

Foundations of Employee Engagement

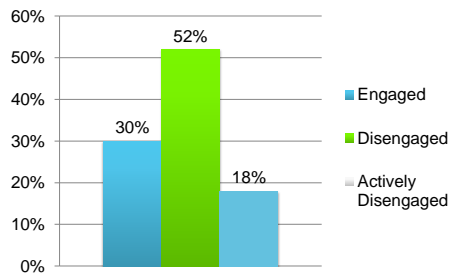
from potential to performance 

Just Imagine



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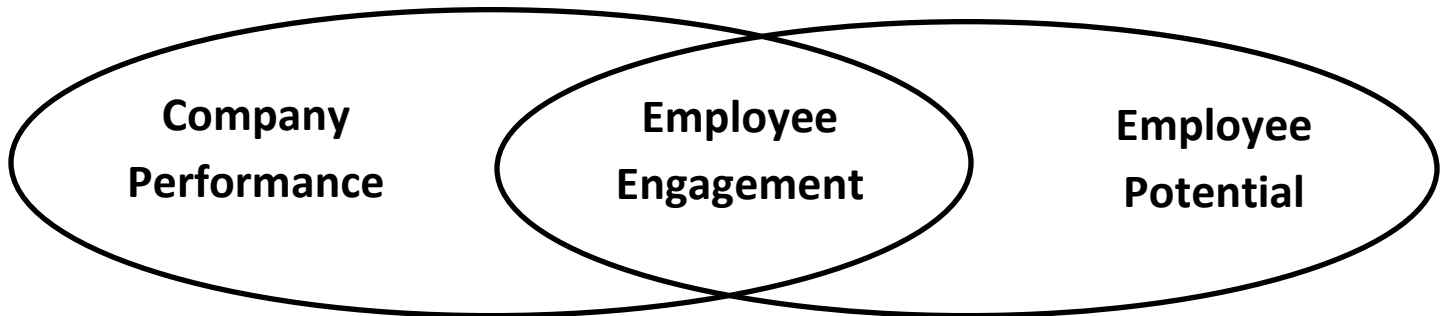
Engagement numbers



Gallup 2013:
State of the American Workplace Report
based on interviews with 15,000
employees

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Working Definition of Engagement



Employee Engagement is unlocking your employees' potential to drive high performance. It's a mutual commitment resulting in the capture of discretionary effort.

What does 'discretionary effort' look like in your organization?

Highly engaged employees are:

- 480% more committed to helping their company succeed
- 370% more likely to recommend their company as an employer
- 250% more likely to recommend improvements

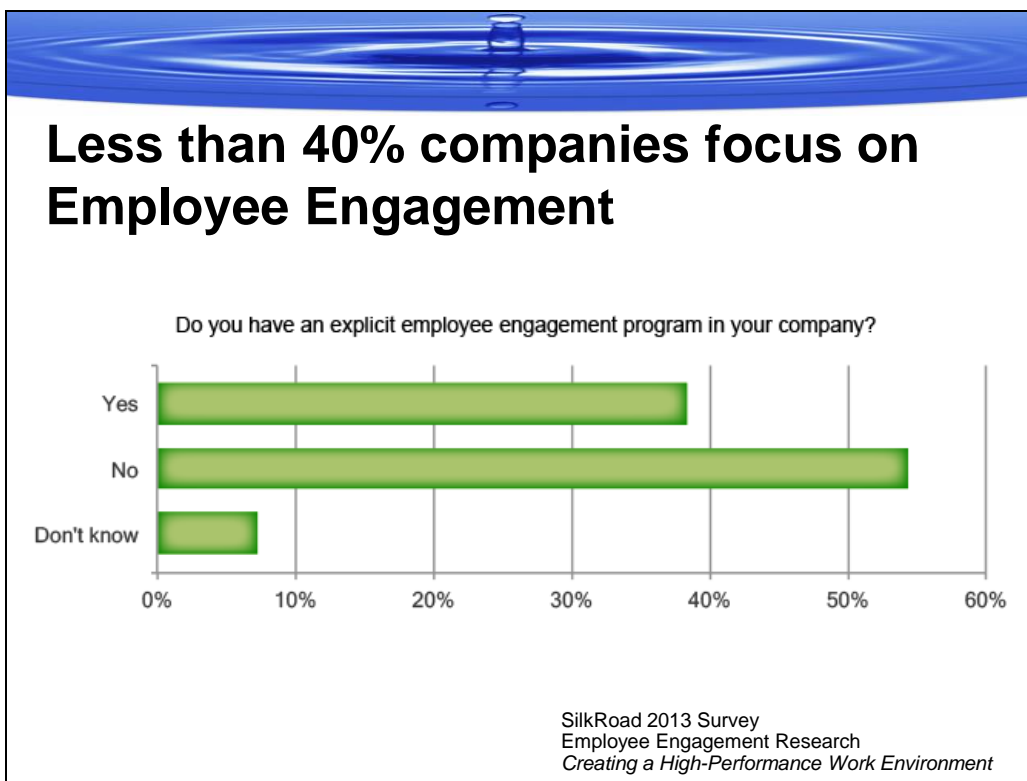
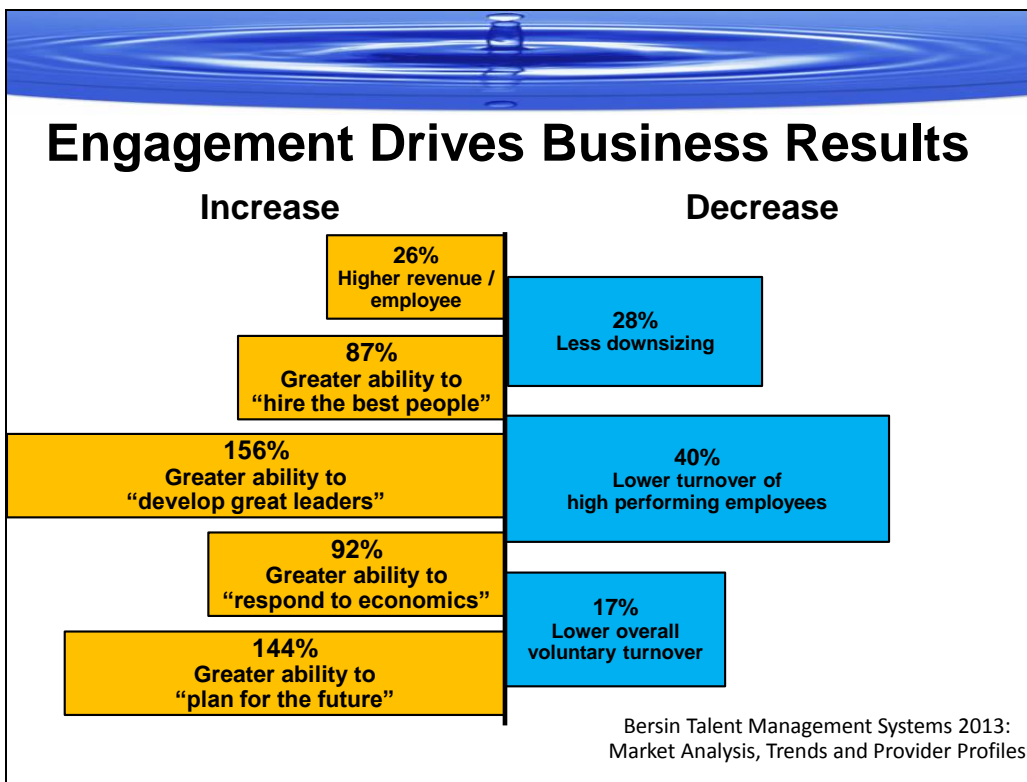
Exercise: Discuss your assigned article and come up with:

