

ENHANCING EMPLOYEE ENGAGEMENT

BEST PRACTICES RESEARCH

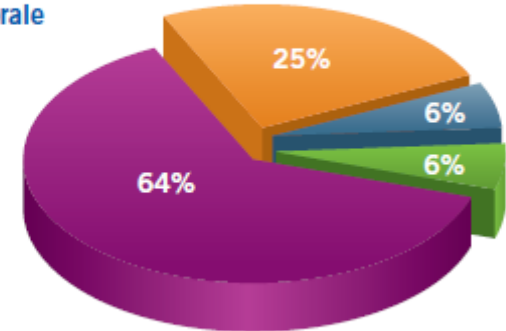
John M. Toller
East Carolina University
October 2011

HOW BIG IS THE PROBLEM?

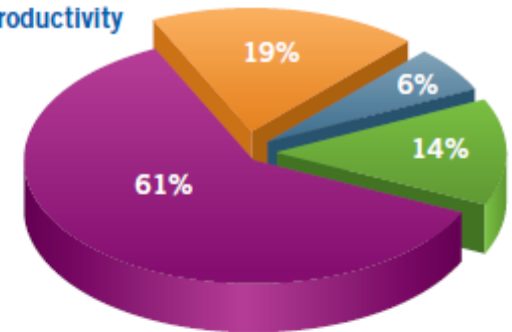
What impact do you as an HR professional feel layoffs and reduction or elimination of programs and benefits will have on the remaining employees?

- Very little to no impact
- Some negative short-term impact
- Long-term negative impact
- Other

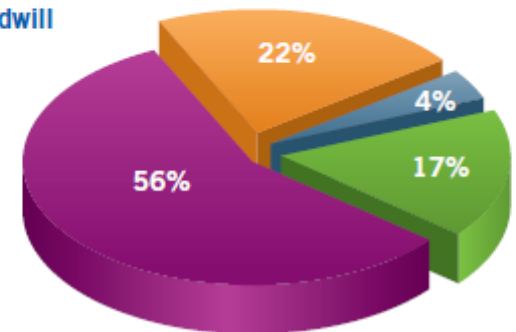
Morale



Productivity



Goodwill



Source: *Voice of the Employee: How to Overcome the Morale Crisis with Increased Communication and Recognition*, Globoforce, June 2009

WHAT ARE POTENTIAL SOLUTIONS?

Which strategies would counteract the potential negative effects of layoffs?



Source: *Voice of the Employee: How to Overcome the Morale Crisis with Increased Communication and Recognition*, Globoforce, June 2009

BEST PRACTICES...

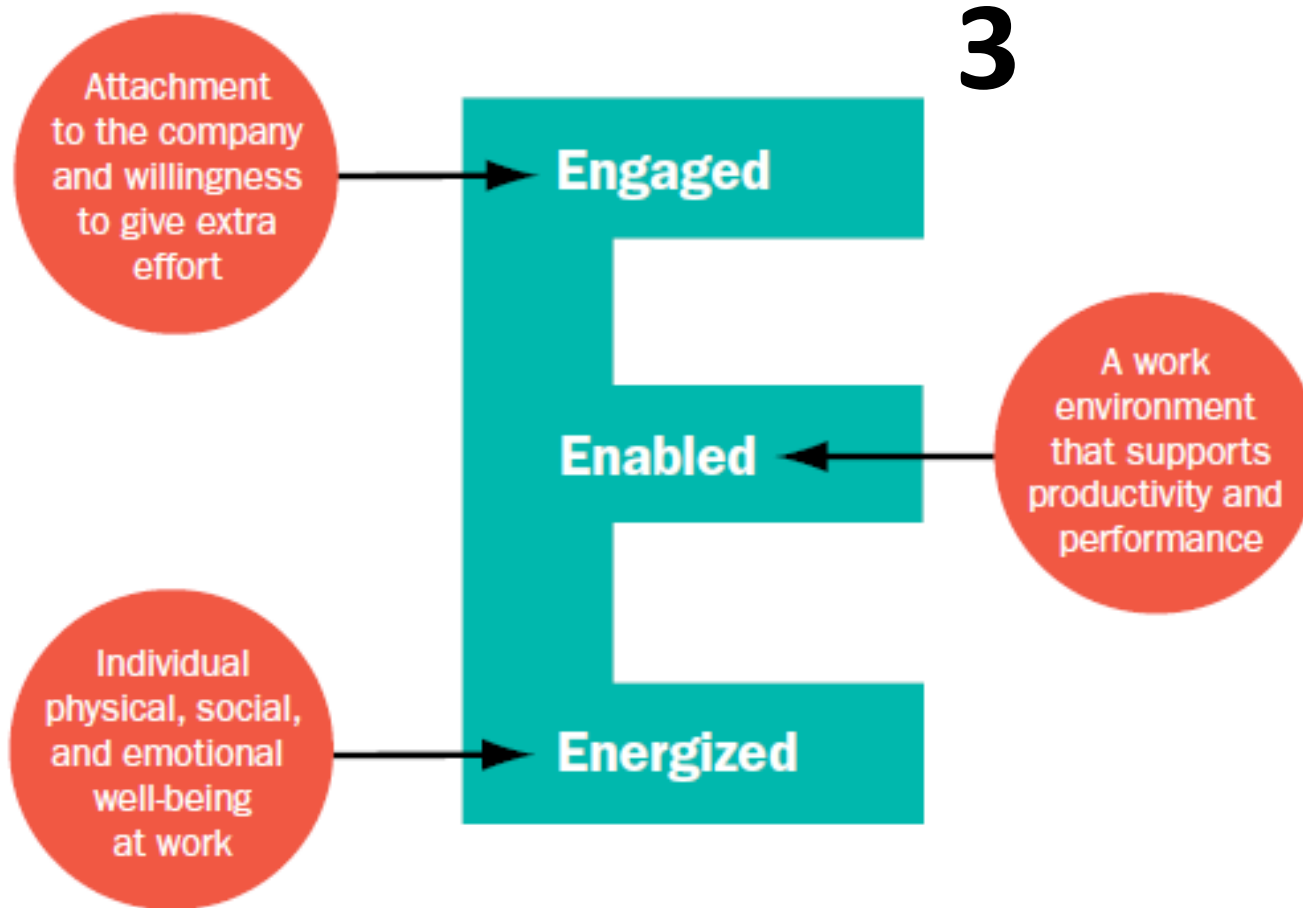
- **Communicate clearly** (accessible, open, frequent)
- **Show employees you respect and value them** (personal 'thank you'; feedback on individual strengths)
- **Build career paths** (build new skills; offer opportunities to learn; connect with individual purpose)
- **Remember that recognition provides higher ROI than bonuses** (make it personal)
- **Recognize everyone, not just top performers** (build commitment for all)

