

2008 Performance Conference

## Measuring and Improving Employee Engagement

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### Engagement . . .

- Develop individual employee performance plans that align training initiatives with goals set forth in your strategic plan
- Design training strategies which maximize employee potential
- Incorporate training into employee development plans and leadership opportunities

## Everything old is new again . . .

- Employment Branding
- Workforce Planning
- Employee Engagement

## Oh rats . . . It's up to us!

- Focus on the Business
- Focus on Key Contributors
- Focus on Engagement Barriers
- Focus on Culture

**Like most important things, it starts at the top.  
Loyalty seems to be inspired by leaders who:**

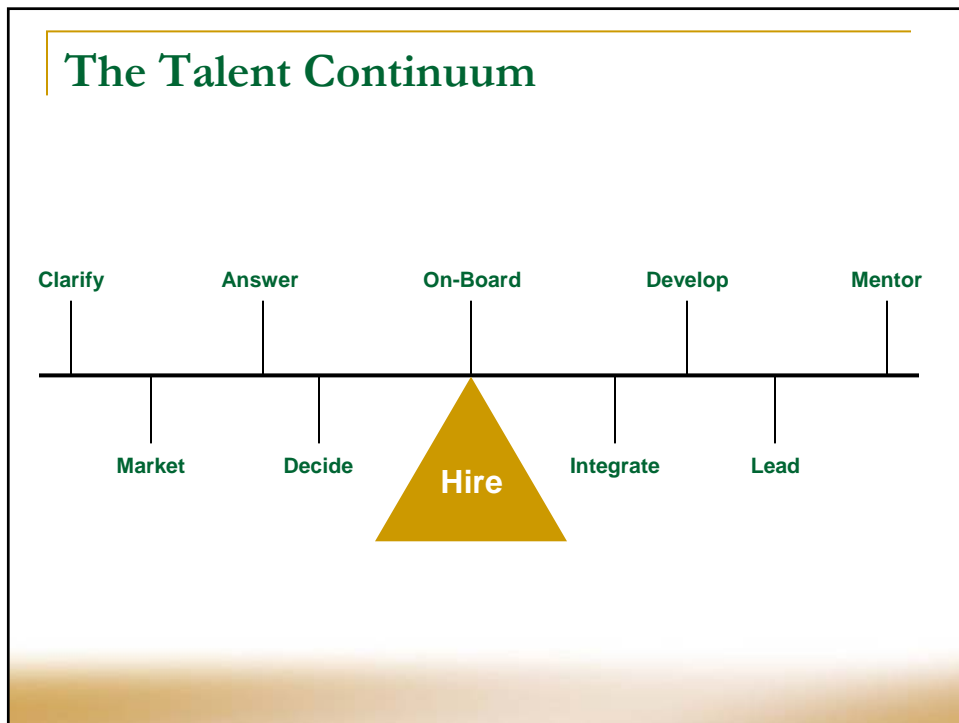
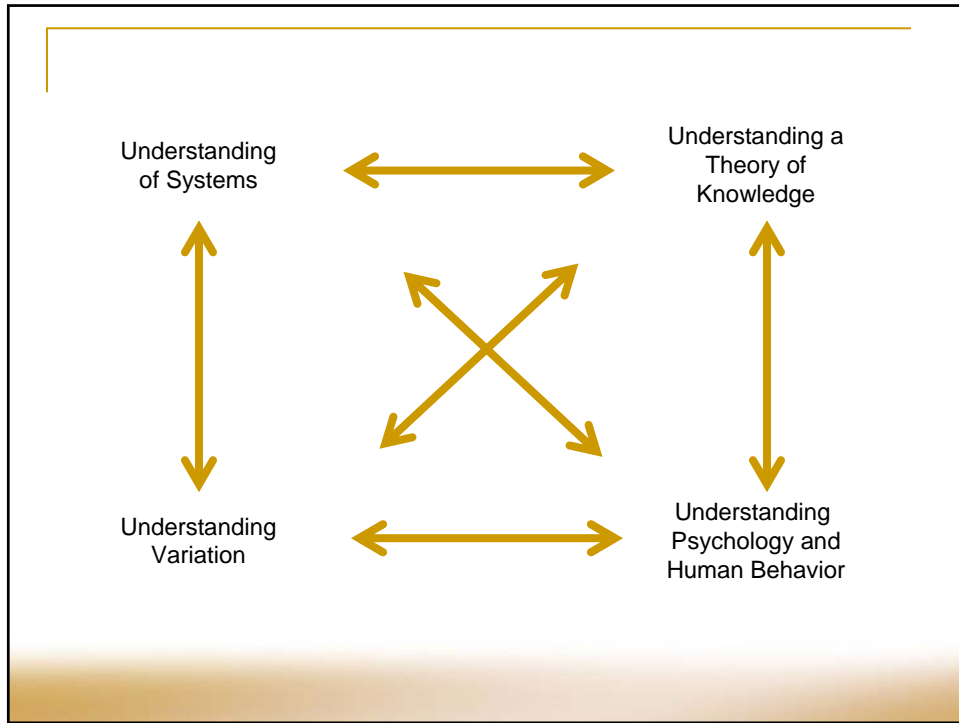
- Invest in the workplace to produce high results
- Achieve results via relationships
- Insist that people learn from their mistakes
- Maintain a long and consistent view of the workplace culture
- Communicate more frequently and personally
- Speak directly, openly, and honestly
- Provide clear direction

