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The Evolution of Engagement

29th October 2009

Understanding Employee Engagement

Engagement is defined as the following:

- The extent to which employees commit to something or someone in their organization
- How hard employees work as a result of that commitment (i.e., discretionary effort)
- How long employees stay as a result of that commitment (i.e., intent to stay)

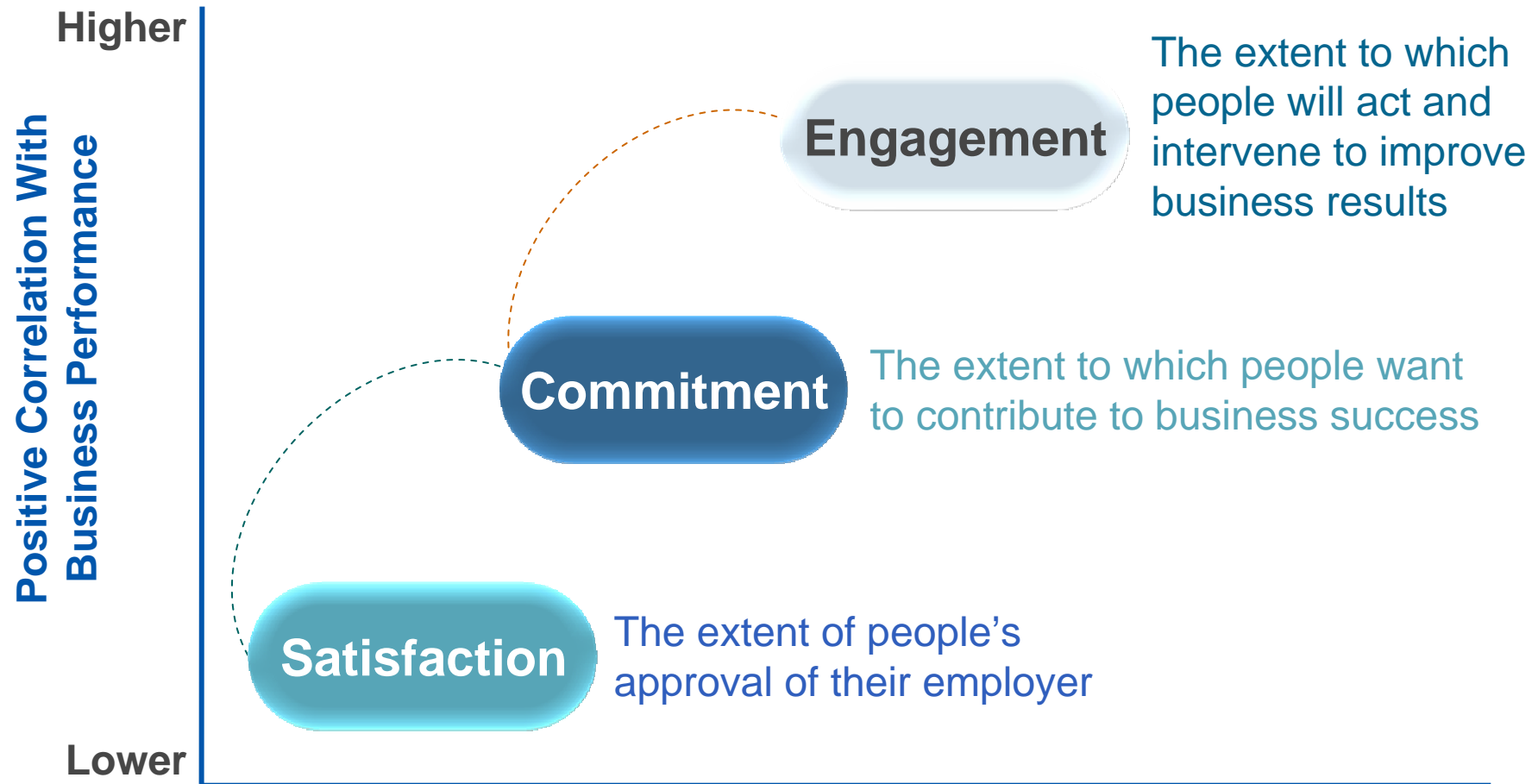
Engagement is *not* the following:

- The same as satisfaction; engagement measures commitment and effort, as well as satisfaction, and is a more reliable indicator of performance
- A factor of background, tenure, or job level generally; it is specific to individual employees.



