

GALLUP®



*What the Best Do Differently:* Build a High-Development Culture Through Employee Engagement

UNLOCK THE POWER OF GALLUP ACCESS TO CREATE ENGAGING TEAMS

## WHY ENGAGEMENT?

An engagement-focused strategy **builds a culture of high development and produces sustainable high performance**, even amid disruption.

Employees have *fundamental psychological needs* that must be met to achieve and sustain high performance. This is as true for independent, remote workers as it is for those who work collaboratively in the office.

# Three Types of Employees Exist

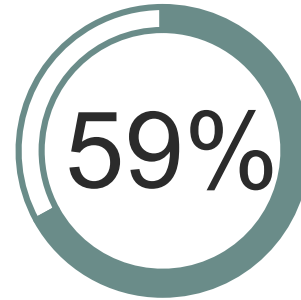
Only 33% of working-age adults worldwide have a “good job” — working full time for an employer. And, just 23% of these employees are engaged at work. Aggregated globally across 155 countries:



## ENGAGED

Employees are highly involved in and enthusiastic about their work and workplace. They are psychological “owners,” drive performance and innovation, and move the organization forward.

They are more productive and more likely to stay with their company for at least one year.



## NOT ENGAGED

Employees are psychologically unattached to their work and company. Because their engagement needs are not being fully met, they’re putting time — but not energy or passion — into their work.

They are more likely than engaged employees to miss workdays and more likely to leave.



## ACTIVELY DISENGAGED

Employees aren’t just unhappy at work — they are resentful that their needs aren’t being met and are acting out their unhappiness. Every day, these workers potentially undermine what their engaged coworkers accomplish.

# Engagement Segments Within U.S. Workplaces

Employees can be segmented into three fundamental psychological conditions of engagement that are behaviorally predictive.

16%

ACTIVELY DISENGAGED

*Actively disengaged employees aren't just unhappy at work — they are **resentful** that their needs aren't being met and are **acting out their unhappiness**. Every day, these workers potentially undermine what their engaged coworkers accomplish.*

51%

NOT ENGAGED

*Not engaged employees are **psychologically unattached** to their work and company. Because their engagement needs are not being fully met, they're putting time — but not energy or passion — into their work.*

33%

ENGAGED

*Engaged employees are **highly involved in and enthusiastic** about their work and workplace. They are psychological “owners,” drive performance and innovation, and move the organization forward.*

