

GLOBAL TRENDS

Stability is an illusion — take a closer look.

Global Trends in Employee Engagement 2022

FULL REPORT

KINCENTRIC A Spencer Stuart Company

Introduction

The disruption caused by the pandemic and social/geopolitical unrest over the past two years has created unprecedented change in the way people work. Today's employees expect more than ever from their employers. They're more vocal about their needs. They're more focused on their own values and purpose. It's a trend that has fueled a Talent Uprising and increased employee turnover in every industry across the globe.

We are now living in an exceptional moment in time. We're at a point where every employee and organization is focused on the future. We know that change is part of life. We understand we can't go back in time. The organizations thriving in this new world are those seizing this moment to vitalize: quickly moving beyond feeling helpless or defensive, toward change-positivity and adaptability.

What every business and employee has learned from the past two years is that nothing is forever. This is an unrivaled point in history – a chance to reassess, rethink and realign for longer-term success. Now is the time to experiment; to change the previously unchangeable; to reshape culture, strategy, leadership and talent management. And crucially, to vitalize employees with experiences and processes that inspire them in this new world.

The opportunity for change has never been greater. The time for change is now.



Using trends in a fast-evolving world

Even as we write this report, there are new challenges and issues emerging in our world. Each has its own potential and uncertain impact on organizations in terms of everything from the availability of workers and their mindset regarding how work is being done to expectations of production, and any number of processes and operations. In a chaotic world that seeks to understand the current situation and have answers in the moment, what value is there in looking at data from the recent past?

Historically, organizations have often used trend reports to simply compare themselves with others to get a sense of relative performance. Now, the temptation is to use them to look for signs that we're returning to the pre-pandemic "normal" (or "pre-whatever-crisis" normal).

But the simple reality is that we can't turn back the clock. Too much has happened. The world has changed and continues to change, creating a fluctuating and uncertain environment for every organization. Still, we can use these trends to help us make decisions and move forward *right now*.

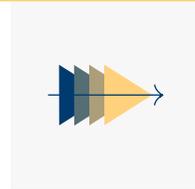
A tool for inspiration

Use each trend as a point of inspiration for vitalizing your own organization. Given that we are already living in a period of change, these insights can help you consider what changes you could implement this year, and which focus areas are most important to your organization right now. This type of industry context will help you determine what to prioritize, where the opportunities are and what you have control over.

PRIORITIES FOR CHANGE

Why change:	What to change:	Rates of change:	Ease of change:	Opportunities to lead:
<p>What are the risks of not taking action?</p> <p>Does it align to your strategy?</p>	<p>What should be your areas of focus?</p> <p>What's less important?</p>	<p>How quickly do you need to move?</p> <p>Where can you take a longer path forward?</p>	<p>Which areas are showing global gains and thus may be easy to replicate?</p>	<p>If you're progressing where others are not, what could that mean for your role as a leader?</p>

From strategy, programs and processes to employee experiences, there has never been a better time for organizations to experiment and take their people on a new journey. Use this trend report to sharpen your thinking and make your next bold decision.



"These global trends are a look back over a time of great change and disruption for nearly every organization, in every industry, in every corner of the world. And while they may vary by industry, location and more, they provide the insight to shape our future strategies and measure our progress. After all, we must understand where we have been, so that we can chart a path to where we want to be."



Pete Clark
EMEA Regional Leader

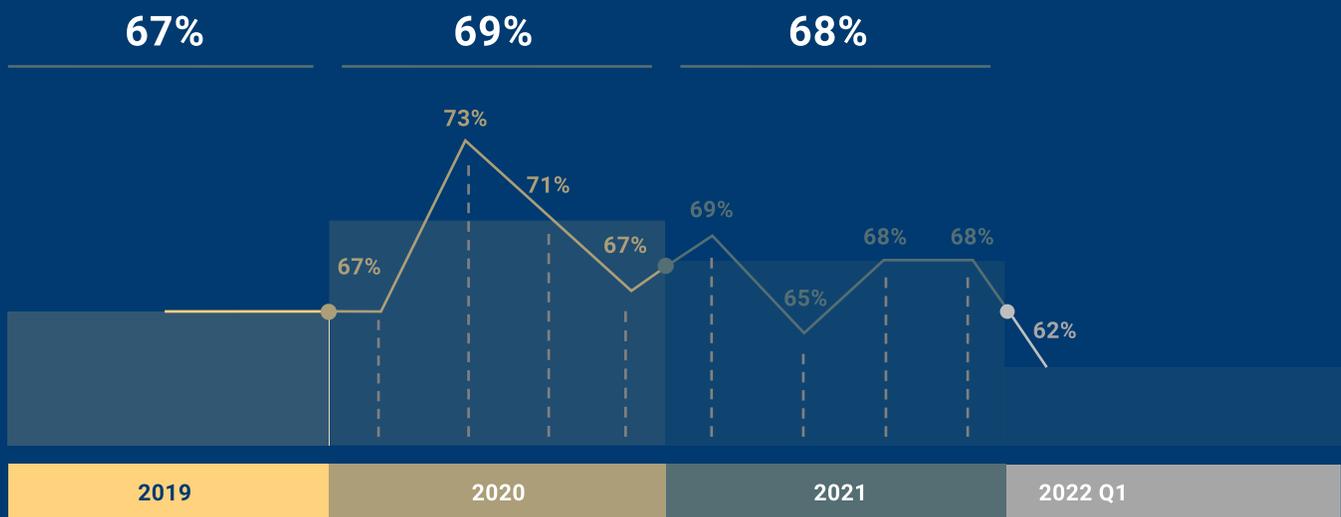
Engagement Trends: The Illusion of Stability

Quarter-by-quarter fluctuation

At first glance, the last three years of global engagement scores look fairly consistent. But the quarter-to-quarter results reveal a lot of variability. It's a pattern that suggests organizations are testing new processes and strategies – some things are working, some not. Some organizations may be stuck or waiting to see what happens next before acting. In addition, behaviors that drove engagement during the pandemic may now have become ingrained (e.g., collaboration), while others may be waning as priorities shift (e.g., leadership visibility).



