

# THE SECRET TO DOUBLE DIGIT INCREASES IN EMPLOYEE ENGAGEMENT



*If employee perceptions are the main cause of financial performance rather than the reverse, we know that managers can take action to improve employee perceptions and therefore have an impact on the bottom line.*

—GALLUP, SEPTEMBER 2010

**Engaged employees understand the organization's strategic objectives and choose to be more productive in their work to meet and exceed those objectives. How engaged are your employees today?**

Best Buy determined the value of a 0.1% increase in employee engagement at one store adds \$100,000 to that store's annual operating income. If one Best Buy store increased engagement by 10% instead of just 0.1%, then that one store would have increased operating income by \$10 million. What would it mean to your company's growth and profits if you could increase your employee engagement scores by 10%, guaranteed?

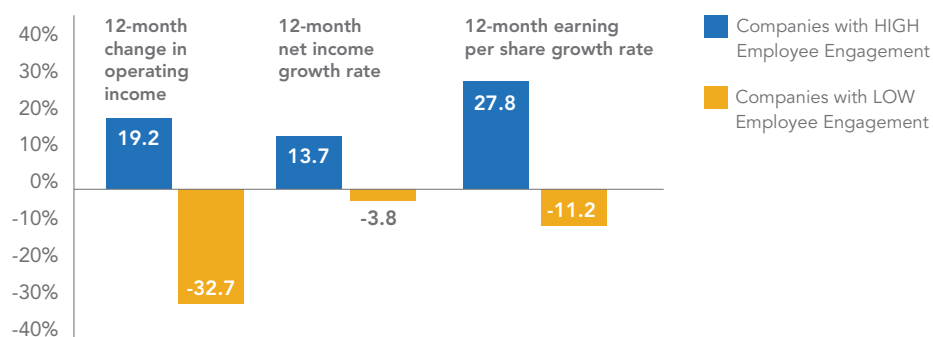
## WHY ENGAGEMENT MATTERS

In September 2010, Gallup found causation, not just correlation, between employee engagement and financial performance, answering the age-old question of which comes first. Surprisingly Gallup determined engagement results in financial success. Success does not necessarily result in engagement.

Additional Gallup research reported at the same time found companies with high engagement experienced:

- **37% less absenteeism and employee turnover (on average)**
- **49% fewer safety incidents**
- **60% fewer product defects**
- **18% higher productivity**
- **16% higher profitability**

In terms of bottom-line value, Towers Watson found a 15% improvement in employee engagement correlates to a 2% improvement in operating margin. Hewitt research from July 2010 found a 63% differential in total shareholder return for companies with high employee engagement vs. those with low engagement, which validates Towers Watson research from 2008 illustrated in the chart below.



Do you need to improve employee engagement in your organization? Our recognition strategists are ready to help you increase your engagement scores by double digits in less than a year. Visit us on the web at [www.globoforce.com](http://www.globoforce.com) or email us at [info@globoforce.com](mailto:info@globoforce.com). To speak to one of our global consultants immediately, please call: +1 888-7-GFORCE.

## THE LINK BETWEEN ENGAGEMENT AND RECOGNITION

The connection between engagement and higher performance is obvious. Engaged employees feel valued and understand how their daily efforts contribute to company objectives and success. Employee recognition is the glue making that connection. Strategic Recognition™ makes clear to employees what the company values are and when employee behaviors and actions contribute to success.

Just as engaging only 10% of employees is ineffective in achieving company success, recognizing only the top 10-20% of employees is ineffective in communicating and reinforcing company values, appreciating employee efforts, and creating a work environment and culture in which employees choose to engage. Rather, all employees deserve equal opportunity to be recognized for their efforts, with 80-90% typically receiving recognition for their efforts annually.

The results are astounding. Globoforce customers consistently see a double-digit increase in their employee engagement scores within months of implementing strategic recognition.

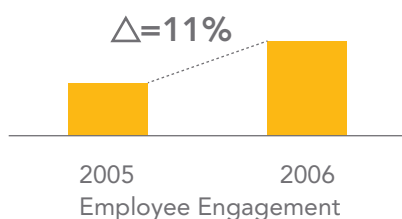
## GLOBOFORCE PROVEN ENGAGEMENT RESULTS

*"Why do CEOs care about recognition? The link to performance and engagement drives a much stronger culture." – VP, REWARDS, WORKPLACE & HR GLOBAL SHARED SERVICES*

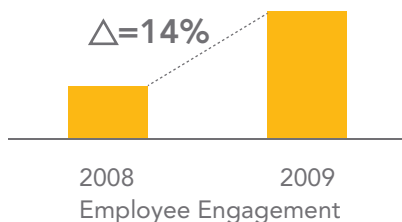
After implementing Globoforce Strategic Recognition in early 2005, Intuit achieved and sustained an 11% increase in employee engagement. Of the 95% of employees participating in recognition, 99% clearly understand why they've been recognized and 93% say the recognition motivates them to sustain high performance.

*"At Intuit, recognition is part of our shared values and one form of performance feedback. As an employee, it is wonderful to feel appreciated when you complete a project. It is not my expectation that all projects will result in recognition, so I'm thrilled when I receive a Spotlight Award." – INTUIT EMPLOYEE*

**intuit**



**Symantec**



With a "culture of cultures" that developed after several acquisitions, Symantec needed to create a single culture of recognition based on a common set of values to unite and engage all employees in achieving the company vision.

In just nine months, Symantec realized an impressive 14% increase in employee engagement. The CEO of Symantec personally called the program manager to thank her for her efforts in uniting all Symantec employees under one culture of recognition.

*"Symantec's reward and recognition program has approached or surpassed most original program goals for broader use, helping to boost employee engagement throughout the organization." –VP, GLOBAL REWARDS*

Globoforce (Europe)  
21 Beckett Way  
Park West Business Park  
Dublin 12, Ireland  
t // +1 353 1 625 8800  
f // +1 353 1 625 8880  
e // [info@globoforce.com](mailto:info@globoforce.com)

Globoforce (North America)  
144 Turnpike Road  
Suite 301  
Southborough, MA 01772 USA  
t // +1 888 743 6723  
f // +1 508 357 8964  
e // [info@globoforce.com](mailto:info@globoforce.com)

Founded in 1999, Globoforce is the world's leading provider of SaaS-based employee recognition solutions. Through its social, mobile, and global technology, Globoforce helps HR and business leaders elevate employee engagement, increase employee retention, manage company culture and discover the power of real-time performance management. Today, employees across the world are living their company values and achieving peak performance through the Globoforce platform. A private corporation, Globoforce is co-headquartered in Southborough, Massachusetts, and Dublin, Ireland. To learn more, please visit [www.globoforce.com](http://www.globoforce.com) or the company's blog at [www.globoforce.com/globoblog](http://www.globoforce.com/globoblog).