Hewitt research as reported  
In E. Goodman's *Executive  
Excellence* (2000)

**Demming's 85-15 rule**

85% of the problems in a business are the fault of management; 15% are the fault of the workers.

"Quality is made in the boardroom."



## The Talent Continuum

Company History

Financial Information

Company Vision

Business strategy

Products

Competencies

Organizational Structure

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Hire

## The Talent Continuum

Company History

Financial Information

Written and unwritten "rules"

Understanding how things "get done"

Company Vision

Business strategy

How have others integrated successfully?

Develop a peer group

Products

Competencies

Organizational Structure

Make key contacts

Establishing individual leadership style

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Hire

## What does a failed hire “cost”?

- Financial Cost -- conservative estimates place the “price” of a failed hire at 24 times base salary  
*(Watkins 2003, Smart 1999)*
- Organizational Disruption Cost
  - “What does she know that I don’t?”
  - Departmental impact
  - Institutional Knowledge
  - Re-alignment
- Possible futures unrealized

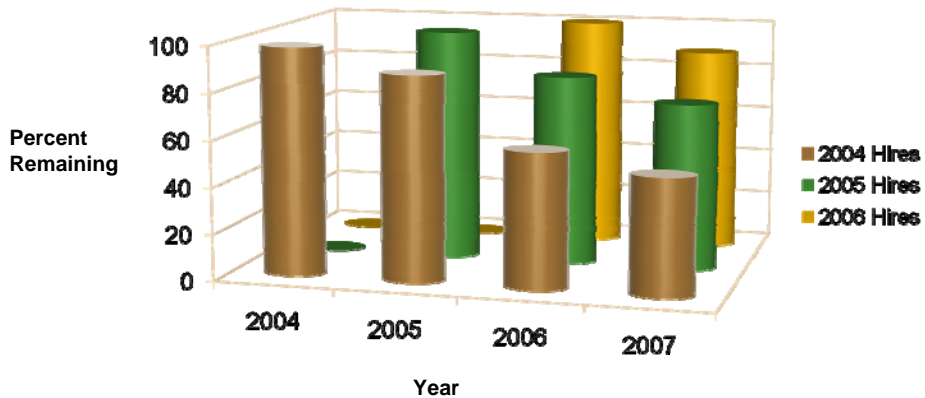
**While we’re here in this conference room,  
40% of the employees at YOUR company  
report that they are “partially to fully disengaged”**

Towers Perrin (2007)

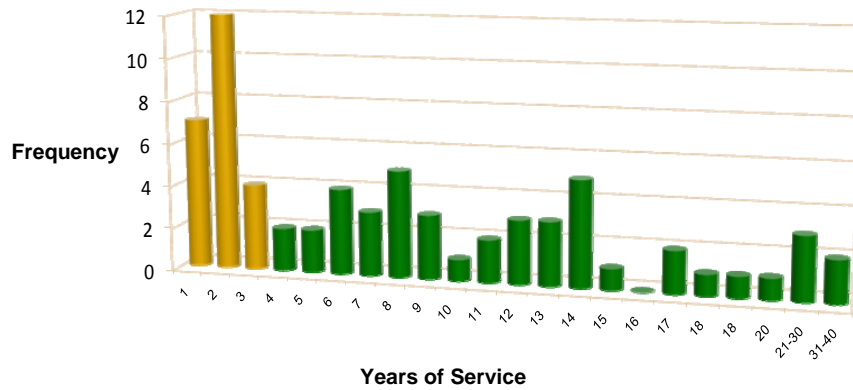
## Getting down to something we can see:



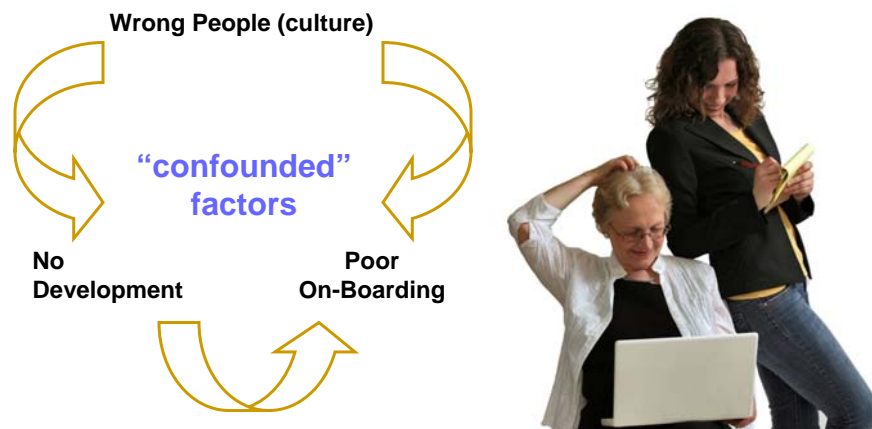
## Executive Attrition at "Acme Corporation": Directors and Above



