INSIDE EMPLOYEES’ MINDS™

DISCOVERING WHAT DRIVES FEMALE ENGAGEMENT IN THE US WORKPLACE

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TODAY’S SPEAKERS

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QUESTIONS
Please type your questions in the Q&A section of the toolbar and we will do our best to answer as many questions as we have time for.

To submit a question while in full screen mode, use the Q&A button, on the floating panel, on the top of your screen.

FEEDBACK
Please take the time to fill out the feedback form at the end of this webcast so we can continue to improve. The feedback form will pop-up in a new window when the session ends.
Executives believe understanding the underlying factors behind **employee engagement is critical** to driving value for their business.

Mercer Talent Trends 2017

**WHEN WOMEN THRIVE, BUSINESSES THRIVE**

To help organizations globally drive business performance by increasing the representation and advancement of women.

**What can organizations do to drive female engagement?**

To help our clients solve their business problems through employee research.
A G E N D A

• The Age of Engagement
• Inside Employees’ Minds™ Research Design
• The Drivers of Overall Satisfaction and Engagement
• Ensuring Fair and Transparent Pay
• Defining Career Paths
• Cultivating an Inclusive Work Environment
• Next Steps and Q&A
THE AGE OF ENGAGEMENT
WE’RE LIVING IN THE AGE OF ENGAGEMENT

27 years
Since the term “employee engagement” was coined

8,000+
Employee engagement related books on Amazon.com

11.7m
Search results for Employee Engagement on Google

Google Trends graph showing interest over time from January 1, 2004 to October 1, 2015.
Engaged steel mill employees required 34% fewer labor hours to produce a ton of steel.

Employees working on highly engaged teams had significantly fewer accidents over a three year period.

Customer focused retail stores demonstrated a 10% greater year over year sales increase.

U.S. National Weather Service meteorologists working on highly engaged teams were more significantly more accurate at predicting tornadoes.
**Engagement is yours to build (or lose)**

I am motivated to go above and beyond

We need to stop de-motivating employees

Case Study ~ 1,000 new hires
CERTAIN THINGS ARE CORE AND FUNDAMENTAL

Based on 40+ years of research, we have found that employees have 3 core needs at work.

- Achievement
- Camaraderie
- Equity

What Employees Seek

- Senior Leadership
- Immediate Manager

What Leaders Do

- Enthusiasm
- Satisfaction
- Indifference
- Anger

How Employees React

- Retention
- Customer Satisfaction
- Innovation
- Financial Performance

Impact

*Adapted from Sirotta’s Book (July 2013)
ABOUT THE RESEARCH

1. Proprietary research on employee views on work.
2. More than 80 survey questions covering pay, benefits, careers, leadership, performance, engagement, etc.
3. Conducted among a nationally representative sample of 3,010 US workers*.
4. Reflects overall US workforce demographics (age, gender, job level).
5. Conjoint analysis conducted to determine which “deal” elements employees value the most.

* US workers 18+, never retired, working full time or part time at for-profit organizations with 200+ employees
CONJOINT ANALYSIS

- Most appropriate methodology for assessing the relative importance of different elements of an organization’s employee value proposition
- Uses a fully-balanced design, with elements presented in sets of four
- Each element in the design gets compared with every other element
- Respondents are asked to choose the most important and least important element in each set

<table>
<thead>
<tr>
<th>Most Important</th>
<th>Leas Most Important</th>
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<tbody>
<tr>
<td>☐</td>
<td>Base pay</td>
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<td>☐</td>
<td>Incentive pay</td>
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<td>☐</td>
<td>Career opportunities</td>
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<td>☐</td>
<td>Flexible schedule</td>
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**Conjoint Elements Assessed**

<table>
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<tr>
<th>Base pay</th>
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<td>Career opportunities</td>
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<td>Educational assistance</td>
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<td>Extended leave</td>
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<td>Flexible schedule</td>
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<td>Healthcare benefits</td>
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<td>Incentive pay</td>
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<td>PTO</td>
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<tr>
<td>Retirement plan</td>
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<tr>
<td>Training opportunities</td>
</tr>
<tr>
<td>Type of work</td>
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<tr>
<td>Wellness programs</td>
</tr>
<tr>
<td>Working for an organization I respect / am proud of</td>
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</table>
THE DRIVERS OF OVERALL SATISFACTION AND ENGAGEMENT
GAUGING SATISFACTION AND ENGAGEMENT

Overall Satisfaction

- Considering everything, how satisfied are you with your organization at the present time?
- Considering everything, how satisfied are you with your job?

Engagement

- I am proud to work for my organization.
- My work gives me a sense of personal accomplishment.
- I would recommend my organization to others as a good place to work.
- I feel a strong sense of commitment to my organization.
DIVERSITY IN THE DRIVERS OF ENGAGEMENT AND SATISFACTION

Considering everything, how satisfied are you with your organization at the present time?

