

The ROI of Employee Engagement



Employee engagement drives individual performance in an organization, but do companies with more engaged employees outperform those with a less-engaged workforce? Can the company show a stronger financial performance and operational efficiency with engaged employees?

Scholars, consultants, non-profits, and companies have been researching the ROI of employee engagement for quite some time. The correlative data revealed in their research is significant.

Here are some findings:

Increased Profits

According to a study¹ conducted for the UK government, companies with a highly engaged workforce experience (over a 12-month period)

19.2% Growth in Operating Income

Another study² found engaged companies grow profits as much as

3x faster
than their competitors

Retention

The Corporate Leadership Council studied the engagement of 50,000 employees around the world and found highly engaged employees are

87% Less Likely to Leave the Organization

Cost of Disengagement

A study³ by McLean & Company found a disengaged employee costs an organization approximately **\$3400 for every \$10,000 in annual salary.**

The same study found that lost productivity due to disengaged employees cost the US economy up to

\$350 Billion/YR.



If companies want to bolster productivity and profitability, increase customer loyalty, and slash attrition and disengagement losses, they *have* to **engage employees.**

Engage your people and see results.
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Sources:

- <https://engageforsuccess.org/wp-content/uploads/2015/08/file52215.pdf>
- https://www.stcloudstate.edu/humanresources/_files/documents/supv-brown-bag/employee-engagement.pdf
- <https://hr.mcleanco.com/research/ss/implement-an-action-plan-for-employee-engagement-initiatives>