GLOBAL EMPLOYEE ENGAGEMENT 2019–2022 Q1



Q1 2022 results suggest a bumpy year ahead as organizations figure out how to drive and sustain engagement. Influences will include:

- 1** The continued [Talent Uprising](#), as people take advantage of a broad range of job offerings and aim to align work experience to personal goals and values.
- 2** Challenging external circumstances, including COVID-19 restrictions, political upheaval, geopolitical conflicts, inflation and recession.
- 3** Reactions to events, changes in the market, and the implementation of new people strategies and processes that take time to refine before they yield optimum results.

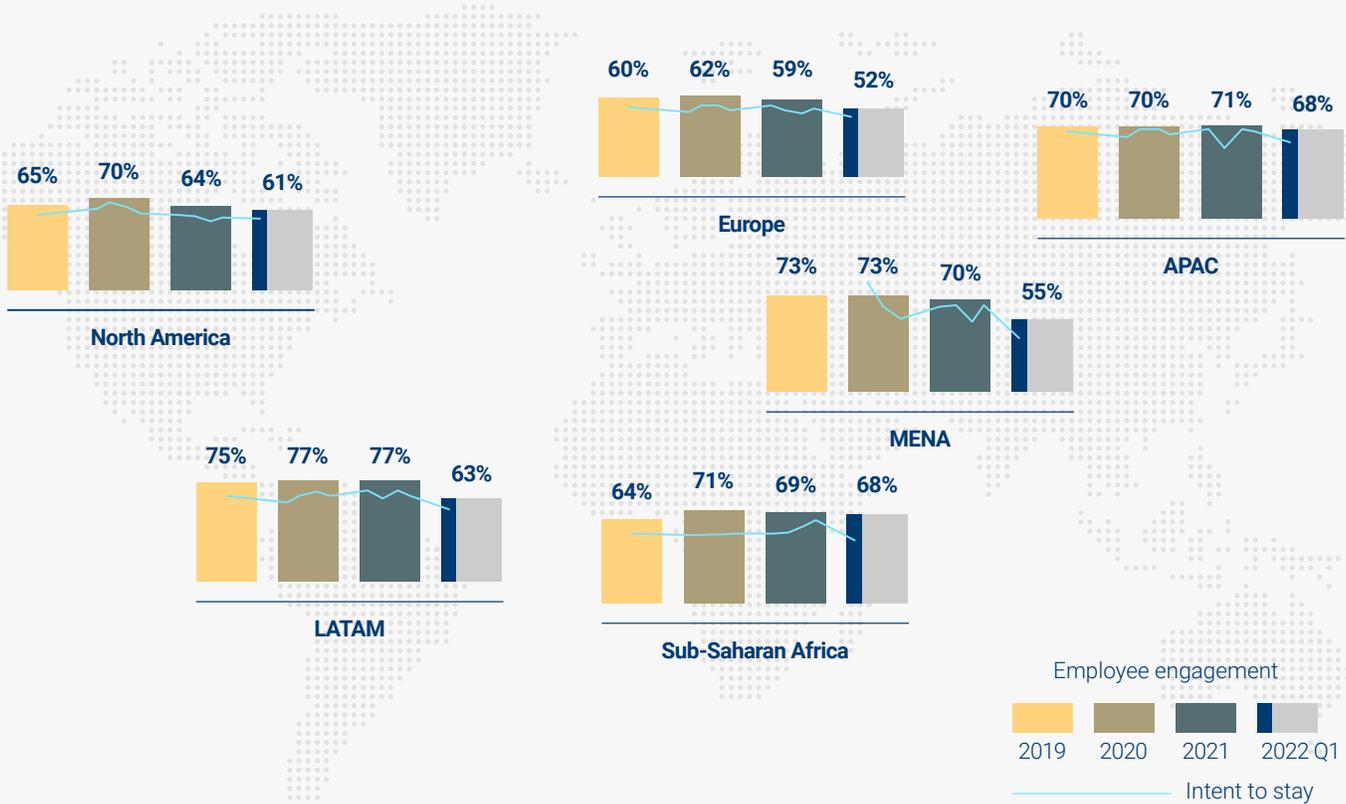
Regional differences in engagement levels

Regionally, variability becomes even more apparent. There may be some universal patterns, but not every region will experience the same challenges at the same time.

The Stay element of engagement indicates employees' [desire to stay](#) with the organization. In North America, this element has shown a dramatic decrease since 2019. Europe also shows lower Stay scores, but this appears to be an ongoing struggle rather than an emerging issue. Employees in Asia and Latin America have historically shown a relatively stronger intent to stay, but we are now seeing shifts to lower scores in recent quarters, indicating that [employee turnover will remain a challenge](#).



GLOBAL EMPLOYEE ENGAGEMENT 2019–2022 Q1



“As Engagement and Stay trends fluctuate in North America, along with attrition rates, nearly every client conversation over the last year has touched on talent retention. Analyzing employee feedback by precise segments – new hires, pivotal roles, underrepresented talent, etc. – to uncover the unique factors driving engagement (and disengagement) is a critical input to any retention strategy.”



Chris Ippolito
Engagement Practice Leader, Americas

New joiner impact

As you consider your own engagement trends, be sensitive to the impact that the influx of new hires may have on engagement scores, compared to the perceptions of employees with longer tenure. We have seen an illusion of stability with several clients where overall engagement levels appear to be improving, but if we exclude new hires,

we see the results decreasing or staying constant. New hires almost always have notably higher levels of engagement, and departing individuals typically have lower engagement scores. Pulling out the negative and adding in the positive can distort where engagement levels actually fall.

EMPLOYEE ENGAGEMENT BY SERVICE YEARS



“Onboarding employees remotely or in a hybrid environment may make it more challenging for new joiners to create bonds with the company and teams. In addition, more tenured employees in hybrid environments are more sensitive to career development and recognition needs. Now is the time to adapt onboarding strategies and talent processes that are better suited for both in these hybrid environments.”



