

Now more than ever, it's critical to show the value of employee communication and engagement and to keep pace with trends that will shape the future of our work. This document compiles research that can help you build a rationale for your engagement and communication efforts, and it highlights some emerging challenges and opportunities to keep in mind as you develop strategies and tactics.

State of Employee Engagement

- ▶ 67% of U.S. workers are “not engaged” or “actively disengaged in their work. (*Gallup, Employee Engagement Survey, 2016*)
- ▶ 70% of companies have employee engagement programs in place; however, only 37% believe a majority of their employees are engaged. (*The Employee App, Mobile Trends in the Workplace Study, 2016*)
- ▶ 87% of organizations cite “culture and engagement” as a top challenge, rating it the most important business challenge overall. (*Deloitte, Global Human Capital Trends Report, 2015*)
- ▶ The lost productivity of disengaged employees costs U.S. companies \$450–\$550 billion annually. (*Gallup, State of American Workplace Report, 2015*)
- ▶ 80% of employees who are dissatisfied with their manager are disengaged. (*Dale Carnegie, Employee Engagement Survey, 2016*)
- ▶ 69% of employees report that engagement is a problem in their organization. (*Psychometrics, Employee Engagement Study, 2016*)

Effective Employee Engagement

- ▶ Companies with highly engaged employees outperform low-engagement companies financially by 202%. (*Gallup, Employee Engagement Study, 2015*)
- ▶ Companies with high levels of employee engagement see 233% greater customer loyalty and a 26% greater annual increase in revenue. (*Aberdeen, Employee Engagement and Customer Experience, 2016*)
- ▶ Companies with high levels of engagement have 21% higher productivity, 22% higher profits, 25% lower turnover, 48% fewer safety incidents and 37% lower absenteeism than companies with low levels of engagement do. (*Gallup, Employee Engagement Study, 2016*)
- ▶ Engaged employees are 78% less likely to leave their organizations than disengaged employees are. (*Corporate Leadership Council, 2016*)
- ▶ Employees who feel valued by their employer are 60% more likely to say they are motivated to do their very best work. (*American Psychology Association/Harris Interactive, Workplace Survey, 2016*)
- ▶ Productivity improves by 25% in organizations whose employees are highly engaged. (*McKinsey Global Institute, Workforce Productivity Study, 2016*)

Drivers of Employee Engagement

The following research findings are from different sources and therefore do not align completely. However, they all indicate that factors such as leadership, trust, respect and pride in the organization are more critical than financial factors in driving employee engagement.

- ▶ The top drivers of employee engagement are relationship with immediate manager, belief in senior leadership, and pride in working for the company. *(Dale Carnegie/MSW, 2016)*
- ▶ The top five factors that influence employee motivation and engagement globally are: being treated with respect, work/life balance, quality of work, quality of coworkers and leadership—*followed* in rank by base pay and other financial factors. *(Mercer, Workplace Survey, 2015)*
- ▶ The top three employee engagement drivers are development opportunities, company reputation and a strong employee value proposition, followed by fair pay and innovation. *(Aon, Trends in Global Employee Engagement Report, 2015)*

State of Employee Communication

- ▶ 68% of today's employees feel overwhelmed by the amount of communication they receive. *(Office Vibe, Employee Communication Study, 2016)*
- ▶ 32% of U.S. employees say they tend to ignore their employer's emails. *(The Employee App, Employee Communication Study, 2016)*
- ▶ 65% of organizations report that increasing volume of communication is the largest internal communication challenge. *(Newsweaver, Emerging Trends Report, 2016)*
- ▶ Only 15% say their current company is doing a good job of fostering open communication. *(15Five/Entrepreneur, Workplace Communication Survey, 2016)*
- ▶ Only 21% of internal communication professionals say they keep their language simple and jargon-free. *(IABC, Internal Communication Effectiveness Study, 2016)*
- ▶ 60% of internal communicators are not currently measuring the effectiveness of employee communication. *(IABC, Internal Communication Effectiveness Study, 2016)*
- ▶ Companies with highly effective employee communication have 47% higher total returns to shareholders than other companies do. *(Towers Watson, Communication ROI Study, 2015)*

Organizational Purpose

- ▶ Employees who say their company has a clear, admirable purpose are 300% more likely to stay with their organizations, report 1.7 times higher job satisfaction and are 1.4 times more engaged in their work. *(Georgetown University, U.S. Workforce Study, 2016)*
- ▶ 80% of employees in organizations that have a strong sense of purpose believe their organization will grow this year, compared to only 46% within organizations without a strong sense of purpose. *(Deloitte, Core Beliefs & Culture Survey, 2015)*
- ▶ 79% of employees in organizations with a strong sense of purpose are optimistic about their organization's long-term ability to outperform the competition. *(Deloitte, Culture Survey, 2015)*

