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The Global Study of Engagement

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Executive Summary

The ADP Research Institute® (ADPRI) surveyed over 19,000 employees across the globe to measure their levels of Engagement and identify what conditions at work are most likely to attract and keep workers.

We research Engagement because it matters to employers and their workers. A disengaged workforce costs the global economy billions of dollars annually. When employees are not fully engaged, organizations suffer.

Employees with reduced Engagement are 45% more likely to voluntarily leave their organization (*Nine Lies about Work: A Freethinking Leader's Guide to the Real World, in press*). The cost of voluntary turnover ranges from a little over half the salary of a front-line worker, to nearly 2.5 times the salary of a knowledge worker or supervisor (*LinkedIn, August 2013*)!

In contrast, companies with high Engagement perform better — in terms of higher stock prices, higher productivity, lower turnover, and greater customer satisfaction. (*Forbes, May 2017*).

The Study

In July 2018, ADPRI surveyed a random sample of 19,346 full-time and part-time employees across 19 countries. This study repeated a similar global study conducted in 2015 across 13 countries.

The survey asked employees about many aspects of how they view their work, including a validated eight-question measure of Engagement developed over the last decade.

Based on survey responses, we calculated the percentage of workers who are "Fully Engaged" in any team, company, or country, and looked at the conditions most likely to lead to being Fully Engaged at work.

To determine if workers are Fully Engaged, we looked at the extreme positives on each question, giving more weight to the questions with the strongest relationship to positive productive outcomes. The workers who were not Fully Engaged we describe, simply, as "Coming to Work." These workers aren't necessarily disengaged; they just aren't contributing all they could.

