

SAP SuccessFactors Solutions

# Best Practices: Five Tips to Increase Employee Engagement

SAP SuccessFactors 

**DRAFT**





**Employee engagement levels have been dropping for several years, and today they hover near all-time lows. This decline must be halted and reversed – because at the end of the day, business success comes down to a human equation. Companies can't grow and thrive without the passion, innovation, and productivity their people bring to the business.**

In today's digital, hyperconnected economy, high-performing employees are in demand – and demanding. They want more out of their jobs. Not just generous compensation, but greater encouragement, honest feedback, and rewarding career paths. They want to feel they have a stake in their company's future. Recognizing these human needs, and investing in meeting them, is the antidote to the employee engagement crisis. Here are five practical, forward-looking steps you can take now, together with guidance on how you can use SAP® SuccessFactors® solutions to put them in motion.

# 1. Make Continuous Feedback and Coaching Central to Performance Management

In a recent study, more than 85% of employees from diverse companies said they want frequent and ongoing dialog with managers about their on-the-job performance. But only 54% indicated they were getting it.<sup>1</sup> Closing this feedback gap is integral to boosting engagement. Enterprises have taken notice, and many are expanding performance management to embrace a full range of development, feedback, coaching, and evaluation activities throughout the year.

Weave these kinds of conversations into the manager-employee relationship by giving managers at all levels a more proactive role. Charge them to align goals, provide candid feedback, and communicate regularly with their teams. Emphasize that praise for good work is as important as pointing out mistakes, if not more so. Make sure they understand that positive feedback strengthens engagement and job satisfaction and lets employees know they're on the right track.

To assess overall progress, HR in turn should quantify positive and negative performance factors as metrics and then map them to talent management software that has pertinent data for analysis. If you're not finding relevant tools and information, consider upgrading or adding to your technology arsenal.

At the top of your list should be the SAP SuccessFactors Performance & Goals solution, newly enhanced with an entire feature set to support and streamline the coaching and development process. Administrative busywork is automated so supervisors can focus their one-to-one meetings on real dialog. Both managers and employees can capture performance activities, achievements, and milestones in the software as they occur – so when it comes time for annual performance reviews, they basically write themselves.

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1. "Continuous Performance Management: Focusing on Employees and Managers in the Ever-Changing World of Work," Baylor University and SAP, 2015.

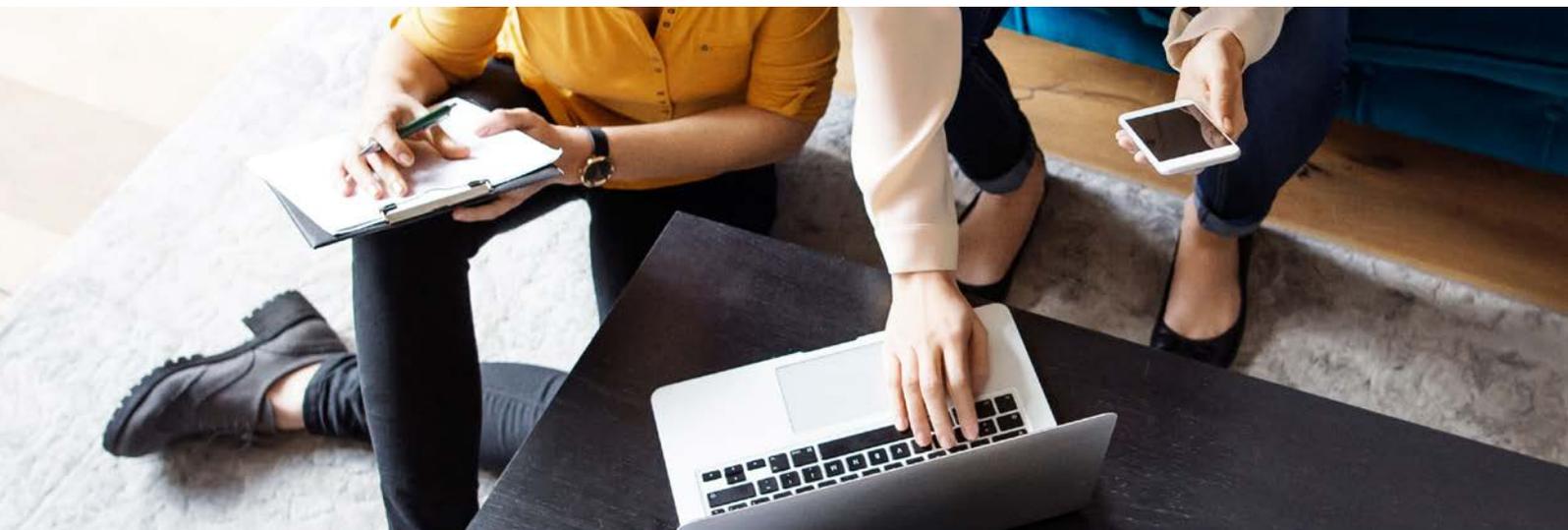
## 2. Create Development Opportunities for the Skills and Roles You'll Need

Demand for key technical and leadership roles far outstrips supply. Often the best way to fill these positions is to develop and promote the talent you already have. It's good for everyone: internal growth opportunities are a sure way to keep employees engaged and motivated.

