

2019 Employee Engagement Trends

AMONG AMERICA'S BEST PLACES TO WORK



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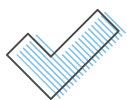
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THE ALL-IN-ONE TOOLSET

Every HR Pro Wants in Managers' Hands

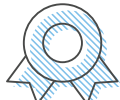
Cultivate a people-first culture that gets results.



SURVEYS



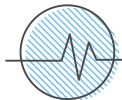
GOALS



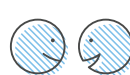
RECOGNITION



FEEDBACK



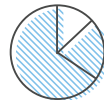
VITALS



ONE-ON-ONES



IDEAS & ALERTS



ANALYTICS

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WELCOME TO THE 9TH ANNUAL

Employee Engagement Trends Report

This comprehensive report is the only one of its kind, examining employee engagement at America's top workplaces. Based on employee surveys from more than 45 Best Places to Work contests, this report aggregates responses from over 10,000 organizations across America, representing more than 600,000 employees.

10,000+
Organizations

600,000+
Employees

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Must-Know Trends

Future Outlook is a Key Driver of Engagement

To engage your employees, clearly communicate about the future

Engagement Decreases as Company Size Increases

Maintain a strong culture as your organization grows

Diversity & Inclusion Efforts Falling Short

Focus more attention on inclusion

Navigating the Report

THE E9 MODEL OF EMPLOYEE ENGAGEMENT

Employee engagement is the strength of the mental and emotional connection employees feel toward their places of work.

Quantum Workplace measures engagement using our e9 Model of Employee Engagement, a set of nine survey items that measure various aspects of employee engagement.

EMPLOYEE ENGAGEMENT PROFILES

Throughout this report, we will focus on employee engagement profiles.

Employees are classified into four groups based on the average of their responses to the e9.

HIGHLY ENGAGED Average e9 Rating: 5.0-6.0	MODERATELY ENGAGED Average e9 Rating: 4.0-4.9	BARELY ENGAGED Average e9 Rating: 3.0-3.9	DISENGAGED Average e9 Rating: 1.0-2.9
Strongly connected to workplace Brand advocates Go the extra mile	Moderately connected to workplace Something holds them back from being strongly connected	Barely connected to workplace Indifferent attitude Reduced motivation	Disconnected from workplace Negative and disruptive Can hinder productivity of others

TIPS ON READING THE REPORT

In some charts and graphs, the term "YOY" is used. This means "Year Over Year," which is trending data between 2017 and 2018.

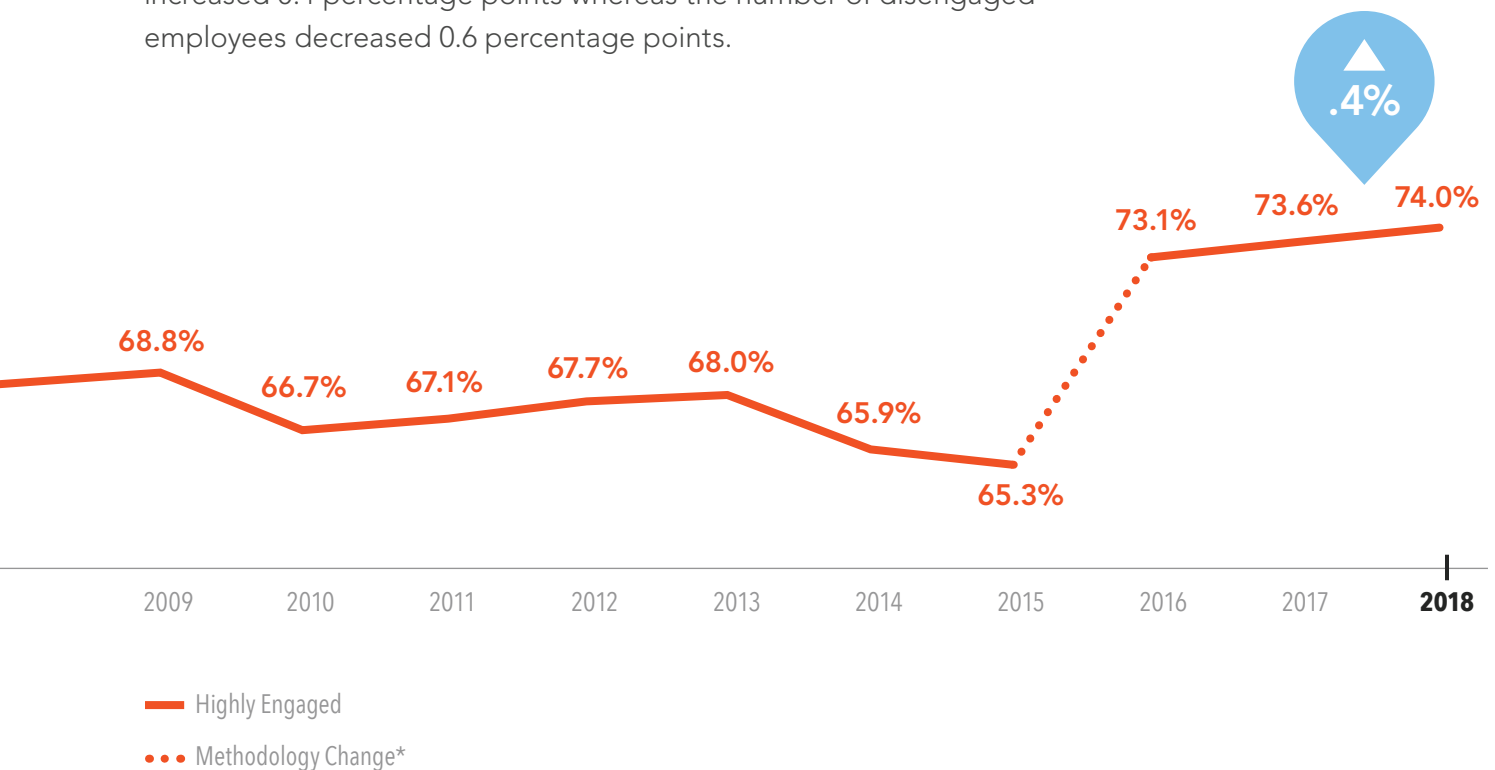
Not all engagement profile graphs will equal exactly 100 percent - these small discrepancies are due to rounding error.

Overall Trends



Highly Engaged Slightly Up, Disengaged Slightly Down

From 2017 to 2018, the number of highly engaged employees increased 0.4 percentage points whereas the number of disengaged employees decreased 0.6 percentage points.



Prior to 2016, Quantum Workplace used a different model for calculating profiles.
See page 28 for more information.

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What's Driving Employee Engagement?

All items in the survey have a positive correlation with employee engagement. Some have stronger correlations than others; items with a correlation of 0.75 or higher were considered key drivers of engagement.

My job allows me to utilize my strengths.*

I trust the senior leadership team to lead the company to future success.

I believe this organization will be successful in the future.

The leaders of the organization value people as their most important resource.

If I contribute to the organization's success, I know I will be recognized.*

I find my job interesting and challenging.

I see professional growth and career development opportunities for myself in this organization.*

My opinions seem to count at work.*



*Check out our annual **Performance Trends Report** if you want to learn more about these items and others like them!

