



A NEW ERA OF Employee Engagement

**What It Is and How to
Move the Needle**



The engagement hype has reached its peak.

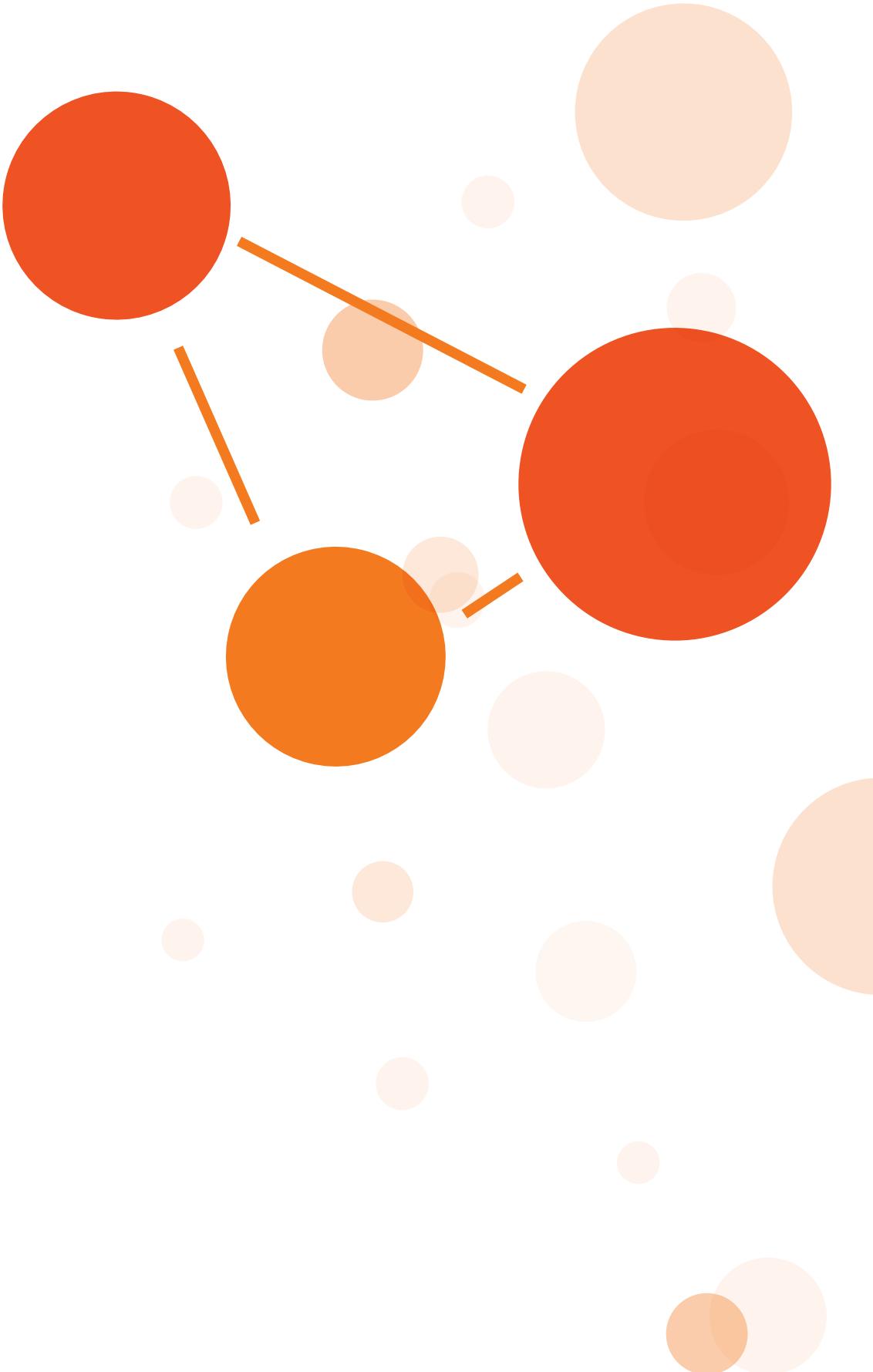
Employee engagement has been a hot topic for well over a decade. More and more organizations are acknowledging and attempting to “do” engagement, yet few have figured out how to move the needle in ways that matter.

Some claim engagement is a fad that will soon disappear, and those voices raise some valid questions and concerns:

- What does employee engagement really mean?
- Are engagement measurements and benchmarks credible?
- Will an engaged workplace help us attract and retain top talent?
- Does engagement even affect our organization’s bottom line?

These questions hold weight because **the practice of engagement is distorted within many organizations**. Employees are asked to provide feedback through an annual survey. Leaders analyze the data and might develop a few goals and action plans. But nothing really changes.

Survey data is quickly forgotten, and when next year’s results come in the cycle repeats itself – everyone is frustrated by the utter lack of progress.





It's time for a new era of engagement.

The truth is, employee engagement isn't going anywhere. We might call it something else (culture, job satisfaction, employee experience), and the definition will continue to evolve, but the principles behind engagement will never fade.

Employees who don't feel heard, supported, valued, empowered, and connected won't work as hard or stick around as long as employees who do.

If you've invested in engagement but haven't seen any real change, you're not alone. Many organizations have tried and fallen short of their goals. But there's still hope!

So how do you drive the progress you crave? How do you move the needle? You must commit to creating lasting and meaningful change. You must usher in a new era of engagement.