- Key aspects of what you learned from reading the article and how you can apply it to your organization
- Be prepared to report back 3 - 5 'ah-ha' or 'I think I've heard that...' information with examples of potential application

Use the chart below to note the report back information from each article

<p><i>It's Not You, It's me – The Bootstrapper's Guide to Employee Engagement (Kinexis)</i></p>	<p><i>Engagement at Risk: Driving Strong Performance in a Volatile Global Economy (Towers Watson)</i></p>
<p><i>Why Your CEO and CFO Should Care About Employee Engagement (TLNT)</i> and <i>Business Results Strongly Related to Engagement Regardless of Economy (SHRM)</i></p>	

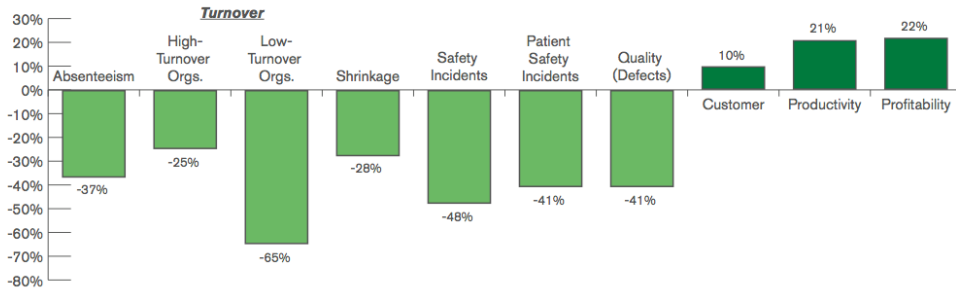
The Facts



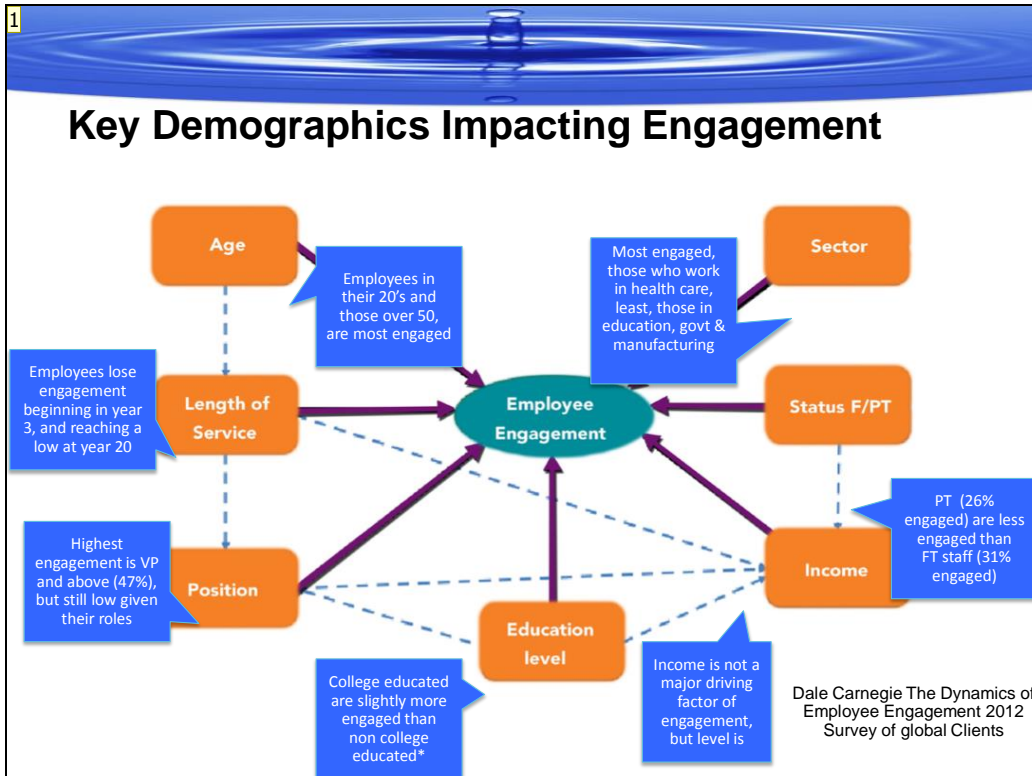
The Facts (continued)