[Download Now](#)

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Organizational Profiles

No two organizations are alike, and with different organizations comes different engagement challenges. In this section, we uncover the relationship between engagement and various organizational demographics, including:

- **CORPORATE STATUS**

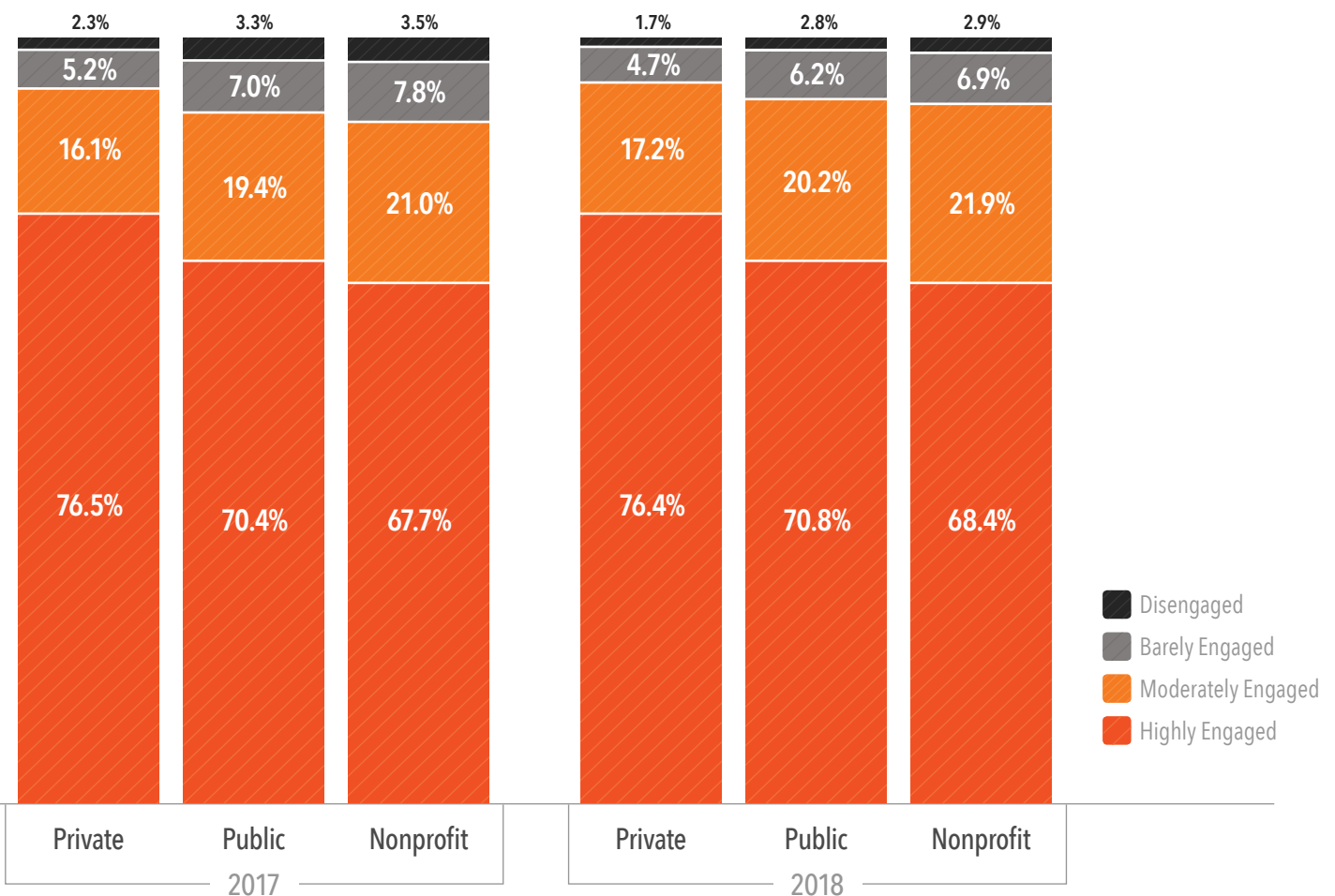
- **SIZE**

- **INDUSTRY**

- **LOCATION**

Nonprofits Improve, But Still Trailing

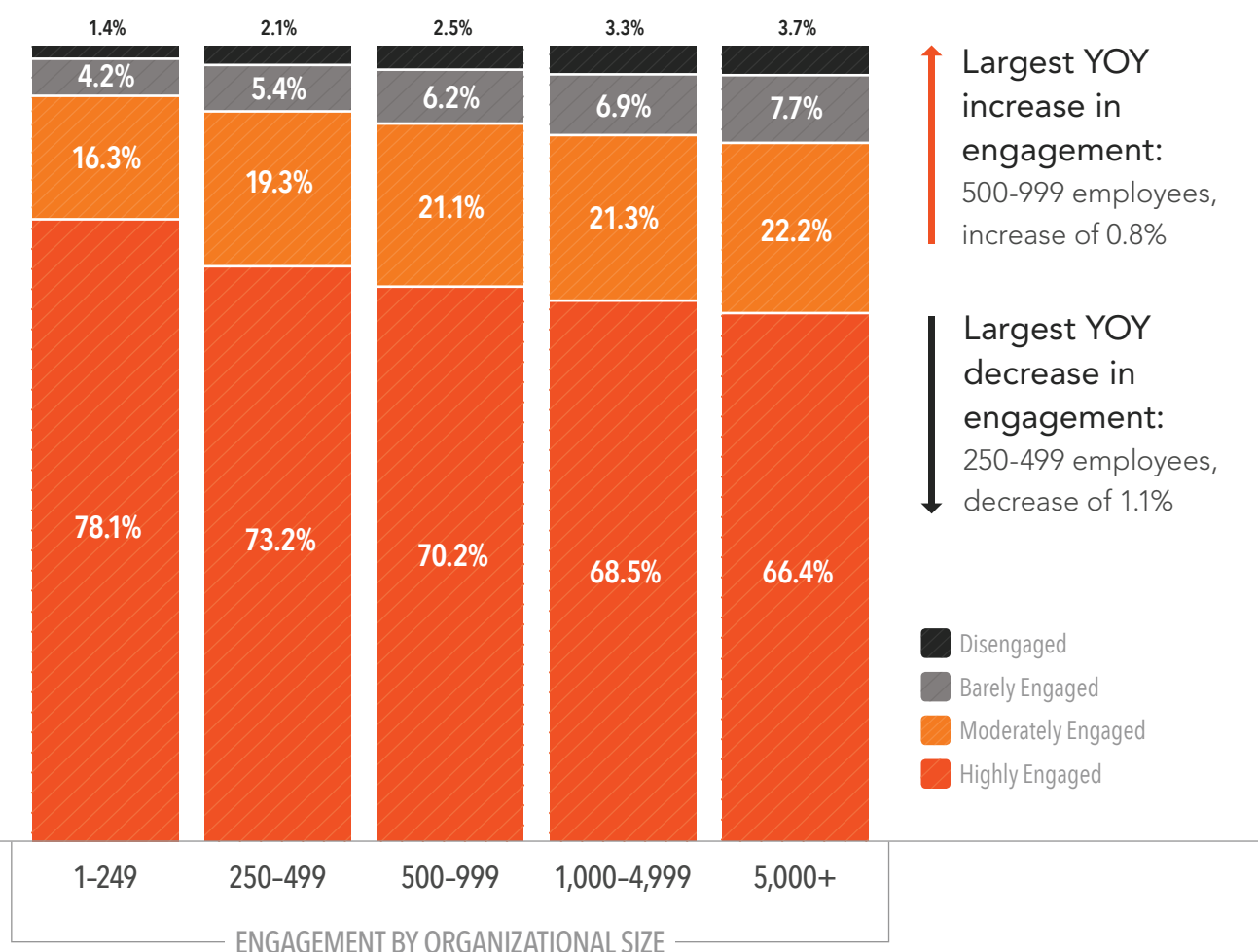
Similar to past years, the nonprofit sector ranks lowest in engagement. However, that sector continues to experience an increase in engagement, with a larger increase than either private or public organizations.



