

Converting the Agnostics to True Believers:

*The Secrets To Achieving Stellar Business Results
Through An Engaged Workforce*




Presented By:

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If you remember nothing else...

-  There are good business reasons for deliberately building the engagement levels of staff in your organisation
-  Building engagement in your staff is not rocket science; it is based on solid management practices, none of which should be of any surprise to anyone
-  BUT...managers and HR professionals need to rethink some of the commonly held beliefs about the way people are managed at work.

Employee Engagement 101

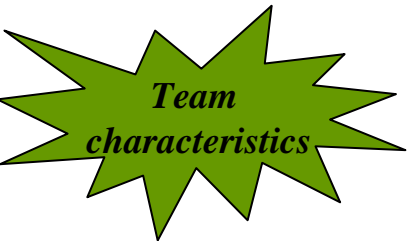
How Engaged Are Employees?

MEASURE				
The Gallup Organisation	<i>"Actively Disengaged"</i> 11%	<i>"Not Engaged"</i> 64%	<i>"Engaged"</i> 25%	
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Defining Employee Engagement

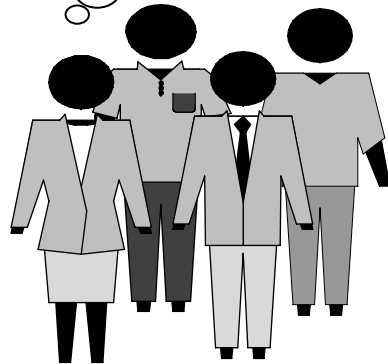
Engagement Drivers

For example...



Employee Perceptions

Attitudes & Beliefs



Pro-Organisation Behaviours

"Discretionary Effort"

- Being pleasant to a customer
- Returning phone calls
- Going the extra mile
- Showing initiative
- Showing up to work

-
- Taking a 'sickie'
 - Being careless or rude
 - Litigious over everything!!






Organisational Advantage

"Business Performance Metrics"

- *Lower unscheduled turnover*
- *Lower unscheduled absences*
- *Fewer lost time injuries*
- *Fewer customer complaints*
- *Reduced shrinkage*
- *Superior sales performance and / or productivity*


The Business Case For Engagement

Confidence In The Link Between Engagement and Business Outcomes

-  **Almost Irrefutable** - Robust data clearly linking engagement results to business outcomes. Strong and consistent findings across different research settings.
-  **Strong Case** - Robust data clearly linking engagement to business outcomes. Occasional irregularities and / or inconsistent findings but these are viewed as abnormalities.
-  **Reasonably Confident** - Sound data linking engagement to business outcomes. Some inconsistencies and / or data robustness issues.
-  **Suggestive Only** - Data and analysis draws some reasonably regular themes. Enough inconsistencies and / or limited samples to cast doubt on the veracity of the research.
-  **Limited** - Data robustness & link between engagement and business results suspect. Large number of inconsistencies in the findings.

