TRENDICATORS
BEST PRACTICES
REPORT

hinda incentives.





### **Executive Summary**



A brief overview of the benefits and challenges of improving candidate and employee engagement enterprise-wide.

## The Business Impact of High Engagement



Lower rates of:

- Job offer rejection
- Absenteeism
- Turnover
- Safety incidents
- · Quality defects

Higher rates of:

- · Quality of hire
- Customer satisfaction
- Sales growth
- Profitability
- Shareholder returns



Engagement fuels the discretionary effort that determines organizational performance, retention and competitive advantage.



Engagement is not an abstract business variable. It is a vital indicator of organizational success that is measurable, trainable, influenceable, accountable and profitable.



While employee and candidate engagement are priorities for all employers, few organizations have strategies, processes and accountability in place aimed at improving enterprise-wide engagement.



Managers have the greatest influence over engagement levels, from pre-hire to retirement. However, HR organizations often lack the authority to hold managers accountable for improving their engagement skills and behaviors.



Traditional approaches to manager training lack the personalized diagnostic inputs and guidance that managers need to improve their engagement skills.

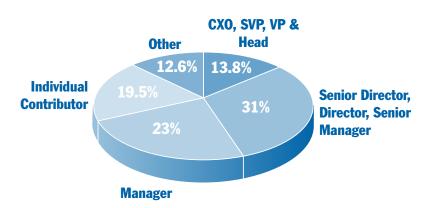
This publication shares our recent Engagement Strategy Benchmarking Survey results, along with insights and best practices for improving engagement, from pre-hire to retirement.

### **The Challenge**

While the business impacts of high engagement are universally recognized, the responsibility for engagement within most organizations is siloed across departments and functions. As a result, despite widespread investment in employee engagement surveys and recognition programs, efforts to improve engagement are often hindered by a lack of several important factors.

#### **ENGAGEMENT STRATEGY BENCHMARKING SURVEY**

Engage2Excel's Trendicators research division recently surveyed 78 HR and talent management leaders, managers and contributors. The purpose of the survey was to gather insights that would enable organizations to benchmark their engagement strategies throughout the talent lifecycle.



#### **Industries Represented**

Green Tech

| Automotive               | Healthcare       |
|--------------------------|------------------|
| Banking/Finance          | Insurance        |
| Chemical                 | Legal            |
| Defense                  | Media            |
| Education                | Non-Profit       |
| Electronic Manufacturing | Supply Chain     |
| Energy                   | Technology       |
| Engineering/Electronics  | Travel           |
| Government               | Wholesale Lumber |

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### Introduction

Over three-quarters of employers invest significantly in employee engagement surveys and recognition programs to measure and improve engagement. While survey tools and recognition platforms have become increasingly sophisticated over the past decade, HR departments are challenged to optimize these investments with the support needed to help individual managers develop their engagement skills and be held accountable for improving them.

While most engagement initiatives focus on employees, our 2024 Job Seeker Survey Report shows that candidate engagement significantly influences hiring success, particularly in the final stages of the selection process.

To better understand organization challenges in improving engagement throughout the talent lifecycle, we conducted a pulse survey of 78 HR and talent acquisition leaders, managers, and contributors. The findings were presented during our roundtable with members of the Trendicators Advisory Board. The session was led by Jeff Gelinas and Darren Findley.

In this report, we unveil the findings of our Engagement Strategy Benchmarking Survey, along with actionable insights and best practices to enhance engagement at every stage of the talent lifecycle—from pre-hire to retirement.

#### Roundtable Moderators



**Jeff Gelinas** President of Employee and Consumer **Engagement & Incentives** Engage2Excel & Hinda Incentives



Special thanks to the following members of the Trendicators Advisory

**Darren Findley** President Engage2Excel Recruitment Solutions

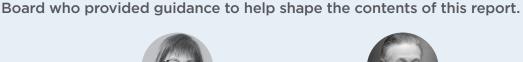


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Trendicators is the research division of the E2E group of companies, leading providers of engaging career and consumer experiences. Trendicators provides original HR research and reports on insights and best practices from industry leaders and experts.

# **Engagement Influences Success at Each Stage of the Talent Lifecycle**

| Talent<br>Lifecycle<br>Phase | Type of<br>Engagement   | Enabler                | Low Engagement<br>Business Impact                               |
|------------------------------|-------------------------|------------------------|---|
| Recruiting                   | Candidate<br>Experience | Recruiter              | Fewer qualified candidates                                      |
| Hiring                       | Interview<br>Experience | Hiring<br>Manager      | Lower offer acceptance rate                                     |
| Onboarding                   | New Hire<br>Experience  | Manager/<br>Supervisor | Higher early attrition rate                                     |
| Training & Development       | Learning<br>Experience  | Trainer                | Reduced time to productivity                                    |
| Performance<br>Management    | Employee<br>Experience  | Manager/<br>Supervisor | Reduced productivity increased absenteeism Lower retention rate |

Within most organizations, the responsibility for engagement is fragmented across different departments and functions. This can result in widely varying candidate and employee experiences that negatively impact business success.