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The Evolution of Engagement



Employee Research Over Time



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Six Categories Drive Employee Engagement

People

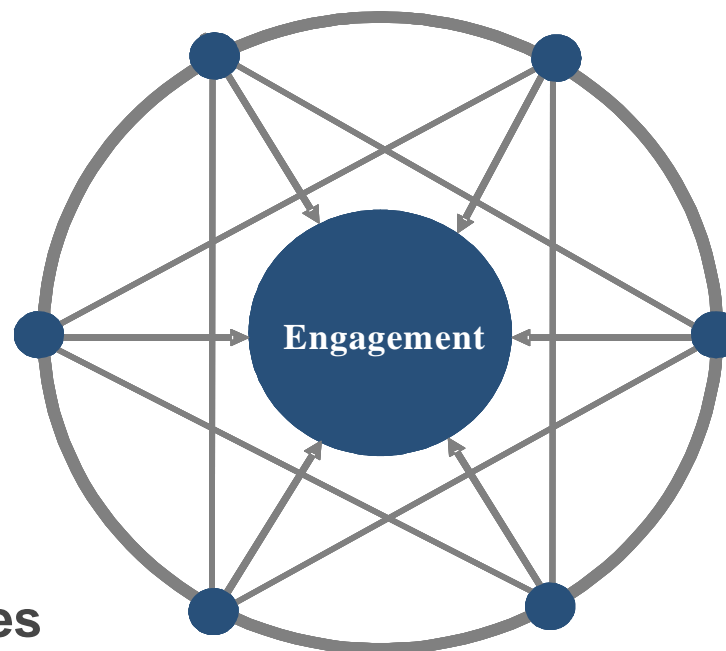
- Senior Leadership
- Manager
- Coworkers
- People Focus
- Customers

Total Rewards

- Pay
- Benefits
- Recognition

Company Practices

- People/HR Practices
- Managing Performance
- Brand Alignment
- Organization Reputation



Work

- Work Tasks
- Sense of Accomplishment
- Resources
- Work Processes

Opportunities

- Career Opportunities
- Learning and Development

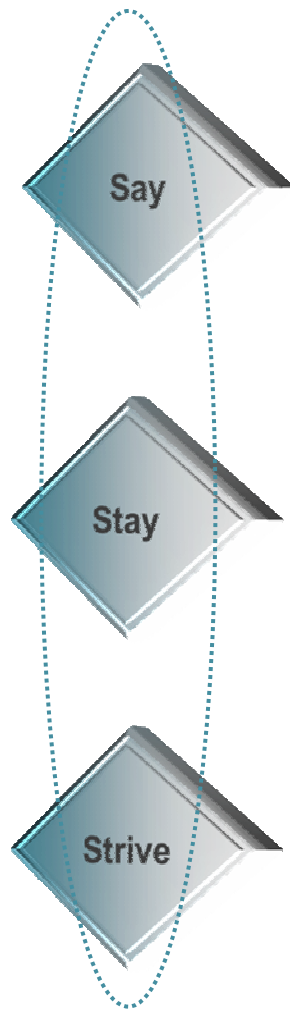
Quality of Life

- Work/Life Balance
- Physical Work Environment



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Engagement: Say, Stay and Strive



Consistently speak positively about the organisation to coworkers, potential employees, and customers

“I would not hesitate to recommend this company to a friend seeking employment”

“Given the opportunity, I tell others great things about working here”

Have an intense desire to be a member of the organisation

“It would take a lot to get me to leave this company”

“I rarely think about leaving this company to work somewhere else”