Dr. Stefan Mauersberger
Central, Southern & Eastern Europe
Regional Leader

The criticality of inclusion at work

Diversity, equity and inclusion has been an essential component of the employee experience equation for many decades. But the pandemic and the social unrest following numerous instances of racial injustice have escalated and accelerated the need for organizations to make progress in their DE&I efforts. Today, employee expectations around diversity, equity and inclusion in the workplace are some of the highest we have ever seen.

Unsurprisingly, we are seeing clients increase efforts to measure these aspects of the work experience, which, in turn, have resulted in evidence of strong relationships between measures of inclusion and engagement and intent to stay. However, inclusion is not just one singular thing that we can point to, but a culmination of daily experiences in which people feel like they belong, that their unique talents matter, they are able to speak up and are heard. When more of these key specific inclusion

behaviors are present in the work environment, the 2021 results show up to 8.4 times higher levels of engagement and nearly five times greater levels of intent to stay.

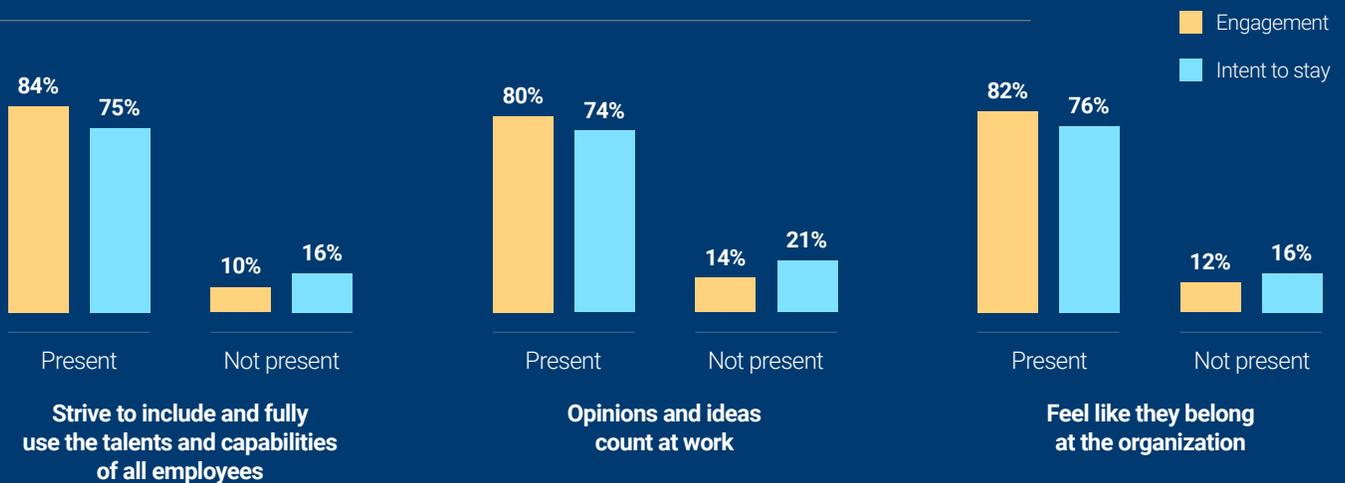
While organizations have found ways to successfully measure and track diversity, they continue to struggle to measure inclusion. Care should be taken not to look just at one single element as a definitive measure of inclusion and belonging. To effectively measure inclusion, organizations must measure employee sentiment based on a carefully thought-out definition of inclusion that also enables them to act on the results.

Often, we see organizations try to measure inclusion and belonging based on broad diversity and inclusion survey index items. This often leads to skewed results that reflect no significant differences by gender, ethnicity or other breakouts. Only when we dig deeper into more specific

employee sentiment data around inclusive behaviors can a baseline measure of employee perceptions be created, and further examination can reveal inconsistencies and the variability of these differences in the employee experience. Furthermore, differences on inclusion and equity measures often vary by geographic region, industry, job level and position.

Many aspects of employee experience are bounded by the inclusion elements present in the organization. A few of these situations will be called out in this report (gender differences around perceptions of career development, for example). As you consider your organization’s employee experience, keep in mind these underlying inclusion elements — although differences may not always appear at the global or top levels, nuances and notable differences may exist below the surface that should be addressed.

IMPACT OF KEY INCLUSION ELEMENTS ON EMPLOYEE ENGAGEMENT AND INTENT TO STAY



“Employee expectations are the highest they have ever been around diversity, equity and inclusion in the workplace. Organizations seeking to improve engagement must intentionally embed DEI in the employee experience to create a culture in which all employees are respected, feel like they belong and are valued to be able to contribute their best. It starts with asking the right questions to all employees to better understand their experiences and digging deep into the data to understand what differences matter.”



Anuradha Hebbar
Diversity, Equity & Inclusion
Global Practice Leader

The Opportunity

Ultimately, these patterns verify that we are still in a time of rapid change. Things remain fluid and agile, with organizations experimenting and trying out things that may have been more difficult when the environment felt more stable.

This is the Era of Opportunity. Now is the time to shift your organizational thinking from “everything is out of control” to understanding [what you can control](#), and what actually makes a difference in your organization. Then act!



Employee Experience Strengths – What’s working?

Although there are regional differences in engagement trends, the rest of this report will focus on aspects of the employee experience that we are seeing at the global level. There will of course be differences by country and industry, but these are the key findings that are coming through at a global level, suggesting that they are present, at least to some degree, across all regions and industries.

