

Employee Engagement in Uncertain Times



SURPRISING



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Welcome,

We are excited to share the findings from our fourth annual **Employee Engagement and Satisfaction Survey**. This year, in addition to looking at overall employee satisfaction, we asked more specifically about your employees' overall levels of engagement.

We are in the midst of considerable uncertainty. While the high levels of anxiety around COVID have largely receded, concerns about the economy, inflation and how to manage a hybrid workforce have emerged to make the landscape feel like the wild west. Each year of our survey brings new challenges for employers. In 2020, it was COVID. In 2021, it was how to safely return to the office. Last year, employers were concerned about the Great Resignation. This year, the challenge is integrating a new generation of workers and keeping current employees engaged in a hybrid work environment.

The pressures on the labor market have eased, but there are still many more job openings than skilled employees to fill them. We found that employees in our survey are doing work that they are passionate about, but 48% of them are still considering changing jobs in the next 12 months.

We hope that the findings of this year's survey (The Good, The Bad and The Surprising) will help you to recruit and retain amazing talent as you navigate today's economic challenges.

Thank you for reading!



Kristi



Mike



Erin

About Sigred Group

Talent drives company profitability and viability. However, attracting, retaining, and developing leadership talent is hard work and requires expertise. Great employers rely on Sigred Group to identify, hire, and develop amazing leadership talent.

We take the pain out of your talent management processes by leveraging our unique skillsets and diverse experiences to create pragmatic and effective solutions.

Overview



Our report focuses on The Good, The Bad and The Surprising from this year's survey, paying specific attention to Employee Satisfaction, Employee Engagement and Employee Retention.

Key takeaways from the 2023 Employee Engagement and Satisfaction Survey

1. **People are engaged in their work** – 76% of respondents stated they are engaged. However, 13% are not.
2. **48% of employees are considering leaving** their employer this year.
3. **Managers are not doing enough to meet regularly with their employees** – leading to lower retention.
4. **Compensation tops the list of what is important** to employees – Work/Life Balance (#1 in 2022) dropped to second place.

You can use the results of this survey to make changes that will improve both the attraction and retention of your employees.

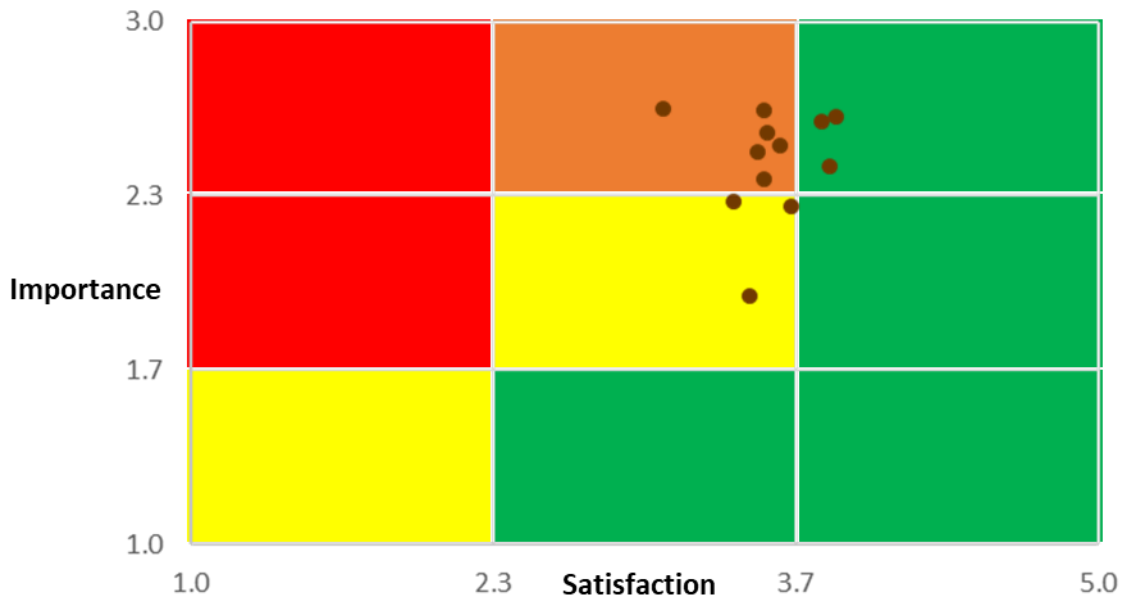
Employee Satisfaction

The Employee Satisfaction part of the survey looks at 12 key motivators and asks both “How satisfied are you” and “How important is it to you.”