Difference between high and low performers

Difference between top and bottom engagement quartiles



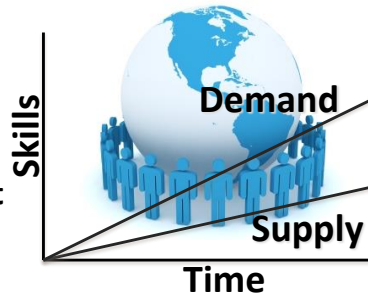
Gallup Study: ENGAGEMENT AT WORK: ITS EFFECT ON PERFORMANCE CONTINUES IN TOUGH ECONOMIC TIMES
 KEY FINDINGS FROM GALLUP'S Q12 META-ANALYSIS OF 1.4 MILLION EMPLOYEES



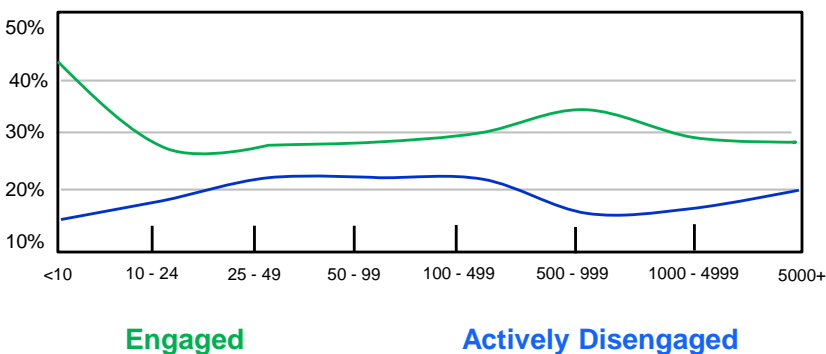
The Facts (continued)

World around us requires engagement!

- Loyalty is dying
- Workforce is virtual and global
- Budgets are tight; businesses want productivity
- Workforces are **younger** and **contingent**
- Young people want to know their lives have **meaning**; they want to influence and contribute
- 40 percent of the U.S. workforce works **part-time** or on **contract**
- 30% of Japanese university recruits **leave within 3 years**



Engagement and Company Size



Gallup's 2013 STATE OF THE AMERICAN WORKPLACE
EMPLOYEE ENGAGEMENT INSIGHTS FOR U.S. BUSINESS LEADERS
Based on survey of 25 million survey respondents

Best Ways to Foster Engagement

In your opinion, what are the best mechanisms to foster employee engagement?
Please check your top three.



SilkRoad 2013 Survey
Employee Engagement Research
Creating a High-Performance Work Environment