Customer Focus

Understanding needs, exceeding expectations, being fair to customers



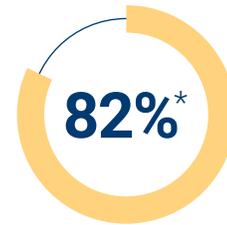
Manager Support

Being treated and evaluated fairly, supported on work-life balance



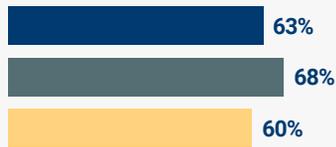
Flexibility and Well-being

Physical and mental health, flexibility to modify work schedule



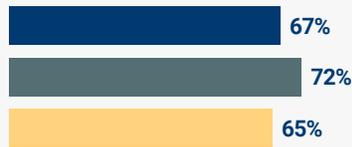
Emerging issue

I have the technology and resources to effectively serve our external customers



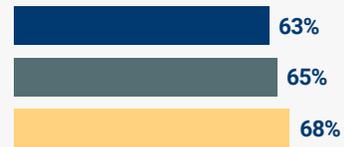
Emerging issue

My manager helps me understand the skills I will need for future success in this organization



Emerging issue

The balance between my work and personal commitments is right for me



*Average 2021 positive perception across selected items described above

2019 2020 2021



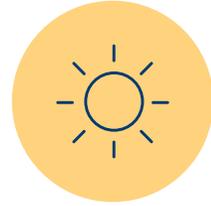
Customer Focus

Regarding Customer Focus, we see an improvement compared with previous years: people feel they understand customer needs, are working hard to exceed customer expectations and believe that companies are treating customers fairly. Employees, in general, feel they are working hard to meet customer demands (often made more challenging by staffing shortages), which is contributing to these perceptions.



Perceptions of Managers

People continue to feel favorable toward their managers: the gains seen in the last few years have held. During the pandemic, we saw an increase in managers intentionally interacting with employees. This is perhaps a good example of a new behavior that has, and ideally will continue to be, sustained into the future. People still feel that they are treated fairly by their managers and supported in balancing work with personal commitments.



Flexibility and Well-being

After a decrease in flexibility and well-being in 2020, we are now seeing some cautious optimism. People are finding the flexibility they need to modify work schedules and feel they are in a state of health (physical and mental) to perform their job effectively. Despite this, performance in this area still hasn't returned to 2019 levels. This suggests an opportunity to test new processes or tweak programs for effectiveness.



Emerging issue: **tech and resources**

Despite these positive feelings, the number of employees who feel they have the right technology and resources to serve customers has decreased from previous years. This may be due to the way people are expected to deliver to customers coupled with general market challenges, such as supply chain shortages, inflation and more.



Emerging issue: **skills for the future**

One area in which ratings of managers have decreased is around getting clarity from managers about the skills needed for the future. A changing world means people are sensitive to the need to keep up with skills and experiences that will serve the organization's short- and long-term needs. [People look to their managers to define this path](#) and consequently, managers may require additional training and support to meet this need in the current environment.



Emerging issue: **changed expectations**

Employees' expectations around flexibility and well-being have changed. What people would have accepted as appropriate just two years ago may no longer be so today. For example, despite increases in flexibility, less than two-thirds of employees feel the balance between work and personal commitments is right – this is below what we have seen in recent years. We need to drive change in light of employees' needs and expectations today, not those of the past.

Attention! Your talent needs it

Across global results, four key themes for opportunity in employee experience emerge: recognition, career growth, support to get work done in the new world, and hiring and retaining workers to meet business goals.

Recognition and Pay

Recognition and pay is almost always top-of-mind for employees and 2021 results reveal there is an increasing need for recognition. People are working to keep up with demands (especially where there is higher turnover) and working in new ways (e.g., virtual and hybrid working). There is a growing concern among employees that their efforts won't be fully acknowledged.

Less than half of employees feel they are paid fairly relative to other organizations. One in two employees feel they are paid fairly for their contributions (decreasing from previous years) and 59% feel they receive appropriate recognition beyond pay and benefits.

In 2019, top-performing companies scored 67% for paid fairly and 73% for the appropriate recognition item compared with 62% and 67%, respectively, in 2021, indicating that even the strongest-performing companies are struggling to meet changing expectations around pay and recognition.

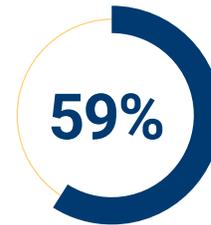
The opportunity

Recognition and Pay is an area in which global organizations are struggling to perform well – and that makes it a key opportunity:

- Express your appreciation for your employees' commitment, dedication and hard work in the face of a labor shortage.
- Balance increases in pay that you may be offering new hires with what you are paying tenured employees (don't make it so they have to go elsewhere to get a notable pay increase).
- Redesign your reward and recognition program with shifts in working experiences in mind (e.g., virtual and hybrid workers, larger spans of control).
- Make sure your recognition program is aligned to values and that you are rewarding what you say is important (vs. saying you value new behavior, but still rewarding the old behavior).



of employees globally feel fairly paid



of employees globally feel appropriately recognized



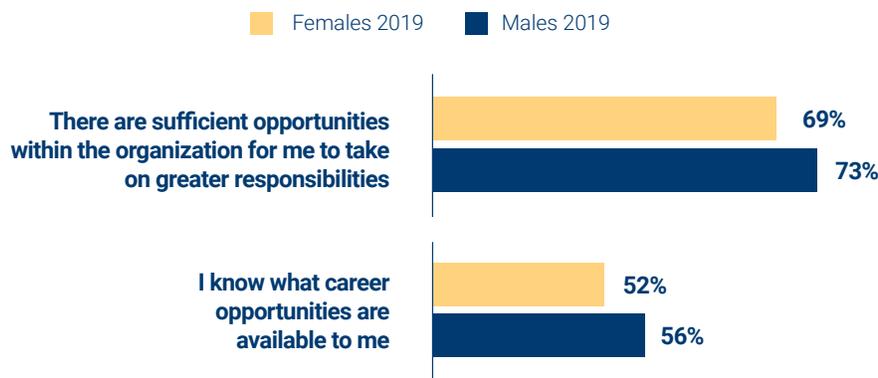
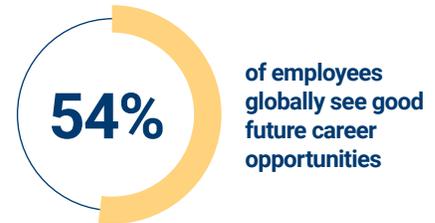
Career Opportunities

Ratings around future career opportunities, which typically have lower favorability scores, have decreased further in 2021 from 2019, particularly for strong-performing organizations. Looking at gender breakouts for knowing what career opportunities are available, we find that females are somewhat less favorable than are males (with the gap widening over 2020 and 2019). Females are also less likely than males to feel there are sufficient opportunities to take on greater responsibilities.