We believe that, combined with our 2015 study, this 2018 study is the largest and most reliable study of global worker Engagement yet undertaken.
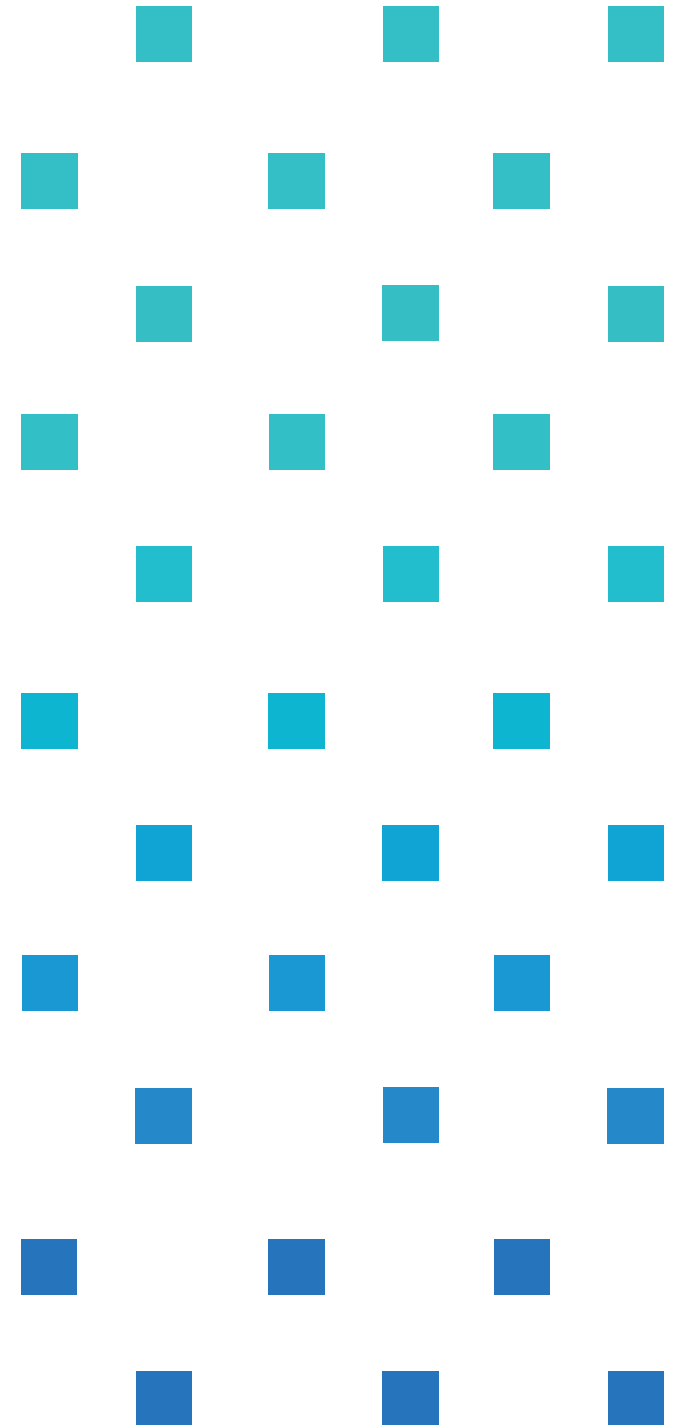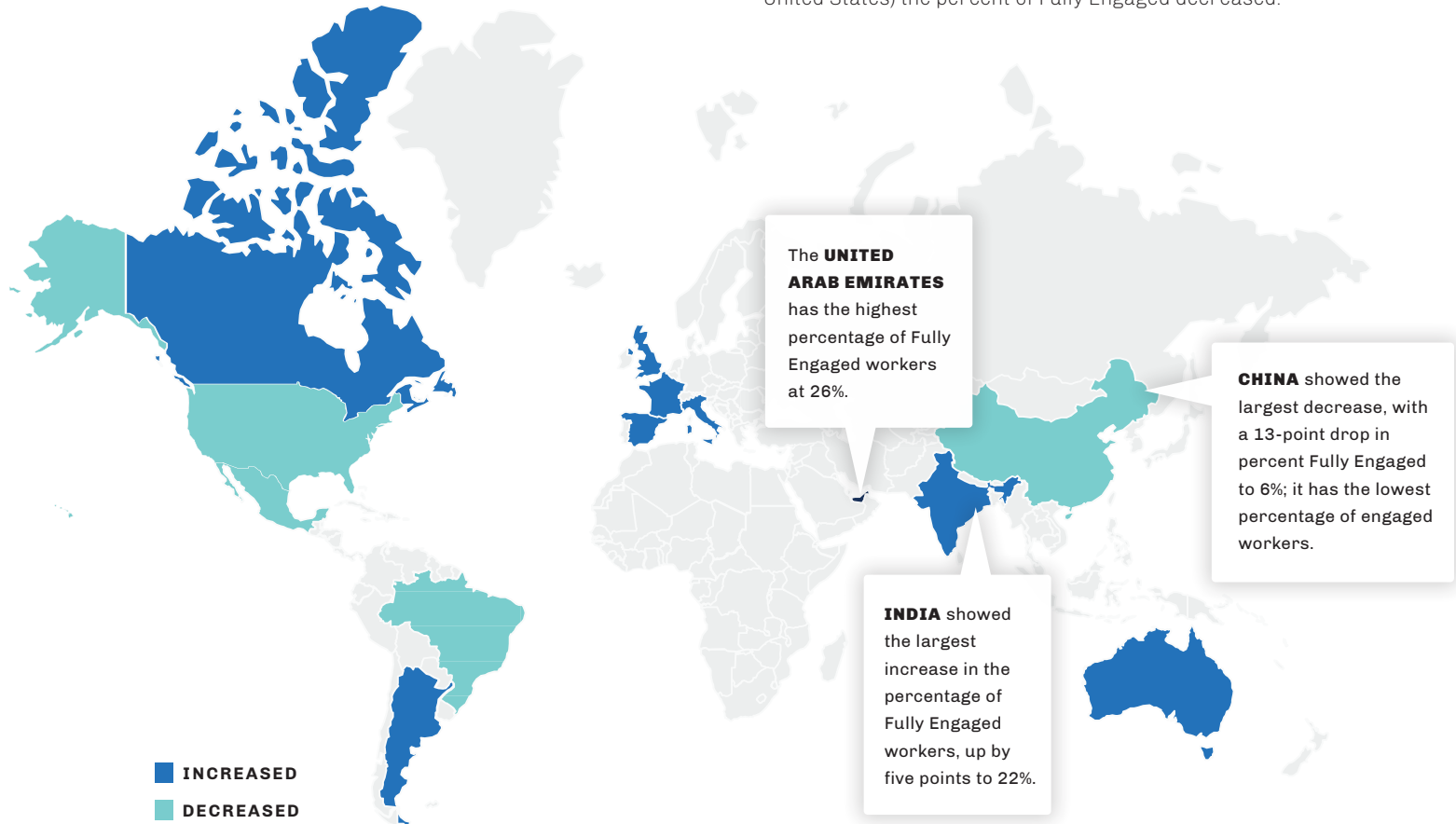
What We Learned