Engagement, by definition, is a personal experience that influences success at each stage of the talent lifecycle.

A holistic approach and enterprise-wide strategy are needed to effectively measure, manage, and improve engagement to optimize business impact.

# **Improving Engagement Survey Results Requires Strategy, Process & Accountability**

Our pulse survey revealed that nearly 80% of respondents conduct employee engagement surveys, which corresponds with national survey reports.

A common problem with collecting employee feedback from engagement surveys is the lack of follow-up to address employee concerns.

More than half of our respondents indicated that their organizations did not have a written engagement strategy, and 86% said no single executive was responsible for managing engagement across the talent lifecycle. Measuring engagement without a strategy and accountability for improvement can result in increased levels of disengagement.



**78**%

Conduct engagement surveys every year or every 2 years.



**54**%

Don't have a written engagement strategy document.



Have no single executive responsible for managing engagement across the talent lifecycle.

# **How Respondents Rated Their Organization's Candidate & Employee Engagement Levels**

### **CANDIDATE ENGAGEMENT**

**19.5**%

**Above Average** 

**57.5**%

Average

### **EMPLOYEE ENGAGEMENT**



**36.8**%

**Above Average** 

**36.8**%

**Average** 

Candidate engagement significantly impacts hiring success. Our 2024 Trendicators Job Seeker Survey Report revealed that the top reason candidates accepted or rejected job offers was whether or not they were shown appreciation, dignity and respect in the hiring process.

The influence of employee engagement on performance, retention, customer satisfaction and profitability is well documented.

When asked to compare engagement levels at their organization with those of their industry peers, less than 20% of our respondents rated candidate engagement above average, and less than 40% rated employee engagement above average.

# **Top Objectives for Improving Engagement**

Candidate and employee engagement are fundamental drivers of competitive advantage and differentiation. The survey respondents' candidate and employee engagement ratings reflect significant room for improvement and the need for change.

An overwhelming majority (85%) of the respondents believed that a comprehensive engagement strategy could improve talent acquisition, employee performance and retention.

More than two-thirds (69%) reported that improving managers' effectiveness was a strategic priority in their organization.

These results are not surprising. Despite the prevalence of engagement surveys and employee recognition programs to measure and improve engagement, more is needed to optimize the returns from these investments.

### **ENTERPRISE-WIDE ENGAGEMENT STRATEGY**



Believe a comprehensive engagement strategy could improve talent acquisition, employee performance and retention.

### IMPROVING MANAGER **EFFECTIVENESS**



**69**%

Say improving the effectiveness of managers is a strategic priority.

# A Pragmatic View of the Role of Managers from the Candidate/Employee Perspective

#### RECRUITING

Is this a manager I would like to work for?

#### **PERFORMANCE**

Does my manager value my contributions and career interests?

#### RETENTION

Would I be better off working elsewhere?

When considering the goal of improving engagement, it is important to remember that engagement is not a program; it is a personal experience, and in the workforce, largely influenced by the actions and behaviors of an individual manager. The tools and programs used to measure and improve engagement provide an important organizational perspective, but what role do managers play in influencing the personal perceptions that impact success?

In the pre-hire interview stage, candidates assess whether the hiring manager is someone they want to work for. In their daily routines, employees' performance is influenced by how much a manager values their contributions and career interests. Ultimately, employee retention is influenced by whether a worker feels they would be better off working for a manager in another department or a different company altogether.

# **Why Traditional Approaches to Manager Training Are Ineffective for Improving Engagement Skills**

Few leadership skills impact managerial success more than the ability to engage and motivate team members. According to research by Dr. Jack Wiley, Engage2Excel's chief scientific officer, over 70% of managers have received no people management training or have had their training capped at four hours.

Traditional leadership training programs have proven ineffective in helping individuals become better people managers because they are disconnected from business inputs and outcomes. delivered via one-time online sessions that result in low learning retention rates, and, most importantly, they lack accountability, action planning, and follow-up.

The criteria listed to the right are based on a manager development program by Dr. Wiley that has proven successful in helping managers understand and deliver what their direct reports want and need the most to succeed.

### **Requisites for People Management Training Success**

- 1. Training objectives are aligned with enterprise engagement survey results.
- 2. Curricula are based on diagnostic inputs from an upward feedback survey of direct reports.
- 3. Training outcomes include individualized guidance and action planning.
- 4. Training follow-up includes a second upward feedback survey to benchmark improvement.
- 5. Program is overseen by leadership to ensure accountability and provide recognition for leadership achievement.

# **HR/C-Suite Partnership is Vital for Ensuring Accountability for Improving Engagement**

In a recent survey conducted by PwC, CHROs indicated that their top priorities included making their function a more strategic partnership for the CEO and developing leadership capabilities within teams.

Improving enterprise engagement across the talent lifecycle checks both boxes. Support from the CEO or sponsorship from another C-suite executive, such as the CFO or COO, is vital in improving awareness, training, and accountability to increase the engagement levels of direct reports.

