



Five things to know about employee engagement

Principal Analyst
David Johnson explains

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Delivering a great employee experience has proven to be the key to better customer experiences, higher productivity and greater profitability.

As a result, organizations need to understand how to develop and deliver the right employee experiences to increase their employees' engagement to see that success.

So, having a deeper understanding regarding employee engagement and what drives it will be key to developing the right employee experiences.

Forrester's principal analyst, David Johnson, is the featured speaker in a recent webinar hosted by Liquid Agency: "Employee experience still matters. Now more than ever." In the webinar, he discusses the three work models for the post-pandemic world and how organizations should view employee engagement through that lens. David also discusses the employee experience (EX) capabilities that organizations should have to tackle their EX needs and how to support employee engagement by understanding the gaps in both employee and organizational resources. To watch the webinar, go [here](#).

In this Q&A, David answers five questions about employee engagement by pulling from a research piece he authored, titled "Improve Employee Experience to Better Your Business Performance," and subsequent client and industry conversations.



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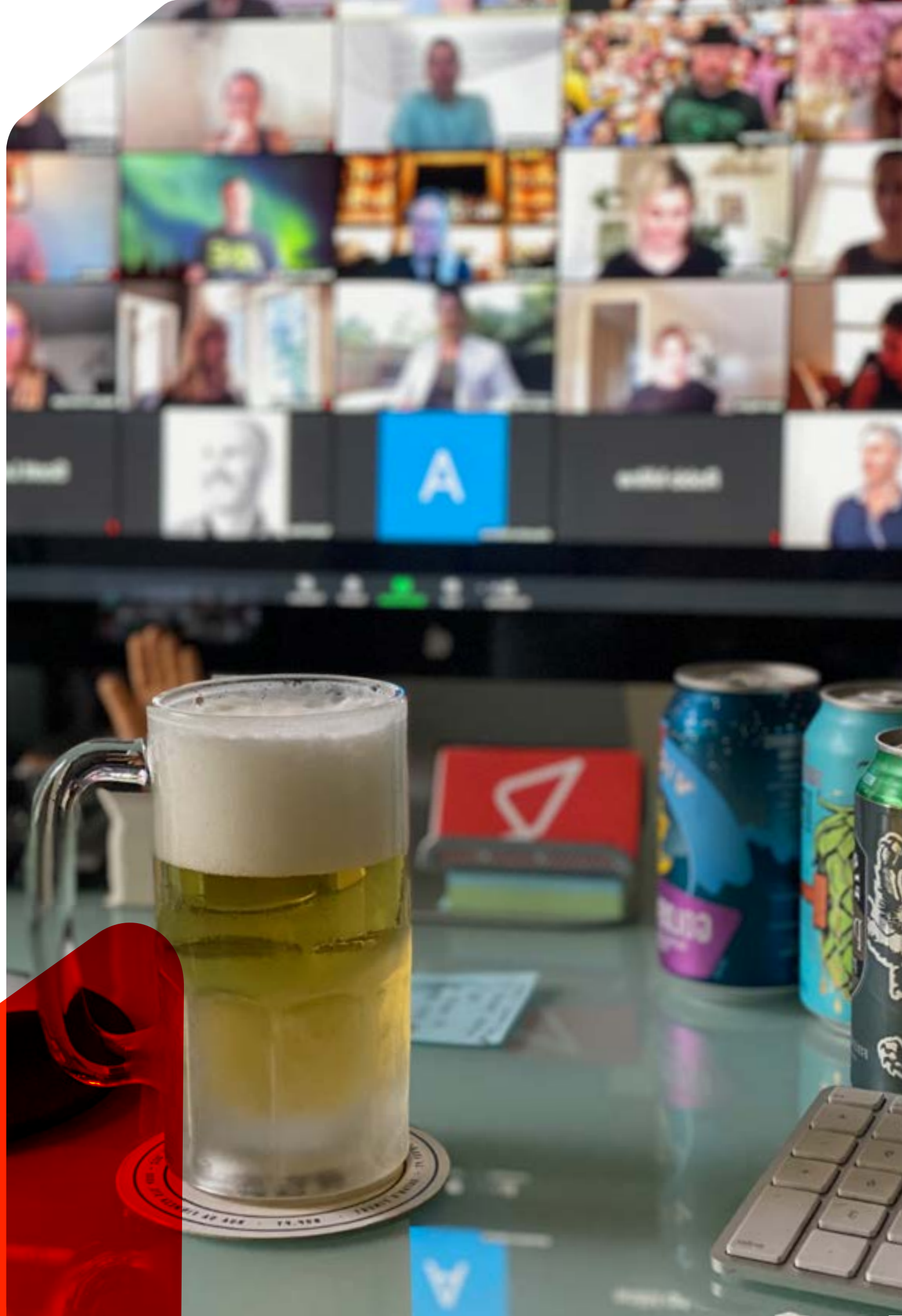
A: Employee engagement is a scientific term, so it has a very precise definition and means of measurement. At the same time, there are ways to describe it in terms that non-scientists can easily understand and apply to their organizations. In scientific terms, it is a measure of three things:

1. An employee's vigor or energy for their work

2. The dedication they feel toward their company and work

3. How absorbed in their work they feel.

Taken together, these three things form a score or measurement of engagement. When employees feel engaged, they can often reach a state known as Flow, which is a pleasurable experience where their sense of time is distorted and they're performing their work at peak levels of concentration and focus, and they are likely to be highly productive as a result—as much as 150% more productive than their peers. I believe that companies should take a science-driven approach toward measuring and improving engagement.





Q: What are the quantifiable benefits of a fully engaged workforce?

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A: Several reliable field studies have been done over the past 20 years, conclusively linking employee engagement to business outcomes. Some of them include:

37% lower absenteeism

25% lower turnover (in high-turnover organizations)

65% lower turnover (in low-turnover organizations)

48% fewer safety incidents

41% fewer patient safety incidents

41% fewer quality incidents (defects)

Between 10% and 85% higher customer satisfaction (depending on industry)

21% higher productivity

22% higher profitability

Source: Harter et al., 2013

In addition, companies with high levels of engagement enjoy being a more sought-after employer and are likely to appear on various lists as being among the best places to work, making it easier for them to attract new employees and customers as well. In our own research, we show that engagement is decisive for advocacy and retention. The most engaged employees:

Are more likely to advocate for your company.


Your most engaged employees are your biggest advocates as they tend to be fully invested in the future of the organization and take pride in the mission, values and work of the company. This should not come as a surprise to anyone. When employees connect with the work they are doing and understand how it ties back to their clients, they will have a sense of pride toward the overall success of the firm.

Are more likely to stay.

The more engaged employees are, the more likely they are to stay for at least the next 12 months. By better enabling employees for success and improving the overall engagement of their employees, employers will find better retention results, which in turn can have a positive effect on the overall business outcomes. "When your employees (and maybe even you, as their manager) aren't allowed to grow, they begin to feel that they don't matter." This is precisely what organizations try to avoid happening, but now is the time for them to be more proactive in their approach and drive engagement to keep top performers rather than rely on pay raises and promotions.

Are more likely to be productive.

The most engaged employees will show stronger satisfaction with technology; deeply identify with the culture, values and mission of the organization; and ultimately are most likely to be the organization's top performers. By enabling employees to be more engaged through appropriate technology, workloads and interests, organizations will find that their employees are better prepared for work and becoming more productive.



Q: What are the predictors of employee engagement? And which ones should companies focus on to make the most impact?