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As Company Size Increases, Engagement Decreases



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Management of Enterprises Rises While Utilities Falls

The chart below lists 15 industries analyzed in rank order by engagement. To the left is rank order and change in rank from 2017 to 2018. On the right is percent engaged and change in engagement from 2017.

INDUSTRY TRENDS

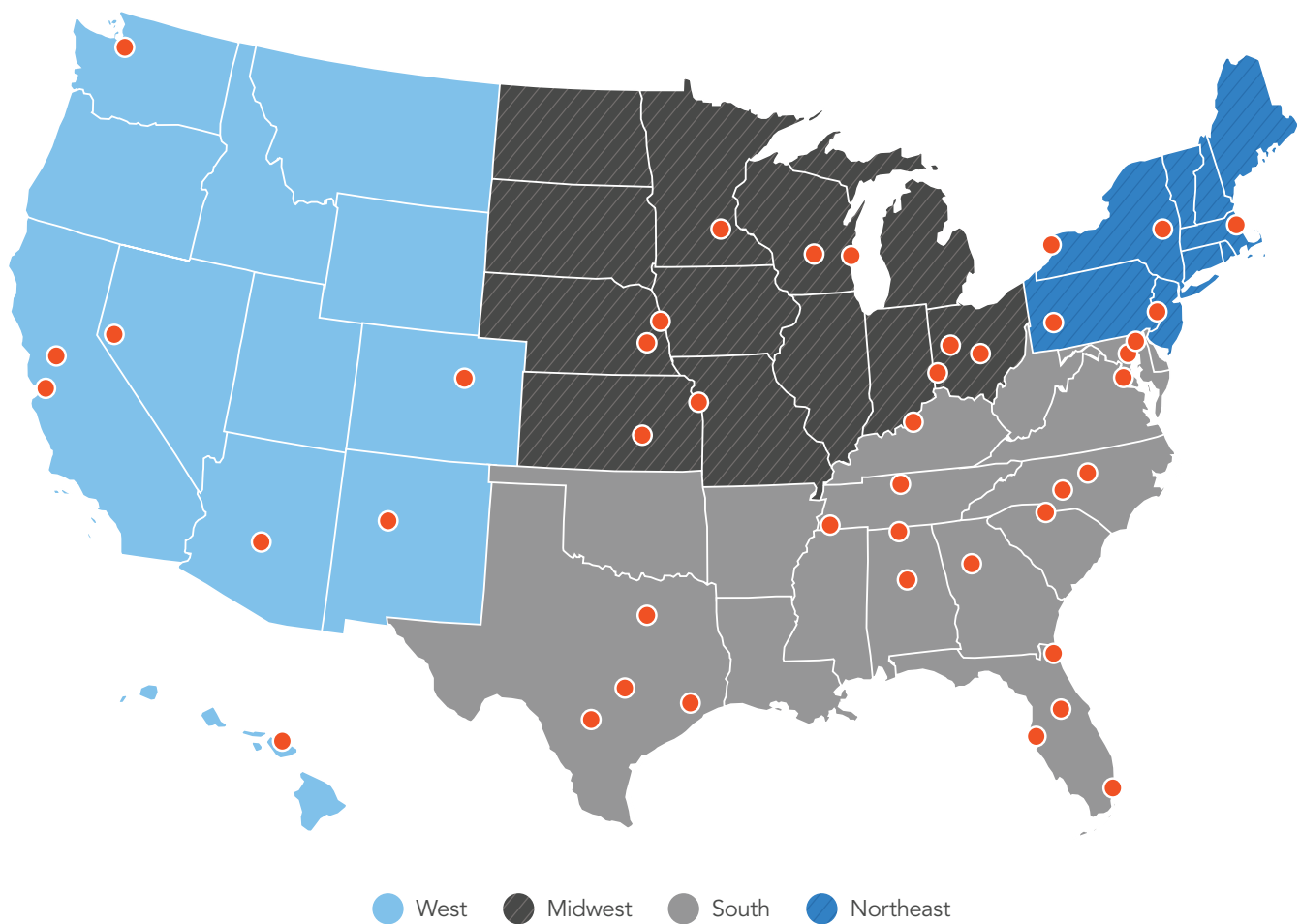
RANK	YOY CHANGE IN RANK	INDUSTRY	PERCENT ENGAGED	YOY CHANGE IN % ENGAGED
1	▲ +1	Real Estate	80.4%	▲ +1.1%
2	▼ -1	Construction	78.9%	▼ -2.5%
3	▲ +9	Management of Enterprises	77.7%	▲ +9.9%
4	No Change	Technology	77.2%	▲ +0.7%
5	▼ -2	Professional Services	76.0%	▼ -0.9%
6	No Change	Transportation & Warehousing	73.6%	▲ +1.3%
7	▲ +6	Arts & Entertainment	72.2%	▲ +5.2%
8	▼ -3	Finance & Insurance	71.9%	▼ -2.5%
9	▲ +1	Retail	71.2%	▲ +2.6%
10	▼ -2	Accommodation & Food Services	69.9%	▼ -1.5%
11	▼ -2	Education	69.9%	▲ +0.4%
12	▼ -5	Utilities	68.8%	▼ -2.7%
13	▼ -2	Healthcare	68.5%	▲ +0.5%
14	▲ +1	Manufacturing	67.3%	▲ +3.1%
15	▼ -1	Wholesale Trade	66.4%	▼ -0.5%

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Voices Across America

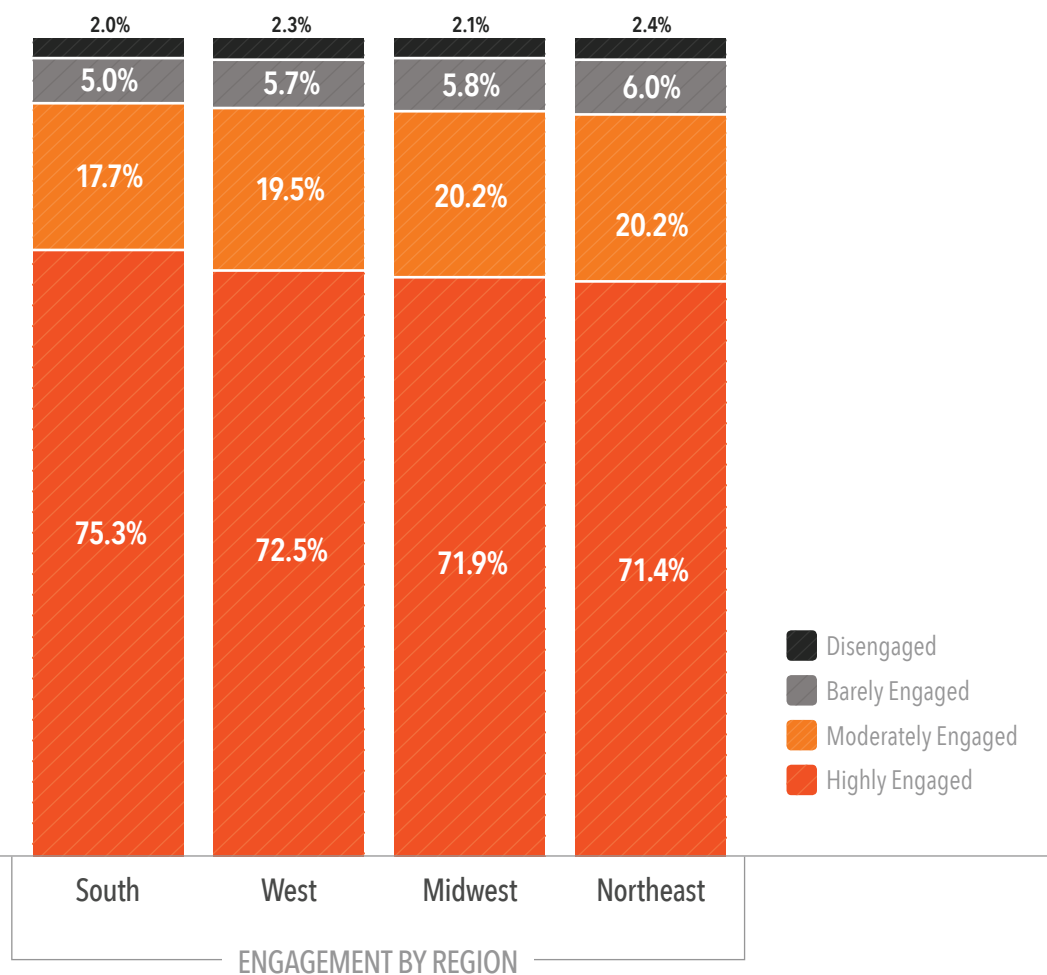
Below are the 43 cities that participated in a Best Places to Work program in 2018. Geographic trends are shown over the next few pages.