## Years of Service at Termination: EX and SE bands, 2006 and Q1-Q2 2007



## Why is this happening?



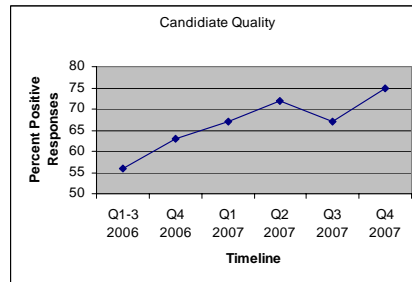
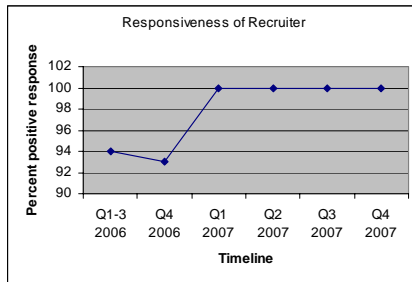
## Data Gathering – Quarterly Survey

- What do we want to know? How many questions?
- “Do you have the tools you need to do your job?”
- “Do you feel as though you’re being developed?”
- Hard to distinguish root causes
- Showed “overall” improvement

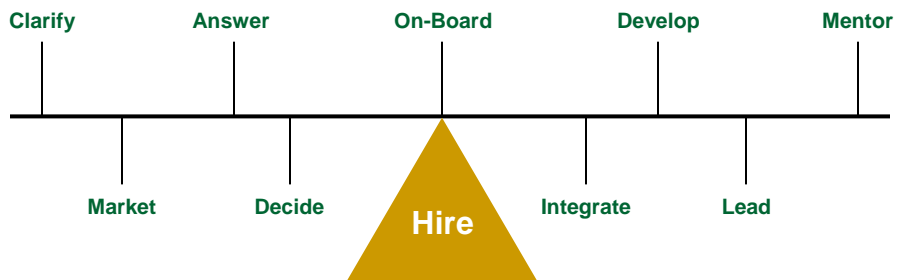
## Designing the Tools (Balancing convenience and utility)

- Predictive internal surveys
- Focus groups
- Gap analysis by division, location, department
- Link survey results to business results

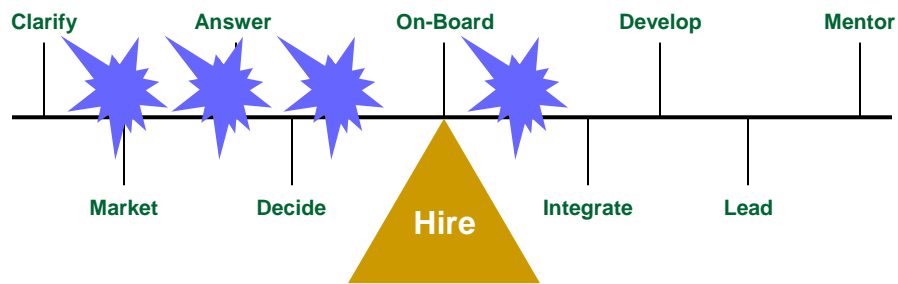
## Results?



## What is really happening?



## What is really happening?



## What to ask

- Pride in employer
- Satisfaction with employer
- Job satisfaction
- Opportunity to perform well at challenging work
- Recognition and positive feedback
- Intention to stay with one's employer
  - "Risk scores"

## The real story . . . what is good?

- First Impressions
- Job Opportunities
- Interviews
- HR Support
- Interview Travel

## The real story . . . what is **BAD**?

- Company Culture
- Business Reputation
- Work Environment

## Huh???

- “Tough, demanding, high-stress culture. Low priority on work-life balance.”
- “Ethics needs work here, not many bad apples, but a few still exist.”
- “The facilities could be better. Exercise/childcare is not available at close distance. Eating area is small and food is sub-par.”

## There is nothing new about this . . . We are just seeing external forces at play

- Economy
- Talent Acquisition Landscape
- Generational Influences
- Ability to convey your Brand in the new Millennium

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## Some thoughts . . .

- Developing “performance plans” that link employees with the strategic plan is not “HR’s job.”
- If you have to ask what training people need, engagement is the least of your worries.
- If people can’t see how their work relates to the overall company mission, your executives are doing something wrong
- What would this look like?

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## Thank you!

Share your successes with me!

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