INTRODUCTION

Following three thought-leadership pieces on diversity (2013’s The balancing act: Creating a diverse workforce, 2014’s Hiring attitudes survey in conjunction with Insync Surveys, and 2015’s Leading Women survey), we felt the time was right to explore staff engagement, which is high on the agenda once more thanks to our ever-changing world of work.

An engaged workforce is typically one in which employees understand and are committed to an organisation’s values and objectives, and are passionately motivated to not only offer their very best at work but to go above and beyond to help achieve its goals.

An engaged workforce doesn’t just happen. It’s a two-way process in which an organisation needs to work hard to engage its staff and, crucially, where employees themselves decide how engaged they will be in return. It’s a symbiotic relationship where both the employer and employee support each other; if one side fails to back the other, engagement levels deteriorate rapidly.

In this report we look firstly at why engagement is important to employers. In the main body of our report we share practical strategies, covering both intrinsic and extrinsic factors, you can take to improve your organisation’s employee engagement levels.

As a results-orientated company, we hope the strategies detailed herein will help you achieve a lasting and positive impact in your world of work.

Nick Deligiannis
Managing Director, Hays Australia & New Zealand

MORE INFORMATION:

Should you have any questions or comments regarding this white paper please contact:

Kathy Kostyrko
Director Hays
+61 (0)2 6112 7629
kathy.kostyrko@hays.com.au
According to our survey of employers, 83 per cent believed staff engagement is important to their organisation and a further 14 per cent said it is important ‘to some degree’. Just 3 per cent said staff engagement is not important.

Australia is poised for a significant shift in the recruitment landscape thanks to our booming residential property sector, the expansion of sales teams, the explosion of digital projects and the constant demand for healthcare services. Already permanent vacancy activity has increased, and 36 per cent of more than 2,600 organisations surveyed in our recent salary guide, representing almost 2.9 million (2,891,747) employees, intended to increase their permanent staff levels further.

In New Zealand the expanding residential and commercial construction sectors, pending Government infrastructure projects, a widespread desire to utilise big data, new foreign brands entering the market and higher than expected levels of business activity are increasing demand for temporary and permanent professionals.

...and in the wider world...

Firstly, an engaged workforce is more likely to be retained long-term than an unengaged workforce. A further 12 per cent agreed with this sentiment ‘to some degree’.

Secondly, an engaged workforce will be more productive and innovative than an unengaged workforce.

Our own survey found that 98 per cent of employers believe an engaged workforce is more productive than an unengaged workforce, with the remaining 2 per cent agreeing ‘to some degree’.

Meanwhile 90 per cent said an engaged workforce is more innovative, with the remaining 10 per cent agreeing ‘to some degree’. Not one respondent felt that there was no difference in terms of innovation between an engaged and unengaged workforce.

According to our survey of employers, 83 per cent believed staff engagement is important to their organisation and a further 14 per cent said it is important ‘to some degree’. Just 3 per cent said staff engagement is not important.

According to the Workplace Research Foundation, highly engaged employees are 38 per cent more likely to have above-average productivity. Meanwhile research from Insync Surveys shows engaged employees are almost five times more likely than disengaged employees to say their organisation is committed to bringing innovative products and services to the marketplace. The same research concluded that ‘disengaged employees actually act as a hand brake on your efforts to accelerate productivity and innovation’.

Thirdly, an engaged workforce impacts positively on an organisation’s bottom line. A study by Gallup found that companies in the top quartile for engaged employees, compared with the bottom quartile, have 22 per cent higher profitability and 10 per cent higher customer ratings. In addition a Dale Carnegie study found that companies with engaged employees outperform those without engaged employees by up to 202 per cent; while a study by Harvard Business Review concluded that an engaged workforce has a positive impact on business and financial performance.

Our own survey found that 90 per cent of employees believe an engaged workforce has a greater positive impact on an organisation’s financial performance than an engaged workforce. A further 9 per cent agreed this is the case ‘to some degree’. Just 1 per cent said there is no difference between the impact of an engaged and unengaged workforce on an organisation’s financial performance.

Finally, a highly engaged workforce is willing to go the extra mile and put in discretionary effort. Temkin Group research shows that highly engaged employees are 2.5 times as likely to stay at work late if something needs to be done after the normal workday ends compared with disengaged employees. They’re also more than two times as likely to help someone at work even if they don’t ask for help, and more than three times as likely to do something good for the company that is not expected of them.

In addition, Gallup found that highly engaged employees on average have 3.9 days off work sick per year, but their actively disengaged colleagues miss an average of 10.7 days sick per year.

Despite this our survey found that just 40 per cent of employers feel that the vast majority of their staff are engaged.

For employers seeking to maximise their human capital investment, it’s therefore no wonder that employee engagement is one of the highest issues on the agenda. In the next section you will find our ideas to inspire your staff engagement strategy.
Increasing your employee engagement levels may seem like a daunting task, but by breaking it down into manageable segments you can start to positively impact engagement and increase the return from your human capital investment.

The following practical advice will get you started and is supported by findings from our survey of 1,196 employers and employees.

It is broken into two sections: intrinsic factors and extrinsic factors.

**Intrinsic factors** come from within, such as having a purpose, a sense of achievement, a feeling of being valued, a feeling that emotions are respected, a sense of being treated fairly, and satisfaction from making a difference. While an organisation does not have total control of these factors, you can be an influence by ensuring employees have the knowledge, understanding and relationships that will allow them to switch on and engage.

**Extrinsic factors** come from outside the employee and are external influences, such as the financial rewards received, the environment they work in, being given an efficient induction and onboard process, recognition and flexibility. You have a greater influence over such factors.

Employees can be engaged by intrinsic or extrinsic factors, but most commonly through a combination of both. They may also crossover. For example, a sense of achievement is an intrinsic factor, but extrinsic mechanisms such as your performance management process influence an employee’s view of their success and how their efforts are viewed within the organisation.

To determine what will engage your employees, seek out their opinion and allow open and honest communication, such as via employee engagement surveys or one-on-one discussions, so that you understand their needs, goals and what makes them satisfied and engaged at work. After all, everyone is different and there is no one-size-fits-all answer.

### Intrinsic factors

**Purpose**

In our survey of 396 employers, 87 per cent said clear communication of the organisation’s objectives and strategy is ‘very important’ or ‘important’ in engaging their workforce. But 60 per cent said they need to address this issue in order to improve staff engagement in their organisation.

We also surveyed 800 employees working in over 27 industries, 94 per cent said clear communication of the organisation’s objectives and strategy is a ‘very important’ or ‘important’ engagement factor for them. 27 per cent said they would look for another job if an organisation did not communicate its objectives and strategy, while 52 per cent said they might look elsewhere. 61 per cent would go above and beyond for an organisation that communicated its objectives and strategy to them with a further 33 per cent ‘maybe’ doing the same.

87 per cent of employers said making sure staff understood how their role helps the organisation achieve its objectives is ‘very important’ or ‘important’ in terms of engagement. Just over half (52 per cent) said they need to address this in order to improve staff engagement in their organisation.

In comparison 94 per cent of employees said a clear understanding of how their role helps the organisation achieve its objectives is a ‘very important’ or ‘important’ engagement factor for them. What’s more 26 per cent said they would look for another job if they did not have this understanding, while 51 per cent might look elsewhere. 65 per cent would go above and beyond if they understood how their role helps the organisation achieve its objectives and a further 29 per cent would ‘maybe’ do the same.

Finally 88 per cent of employers said making sure staff understood how their role contributes to the organisation’s success is ‘very important’ or ‘important’ in engaging their workforce. 54 per cent said they need to work on this.

Meanwhile 92 per cent of employees said a clear understanding of how their role contributes to the organisation’s success is a ‘very important’ or ‘important’ engagement factor for them. So much so that 26 per cent would look for another job if they did not have this understanding, with a further 51 per cent admitting they might look elsewhere. 67 per cent would go above and beyond if they understood how their role contributes to the organisation’s success.

