Going Beyond Employee Engagement to Business Results

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It seems that we can't turn around today without having a conversation that touches on employee engagement. Yet despite all the attention, it hasn't really moved the needle. In the graphic below, pulled from Google Trends, you can see the interest in employee engagement for over ten years.

Interest over time		Google Trends
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75	m./	wwwwww
50	Mullin	
25	W	
Jan 1, 2004	Nov 1, 2008	Sep 1, 2013
Worldwide. 2004 - present	t.	

The interest level peaked in 2016, and if the trend continues, it will expand beyond its current levels by the end of the year. But to what end? Gallup's <u>regular research</u> into engagement points out a fairly dismal picture, and companies are trying to improve this measure to no avail.

I'm going to offer two answers to this problem that not only illuminate the issue, but give you some options to consider as you try to combat the pervasive issue of disengaged employees.

Engagement is Not a Program

The first thing many leaders do when they get that annual feedback survey from employees is say, "Oh, no, engagement is down. Let's create a program to push engagement up!"

Good luck with that. The truth is that employees are probably tired of your "programs." Programs begin and end. A great employment relationship does more to drive engagement than a pat on the back of recognition or a gift card. As long as the company is meeting the basic elements of

an employee's needs financially, other factors come into play for influencing the level of engagement.

A large chunk of money isn't even going to work, even though many companies can't afford to offer that to each of their staff. More money has been shown to <u>reduce dissatisfaction</u>, but it doesn't drive happiness or increased satisfaction for the employee.

The challenge is to see engagement not as a one-off activity, but as a holistic view of the employee experience. Being able to tie each of those disparate activities together into a cohesive experience that employees are proud of is a key element to ultimately driving engagement numbers. That means everything from the first moment the person applies for a job all the way through to managing work schedules, getting performance reviews, and beyond.

Every opportunity for interaction with the organization is either a plus or a minus in the engagement column, and while we can't expect to win every battle every time, the goal is to keep that number going in a positive direction over time (and reaping the rewards, which we'll talk about below).

Engagement is Not an Outcome

Some leaders check engagement scores as if they were the latest sales figures or turnover statistics. In reality engagement is not the outcome we are shooting for--we are looking for something deeper and more meaningful. It's time to <u>change the way we think about HR</u>.

Innovation. Companies everywhere are trying to create more innovative atmospheres for employees. But what if the answer isn't open office space but a higher engagement score?

Innovation is a <u>key outcome</u> of engagement. Recent research by Gallup found that 61 percent of engaged employees feed off the creativity of their colleagues, compared to a mere 9 percent of disengaged employees. In addition, it found that 59 percent of engaged employees believe their job brings out their most creative ideas, compared to only 3 percent of disengaged employees.

Retention. The only thing better than engaging our employees is keeping them around to deliver excellent results over time. Towers Watson <u>research</u> points out that retention is tied in with many of the factors that play into employee engagement, such as career advancement opportunities, confidence in senior leadership, and a manageable amount of work-related stress. Manage those factors well, and employees will stick around and produce results.

Revenue. In a discussion of concrete impacts, we would be remiss if we didn't touch on the one that matters most to many organizations: the bottom line. There are <u>several pieces</u> of research

that demonstrate the link between engagement and financial results. According to Towers Perrin research, companies with engaged workers have 6 percent higher net profit margins, and Kenexa research points out that engaged companies have five times higher shareholder returns over five years.

Each of these points helps to paint a more nuanced picture of employee engagement, establishing it not as a standalone program or an end result, but as a holistic journey towards greater business results.