Recent employment trends have indicated that females are more at risk to leave not just their jobs, but the workforce altogether. Thus, it is critical that time and care be spent helping to make career paths visible for female employees, and ensure they understand what options meet their specific needs and goals.

As people deal with a changing environment, they want to better understand where they fit into the future of the organization.

- Employees who survived the Great Resignation are still evaluating what their organization has to offer them as they decide to stay or go.
- A lack of a clear career path is an early indicator of an employee leaving.
- Different kinds of career paths may be needed to meet the unique needs of employees – it is not one-size-fits-all.



The opportunity

More than ever, today's post-pandemic employees are focused on career growth and their "true purpose." Companies that can provide clear and creative career paths could set themselves apart:

- Identify opportunities for growth and skill development for every employee, at every level.
- Have thoughtful, candid conversations around skill gaps and growth opportunities, even with your most tenured employees.
- Be fully transparent and ensure employees understand and align with the vision for their future.

"Past research has shown that having a career discussion and providing a clear view about future opportunities is a key predictor in reducing early turnover."



Jeff Jolton, Ph.D.
Research & Insights
Managing Director

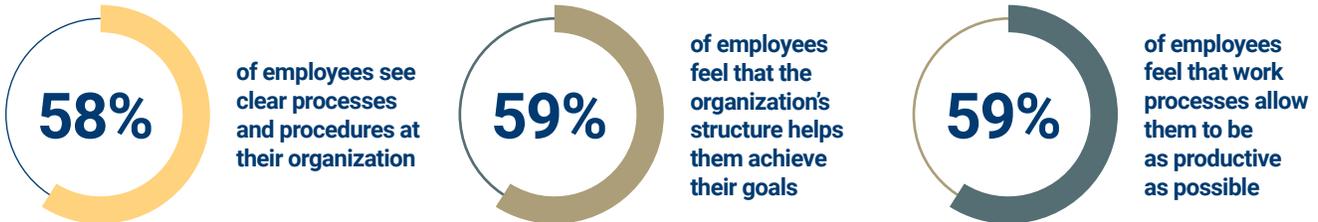
Support to get work done

The support needed to get work done in a new world breaks down specifically into concerns relating to resources (easy access, role clarity and tech availability) and staffing (sufficiency and retention).

Resources

As noted earlier, employees have become more critical of their employers' ability to provide the tech and the resource support they need to meet customers' needs. In 2021, results around enabling infrastructure continued to be among the least positive.

Globally,



Staffing & Retention

Some of the strongest drivers of engagement for 2021 (both in terms of predicting engagement levels as well as room to improve) are around sufficient staffing and talent retention. This is not unexpected, given the rising rates of voluntary turnover and the fact that having "sufficient staffing" and "retaining people needed" were low-scoring areas in 2021 and continue to appear low in Q1 of 2022.

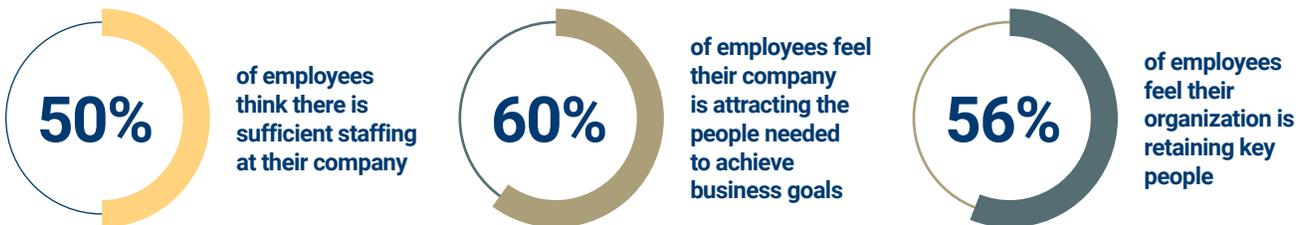
Maintaining sufficient staffing has been a fairly consistent challenge in recent years.

LEARN FROM THE LEADERS

Having a strong enabling infrastructure has important ramifications for retention as well as recognition and career development. People who are more positive about enabling infrastructure elements tend to:

- show higher intent to stay
- see a stronger future path for themselves at their company
- be more likely to feel fairly rewarded than when enabling infrastructure is weak

Globally,



The ability to attract talent to achieve business goals is now harder for Top Quartile organizations. In 2021, only 69% reported being able to attract the talent needed, down from 77% in 2019. For bottom quartile performers, who always struggle in this area, the drop was from 46% to 43%.

Organizations are also finding it more challenging to retain talent. On page 5, we reported that employees' intent to stay with their employer has significantly decreased. Perception of how well organizations can retain key talent has decreased globally from 60% in 2019 to 56% in 2021. Organizations in the top quartile have dropped from 75% to 65%. Staff turnover is now more likely to include top talent.

"The combined challenges of hiring new and retaining existing top talent present significant business risks to organizations, which have short-term and longer-term implications. Given shifting values and aspirations of employees, there is a stronger need for engaging and inclusive leaders who 'cast a long shadow' – those who can attract, engage, care for, inspire and retain talent now and for the future."



Elizabeth Derby
HR & Talent Advisory Practice
Managing Director

LEARN FROM THE LEADERS

The three factors that can help mitigate these losses link back to recognizing and developing people.

