

Return on Investment Employee Engagement and Your Bottom Line

The Employee Experience: Engagement as a Key Strategic Imperative

Engagement is the degree to which employees are psychologically invested in the organization and motivated to contribute to its success.

- ✓ Loyal.
- ✓ Behave, Perform, and Contribute at high level.
- ✓ Give more discretionary effort.

Why invest in engagement? What's the ROI?

What the researchers are saying:

According to a 2013 Gallup Study, companies in the top quartile of employee engagement demonstrate:

- 41% higher quality
- 22% higher profitability -- It pays to engage!!
- 21% higher productivity
- 48% fewer accidents
- 37% reduced absenteeism

Also, Gallup analyzed three years of inpatient satisfaction data from a subset of hospitals for which survey data from employees and inpatients were available. They were able to show a strong relationship between the two.

An HR Solutions case study using nearly 29,000 healthcare employee opinion surveys revealed compelling evidence that employee engagement has a direct tie to patient satisfaction. In the survey, it was determined that:

- 85 percent of *engaged employees displayed a genuinely caring attitude toward patients*, compared to only 38 percent of disengaged employees.
- 91 percent of *engaged employees recognize their workplace as dedicated to patient care*, compared to only 42 percent of disengaged employees.
- 82 percent of *engaged employees would want to use the facility where they work as a healthcare provider*, compared to only 22 percent of disengaged employees.

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Why invest in engagement? What's the ROI?

What we are seeing:

Case Example #1:

Case Example #2:

Case Example #3:

What are you seeing?

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The Levels of Engagement

Who are these people in your organization?

- Engaged
- Non-Engaged
- Actively Dis-Engaged

What can we do to increase engagement?

- **Understand what your employees think and want.**

“Belief in the future of the organization” and “confidence in senior leadership” have been strong drivers of engagement. It is not just the front line managers’ responsibility to engage employees.

Engagement Tactic: ROUNDING

- **Build a trust culture**

Don’t be afraid to communicate results and plans (including disappointing results or occurrences). Your employees will know they can trust all communication that comes from your team. Good and Bad. Measure important things and communicate the results (in a quick, easy, understandable way) - often.

Engagement Tactics: CEO Forums, Communication Boards

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- **Bring Mission, Vision, Values, & Standards “Alive”**

Connect your employees to “purpose.” Do all employees know how they can contribute to your organization’s success? Communicate the organization’s mission, vision and values - this has been shown to provide 51% higher chance of engagement. Live those Values. Modern Survey reports that higher engagement occurs when employee feel that the organization’s values guide employee behavior. Communicate openly the high standards regarding how employees must treat the customer and each other. Leaders must model it.

Engagement Tactic: CEO FORUMS, Role Modeling, “Campaigns”

- **Provide clear career paths**

Many organizations report that they are cutting training and development budgets; yet “My company invests in me” is a key driver of engagement. There are generational differences within your workforce in regard to career paths.

Engagement Tactics: Rounding, Leader & Employee Development

- **Demonstrate appreciation for behavior, performance, & contributions.**

Is your hospital a desert for compliments and a waterfall of criticism? Turn it around. Focus on a culture of 3:1 (ratio of compliments to criticism). Engage your CPOs (chief party officers).

Engagement Tactics: Celebration, Recognition, Appreciation

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- **ABOVE ALL : COACH**

Important decisions: Who you select to be on your team, who you allow to remain on your team, and who you promote. **Hire better than you have.** Adopt hiring and on-boarding practices to hire for behaviors and train to skill. **Cure or Cut Out the Cancer** – Muster the will and learn the skills to address behavior, performance, and contributions that don't meet the high standards of your organization. **Coach Who You Keep!** Coach more often than a performance evaluations once a year (or less). Performance evaluations done in a timely fashion have been shown to promote higher than average engagement.

Engagement Tactics: Behavior-Based Peer Interviewing, Direct Dialogue, Performance Evaluations/Conversations

- **Create a Structure of Engagement**

John Kotter, international change guru, advocates for the creation of a “second operating system” (or a “hierarchy outside the hierarchy”, or a “volunteer army). To create this second operating system in such a way that engages employees.

Engagement Tactics: Create an employee-driven team structure that is empowered to contribute to key organizational strategies.

- **Measure and Set Goals for Engagement**

- Comprehensive Survey (preferably annually)
- Do something with the results (organization wide and department specific).
- Keep employees up to date on what actions are being taken based on the results (...connect the dots).
- Check the pulse. Don't just survey just once a year. You have to check in to know if your efforts are working?

- **Self-Assess: Are you engaged?**