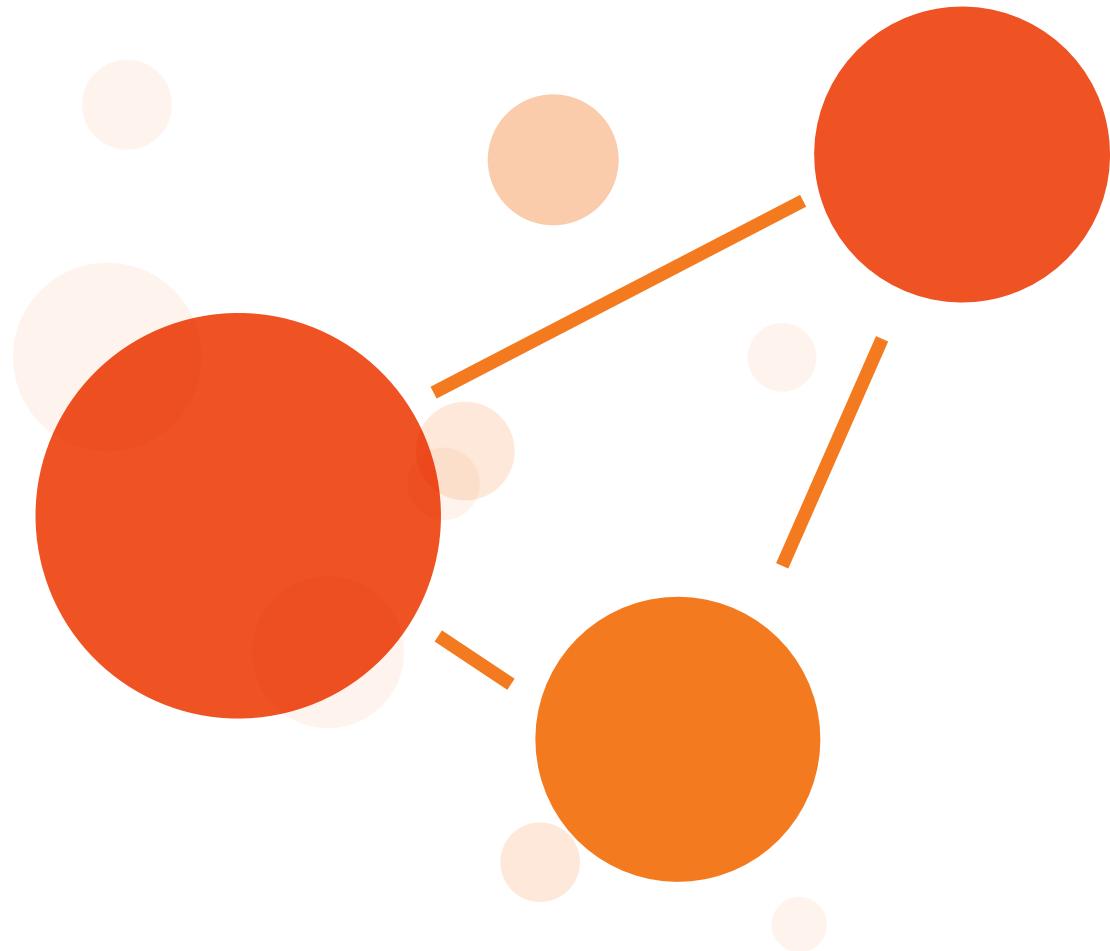


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SECTION ONE

Debunking Engagement Myths

First things first, let's set the record straight. There are a lot of conflicting opinions around employee engagement, and it can be difficult to discern the truth among all the noise. We're going to address some common myths you might have heard from the engagement naysayers, and provide the data you need to overturn them.



MYTH #1

Engagement can't be clearly defined or measured, so it isn't valid.

REALITY CHECK:

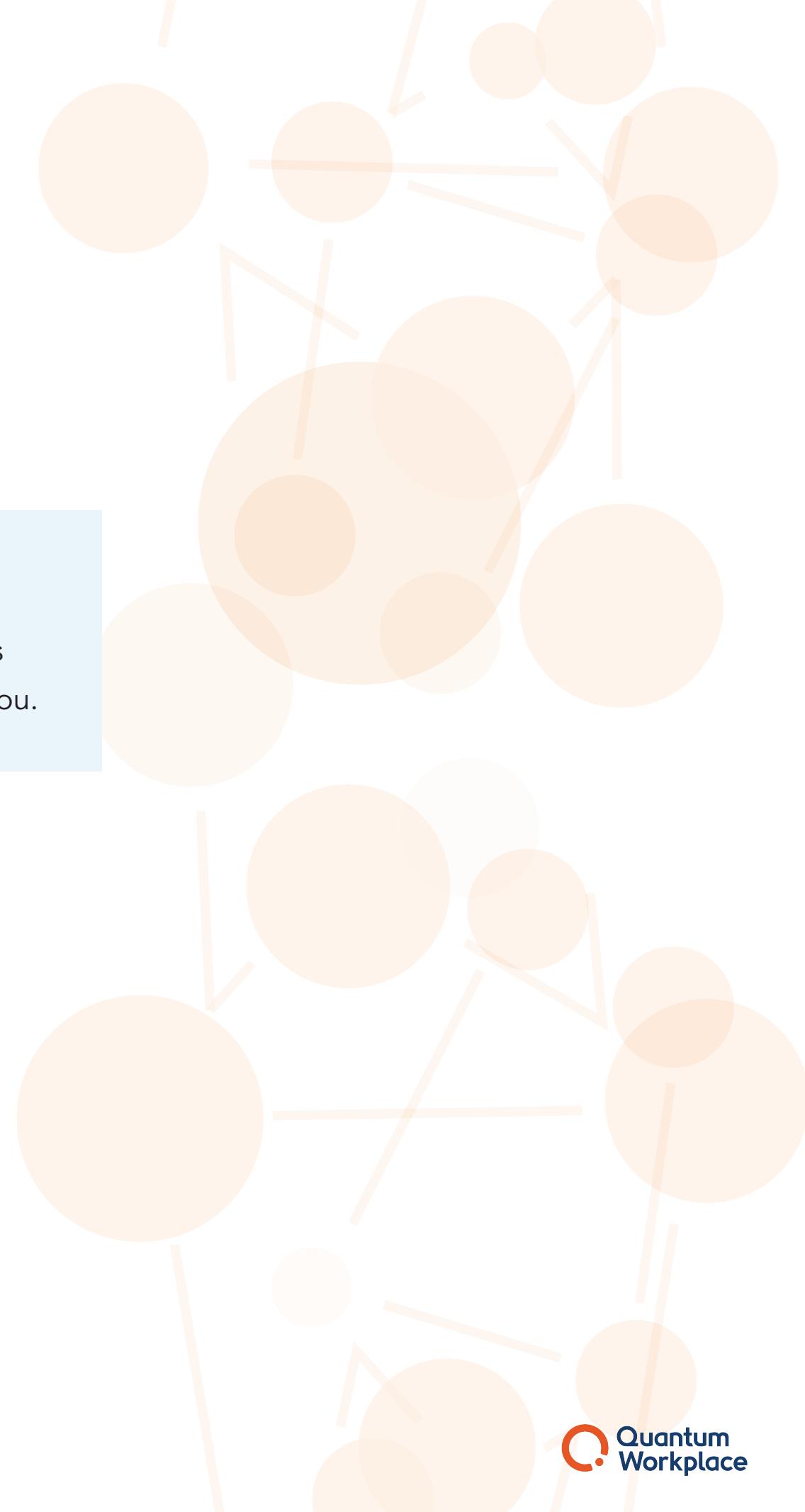
You can't put a one-size-fits-all box around engagement. It's human, and — like humans — it's complex and constantly evolving. But you can define and measure the things that matter to you.