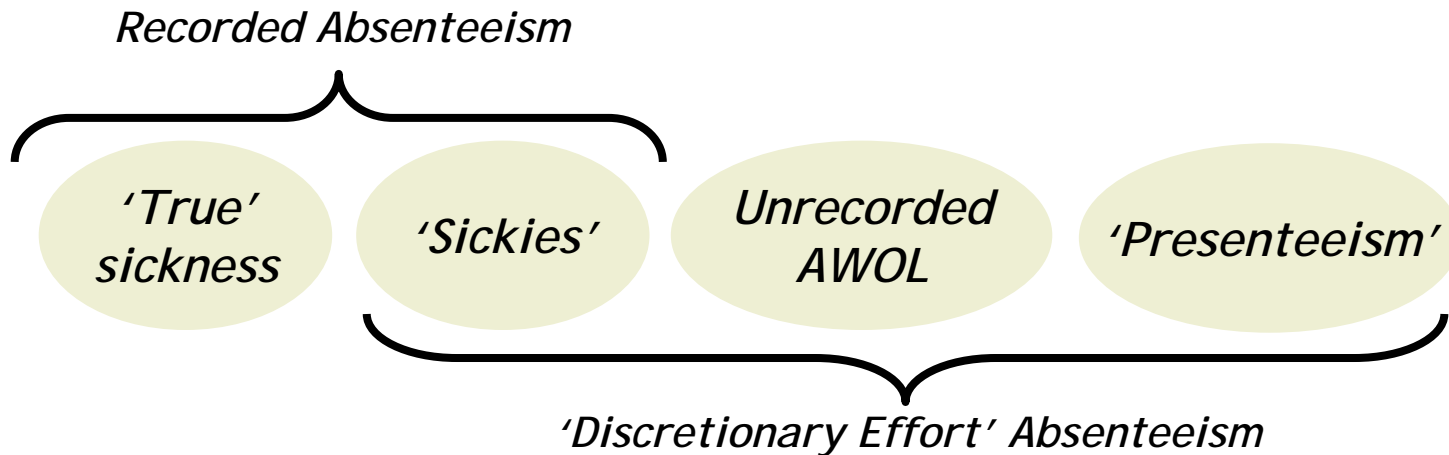
UNSCHEDULED ABSENCES

Finding: Engaged employees are more likely to show up for work than their disengaged counterparts

Confidence in this result = 

A quick point about absenteeism as a measure...

Traditional absenteeism measures are notoriously inaccurate indicators of unscheduled absences...

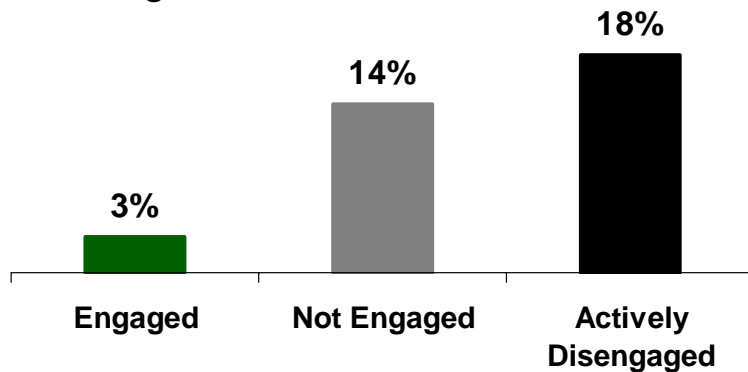


...which makes it difficult to accurately match engagement levels with absenteeism records

Some Evidence...

Gallup Research

On average, 12% of New Zealand employees say they occasionally take a “sickie” without actually being sick...

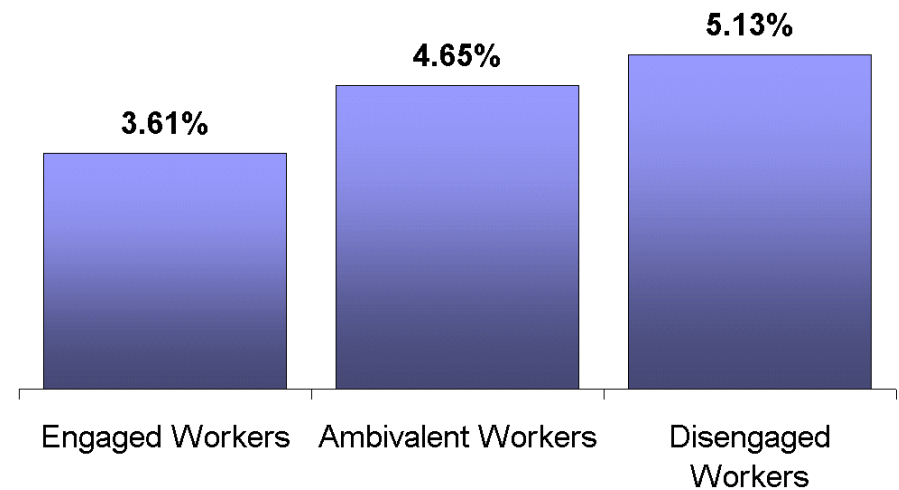


...but disengaged employees are six times more likely to take a ‘sickie’ than their high engagement counterparts.

Source: Gallup Poll conducted July/August 2006 among a sample of 500 New Zealand workers, aged 18 years and older

JR&A Research

JR&A also found that engaged workers had lower levels of absenteeism...