BEST-PRACTICE ORGANIZATIONS

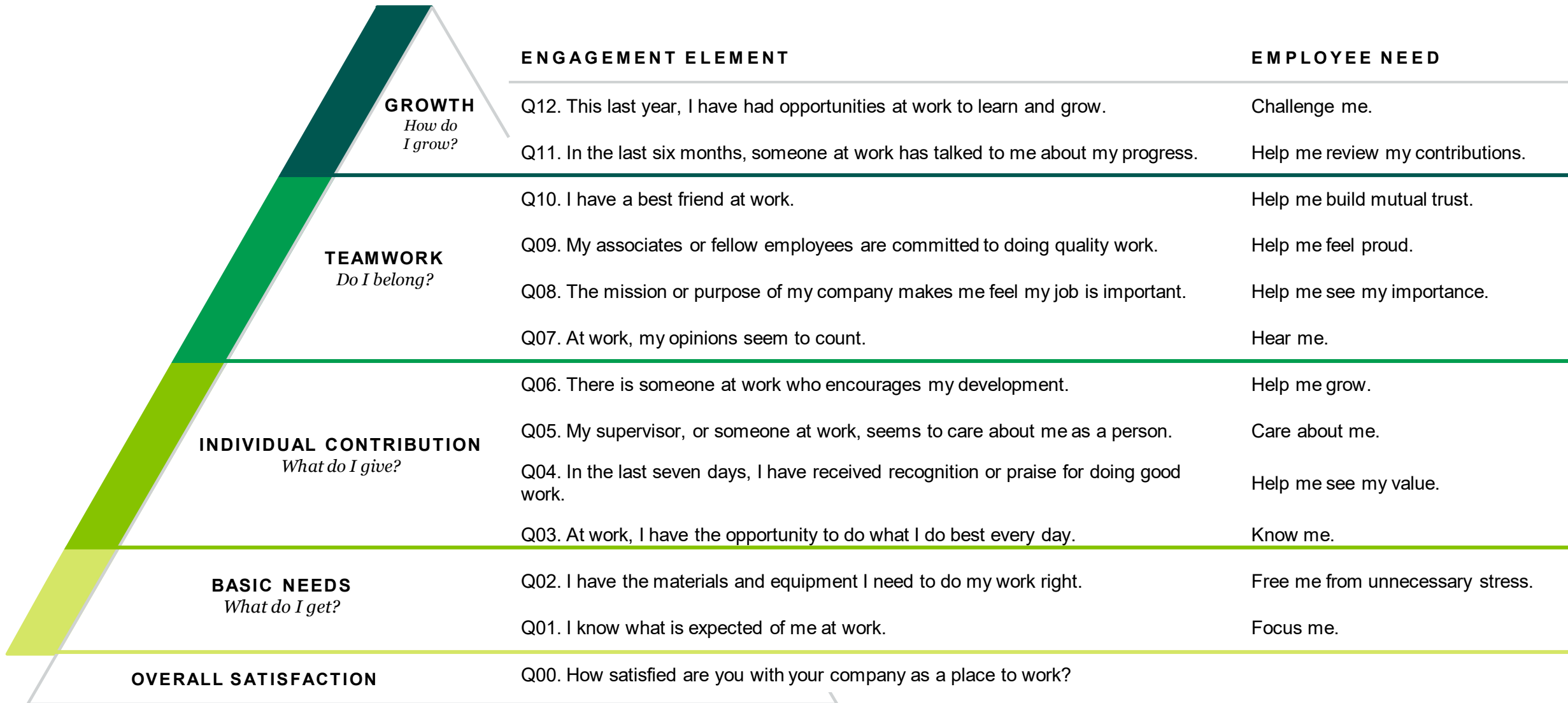
4%

24%

72%

WF Q1 2023, U.S. Employees MOE: ±1 point. Percentages for best-practice organizations are averages across 2023 Gallup Exceptional Workplace Award winners; percentages reflect the year that Gallup collected the winners' engagement data (2022) — not the year that Gallup named the award winners.

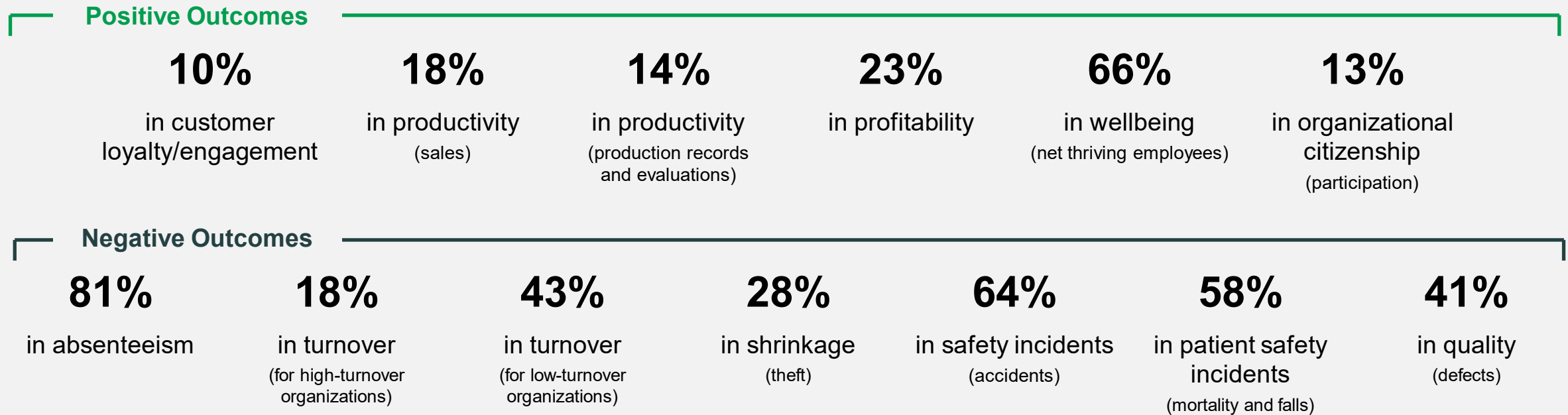
# The Items That Matter for Engagement – Gallup’s Q<sup>12</sup>®



# The Business Impact of Highly Engaged Business Units and Teams

Gallup's research of more than 112,000 teams — over 2.7 million employees — revealed that teams in the top quartile of employee engagement achieved higher performance on positive outcomes (customer loyalty, sales, productivity, profitability, wellbeing and organizational citizenship) and realized fewer negative outcomes (absenteeism, turnover, shrinkage, safety incidents and quality defects) than those in the bottom quartile.