MORE BEST PRACTICES...

- Capitalize on “engageable moments” (employer behavior at critical points can win or lose the engagement effort)
- Demonstrate strong leadership (communicate institutional plans and progress)
- Actively manage change (connect employees to institutional progress—vertically & horizontally)
- Focus on the *customer*
- Develop equitable rewards in whatever forms are possible
- Invest in the *core* (ensure that all core contributors are engaged)

EXPONENTIAL ENGAGEMENT

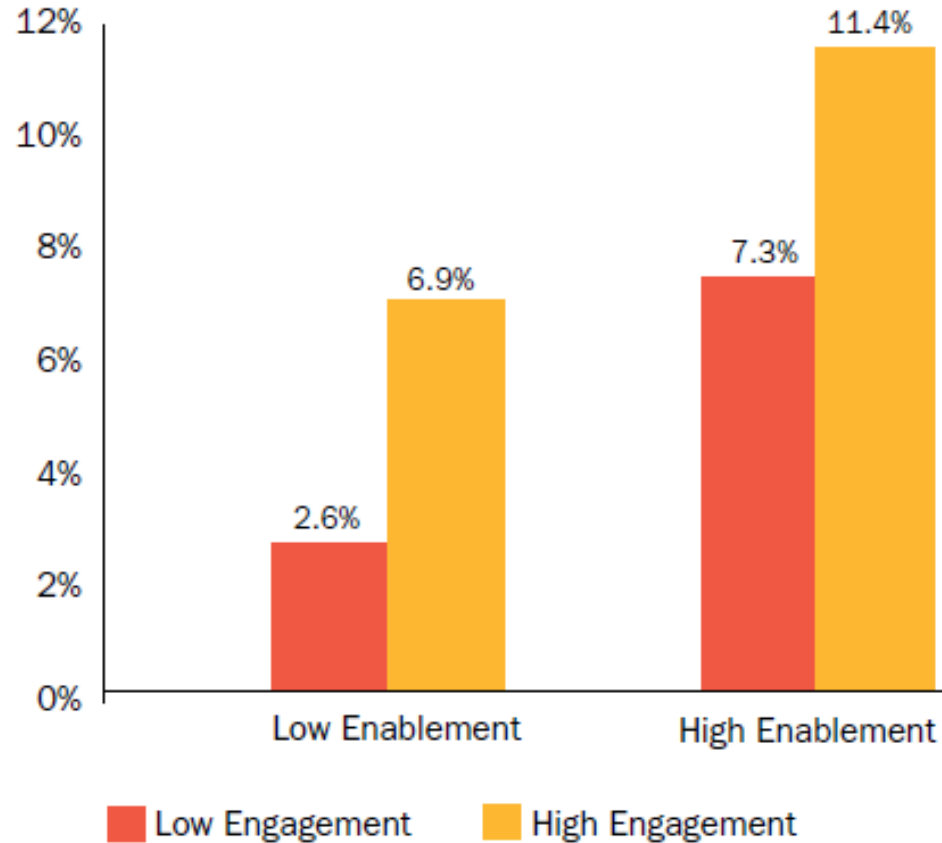
Figure 1. Our model of exponential engagement



