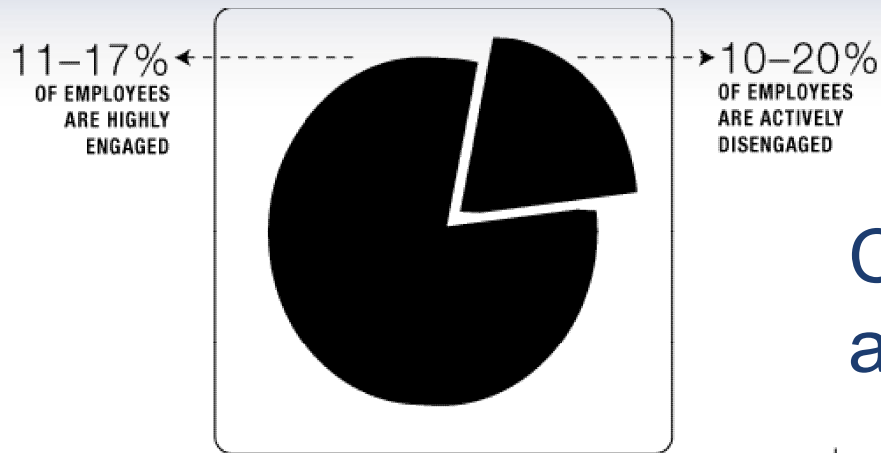




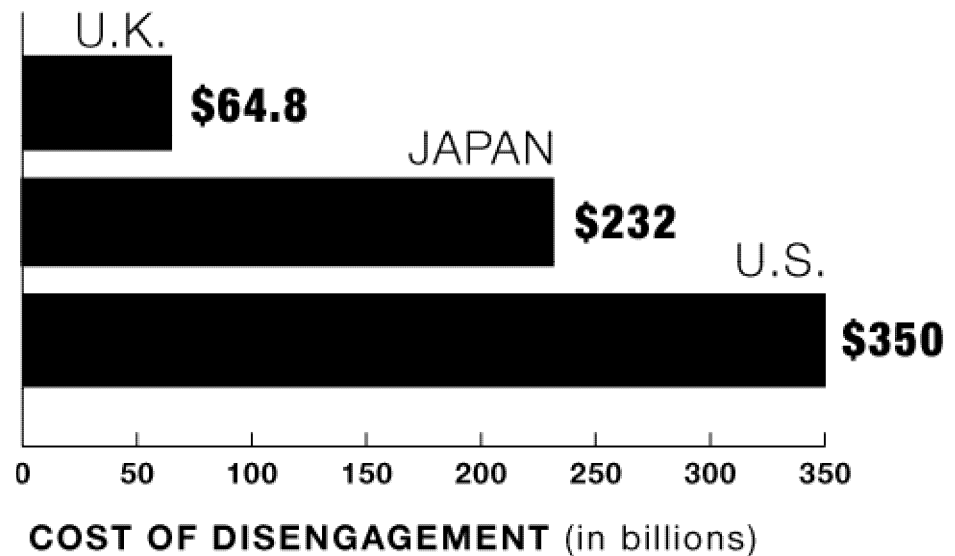
# Enterprise Engagement Alliance

## Making Engagement Pay

# Business Is Failing to Deliver



## Costs of Disengagement are Staggering:



# The Problem: *Employees Aren't Treated Like Customers*

## Perceptions of Employee Engagement

- ⌋ Not balance sheet opportunity
- ⌋ Analytical rigor not required
- ⌋ Not business critical
- ⌋ Not possible
- ⌋ Actions to increase engagement are ineffective or temporary

# The Answer: *Different Thinking and Focus*

- Treat employees like customers
- Apply rigorous analytics to understanding employee perspectives
- Elevate engagement to an enterprise-wide business strategy
- Use employees as activators:
  - Drive customer loyalty and brand
  - Deliver on business strategies and ROI

# Business Drivers for Engagement

- American Airlines

- History of difficult labor-management relations
- Union organizing among agent workforce
- Lack of data on workforce attitudes/issues
- Highly competitive industry environment

- Walmart

- High turnover
- Union campaigns
- Customer experience
- Associate experience

# People's Thinking is Shaped by their Perspective

Understanding different perspectives is key to understanding Engagement Drivers and your Workforce Profile



Same Average | Different Reality



# An Effective Engagement Strategy Requires “Perspective”

## Segments Tell the Story...

- Building Blocks to Engagement
  - All companies have attitude segments which form a workforce profile
  - Employees’ attitudes or perspectives about their company/job determine their segment
  - Employees’ attitudes affect their behavior and job performance
  - Targeting improvement in segment profiles increases engagement and company performance

# A New Way of Understanding People

## Typical Segments



CHEERLEADERS



CASUAL FANS



FAIR WEATHER FANS



NAYSAYERS



TUNED OUT

# Why Segment Data is Important...

- **Positive segments** typically perform better on financial, customer and operational criteria
- **Negative segments** typically have costly behaviors, turnover, “abusive” sick days, absenteeism, low productivity, high shrinkage, low quality products, etc.
- **Segment Profiles** reflect your internal brand, how employees perceive they are treated. Negative segments typically will not deliver your external brand promise to customers.

