

# Engagement Has Its Coming Out Party

Employee engagement is a growing hot button issue among U.S. employers of all sizes and industries. In October 2015, for example, the percentage of U.S. workers that Gallup considered engaged in their jobs averaged only 32.1%. And in the past four years, since Gallup first began its survey, the number has never been higher than around one-third.

So, it's no surprise that ADP's survey found that the level of concern on this issue, which has remained flat since 2012, spiked 25% in 2015 with two out of five now expressing high levels of concern!

ADP defines employee engagement as a workplace approach designed to ensure that employees are committed to their organization's goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being.

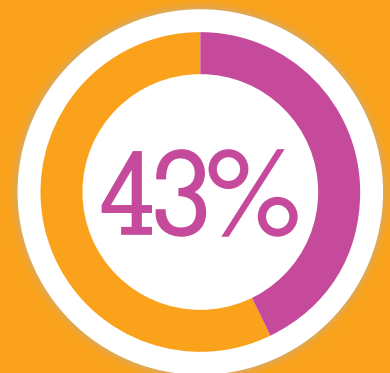
The 2015 survey found that the vast majority of participants believe engagement is important to an organization's success. However, only slightly more than half feel they currently have a good, repeatable process to facilitate it.



ENGAGEMENT  
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NUMBERS



76% - express some degree of concern about employee engagement being achieved.



43% - believe that one of the goals of HCM is to drive employee engagement.

# Employee Engagement

And while a relatively small number of midsize business owners and executives believe they are managing their workforces poorly, only slightly more than half say their organization is doing “extremely” or “very” well at it. More than a third are not even sure how they are doing at all.

Finally, two out of five respondents reported that one of the goals of Human Capital Management (HCM) is to drive employee engagement. For the purpose of this study, Human Capital Management was defined as solutions and services to meet some or all of companies’ payroll, HR administration, employee benefit administration, talent management, and time and labor management needs. However, three-quarters of business owners and executives express some degree of concern about achieving this goal. How concerned? Two out of five are “extremely/very concerned” – a significant shift from prior ADP survey years.

ADP survey participants report performance management, compensation management and goal setting are rated as the most important strategies to promote and facilitate employee engagement – one of the emerging challenges midsize businesses face today.



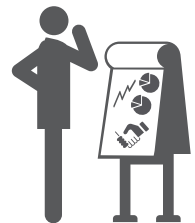
## PRO TIP:

### USE SMART DATA TO IMPROVE ENGAGEMENT

Progressive companies are using data more and more to improve employee engagement. For example, benchmarking and analytics can help HR leaders cross reference data, such as retention rates, turnover and compensation to determine overall health of a specific employee group or department.

Here are key steps HR leaders can take to put data to work when it comes to engaging employees:

- Clearly define which questions the organization hopes to answer with data analytics. By focusing on the specific business issues executives want to better understand and solve, HR leaders can more easily identify key data sources.
- Ensure the data collected is both accurate and relevant to the HR trends the organization wants to evaluate. A good place to start is to establish a talent benchmark that maps out all employees in the organization, their position, tenure and salary.
- Connect with colleagues in departments outside of HR, such as sales and finance, who can provide additional data. Collecting and combining as much information as possible will lead to deeper, actionable insights.



To learn more about opportunities for midsize business owners, download the ADP 2015 Midsize Business Owners Study action paper.