We've seen more than one argument that employee engagement is a hoax because no one can clearly define or measure it. But we think this is a cheap shot at engagement.

Engagement is fuzzy, but it's not undefinable.

There are many concepts in our world that seem difficult to define: love, happiness, art, and life – the list goes on. These things are fuzzy because they mean different things to different people at different stages in different places. And so it is with employee engagement.

But just because something is hard to define, doesn't mean it isn't valid.





Employee engagement is...

The strength of the mental and emotional connection employees feel toward their places of work.

At Quantum Workplace, we have our own definition of engagement, but we don't claim our way as the only way to define it. We personally love that there are so many definitions out there and that the concept of employee engagement is continually evolving.

If it didn't, workplace relationships would become stale, organizational progress would stall out, and the status quo would never be challenged.



You can measure engagement.

Those who argue engagement can't be measured are thinking too narrowly about what measurement means. Can you use a ruler or a scale to measure engagement? Of course not. But can you see trends, progress, gaps, and decline in engagement? Absolutely!

Engagement is a perception, and like any other perception, it can be measured and tracked over time. You can keep a pulse on how your employees are feeling and what might be triggering those feelings. Then you can tie that information to other important organizational data (read more on page 35!) to make informed business decisions.

Measuring engagement is about translating perceptions into numbers, numbers into insights, and insights into actionable intelligence.

MYTH #2

There's no proof that engagement impacts business outcomes.

REALITY CHECK:

Employees who aren't engaged won't work as hard or stay as long as employees who are engaged. We've got the data to prove it.

Smart leaders know it.

"To win in the marketplace, you must first win in the workplace."

– Doug Conant, Former CEO of Campbell's Soup

"It goes without saying that no company, small or large, can win over the long run without energized employees who believe in the mission and understand how to achieve it."

– Jack Welch, Former CEO of GE

"Create caring and robust connections between every employee and their work, customers, leaders, managers, and the organization to achieve results that matter to everyone in this sentence."

– David Zinger, Employee Experience & Engagement Educator, Speaker, and Consultant



The research proves it.

There's a lot of evidence out there that proves the impact of engagement. We could write an entire ebook about the existing data! One study from Gallup shows business units that score in the top quartile in employee engagement perform better than those in the bottom quartile¹ in many areas, including:

- 41% lower absenteeism
- 24% lower turnover (in high turnover organizations)
- 59% lower turnover (in low turnover organizations)
- 10% higher customer metrics
- 17% higher productivity
- 20% higher sales
- 21% higher profitability
- 70% fewer safety incidents

Disengaged employees, on the other hand, are very expensive. One study estimates that actively disengaged employees cost U.S. companies between \$450-550 billion every year.²

MYTH #3

A competitive salary and good benefits alone aren't enough to keep employees happy and engaged.

REALITY CHECK:

The modern employee will prioritize a stellar work experience over higher pay.

Paying employees isn't enough to engage them. Money doesn't magically make work meaningful, it doesn't make teams collaborate well, and it doesn't challenge us. Today, employees want more than pay – they desire meaningful work, strong teams, and opportunities for personal and professional growth. They want varied responsibilities that push, challenge, and stimulate them.

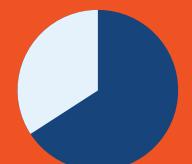
Compensation obviously plays a role when employees choose their place of work, but

recognition, personal development, and a priority on work-life balance can be the deciding factor between two positions with similar pay.

With more than 6 million jobs available in America,⁵ employers can't afford to ignore engagement altogether. Employees have options, and they know it; 63 percent of employees believe they would find a job as good as the one they have if they left.⁶ You risk losing your top performers if you don't keep them engaged, even if their pay is at or above market value.



ONLY 31 PERCENT
of employees
are motivated by
monetary awards.³



69 PERCENT
are motivated by
job satisfaction,
recognition,
and learning
opportunities.



94 PERCENT
of employees
would stay at a
company longer
if it invested in
their career.⁴

³ Training Industry, <https://trainingindustry.com/articles/workforce-development/how-employee-engagement-leads-to-a-more-productive-workforce/>

⁴ LinkedIn, [2018 Workplace Learning Report](#)

⁵ The Washington Post, https://www.washingtonpost.com/news/wonk/wp/2018/05/08/the-u-s-now-has-a-record-6-6-million-job-openings/?utm_term=.bb7e9a5a4564

⁶ Gallup – [State of the American Workplace](#)

MYTH #4

Engagement is HR's responsibility.

REALITY CHECK:

Every employee in every department at every level plays a role in organizational engagement.

