

**voice  
project**

improving organisations  
by giving people a voice

[www.voiceproject.com.au](http://www.voiceproject.com.au)

# Driven to stay: Unwrapping engagement and retention in the public sector

**Ben Eastment  
CPA Congress,  
Adelaide, November 2012**

MACQUARIE  
UNIVERSITY



# who is voice project?

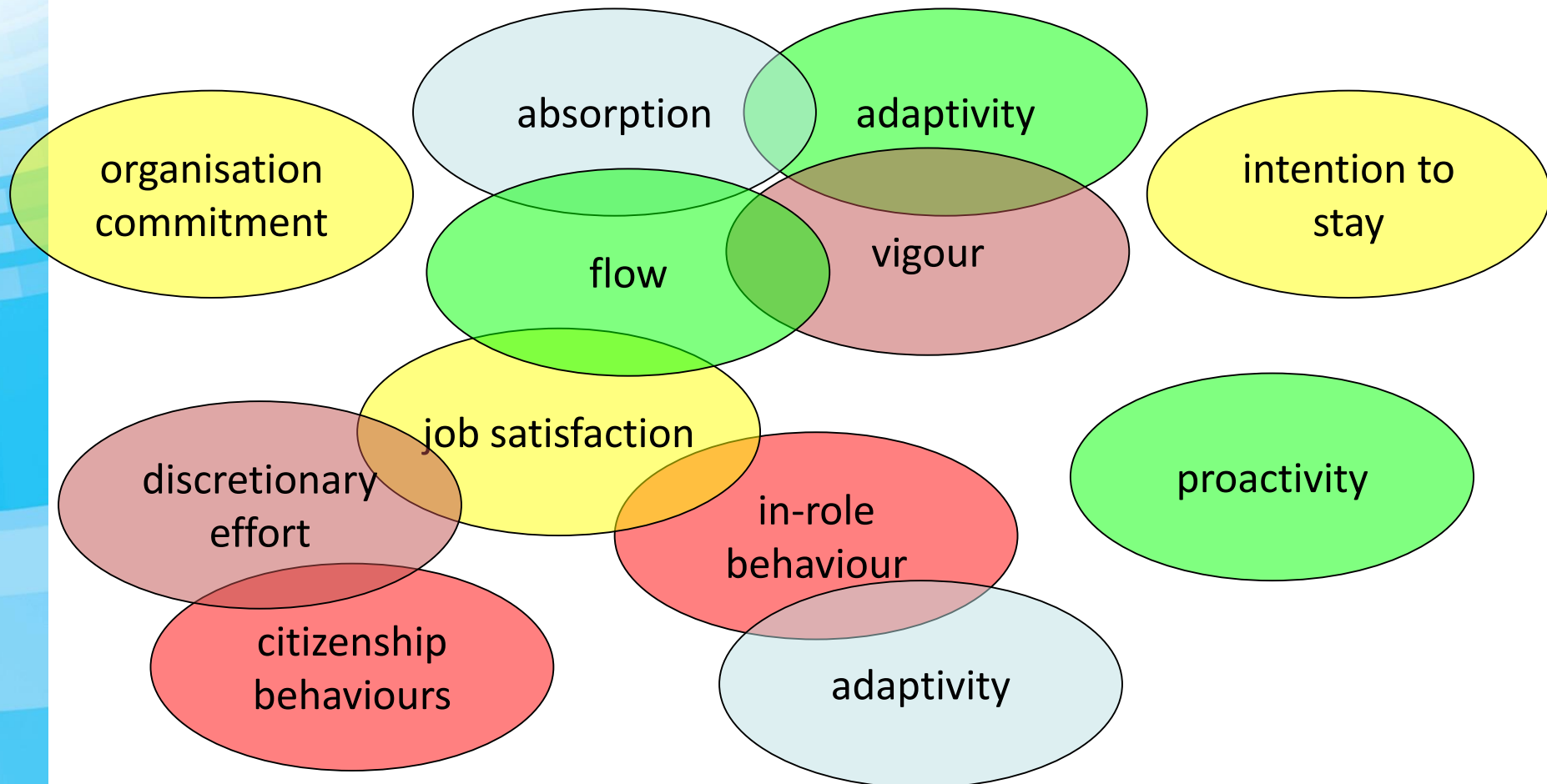


- Voice Project specialises in surveying engagement, leadership and service quality
- We have grown out of a research program at Macquarie University exploring the impact of “giving people a voice” on organisational outcomes
- We’re now a team of 16 in offices in Sydney and Melbourne
- We have now completed 600 surveying projects across 230 clients, collected benchmarking data from over 3,000 organisations, and “given a voice” to over 800,000 employees and clients