Build Trust

Competence? **69%**

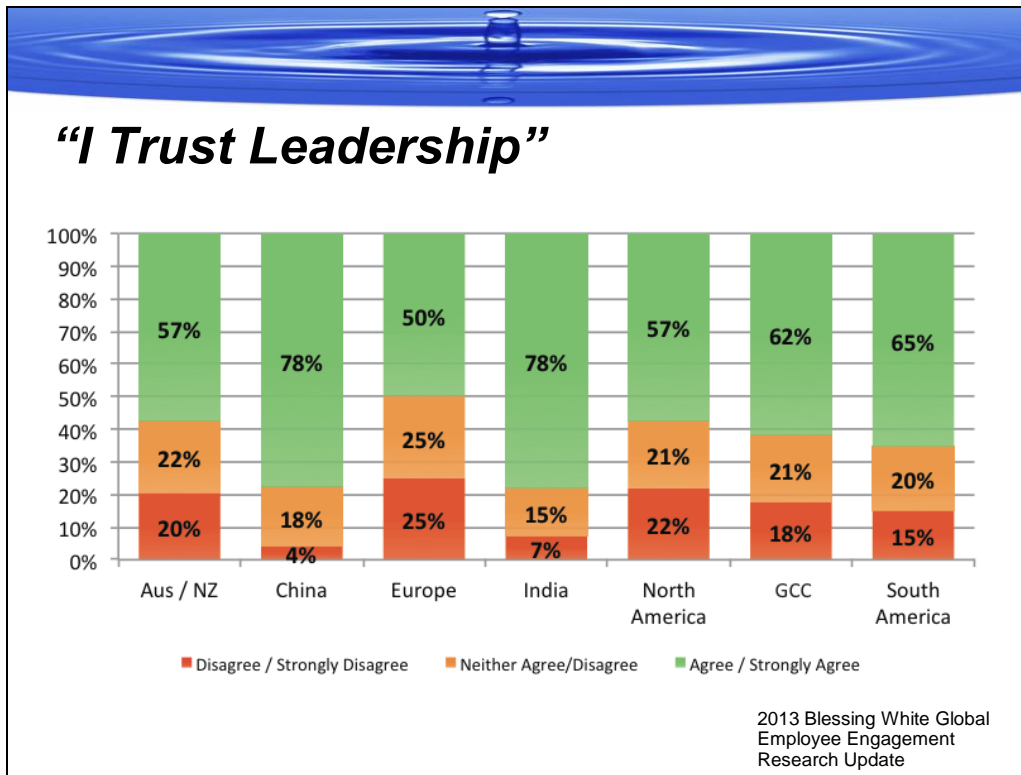
Integrity? **78%**

**Show Concern About
The Well Being
Of People**



Kenexa 2013 Employee Engagement Index Scores
WorkForce Trends Report
33,000 Global Employees in 28 Countries

The Facts (continued)



Disengaged managers are **3 times** more likely to have disengaged employees*

* 2009 Sirota Intelligence Study

Engagement and Bad Managers

Bad managers are creating active disengagement costing the U.S. an estimated **\$450 billion to \$550 billion** annually

Gallup's 2013 STATE OF THE AMERICAN WORKPLACE
EMPLOYEE ENGAGEMENT INSIGHTS FOR U.S. BUSINESS LEADERS
Based on survey of 25 million survey respondents

The Facts *(continued)*

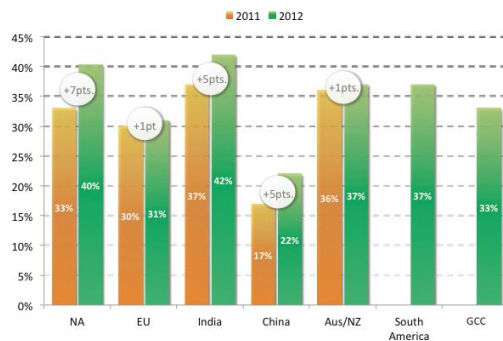
35% of U.S. workers said they'd willingly forgo a substantial pay raise in exchange for seeing their direct supervisor fired.

2012 Poll by Parade Magazine

Disengaged employees cost the US economy \$370 billion annually.

May 2013 Forbes.com Article
Employee Engagement: Every Leader's Imperative

Engagement Across the Globe



2013 Blessing White Global
Employee Engagement
Research Update

Employees with lower engagement are 4 times more likely to leave their jobs than those who are highly engaged.

Driving Performance And Retention
Through Employee Engagement –
Corporate Leadership Council 2012

Engagement and Branding


Only 41% of employees felt that they know what their company stands for and what makes its brand different from its competitors' brands.

Gallup's 2013 STATE OF THE AMERICAN WORKPLACE
EMPLOYEE ENGAGEMENT INSIGHTS FOR U.S. BUSINESS LEADERS
Based on survey of 25 million survey respondents

The Facts *(continued)*

	Engaged 2009	Engaged 2012	Not Engaged 2012	Actively Disengaged 2012
Managers and execs	26%	36%	51%	13%
Doctors	*	34%	57%	9%
Nurses	*	33%	52%	15%
Teachers	*	31%	56%	13%
Other Professional	*	30%	55%	15%
Clerical and office workers	27%	30%	51%	19%
Construction / Mining	29%	30%	52%	18%
Government worker	28%	29%	53%	18%
Sales	24%	29%	51%	20%
Installation or Repair	25%	29%	51%	20%
Service Workers	32%	29%	50%	22%
Transportation Workers	21%	25%	47%	28%
Manufacturing- Production	18%	24%	50%	26%

Gallup's 2013 STATE OF THE AMERICAN WORKPLACE
EMPLOYEE ENGAGEMENT INSIGHTS FOR U.S. BUSINESS LEADERS
Based on survey of 25 million survey respondents



Engagement by Level

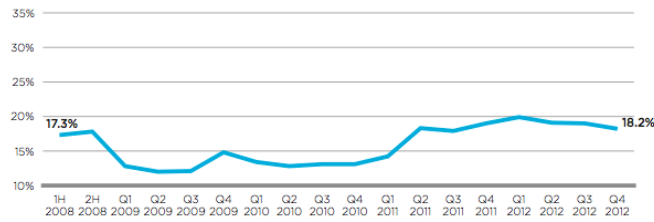
Level in the Organization	% Engaged	% Disengaged
Executive (Vice President or above)	59%	9%
Director	41%	12%
Team Leader/Tech Lead/Project Manager	39%	14%
Manager/Supervisor	39%	12%
Consultant	33%	16%
Specialist/Professional/Engineer	29%	20%
Administrative/Clerical	27%	21%

