



WHY ENGAGEMENT MATTERS

One of the most powerful drivers of productivity and profit is how engaged people are in the work they do. In this bonus you will learn how to measure employee engagement

- The power of the emotional life in work
- Tools for measuring engagement
- Mistakes to avoid and best practices

In every task of life, we are well served to remember the iceberg. The external and visible task we perform in our work is really only a small part of what's happening.

The much larger reality is beneath the surface of the water. This is our Inner Work Life and it is the domain of employee engagement.



In the simplest terms engagement drives productivity and profit. The happier you are, the better you perform. This shouldn't be surprising to anyone. We all know the experience directly.

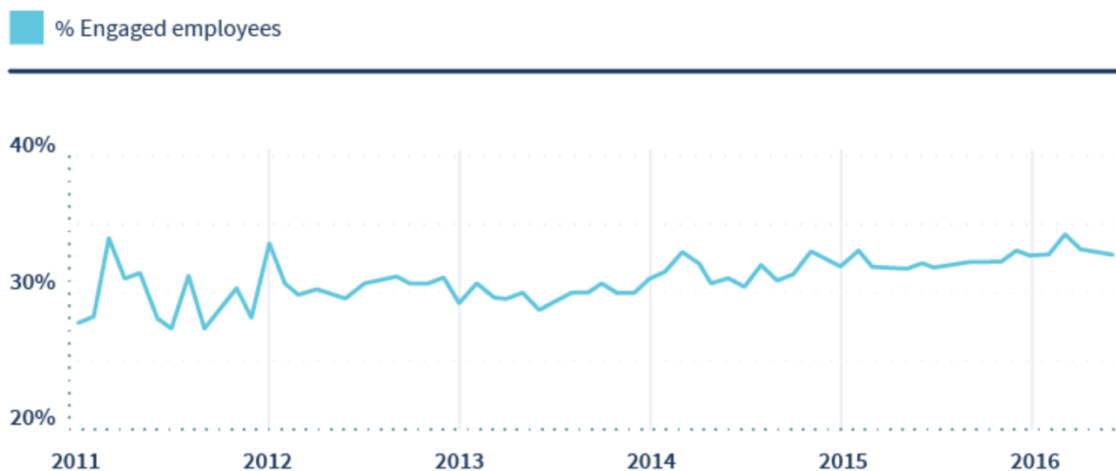
But the research does reveal this in stark quantifiable terms. Here are just a few stats:

- Disengaged employees cost organizations between \$450 and \$550 billion annually.ⁱ
- Highly engaged business units experience:ⁱⁱ
 - 21% greater profit
 - 20% increase in productivity
 - 41% reduction in absenteeism
 - 10% increase in customer service
 - 20% increase in sales
- Companies with highly engaged employees:ⁱⁱⁱ
 - Outperform those without by 202%
 - Customer retention is 18% higher than those without

Less than third of U.S. employees have been engaged over the last 15 years.

U.S. Employee Engagement - Monthly averages

JANUARY 2011 - JUNE 2016



Figures shown are for June of each year
Gallup Daily tracking

This is bad news for the 10s of millions of people in the workforce who are unhappy and unproductive. The good news for leaders is, the bar is pretty low in general. That means it will be easy to outpace competitors.

WHAT IS ENGAGEMENT?

The emotion we call “engagement” is a complex one that can be difficult to nail down. with many different sources. For some it is about happiness, others it’s about alignment with goals, others it’s feeling purposeful.

However, you can be happy and work and not feel your manager knows what they are doing. You can have a manager who is very knowledgeable but doesn't provide much coaching. You can have a manager who coaches you, but you have no sense of alignment with the purpose of the organization. All of these impact engagement.

It is easy to see how squishy “engagement” really is, and how difficult it is to change it with so many variables.

Here’s a simple definition to start:

Employee engagement is how committed a person is to an organization

It’s important to remember that engagement not the same thing as “happiness.” You can be happy at work and completely unproductive or ineffective.