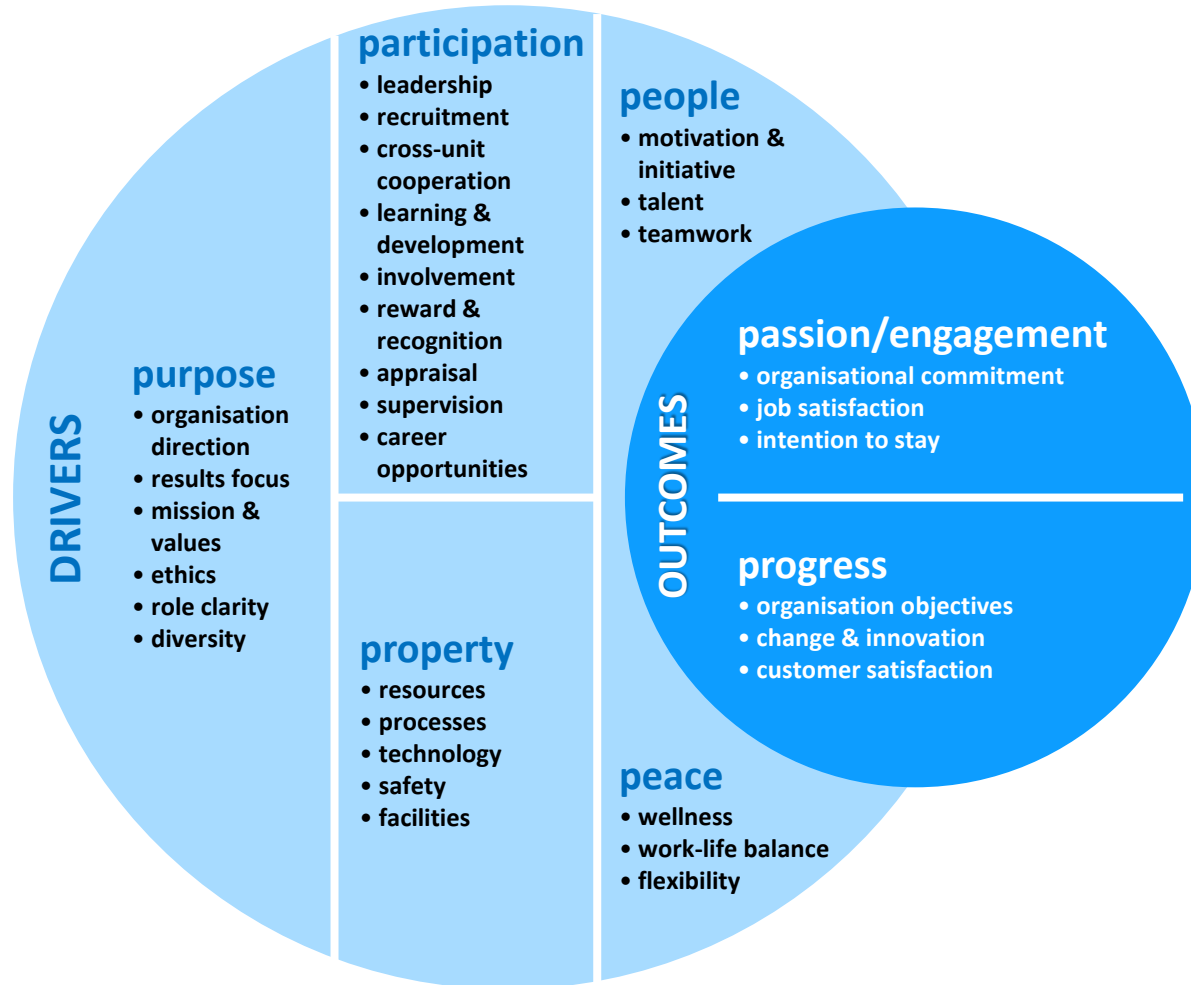


# understanding employee engagement

- What does it mean to you?