Source: Towers Watson, *The Power of Three: Taking Engagement to New Heights*

LEVERAGING ENGAGEMENT

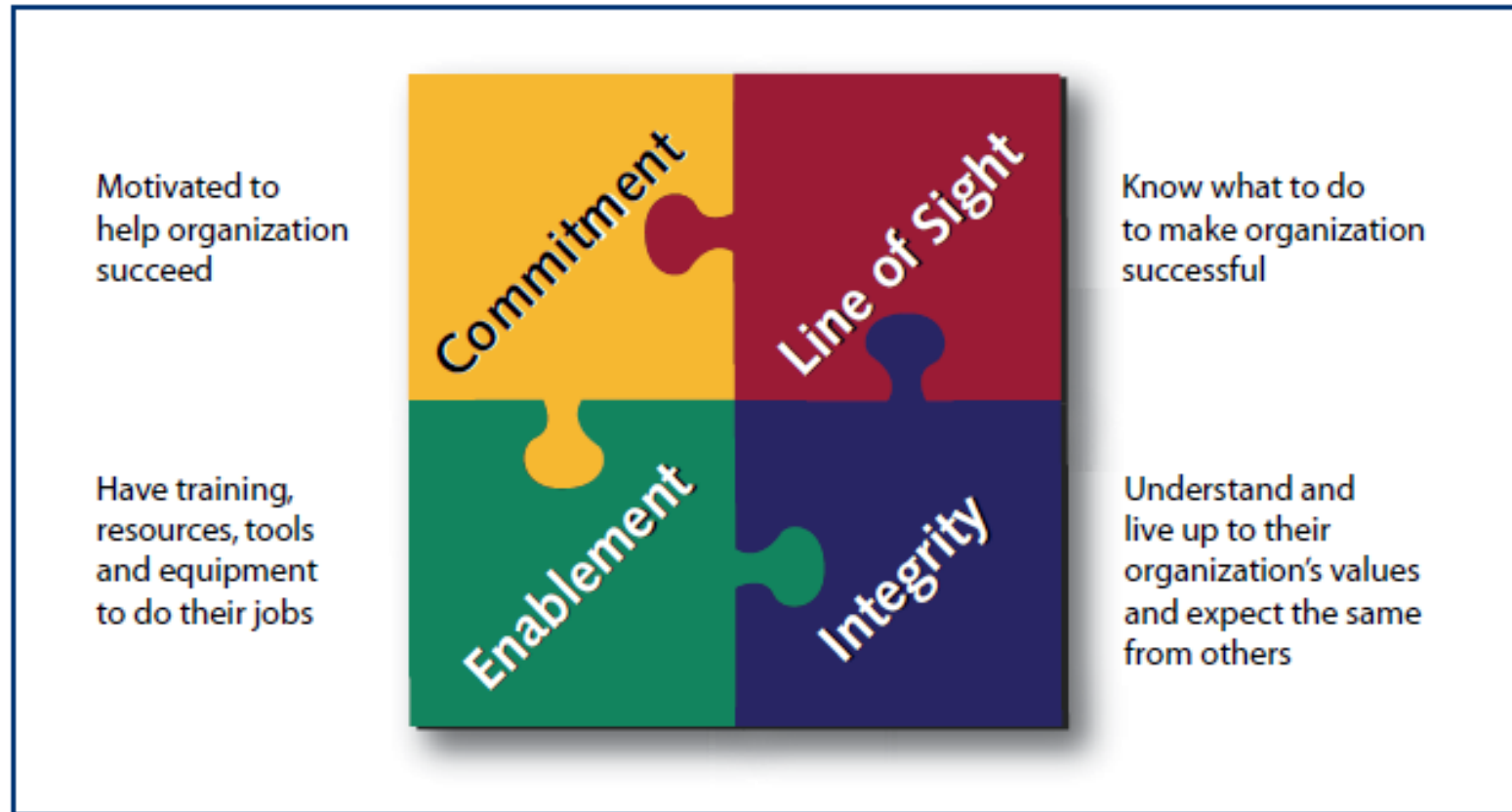
Figure 2. Net profit margin (one-year) by engagement and enablement



Comparing companies (n = 10) that are high/low on Engagement and Enablement: net profit margin

WHAT'S IMPORTANT FOR SUCCESS...