Every person in your organization impacts employee engagement — in the quality of relationships they build, their approach to teamwork, and the general attitudes they bring to the workplace. Employee engagement is not just HR's responsibility – everyone plays an important part, and everyone should be held accountable for the success of your organization's efforts.

Leadership

Organizational leaders are employee engagement advocates — they are the influential campaigners and top promoters of an engaged culture. Leadership not only needs to buy in and support employee engagement — they also need to set an example from the top down. Depend on leaders to set the tone, cast a vision, communicate changes made, and update the organization on progress.



HR

HR should take ownership of employee engagement initiatives and hold managers and employees accountable. This team is behind the scenes making sure everything runs smoothly, including selecting the right employee engagement partner, implementing tools and processes, and managing day-to-day needs and happenings related to engagement efforts.

Managers

Managers interact with employees more than anyone else. It's up to them to build good relationships with each employee, recognize solid performance, provide critical feedback, and to help employees develop and grow. They must create an environment where every individual can thrive and be truly engaged. They also serve as sounding boards and microphones for employee concerns and suggestions.

Employees

Employees are your voices on the front lines and your main line of sight into the employee experience. Rely on employees to provide the honest, candid, and actionable insight your organization needs to improve. Then challenge them to participate in employee focus groups to brainstorm new and creative solutions to address their primary concerns.

SECTION TWO

Harnessing the Power of Your Data

Some organizations take a simple, birds-eye view of their engagement results. They look at overall scores, weaknesses, and strengths – and then decide to work on a couple of weak areas. This is a fine place to start, **but if your approach is feeling stale and isn't moving that needle, it's time to change it up** and really harness the power of your data.



3 Powerful Tips for Basic Survey Analysis



Look at lowest rated survey questions.

Sort your survey questions by favorability and examine the lowest items to identify areas that could use the most improvement.



Review questions with the largest year-over-year decline.

If your organization surveyed last year, add in a comparison to last year's results. See which questions improved and which decreased. Note the largest year-over-year declines, and consider focusing on those questions.



Examine questions where a team's results are below the organization's results.

Use filtering to slice and dice the data by smaller groups, such as locations, departments, or teams. If there's a gap between a group and the organization, what might be causing it?

ADVANCED TACTICS TO MAXIMIZE INSIGHT

Conduct a drivers analysis.

WHAT ARE DRIVERS?

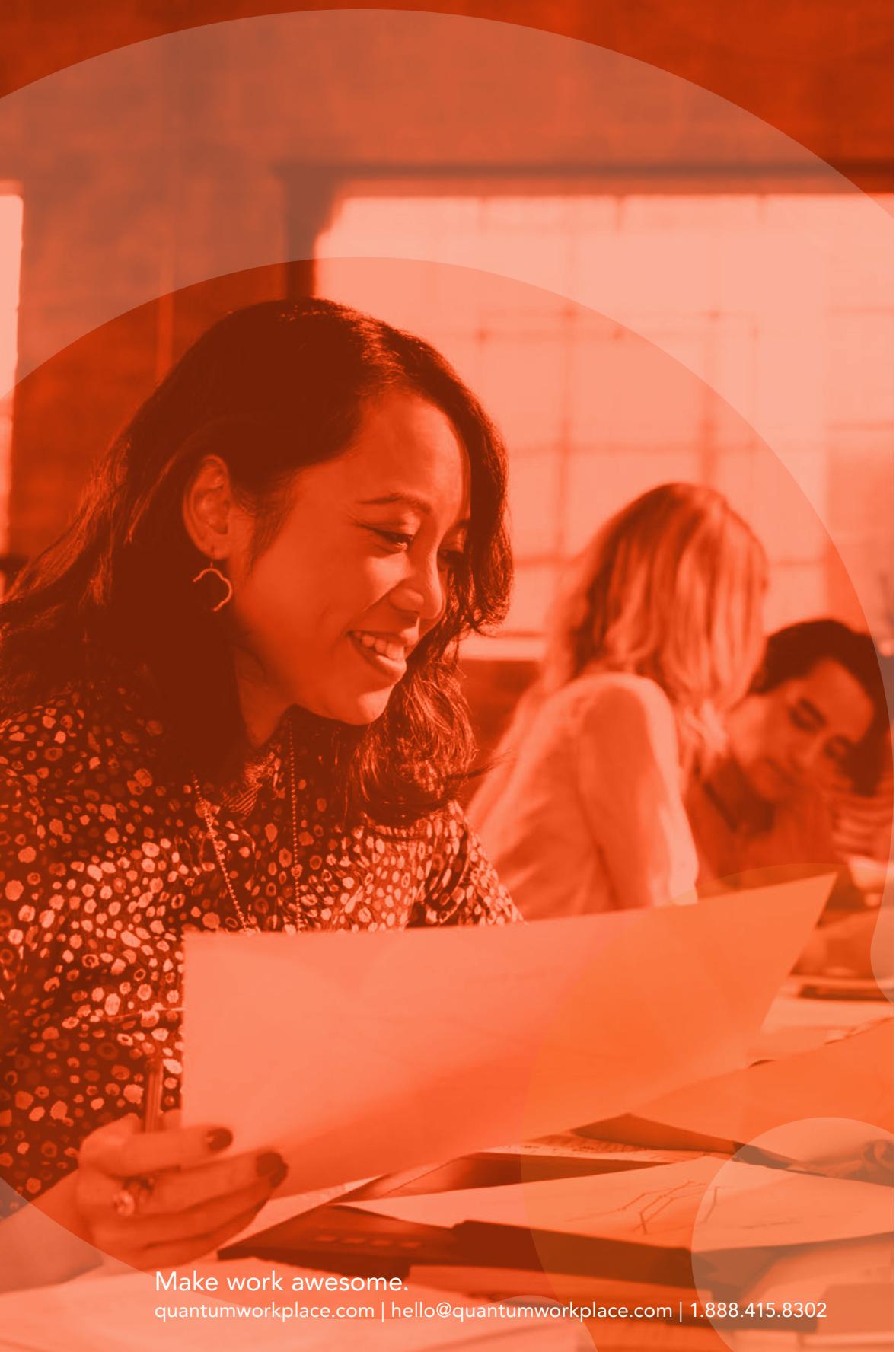
Engagement drivers are actionable survey questions, as opposed to engagement outcome questions that only diagnose engagement levels. Drivers can affect the overall level of engagement.