2013 Blessing White Global
Employee Engagement
Research Update

What Should Scare You

EMPLOYEES SHOW STRONG JOB ATTACHMENT BUT LESS EFFORT

Percentage of Employees Globally with High Levels of Discretionary Effort



Percentage of Employees Globally with High Levels of Intent to Stay

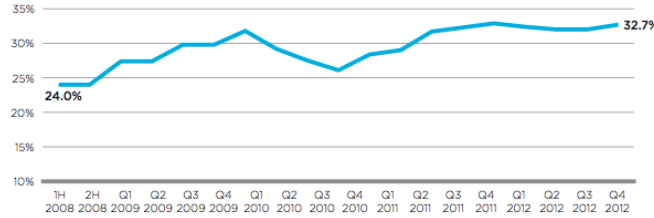


Figure 1. Revenue per FTE

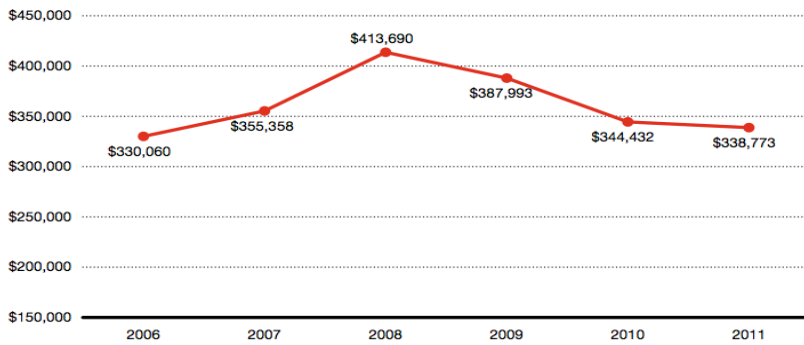
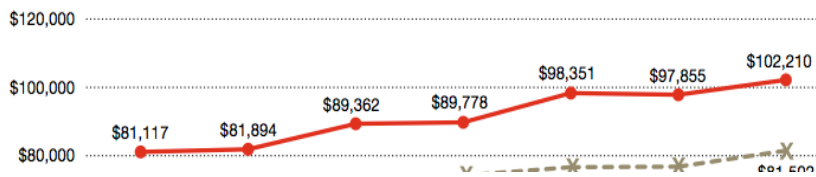
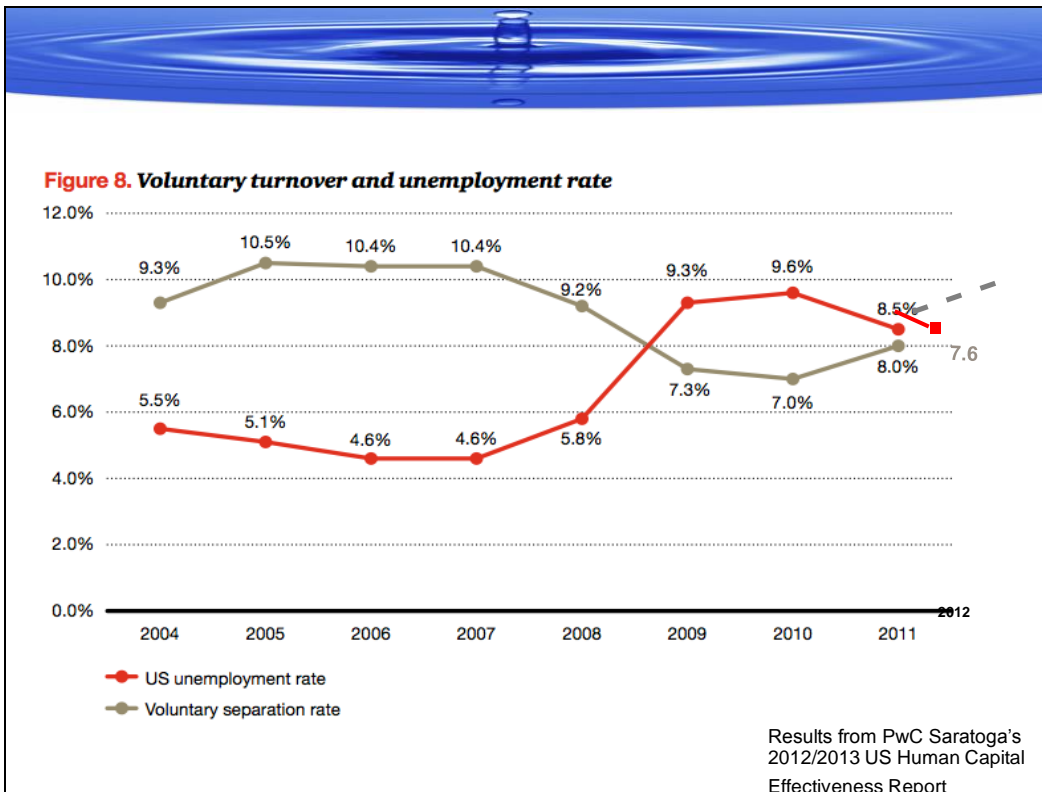