Employees who understand what they are working towards feel a greater sense of purpose. They feel they are making a difference and are working towards something that matters. They are also far more likely to support the organisation’s objectives because they understand them. They’re given ownership in the organisation’s success because they know what is expected of them and what their part is in achieving the desired outcome.

In contrast, organisations that don’t communicate their strategy and employees’ role in achieving organisational goals create an atmosphere of uncertainty where senior managers and executives are seen to rule from above. A ‘them and us’ culture is created and engagement levels fall.

So one easy starting point from which you can have an immediate impact on employee engagement levels is to increase the communication flow from executives and senior managers to the rest of the organisation. Employees – especially your top performers – are genuinely interested in the organisation’s objectives and strategy. They want to know how the organisation is progressing in terms of reaching set objectives, and they want to know what their part is in that process.

This also helps employees feel valued as they know that their contribution makes a difference and gives their role meaning.

While executives in larger organisations cannot connect with every member of staff, they can run regular monthly or quarterly face-to-face meetings, video conferences or presentations to share the organisation’s strategy, report results and progress, and highlight the areas of focus for the month or quarter ahead.

In some organisations the leadership team also runs informal events with staff, such as drinks after work once a month where senior leaders can interact with staff and discuss strategy and progress. Newsletters, blogs and social media are other popular communication channels.

Regardless of the channel/s you adopt, to be successful communication must be regular, honest and upfront. According to a Towers Watson survey, only 60 per cent of employees think their organisation’s senior management communicates openly and honestly to them. Such poor communication impacts trust and in turn engagement.

You should also provide an opportunity for employees to ask questions and raise concerns. This allows communication to become a two-way process in which senior managers and executives listen as well as talk.

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**Employees going above & beyond vs. employees looking for another job**

- **Staff Engagement - Ideas for Action**

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<th>% of survey respondents indicating the engagement factor as ‘important’ or ‘very important’</th>
<th>Employees going above &amp; beyond vs. employees looking for another job</th>
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<tr>
<td><strong>Clear communication of the organisation’s objectives &amp; strategy</strong></td>
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A sense of achievement

In our survey of employers, 85 per cent said making sure staff understand how their success will be measured is ‘very important’ or ‘important’ in engaging their workforce, yet 43 per cent said they need to work on this in their own organisation. Meanwhile 95 per cent of employees said an understanding of how their success will be measured is a ‘very important’ or ‘important’ engagement factor for them. So much so that 27 per cent would look for another job if they did not have this understanding, with a further 52 per cent admitting they might look elsewhere. 60 per cent would go above and beyond if they understood how their success will be measured, with another 33 per cent ‘maybe’ doing the same.

As these results show employees want to know how their success will be measured so they know when they have achieved something, and therefore employees need to know how you will measure their work and what achievements constitute success. We examine performance management later in this paper, but for now the point to emphasise is that we must clearly understand, with a further 52 per cent admitting they might look elsewhere. 60 per cent would go above and beyond if they understood how their success will be measured, with another 33 per cent ‘maybe’ doing the same.

A feeling of being valued

How do you make sure your employees feel valued? It costs nothing to recognise the work of your team and letting your staff know that their hard work and successes are valued has a huge impact on staff engagement, loyalty and morale. After all, top talent want to be recognised for a job well done and want to feel that their efforts are valued.

In our survey of employers, 87 per cent said making sure each individual feels being valued by the organisation is ‘very important’ or ‘important’ in engaging their workforce. But 52 per cent said they need to address this in order to improve staff engagement in their own organisation. Meanwhile 97 per cent of employees said a feeling of being valued by the organisation is a ‘very important’ or ‘important’ engagement factor for them. So much so that 62 per cent would look for another job if they did not feel valued, with a further 30 per cent admitting they might look elsewhere. A massive 87 per cent would go above and beyond if they were made to feel valued by the organisation and a further 12 per cent would ‘maybe’ do the same.

87 per cent of employers said recognition when staff do a good job is ‘very important’ or ‘important’ to engage their workforce – although over half (52 per cent) said they need to improve in this area. Meanwhile 95 per cent of employees said recognition for a job well done is a ‘very important’ or ‘important’ engagement factor for them. So much so that 39 per cent would look for another job if they did not receive recognition, with a further 46 per cent admitting they might look elsewhere. 52 per cent would go above and beyond if they received recognition for jobs well done, with another 16 per cent ‘maybe’ doing the same.

In addition 75 per cent of employers feel that rewards when staff do a good job are ‘very important’ or ‘important’, with 33 per cent admitting they need to address this issue in order to improve staff engagement in their organisation. Meanwhile 78 per cent of employees said rewards for a job well done are ‘very important’ or ‘important’ in engagement terms. So much so that 30 per cent would look for another job if they did not receive rewards for top performance, with a further 42 per cent admitting they might look elsewhere. 76 per cent would go above and beyond if they received rewards for a job well done, with another 20 per cent ‘maybe’ doing the same.

Various studies have shown just how far a simple thank you can go in employee engagement terms. A study by Harvard Business Review found that 72 per cent of respondents rank recognition given for high performers as having a significant impact on employee engagement. A Gallup poll found that 82 per cent of employees surveyed said that recognition motivates them to improve their job performance. Another study, this time by Bersin & Associates, found that companies that scored in the top 20 per cent for building a “recognition-rich culture” had 31 per cent lower voluntary turnover rates.

Forms of recognition vary depending on what works best for each individual organisation and its employees, but the one thing all successful recognition programs have in common is that they are always sincere.

Some organisations choose to formally recognise top performance in regular weekly, monthly or annual meetings or events. This formal approach serves to both recognise success while also inspiring other team members. Other organisations prefer an informal and spontaneous approach that provides recognition as and when success is achieved. This can range from sharing positive client feedback in a team email, newsletter or company blog, to shouting morning tea or letting an employee finish an hour early for a job well done.

Just make sure you recognise employees who have achieved something that supports your overall objectives and values. For example, an employee may have cleaned up the database, but unless that helps the organisation achieve its overall business strategy and goals, is it worth positive recognition? Also, some organisations find that they are recognising people for merely performing their job rather than going above and beyond, so make the distinction and provide recognition for exceptional achievements and specific results.

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% of survey respondents indicating the engagement factor as ‘important’ or ‘very important’

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A sense that their emotions are respected

Most of us have heard of emotional intelligence (EI), but few managers have examined their own EI and considered how it impacts their employees’ engagement.

Research has found that a manager’s emotional intelligence influences the engagement levels of their staff. For example, Benjamin Palmer and Gilles Gignac’s 2012 Australian study found that 23 per cent of the variability in direct report engagement impacts their employees’ engagement. When we refer to an organisation’s culture, we are usually referring to its values, behaviours and unique way of operating. But the emotional culture is the “values, norms, artefacts, and assumptions that govern which emotions people have and express at work and which ones they are better off suppressing,” write researchers Sigal Barsade and Olivia A. O’Neill in the Harvard Business Review.

They go on to note, “Every organisation has an emotional culture, even if it’s one of suppression. By not only allowing emotions into the workplace, but also understanding and consciously shaping them, leaders can better motivate their employees.” But when emotional culture is ignored, managers are “glossing over a vital part of what makes people—and organisations—tick,” they say.

Given that emotional culture can impact employee engagement as much as our traditional notions of organisational culture, it’s worth considering Barsade and O’Neill’s advice:

• Include emotions in your management principles:
  • PepsiCo, Southwest Airlines, Whole Foods Market, The Container Store, and Zappos all list love or caring among their corporate values. Similarly, C&S Wholesale Grocers, Camden Property Trust, Cisco Finance, Ubiquity, and Vail Resorts, along with many start-ups, highlight the importance of fun to their success,” they write.

• Little gestures make all the difference: Model your organisation’s emotional culture throughout the working day in “small gestures rather than bold declarations of feeling.” For example, little acts of kindness and support can add up to an emotional culture characterised by caring and compassion.