- 3x higher intent to stay when people feel appropriately recognized
- 4–5x higher intent to stay and 5x higher attraction of top talent when people have time for professional development, their learning is actively supported and they feel they can achieve long-term career aspirations
- 10x higher retention of top talent when people with the skills most needed are promoted

The opportunity: HR needs bold ideas, not old ideas

We cannot assume that what has worked before will work today. Organizations that prioritize putting their people in the center of talent management programs as part of a broader focus on company culture will be better equipped to thrive in the months to come. Leading CHROs know that it is not possible to revert to pre-pandemic ways of managing talent, especially given the challenges presented by the [Talent Uprising](#).

"A compliance-based or 'lowest common denominator' approach to talent management and development will not lead to a win in the market. It is time to be bold. It is time to revisit principles of design thinking and be human-centric and laser-focused on the experience of people in the workplace when establishing new talent management processes and programs."



Michael Martin
HR & Talent Advisory Practice
Global Practice Leader

Read more about the guiding principles to embrace the momentum and refocus to put people in the center of talent management processes and programs.



Engagement from the top

In the first section of this report, we explored various opportunities in today's work experience, as employees look for changes in staffing, recognition and development. To seize these opportunities successfully, it's essential to focus on the main influencers in these areas: managers, leaders and organizational culture.



Managers help translate and amplify these priorities in the way they interact with their teams and direct the work.



Leaders define the employee experience, shaping the priorities and programs that are reflected in employees' day-to-day work lives.

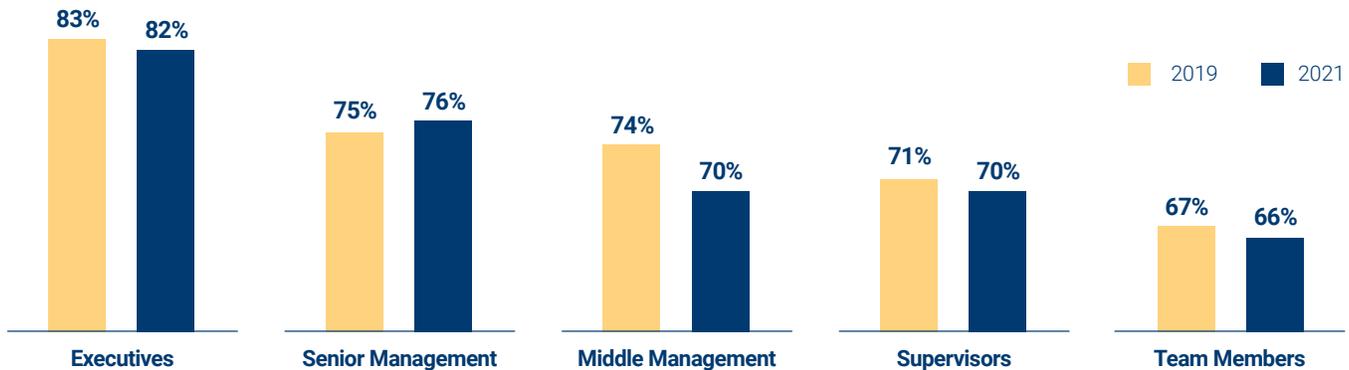


Culture ensures that there is a consistency in employee experience that aligns with the business strategy and helps drive business performance.



The struggle is real. Ease the squeeze on managers

Trends over the last year underscore that mid-level managers (those below senior leaders but excluding lower-level team supervisors) are feeling more pressure and “squeeze” than before, leading to lower levels of engagement. Previously, our [research has shown](#) that without fully engaged managers, organizations cannot have a fully engaged (activated) workforce.



Lack of rebound

Although mid-level manager engagement levels are not particularly weak (70% engaged), it is the only job level that has not shown some “rebound” to 2019 levels.

Stay scores

Mid-level managers’ intent to stay scores are 64% favorable in 2021, compared with 70% in 2019. For non-managers, this drop is just 1 percentage point from 62% to 61%. In the past, mid-level managers showed notably more favorable intent to stay than non-managers. That is no longer the case.

Staffing and talent

For mid-level managers, staffing and talent are top points of concerns.

Globally,



Change management & decision making

Many of the other areas of frustration for mid-level managers align to how well organizations are managing change. Only just over half feel major change initiatives are well managed and help deliver better performance. While this is a slight improvement from 2019, it is still notably lower than non-managers.

Pace of change and decision-making are down from 2019 levels: just over half of mid-level managers report their business as being quick to invest in ideas that will drive business success and 56% say that their organization makes high-quality decisions at the right speed. At 57% favorable, mid-level managers are also less confident than other job levels that their organizations are developing a workforce that is able to adapt well to change.



Gender differences

When comparing female mid-level managers with male mid-level managers, we see some of the changes over time having a more significant impact on females – especially with regard to work/life balance and work-related stress. Both have decreased since 2019 for mid-level managers (and more so relative to other job levels), but the decrease is much more significant for female managers than male managers. In 2021, female managers were also significantly less favorable in feeling coworkers value their input or that the organization actively looks after the well-being of employees in comparison with male managers. This suggests that women working as mid-level managers are feeling the squeeze even more tightly. Given that women typically carried a greater burden of caretaking and home schooling throughout the pandemic (and beyond), those in mid-level manager roles are feeling the pressure not only within their organizations, but from their families and communities as well, resulting in these findings.

The impact

Given the extra efforts being asked of managers, perhaps it isn't surprising that they are feeling underappreciated and underpaid, especially relative to previous years.

Fifty-three percent say they are paid fairly and 55% say their performance has an impact on their pay. Evidence suggests that with all these changes and demands placed on managers, they feel less prepared to meet them – only 63% report having adequate opportunities to work on assignments to gain new skills.

“Middle managers are being tasked with taking on critical responsibilities that range from ensuring the welfare and safety of their team members, to driving results at the front line of the organization, and into strategic cascade and change adoption. Engaged managers will step up and into this leadership responsibility; disengaged managers will not. The fact that middle manager engagement has not yet rebounded to pre-pandemic levels represents a clear call to action for executive and senior leaders, whose success is so dependent on a cohort of highly engaged middle managers.”