All drivers impact engagement, but some make a larger impact on engagement than others. This varies from organization to organization, from year to year, from department to department, and from person to person.

PRO TIP:

Don't just focus on low-rated questions. It's natural to look at your lowest-performing questions and work on improving them. However, if your lowest-performing questions aren't drivers of engagement, you could be wasting your time.





WHAT IS A DRIVERS ANALYSIS?

A drivers analysis identifies which survey questions have the biggest impact on your organization. They might look something like this:

- *I see professional growth and career development opportunities for myself here.*
- *If I contribute to the organization's success, I know I will be recognized.*

Through a drivers analysis, you might discover that employees who rate driver #1 favorably are likely to be more engaged.

Your best strategy is to understand what is driving engagement in your organization, identify weak areas within your top drivers, and implement programs targeted at improving those drivers.

ADVANCED TACTICS TO MAXIMIZE INSIGHT

Get creative with your segmentation.

Your organization isn't the same from location to location, department to department, or team to team. **Different types of employees experience your workplace differently.** This is due to a variety of factors, such as who their manager is, what kind of work they're doing, and who they interact with the most.

It's important to dig deeper than aggregate survey results by segmenting your results based on demographics that make sense to your organization.

TAKE ADVANTAGE OF YOUR STRENGTHS.

Which areas of your organization are the most engaged? Where are they seeing the most success? Once you've identified this in your analysis, go have some conversations to dig deeper. What are your engaged groups doing differently? Can these strategies be applied to your less engaged groups? Could certain managers or locations learn from each other?

TAILOR YOUR FOLLOW-UP.

Segmenting your results allows you to develop a more tailored and strategic follow-up plan. Engagement isn't one-size-fits-all. To really increase engagement, you need to understand your people, their workplace experiences, and what drives them to work for you.



When you can customize your follow-up communication and new initiatives to targeted employee groups, you'll be more successful in increasing engagement across the organization.

SECTION THREE

Moving the Needle

Okay, here's the kicker – the whole premise behind the new era of engagement. Are you ready?! **Stop thinking engagement is just a survey project.** If you really want to move the needle, you've got to get on board with the fact that engagement is an ongoing, strategic initiative. You should be attacking it from all angles, all year long.



Communicate Survey Results and Get to Work

After you've analyzed your survey data, it's time to get to the real work.

Your managers will be anxious to know what the results say about their teams, and all employees will be eager to see the story the data tells.

Communicate Results

Leadership and HR should have a solid communication plan for sharing organization-wide survey results. At this stage, it's important for employees to know that their voices were heard and that a follow-up plan is in the works. Let them know you'll be reaching out in the near future to help dig into the data and brainstorm solutions.

Presenting organization-wide results is important – but we encourage you to take it to the next level by empowering your managers to review and analyze results within their teams. As part of this process, managers should discuss results with their individual teams.



SURVEY RESULTS MEETING TIPS:

- Follow up on the initial announcement by scheduling an hour-long meeting
- Include high-level team results in the meeting invite so employees can come prepared
- Kick off the meeting by reinforcing why the survey was conducted
- Address team and organization-wide results
- Determine high impact areas to focus on (see next page)
- Set expectations for next steps and follow-up

Choose to Focus on Certain Areas of Improvement

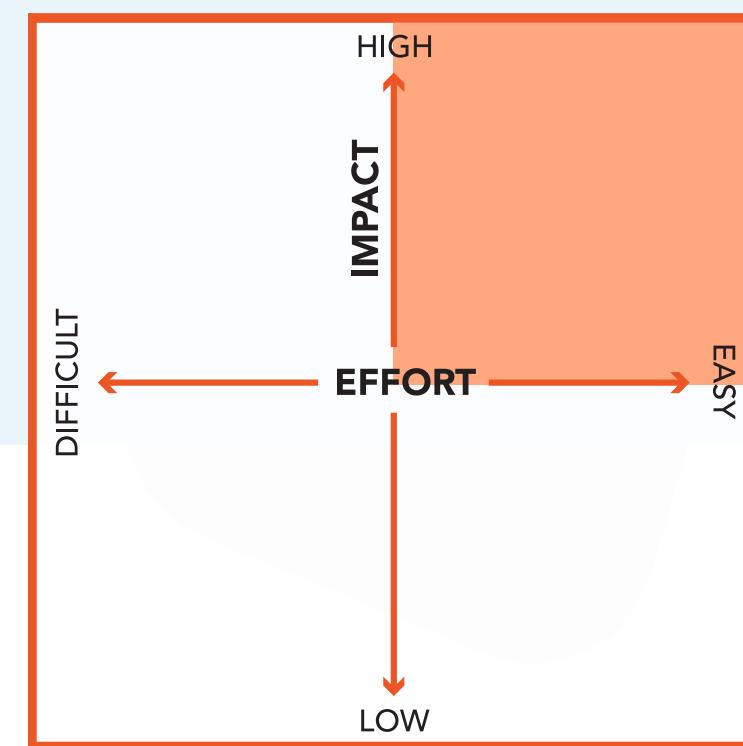
Whether you choose to focus on developing a strength or improving a weakness, it should be a team decision. Everyone should feel involved in, and accountable for, team improvement.

Use the discussion questions and choice map below to identify impact and effort levels. This will help you highlight the best areas to focus on.

DISCUSSION QUESTIONS

- Which survey questions scored low across the team?
- Which survey questions could we easily improve favorability on with a just a few tweaks?
- Which survey questions could have the greatest impact on employee experience?
- Can any of the items be themed into larger categories?