• Be aware of your facial expressions: “If a manager consistently comes to work looking angry (whether he means to or not), he may cultivate a culture of anger.” Conversely, Barsade and O’Neill note, “If you regularly walk into a room smiling with high energy, you’re much more likely to create a culture of joy than if you wear a neutral expression. Your employees will smile back and start to mean it.”

• Encourage the existing emotions you want to see more of: Barsade and O’Neill suggest you could “provide mindfulness apps on people’s work devices to remind them to simply breathe, relax, or laugh; or create a kudos board… where people can post kind words about other employees.”

• Lead from the front: Top management needs to model the emotional culture of the organisation.

A sense of being treated fairly

The relationship between managers and their employees plays a key role in organisational success and employee engagement. After 20 years of research and 60,000 exit interviews, the Saratoga Institute reports that 80 per cent of turnover is directly related to unsatisfactory relationships with one’s boss.

In employee engagement terms the relationship between employees and their managers has a huge impact. For example, Dale Carnegie found that 80 per cent of employees who were dissatisfied with their direct manager were disengaged at work.

Numerous studies have shown that the number one reason people leave an organisation is due to their relationship with their direct manager. For example, a Gallup study in America found that one in two Americans had left their job to get away from their manager to improve their overall life at some point in their career.

While clear communication is an important factor in developing a positive manager-employee relationship, it’s not the be-all and end-all. Employees also want to feel that they are respected and treated fairly. They want a manager with strong leadership skills who is dependable, who they can trust, and who can work collaboratively with.

There’s been a lot written on how to create a strong employee-manager relationship, and the general consensus is to:

• Communicate the responsibility of relationships: As noted, senior managers need to communicate their strategy and employees’ role in achieving organisational goals, but then line managers need to reinforce this message. There’s no use an employee working hard if they are not getting the results that will benefit an organisation – or which their manager expects of them. So line managers should communicate the relevance of each employee’s individual duties and how they help the organisation achieve its goals.

• Give people the tools they need to do their job: Managers need to ensure their team have the tools and expertise they need to do their job well. People don’t want to make mistakes and they get frustrated when the proper resources are not available to do their job effectively. In addition, the world of work is changing rapidly in response to technological advances, so line managers must ensure the knowledge of their team advances accordingly.

• Don’t lecture: Employees don’t want to be lectured or told how to do their job. Let your staff prove themselves and use their own initiative to solve a problem or get a task done. Of course there are times when you need to guide them, but rather than sit them down and talk to them about what they should do step-by-step, try asking questions such as “How could we do this better” or “Have you thought of trying ABC?”

• Be trustworthy: Employees want to be able to trust their managers. It may sound obvious, but keeping your word, displaying a high level of integrity and always doing as you say you will – and as you tell your team to do – goes a long way.

• Build a collaborative environment: People want to be sought out for their opinion. They want their manager to ask them to contribute ideas and know that those ideas are valued.

• Listen: Make time every week to listen to your staff. Do they have questions, ideas or concerns?

• Lend a hand: At peak workload periods or times when your team is understaffed, be prepared to roll up your sleeves and help clear the decks. Show them that while the workload is high you aren’t leaving them to manage it on their own.

• Be fair when resolving conflict: No workplace is devoid of conflict, and managers need to resolve issues fairly and quickly in order to minimise the impact on employee engagement. Make sure you listen to both sides of the story and find out what was said by each person involved.

• A mentor: An employee can become a mentor to their employees. You can invest in the career development of individual team members by suggesting projects they can get involved in, or help them learn or develop a new skill that will aid their professional development. This helps an employee feel that their manager genuinely cares about their career progression.

• Don’t be afraid to ask for feedback: Reverse appraisals could make a real difference – and help your own leadership skills advance. So give your team the opportunity to evaluate you and identify areas for improvement. Provided the feedback is taken seriously reverse appraisals also show staff that their views are trusted and respected, which has a powerful positive impact on employee engagement. We discuss this further on page 15. Reverse appraisals make their voice louder.

• Be appreciative: People want to be recognised for a job well done. Take steps to appreciate team members for their achievements – we discuss this further on page 8. (recognition)

• Apologise: If you make a mistake, apologise. You won’t look weak or incompetent; instead you’ll show your employees that will model the emotional culture of the organisation.
Satisfaction from making a difference
Not only do people gain satisfaction from knowing that their work is valued and helps the organisation achieve its goals, but people increasingly gain satisfaction from working for an organisation that helps to make a difference in the wider world too.

Much of the corporate world has embraced the notion of corporate social responsibility (CSR) and recognises that it is important to people and will impact engagement. Bupa is one example of an organisation that has improved employee engagement thanks to its impressive CSR initiatives. According to the UK’s HR Magazine, to celebrate its 60th anniversary Bupa sent 60 employee volunteers to Thailand to refurbish an orphanage.

“People raised money as part of going there and showed themselves to be really committed,” Bupa’s group HR director, Bob Watson, told the magazine. “We measured how people felt about the challenge and overall the strength of emotional engagement was much greater than we’d expected.” Crucially employee research conducted after the challenge saw a 7 to 8 per cent rise in engagement, a lift Watson ascribes at least in part to the volunteering programme.

However smaller organisations that cannot afford such an initiative can also benefit in engagement terms from environmental and social improvement initiatives. For example, partnering with community groups or charities, employee giving programs, encouraging more efficient power consumption, recycling, and asking suppliers how they operate in an ethical and environmentally responsible manner. We are also starting to see instances of organisations, as part of their flexibility approach, allowing staff one or two days per year to volunteer at a charity important to them.

Extrinsic factors
Induction and onboarding
In our survey of employers, 83 per cent said a good induction and onboarding process is ‘very important’ or ‘important’ in engaging their workforce, however 47 per cent admitted that they need to work on this in their own organisation.

Meanwhile 91 per cent of employees said a good induction and onboarding process is a ‘very important’ or ‘important’ engagement factor for them. So much so that 22 per cent would look for another job if they did not receive this, with a further 41 per cent admitting they might look elsewhere. 51 per cent would go above and beyond if they were given a good induction and onboarding, with another 33 per cent ‘maybe’ doing the same.

The process of recruiting a new staff member isn’t finished the day contracts are signed. The time between the acceptance of an offer to the first day, week and even month of your new staff member’s employment should be planned to some extent to make sure you provide the necessary training and understanding of the role and your business, build confidence and competence, and help your new staff member quickly become productive. This may seem like a lot of work, but without an effective induction and onboarding process – to both the company and the role – your new employee may feel like they don’t fit in. Their engagement will be low and their productivity will drop while they try to find their own way.

No one forgets a difficult adjustment period, such as being left to work things out for themselves through trial and error. So invest some time in making sure your new employees’ first few weeks impart the knowledge needed to perform productively and successfully. After all, new employees start a role with passion and enthusiasm, so harness that from day one through induction and onboarding that adds to, not takes away from, their positive impression and builds their engagement with the organisation.

An induction should cover:
- In advance of start date: Send new recruits organisational information and, if possible, introduce them to their colleagues and key stakeholders both formally and informally. Executive hires can also be sent vital data before their first day, such as top-line figures and detailed project information.
- The practical basics: Have login details, an email address and any necessary security passes ready for their first day, and give your new staff member an office tour. Cover relevant human resources, occupational health and safety, payroll and legislative issues.
- Import the necessary knowledge: What knowledge do you need to provide your new team member in order for them to perform the role effectively? Identify the tools and knowledge required, then the appropriate people who can deliver this knowledge. Set appointments with these people in advance, so that when your new staff member arrives for their first day they have a schedule ready to go.
- Build strong relationships: Ask fellow team members, including senior members, to welcome your new employee. Introduce them to key people they will work regularly with and give everyone an opportunity to get to know your new starter and vice versa. Importantly, anyone can be part of the induction process, so get them involved – from a PA demonstrating a computer package unique to your company at the employee’s desk, to a manager discussing why a certain approach is used with a key client. Such personal attention creates a positive environment and impacts not just skills but cultural understanding.
- Watch high performers: Give your new hire the opportunity to watch the high achievers in your organisation. Sitting next to an employee watching them work or seeing how a staff member conducts themselves when visiting a key client can impart not just skills but cultural understanding.
- The personal touch: Make sure they know that their role is valued. Help achieve the organisation’s goals (as outlined earlier). Make sure they know that their role is valued.
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- The personal touch: Make sure they know that their role is valued. Help achieve the organisation’s goals (as outlined earlier). Make sure they know that their role is valued.