Exert extra effort and engage in behaviors that contribute to business success

“This company inspires me to do my best work every day”

“This company motivates me to contribute more than is normally required to complete my work”

Engagement: Act, Feel and Think



Think

Cognitive Commitment

Feel

Affective Commitment

Act

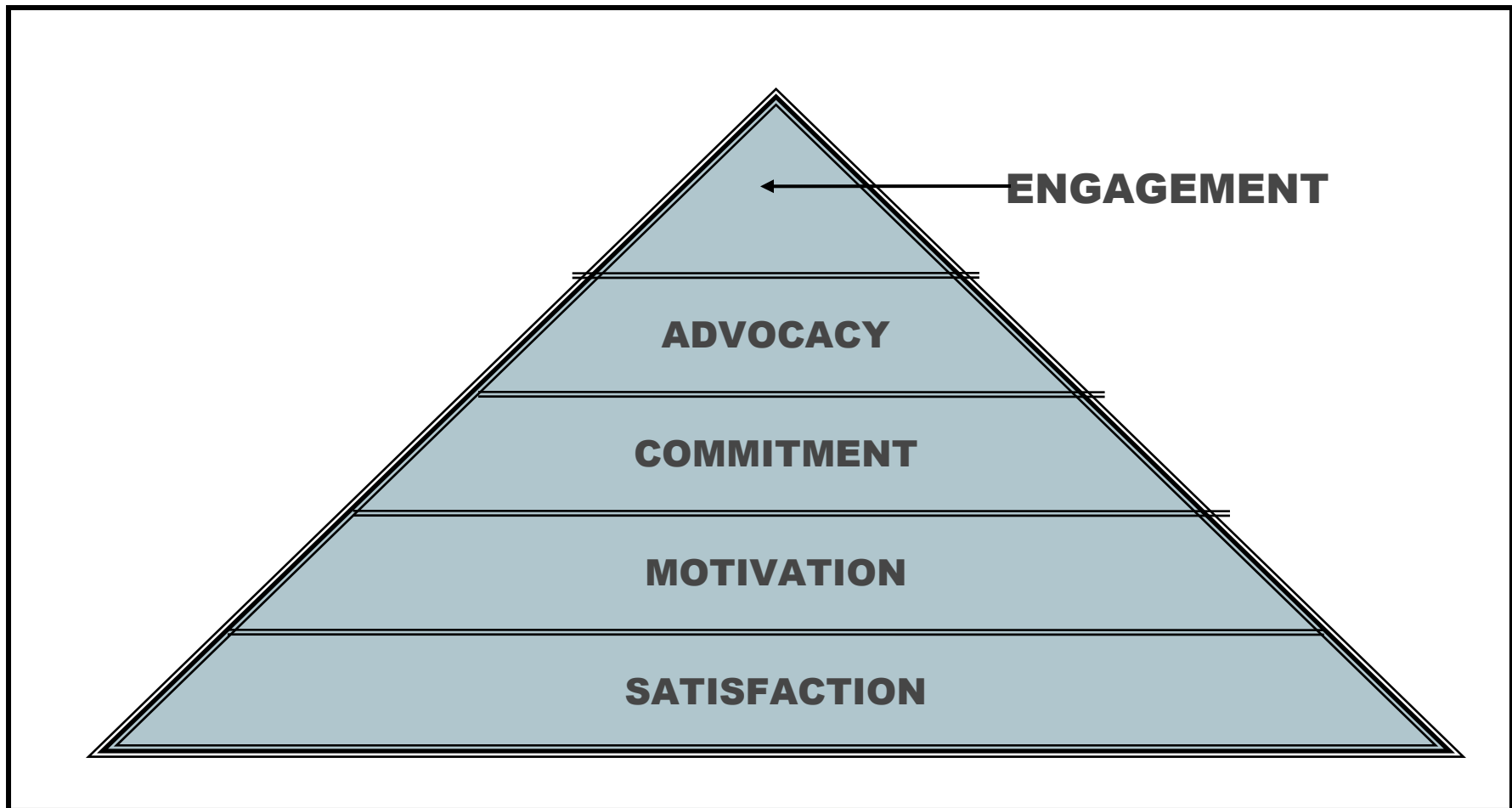
Behavioural Commitment

REF: Melcrum (2005)



