

WHAT THE BEST DO DIFFERENTLY



It bears repeating that only 13% of the world's workers are engaged in their jobs. Given the proven links between employee engagement and financial outcomes, if organizations worldwide could find a way to double the number of engaged employees, it would dramatically improve their balance sheets and change the world's entire economic trajectory.

Doubling the number of engaged employees may seem unrealistic, but Gallup sees these sorts of substantial increases in employee engagement all the time — regardless of country or region. If the successes Gallup's clients achieve are any indication, doubling the number of engaged employees is not wishful thinking — many of our clients, both large and small, are already doing it or are well on their way. The median engagement level among all of Gallup's clients is 47%, and it is even higher among our best clients, the winners of the 2013 Gallup Great Workplace Award. These organizations have an average of 63% engaged employees and boast nine engaged employees for every actively disengaged employee — a ratio that is more than 16 times the global average.

The best organizations that Gallup has studied deeply integrate employee engagement into the following four areas:

- 1. Strategy and Leadership Philosophy.** Although more organizations worldwide are beginning to recognize the central role employee engagement plays in driving profit and growth, leaders still fail to provide a clear vision to their people of how engagement connects to the company's mission and growth strategy. If leaders portray employee engagement simply as a survey or a human resources initiative — or worse, aren't involved at all — they will not realize the business results we've outlined in this report. The best leaders understand that there is an emotional undercurrent to everything they do, which affects how they conduct business every day. They take a strategic, top-down approach to engaging leadership teams and then cascade engagement through the ranks of managers to employees on the front lines.
- 2. Accountability and Performance.** Highly engaged organizations hold managers accountable — not just for their team's engagement, but also for how it relates to their team's overall performance. They embed engagement into managers' balanced scorecards and use it as performance evaluation criteria. What's more, the most engaged organizations that Gallup works with infuse engagement into their culture through the tone their leadership sets and the way employees and managers do their work. Engagement permeates every conversation, whether it's a one-on-one meeting, a team huddle, or a regional assessment.

3. **Communication and Knowledge Management.** Leaders in the best organizations take a strategic approach to aligning their employee engagement communication efforts. They find ways to communicate engagement's impact throughout the year and share engagement tools and best practices within the organization. They use every opportunity, touchpoint, and available communication channel to reinforce and recognize the organization's commitment to employee engagement. Employee engagement is fully integrated into the organization's lexicon.
4. **Development and Ongoing Learning Opportunities.** The world's top-performing organizations start engaging employees from the minute they show up on the first day. These organizations have well-defined and comprehensive leader and manager development programs, but they also go one step further — they fully integrate employee engagement into these programs. They take leaders' and managers' development seriously and focus on the development of individuals *and* teams. Employee engagement is a fundamental consideration in their people strategy.

The most highly engaged organizations do not get that way by accident; it takes proper execution, hard work, and perseverance to master the integration of each of these four critical components. These top-performing organizations are outcomes-focused. They define and rigorously measure success at every level in the organization in a way that focuses every person, team, department, and business unit on driving performance and results.

Transformation is not easy — it takes a lot of energy and effort to initiate change, and even more to build on that momentum — but it is possible. As our research shows, the benefits are tremendous for organizations that get it right. They are more productive and profitable. They are more likely to retain top talent and attract new talent because their engaged culture differentiates them from other workplaces. They get the most from their employees by tapping into their passion, potential, and discretionary efforts. And they get the most from their customers when employees become brand ambassadors for the company and learn to maximize each customer interaction.

These organizations consistently outperform their competitors, and they consistently grow and thrive — even in challenging economic times.

Right now, the bleak reality is that 63% of the world's employees have essentially checked out, and an additional 24% are acting out their unhappiness and undermining the accomplishments of the 13% who are committed to innovation and organizational progress.

We hope this report will serve as a wake-up call to business leaders worldwide who are serious about putting their companies — and their countries — back on the path to real, sustainable growth. 



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