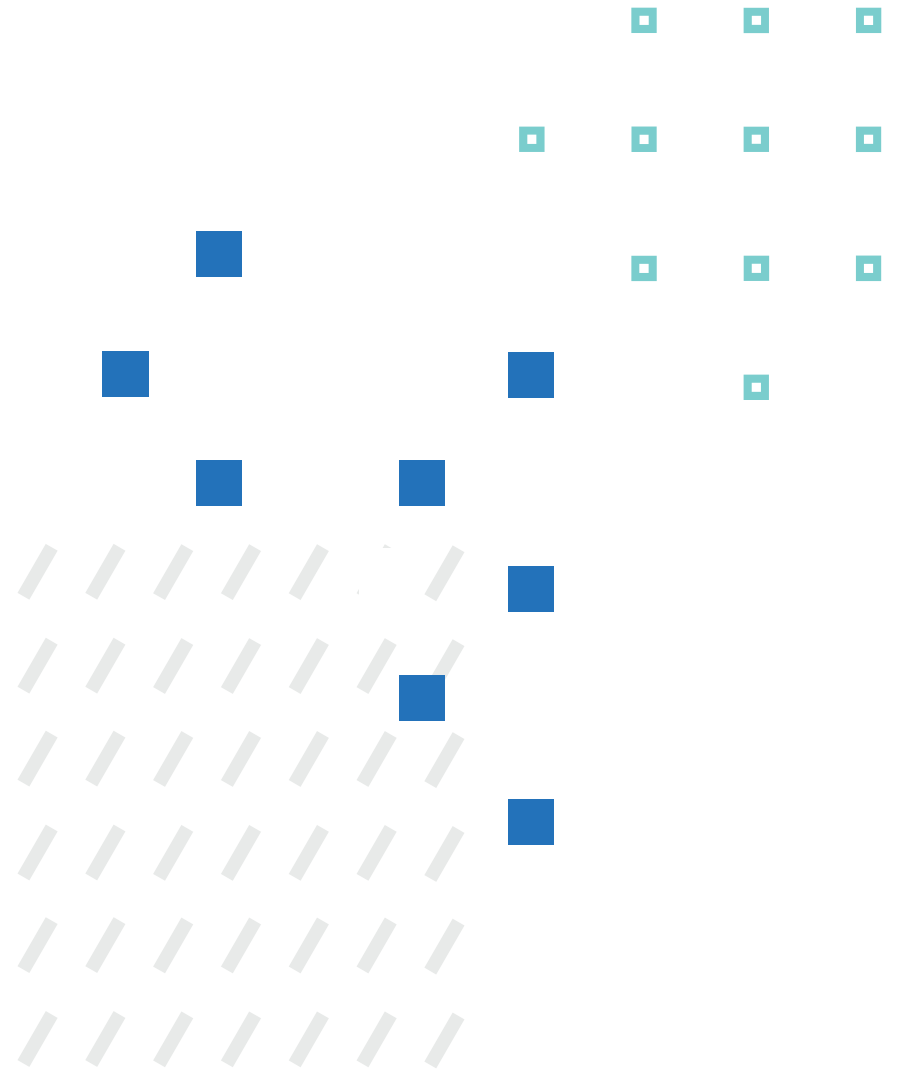
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Global Engagement levels have not changed much in the past three years overall, but Engagement in some countries has shifted significantly.