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Northeast Trails Other Regions



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Huntsville Leads the Pack as Most Engaged City

RANK	CITY	STATE	HIGHLY ENGAGED
1	Huntsville	Alabama	83.9%
2	Nashville	Tennessee	83.3%
3	South Florida	Florida	79.0%
4	Sacramento	California	76.7%
5	Atlanta	Georgia	76.7%
6	Austin	Texas	76.6%
7	Birmingham	Alabama	76.1%
8	Tampa Bay	Florida	76.1%
9	Orlando	Florida	75.9%
10	Dallas	Texas	74.9%

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Pittsburgh Plods as Least Engaged City

RANK	CITY	STATE	HIGHLY ENGAGED
34	Omaha	Nebraska	71.2%
35	Baltimore	Maryland	71.0%
36	Buffalo	New York	70.6%
37	Columbus	Ohio	70.6%
38	Philadelphia	Pennsylvania	70.3%
39	Minneapolis	Minnesota	70.3%
40	Louisville	Kentucky	69.4%
41	Greensboro	North Carolina	69.4%
42	Denver	Colorado	69.2%
43	Pittsburgh	Pennsylvania	68.5%

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Professional Profiles

Just as we saw differences among demographic groups in the previous section, we also see differences when looking at employment designations and professional demographics. In this section, we compare and contrast perceptions through the lens of the following demographics:



PAY TYPE



POSITION LEVEL

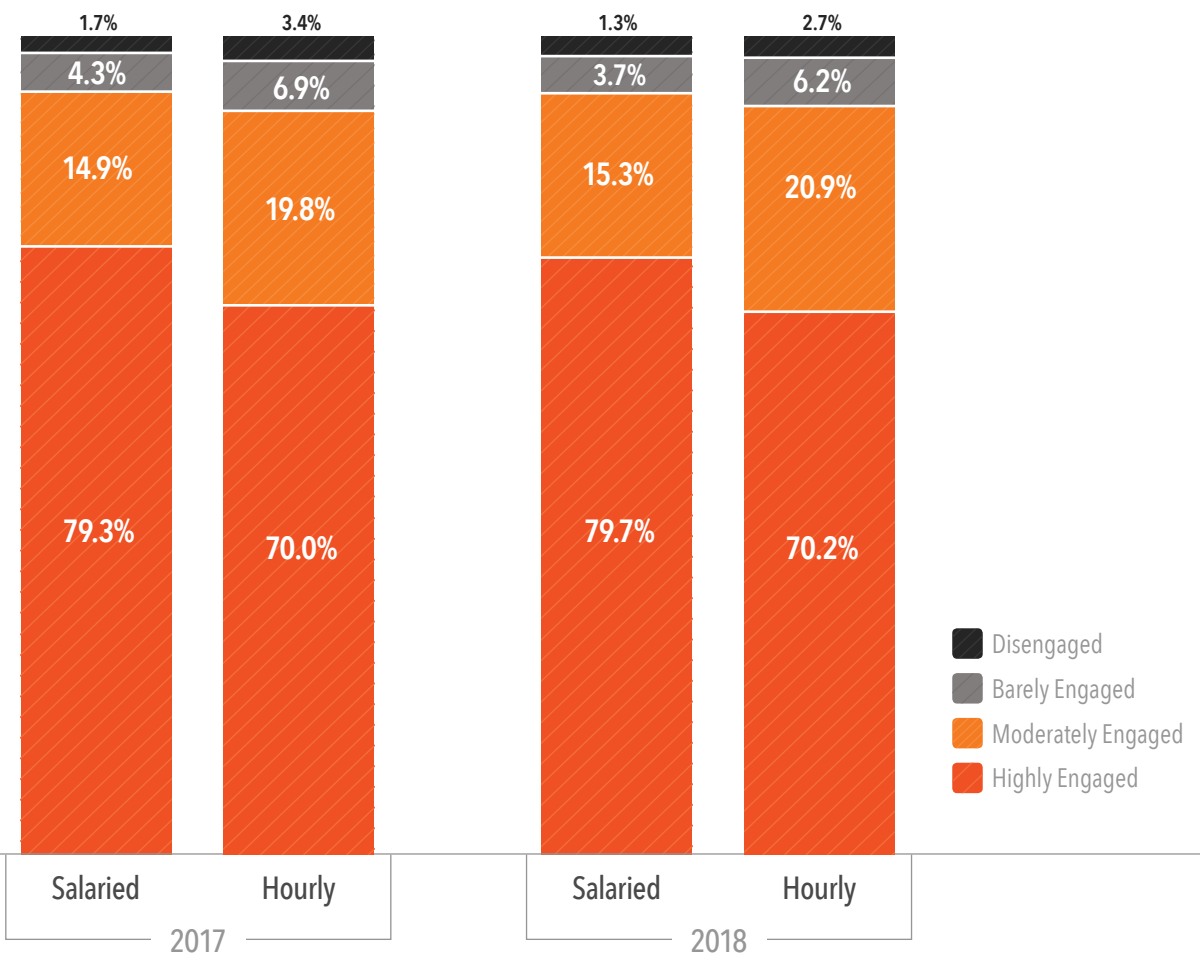


TENURE



DEPARTMENT

Gap Between Hourly and Salaried Employees Remains

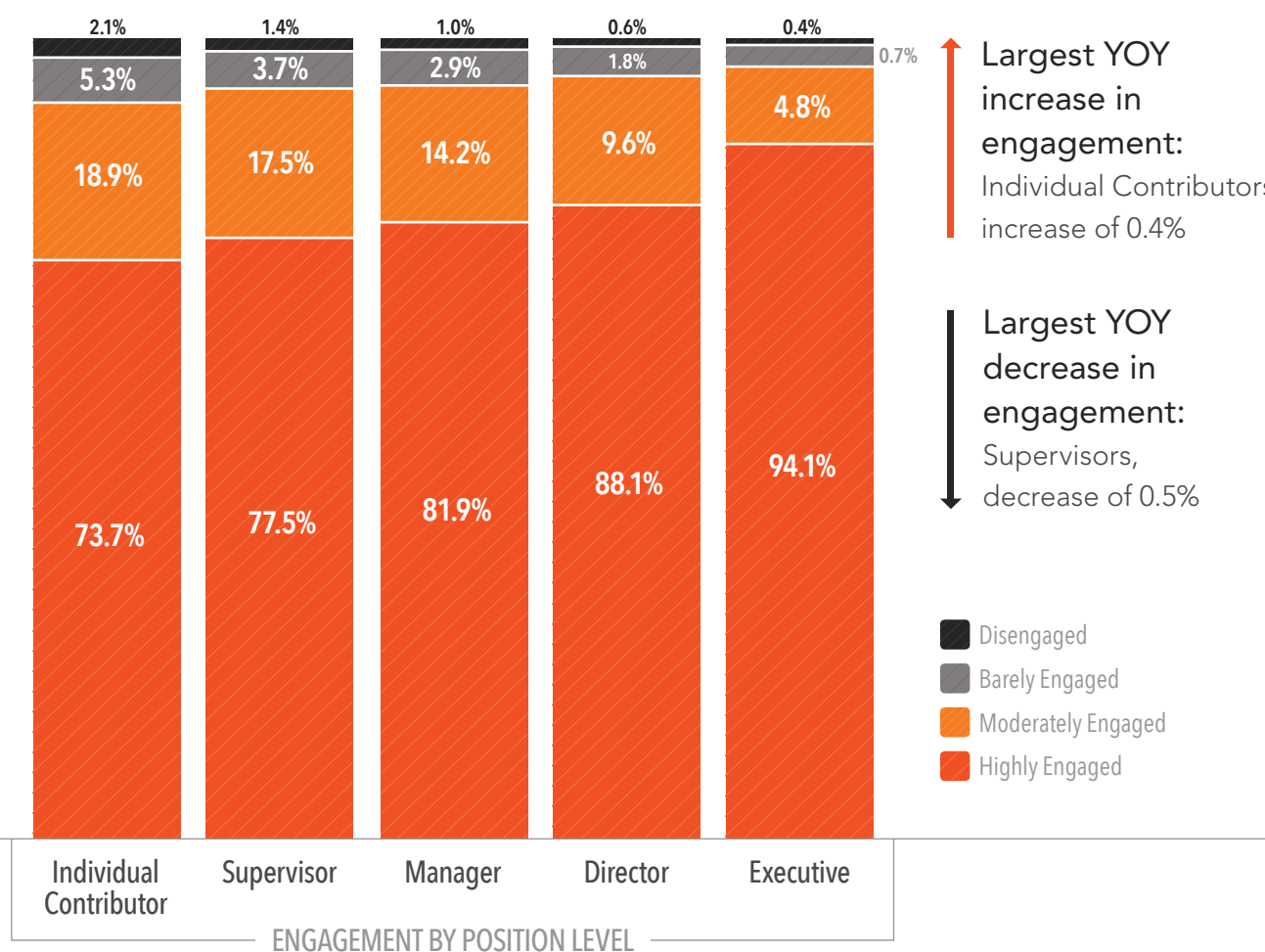


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Engagement Increases with Rank

Historically, higher position levels relate to higher engagement. Although that trend remains, in 2018 the engagement gap decreased between individual contributors and supervisors.

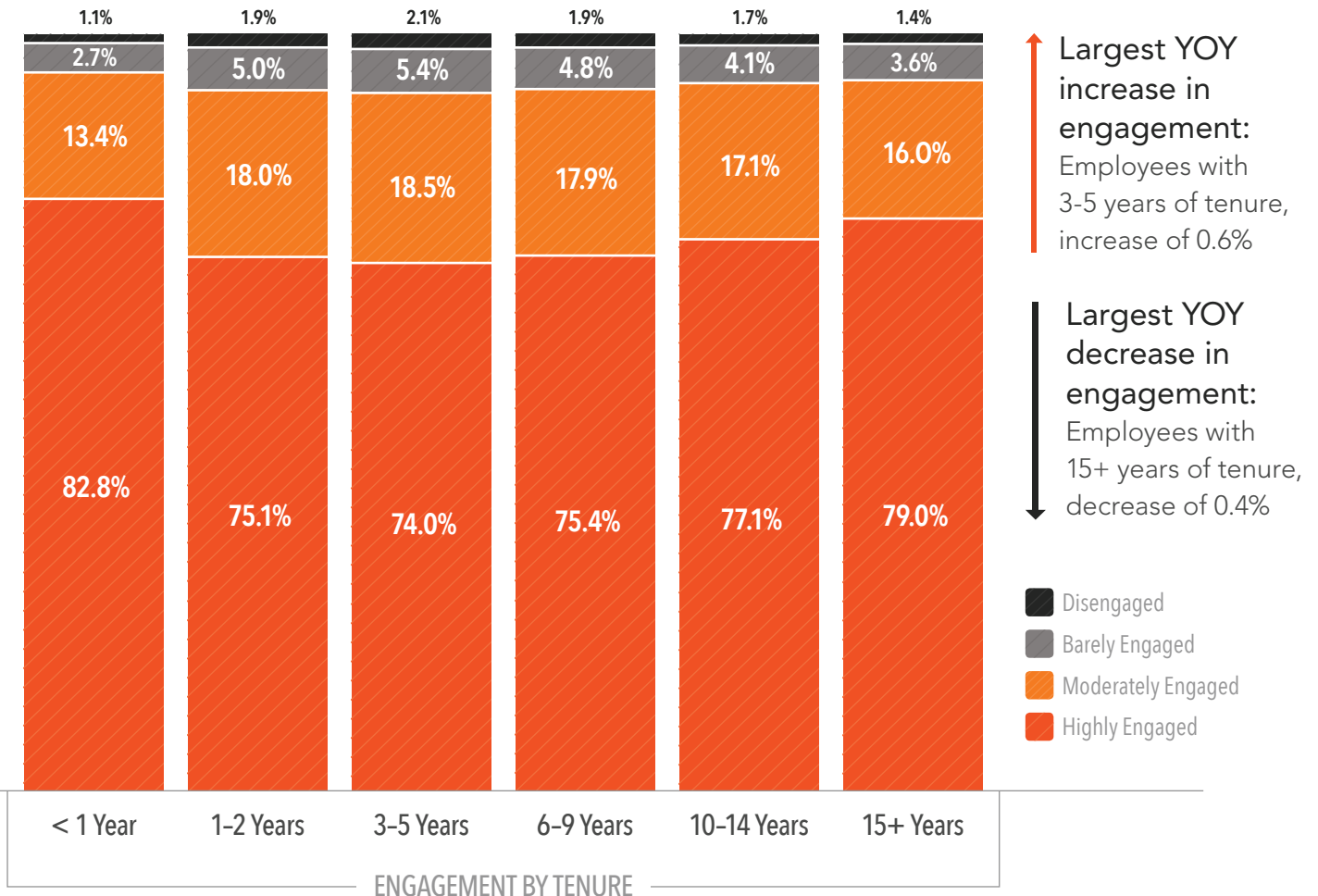


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Newest Employees are Most Engaged