Figure 8 | Watson Wyatt Four-Factor Model of Employee Effectiveness



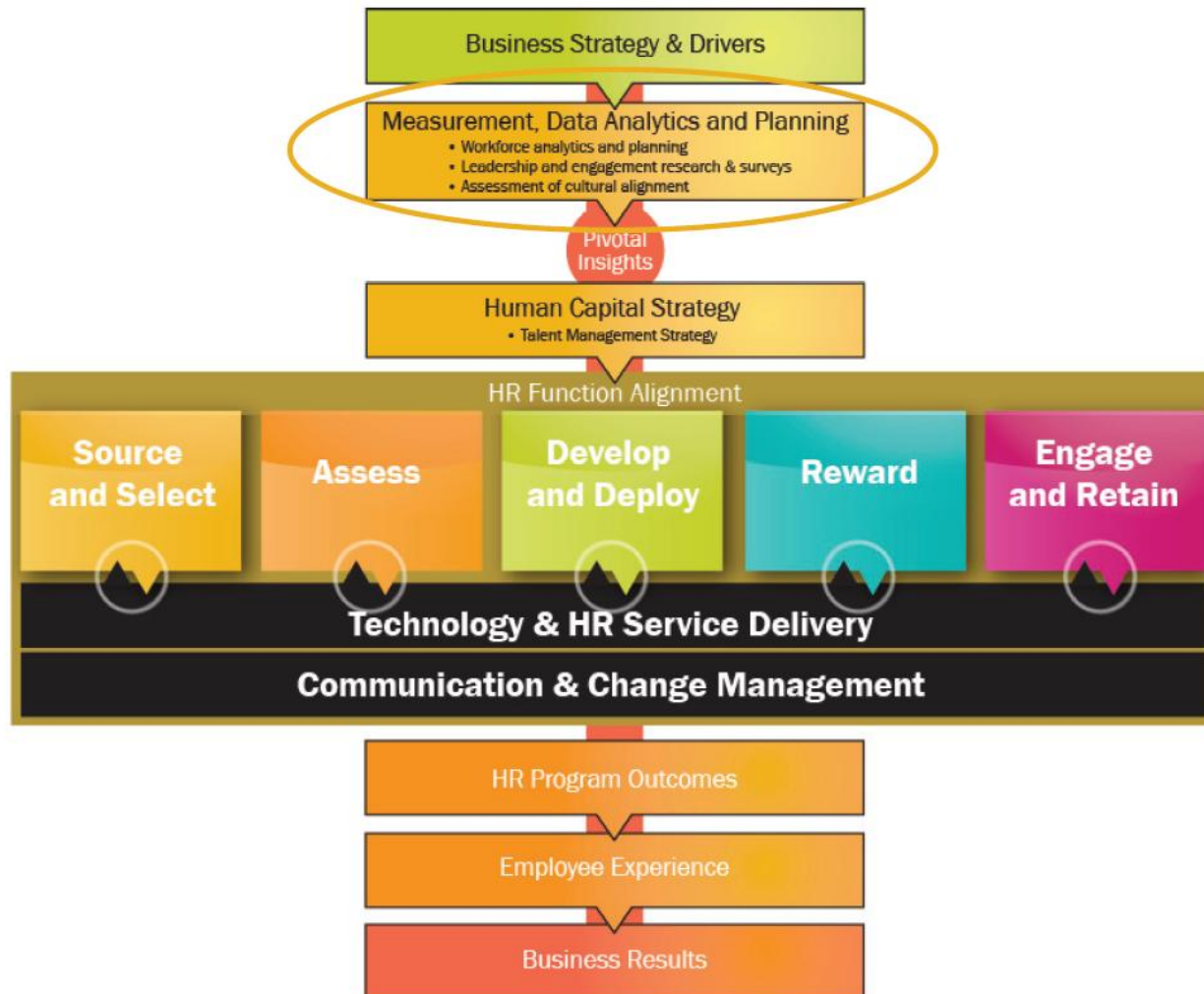
WHAT DRIVES THE GENERATIONS?

Figure 13 | Drivers of Engagement Vary by Age

Key Drivers	Age			
	Under 30	30-39	40-49	50+
Strongest	Customer Focus	Strategic Direction/ Leadership	Customer Focus	Strategic Direction/ Leadership
2nd Strongest	Strategic Direction/ Leadership	Customer Focus	Strategic Direction/ Leadership	Customer Focus
3rd Strongest	Training and Development	Performance Leadership	Process Improvement/ Innovation	Benefits
Large Direct Impact	Pay and Benefits	Pay	Pay	Pay

Source: Towers Watson, *WorkUSA* Survey, 2006/07

TOWERS WATSON HR METRICS MODEL



Source: Towers Watson, *Human Capital Metrics*, 2011

THE GOAL IS TO PRODUCE V-A-L-U-E...

V = Viable

A = Alternatives

L = Leading to

U = Uncommon

E = Engagement