Only about 16% of employees are Fully Engaged, and this number has not changed much since 2015. This means that 84% of workers are just Coming to Work instead of contributing all they could to their organizations.

Location matters. Although the overall level remained stable from 2015 to 2018, we found significant variation in percent of Fully Engaged by country. In eight countries (Argentina, Australia, Canada, France, India, Italy, Spain, and the United Kingdom) the percent of Fully Engaged increased. In four countries (Brazil, China, Mexico, and the United States) the percent of Fully Engaged decreased.

The **UNITED ARAB EMIRATES** has the highest percentage of Fully Engaged workers at 26%.

CHINA showed the largest decrease, with a 13-point drop in percent Fully Engaged to 6%; it has the lowest percentage of engaged workers.

INDIA showed the largest increase in the percentage of Fully Engaged workers, up by five points to 22%.

INCREASED

DECREASED

2

Being on a team increases Engagement.

Workers who say they are on a team are 2.3 times more likely to be Fully Engaged than those who are not. This finding holds true within all countries in the study, and in many countries the disparity between non-team and team workers is even greater:

For example, in Brazil only 5% of non-team workers are Fully Engaged, whereas 15% of team workers are Fully Engaged. Likewise, in Singapore 4% of non-team workers are Fully Engaged as compared to 22% of team workers. In the United States 11% of non-team workers are Fully Engaged, whereas 19% of team workers are Fully Engaged.

BRAZIL

5% of **NON-TEAM** workers are Fully Engaged.

4% of **NON-TEAM** workers are Fully Engaged.

SINGAPORE

UNITED STATES OF AMERICA

11% of **NON-TEAM** workers are Fully Engaged.

22% of **TEAM** workers are Fully Engaged.

3

Organizations do not understand or act on the vital power of teams.

The challenge for almost all organizations today is that they are not set up to know very much about their teams. Most current HR systems are extensions of financial systems and only show their reporting structure via an organizational chart. Yet, most work happens in functional teams that can be fluid, depending on the project.

Of those surveyed who say they work in teams, 64% report that they work on more than one team, and 75% report that their teams are not represented in their employer's organization chart.
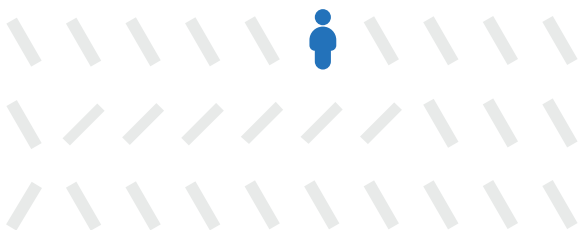
When organizations make great teams their primary focus — including what creates them and what can fracture them — we expect to see more significant rises in Global Engagement.

64% report that they work on **MORE THAN ONE TEAM**.
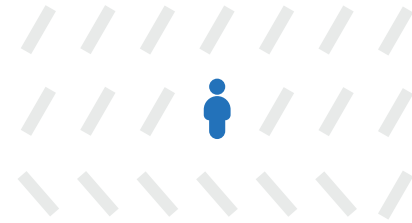
75% report their **TEAMS** are not represented in their employer's organization chart.

4

Trust in team leaders is the foundation of Engagement.

When we examined the most engaged teams, we found that, by far, the best explainer of level of Engagement was whether or not the team members trust their team leader.

Of those who strongly agreed that they trusted their team leader, 45% were Fully Engaged. Of those who didn't strongly agree, only 6% were Fully Engaged.

Importantly, a worker is 12 times more likely to be Fully Engaged if he or she trusts the team leader.

45%
of those who strongly agree that they **TRUST THEIR TEAM LEADER** are Fully Engaged.