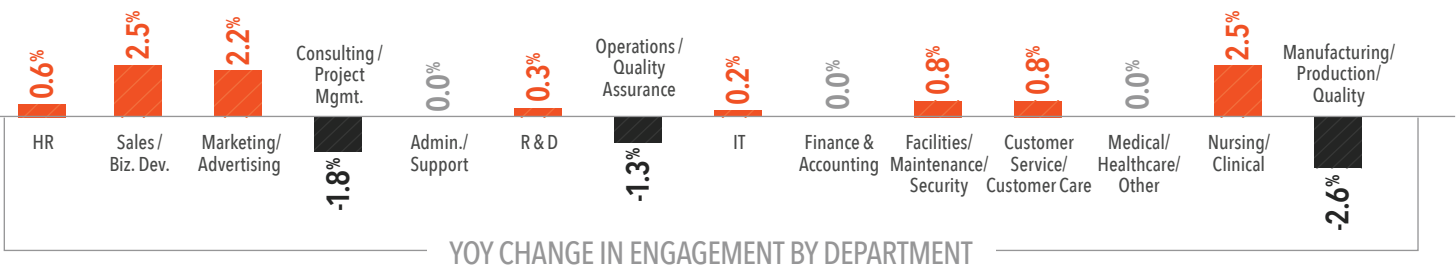
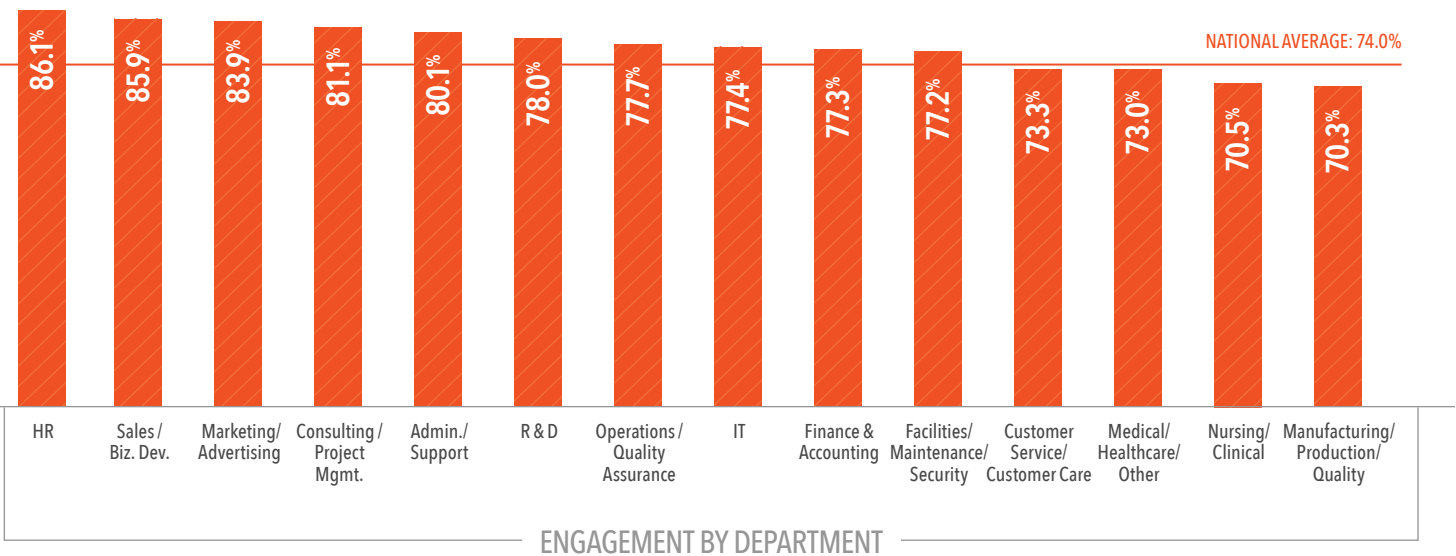
Engagement tends to be highest among new employees, decreases to the lowest point for employees with 3-5 years of tenure, and reverses the trend by increasing for the next groups. This year, all groups except one increased in engagement.



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Three Most Engaged Departments Continue to Increase



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Personal Profiles

People experience and perceive the workplace in different ways. In this section, we examine how different demographic groups perceive the workplace via their engagement. These personal demographics include:



EDUCATION



AGE

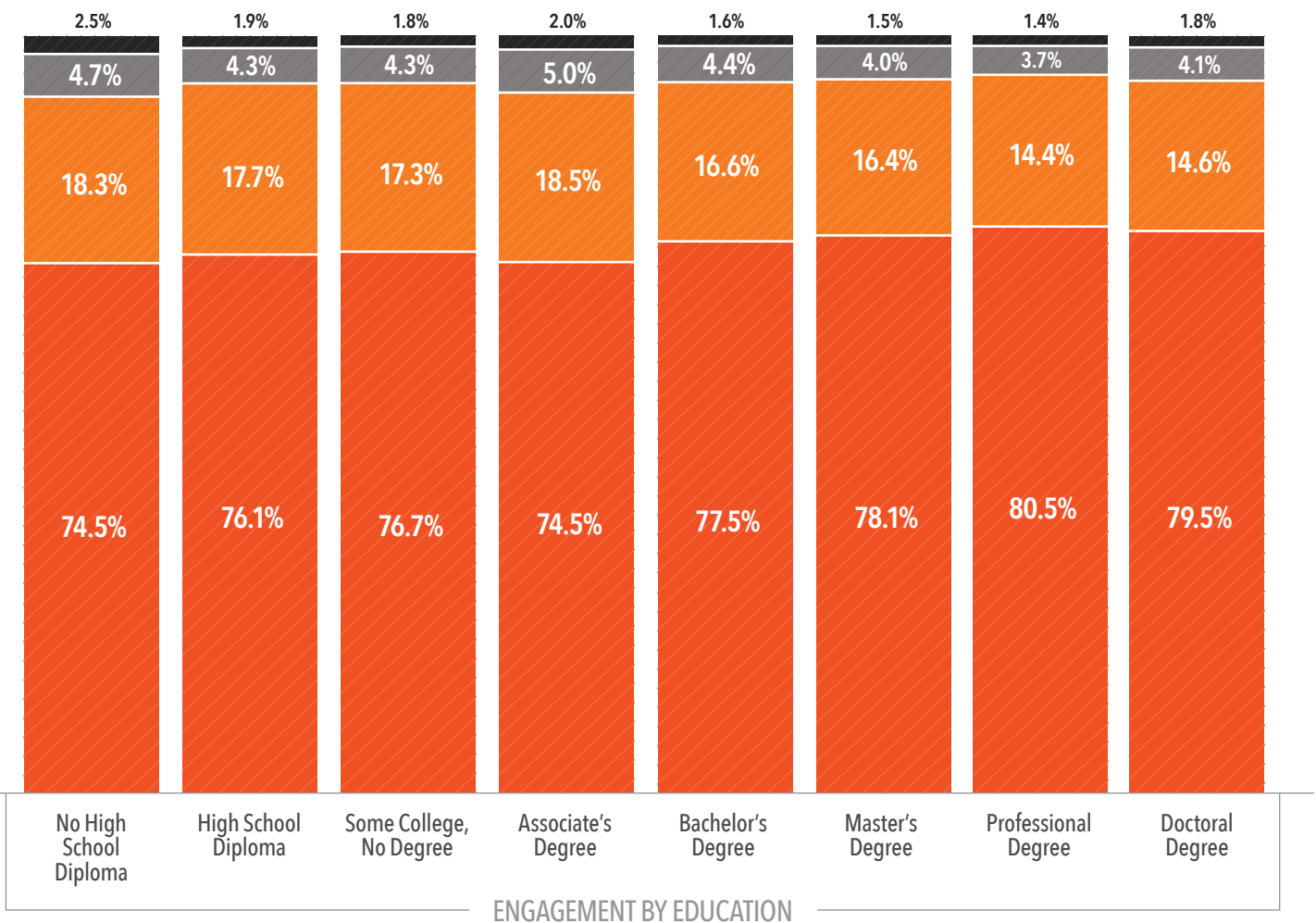


GENDER



RACE

Higher Engagement With Higher Education



↑ Largest YOY increase in engagement:
Professional degree, increase of 1.7%

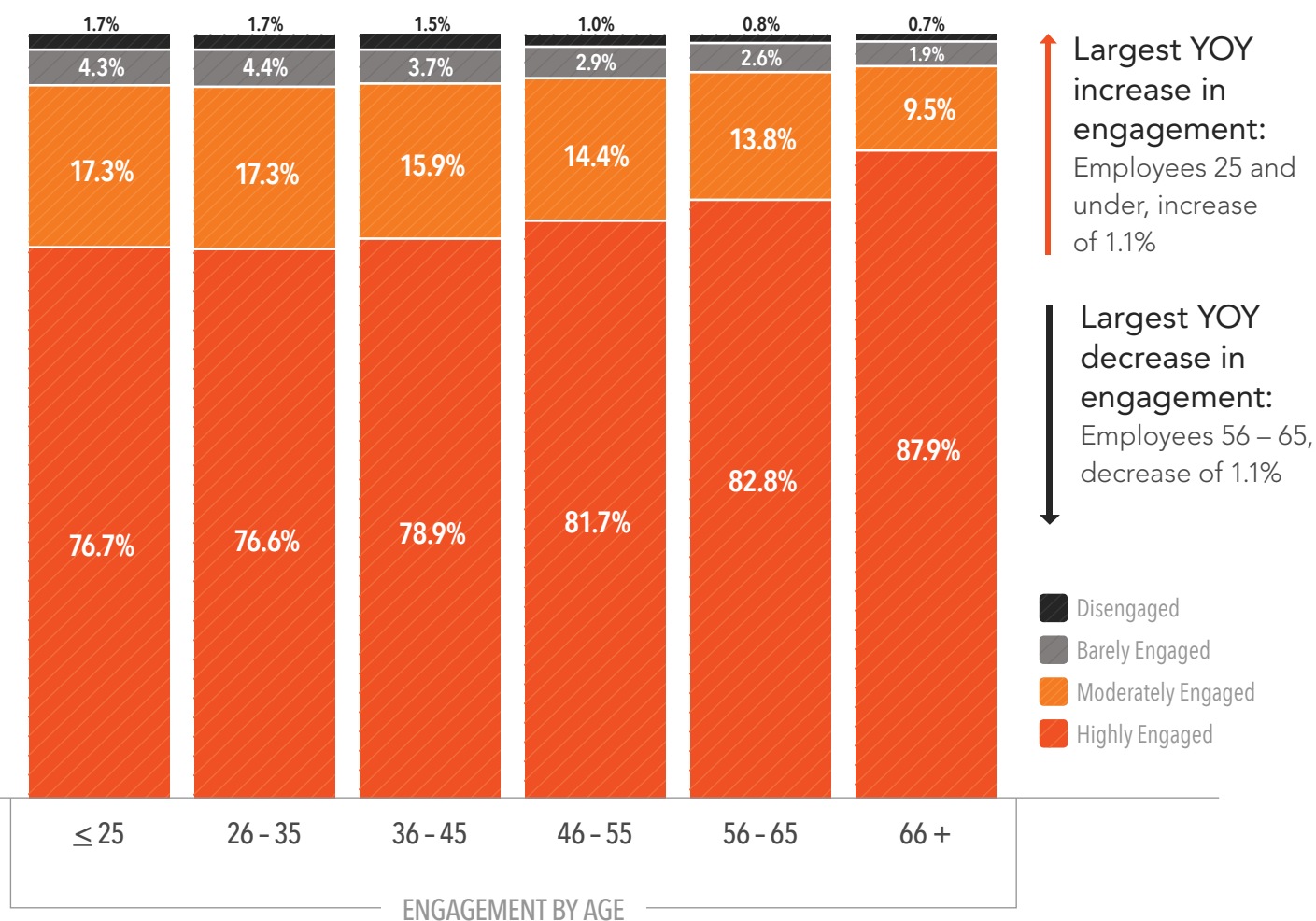
↓ Largest YOY decrease in engagement:
Doctoral degree, decrease of 0.2%

■ Disengaged
■ Barely Engaged
■ Moderately Engaged
■ Highly Engaged

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Engagement (Mostly) Increases With Age

