

THE BUSINESS CASE FOR EMPLOYEE ENGAGEMENT

The need for and benefits of employee engagement are clear:

- ▶ **16% of the US workforce is actively disengaged**, costing the US economy upwards of \$300 billion in lost productivity. ¹
- ▶ Only **16% of employees worldwide believe engagement levels are high** within their organizations. ²
- ▶ Increasing employee engagement *by only 5%* can **add 2.4% to a business's operating margin**; for a \$3 billion business, this represents an additional operating profit of \$25 million. ³
- ▶ Employees who are most engaged **perform 20% better** and are **87% less likely to leave** the organization than those who are not engaged. ⁴
- ▶ Companies with highly engaged employees are **52% more likely to grow their top line** than other companies are. ⁵

Companies with the most effective employee communication: ⁶

- ▶ Have a 19.4% higher market premium compared with companies that communicate least effectively
- ▶ Have 57% higher shareholder returns over the last five years
- ▶ Are 4.5 times more likely to report high levels of employee engagement

¹ The Gallup Organization, Employee Engagement Index Survey (2004)

² Melcrum, Employee Engagement Survey (2005)

³ Towers Perrin, Talent Report (2004)

⁴ Corporate Leadership Council, Employee Engagement Study (2005)

⁵ Development Dimension International, Benchmarking Study (2005)

⁶ Watson Wyatt, Communication ROI Study (2005/2006)