# Delivering Employee ROI is a Systematic, Continuous Improvement Process



# Analytics to Action - Strategy

- Executive leadership

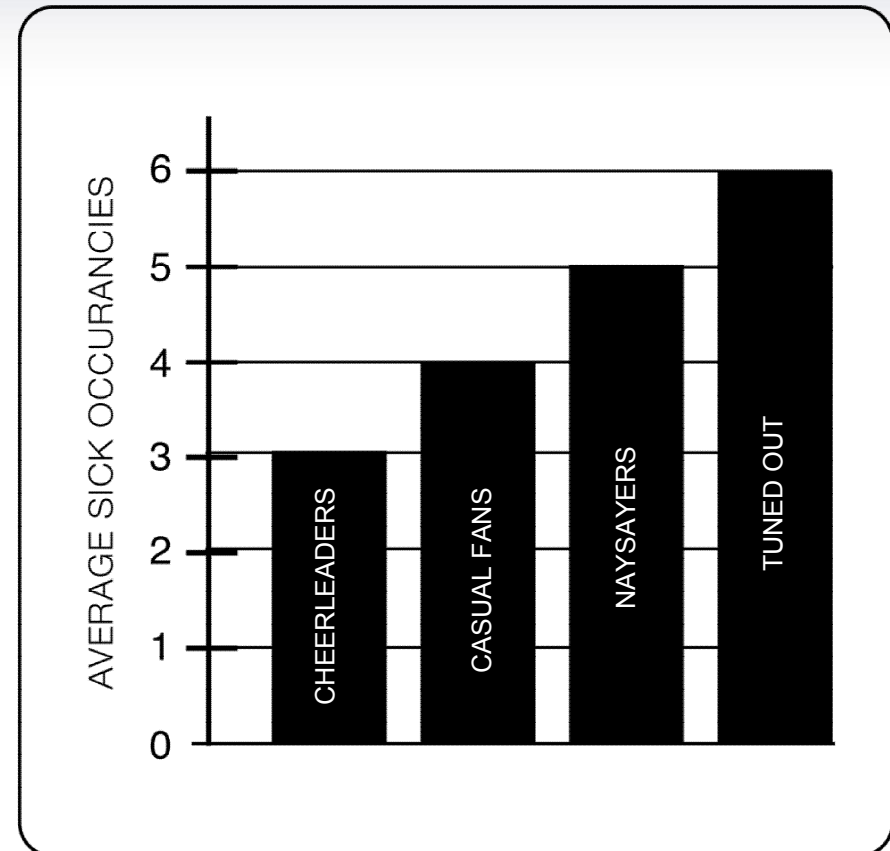
- Set engagement strategy as part of enterprise-wide business plan
- Base the engagement strategy on a 3-yr horizon
- Provide variations based on key group segment and issues data
- Collaborate with HR, Finance, Marketing and Communications
  - Set measurable performance improvement goals
  - Create coordinated external and internal communications campaigns
  - Address people leadership skills of management

# Analytics to Action - Tactics

- **Management Team – 9 Steps to Success**
  - Set and execute performance improvement plans
  - Intervene in high risk groups
  - Leverage issues driving negative/positive attitudes
  - Manage performance
  - Ensure communication tools are available
  - Structure management schedules to enable access
  - Use involvement to develop solutions
  - Communicate successes
  - Measure progress and set new goals

# The Answer Is ... Improving Segment Profiles to Drive Performance

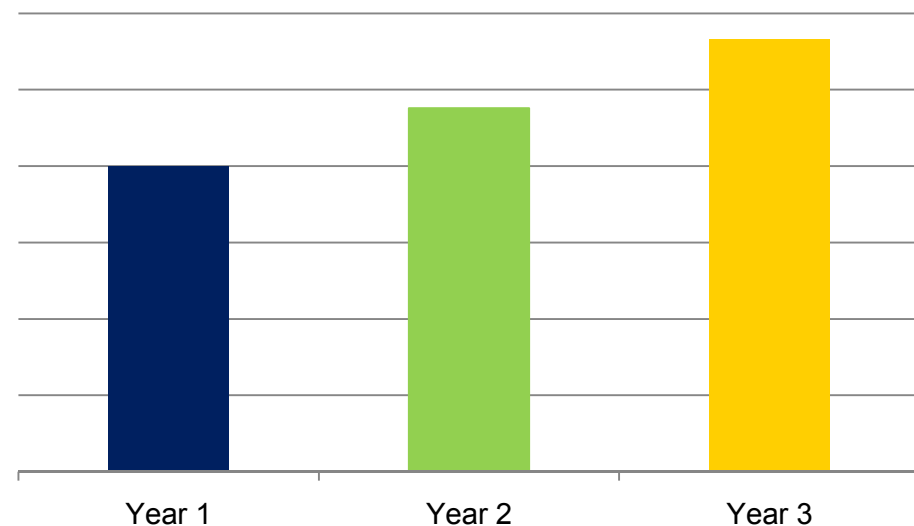
Savings : Several million annually in less sick days used.



# The Answer Is ... Creating Strategies to Shift Attitude Segments

Over a 3 year horizon, segment profile improvements raised engagement levels 19% and provided benchmark advance to high performing company ranking.

Engagement % Increase



# Lessons Learned

- Workforce analytics were a critical success factor
  - Increased executive leadership appreciation for diversity of workgroup attitudes and values
  - Improved issue resolution
  - Created a focus on open communications and people leadership skills
  - Fostered a partnership among HR, Finance, Communications and Marketing
  - Enabled success in organizing campaigns
  - Improved productivity
  - Enhanced working relationships

# Ongoing Challenges

- Alignment of priorities among HR, Finance, Communications and Marketing
- Ensuring structures, processes and systems reinforce new behaviors
- Positive role modeling
- Skills and competencies to behave in the new way

# Enterprise Engagement and ROI...the Ultimate End Goal