Once your new arrival has learnt the ropes, the onboarding process takes over. Onboarding helps to manage a new employee’s integration into the culture of an organisation and engages them with the values and unique way of doing business. It gets them on board with your culture, values and strategy, and the attitudes and behaviours aligned with them. It helps them feel that they belong and are part of the organisation. Onboarding has no set timeframe, and is complete only when the employee is engaged and on board with your brand, culture and values. Onboarding takes place:
• During the recruitment process: During the recruitment process a new employee comes to a basic understanding of your organisation’s culture, the job titles of the people they will be expected to work with and the organisation’s overall goals.

• Between signing and starting: Provide more detailed information about the culture and values of the organisation. Also share the names of key people they will be working with and ask those people to send a LinkedIn connect request to your new staff member in advance of their start date. Some managers also like to meet for an informal discussion of how this person’s new role will fit in with the organisation’s overall goals.

• First few days: Most elements in your induction process are also an opportunity for a new employee to more deeply learn about the organisation’s culture, values and strategy. From sitting with a colleague, to having a one-on-one meeting with their line manager, new employees learn and are shown how the culture and values impact how business is done. These interactions should model best practices, build a new employee’s relationship with the key people they will work with, and help your employee come to a more practical understanding of how the tasks they will perform and their overall responsibilities contribute to the organisation’s goals. Some managers also like to explain their management style.

• Longer-term onboarding: This is where you add to an employee’s understanding of your culture, values and strategy at a deeper level. From regular newsletters and team meetings to one-on-one progress reviews and performance appraisals, there should be a consistent message about what the business stands for, its culture and values, and how each employee’s actions and way of operating are aligned with those. Recognise the contributions and successes your new employee is having, and provide feedback on any areas that require more focus. Your employees should be on board and engaged with the organisation’s values and unique way of operating. It should become second nature that they operate in alignment with these, and that only happens over time with regular and consistent messages.

If you don’t think this is important, compare the culture of several companies. Each will have a distinctive employment culture and your new staff member should be able to identify, understand and successfully operate in yours to engage fully with their new company and the unique way you operate as a business.

Performance management that gives employees a voice

In our survey of employers 77 per cent said regular performance appraisals are ‘very important’ or ‘important’ in engaging their workforce. Surprisingly almost one in three (32 per cent) said this is an area they need to address in order to improve staff engagement in their own organisation.

Meanwhile 77 per cent of employees said regular performance appraisals are a ‘very important’ or ‘important’ engagement factor for them. One in five (20 per cent) would look for another job if appraisals were not held, with a further 46 per cent admitting this might be a factor in them looking elsewhere. 53 per cent would go above and beyond if they were given regular performance appraisals, with another 34 per cent admitting they would ‘maybe’ go above and beyond.

Performance management is important in employee engagement terms because people need to know how they’re performing, where they’re going and how they can improve. They also need to know how their results are aligned with and contribute to the organisation’s goals and success. While it’s important to measure performance, it’s equally important that performance management involves more than one annual performance review.

Interestingly there has been recent debate in the HR community about the real value of performance reviews. Accenture is one firm to abandon annual performance appraisals, joining a small but growing group that includes Expedia, Adobe Systems, Gap, Microsoft and Medtronic.81

Accenture CEO Peirre Nanterme told the Washington Post that they would be implementing a more fluid system, in which employees receive timely feedback from their managers on an ongoing basis. He went on to explain the thinking behind the decision: that the money and effort spent in the process didn’t ultimately drive better performance among employees.81

Regardless of your opinion of performance reviews, in employee engagement terms the important factor in any feedback system is either an annual performance review or a more regular ongoing feedback system — is that your employee also has a voice.

In other words, performance management is a two-way process since to be engaged employees want to know that their opinions are heard. So make sure employees feel comfortable talking about their progress with you, and listen to their feedback before agreeing new objectives and priorities.

Such a two-way process also creates individual ownership of set objectives as well as accountability for achieving them.

Therefore rather than tell employees what their objectives will be, encourage them to suggest and set objectives. Talk them through the organisation’s goals as they relate to each individual’s role, as well as what the department or team is expected to achieve, then ask what objectives they could work towards in order to contribute.

This leads to greater engagement since each individual is aware of what they need to do in order to be successful and make a meaningful positive impact. Objectives are written down in black and white, not open to interpretation, and with such transparency there are no surprises. The process also ensures employees are aware how their own efforts contribute to the organisation’s overall success.

In addition, engagement is boosted further through regular discussions on progress, priorities and responsibilities. Rather than telling staff what they need to do over the next year and leaving them to it, ongoing performance management involves talking regularly to individual employees about their progress and current priorities. This keeps staff productive and adding value to the business throughout the entire year. It also gives you the opportunity to provide feedback, advice, training or coaching to ensure employees will meet their objectives and career goals.

In employee engagement terms, employees appreciate your efforts to help them be successful, ensure they understand their responsibilities, help them set their priorities and ensure they perform to the best of their ability to make a valued contribution. This is much more valuable to engagement than a once-a-year formal review.

So in short, our advice is to work with each individual employee to set objectives that will help the organisation achieve its overall business strategy and goals, then regularly review progress and priorities.

Reverse appraisals make their voice louder

In our survey 77 per cent of employers said the opportunity for staff to provide feedback on various cultural and performance factors (such as through reverse appraisals or employee surveys) is ‘very important’ or ‘important’ in engaging their workforce. Yet only 38 per cent said they need to address this issue in their own organisation. In addition, making sure staff see action taken as a result of their feedback is ‘very important’ or ‘important’ in engagement terms to 85 per cent – and over half (56 per cent) say they need to work on this.
Meanwhile 76 per cent of employees said the opportunity to provide feedback on various cultural and performance factors (such as through reverse appraisals or employee surveys) is a ‘very important’ or ‘important’ engagement factor for them. Seeing action taken as a result of their feedback is even more critical, with 92 per cent of employees rating this as ‘very important’ or ‘important.’

17 per cent would look for another job if they were not given the chance to provide feedback and a further 46 per cent said they may consider looking for another job. But if they did not see action taken as a result of their feedback 25 per cent would look for another job and another 51 per cent may look for another job.

Half the employees surveyed (50 per cent) would go above and beyond if they were given the opportunity to provide feedback, with another 37 per cent ‘maybe’ doing the same. If they saw action taken as a result of their feedback, 69 per cent would go above and beyond while 26 per cent might.

Reverse appraisals are making a comeback. Once viewed with scepticism, today 70 per cent of people polled recently on our website said reverse appraisals would make a positive difference in their organisation and that change would occur based on their feedback. A further 26 per cent said their feedback would be valued, with a further 49 per cent admitting this might be a factor in them looking elsewhere. 70 per cent would go above and beyond if they felt they had a voice and could share their opinions, with another 45 per cent admit that they need to work on this in order to improve staff engagement.

Provided the feedback is taken seriously reverse appraisals also show that their views are trusted and respected, which has a powerful positive impact on employee engagement.

**Diversity of thought**

In our survey of employers, 87 per cent said making sure staff feel like they have a ‘voice’ and can share their opinions at work is ‘very important’ or ‘important’ in engaging their workforce. But 45 per cent admit that they need to work on this in order to improve staff engagement.