# voice engagement survey - 7Ps



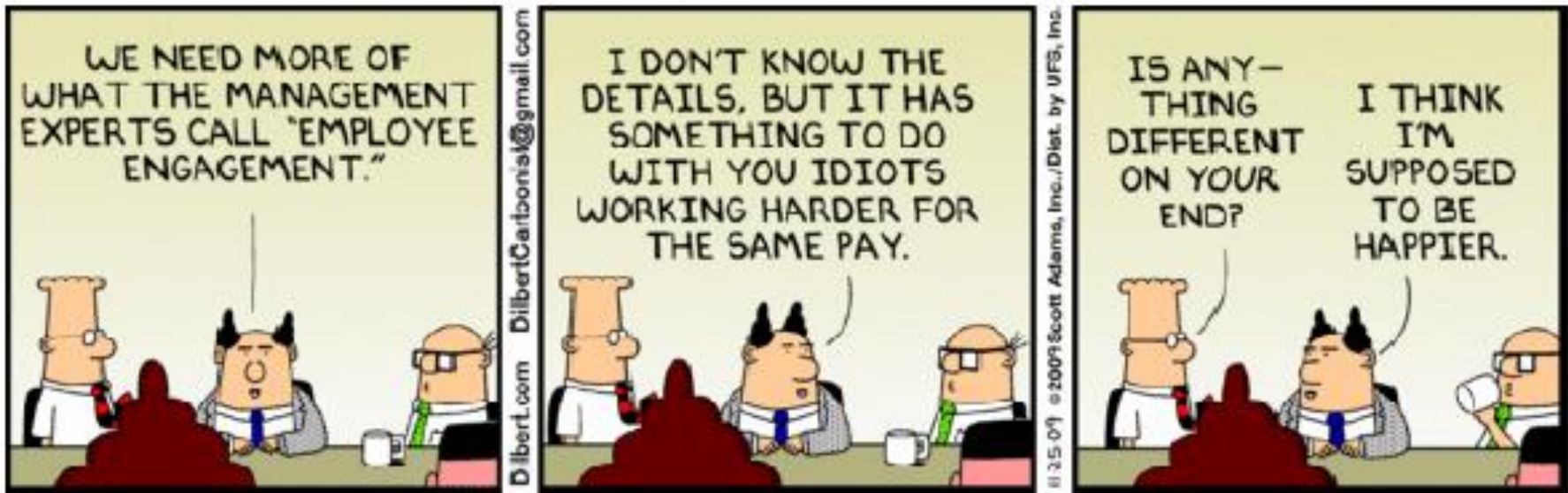
# consequences of engagement

- For a 1000-person organisation, our data suggests a 5% higher score on our measure of engagement is associated with:
  - 1.5% lower employee turnover; 15 fewer people leaving per year; \$1m lower turnover costs for the organisation per year
  - 2.5% higher productivity; \$2500 higher productivity per person per year; \$2.5m higher productivity for the organisation per year
  - Even if you adjust down these estimates by half (to compensate for causal reciprocity and report bias), make no upward adjustment for measurement error, achieved no other gains (e.g. safety, absenteeism, workers comp, customer loyalty, innovation), sustained the above gains for only one year, and spent \$1000 per employee to increase employee engagement . . .

**ROI = 75% (ie each \$1 invested returns \$1.75 in one year)!**

- Assumptions behind above calculations: Average salary A\$66K; turnover costs 100% of salary; SD of productivity = 32% of mean output (Schmidt & Hunter, 1998); mean output per employee of A\$100K; correlation of .31 between engagement and productivity; correlation of .27 between engagement and turnover (means of Voice Project's observed correlations). Moreover, these figures are for only the first year, the net present value would be higher.