The opportunity

There is a real opportunity for leaders to pay special attention to their mid-level managers and “ease the squeeze.” In this rapidly changing and less predictable time, managers are looking for organizations that:

- Ensure expectations are reasonable
- Set clear priorities
- Provide support and development initiatives to help managers with their changing roles and responsibilities
- Give clarity around how the strategy/vision of the business (direction from the top) should be aligned with the day-to-day experience of their people (support to the team)

-7pts
drop

I'm fairly paid

-3pts
drop

My performance has
impact on my pay

-9pts
drop

I have adequate
opportunities to work
on assignments to
gain new skills



Stephen Hickey
APAC Regional Leader

[Read more](#) about what organizations can do to shift the expectations of managers to reduce stress and help them through these challenging times.

Senior Leaders – Keep the Vision Visible

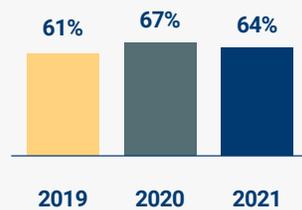
Senior leaders need to provide a compelling vision for the future to help managers align the overarching vision with the day-to-day work people are doing, and to give employees confidence in the company (i.e., is this a place I have a future with).

One of the trends we see in challenging times (the COVID-19 pandemic, the 2008 economic downturn or the 9/11 attacks, for example) is that there is usually an increase in engagement scores in the period after the event.

We saw this in 2020, with a “bump” in engagement scores resulting in a higher proportion of engaged employees than seen in 2019. Although many factors can be attributed to these gains, one of the more salient ones is the accompanying increase in senior leadership visibility, communication and direction. Once the initial impact of the critical event starts to wane, senior leaders often revert to old patterns of behavior, losing the benefit of this increased visibility to energize, vitalize and engage their people. This is a pattern we see repeated in 2021:

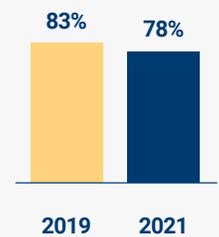
Future messaging

The gains we saw in 2020 in senior leaders clearly explaining how companies will deliver on their strategies are eroding.



Integrity

Confidence in senior leadership integrity has also dropped. This often reflects the perceived consistency of priorities/actions, visibility of leaders and the belief that senior leadership treats employees as its most valued asset. This last element dropped from 66% in 2019 to remain at 63% in 2021.



Influence: managers vs. leaders

Although the common belief is that engagement is driven primarily by managers, it is, in reality, senior leaders who have much more impact. One of the most consistent and robust drivers of engagement is a senior leadership team that makes people excited about the future of the organization, providing clear direction for the future and clearly explaining how they will deliver on the strategy.

In comparison, for the strongest-performing manager-specific driver (manager provides valuable feedback), the impact on engagement is four times higher and three times higher for intent to stay. Also, in the top 50 drivers of engagement, senior leader items are well represented in the top half of the rankings. Manager-specific items only start to appear in the last 10 of 50 drivers.

This is not to say manager influence does not matter – it does. But without a clear vision and direction from leadership, manager behaviors will likely be more sporadic (we will see the importance of consistency in the next section), which makes it more difficult for people to create a work experience that drives business success.



Organizations with leaders who effectively communicate the vision and direction benefit from employees who are more likely to:

- Feel more confident about the decisions being made
- Evaluate their training and performance management as useful
- Believe the company invests in ideas that drive future success
- Report that the company is delivering on its employee value proposition (this in turn helps with retention and attraction of talent)

The opportunity

The aforementioned findings all point to the opportunity for today's senior leadership teams to double down on communication around vision and strategic direction. Employees want a clear sense of purpose and to know where the organization can take them. Actively increasing communication consistently could go a long way to boosting engagement and retention long-term.

"If organizations want to drive employee engagement and invigorate their talent, leaders must act now with authenticity, inclusion and clarity, providing direct reports with a clear vision for the future."



Seymour Adler, Ph.D.

Leadership Assessment & Development
Global Practice Leader



[Read more](#)

on what senior leaders can do to keep the vision visible.



Culture Is About Consistency

Although Kincentric's global engagement database isn't a direct measure of culture, it does provide valuable insight into how fostering organizational culture affects employees' behaviors and experiences.

Cultivating consistency

The variability we see in the employees' experiences helps reflect how well the organization is actively fostering its culture. Culture is the consistent and observable patterns of behavior from leaders, cascaded down and across employees in an organization. How well the culture is intentionally fostered directly impacts how well an organization achieves its business objectives (e.g., increased revenue, higher engagement, lower attrition). Culture is dynamic and unique to an individual organization – there is no "universal" or "standard" culture that can be applied to all. The stronger the cultivation of culture, the more consistent the employee experience becomes, resulting in a more positive impact on the individual and the business.

How well are companies creating consistency of experience?



This shows high consistency between values and actual experience. When these values are being "lived" daily (versus when they are not):

- engagement is eight times higher
- discretionary effort (feeling of giving one's full effort) is six times higher
- feeling that the organization actively looks after employee well-being is 8.5 times higher

"If done consistently, intentional cultivation of a culture grounded in business strategy and reinforced in leadership, talent and infrastructure will garner more buy-in from the workforce for an organization's mission and vision, as well as future initiatives and change programs."

