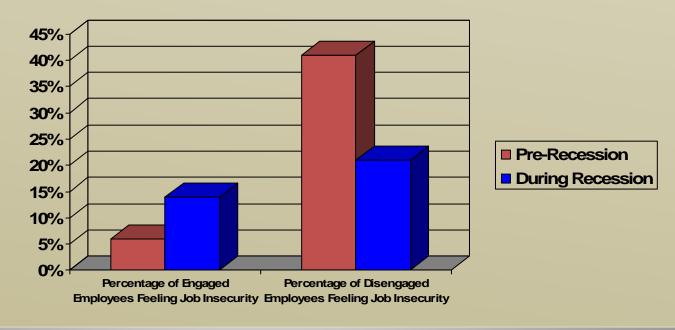




Do you know what your "other" is?

### **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.





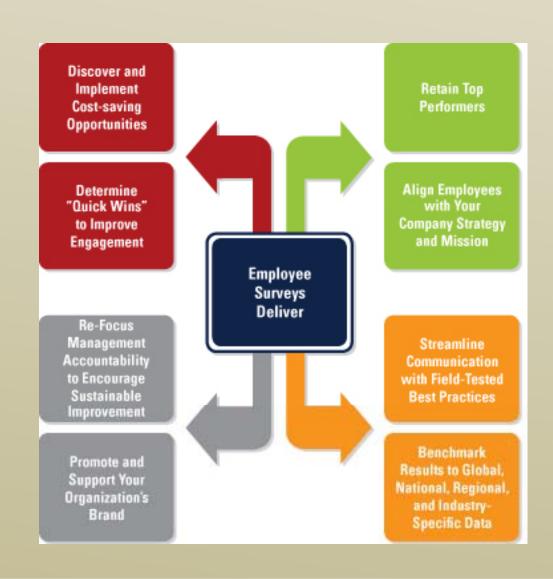
## **Economic Effects on Engagement**

- 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**





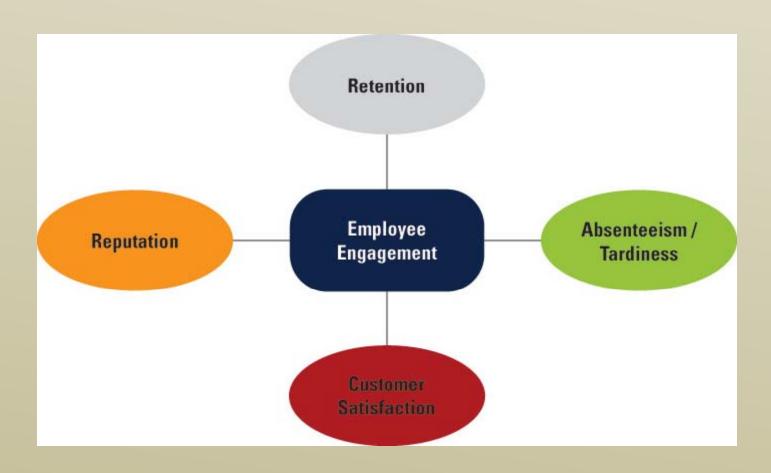
# **Outcomes of Employee Engagement Surveys**

#### **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 views

# Outcomes of Employee Engagement Surveys





## **Report Card on the Perception** of Employee Surveys

"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
      - Become alerted to any organizational/departmental changes since the survey was administered
      - 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
      - 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 recent¹SHRM 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%

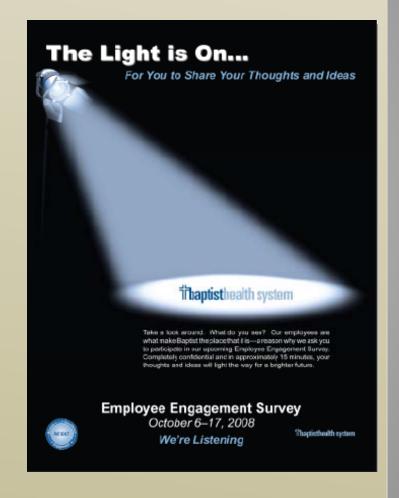




### **Additional Key Measures for Success: First Steps**

#### 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





September 16, 2009 ©2009 HR Solutions, Inc. - 18

#### **Poll Question**

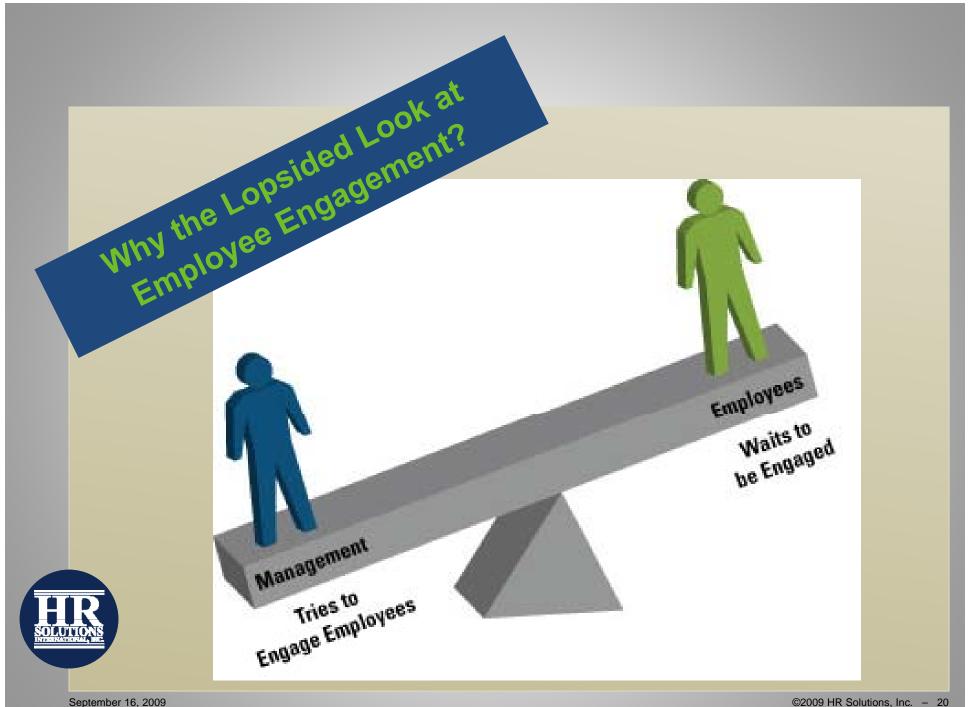
## Who Do You Think Should be Primarily Responsible

for Workplace Engagement?



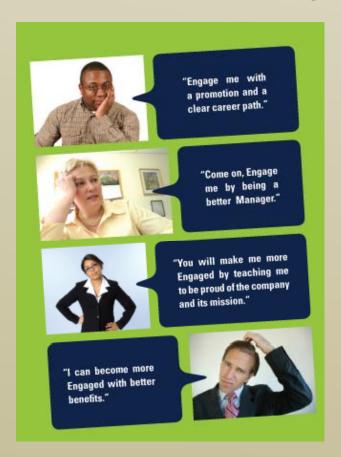
- A. Employees
- **B.** Managers
- C. Responsibility Should be Shared
- D. I'm Not Sure





#### **Empowering Employees to Own Their Engagement**

#### HR Solutions' Innovation: PEER<sup>TM</sup> (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 <a href="http://www.hrsolutionsinc.com">http://www.hrsolutionsinc.com</a>