# Dilbert on engagement



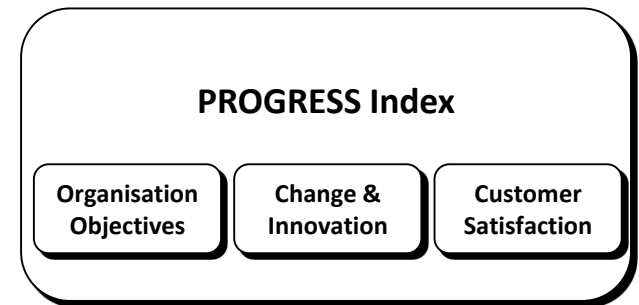
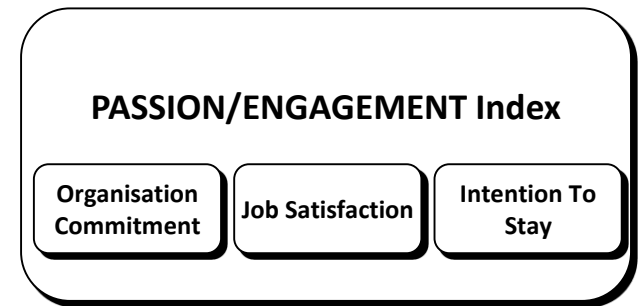
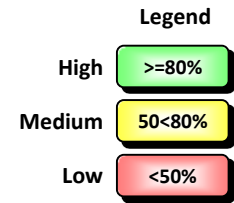
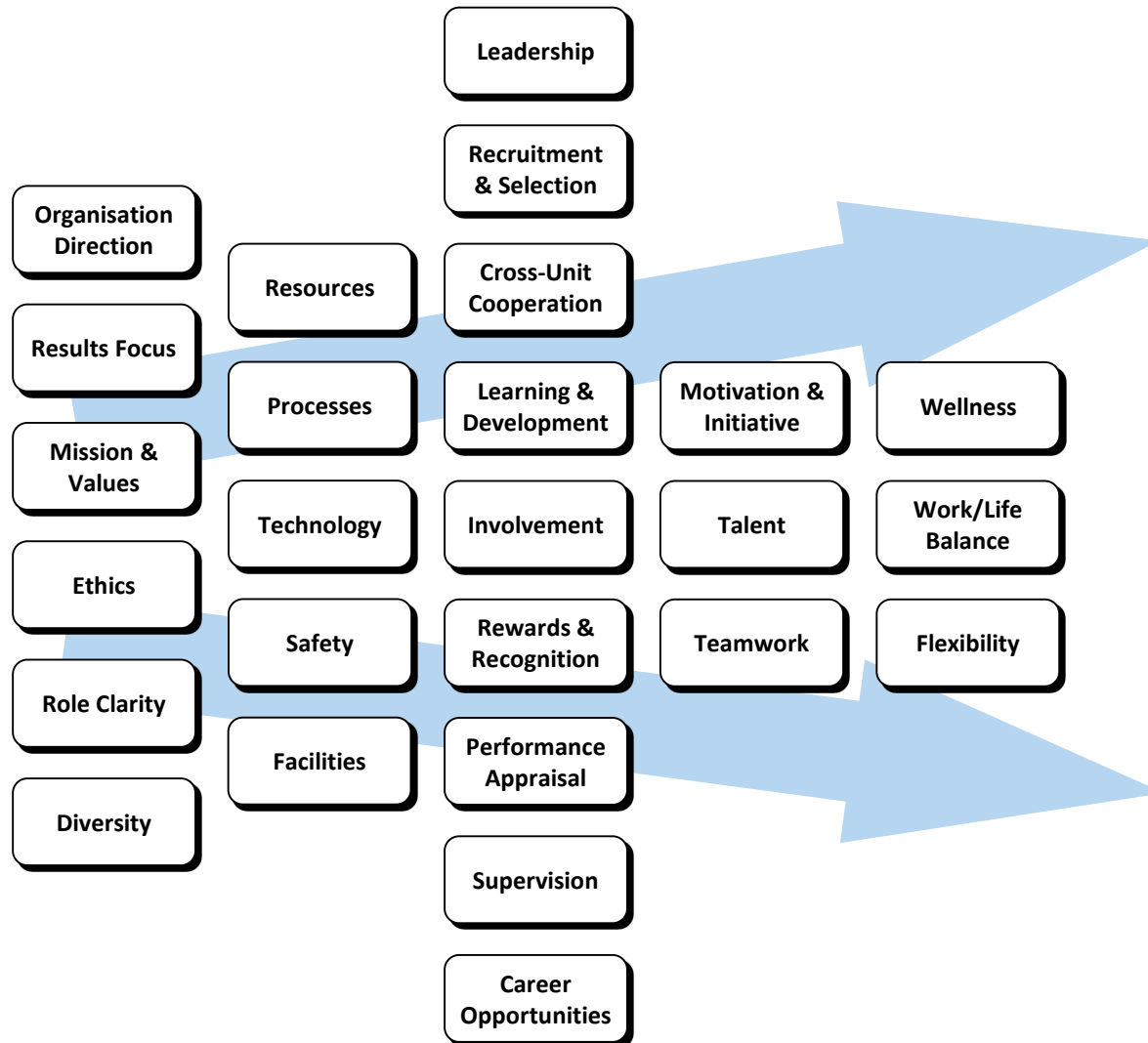
# changes achieved