Many of the strongest relationships driving this perception are tied to senior leadership behaviors. This tells us that organizations can create consistent employee experiences through intentional leadership communications and actions, specifically:

Trustworthy and sincere messaging, such as

- Credible and realistic communications by senior leadership
- Providing understanding with reasons and rationale for change

Dependable and consistent direction, such as

- Making decisions that seem consistent with mission and values
- Clearly communicating values and standard of conduct

Transparency of care and reliability, such as

- Demonstrating care and concern for employees
- Delivering on promises made to employees by leadership

The opportunity

Intentional cultivation of your culture is a powerful way to help define your employee experience as well as the processes that can help to create consistency in this experience. Kincentric's culture transformation work with clients has proved the following as the initial and critical steps needed to begin and accelerate the culture journey and gain buy-in from employees:

1. Set a clear culture vision – ground your culture journey in business strategy. What are the cultural attributes that will support organizational goals? The right culture for your organization is not a prescribed type of culture. It's one that enables your business strategy, aligns to your mission and advances your vision.
2. Identify the desired behaviors at all levels of the workforce – what behaviors and ways of working are needed to drive your strategy? Be as specific as possible and provide realistic and tangible examples that the workforce can relate to and leaders can model.



Amy Vinh Mumma
Culture & Engagement
Global Practice Leader

[Read more](#) about why culture is important for business success.

Change Is Multifaceted: There Is No One Magic Solution

Although we have discussed a range of experience elements that organizations can leverage, it is important to acknowledge that no one element alone is enough to create a positive and engaging work experience. Creating a strong employee experience is not a matter of doing one thing particularly well, but the culmination of doing several things consistently well.

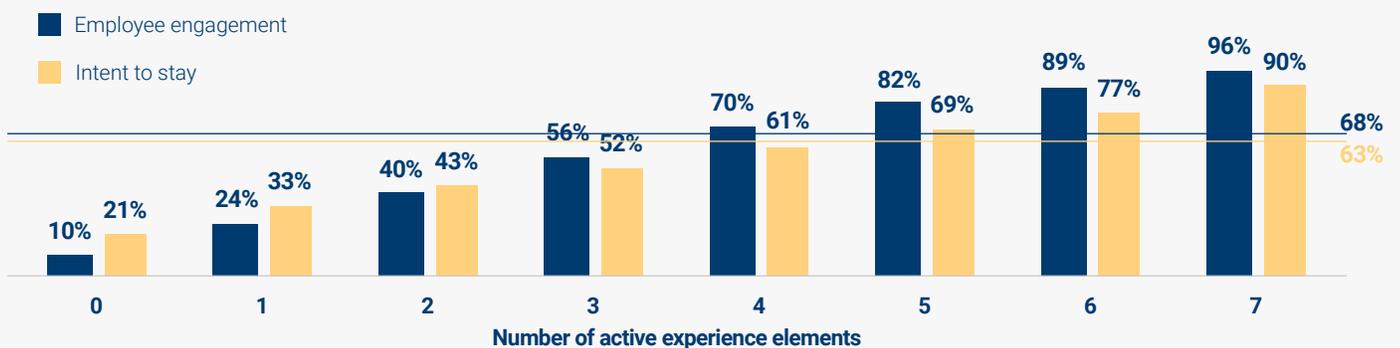
Seven key elements of change

To demonstrate the impact of this cumulative effect, we looked at ten global organizations representing a range of industries, including consumer products, technology, financial services, manufacturing, hospitality and NGO sectors.

For each, we considered seven key dimensions:*

- Recognition
- Career development
- Performance management
- Effective infrastructure
- Staffing (hiring and retaining talent)
- Communicating vision
- Caring leadership

We looked at how many of these elements were active at the same time for the employee (active meaning they rated the dimension favorably versus non-favorably). As we see in the chart below, when none or only a few of the elements were active, the engagement and intent to stay scores were quite low. It is only after five or more experience elements are active together that we get scores that fall above average.



* Note that the analysis was done with these seven areas because they were part of the key findings for this report, but this is not to say this is a definitive or complete model of employee experience or reflects all the elements of such a model.

“Being in the ‘above average’ range is critical, because that is often where we see the largest jump in terms of impact on actual retention, customer satisfaction and financial performance. It’s at this point that the experience is consistent enough across enough key elements to have the desired business impact.”



Jeff Jolton, Ph.D.
Research & Insights
Managing Director

The opportunity

This is not to say that we must work on all employee experience elements simultaneously. However, it does underscore how critical [employee experience measurement](#) and tracking is. Understanding which of your employee experience elements are active will allow you to understand:

1. Where your strengths are, and what you need to keep
2. Which elements you need to prioritize for improvement
3. Where experience is out of sync within the organization – be it by divisions, job levels, positions or individual characteristics

Seize your moment: Take this opportunity to vitalize your organization.

At the beginning of this report, we discussed how to use global trends to spot opportunities for your own organization. All the data we're seeing suggests this is a key moment to take action, to experiment, to fine-tune and to try out different approaches.

The changing world around us is constant. It can be scary – even paralyzing. But it can also be the opportunity to unfreeze what has been holding your organization back. We can't control and change everything all at once. But as we have seen, there are a number of things we can focus on and control. There are ways we can reframe and evaluate that allow us to move forward. As a result, now is the time to empower, develop and inspire people in ways we couldn't do before. Now is an Era of Opportunity. Seize it!



CONTACTS

Réka Bakos

Research & Campaigns, Senior Manager
reka.bakos@kincentric.com

Jeff Jolton, Ph.D.

Research & Insights, Managing Director
jeff.jolton@kincentric.com

Kincentric Regional Leaders

Pete Clark

EMEA Regional Leader
pete.clark@kincentric.com

Stephen Hickey

APAC Regional Leader
stephen.hickey@kincentric.com

David Perna

Americas Regional Leader
david.perna@kincentric.com

About Kincentric

Kincentric, a Spencer Stuart company, helps organizations unlock the power of people and teams to ignite change and drive better business results. With decades of experience and specialist expertise in areas such as culture; employee engagement; leadership assessment and development; HR and talent advisory; and diversity, equity and inclusion, we use data-driven insights to architect solutions that add value, enhance agility and increase organizational effectiveness. For more information, visit kincentric.com.

Social Media @ Kincentric

Stay up to date on the trends and topics that are relevant to your business and career.



©2022 Kincentric, a Spencer Stuart Company. All rights reserved.
For information about copying, distributing and displaying this work,
contact: permissions@kincentric.com.