However, winning C-suite support will require translating traditional HR performance metrics into KPIs that matter most to the CEO.



# **Top Challenges for Getting Support to Measure, Manage & Improve Engagement**



**58**% **Funding** 



**21**% Building **Business Case** 



C-Suite Support When asked about the hurdles to obtaining the necessary support to measure, manage and improve engagement, the survey respondents cited three interrelated challenges. While funding topped the list, securing additional funding would require a compelling business case and support from one or more C-suite stakeholders.

Consider the following business metrics to win support for a comprehensive approach to improving engagement across the talent lifecycle. In all cases, benchmark your data against industry peers wherever possible to underscore the need for a competitive advantage.

#### **Talent Acquisition Metrics**

- Time-to-hire
- Offer acceptance rate
- Candidate feedback
- Cost of unfilled roles
- · Early attrition rate

#### **Talent Management Metrics**

- Enterprise & manager-level employee engagement data
- Employee retention rate
- · Revenue per employee
- · Profit per employee

# Why and How to Improve Manager Engagement

# WHY

### **Maximize the Return on Your Investment in Engagement Surveys and Recognition**

Over three-quarters of organizations use engagement surveys and employee recognition programs to improve engagement. Engagement surveys help measure employee perceptions, attitudes and preferences, providing valuable insight into the factors that reflect your workforce's overall well-being, morale and job satisfaction. Enterprise-wide employee recognition programs boost employee engagement and increase productivity and loyalty to a company, leading to higher retention.

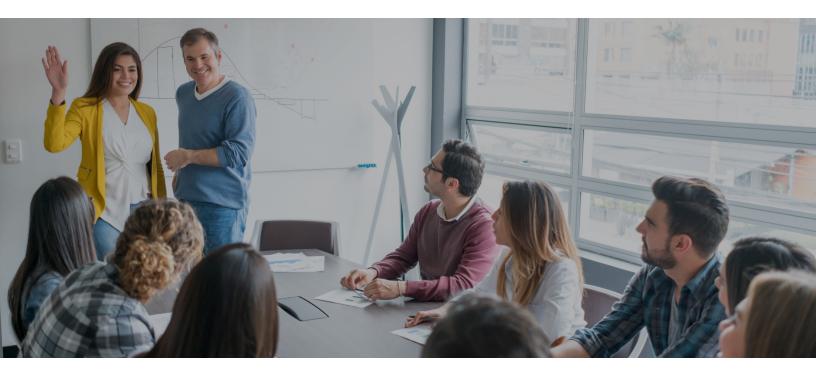
The challenge in optimizing the return and business impact of these investments centers on the role of individual managers, who have the greatest influence on engagement levels across the talent lifecycle. While engagement survey platforms can track and report engagement scores at the manager level, translating feedback into action and behavior change on the part of individual managers is challenging. When employees provide feedback that is not acted upon, it can lead to distrust and increased levels of disengagement. Similarly, employee recognition platform owners can track individual managers' actions but struggle to influence day-to-day behaviors and hold managers accountable for improvement.

# HOW

### A Three-Step, Data-Driven Approach to Helping **Managers Improve Engagement Effectiveness**

|   | Talent Acquisition  | Talent Management  |
|---|---|--|
| Collect Manager<br>Engagement Data                  | <ul> <li>Conduct post-interview<br/>candidate experience surveys<br/>and track results by hiring<br/>manager</li> </ul>   | <ul> <li>In addition to tracking<br/>engagement survey results<br/>overall and by department,<br/>report results by manager</li> </ul>   |
| Provide Diagnostic<br>Training & Action<br>Planning | <ul> <li>Share candidate experience<br/>surveys with managers</li> <li>Provide interview training and<br/>action planning for under-<br/>performing managers</li> </ul> | <ul> <li>Conduct employee upward<br/>feedback surveys for all<br/>managers</li> <li>Conduct engagement training<br/>with personalized action<br/>planning for improvement</li> </ul> |
| Hold Managers Accountable for Improvement           | <ul> <li>Implement hiring manager<br/>scorecard for periodic review</li> <li>Recognize and reward hiring<br/>managers for their success and<br/>improvement</li> </ul>  | <ul> <li>Conduct six-month follow-up to<br/>the upward feedback survey</li> <li>Recognize and reward talent<br/>management success and<br/>improvement</li> </ul>                    |





### About Hinda Incentives

Hinda offers a variety of programs that drive engagement through recognition, including:

- Sales Incentives/Recognition
- Customer and Brand Loyalty Recognition
- Employee Recognition
- Performance
- Wellness
- Safety
- Length of Service

Your job is to engage, inspire, and reward your clients, customers, and employees. Our job is to provide the tools to help you do that.

We will guide you through all program development phases—including program creation, launch, ongoing administration, promotion, and fulfillment of rewards—and design solutions that drive performance and engage, inspire, and reward the most important drivers of success: your workforce and customers.

#### For more information, visit hinda.com