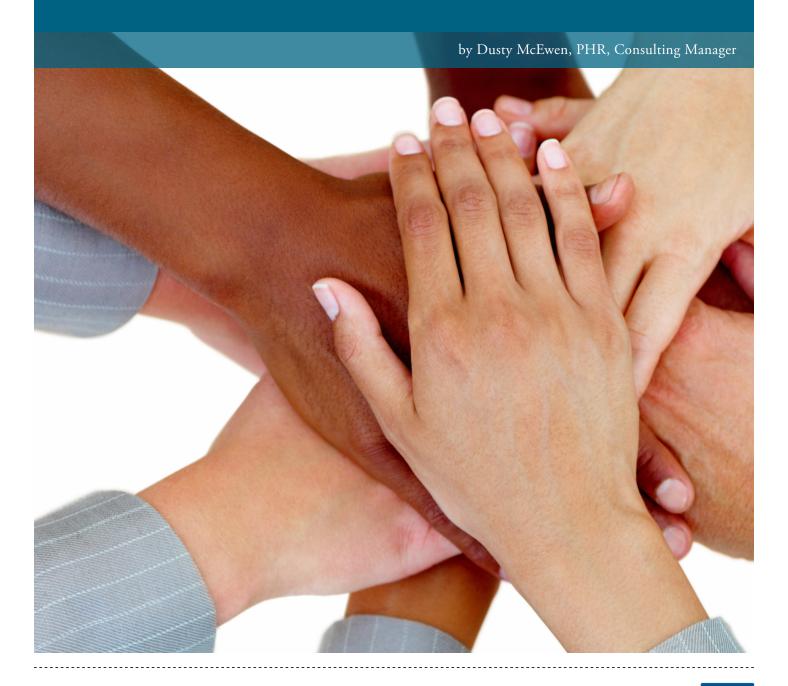
Employee Engagement

A Systemic Approach to High Employee Engagement



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Employee Engagement: Is It On Your Priority List?

A Systemic Approach to High Employee Engagement

The global recession resulted in organizational layoffs, pay freezes, benefit cuts and extra workloads, all of which created a breeding ground for employee disengagement. As the global economy stabilizes, it is important for companies to determine how the last two years impacted their employees and develop strategies for reengaging and retaining their workforce. Employee engagement and retention should be top priorities for executives and HR professionals.

Engagement: What is it?

Employee engagement is a motivational concept pertaining to the simultaneous investment of an individual's physical, cognitive and emotional energy toward work. It can be thought of as the affective and cognitive connection employees have for their organization that leads them to exert discretionary effort at work. Engagement results from how employees perceive and evaluate their work experience, including their employer, its leaders, the work itself and the organization's environment.

Engaged employees are fully involved in, and enthusiastic about, their work. They care about the future of the company and are willing to invest discretionary effort to see the organization succeed.

Engaged employees exhibit the following behaviors:

- Personal initiative on the job
- Willingness to go the extra mile
- Motivation to perform to the highest standards
- Apply creative energy to their work
- Vested interest in their company's success
- Hold others in the organization to high standards of performance.

Why Engagement Is Important

Employees that have mentally "checked out" have an extremely detrimental effect on organizations, negatively impacting the motivation of others and wasting time, effort and resources.

Engagement drives a variety of positive organizational outcomes, including:

- Increased profits
- Productivity and performance gains

- Improved customer satisfaction, customer loyalty and sales
- Increased employee retention (decrease in turnover)
- Decreased accidents (increase in safety behavior)
- More creativity and innovation.

Driving Employee Engagement

There are several actions organizations can take to drive employee engagement, such as providing opportunities for employee voice, creating a trusting work environment, ensuring employees receive continuous performance feedback and clarifying employee job expectations; the list is quite extensive. This presents a challenge for organizations that are not sure where to start or what to focus on.

Establish a Baseline

In order for organizations to know where to focus their efforts, it is important for them to have a baseline that establishes current levels of employee engagement. A meaningful baseline of engagement addresses both 1) the level of engagement (outcome measure) and 2) the drivers of engagement. If you only look at the outcome (engagement), you will know how engaged the workforce is, but you will not know why they are or are not engaged.

A tool such as CGN's custom-tailored Engagement Survey can help your organization establish a baseline. CGN's survey

Studies consistently found that the percentage of engaged employees is low

- Most studies indicate that only 21-31% of employees are truly engaged.
- 52-62% of employees are not engaged. These individuals can be described as having mentally "checked out." They put time in at work, but there is no passion or excitement in what they do.
- 17-24% of employees are actively disengaged. These individuals act out their unhappiness and often undermine what engaged workers are trying to accomplish.



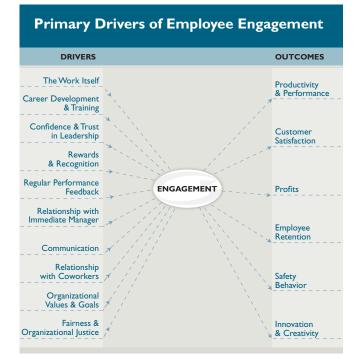
includes measures for each of the drivers of engagement (see model below), as well as a measure for the overall level of current employee engagement. The survey results, coupled with interview and focus group findings, provide a comprehensive baseline measure. CGN then assists the client with identifying improvement opportunities and implementing initiatives that result in increased employee engagement.

Implement Improvement Initiatives

Once a baseline is established, analyze the data to look at the relationships and patterns between the drivers of engagement and the current engagement level. Use the data to guide root-cause analysis, identify improvement opportunities and implement action plans that will facilitate higher levels of engagement.

The most profound and sustained changes in employee engagement can be achieved through organization redesign focused on the creation of high-engagement, high-performance work systems.

Top leadership should foster dialogue that leads to a clear, common view of what high engagement means to the organization. Get employees involved in the implementation effort; this will help build a critical mass of energy for change.



Communicating results and following up with action plans are essential. Creating a work environment that fosters, expects and rewards high engagement is even more powerful. It is what you do with engaged employees that really counts.

Conclusion

The many positive outcomes of improved employee engagement enhance an organization's market competitiveness. Not only are engaged employees more productive, they also help generate greater customer satisfaction, innovation, creativity and greater profits. They also are more likely to stay at an organization longer. Several widely-published surveys reported that a substantial percentage (some reporting over 50 percent) of employees plan to look for new job opportunities once the economy improves. As we enter into a global recovery, retaining and engaging employees, particularly high performers, is critical to achieving competitive advantage and performance goals.

Dusty McEwen, PHR, is a Manager within CGN's Organizational Transformation practice area. Dusty holds a Master's degree in Industrial/Organizational–Social Psychology, and her perspective and experience in human capital are complemented by her certification as a Six Sigma Green Belt and experience implementing Lean and Six Sigma approaches. To exchange ideas and insights on employee engagement, please contact her at dmcewen@cgn.net.



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