**When comparing employee engagement levels, Gallup found that top- and bottom-quartile business units and teams had the following differences in business outcomes\*:**



Source: *The Relationship Between Engagement at Work and Organizational Outcomes: 2020 Q12® Meta-Analysis: 10th Edition*

\*The above figures are median percent differences across companies in Gallup's database. High-turnover organizations are those with more than 40% annualized turnover. Low-turnover organizations are those with 40% or lower annualized turnover.

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ONE OF GALLUP'S  
BIGGEST DISCOVERIES:

The manager or team leader plays the  
most significant role in driving  
employee engagement.

The manager accounts for

**70%**

of the variance in  
team engagement.



Source: *It's the Manager*



# Managers Have the Greatest Influence on Creating an Engaging Workplace

1 in 2

One in two employees have left their job to get away from their manager at some point in their career.

\*Gallup Panel Data

70%

Managers account for at least 70% of the variance in employee engagement scores across business units.

\*Source :Estimating the Influence of the Local Manager on Team Employee Engagement

59%

Employees who are supervised by highly engaged managers are 59% more likely to be engaged than those supervised by actively disengaged managers.

\*Source: The Cascade Effect of Employee Engagement


GALLUP ANALYTICS



## What the Best Do Differently: Lead with a Focus on Engagement

Creating an engaging workplace is part of a manager's job. Engagement-focused managers:

- 1 Carefully **read and analyze** the team's engagement results.
- 2 Read the **State of the Team** *module* in Resources.
- 3 Have a **State of the Team** conversation with your team.
- 4 Through that conversation with your team, **create an Action Plan** based on engagement results.



FOCUS ON ENGAGEMENT  
THROUGHOUT THE YEAR

Make it relevant.

Create visibility.

Schedule follow-ups.

# Gallup Access Demo

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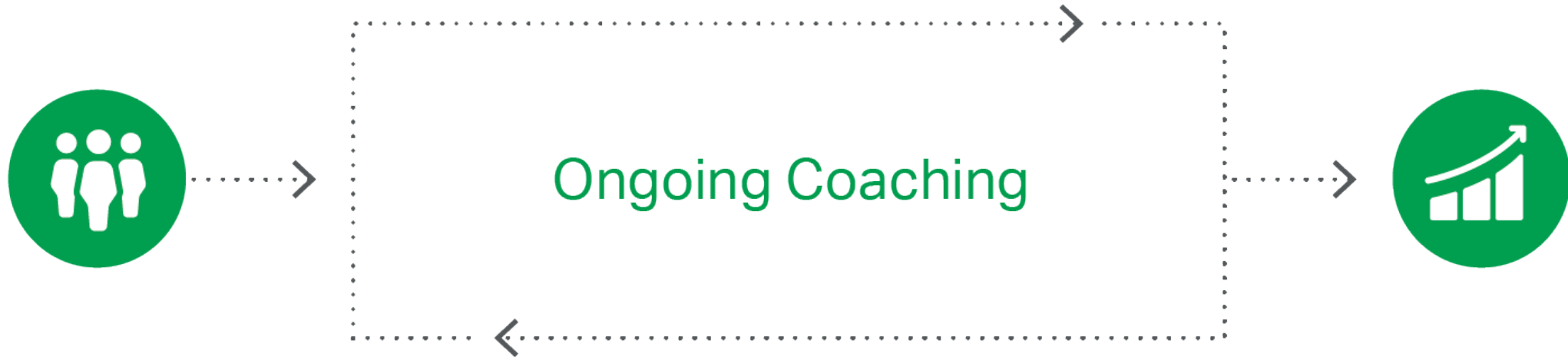
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# Appendix

# What the Best Do Differently: Infuse Engagement Into Performance Development Conversations

It is not about raising the numbers. It's about what the numbers raise in terms of meaningful conversations. The best managers embed engagement into ongoing conversations that drive performance.

Having at least **one meaningful conversation per week** with each team member keeps managers continuously attuned to their employees' performance and workplace needs.



# What the Best Do Differently: Make Conversations More Meaningful

Conversations are powerful. Employee engagement conversations must be collaborative, giving employees the opportunity to contribute. A manager's goals are to listen, reflect and help employees take action.

## MOVE FROM BOSS TO COACH

FROM  TO

- |                                                                                                                                                                       |                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• hurried conversations about tactical work</li><li>• calendar-driven reviews looking back</li><li>• weakness-focused</li></ul> | <ul style="list-style-type: none"><li>• multidimensional conversations focused on team members</li><li>• frequent and future-oriented conversations that provide feedback and direction</li><li>• strengths-based</li></ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Managers' Roles in Meaningful Engagement Conversations

- Provide structure and direction.
- Spend more time listening.
- Provide encouragement.
- Be fully present.
- Close with momentum and commitments.