- **Cancer Council Queensland**
  - 20% improvement in perceptions of career opportunities
  - Staff turnover reduced from 25% to 6%
- **ResMed**
  - saved \$500k through involving staff in continuous improvement
- **Sylvanvale Foundation**
  - 27% improvement in performance appraisal practices
- **The Salvation Army: Aged Care Plus**
  - Staff turnover reduced from 26% to 18% by concentrating on employee wellbeing and career opportunities
- **Qantas Staff Credit Union**
  - 20% improvement in perceptions of rewards and recognition practices
  - 10%+ improvement in employee engagement

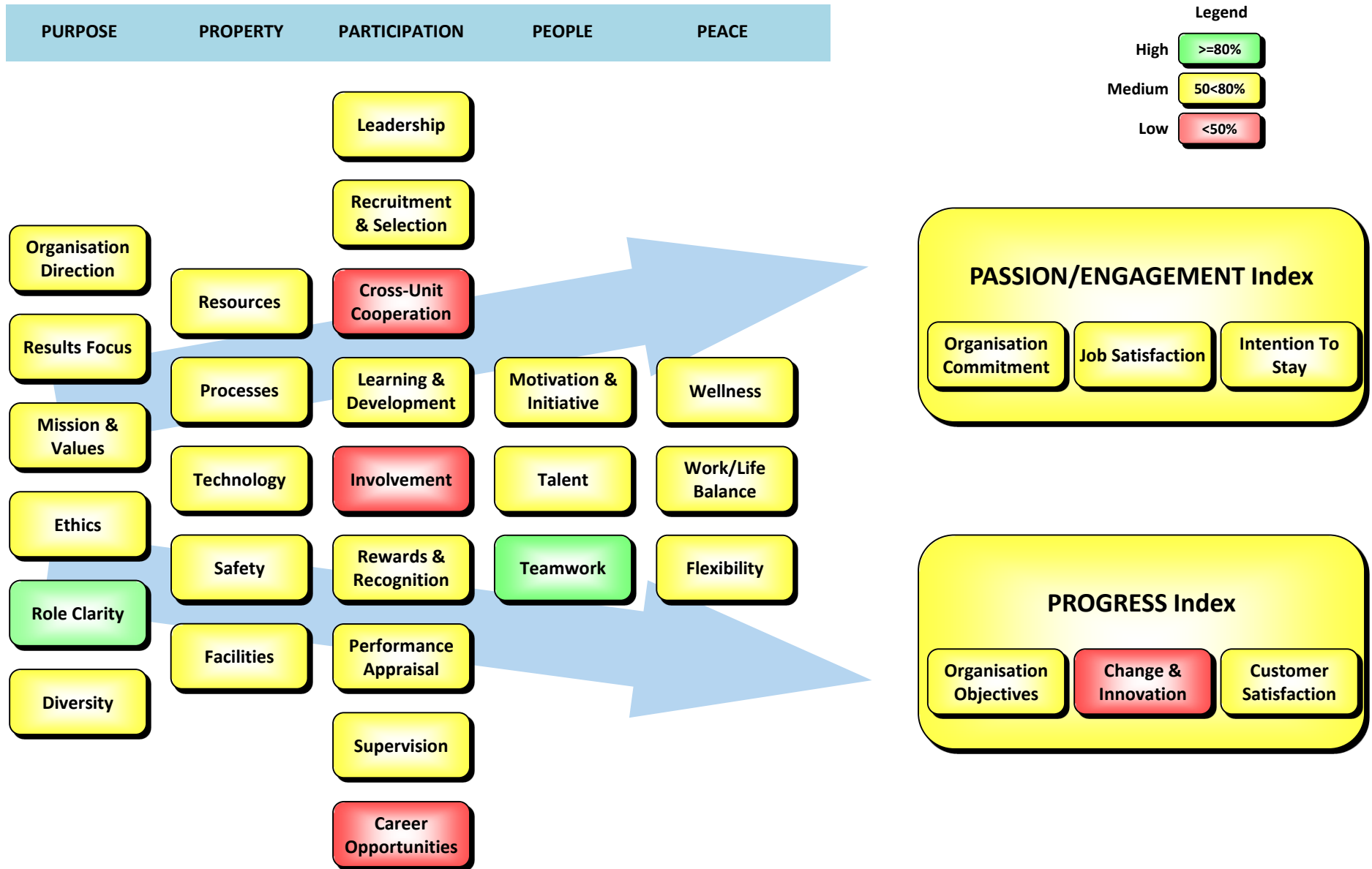
# public sector results



# performance overview – average?

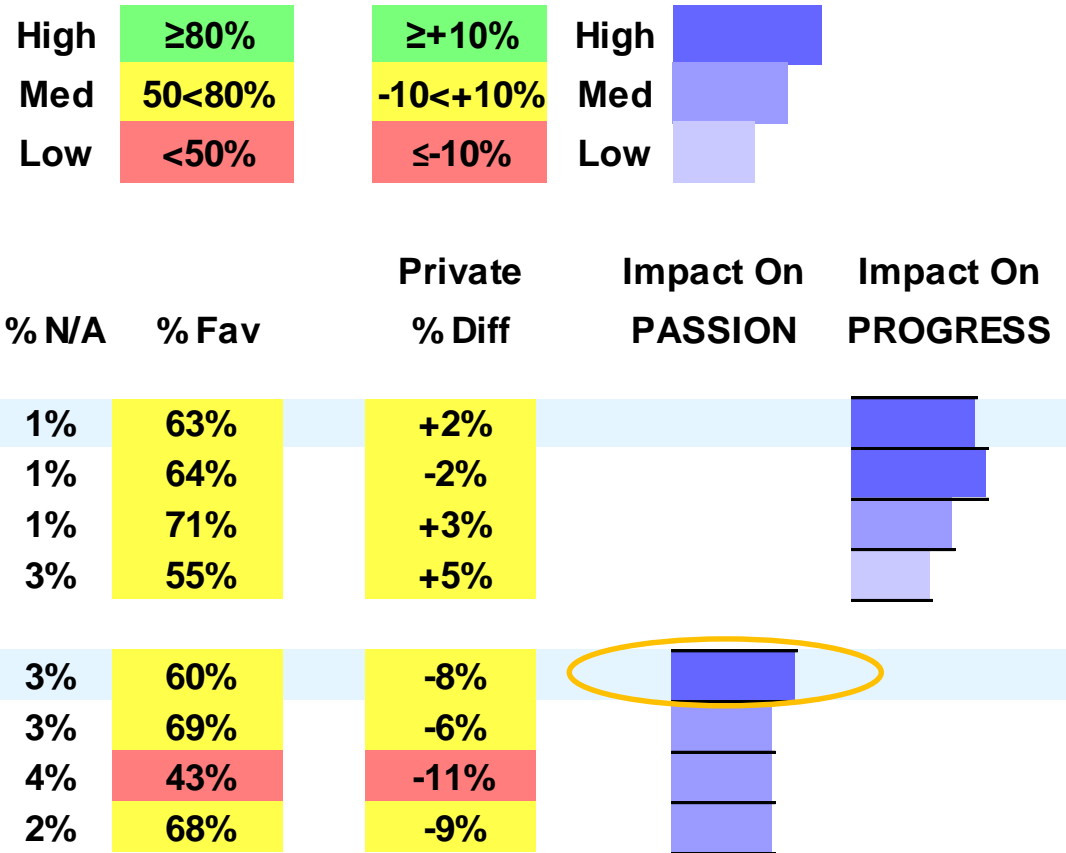


# performance overview – average for all public sector



# public sector

1219 employees in 139 work units



## public sector industries include:

- 28% Education
- 14% Tourism, Hospitality, Culture & Retail
- 14% Health & Community Services
- 15% Administration & Defence
- 11% Professional Services (IT, Law, Finance etc)
- 6% Local Councils