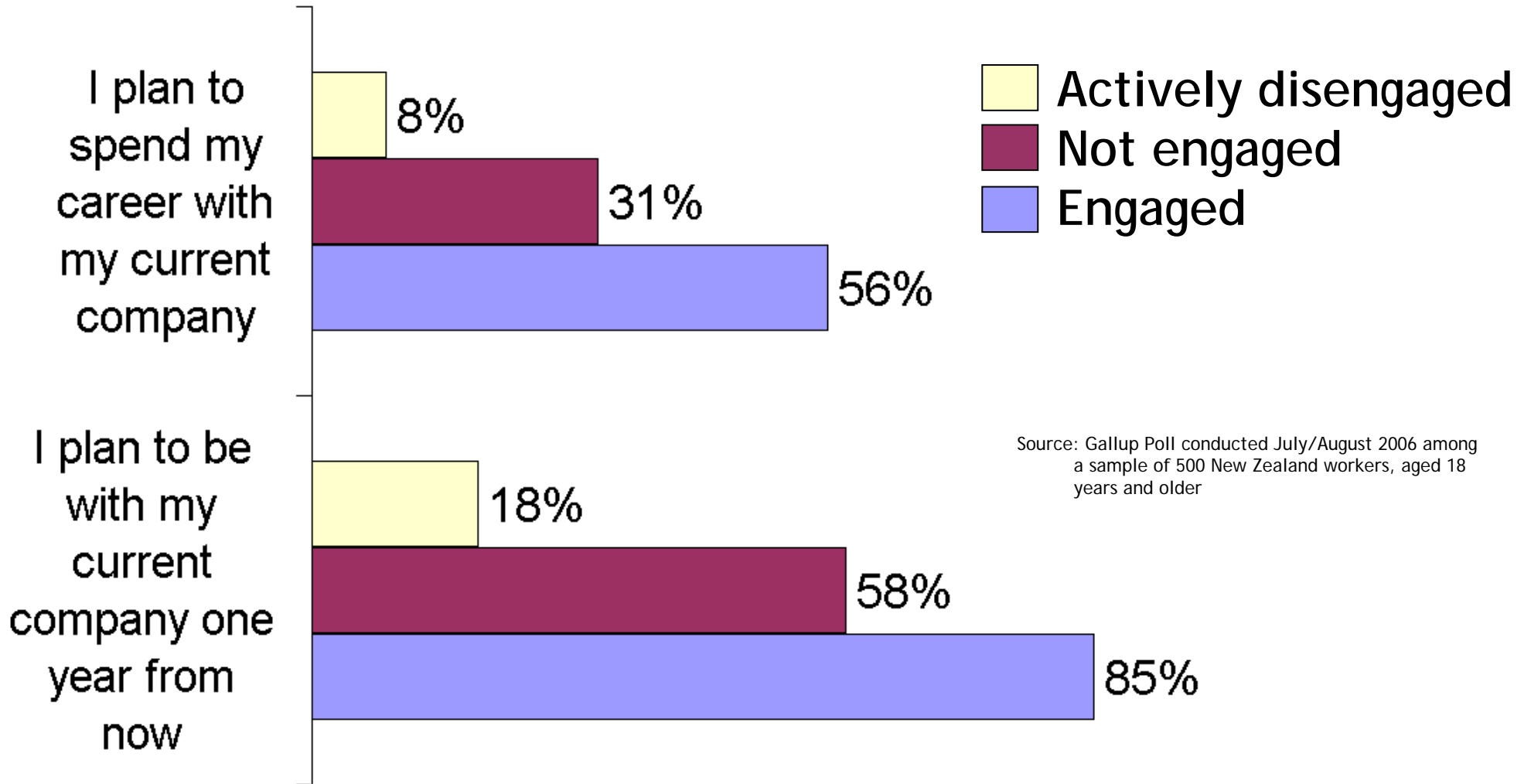
Source: John Robertson & Associates. HR Policies, Practices and Organisation Metrics Survey & Best Places To Work Survey 2006

EMPLOYEE TURNOVER

Finding: Engaged employees are more likely to want to stay with their employing organisation, and they are more likely to actually stay than their low engagement counterparts

Confidence in this result = ★★☆☆☆

Some Evidence (Intention To Stay)



Source: Gallup Poll conducted July/August 2006 among a sample of 500 New Zealand workers, aged 18 years and older