Identify your critical job roles and capabilities, and actively prepare individuals for management positions. Instead of promoting purely by seniority, pinpoint aptitudes and qualities that make for good leaders. Find individuals who display these potentials and establish programs to prepare your candidates for important vacancies as they open up.

Whether you're putting together a structured learning program or expanding an existing one to include informal activities such as mentoring and collaborative education, the SAP SuccessFactors Learning solution provides the innovative platform you need. Social, mobile, and analytic features are included, along with an intuitive user experience that fosters learning adoption and drives results.

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# 3. Make Succession Management a Top Priority

In several recent surveys, a high number of disengaged employees put the blame squarely on a lack of internal career options. Succession planning is an obvious remedy, but most enterprises simply haven't devoted the effort and resources to train successors for many of their critical roles. With a staggering 20% of the workforce set to retire over the next five years, now is the time to strengthen succession planning.

As a first step, move beyond the basics: extend succession and development past the C-suite. Identify and incentivize employees who have valuable, hard-to-find skill sets at all levels. Cultivate the bench strength to reduce turnover risk in leadership and key positions. And equip high-potential individuals with the know-how to take on greater responsibility. Expose them to diverse,

cross-functional experiences as well as to leaders across the company. By building in-house leadership depth and specialized expertise, you create a foundation for long-term competitive advantage – while giving employee engagement a rapid and dramatic boost.

A richly featured platform is the key to expanding succession management quickly and effectively. The SAP SuccessFactors Succession & Development solution provides comprehensive in-house talent search features to uncover hidden employee aptitudes and experience. You can quickly identify employee potential, assess skill levels, and import workforce planning data to analyze talent supply and demand. Then, put these insights together to define career paths that dovetail employee aspirations with your company's business priorities.

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## 4. Align Compensation Strategies with Today's Hypercompetitive Market

It wasn't that long ago when tight budgets made "no" the all-purpose answer to requests for extra budget to channel toward high performers. The dollars just weren't there, and neither were ready alternatives for dissatisfied workers. Today's reality is quite different. In a global job market where candidates are highly mobile and specialists are scarce, top talent can call the shots. Employees who feel ill-treated or under-appreciated are willing and able to leave, especially the best and brightest. To keep your high performers engaged and happy – and indeed, to keep them at all – you need to deliver commensurate rewards, including competitive bonuses, stock options, and commissions.

The SAP SuccessFactors Compensation solution gives HR the comprehensive tools and flexibility to link pay to performance fairly and accurately while crafting packages with the right mix of salary and incentives to keep your talent engaged, motivated, and loyal. If you're a global organization, SAP SuccessFactors Compensation enables your regional HR teams to design, optimize, and administer programs tailored to specific local needs and goals. Another platform advantage is deep integration with talent management and payroll software – to import the reliable, up-to-date data that administrators and line managers require to identify and validate your high performers.

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# 5. Empower Employee Connection and Collaboration

With employees distributed among multiple sites around the world, and working on mobile devices at least some of the time, companies need a way to keep far-flung contributors well connected – to each other and to the applications and information they require to do their jobs. After an initial period of evaluation, enterprise collaboration tools have proven to be the solution. They reduce e-mail traffic, help remote teams work together efficiently and productively, enable open dialog across hierarchies, and serve as a conduit for informal learning. Actively “social” employees become more engaged, innovative ideas circulate more quickly and widely, and enterprise culture becomes more responsive to emerging market trends and opportunities.

If you don't already have an enterprise social platform, we recommend that you invest in one. It should preferably “reside” right alongside relevant business processes – so everyone can share and communicate from literally the same page, without having to toggle back and forth between applications. This is what makes the SAP Jam™ social software platform ideal. It's embedded within all SAP SuccessFactors Talent solutions, and it natively integrates with back-end SAP software whether in the cloud or on premise – making critical documents and data easy to pull up and bring into the discussion.

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Studio SAP | 44180enUS (16/05)

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