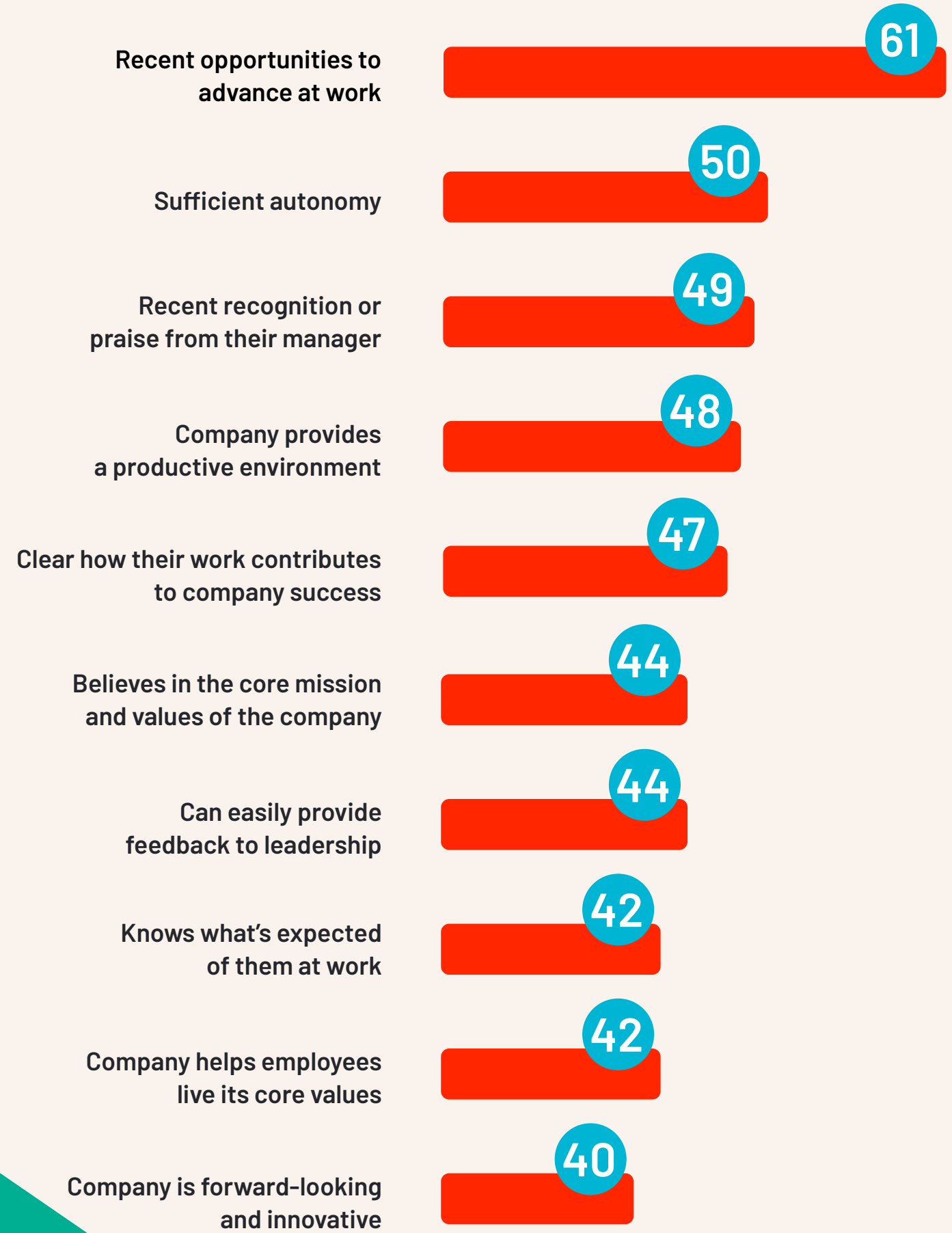
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Q: What are the predictors of employee engagement? And which ones should companies focus on to make the most impact?

A: Several companies have surveys that measure employee engagement and its predictors. But Forrester’s survey is unique because we looked at a different set of factors than others do, including technology-related factors, which others haven’t measured. Below are the top 10 predictors of engagement from Forrester’s most recently published research:

In terms, of what to focus on, that has changed somewhat due to the COVID-19 pandemic. Companies should focus on two things through at least the end of 2021: 1) Reduce burnout-related factors by increasing recognition

programs, for remote employees especially. And 2) Promote engagement by providing greater work schedule flexibility and improving the social environment and collaboration between remote and office-based employees.






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A: Full employee engagement is unlikely because it's almost impossible to have every employee feel fully engaged in their work. But quantitatively, it is possible to achieve engagement scores in the low- to mid-90% range.

Qualitatively, engagement at this level looks like:

- Nearly everyone having high energy levels toward their work
- Very low employee turnover rates relative to your competitors
- For knowledge workers, at least, spending most of their time and energy on "deep work" (requiring a lot of concentration and focus to complete) and spending comparatively little time in meetings or on "busy work" such as expense reporting and paperwork



Q: How can companies approach employee engagement from a capabilities perspective to be most effective?

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A: We've interviewed EX leaders and practitioners at approximately 30 organizations around the world to specifically understand what capabilities they're building to increase employee engagement. The graphic below represents the results of that research and analysis:

Forrester's EX Capabilities Model

Listening and data literacy

- Quantitative: surveys, sensors, and analysis
- Qualitative: interviews and exercises

Strategy

- Develop vision
- Devise plans and assess feasibility
- Align with business goals