The results are put into a 3 x 3 matrix (see next page) and highlighted as being a major area of concern (Red: high importance with low satisfaction; a second level of concern (Orange: high importance with moderate satisfaction); less concerning (Yellow: lower importance and lower satisfaction); or good (Green: high satisfaction across all importance levels).

In this year's survey, the majority of the motivators fell into the second level of concern (Orange) and only three were considered good (Green).

2023 Satisfaction vs. Importance



2023 Motivators by Levels of Concern

- Impact You are Having
- Responsibility
- Feeling Valued
- Challenge
- Clear Goals and Performance Requirements
- Recognition
- Work Environment
- Job Security
- Supportive Policies
- Work/Life Balance
- Appropriate Compensation
- Work Environment
- Policies and Procedures

We have also tracked employees’ satisfaction rankings over time. It is concerning how many of the motivators have slipped from Green to Orange or Yellow over the past three years. Satisfaction seems to have stabilized this year – however at a lower level than in 2020.

Satisfaction Ranking

	2023 Satisfaction Ranking	2022 Satisfaction Ranking	2020 Satisfaction Ranking
	2023	2022	2020
1	Impact	Job Security	Responsibility
2	Responsibility	Impact	Work/Life Balance
3	Feeling Valued	Feeling Valued	Feeling Valued
4	Challenge	Challenge	Impact
5	Work Environment	Responsibility	Work Environment
6	Job Security	Supportive Policies	Clear Goals
7	Supportive Policies	Work/Life Balance	Job Security
8	Work/Life Balance	Work Environment	Challenge
9	Clear Goals	Clear Goals	Supportive Policies
10	Recognition	Growth	Appropriate Compensation
11	Growth	Recognition	Recognition
12	Appropriate Compensation	Appropriate Compensation	Growth

Employee Engagement

This year’s survey asked several specific questions around people’s engagement, sense of belonging and passion for the work they are doing. For example, we asked:

- I am engaged in the work that I am doing.
- I have the ability to use my strengths at work every day.
- For at least X% of the day, I do work for which I am passionate.
- I am able to show up at work as “myself.”

The following chapters of this report will look at the good, the bad and the surprising results of our survey as they relate to Employee Retention, Engagement and Satisfaction. We will also discuss generational differences that will have an impact as Generation Z plays a more active role in the workforce.

The Good

The results of this year's survey had a lot of positive news for employers regarding workforce engagement and how employees feel about the work environment and their opportunities.

Engagement

The results on engagement were very positive.



**THE
GOOD**





Satisfaction



Overall, satisfaction increased slightly (1%) from 2022 to 2023. There were large increases in satisfaction across three motivators:

- Level of Responsibility (5%)
- Level of Recognition (5%)
- Level of Impact (3%)

It was interesting to see that Millennial and Gen. Z respondents had the highest average satisfaction across the board, and Gen. X had the lowest satisfaction (6% lower than Millennials on average). While Millennials and Gen Z have a reputation for being dissatisfied and disengaged, that does not appear to be the case from this survey.

Retention

There was also good news from the survey regarding people's sense of belonging and their ability to develop skills with their current companies.

Companies are doing a good job with inclusion and belonging (which will help with long-term retention). A high majority of respondents (76%) feel that they are able to show up to work as themselves. On the topics of Diversity, Belonging and Inclusion within their organizations, Millennials and Gen. Z both stated that these are the strongest areas of their organizational culture.

Also important, respondents felt that they had the skills needed to advance their career.

The flip side of that is that organizations need to be ready to support their current employees with internal options; otherwise, they will look outside for their advancement.

What is important to the different generations (and where are they most satisfied)?