A worker is **12x** more likely to be Fully Engaged if he or she **TRUSTS** the team leader.
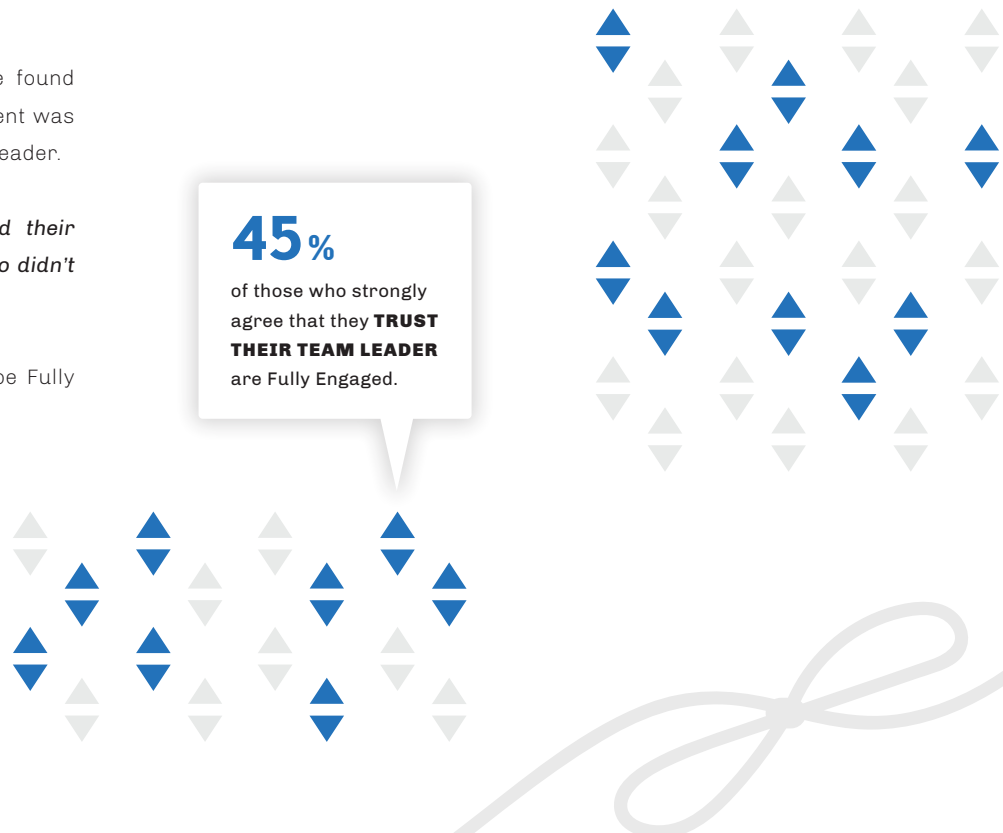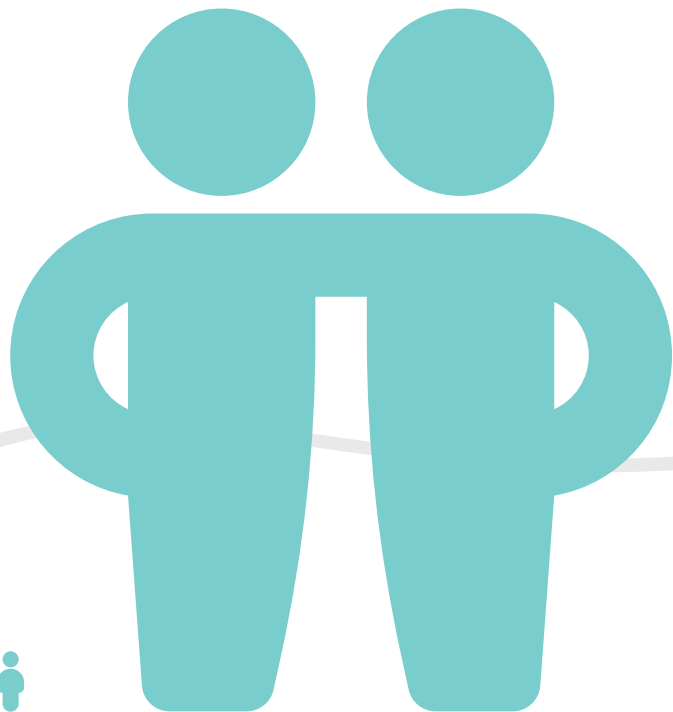
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Knowing what is expected and using one's strengths make engaged teams.

Two Engagement Pulse Statements in the survey showed the strongest relationships to a worker's feeling of trust in his or her team leader:

At work, I clearly understand what is expected of me.
I have the chance to use my strengths every day at work.