Design

- Generate ideas
- Prototype test with employees

Science

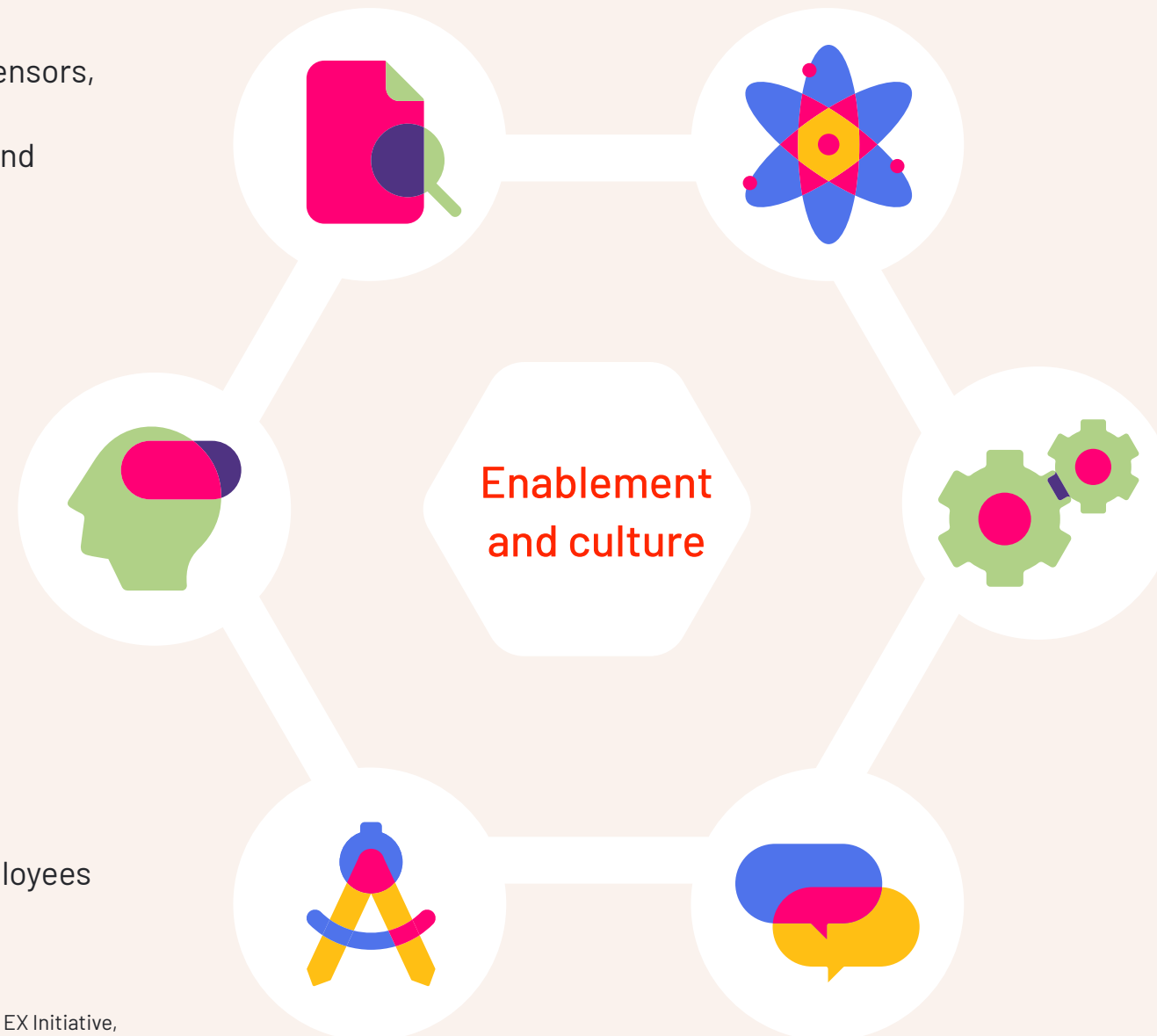
- Psychological and organizational behavior
- Engagement and burnout wellness

Operations

- Process design and refinement
- Technology augmentation
- Demands/resource balance

Communication and execution

- Seeking out support across organization
- Impacting networks
- Teaching individuals and teams





About David Johnson

Principal Analyst at Forrester

David serves leaders responsible for EX and workforce productivity and is the lead author of Forrester's EX Index research. His passion is helping companies create workplaces that engage people and enable them to do their best work. He is an expert in the way technology affects motivation and performance, as well as how it shapes organizations' employee experience. David also speaks publicly about how organizations can use psychological and organizational behavior research to guide their technology strategy and set better priorities.

About Liquid Agency

We build brands people believe in.

For companies that rely on their brands to give them a competitive advantage, Liquid Agency is a full-service brand, employee and customer experience agency that fuels growth, creates value and captures ROI.

We leverage the power of brand to solve today's most difficult business challenges by designing experiences for brands and their customers and employees—experiences that all connect with the heart of an organization's real meaning and purpose.

We make it fast, and we make it real, through a powerful and agile approach called Silicon Valley Thinking™, providing speed to market in a time of rapid change.

The result is measurable business growth and brands people believe in.





We create experiences for brands and their customers and employees, all aligned with the organization's true meaning and purpose. When your experiences line up, people do the same, and real business value is the result.



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