DISCUSSION
Employee Engagement
Recognition Programs
Sonoma State University
Recognition Programs
Other Examples
Trends/Lessons Learned
Resources
EMPLOYEE ENGAGEMENT
EMPLOYEE ENGAGEMENT

Commitment
COMPANIES WITH HIGHEST LEVEL OF ENGAGEMENT

- Higher productivity
- Lower turnover
- Attract best talent
- Larger EPS growth rate
EMPLOYEES WITH HIGH LEVELS OF ENGAGEMENT

- Less absenteeism
- Exceed expectations
- Supportive of organizational change
- Resilient during business challenges
- Don’t stress over long commutes
GALLUP 2011 RESULTS

The Three Types of Employees

1. **ENGAGED** employees work with passion and feel a profound connection to their company. They drive innovation and move the organization forward. 29%

2. **NOT-ENGAGED** employees are essentially "checked out." They’re sleepwalking through their workday, putting time -- but not energy or passion -- into their work. 52%

3. **ACTIVELY DISENGAGED** employees aren’t just unhappy at work; they’re busy acting out their unhappiness. Every day, these workers undermine what their engaged coworkers accomplish. 19%
# INCOME LEVEL DOESN'T MATTER

<table>
<thead>
<tr>
<th>Age</th>
<th>% Engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-29</td>
<td>32%</td>
</tr>
<tr>
<td>30-44</td>
<td>28%</td>
</tr>
<tr>
<td>45-64</td>
<td>28%</td>
</tr>
<tr>
<td>65+</td>
<td>44%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>% Engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School or less</td>
<td>34%</td>
</tr>
<tr>
<td>Tech/Voc/Some college</td>
<td>27%</td>
</tr>
<tr>
<td>College graduate</td>
<td>28%</td>
</tr>
<tr>
<td>Post grad work or degree</td>
<td>27%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>% Engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>27%</td>
</tr>
<tr>
<td>Female</td>
<td>33%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Income</th>
<th>% Engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $36,000</td>
<td>30%</td>
</tr>
<tr>
<td>$36,000 - $89,999</td>
<td>29%</td>
</tr>
<tr>
<td>$90,000 and up</td>
<td>30%</td>
</tr>
</tbody>
</table>
LEADERSHIP IQ 2011 REPORT

- Under Engaged: 43%
- Disengaged: 10%
- Highly Engaged: 19%
- Moderately Engaged: 29%

LEADERSHIP IQ’S GLOBAL TALENT MANAGEMENT SURVEY 2011; 1463 PARTICIPATING U.S. COMPANIES
FUTURE CHALLENGES

Key HR challenges next 3-5 years

- Engagement (99%)
- Retention (95%)
- Recruitment (96%)

SHRM/GLOBOFORCE SURVEY ON RECOGNITION PROGRAMS, 2011. 745 HR PROFESSIONALS, 500+ EMPLOYEES
Methods organizations use to track employee engagement levels:

- Employee exit interviews: 71%
- Employee retention rates: 65%
- Vendor-administered employee engagement surveys/analysis: 43%
- Company-administered employee engagement surveys/analysis (i.e., the organization conducts its own survey with employees): 40%
- Social media activity by employees (i.e., tracking employee comments on internal and external company forums): 11%
- Other: 3%

Note: n = 637. Includes only organizations that indicated they track employee engagement levels. Total does not equal 100% due to multiple response options.
RECOGNITION PROGRAMS

“We need to update our employee recognition program.”
Does your organization have an employee recognition program?

No 20%

Yes 80%

n = 698
The Most Common Reasons Organizations Recognize Employees

- **Years of service**: 58%
- **Going above and beyond with an unexpected (not regular) work project**: 48%
- **Successful performance results related to the organizational financial bottom line (e.g., financial gains for organization, increased sales)**: 43%
- **Exemplary behavior that aligns with organizational values**: 37%
- **Completion of regular work projects with high-quality results**: 9%
- **Completion of regular work projects at a faster than usual pace**: 2%
- **Other**: 3%

*Note: n = 549. Includes only organizations that have an employee recognition program in place. Total does not equal 100% due to multiple response options.*

SHRM/Globeforce Employee Recognition Tracker Survey: Employee Recognition Programs ©SHRM 2011
RECOGNITION IN THE DOWNTURN

In what areas has your HR Department been asked to reduce costs?

- Merit Increases: 63%
- Bonuses: 47%
- Training Programs: 45%
- Core Compensation: 32%
- Incentive Programs: 29%
- Recognition Programs: 25%
- Wellness Initiatives: 17%
- Pension/Retirement Fund Contributions: 17%
- Medical Benefits: 14%
- Severance Packages: 11%
- Paid Vacation/PTO: 10%
RECOGNITION SOARS AS DJIA/CONSUMER CONFIDENCE SPIRALS DOWNWARD

Employee Recognition vs. Dow Jones vs. Consumer Confidence Indexes

GLOBOFORCE'S EMPLOYEE RECOGNITION INDEX (A MEASUREMENT OF THE NUMBER OF EMPLOYEE AWARDS GIVEN AT LEADING FORTUNE 500 COMPANIES).