# Why the ROI on Employee Engagement is So Negligible



While issues of reimbursement, contracting and credentialing, coding and billing may consume much of the urgent care operator's day, ultimately urgent care is a "people business" meaning that employee engagement is typically at the top of every urgent care operator's mind.

Employee engagement describes the relationship between an employee and his/her employer. An "engaged employee" is defined as "one who is fully absorbed by and enthusiastic about their work and so takes positive action to further the organization's reputation and interests." By contrast, a disengaged employee lacks enthusiasm or commitment, undermines co-workers, sabotages projects, and goes through the day in a "zombie-like" state.

Given the belief that employee engagement is directly correlated with revenue growth, customer satisfaction and retention, employers globally spend hundreds of millions of dollars cultivating employee engagement. Ironically, most employee engagement efforts fail as <u>according to the Gallup Organization</u>, <u>only 32% of employees are</u> <u>engaged in their jobs (a score that has been flat for years)</u>.

An article in <u>the March 10, 2017 *Harvard Business Review* explains that most engagement efforts fail to move the <u>needle long-term</u> because they're merely "adrenaline shots in the arm"—perks that cause a temporary rise in engagement when launched whose effects wear off over time. Companies then introduce the next perk, a cycle of rise and fall occurs, and employees begin to feel manipulated by the process.</u>

According to the HBR article which studied 250 diverse organizations, only when companies invest in all three aspects of the employee "experience" (culture, technology and physical environment) do they see a return on employee engagement including:

Larger talent pipelines

Greater profitability

Greater productivity

Inclusion on lists like Forbes' "Most Innovative Companies," Glassdoor's "Best Places to Work," and LinkedIn's "Most In-Demand Employers."

Outperformance of the S&P 500, NASDAQ, and other financial indices.

Moreover, the HBR article found that companies who invested in all three aspects of the employee experience outperformed those who didn't on financial metrics including average revenue, profit, revenue per employee and profitability per employee. In short, engaged employees are more productive!

By contrast, the HBR article explains that an unequal investment in one or two of the three employee experience areas (culture, technology, and physical environment) has the opposite effects—the point being that a company can't do employee engagement "half way."

So the conclusion of the research is that there is, in fact, a return on full-boar employee engagement efforts with the most effective being real-time employee feedback programs, diversity and inclusion efforts, access to consumer-grade technologies, and workspace design.

At the end of the day, the most effective employee engagement organizations shift their attention away from surveys and survey results and instead focus on improving how employees experience all aspects of their organizations on daily basis.

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