Figure 2. Workforce investments

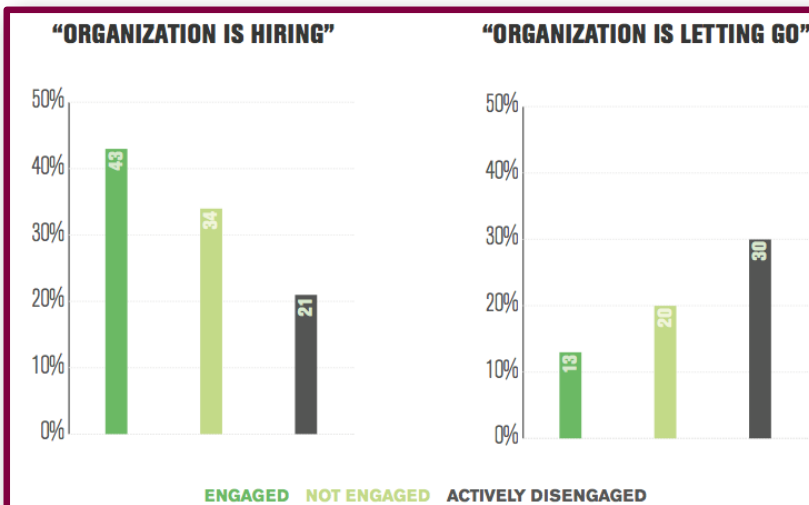


Results from PwC Saratoga's
2012/2013 US Human Capital
Effectiveness Report

What Should Scare You *(continued)*



Grow or Die



Gallup's 2013 STATE OF THE AMERICAN WORKPLACE
EMPLOYEE ENGAGEMENT INSIGHTS FOR U.S. BUSINESS LEADER

Based on survey of 25 million survey respondents

“Stuff” vs. Engagement

Engagement is not about:

- Things
- Having the best of every amenity
- Avoiding making tough decisions
- Pleasing all the people all of the time
- A ‘catch-phrase’ for all HR programs

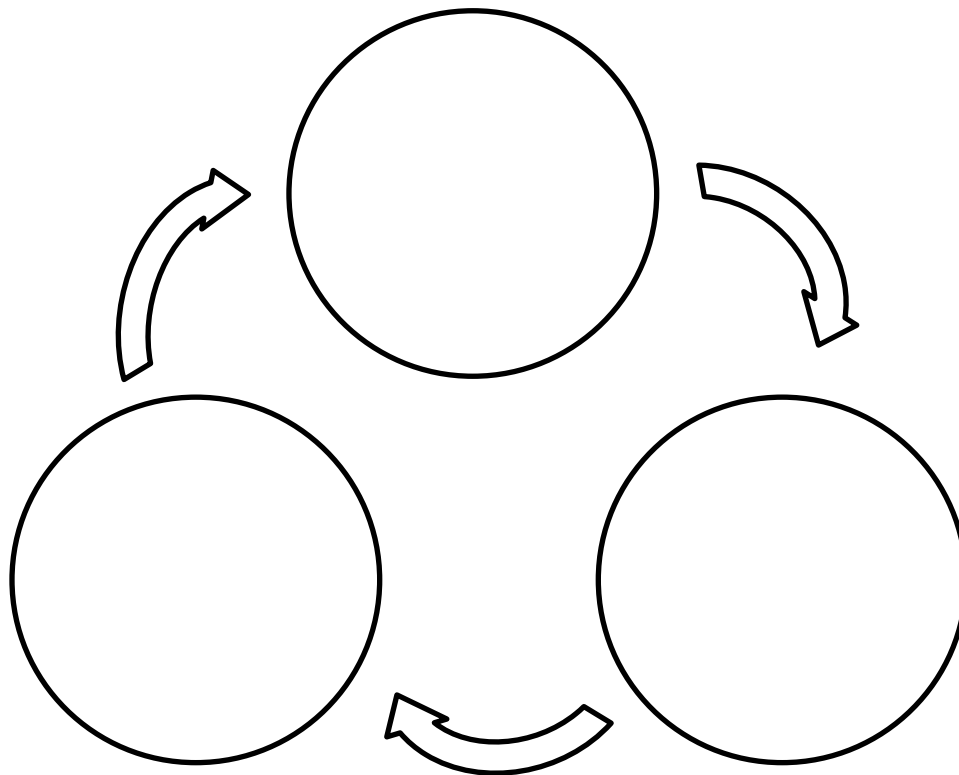
Engagement is about:

- People
- Relationships
- Alignment
- Shared responsibility for creating business success and a great work environment
- Continuous communication
- Opportunities for performers
- Staff development