Meanwhile 93 per cent of employees said feeling like they have a ‘voice’ and can share their opinions at work is a ‘very important’ or ‘important’ engagement factor for them. 34 per cent would look for another job if they were not given the opportunity to share their opinions, with a further 49 per cent admitting this might be a factor in them looking elsewhere. 70 per cent would go above and beyond if they felt they had a voice and could share their opinions, with another 27 per cent admitting they would ‘maybe’ go above and beyond.

In addition, 84 per cent of employers said a feeling amongst staff of inclusion, where differences are valued, is ‘very important’ or ‘important’. Yet 38 per cent say they need to address this issue.

93 per cent of employees said a feeling of inclusion where differences are valued is a ‘very important’ or ‘important’ engagement factor for them. 37 per cent would look for another job if they were not given such a feeling of inclusion, with a further 46 per cent admitting this might be a factor in them looking elsewhere. 67 per cent would go above and beyond if they were given a feeling of inclusion where differences are valued, with another 28 per cent admitting they would ‘maybe’ go above and beyond.

Added to this, 79 per cent of employers said opportunities for staff to work collaboratively with colleagues are ‘very important’ or ‘important’ in engaging their workforce. However 28 per cent said they need to address this issue in order to improve staff engagement in their organisation.

86 per cent of employees said opportunities to work collaboratively with colleagues are ‘very important’ or ‘important’ engagement factors for them. 25 would look for another job if they were not given such opportunities, with a further 50 per cent admitting this might be a factor in them looking elsewhere. 53 per cent would go above and beyond if they were given these opportunities, with another 38 per cent admitting they would ‘maybe’ go above and beyond.

Meanwhile 61 per cent of employers said social interactions between work colleagues are ‘very important’ or ‘important’ in engaging their workforce, although 21 per cent said they need to work on this.

59 per cent of employees said social interactions with work colleagues are ‘very important’ or ‘important’ engagement factors for them. But just 12 per cent would look for another job if they were not given such opportunities, with a further 36 per cent admitting this might be a factor in them looking elsewhere. 39 per cent would go above and beyond if social events with work colleagues were arranged, with another 38 per cent admitting they would ‘maybe’ go above and beyond.

Any discussion of workplace diversity often notes that diversity is leveraged through inclusion. But inclusion has benefits beyond creating an environment where a diverse workforce can thrive. It also has a role to play in employee engagement since to engage staff you need to include them, their ideas and their differences.

According to inclusion expert Shirley Engelmeier, ‘Inclusion is a call to action within the workforce that means actively involving every employee’s ideas, knowledge, perspectives, approaches, and styles to maximize business success’xxv. And a Deloitte University Press study concluded that organisations need to focus on diversity of thinking as a business imperative and on inclusion, not only diversity itselfxxx.

By embracing such diversity of thought, employees feel that they can be themselves at work, understand that differences will be embraced, know that they can share different perspectives, are more willing to provide an honest opinion, and will contribute to new ways to solve problems. This leads to new approaches to doing things. It also creates an environment where all employees can thrive and perform at their peak. Without such an environment, employees will not feel they can be themselves at work and therefore will not be fully engaged.

Diversity of thought is gaining a lot of attention in the HR community, since it is recognised that a workplace that operates with diversity of thought, or in other words where employees embrace totally different ways of thinking, works innovatively to bring new ideas to the table.

Making sure all employees have a voice, and ensuring that you utilise their ability to think differently, sounds like a simple process but many organisations struggle to provide such opportunities. Unfortunately the term ‘think outside the box’ has become so clichéd it has almost negative connotations, but in
“Ask questions that can generate constructive dialogue, such as ‘What points am I missing?’.”

When awarding performance-based bonuses employers know they are investing in the staff who have delivered the greatest value. These bonuses can also be very motivating for employees as it gives them a vested interest in achieving a top result. That’s why such bonuses work best when both the employer and employee are aware of the objectives that need to be met in order to qualify for the bonus. The minimum performance expectations that need to be met in order for performance-related bonuses to be awarded must be made clear otherwise an employee may not feel they are being rewarded fairly for their performance.

With communication essential to making sure both sides are fully aware of the objectives, most employers elect to tie performance-related bonuses to performance appraisals. In our experience another crucial point to consider is that there is no one-size-fits-all approach to salary packages or bonuses. That’s why we advise employers to talk to their staff to understand what they value the most if they intend to use salary and bonuses as an engagement factor.

Salary and performance-based bonuses

In our survey of employers, 73 per cent said yearly salary reviews are ‘very important’ or ‘important’ in engaging their workforce. Surprisingly over one quarter (26 per cent) said they need to address this issue in order to improve staff engagement in their organisation. Meanwhile 87 per cent of employees said a yearly salary review is a ‘very important’ or ‘important’ engagement factor for them. 35 per cent would look for another job if they were not given such yearly reviews, with a further 46 per cent admitting this might be a factor in them looking elsewhere. 44 per cent would go above and beyond if they were given these reviews, with another 28 per cent admitting they would ‘maybe’ go above and beyond if a yearly salary review was on the table.

In addition to an annual salary review, 58 per cent of employers said a performance-based bonus is ‘very important’ or ‘important’ to staff engagement - but 30 per cent said they need to address this issue in order to improve staff engagement in their organisation. 75 per cent of employees said a performance-based bonus is a ‘very important’ or ‘important’ engagement factor for them. 23 per cent would look for another job if they were not given such a bonus, with a further 43 per cent admitting this might be a factor in them looking elsewhere. 68 per cent would go above and beyond if they were given a bonus based on performance, with another 25 per cent admitting they would ‘maybe’ go above and beyond if such a bonus was awarded.

While it is important to give employees an annual salary review, in recent years employers have been unable to offer the higher percentage increases that many staff, especially top performers, were used to. Instead, employers are using benefits and bonuses to reward their best talent, with a performance-based bonus slowly becoming a more popular method of rewarding staff.

Learning & development

In our survey of employers 83 per cent said regular learning and development opportunities are ‘very important’ or ‘important’ in engaging their workforce. However 41 per cent said they need to address this issue in order to improve staff engagement in their organisation. Meanwhile 91 per cent of employees said regular learning and development opportunities are a ‘very important’ or ‘important’ engagement factor for them. 29 per cent would look for another job if they were not given such opportunities, with a further 46 per cent admitting this might be a factor in them looking elsewhere. 65 per cent would go above and beyond if they were given regular learning and development, with another 27 per cent admitting they would ‘maybe’ go above and beyond.
Employees need the necessary tools, skills and expertise to engage their workforce – but they need to address this in order to improve staff engagement.

Mentorships are another effective training and development strategy. Provided you have appropriate mentors within your organisation, less experienced employees can gain the knowledge of their more experienced colleagues on a one-on-one basis. Given the informal nature of information exchange and the relationship-based nature of mentoring, mentorships also allow a business to retain such knowledge as lessons that have been previously learned, right through to the next generation. Why reports are written in a particular way or who to contact in the organisation for particular information.

Crucially, when employees return to their desk after any form of training and development, they need to be given opportunities to put theory into practice. After all, being the star of a training program is all very well, but it’s when you return to your desk that the real work begins.

So, talk a time with each employee when they complete any form of training and development to review what they have learned and how this knowledge can be implemented into their day. You might like to encourage your employee to make a list of four or five key action points then discuss how they are going to implement these points as part of a development plan. Make sure you also decide together how you will review progress.

**Flexibility**

In our survey of employees, 75 per cent said flexible working options are ‘very important’ or ‘important’ in engaging their workforce – but 35 per cent admit they need to address this in order to improve staff engagement.

Meanwhile 86 per cent of employees said flexible working options are a ‘very important’ or ‘important’ engagement factor for them. 31 per cent would look for another job if they were not given such options, with another 47 per cent admitting this might be a factor in them looking elsewhere. 71 per cent would go above and beyond if they had flexible working options, with another 23 per cent admitting they would ‘maybe’ go above and beyond in return for such flexibility.

