

Employee Engagement Report

2011



*Beyond the numbers:
A practical approach for
individuals, managers, and executives*

The *Employee Engagement Report 2011* research reflects interviews with HR and line leaders as well as online survey responses of nearly 11,000 individuals from North America, India, Europe, Southeast Asia, Australia/New Zealand, and China.

Our previous employee engagement studies (2003, 2006, and 2008) determined that the majority of employees liked their work and were planning on sticking around, but were not necessarily focused on what mattered most to their employers. They also contained organizational best practices for increasing engagement levels. In the report, we share a brief overview of engagement levels worldwide, the engagement-retention connection, key drivers, and the ways that behaviors of managers and executives influence engagement.

We also explore the specific roles and responsibilities of the workforce in building a more engaged organization. Our focus: individual employees, managers, and executives. These three roles are incremental, depending on someone's level in the organization: Everyone is accountable for his or her own engagement; anyone with direct reports must coach team members to higher levels of engagement *and* manage his or her own engagement; and executives set the tone for an engaged organization *plus* shoulder the responsibilities of individuals and managers.

This summary is provided as part of BlessingWhite Intelligence, a series of reports on business and workplace issues. You can download the complete global report (with regional analyses) and explore other topics by visiting www.blessingwhite.com/research.

Key findings

- ▶ **Fewer than 1 in 3 employees worldwide (31%) are engaged. Nearly 1 in 5 (17%) are actually Disengaged.** Engagement levels vary by region from 37% in India to 17% in China.
- ▶ Despite the rough and tumble of the economic recession, **engagement levels around the world remained roughly stable** when comparing early 2008 and mid-2010.
- ▶ Yet **more employees are looking for new opportunities** outside their organization than they were in 2008, suggesting that 2011 will be a challenging year for retention (and a hot market for firms looking to attract top talent).
- ▶ Consistent with the 2008 findings, there is a **strong correlation between engagement levels and age, role/level, and tenure** in the organization. Older employees and people in positions of power and authority are most likely to be engaged. So are long-term employees (7+ years with an organization). Employees who work in departments closest to strategy decisions and customer relationships tend to be more engaged as well.
- ▶ **Engaged employees plan to stay for what they give; the Disengaged stay for what they get,** suggesting that organizations can benefit from a targeted retention strategy.
- ▶ Employees worldwide view **opportunities to apply their talents, career development, and training as top drivers of job satisfaction.** When it comes to **contribution, their needs vary considerably,** reflecting their circumstances (e.g., region, age, function, engagement level).
- ▶ **Trust in executives can have more than twice the impact on engagement levels than trust in immediate managers does.** However, consistent with past studies, employees are more likely to trust their immediate managers than the executives in their organization.
- ▶ **Managers are not necessarily doing the things that matter most.** The actions that correlate the most with high engagement are not always the ones that receive the most favorable ratings. And in some regions **relationships trump skills,** that is, employees' knowledge of their managers as "people" behind their titles appears to impact engagement levels more than manager actions.
- ▶ **Executives appear to struggle** with key leadership behaviors correlated to engagement, yet our findings suggest executive behaviors can have a **greater potential impact on engagement than manager actions.**
- ▶ Most alarming: **Executives aren't getting the basics of performance right.** Creating an environment that supports high performance is the item that received the least favorable response in the entire survey; it also has among the strongest correlations with engagement levels.
- ▶ **Engagement surveys without visible follow-up action may actually decrease engagement levels,** suggesting that organizations think twice before flipping the switch on measurement without 100% commitment for action planning based on the results.

Implications and recommendations

Our 2008 high-level recommendations remain relevant: measure less while acting more, drive alignment, leverage managers, pay attention to culture, and redefine “career.” Yet well-intentioned organizations struggle to pull off engagement initiatives, especially when the activities are seen as special, set apart from the work central to fulfilling the organization’s mission. We’ve seen this before, with innovation, for example. As soon as it is relegated to a team of innovators, everyone else abdicates responsibility. As soon as it is an action plan to pursue in addition to daily priorities, “real work” gets in the way and the initiatives falter.

To reap the rewards that a more engaged organization promises, your entire workforce needs to be accountable for their piece of the “engagement equation” every day. The report clarifies those roles and responsibilities.

Individuals: ownership, clarity, and action

As an individual, you need clear direction on what your organization is trying to achieve. You also need to understand your own values, interests, talents, and aspirations. Your manager can coach you in your quest to achieve organizational and personal goals. Your executives can communicate strategy and set the tone. Ultimately you need to own your own engagement.

Managers: coaching, relationships, and dialogue

As a manager, you represent a key leverage point in helping individual employees align and commit with the objectives of your organization. Your effectiveness is determined not only by what you do but also by who you are. Employees must trust in your ability and character – and understand your personal motivation. You won’t be able to match individual passion and proficiencies with organizational priorities if you don’t talk to your people. Get to know them. Understand not only their special talents but also their unique engagement drivers.

Executives: trust, communication, and culture

As an executive, you have significant impact on the engagement levels of people you rarely see – or may have never met. You need to speak with passion about engagement and business results, but if you don’t have the trust of the workforce your message will be lost or twisted. Communication needs to be a priority – in frequency, appropriateness, and depth (the “what” and “why”). You also must be diligent in holding yourself and your peers accountable for building a culture that fuels high performance and engagement.

Whether you play one, two, or three of the roles described above, the 2011 report is designed to shed light on your quest for creating a more meaningful, productive work experience for you and your colleagues.

Download the full version of the report at
www.blessingwhite.com/research.