When a leader can help team members feel clarity about expectations and communicate to them that their strengths are recognized and appreciated, trust is built and a Fully Engaged team becomes more likely.

1

2 — At work, I clearly **UNDERSTAND WHAT IS EXPECTED** of me.

3

4 — I have the chance to **USE MY STRENGTHS EVERY DAY** at work.

5

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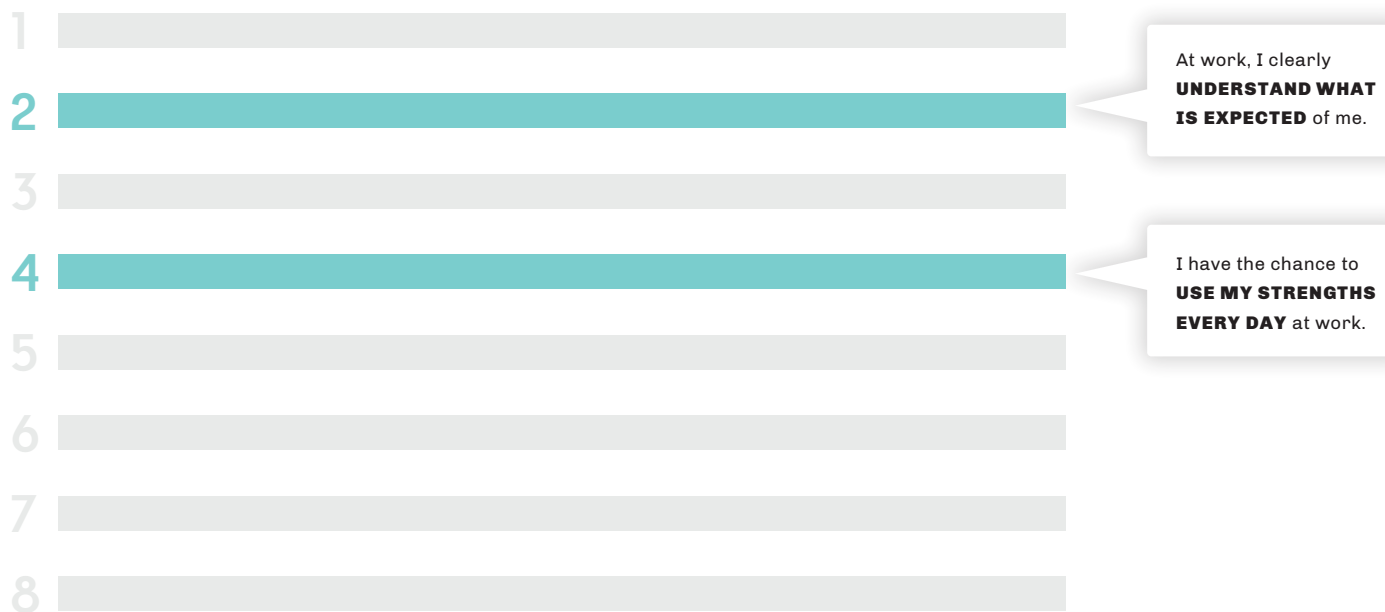
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Gig workers are engaged, especially when they are part of a team.

We looked at whether work status as a full-time, part-time, or gig worker affected employees' sense of engagement. Interestingly, the most engaging work status is to have one full-time job and one part-time job.

25% of those who have this status say they were Fully Engaged compared to an average of 16% Fully Engaged for the other categories.

A possible explanation is that a full-time job brings stability and benefits, while the part-time role brings the chance to do something the worker truly enjoys (as well as some additional earnings).

Gig-only workers who are part of a team are also highly engaged.

21% of full-time gig workers reported they were Fully Engaged.

The two questions where the gig-only workers scored lower than traditional workers were: 'I am surrounded by people who share my values,' and 'My teammates have my back.' This suggests that gig-only workers can feel more isolated than other sorts of workers.

However, when we examined gig-only workers who were also on a team, there was no difference on these questions between gig workers and employees. This implies that gig work does not necessarily have to be isolating, and that all workers are more engaged when they can work on teams.