Flexible work practices on their own will not improve employee engagement, but once you achieve high employee motivation and engagement levels it is an attractive incentive that will help keep it there.

While we have always stressed that flexible working practices should be offered to all employees, not just working mothers, it is interesting to see that discussions about flexibility in the wider business community are starting to be initiated by, and centred upon, the needs of working fathers.

In a column for The Canberra Times, Sydney Lawyer Tim Dick wrote of the need for fathers to join mothers in the fight for better work-life balance. He said, “The rowdiest voices now needed in the intractable debate about childcare and work are those of men” and “men need as many choices in configuring work, family and life as women”.

In addition a recent New York Times article noted “suddenly men feel entitled to take time off for family” and referred to “a societal shift in which many fathers are working less and spending more time with their children”. Meanwhile Australia’s Care for Kids published a recent article that said, “We are living in an age of high cost of living and dual income families where both parents need to work. So dads also need flexibility.”

However these voices are few and far between, perhaps because there is still a stigma attached to working fathers asking for time off to care for their children. As Kate Beattie notes in a LinkedIn post, “When it came to my husband asking his employer for flexible hours to balance the needs of our children with both our careers, it became clear that he did not feel comfortable doing so... When one of our children is sick, my husband still tries to avoid what he considers to be a difficult conversation and ask for carers leave. Apparently, it is much easier for me to ask, because I am a woman and employers expect it.”

Employment relations professor Marian Baird, director of the Women and Work Research Group at the University of Sydney, would agree. She has said, “It is still in the realm of the unbelievable that men might take a long period of leave. It’s sometimes met with a joke of ‘Oh mate, you wouldn’t really do that.’ Other times, it’s met with comments that ‘Your career will suffer’.”

This view is supported by Lucy Powell, who, as the UK’s Shadow Minister for Childcare and Children at the time, wrote in the UK’s Telegraph, “Many dads face cultural barriers to being able to work flexibly, including long hours and inflexible organisational cultures and expectations from society that men should be the main breadwinner.”

A study by the Human Rights Commission supports this. It found 27 per cent of fathers experience discrimination when requesting or taking parental leave or when they returned to work. The study noted that discrimination included negative attitudes and comments from colleagues and managers or employers, missing out on training and promotions, reduced pay and conditions, and dismissal. One third (35 per cent) experienced discrimination related to flexible work.

Meanwhile a Families and Work Institute study in the US found that men now experience more work-family conflict than women. According to the study, “Men are experiencing what women experienced when they first entered the workforce — the pressure to ‘do it all in order to have it all.’”

The study found that 49 per cent of employed men with families reported experiencing some or a lot of work-family conflict. In dual-income families this figure rose to 60 per cent of men compared to 47 per cent of women.

The solution, according to Tim Dick, is for men to speak up. “It is men who need to not just join the conversation, but do something about it,” he said.

This point on action is critical. As reported in Time magazine, after EY CEO Mark Weinberger’s first speech in China as CEO, he was asked onstage if he would be taking selfies with employees on the Great Wall and “Weinberger said he couldn’t — he had to jump on a flight back to Washington D.C. for his daughter’s driver’s test the next morning.”

As Weinberger himself recounted to Time, “Aftewards I got hundreds of emails. Not a single person remembered the terrific speech I gave...”

The issue of flexibility for working fathers also gained a lot of attention when, in late 2015 in the United States, Republican Paul Ryan made time with his family one of his pre-conditions for running for House Speaker – the most powerful position in the US Congress. In its coverage of this CNN asked, “Could this be a watershed moment in the work-life balance debate?”

With fathers as well as mothers looking for flexibility to balance work and family commitments, those employers who act will gain an engagement advantage that will be hard to beat.

**Work environments**

In our survey of employers, 73 per cent said an innovative or modern workplace environment is ‘very important’ or ‘important’ in engaging their workforce – yet 31 per cent said they need to address this issue in order to improve staff engagement.

Meanwhile 77 per cent of employees said an innovative or modern workplace environment is a ‘very important’ or ‘important’ engagement factor for them. 18 per cent would look for another job if they did not work in such a workplace, with a further 47 per cent admitting this might be a factor in them looking elsewhere.

There are certain basics that a workplace environment needs to meet. For example it must be safe, provide the correct tools and training to perform their job to the best of their abilities, and have the necessary amenities and facilities.

But it is increasingly common for workplaces to also be designed to be ‘cool’. The technology industry has led this change, with famously alternative workplaces now being replicated by many businesses.

For example Google in Zurich has a slide between floors, Facebook in Menlo Park has a sweet shop, and Twitter in San Francisco boasts a yoga room.
“Technology has revolutionised the way we work with no job function or department immune.”

The success of workplace games lays in a clever combination of behavioural psychology and sophisticated technology, which encourages players to invest their time and energy while the game fulfils a specific function when they do so.

By using structures proven in videogame design, such as storytelling and reward, organisations can create a more interactive, fun and competitive learning and working experience. Being part of the story is the source of intrinsic motivation and engagement in games, while reward leads to a feel-good kick for players, even from something as simple as winning points and being placed on a leader board. Somewhat paradoxically, this psychology means colleagues playing games take their training more seriously than they would otherwise do.

Many games are already being applied as a training tool, a performance-enhancer, or to drive engagement, while others assist with the onboarding process, explain colleagues’ roles or the corporate strategy.

While gamification is very attractive to digitally-savvy staff, especially millennials, not every member of staff will feel engaged by the concept of games, so support those who find the process uncomfortable at first.

We also recommend exploring collaboration tools for business. Yammer for example is an enterprise social networking service that can be used for private internal communication within an organisation. In employee engagement terms, it gives all employees a voice as they can come together in the private social network to connect and share ideas, tap into the expertise of colleagues, and improve internal communication. Yammer has already been used by more than 200,000 companies, including 85 per cent of the Fortune 500.

Another collaboration tool is Skype for Business, which allows you to have online meetings with up to 250 people. You can also use it for instant messaging or as a way to allow people to dial into a conference. Blue Jeans is yet another collaboration tool, which is a cloud video platform. It supports up to 100 interactive participants in a meeting, but has a service that can accommodate up to 3,000 people.

Technology

With technology changing at a rapid pace, how can you sort the fads from the tools that will truly help you drive employee engagement? The fact is that technology has revolutionised the way we work with no job function or department immune from technological and digital change. Following is our advice on the technology and tools to watch out for from an employee engagement perspective.

One is the online delivery of training. We looked at the importance of learning & development on employee engagement, but now we look briefly at online learning. As we become more tech-savvy, and as more millennials enter the workplace, people are increasingly asking for online learning opportunities. Millennials in particular expect this style of learning, and a training system that doesn’t utilise technology but only delivers learning in traditional face-to-face classroom-style environments will not impress.

For businesses there are many benefits to online learning. Employees can decide when the best time is to schedule training into their working week. They can access training at any time. They can learn at their own pace and people from multiple locations, even countries, can complete training simultaneously. They do not spend time away from the office, and employees can refer back to the training resources to refresh their knowledge on particular topics as and when required. Training costs are also reduced. It is also ideal for small businesses that do not have a dedicated learning and development team providing regular training.

Webinars are another alternative for organisations that prefer instructor-led training and want to give participants the opportunity to ask questions in real time. Like online training, webinars are also cost effective and allow you to impart knowledge and skills to potentially hundreds or even thousands of employees at the same time.

Gamification, the use of interactive games to represent or recreate serious concepts for training, is also worth considering. A definite alternative to traditional learning strategies, gamification is becoming increasingly common as a training tool, with organisations embracing the idea of learning through play.

The pioneers in this area – Google and Facebook being pre-eminent examples – had the culture before the office. A colourful, engaging, welcoming workplace is undoubtedly a magnet for talent and productivity depends on your business culture. If a new coat of paint is only covering the cracks in a people management strategy, a rejuvenated working environment will have little impact.