What are the drivers of engagement and overall satisfaction for women and men?

Which elements of the EVP are most important to women? And which are the right levers for enhancing women’s engagement and overall satisfaction?
KEY DRIVERS OF ENGAGEMENT

WOMEN

- Overall, I am confident that I will be able to achieve my long-term career objectives in my organization
- Employees in my organization are treated with dignity and respect, regardless of their position or background
- The type of work I do
- I believe the organization as a whole is well-managed
- I am confident that my organization will be successful in the future
- In my organization, teamwork and cooperation are recognized

MEN

- Managers in my organization demonstrate concern for the well-being of employees
- The type of work I do
- My organization is doing a good job of retaining its most talented people
- Regarding my organization’s values, I believe the values have been clearly communicated
- I am confident that my organization will be successful in the future
- My job makes good use of my skills and abilities
KEY DRIVERS OF OVERALL SATISFACTION

WOMEN
- My organization does an adequate job of matching pay to performance
- Personally, I feel that I am treated fairly in my organization
- The type of work I do
- The level of job security offered by my organization is as good or better than the security offered by organizations in our industry
- In my organization, teamwork and cooperation are recognized

MEN
- The type of work I do
- I believe the organization as a whole is well-managed
- Overall, I am confident that I will be able to achieve my long-term career objectives in my organization
- My organization is doing a good job of retaining its most talented people

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KEY LEVERS FOR ENHANCING FEMALE ENGAGEMENT

FAIR AND TRANSPARENT PAY

DEFINDED CAREER PATHS

INCLUSIVE WORK ENVIRONMENTS
ENSURING FAIR AND TRANSPARENT PAY
When I do a good job, my performance is rewarded

Women: 41%  
Men: 51%

My organization does an adequate job of matching pay to performance

Women: 43%  
Men: 51%

Matching pay to performance is a driver of overall satisfaction for women.
Overall, I am confident that I will be able to achieve my long-term career objectives in my organization.

Promotions are generally given to the most qualified employees in my organization.

The ability to achieve long-term career objectives is a driver of female engagement.
CULTIVATING AN INCLUSIVE WORK ENVIRONMENT
A CULTURE OF RESPECT: CULTIVATING AN INCLUSIVE WORK ENVIRONMENT

Personally, I feel that I am treated fairly within my organization

Employees in my organization are treated with dignity and respect, regardless of their position or background

An environment where employees feel that they are treated fairly and with dignity and respect is a driver of overall satisfaction and engagement.

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CANDOR: WOMEN NOTE MORE CONCERNS OVER ITS CONSEQUENCES

Globally, **1 out of 3** women do not feel that they can express their views/ideas without fear of negative consequences.

- When employees fear speaking up:
  - Leadership may miss out on new ideas or workplace concerns
  - They are less likely to be engaged
  - They are less likely to feel positive about career advancement and development opportunities
BEING HEARD: WOMEN FEEL IT IS LESS LIKELY THEIR CONCERNS WILL BE HEARD

Globally, only 6 out of 10 female employees believe that employees can get a fair hearing for their complaints.

- When employees feel their complaints are ignored:
  - Productivity and morale may drop
  - Perceptions of favoritism may emerge

- 4% pts Lower than Male Counterparts
Globally, **1 out of 4** female employees do not believe they can report an ethical concern without fear of retaliation.

- When employees feel discouraged to speak up about unethical business practices:
  - Problem solving and innovation are stifled
  - Employees may mistrust their colleagues and superiors
  - The company’s reputation and image are challenged in the long-term
CONSIDERATION: WOMEN NOTE LESS CONSIDERATION FROM MANAGEMENT

Globally, 1 in 3 of all female employees believe that the impact on staff is considered before decisions are made.

- When employees believe their viewpoints are not considered or valued by leadership:
  - They can reduce their efforts
  - They are more likely to leave
FAVORITISM: WOMEN PERCEIVE MORE FAVORITISM IN THE WORKPLACE

Globally, only half of all female employees perceive minimal favoritism where they work.

- When employees perceive favoritism:
  - They may become disengaged, frustrated, cynical, or territorial
  - They are more likely to leave
Our data shows that while all three factors are fundamental to engagement, equity is the most important factor:

Across diverse groups, equity is the base element of engagement.

Without it, under the best circumstances, it is hard for engagement to emerge.
NEXT STEPS AND Q&A
NEXT STEPS
QUESTIONS TO CONSIDER

What drives engagement and overall satisfaction in your organization?

Do you have a robust pay equity process in place?

Have you defined and communicated career paths?

Are you cultivating an environment where employees feel they are treated fairly?
Q&A

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