GIG and **FULL-TIME WORKERS** are more engaged when they can work on teams.

21% of full-time **GIG WORKERS** reported they were Fully Engaged.

15% of **FULL-TIME WORKERS** reported they were Fully Engaged.
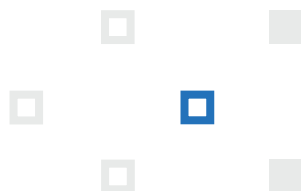
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Virtual workers are more engaged; those who travel are less engaged.

In all countries and industries, virtual workers who are part of a team are more likely to be engaged.

29% of virtual workers were Fully Engaged compared to 18% who work in an office.

This suggests that physical proximity is not required to create a sense of team, and that the flexibility and ease inherent in working virtually is appealing to all workers.

Working virtually is not the same as traveling for work. Those workers who reported that they traveled for work displayed the lowest levels of engagement.

Only 11% of road warriors are Fully Engaged compared to 15% for non-traveling workers.

29%
of **VIRTUAL WORKERS** are Fully Engaged.

18%
of **OFFICE WORKERS** are Fully Engaged.

15% of **NON-TRAVELING** workers and
11% of **ROAD WARRIORS** are Fully Engaged

8

More educated and higher level workers are more engaged.

Workers with higher levels of education and higher position in an organization are both more engaged.

19% of those with an advanced degree are Fully Engaged compared to 12% for those with no college education.

24% of C-suite/VP-level workers are Fully Engaged compared to 14% of mid-level and first-level team leaders and 8% of individual contributors.

This is probably due to a number of factors, including compensation, having invested more time and effort to get there, and being clearer on what they want to achieve. These numbers are consistent with ADPRI's turnover data that shows higher turnover at the entry-level positions.

12% of those with **NO COLLEGE EDUCATION** are Fully Engaged.

19% of those with an **ADVANCED DEGREE** are Fully Engaged.

8% of **INDIVIDUAL** contributors are Fully Engaged.

14% of **MID-LEVEL** and **FIRST-LEVEL** team leaders are Fully Engaged.

**24**% of **C-SUITE/VP-LEVEL** workers are Fully Engaged.

9

Millennials are slightly less engaged than Boomers.

Age does not seem to be a significant factor in engagement, contrary to our initial hypothesis.

16% of Millennials are Fully Engaged compared to 18% of Boomers.

We believe other factors, such as being on a team and using one's strengths, are more important.

16%
of **MILLENNIALS**
are Fully Engaged.

18%
of **BOOMERS**
are Fully Engaged.
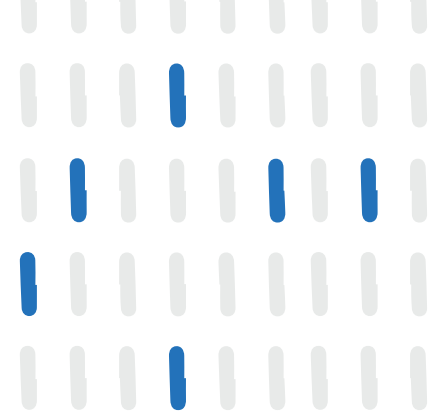
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Women are slightly more engaged than men.

Since there are more men at higher levels in organizations, we thought men might be more engaged, but gender does not make much difference.

Globally, 17% of women are Fully Engaged compared to 15% of men.

Given the large sample sizes, these differences are statistically significant, but a two-point difference such as this is not practically significant.

17 % of **WOMEN** are Fully Engaged.