The way we work with no job function or department immune to technological and digital change is truly a revolution. Staff engagement is no longer about simply attracting the people that are going into it, and those leaving are doing so with a vengeance. We’re seeing a mushrooming effect. The financial impact of employees at the same time.

So before signing up for an in-house bowling alley, consider that gamification is becoming increasingly common as a training tool, a performance-enhancer, or to drive engagement, while others assist with the onboarding process, explain colleagues’ roles or the corporate strategy.

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Many games are already being applied as a training tool, a performance-enhancer, or to drive engagement, while others assist with the onboarding process, explain colleagues’ roles or the corporate strategy.

While gamification is very attractive to digitally-savvy staff, especially millennials, not every member of staff will feel engaged by the concept of games, so support those who find the process uncomfortable at first.

We also recommend exploring collaboration tools for business. Yammer for example is an enterprise social networking service that can be used for private internal communication within an organisation. In employee engagement terms, it gives all employees a voice as they can come together in the private social network to connect and share ideas, tap into the expertise of colleagues, and improve internal communication. Yammer has already been used by more than 200,000 companies, including 85 per cent of the Fortune 500.

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In employee engagement terms, such tools allow employees to connect from any location, and even work as if you were all in one room.

Offboarding

Engagement doesn’t stop when an employee leaves your organisation. For employers who decide to leave an offboarding process can ensure they remain engaged with your organisation’s brand.

Offboarding involves making sure a departing employee’s last few weeks with the organisation run smoothly and positively. It covers the basics such as making sure all the necessary paperwork and payroll calculations are completed in a timely fashion, and that the departing employee is given plenty of time to hand over projects, contacts, processes and any other necessary information required to perform their role.

However it also involves ensuring the departing employee is thanked for their work, feel valued for the contribution they made. While there are some extreme ways of doing this, such as New York based Adore Me which gives select departing staff a $10,000 cheque, ensuring employees are thanked for their contribution in a meaningful way will leave them feeling that they made a difference and their time was appreciated.

You can also invite a departing employee to join your alumni program. You can take a formal or casual approach to this. Some organisations choose to have a formal alumni program run by a dedicated human resources professional and involving not only regular communications but also regular networking functions. Others take a casual approach by using an online forum or LinkedIn group to allow former employees to keep in touch and share company news or short-term job opportunities.

Exit interviews can also provide you with feedback on what does and doesn’t work within your organisation from an employee’s perspective. However some employees may not feel comfortable relaying their true feelings if you sit behind a desk with pen poised ready to copy down their every word. So instead of a formal interview consider an informal conversation about what they have enjoyed and what they feel could be improved at the organisation.

If you need further incentive to make sure departing staff leave with their engagement intact and a sense that their work was valued, consider that candidates are now turning to social media to read the comments of people who work, and have worked, at your organisation.

In mere minutes a candidate can gain an insight into your organisation based on comments current and former employees have made online. According to a 2014 survey by Glassdoor, 95 per cent of employees say reviews from those “on the inside” are influential when deciding where to work.

Along with Glassdoor, job board Seek has launched a ‘company review’ site where employees can comment on the good things and the challenges of working for a particular organisation, and give it a rating out of five stars.

So make sure departing staff leave with a smile on their face and a willingness to talk positively about their employment experience at your organisation. Former employees can be powerful brand ambassadors, and the way you treat them after they hand in their resignation directly influences how they will talk about the organisation once they walk out the door for good.
Temporary/contractors
As a final point, with more organisations turning to contract and temporary workers in order to maintain flexible headcounts, we must consider how to engage such staff in order to gain the most value from them.
This starts with treating your temporary and contracts as part of your team rather than outsiders. As you would for permanent employees, provide the appropriate induction and onboarding, explain each team member’s role and their specialities, and then communicate to the team what the temporary or contractor’s role is. The faster everyone in the team gets to know each other, the quicker trust builds and communication barriers come down, making everyone work more effectively.
You must also impart the necessary internal knowledge. This includes explaining to your temporary or contractor when and how people should communicate and with what tools. It also includes identifying the knowledge required to perform their assignment, from where to find information on shared drives and websites as well as the relevant processes and policies.
Also, give your temporary or contractor the context of the tasks you set out for them so they can understand the bigger picture, and clearly set out objectives. This allows your temporary or contractor to monitor their own progress and creates shared accountability for their performance.
In essence, follow the same engagement advice for your temporary and contractors as your permanent members of staff. While temporary and contractors by their very nature hit the ground running, engaging them will help you gain the best value from them.
It is also more likely that an engaged temporary or contractor will remain if another assignment or a permanent position arises in future, which has obvious productivity benefits.
Trends via organisational size
Every organisation, regardless of size, faces similar challenges when it comes to staff engagement. A comparison of the survey results between small (those employing less than 20 people), medium (employing more than 20 but less than 200 people) and large businesses (employing 200 or more) found few dissimilarities between the three groups.
For example, there was little difference in the attitudes of small, medium and large businesses when it came to intrinsic factors such as ensuring employees felt a sense of purpose, achievement, and a feeling of being valued.
The exception was for rewards, with 69 per cent of small, 73 per cent of medium and 76 per cent of large businesses believing that rewards for staff who do a good job are ‘important’ or ‘very important’ in engagement terms. While only a seven per cent difference between small and large organisations, it nevertheless reflects the challenge that some small organisations may face if they think about rewards as being purely financial.
In terms of extrinsic factors, there was little difference between organisations based on size when it comes to the importance of a good induction and onboarding process and offering regular performance as well as reverse appraisals.
However, when it comes to diversity of thought there are some different perspectives, especially between medium and small organisations. Medium-sized organisations are less likely than small to say that a feeling of inclusion amongst staff and opportunities for staff to work collaboratively are ‘important’ or ‘very important’ (by 8 and 7 per cent respectively). Perhaps this is because in an organisation with 20 or less staff everyone has a line of sight to each other and can interact more regularly with each other.
Interestingly the importance of social interactions between work colleagues decreases the larger the organisation. 73 per cent of small businesses considered it ‘important’ or ‘very important’, but this figure reduces to 63 per cent for medium businesses and 60 per cent for large. Again this suggests that in smaller businesses people naturally become more cohesive by working in closer proximity with each other.
The other difference of note came in relation to salaries and performance-based bonuses. Small businesses were far more likely to say salary reviews are ‘important’ or ‘very important’ compared to large (81 per cent versus 70 per cent). Yet a reversal in opinion occurs when it comes to performance-based bonuses, which are ‘important’ or ‘very important’ for 50 per cent of small businesses but 58 per cent of large.
Perhaps this is because in recent years larger employers have been unable to offer the higher percentage increases that many staff, especially those working for large multinationals, have been used to. These same large organisations are however using performance-based bonuses to ensure they invest their budget in rewarding their very best talent.

TOP 12 ENGAGEMENT FACTORS FOR EMPLOYEES
The candidate of ten years ago, even five years ago, is not the same as the candidate of today. Not only is the workforce more diverse, especially in terms of age, but what is important to people has changed. From our own experience we know that today candidates want to work with organisations, not for them. This is a huge shift in mindset and explains why a clear understanding of how their role helps the organisation achieve its objectives and clear communication of the organisation’s objectives and strategy appear in fourth and fifth place respectively in the engagement factors for employees.
Employees also want to feel valued. In fact a feeling of being valued tops the list of engagement factors, followed by recognition for a job well done. This is closely followed by an understanding of how your success will be measured, which, makes sense when we consider that people need to know what they will be judged on if they are to perform well, be valued and receive recognition for their work.
Giving an employee a voice is also far more important today than it was ten years ago. Employees want to feel that their differences are valued and that they can not only share their opinions at work but that those opinions will be respected. This makes the emerging concept of diversity of thought a valuable one in employee engagement terms.
Just as importantly, people want to see results taken after giving feedback. They want their voice to be heard, and an employee engagement survey or another employee feedback process which is not taken seriously by management will be seen as mere tokenism.
While flexibility is increasingly important to people in order to balance their work and personal commitments and priorities, in engagement terms it did not rank in the top 12. It came in at number 14, suggesting that flexible working options will attract and retain employees, but when it comes to engagement they should not be given priority over those factors that appear further up the list.
Interestingly, a yearly salary review came in at number 12 on the list of importance, behind regular learning and development opportunities and a good induction and onboarding process. Clearly engagement cannot be bought and if we want employees to go above and beyond it will take more than a competitive compensation package.