There are definitely generational differences across the motivators. It was interesting to see what was considered most important by generation.

	Most Important	Most Satisfied
Boomers	Compensation	Having an Impact
Gen. X	Having an Impact	Having an Impact
Millennials	Work/Life Balance	Feeling Valued
Gen. Z	Work/Life Balance	Feeling Valued

I am able to show up at work as "myself"

76%
agree

I have the skills needed to advance my career

81%
agree

The Bad

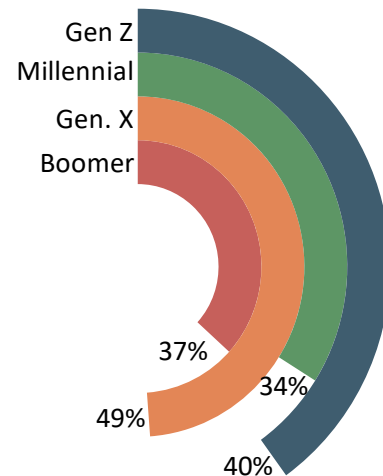


This year's survey highlighted some areas of concern for employers. Especially, regarding the number of employees who will be looking for new jobs over the next twelve months.

Retention

The response to the question of "Are you considering leaving your job in the next 12 months" was dramatic. 48% of respondents admitted that they are thinking about leaving. This was a big increase over last year, when 40% of people were considering leaving (at what we thought was the height of the Great Resignation).

Are you considering leaving your job?



Engagement



As mentioned above, the overall engagement results are very positive. However, the flip side of the engagement question was that 13% of respondents stated they are not engaged in the work they are doing. Interestingly, and contrary to popular opinion, Millennials and Gen. Z were the least likely to be disengaged.

Satisfaction

Satisfaction fell into two major motivators this year, Compensation and Job Security. Overall, and not surprisingly, employees are least satisfied with their compensation. Satisfaction with compensation fell 3% this year and cut across all generations.

Satisfaction with Job Security, likely tied to concerns about the economy, fell by 5% from 2022.

The Surprising



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SURPRISING

The biggest surprise from this year's study, and the key take-away for employers, was the strong correlation between whether managers were having regular one-on-one meetings with their employees and those employees' level of retention, engagement and satisfaction.

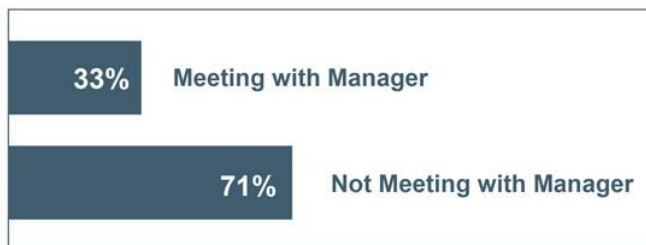
Across the board, it was clear that organizations where managers were not meeting regularly with their direct reports had much lower satisfaction and engagement levels, and employees were twice as likely to be looking to leave.

The Impact of Meeting with Your Manager

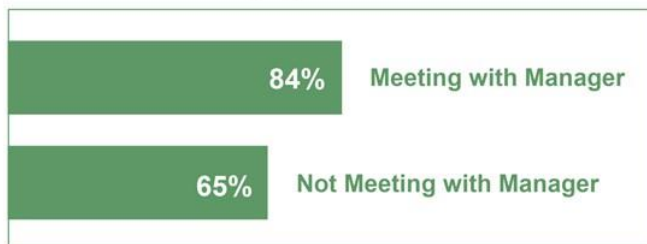
For employers, one of the quickest, least expensive and most impactful actions you can take is to train your managers and leaders in how to have meaningful one-on-one discussions with their direct reports.

The impact of regular one-on-one meetings was clear across all levels of employee engagement and satisfaction, and especially in how likely they were to consider leaving.