Engagement includes happiness but includes more. It involves a strong emotional commitment.

When this is present, we are far more willing to go above and beyond our job responsibilities to make a contribution, we are more eager to express creativity, and far better at providing value and service to customers.

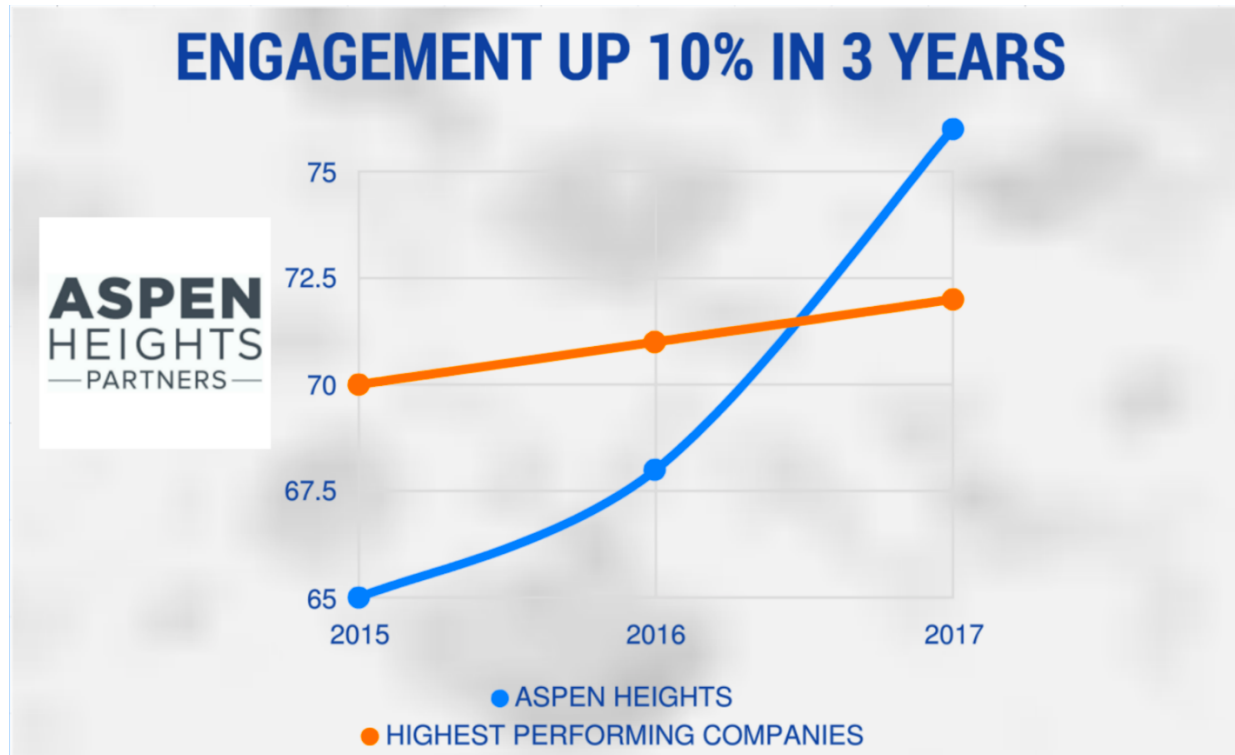
WHY MEASURE ENGAGEMENT?

In the simplest terms, whatever an organization measures will get done. People focus their efforts and energy in a different way when they monitor results.

I was responsible for the employee engagement improvement process for Aspen Heights Partners, a real estate development company. When we started following

the process I outline below, we saw significant increases each year for the three years I was involved.

The process mobilized and enrolled many stakeholders in the solutions. The annual measurement also makes people accountable for acting on agreements.



ⁱ <https://www.conference-board.org/dna-engagement2017/>

ⁱⁱ <http://www.gallup.com/reports/199961/state-american-workplace-report-2017.aspx>

ⁱⁱⁱ <http://www.dalecarnegie.com/employee-engagement/engaged-employees-infographic/>