<table>
<thead>
<tr>
<th>Engagement factor</th>
<th>Percentage of employees who rate this a ‘very important’ or ‘important’ engagement factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A feeling of being valued by the organisation</td>
<td>97</td>
</tr>
<tr>
<td>2. Recognition for a job well done</td>
<td>95</td>
</tr>
<tr>
<td>3. An understanding of how your success will be measured</td>
<td>95</td>
</tr>
<tr>
<td>4. Clear understanding of how your role helps the organisation achieve its objectives</td>
<td>94</td>
</tr>
<tr>
<td>5. Clear communication of the organisation’s objectives and strategy</td>
<td>94</td>
</tr>
<tr>
<td>6. A feeling of inclusion, where differences are valued</td>
<td>93</td>
</tr>
<tr>
<td>7. Feeling like you have a ‘voice’ &amp; can share your opinions at work</td>
<td>93</td>
</tr>
<tr>
<td>8. Seeing action taken as a result of your feedback</td>
<td>92</td>
</tr>
<tr>
<td>9. Clear understanding of how your role contributes to the organisation’s success</td>
<td>92</td>
</tr>
<tr>
<td>10. A good induction and onboarding process</td>
<td>91</td>
</tr>
<tr>
<td>11. Regular learning &amp; development opportunities</td>
<td>91</td>
</tr>
<tr>
<td>12. Yearly salary reviews</td>
<td>86</td>
</tr>
</tbody>
</table>
Given how rapidly the world of work has changed in recent years, and will continue to change in future, staff engagement strategies need to respond in kind if we are to continue benefiting from a workforce that is productive, innovative, impacts positively on the bottom line, puts in discretionary effort, and is more likely to be retained.

In this white paper we have presented our ideas to create an engaged workforce. We have covered:

Intrinsic factors

Purpose
Employees who understand what they are working towards feel a greater sense of purpose. Employees want to understand the organisation’s objectives and strategy, how their role contributes to these, and how their role contributes to the organisation’s success. So increase communication flow, keep it regular, and provide an opportunity for employees to ask questions and raise concerns.

A sense of achievement & of being valued
Employees want to know how their success will be measured and what achievements constitute success in order to feel that their work is achieving something. They also want to feel that their efforts are valued and that they are recognised when they do a good job. Clear communication around achievements and recognition for quality work can go a long way in employee engagement.

A sense that their emotions are respected
A manager’s emotional intelligence impacts engagement because it makes them aware of their own feelings and those of their team. So work on your own EI, be empathetic and see situations from your employees’ perspective.

Extrinsic factors

Induction and onboarding
When they start a new job people want to receive an effective induction and onboarding process. Use your induction program to impart the knowledge needed to perform productively and successfully. Then through onboarding help integrate staff into the organisation’s culture and engage with your values.

Performance management that gives employees a voice
People want to know how they’re performing, where they’re going and how they can improve. This should involve more than an annual performance review, so consider regular progress reviews that are a two-way process.

Reverse appraisals make their voice louder
Reverse appraisals can make a positive difference, provided you take the feedback seriously and employees see change as a result of their feedback.

Diversity of thought
To engage staff you need to include them and their varied ideas. So help employees feel that they can be themselves, share different perspectives and provide an honest opinion. Such diversity of thought helps utilise employees’ ability to think differently, while your employees feel their opinion counts.

Salary and performance-based bonuses
While an annual salary review is important, in recent years performance-based bonuses have engaged and motivated employees. However there is no one-size-fits-all approach, so talk to individual staff about what they value, and ensure they understand what objectives must be met in order to qualify for a bonus.

Learning & development
People want to be good at their jobs - and they want you to care about investing in them. Given how rapidly the world of work is transforming, L&D is a crucial tool in nurturing staff and growing their skills. And by showing you care about their skills development, you improve engagement levels.

Flexibility
Flexible work practices on their own will not improve employee engagement, but once you achieve high employee motivation and engagement levels it is an attractive incentive that will help keep it there. This is just as important for working fathers and other members of your workforce as it is for working mothers.

Work environments
Technology companies’ famously alternative workspaces are starting to be replicated by other organisations. However the key to whether a ‘cool’ working environment impacts employee engagement positively, or is a distraction, depends on whether it reflects and enhances your organisation’s culture.

Technology
With technology changing at a rapid pace, employees becoming more tech-savvy and more millennials entering the workforce, consider how technology can impact employee engagement. This includes the online delivery of training and gamification, as well as using collaboration tools for business.

Offboarding
Engagement doesn’t stop when an employee leaves, so an offboarding process can help them remain engaged with your organisation’s brand. This is crucial when their reviews on Glassdoor or Seek’s company review site can impact the perceptions of future job candidates.

Temporaries/contractors
Follow the same engagement practices for temporary and contract workers as you do for permanent staff. With more organisations turning to contract and temporary workers, engage them too in order to gain the most value from them.

For employers seeking to maximise their human capital investment, we hope these ideas inspire your staff engagement strategy.
## ENGAGEMENT FACTORS

### Employers vs employees:

<table>
<thead>
<tr>
<th>Engagement factor</th>
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<tbody>
<tr>
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<td>87</td>
</tr>
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</tr>
<tr>
<td>Staff feel valued</td>
<td>87</td>
</tr>
<tr>
<td>Staff are recognised when they do a good job</td>
<td>87</td>
</tr>
<tr>
<td>Staff are rewarded when they do a good job</td>
<td>75</td>
</tr>
<tr>
<td>A good induction and onboarding process</td>
<td>83</td>
</tr>
<tr>
<td>Regular performance appraisals</td>
<td>77</td>
</tr>
<tr>
<td>Opportunity for staff to provide feedback on various cultural and performance factors</td>
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</tr>
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<td>Seeing action taken as a result of staff feedback</td>
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<tr>
<td>Staff feel that they have a ‘voice’ and can share their opinions at work</td>
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</tr>
<tr>
<td>A feeling of inclusion where differences are valued</td>
<td>84</td>
</tr>
<tr>
<td>Opportunities to work collaboratively with colleagues</td>
<td>79</td>
</tr>
<tr>
<td>Social interactions between work colleagues</td>
<td>61</td>
</tr>
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<td>Yearly salary reviews</td>
<td>73</td>
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<td>Performance-based bonus</td>
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<tr>
<td>An innovative or modern workplace environment</td>
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To view the full data sets of the report visit: hays.com.au or hays.net.nz
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#### Induction and onboarding:

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**Breakdown by organisational size:** Percentage of respondents who say year salary reviews are ‘important’ or ‘very important’ to engage their workforce:

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</tr>
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<td>Large</td>
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<td>73%</td>
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<td>Medium</td>
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**Breakdown by organisational size:** Percentage of respondents who say a performance-based bonus is ‘important’ or ‘very important’ to engage their workforce:

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<th>Size</th>
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</tr>
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<tbody>
<tr>
<td>Small</td>
<td>50%</td>
</tr>
<tr>
<td>Medium</td>
<td>60%</td>
</tr>
<tr>
<td>Large</td>
<td>58%</td>
</tr>
</tbody>
</table>

**Breakdown by organisational size:** Percentage of respondents who say an innovative or modern workplace environment is ‘important’ or ‘very important’ to engage their workforce:

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CONTACT US

For further information on how we can partner with you to build your career, contact:

Kathy Kostyrko  
Director Hays  
T: +61 (0)2 6112 7629  
E: kathy.kostyrko@hays.com.au

To request a printed copy please email marketing@hays.com.au