Business Strategy Communication

- ▶ Employees' understanding of the business strategy and how their work contributes to company performance is one of the top drivers of engagement. *(Melcrum, Employee Communication Report, 2016)*
- ▶ 48% of executives say their company doesn't effectively communicate business strategy in ways that help employees "live it in their jobs." *(McKinsey, Employee Insights, 2016)*

Leadership Communication and Engagement

- ▶ 70% of employees who lack confidence in the motivations of senior leadership are disengaged. *(Dale Carnegie/MSW, Employee Engagement Survey, 2015)*
- ▶ 67% of employees with low trust in management intend to leave their organization, compared to 23% with a high degree of trust. *(Center for Creative Leadership, 2014)*
- ▶ Only 30% of employees believe that executive leaders are committed to employee engagement. *(SilkRoad Employee Engagement Survey, 2015)*
- ▶ 79% of highly engaged employees have trust and confidence in their leaders. *(Towers Watson, Global Workforce Study, 2015)*
- ▶ A manager's ability to inspire employees account for up to 70% of the variance in employee engagement scores. *(Gallup, Employee Engagement Study, 2016)*
- ▶ In companies where both leaders and managers are perceived by employees as effective, 73% of employees are highly engaged. *(Towers Watson, Global Workforce Study, 2015)*

Multi-Generational Workforce

- ▶ 53% of employees say that significant negative conflicts at their work arise from differences in generational values. *(Monster, Multi-Generational Workplace Study, 2016)*
- ▶ 40% of employees believe that generational differences detract from productivity within their teams. *(Upwork, Generational Workplace of the Future, 2015)*
- ▶ 54% of Boomers said that the "opportunity to make an impact on the business" is the best way to retain them. *(Upwork, Generational Workplace of the Future, 2015)*
- ▶ Millennials surpassed Generation X as the largest generation in the U.S. labor force, with 53.5 million employees. *(Pew Research Center, U.S. Census Bureau Population Survey, 2016)*
- ▶ Only 28% of Millennials feel that their current organizations are making full use of the skills they have to offer. *(Deloitte, Millennial Study, 2016)*
- ▶ Engaged Millennials are 64% less likely to say they will switch jobs in the next 12 months. *(Gallup, How Millennials Want to Work and Live, 2016)*
- ▶ Millennials, who are expected to comprise 75% of the workforce by 2025, are currently less engaged than any other age group, with only 67% engaged. *(Quantum Workplace, Employee Engagement Study, 2016)*
- ▶ "Belief in the organization's purpose" is the number one job decision factor among Millennials. *(Deloitte, Millennial Survey, 2016)*

Intranets

- ▶ 85% of organizations have had intranets for 5 or more years, and 65% of employees access their intranet at least once a month. *(Forrester Research, 2015)*
- ▶ However, 75% of employees say they solely use their intranet for HR information and company directories. *(Forrester Research, 2015)*
- ▶ A company with 1,000 knowledge workers wastes \$48,000 per week, or \$2.5 million per year, due to inability to locate and locate and retrieve information—and every company included in the study currently has an intranet. *(International Data Corporation, 2015)*
- ▶ The average knowledge worker spends 50% of their working day away from their desk, and an increasing amount of that time is spent away from their laptop/desktop computer as well. *(Sway Digital Research, 2015)*

Social Media in Organizations

- ▶ 66% of companies are using enterprise social media, but only 20% of employees are active users. *(McKinsey Global Institute, The Networked Enterprise, 2016)*
- ▶ 75% of companies with enterprise social networks say adoption has been slow. *(Altimeter Group, Enterprise Social Study, 2016)*
- ▶ Companies' top objectives for using social technology internally are innovation, alignment and engagement. *(Comscore, Social Media in the Workplace Study, 2015)*
- ▶ Organizations that have adopted enterprise social networks report, on average, increases in productivity by 15%, time-to-innovation by 31%, and revenue growth by 10%. *(McKinsey Global Institute, The Networked Enterprise, 2016)*
- ▶ 90% of employees who use social media internally agree that it helps enhance communication within their organization. *(Gonzaga University, Internal Social Media Survey, 2015)*
- ▶ Employees of companies that use internal social media are 60% more likely to feel their company is innovative, 39% more likely to recommend their companies products and services, 60% more likely to give their company the benefit of the doubt in a crisis. *(APCO Worldwide/Gagen MacDonald, Internal Social Media Study, 2016)*
- ▶ The top barriers to social media adoption are “management doesn’t perceive a clear need,” “employees don’t understand the value,” and lack of budget. *(Cisco/Comscore Social Media in the Workplace Study, 2015)*

[Visit our website](#) for additional resources that provide insight on a variety of topics related to engagement and communication. Also, if you would like to discuss how Bridge Consulting can help you make the most of your investments in these critical areas, contact Chris Gay at 614.775.9706 or chris.gay@bridgecnslt.com.