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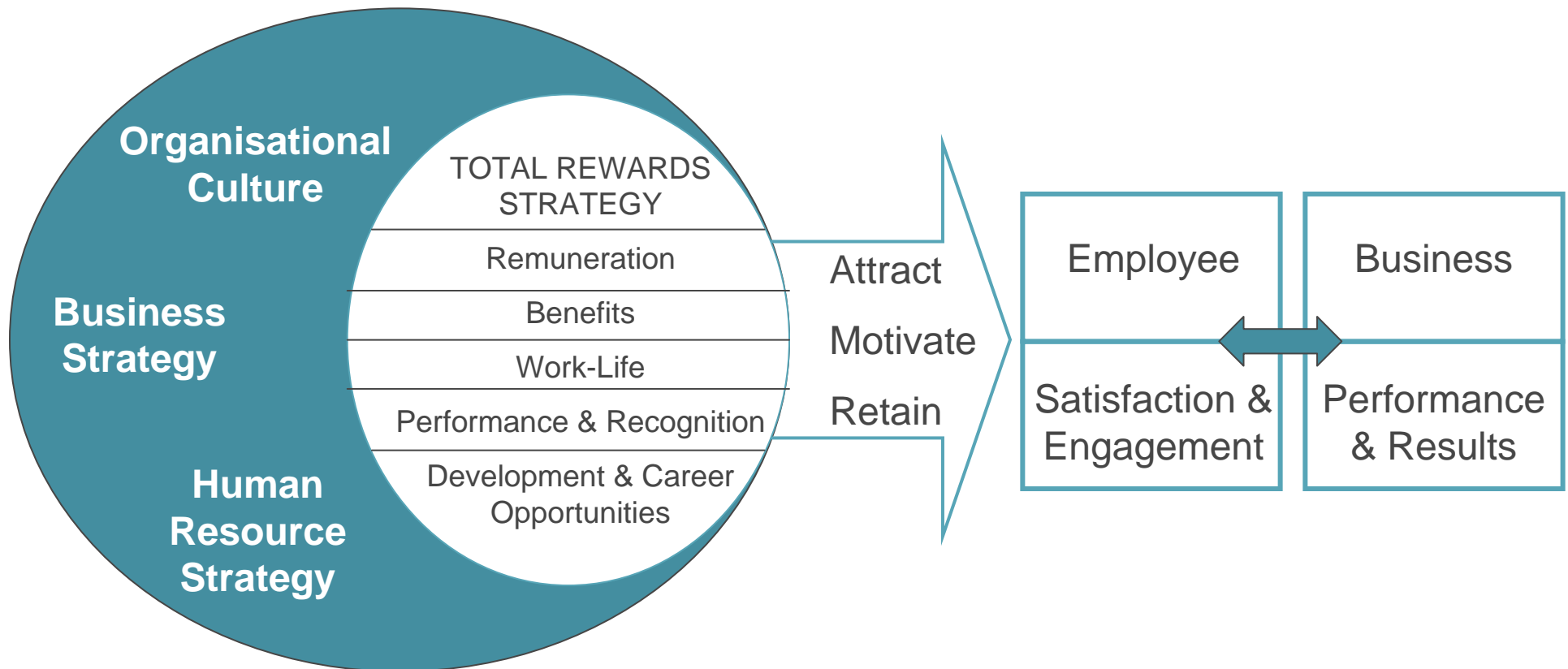
Engagement Pyramid



REF: Brown (2005)



The Total Rewards Model



REF: WorldatWork



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Engagement and the Bottom Line

30% - 150% of annual salary
Accountant = R250,000 (median annual salary 2009)
=R250,000 x R30%
=R75,000

10 – 6 – 2

10 : 9



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THANK YOU
for this opportunity
to be with you



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