CHOICE MAP



Close the meeting with a vote to determine your target areas. We recommend focusing on two or three target areas to start.

Designate Task Forces and Create Commitment Plans

Once you've selected your target areas, it's important to create accountability.

One of the best ways to do this is to create a task force for each area.

Task force teams should brainstorm possible actions and commitments that might help drive change within their target areas. Here are a few conversation starters:

- In what ways do we struggle or excel in this area?
- Why do you think we struggle or excel in this area?
- What does our team/organization do to help or hurt this?
- In a perfect future, how would this look different?

When the team feels they've had adequate discussion, it's time to decide on what commitments should be made to improve engagement. You should formally document the details of each commitment, who is responsible, and when tasks are due to drive accountability and keep everyone on the same page.



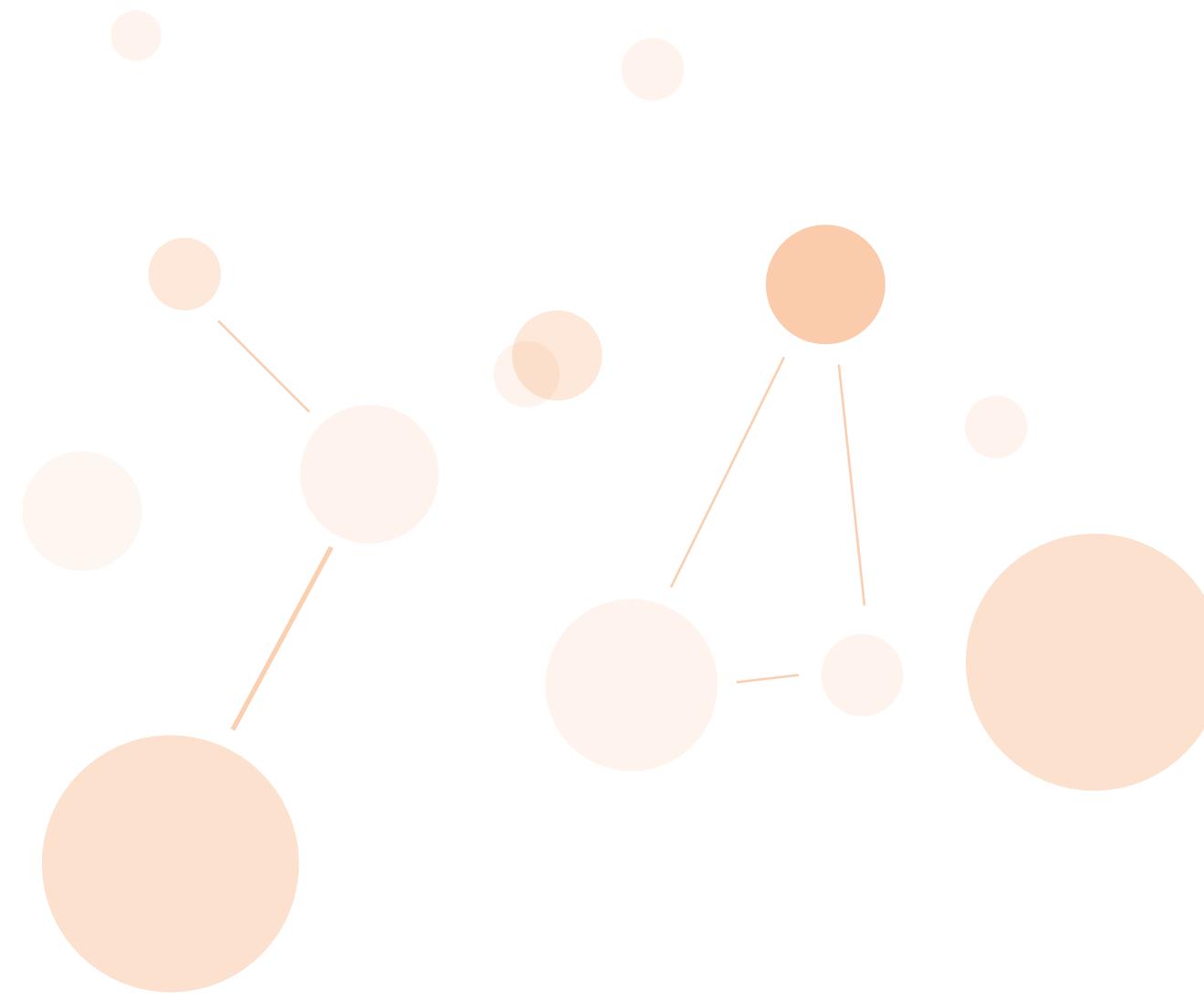
WHAT TO INCLUDE IN YOUR COMMITMENT PLAN

- What you are committing to
- Commitment details
- Commitment owner and observers
- Due dates and deadlines
- Goal(s) that the completed commitment will achieve
- How success will be measured
- How and when the team will receive updates on progress



Follow up and Provide Updates on Progress

Your team members will be energized by improvement goals and will likely shoot out of the gates, but you'll need to continually provide proof that the new ideas are working to keep momentum going. Review progress in team meetings and, if results are lagging, nudge accountable team members.



Hold Employees and Managers Accountable

We've already covered the fact that everyone in your organization is responsible for engagement. But how can you hold employees and managers accountable once the survey is over? You must figure out ways to keep both groups bought into engagement throughout the year — it's essential to the success of your strategies and to driving results that matter.

Your Employees

Employees at every level make a choice to be engaged. Organizations should create a variety of opportunities to make that choice easier, especially for individual contributors.



HERE ARE A FEW WAYS
EMPLOYEES CAN PARTICIPATE
ON AN ONGOING BASIS:

- Complete your engagement survey (obvious, but important!)
- Lead a focus group
- Participate in a focus group
- Share open and honest feedback regularly
- Bring new ideas to their managers and leadership
- Serve on an engagement committee
- Help with projects and new initiatives brought on by employee feedback



Your Managers

Managers play a critical role in employee engagement by impacting each team member's experience and understanding the unique challenges and opportunities of their teams. It's important to equip your managers with the tools they need to impact engagement from the bottom up.