15 % of **MEN** are Fully Engaged.
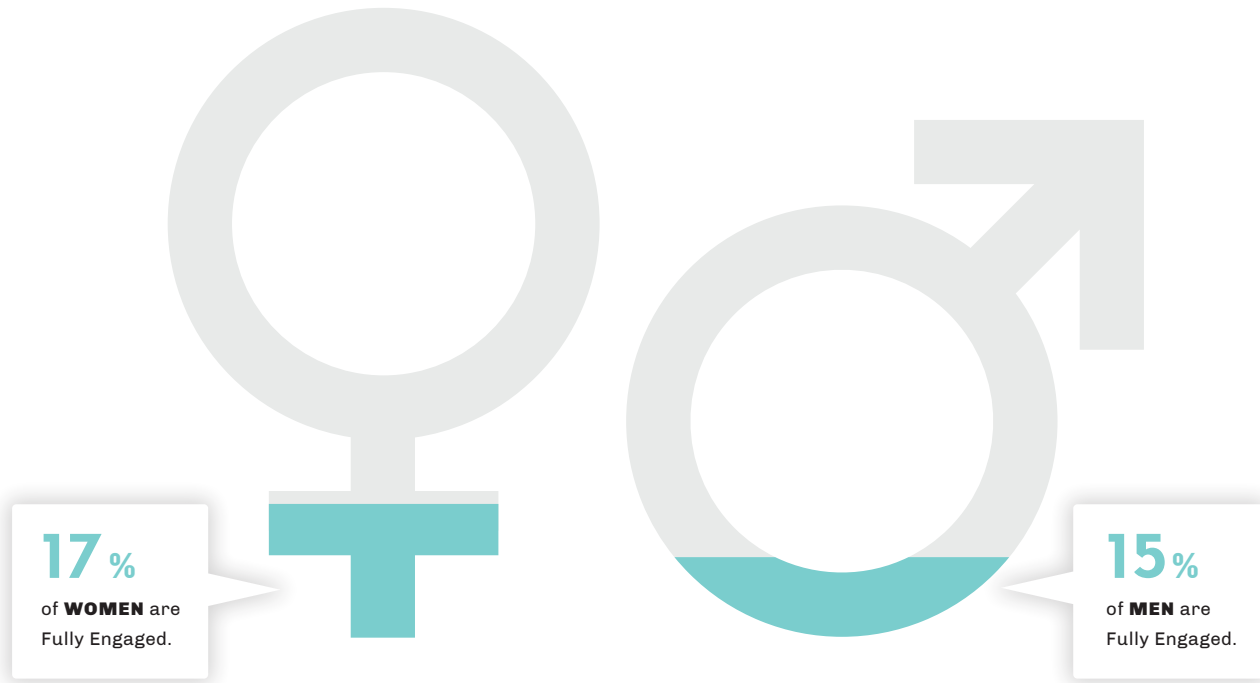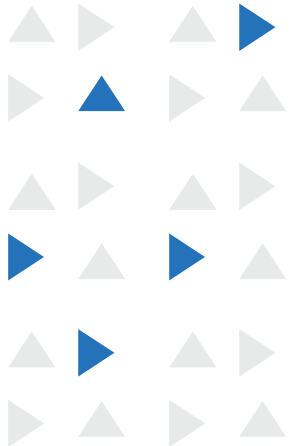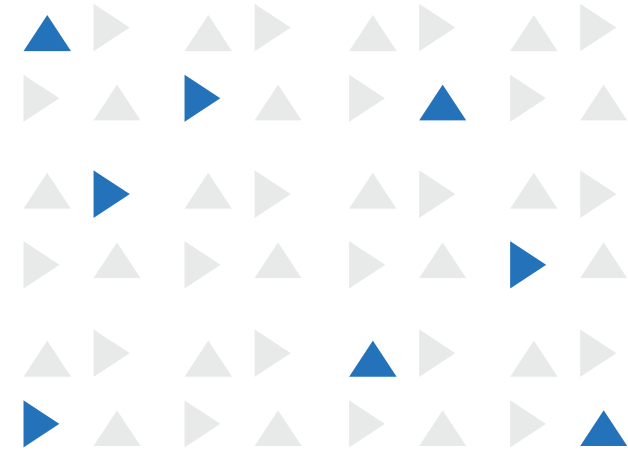
Team
Work

Employee engagement can be complex on the individual and even organizational level, but one over-arching factor emerged: working on a team improves engagement.

Regardless of demographics, work status, or where someone works, being on a team increases employee engagement. But teams are not the same as the org chart. It's important for everyone, including gig workers, to regularly work with others, have a sense of belonging, and trust their leaders.

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