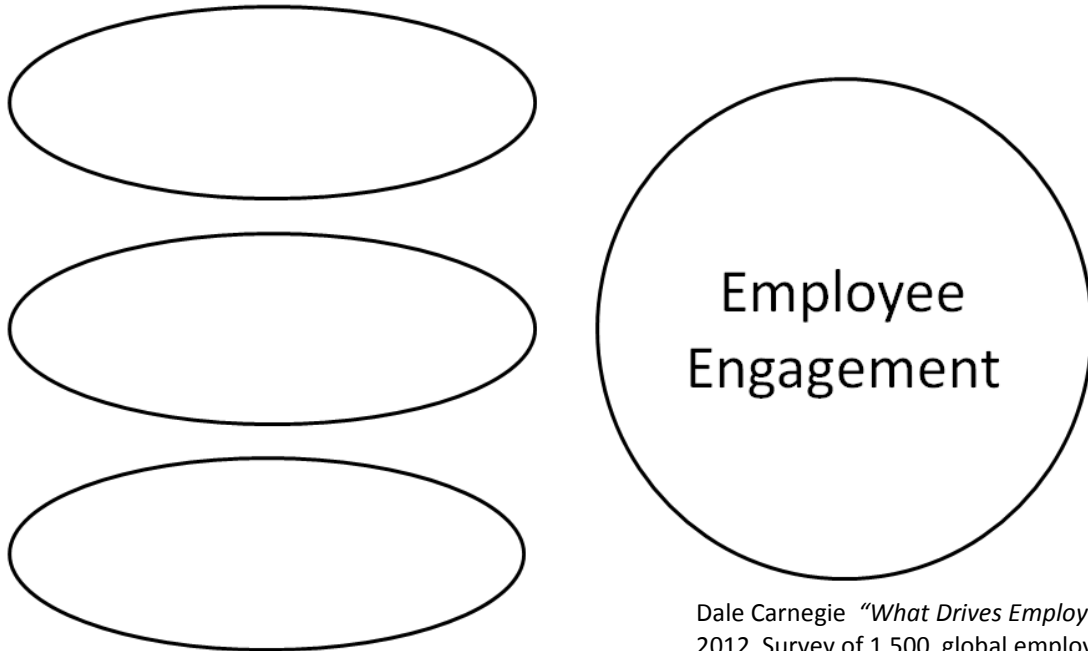


***Employee engagement is NOT a short-term program,
employee engagement is a culture!***

Business Cases for Engagement



Engagement Drivers



Dale Carnegie *"What Drives Employee Engagement"*
2012 Survey of 1,500 global employees

Engagement and Purpose


from potential to performance 

Engagement and Purpose Ideas

What are the 'purpose-driven aspects of your organization?

- Do you support specific organizations or causes?
- Who selected those causes? The employees? Leadership?


What ideas have you gotten from other participants?



*Organizations driven by
purpose and values
outperformed comparison
companies 6 X*

Research by Jim Collins and Jerry Porras

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*Engagement levels are twice as
high (54% vs 25%) among those
who say they are proud of
contributions their organization
has made to the community.*

Dale Carnegie 2012 Statistics and Corporate Social Responsibility (Dale Carnegie
Employee Engagement 2012 Survey of global Clients)

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Employee Engagement at Your Organization

from potential to performance 

Engagement in your Organization

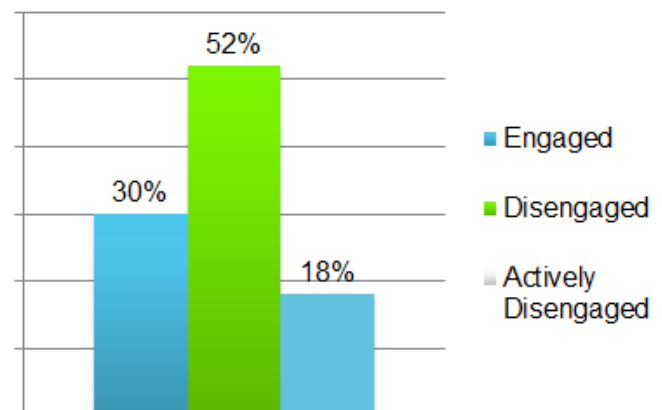
- The next few exercises are designed to help you think about your organization as it stands right now
 - Your employee distribution of engagement (engaged, disengaged, actively disengaged (pre-work))
 - The engagement levels of your organization
 - Your engagement change agents and adversaries (pre-work)
- As a result, you will begin to craft your Engagement Action Plan

Engagement in your Organization

- Gallup's study of 192 organizations:
 - Engaged – 30%
 - Not engaged – 52%
 - Actively disengaged – 18%
- Where did you estimate your organization falls in these categories?
- What are you doing now to:
 - Engage the disengaged employees
 - Keep engaged employees engaged
- Note ideas in your workbook from other participants



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Employee Engagement at your Organization

According to the most recent Gallup study of 192 organizations globally the breakdown of engaged employees is:

- Engaged – 30%
- Not engaged – 52%
- Actively disengaged – 18%

Using the form below:

- In your best estimate, what percentage of your employees falls into each of the Gallup categories?
- What are you currently doing to attempt to bring the actively disengaged and not engaged categories into the engaged column?
- What are you currently doing to keep the engaged employees engaged?
- Write ideas from other participants – how can you improve each area in ways you hadn't thought of?

	Engaged	Not Engaged	Actively Disengaged
Gallup Study	30%	52%	18%
What % would you think each is at your company?			
Current actions – what is being done to address each category			
Ideas from discussion			

Engagement in your Organization Evaluation

Thinking about your organization, rate each of the following key engagement components on a scale of 1 – 10:

- 1 being the lowest rating
- 10 being the highest rating

Key Engagement Component	<i>Rate your organization 1 = lowest, 10 = highest</i>									
1. Our Leadership supports making changes necessary to have an engaged culture	1	2	3	4	5	6	7	8	9	10
2. We conduct regular surveys to identify how our employees are feeling and thinking	1	2	3	4	5	6	7	8	9	10
3. Our organization has a purpose for being in business over and above making money	1	2	3	4	5	6	7	8	9	10
4. We use interviewing techniques to identify behaviors and traits of potential employees, not just experience and skills	1	2	3	4	5	6	7	8	9	10
5. We listen to our employees' feedback and take action to implement good ideas	1	2	3	4	5	6	7	8	9	10
6. We know why employees want to work for us	1	2	3	4	5	6	7	8	9	10
7. Our employees speak highly of our company; they seem to be proud to be a part of this organization	1	2	3	4	5	6	7	8	9	10
8. Our customers / clients speak highly of our company	1	2	3	4	5	6	7	8	9	10
9. We have a process for embracing and managing change within the organization	1	2	3	4	5	6	7	8	9	10
10. Our first-line leaders are fully engaged in the business	1	2	3	4	5	6	7	8	9	10
11. Our first-line leaders represent leadership in a positive manner to employees	1	2	3	4	5	6	7	8	9	10
12. We have a structured process for communicating important information to all employees	1	2	3	4	5	6	7	8	9	10
13. We proactively use social media tools to communicate with our employees, e.g., Twitter, Yammer, and Facebook	1	2	3	4	5	6	7	8	9	10
14. We teach managers how to work with people from different generations, especially Generation Y	1	2	3	4	5	6	7	8	9	10
15. We teach managers how to interview candidates for jobs	1	2	3	4	5	6	7	8	9	10
16. We have a culture that encourages innovation	1	2	3	4	5	6	7	8	9	10
17. We have an established structure for collecting employee ideas for making improvements to what we do	1	2	3	4	5	6	7	8	9	10