REMIND MANAGERS THEY HAVE 24/7 ACCESS TO THE DATA THEY NEED.

If you've shared team engagement results with your managers, there's no excuse for a lack of trying. They should be able to access their data anywhere, anytime — and HR and leadership should be regularly checking in on their progress.

PROVIDE MANAGERS WITH GUIDELINES ON APPROPRIATE STEPS FOR FOLLOW-UP.

Most often, managers will look to HR and leadership for guidance on how to follow up with employees. Since there is opportunity for managers to become defensive, you want to make sure they understand how to handle employee feedback appropriately and continue conversations with their teams. Coach them on how to receive tough feedback and provide suggestions for effective and productive one-on-one conversations.

KEEP WATCH ON MANAGER PROGRESS AND GATHER INPUT ON THEIR EFFECTIVENESS.

If you're not involving your managers in engagement, you're not taking engagement seriously. One surefire way to gain their involvement is to regularly follow up on their progress and gather input from others on their approach.

Here are some ideas:

- Make employee engagement a KPI for managers (but don't incentivize it)
- Leverage a sophisticated engagement software to monitor manager follow-up
- Use pulse surveys to ask employees whether their managers followed up
- Add questions about manager follow-up to your annual survey



SECTION FOUR

Thinking Bigger and Broader

Surveying employees is a great way to get a baseline of what's going on in your organization, but you really should be focusing on areas that impact the day-to-day employee experience. Think about how your other important organizational strategies play into engagement.





Think About Turnover and Retention

Understanding why employees leave (and why they stay) can help you improve engagement, resulting in higher retention. Take advantage of employee lifecycle data from new hire, stay, and exit surveys and think about how that data connects with overall engagement.

Think About Performance Conversations

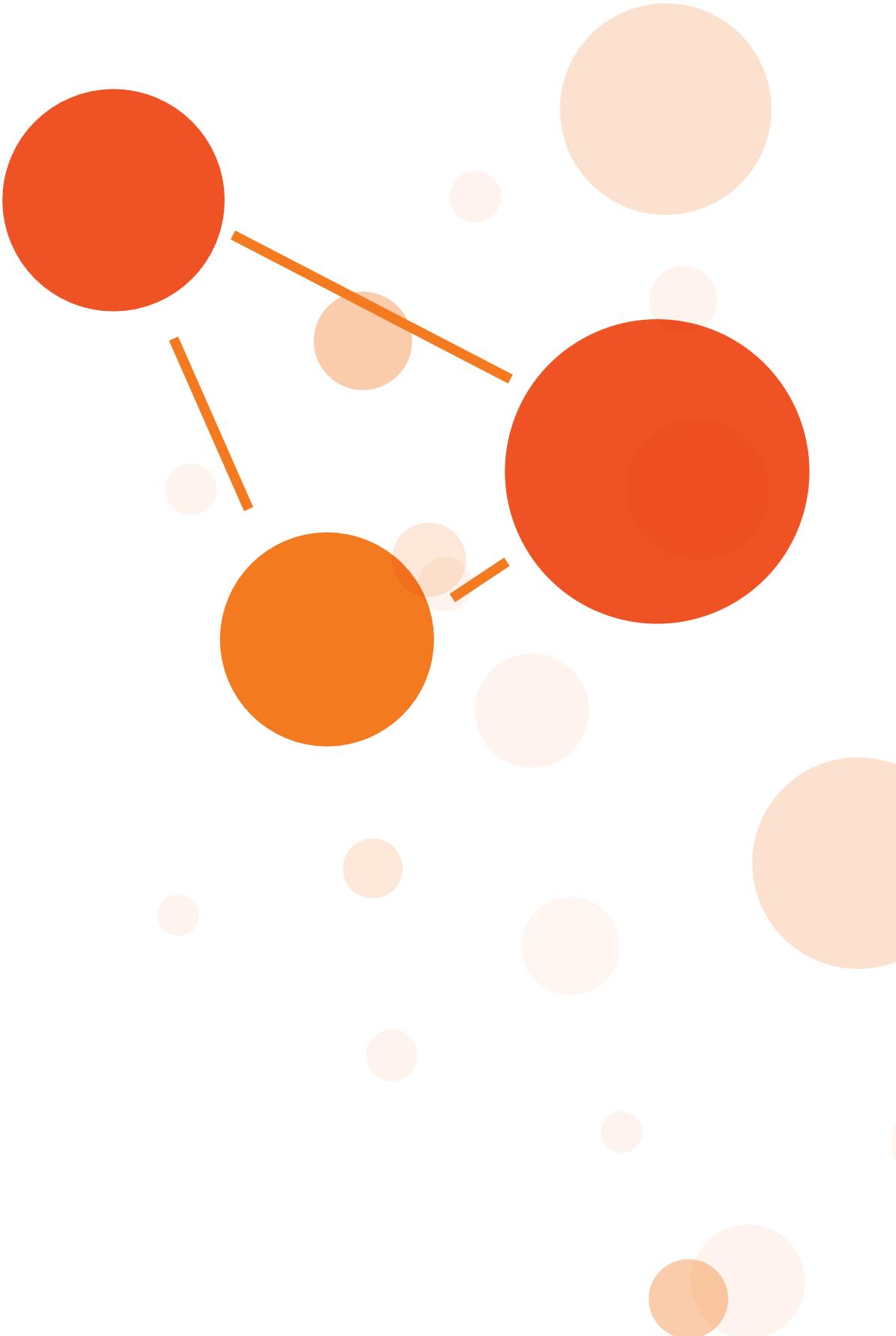
How are your managers handling performance conversations? Is your organization still stuck using the archaic annual performance review? Embracing a more modern and authentic performance management strategy could spark excitement and increase engagement. Consider moving toward ongoing performance conversations and one-on-one meetings.