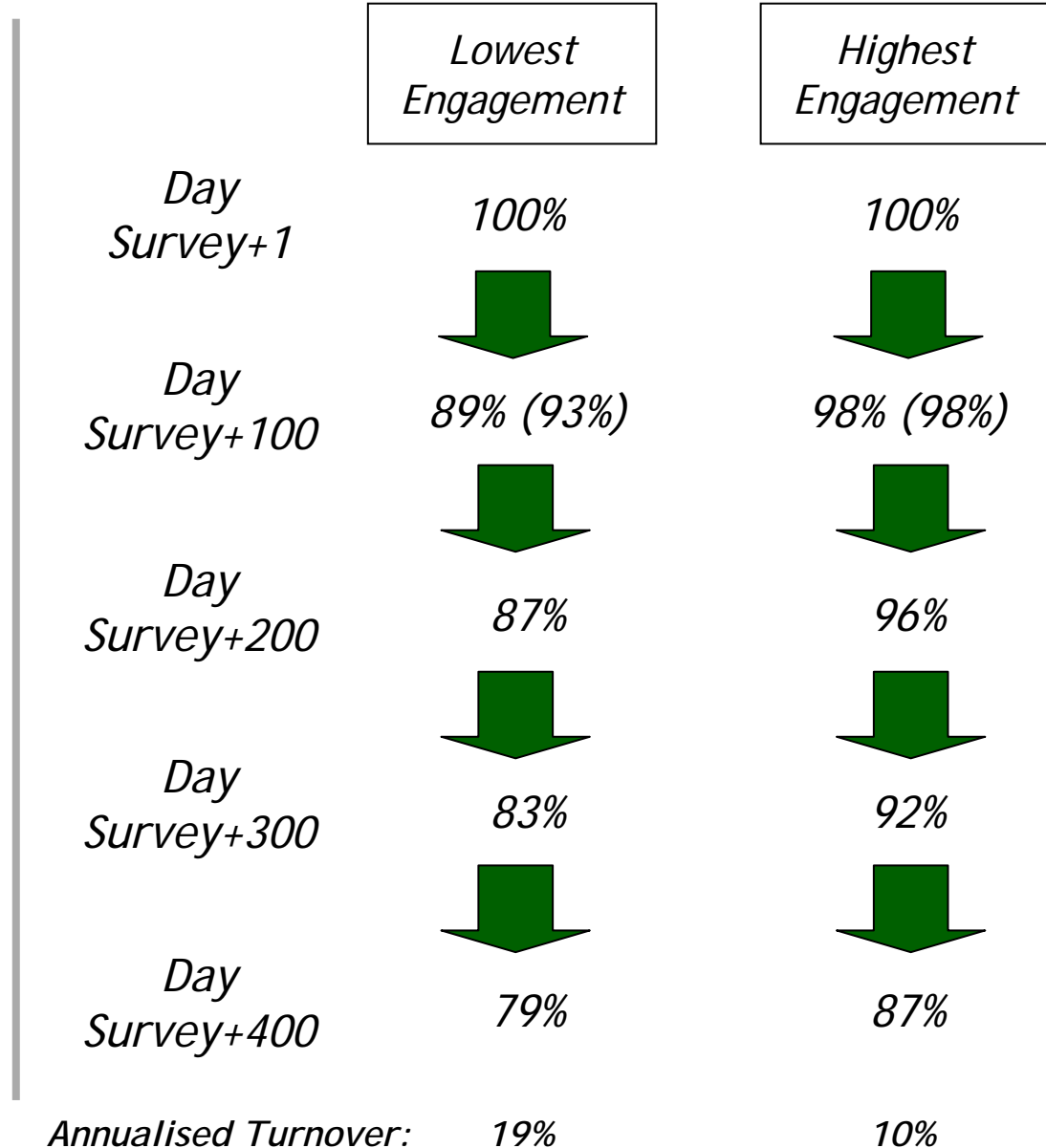
Percentages of respondents strongly agreeing with the statement.

The Impact of Engagement on Turnover Rates

The "10:9" Rule


Every 10% improvement in engagement can decrease an employee's probability of departure by 9%.

Source: Corporate Leadership Council 2004 Employee Engagement Survey.