Key Engagement Component	<i>Rate your organization 1 = lowest, 10 = highest</i>									
18. Our managers create a culture that motivates employees to do their best	1	2	3	4	5	6	7	8	9	10
19. We have an effective process to measure employee performance on an ongoing basis	1	2	3	4	5	6	7	8	9	10
20. Our employees go the extra mile without being asked	1	2	3	4	5	6	7	8	9	10
21. Health, welfare, and safety is a priority in our environment and culture	1	2	3	4	5	6	7	8	9	10
22. Employee retention is a key business measurement	1	2	3	4	5	6	7	8	9	10
23. We have a structured reward and recognition process that is practiced by all managers	1	2	3	4	5	6	7	8	9	10
24. Our employees are compensated fairly for what they do	1	2	3	4	5	6	7	8	9	10
25. Our employees (managers and staff) are key players in the selection of new staff	1	2	3	4	5	6	7	8	9	10
26. Recognizing the diverse nature of our employees is important to the organization	1	2	3	4	5	6	7	8	9	10
27. We have an effective system for measuring employee performance	1	2	3	4	5	6	7	8	9	10
28. Customers/clients feedback is collected and evaluated on an ongoing basis	1	2	3	4	5	6	7	8	9	10
29. Employee Engagement is a key topic during high level corporate review meetings	1	2	3	4	5	6	7	8	9	10
30. Voluntary turnover has minimum impact on our business <i>Note: the smaller the impact of turnover, the higher you should rate</i>	1	2	3	4	5	6	7	8	9	10

Based on your answers, write or highlight the 3 – 5 areas that you think, if improved in your organization, would cause engagement levels would increase.

Who are your Engagement Change Agents?

Using the pre-work you completed, identify those people in your organization that will **support** developing engagement (these are your **Engagement Change Agents**). These people are normally the decision makers for corporate change and improvement, i.e., CEO, CFO, EVP, VP, Director, and Department/Division Leaders.

Write the name or position of each Engagement Change Agent in the left-hand column then rate each one, low to high, on their:

- *Understanding* – how much do you think they understand the concept of engagement and what is required; how much education on engagement will they need?
- *Influence* – what is their influence on the organization? What is their level of ability to **help** you implement a culture of engagement?

Name		Low																			High
Example: Director of Finance	Understanding:																				
	Influence:																				

Name		Low																			High
	Understanding:																				
	Influence:																				

Name		Low																			High
	Understanding:																				
	Influence:																				

Name		Low																			High
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Name		Low																			High
	Understanding:																				
	Influence:																				

Name		Low																			High
	Understanding:																				
	Influence:																				

Who are your Engagement Adversaries?

Using the pre-work you completed, identify those people in your organization that may **resist** developing engagement (these are your **Engagement Adversaries**). As with the Engagement Change Agents, these people are also the decision makers for corporate change and improvement, i.e., CEO, CFO, EVP, VP, Director, and Department/Division Leaders.

Write the name or position of each Engagement Adversary in the left-hand column then rate each one, low to high, on their:

- *Understanding* – how much do you think they understand the concept of engagement and what is required; how much education on engagement will they need?
- *Influence* – what is their influence on the organization? What is their level of ability to **hinder** your efforts to implement a culture of engagement?

Name	Low										High		
	<i>Understanding:</i>												
	<i>Influence:</i>												

Name	Low										High		
	<i>Understanding:</i>												
	<i>Influence:</i>												

Name	Low										High		
	<i>Understanding:</i>												
	<i>Influence:</i>												

Name	Low										High		
	<i>Understanding:</i>												
	<i>Influence:</i>												

Name	Low										High		
	<i>Understanding:</i>												
	<i>Influence:</i>												

Name	Low										High		
	<i>Understanding:</i>												
	<i>Influence:</i>												

Session 1 Assignment and Preparation for Next Session

Assignment



- Discuss employee engagement with at least 3 leaders
 - This can be as a group or individually, whichever you feel will be more effective.
 - Take notes on your Action Plan document

- Look at your list of Engagement Adversaries
 - Create the strategy you will use to influence each to support the engagement culture

Your Engagement Action Plan

Take notes on your Engagement Action Plan document and be prepared to **turn in a copy of your results** at the beginning of the next session

Prep for next session



- Identify feedback tools you have used in your organization:
 - Survey
 - Pulse survey
 - Town hall meetings
 - 360 evaluation
 - Suggestion box
 - Other tools not listed here

- Document what changed as a result of these tools; also what didn't change that should have changed?

- Read articles – best practices for conducting an Engagement Survey
 - Do's and Don'ts of Conducting a Survey
 - Six Reasons to Conduct an Employee Survey
 - Seven Steps to Conducting an Employee Survey
 - Engagement Survey Guidelines