Considering Leaving in the next 12 months



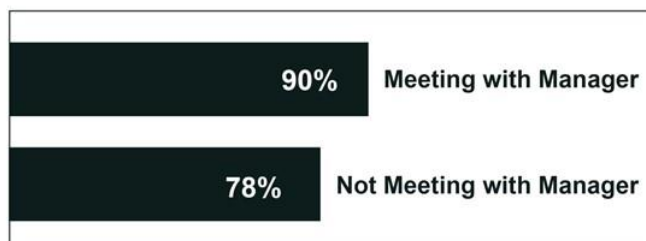
Engaged in Work



Using Their Strengths



Having The Skills Needed for Their Jobs



How to have an impactful one-on-one conversation

- **Schedule Time** – This ensures that you make time for your team. Don't schedule over these meetings because it signals to your team that they are not a priority to you.
- **Limit Distractions** – Close your email, silence your phone, and don't answer Slack or Teams messages.
- **Face to Face** – Your interactions should be beyond emails, texts, and Slack messages. Use in-person or video calls for the highest impact.
- **Be Social** – 1 on 1's should not be just about the job and performance. Use the time to learn more about your team members and what excites them.
- **Focus on the Employee** – Your conversation should be focused on them! Let your employees set the agenda.

Final Thoughts

This year's engagement and satisfaction survey provides a lot of interesting data for us to consider. There are definitely areas of concern in the high percentage of people who are considering leaving their jobs and in the number of motivators where people are dissatisfied.

However, there was a surprising amount of good news as well. Overall, people are very engaged in the work that they are doing and are able to spend a large portion of their day doing work that they are passionate about. In addition, they are more satisfied with their levels of recognition and responsibility than they were last year. This gives employers a solid foundation on which to build.

For us, the biggest surprise (and the area where employers can have an immediate and low-cost impact) is the dramatic importance of having managers meet regularly one-on-one with their direct reports.

Weekly one-on-one meetings correlated with a 29% greater level of engagement, a 70% greater ability for employees to use their strengths and most importantly, a 53% lower likelihood of leaving.

While this sounds easy, many managers are not comfortable having regular one-on-one meetings in a hybrid work environment. It is important for employers to give their managers sufficient training for them to be effective.

The Sigred Group is here to help with any of your recruiting, retention and organizational development challenges. Contact us to see how we can help you.

**Not sure where
to begin?**

**Take the **Talent Strategy
Assessment** and receive a
free, customized report on
your talent management
processes!**



About the Sigred Group Team

Sigred Group is a retained management recruiting and leadership advisory firm. Our mission is to drive the prosperity of great employers by connecting and developing amazing leadership talent.

Attracting, retaining and growing leadership talent is hard. We work with our clients to take the pain out of their talent management processes. Our team have all walked in your shoes – we have run companies, we have hired our own leadership teams, we have consulted across multiple industries. We know how to find and develop the best talent.

Kristi Stepp

kristi.stepp@sigredgroup.com

Kristi has over 25 years of experience in human resources across the automotive, healthcare and workforce solutions industries. Her experience includes strategic planning, change management, operational excellence, and team collaboration.

Kristi is passionate about education and teaching. In addition to her professional experience leading global learning organizations for Fortune 500 companies, she is the Early Education Board Liaison for Focus: HOPE and is a Board Trustee for the historic Pewabic Pottery, both based in Detroit, Michigan.



Mike Dergis

mike.dergis@sigredgroup.com

Mike has over 25 years of experience in operational management, executive recruiting, organizational development, and international strategy consulting. Having served in senior management positions in industry and consulting, he has a well-rounded understanding of organizational strategy, recruiting and organizational development.

Mike is passionate about connecting people. He founded Sigred Group to help clients increase their profitability by leveraging the team's unique skills and experiences to create pragmatic solutions.



Erin Fitzpatrick

erin.fitzpatrick@sigredgroup.com

Erin has eight+ years of Human Resources Management and Training Development. She understands all aspects of HR, Recruiting and Organizational Development. Prior to joining Sigred Group, she led the Learning Management System implementation for a national retailer and was an HR Administrator for an automotive supplier, focused on recruiting, and a Benefits Coordinator for a national professional employer organization.



Erin is passionate about helping people find new and exciting ways to continue growing professionally. She enjoys bringing people together so that they can shine their brightest.