Think About Your Employee Recognition Program

Employees want to be recognized when they contribute to the organization's success — this is always a key engagement driver in our national employee engagement trends research. Recognition programs should be tied to company values, and it should be easy for any employee to recognize another employee in real-time.

Think About Goal Setting, Tracking, and Alignment

If employees don't understand how their work contributes to the organization's success (which is another key engagement driver!) they will likely get derailed and disengage. A [solid goal tracking system](#) can help employees set and track meaningful goals that are aligned with departmental and organizational goals.





Think About Other Sources of Feedback

Your employee engagement survey is not, and should not be, the only tool in your toolbox for collecting employee feedback. We recommend using pulse surveys throughout the year to follow up on engagement survey questions and measure progress.

You should also take advantage of tools that allow you to collect ongoing 360, peer-to-peer, and upward feedback on an as-needed basis. These types of feedback provide a more comprehensive overview of the true state of the employee experience, and they also help employees feel heard.

Think About Your Talent Management Approach

Your organization should have a streamlined and collaborative system for tracking talent. This is key to making strategic, well-timed, and informed talent decisions. Leaders and managers should easily be able to identify rising stars and talent risk using credible and accessible talent metrics.

SECTION FIVE

Keeping Engagement Top of Mind

When you make engagement a topic of ongoing discussion within your organization, employee engagement can become a sustainable, business-driving part of your culture. But not until then! It's up to you to keep engagement top of mind at your organization, and to continuously prove the value of your engagement efforts all year long.



5 Ways to Keep Engagement Top of Mind

1

Reaffirm areas of strength.

Start with celebrating what's going well — and don't be afraid to brag about it a little! It's tempting to focus on areas that need improvement, but elevating strengths can make a big impact on engagement and can also attract new and awesome talent.

If your survey shows that employees feel like they have access to top-notch professional development opportunities, that's something you should be sharing with potential talent. You should also make sure that every employee knows how to access those opportunities.

If there's a certain company value that really resonates with your employees, figure out new and unique ways to bring that value to life, both internally and externally.



2

Highlight areas of opportunity.

One of the biggest advantages of surveying employees is shedding light on weak areas that you might not have known about otherwise. Increasing awareness of an issue that you didn't know was disengaging employees (and possibly leading to turnover) is a win in itself.

It may be tempting to keep quiet about these areas of improvement, but that's the worst thing you could do. Employees will appreciate the transparency, and they will feel good knowing that you are committed to positive change. Plus, it's likely that employees will come forward with unique and creative solutions to the area that needs fixing.

3

Share examples of how collecting feedback leads to engagement.

Most employees are grateful for the opportunity to share their thoughts and concerns, even if their feedback is negative. When employees express appreciation for these opportunities in survey comments or conversations, share these snippets with leadership. This will reassure them that giving employees a voice — regardless of their engagement level—has a positive impact on company culture.

4

Showcase ways that different groups are focusing on engagement.

It's likely that teams and departments across your organization are already trying to improve engagement. Make it a point to dig up those success stories and share them. This will make it much easier to see who is making an impact on engagement, how they are achieving success, and encourage others to follow suit.

HERE ARE SOME EXAMPLES WE'VE SEEN:

- **Learning and development opportunities:** When an employee is empowered to take actions that better utilize their strengths and fulfill their passions, you can almost guarantee increased engagement. Look for teams or departments that are offering unique learning and development opportunities, job shadowing, job crafting, career pathing, and other opportunities.
- **Manager-employee conversations:** One of the easiest ways to boost communication, collaboration, and engagement is with regular individualized one-on-one meetings between managers and employees. If you have a rock-star manager who already does this, connect that manager with other managers who might be struggling.
- **Task forces and tiger teams:** When employees are given the opportunity to join initiatives outside of their day-to-day responsibilities (like your engagement task force!), it creates a more well-rounded and engaging experience for them. Highlight these teams and the work they are accomplishing, and encourage employees to share their experiences.
- **Workplace perks:** Make a big deal about new perks made available to employees. When organizations invest in break room renovations, paid lunches, gym memberships, and other unique perks, it helps employees feel valued and cared for.

**5**

Tie engagement efforts to business outcomes.

Although many organizations measure engagement, few analyze the impact it has on their business objectives. Can your leadership team draw the line from engagement to key business outcomes? Do your employees understand how engagement affects their ability to meet their goals?

Understanding exactly how engagement affects your bottom line can revive interest in (and commitment to) your engagement strategy. It can provide new insights that help propel your organization and break the status quo.

START BY IDENTIFYING OUTCOMES AND YOUR ORGANIZATIONAL VALUES.

What drives your organization? Is it sales? Customer satisfaction? Innovation? The first step is to determine what to measure. You'll want to pick outcomes your leaders and employees value because they are natural motivators. If everyone can see a positive link between engagement and the business outcome they value, they will have more motivation to commit.

You can tie engagement to a variety of metrics, tracked at the location, department, or employee level. Here are a few examples:

- Turnover
 - Customer ratings
- Sales
 - Workplace safety
- Productivity
 - Absenteeism
- Profitability
 - Product quality

Think through the metrics your organization is already tracking and the data you have access to. After conducting an analysis on the relationship between engagement and business metrics, share the results with your internal and external stakeholders.

When you can demonstrate engagement's effect on other organizational outcomes, your managers, leaders, and shareholders will have more reason to make engagement a priority and share excitement over developing new ideas to create an awesome workplace.



Ushering in a New Era of Employee Engagement

If you're tired of the old ways of engagement and ready to start seeing a real difference, you have to commit to change at every level of the organization — in the micro moments that make up the day-to-day employee experience.

Quantum Workplace's all-in-one engagement and performance platform can help you:

- Survey employees to provide direction for your engagement strategy
- Recognize employees and boost morale
- Give and receive employee feedback
- Set and track aligned goals
- Schedule and conduct effective 1-on-1 meetings
- Successfully manage your talent pipeline

Schedule a demo!