SAFETY & INJURY PREVENTION

Finding: Engaged employees are less likely to be injured at work

Confidence in this result = 

The Link Between Engagement and Safety

- Gallup found that the link between engagement and safety was one of the strongest. They determined that high engagement teams had 62% fewer injuries than their low engagement counterparts. Source: Referenced from Q12 Meta-Analysis. The Gallup Organization. March 2006.
- The view was that more engaged individuals would be more likely to follow established safety procedures and less inclined to take risks.
- However, the issue of consistent 'injury exposure rates' needs to be worked through before this finding can be verified.




Other Business Outcomes

- High engagement teams had 51% less shrinkage than their low engagement counterparts.
- High engagement teams had 18% higher productivity than their low engagement counterparts.
- High engagement teams were 12% more profitable than their low engagement counterparts.
- High engagement teams had 12% higher customer loyalty / engagement than their low engagement counterparts.




Source: Referenced from Q12 Meta-Analysis. The Gallup Organization. March 2006.

A Manager's Guide to Building a High Engagement Organisation

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Different Views of Key Engagement Drivers

CLC's View

The top drivers of an engagement culture:

- Connection
- Contribution
- Credibility

JR&A's View

The anatomy of a great workplace:

- Alignment to vision & values
- Sense of Community★
- Developing People
- Performance Culture

Gallup's View

The hierarchy of engagement:

- Basic Needs
- Managerial Support
- Teamwork
- Development

The 'Secrets' to Building An Engaged Workforce (For Leaders)



*Wherever possible, get into the habit of regularly discussing workplace issues and **ACTING** on those discussions. (This makes people feel as though their opinions count and that they have some control over their work environment. Both of these things build engagement.)*

The Impact of Acting on Workplace Issues

6%

The average increase in engagement levels for staff whose teams discussed workplace issues.

15%

The average increase in engagement levels for staff whose teams discussed workplace issues and acted on these discussions.

-11%

The average decrease in engagement levels for staff whose teams discussed workplace issues but failed to act on these discussions. (Source: Comparison of engagement levels over two years depending on answers to action planning questions in an undisclosed organisation).

Motto: Do it right or don't do it at all!!

A Typology of Action Plan Avoidance

The Data Junkie

Wants the survey data 'cut' in every imaginable way in an effort to find the 'Aha!' result that will make everything clear. A sure sign that nothing will change.

The Witch Hunter

Is convinced that a poor engagement result comes from some individual or group that has conspired to slam them in the survey. Effort is dedicated to discovering who these malcontents are rather than doing action planning.

The Methodological Purist

Refuses to believe what the (usually poor) results are saying because of some flaw in the methodology. Needless to say that little action occurs as a result.

The Contextual Cop-outer

A poor result can be explained away by other things that were happening at the same time. This seems to give the person a mandate to forget about action planning for another year.

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Take a genuine interest in each individual, identify their true talents and give them the opportunity to deploy these talents in the workplace. (People who have the opportunity to use their talents in the workplace find it easier to get into 'the zone'. Regular discussions about career aspirations or development builds engagement.)

Destroying the Accepted Beliefs




This is What HR Professionals Are Being Told

- Don't BE the engagement champions - SUPPORT the engagement champions.
- Move the discussion past the survey as fast as you can - it is what happens after the results come through that matters.
- Lose the tolerance of 'average' leaders - if they aren't motivated to try and build high level of engagement in their teams then they probably shouldn't be leading staff.
- Ditch the accepted notion that people have a 'honeymoon' period and after a while they see reality and become disengaged - **START AIMING FOR BIGGER THINGS!!!**

Think About This...

- BE the engagement champions - Don't leave it to HR to champion employee engagement (HR + initiative = kiss of death).
- Open your eyes to the signs... high turnover, huge numbers of unscheduled absences and complaints, injuries and 'unhappiness' are symptoms of a disengaged workforce. Act on these - do not ignore them.
- Lose the tolerance of 'average' - the 'school cert legacy' is the greatest barrier to excellence in management. You should be aiming to be remembered as an outstanding manager.
- Ditch the accepted notion that people have a 'honeymoon' period and after a while they see reality and become disengaged - **START AIMING FOR BIGGER THINGS!!!**

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Questions?