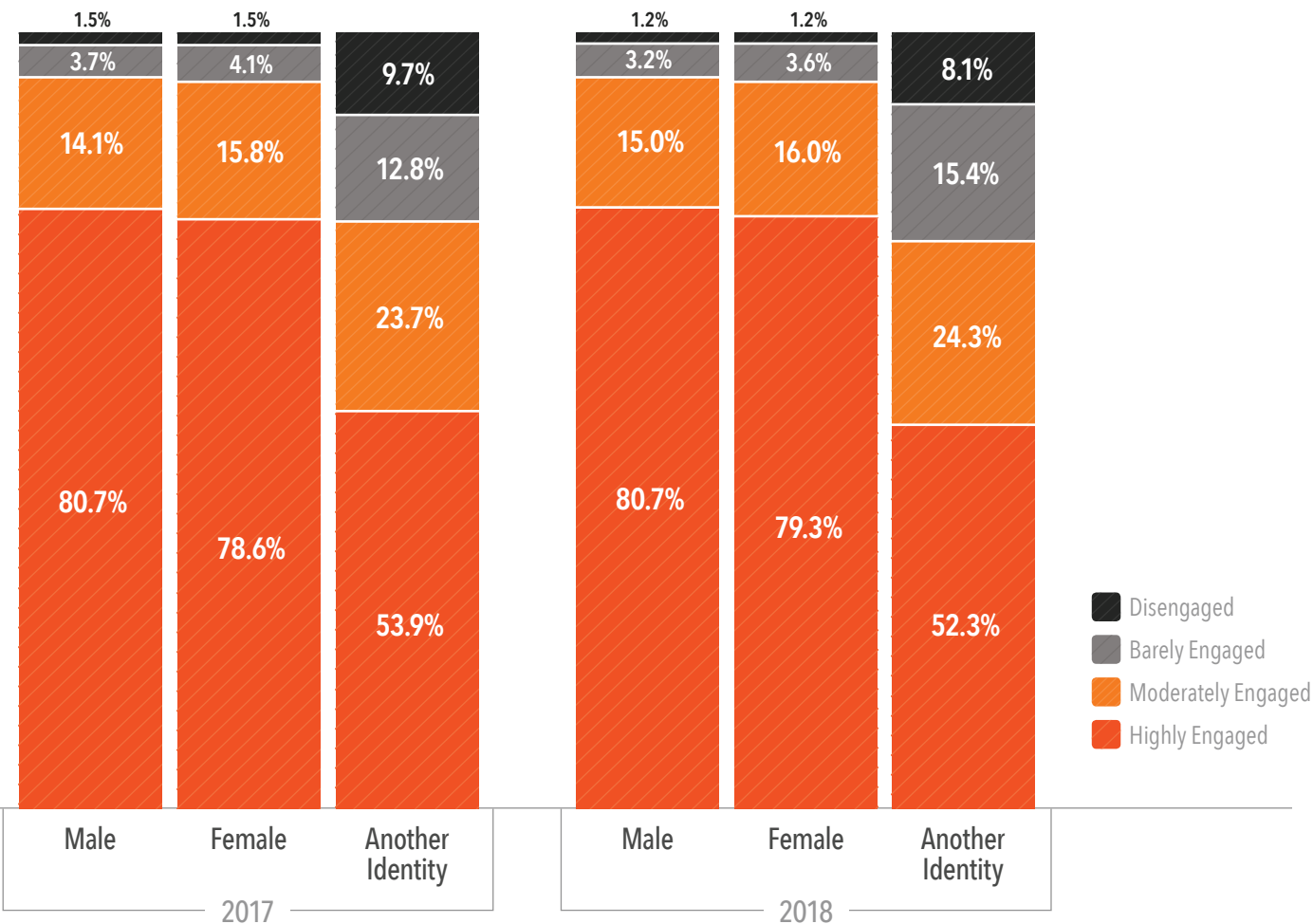


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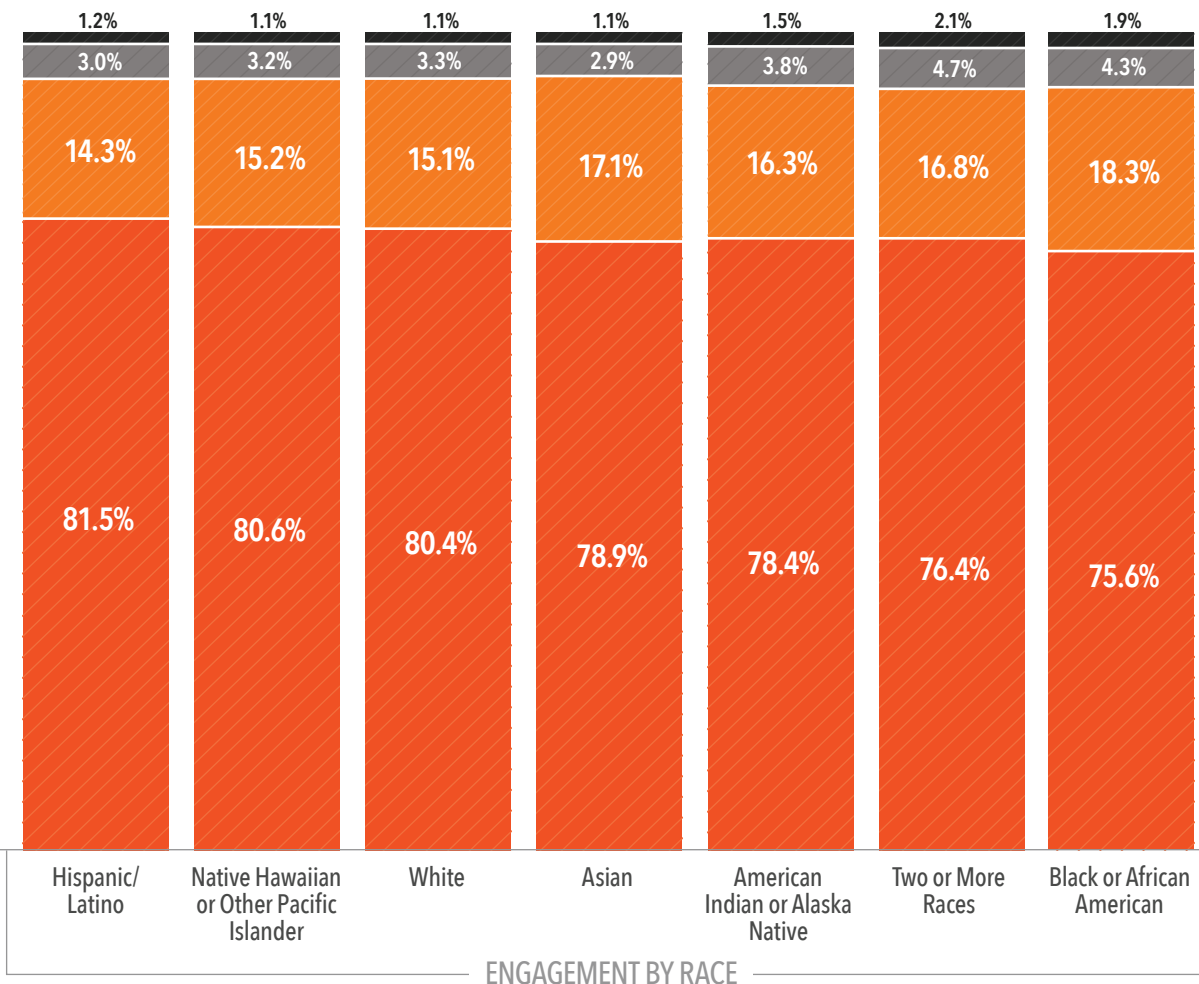
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Low Engagement Among Gender Minorities

Although the engagement gap between males and females decreased, employees who indicated their gender as being another identity continue to be the least engaged across all professional and personal profiles.



African American and Multiracial Employees Least Engaged



↑ Largest YOY increase in engagement:
Native Hawaiian or Other Pacific Islanders, increase of 2.7%

↓ Largest YOY decrease in engagement:
American Indian or Alaska Native, decrease of 1.2%

■ Disengaged
■ Barely Engaged
■ Moderately Engaged
■ Highly Engaged

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Methodology

SURVEY INSTRUMENT

Employee engagement is the strength of the mental and emotional connection employees feel toward their places of work. Quantum Workplace measures engagement using our e9 Model of Employee Engagement (“the e9”), a set of nine survey items that measure various aspects of employee engagement. The e9 has been found to be a reliable measure of employee engagement and has been validated against a variety of indicators.

The non-e9 items shown in the key drivers analysis represent actionable items that are part of Quantum Workplace’s Best Places to Work survey instrument.

Analysis Methods

EMPLOYEE ENGAGEMENT PROFILES

Employees are classified into four groups based on the average of their responses to the e9. Highly engaged employees have an average rating between 5.0 – 6.0 on a 6-point rating scale. Moderately engaged employees have an average rating between 4.0 – 4.9. Barely engaged employees have an average rating between 3.0 – 3.9, and disengaged employees have an average rating between 1.0 – 2.9.

Prior to 2016, Quantum Workplace used a different model for calculating profiles. In the previous model, employees were classified into four groups based on the average of their responses to all survey items, rather than just the e9 items. The new model removes employee sentiment about workplace culture elements and focuses only on employees’ feelings of engagement. You’ll notice this shift when looking at year-over-year trending prior to 2016.

DRIVER ANALYSIS

Quantum Workplace evaluated the relationship between actionable survey items and the e9 to reveal which factors have the highest correlation with employee engagement.

SURVEY PARTICIPANTS

This report examines data collected through Best Places to Work over the course of the past 11 years. The 2018 data were collected from more than 600,000 employees from over 10,000 organizations that took the survey between January 1, 2018 and December 31, 2018.

ABOUT BEST PLACES TO WORK

Founded in 2004, Best Places to Work is the original contest created to honor companies where talent is valued and engaged. The contest is held annually in nearly 50 markets and garners participation from more than 10,000 organizations. Quantum Workplace partners with various local publications, professional organizations, and other sponsors to conduct the survey and recognize America’s Best Places to Work.

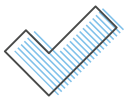


Ready for 2020?

Now's the time to equip your organization with software to help uncover emerging trends and weather the coming engagement challenges.

WITH QUANTUM WORKPLACE YOU CAN:

- provide one central platform for engaging employees
- empower employees to take engagement into their own hands
- measure and monitor employee engagement
- give managers the tools they need to drive workplace culture



SURVEYS



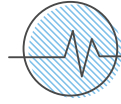
GOALS



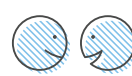
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