## private sector sample:

8405 employees in 975 work units  
across all industries

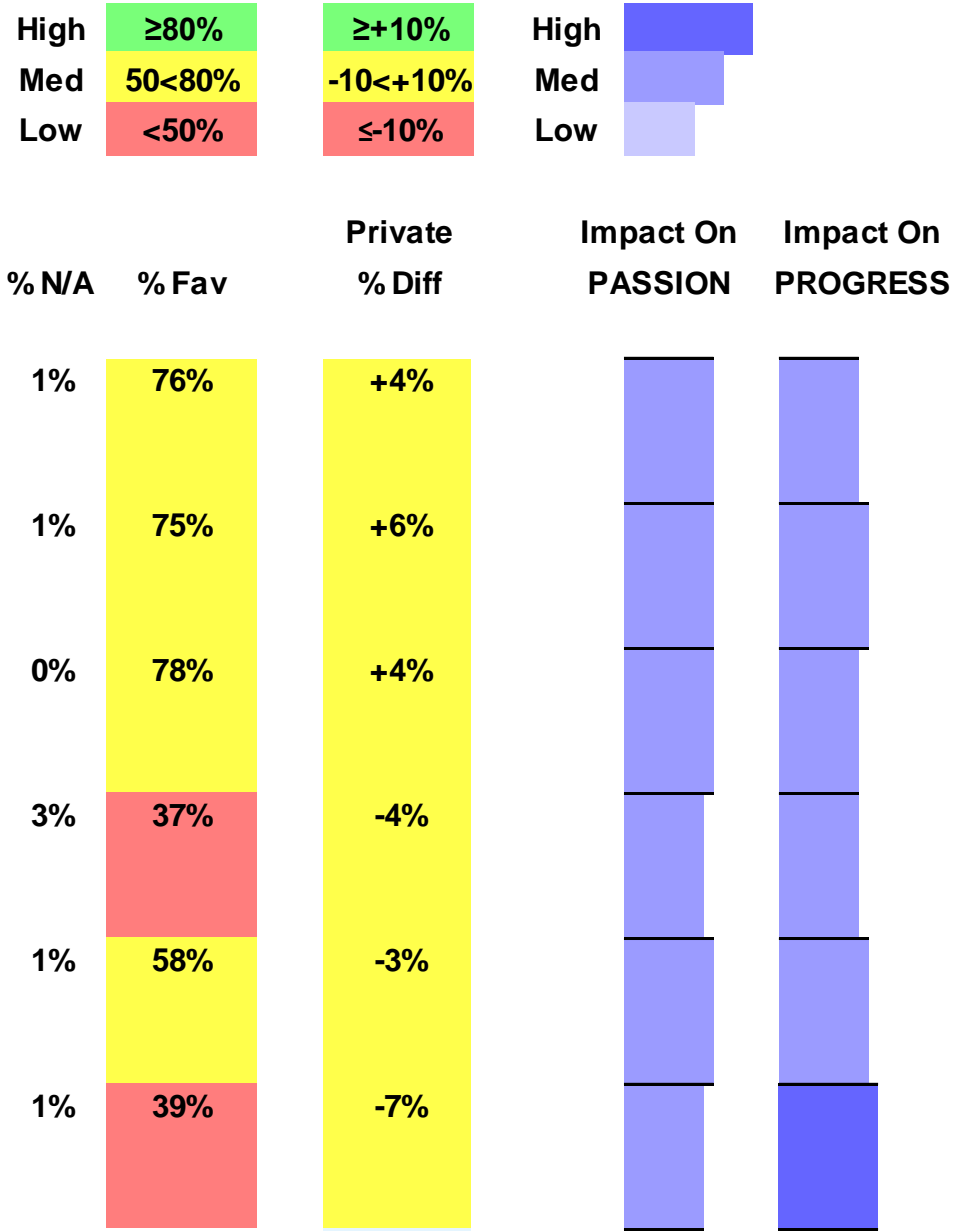
# public sector



1219 employees in 139 work units

		% N/A	% Fav	% Diff	Private	Impact On PASSION	Impact On PROGRESS
PURPOSE	Organisation Direction	2%	60%	-3%			
	Results Focus	0%	75%	-5%			
	Mission & Values	1%	77%	+5%			
	Ethics	2%	70%	+2%			
	Role Clarity	0%	81%	-1%			
	Diversity	2%	79%	-2%			
PROPERTY	Resources	1%	62%	-5%			
	Processes	1%	58%	-2%			
	Technology	1%	54%	-5%			
	Safety	1%	74%	+4%			
	Facilities	3%	54%	-6%			
PARTICIPATION	Leadership	1%	53%	-7%			
	Recruitment & Selection	2%	52%	-9%			
	Cross-Unit Cooperation	1%	41%	-8%			
	Learning & Development	1%	57%	-2%			
	Involvement	1%	44%	-4%			
	Rewards & Recognition	1%	51%	-4%			
	Performance Appraisal	3%	54%	0%			
	Supervision	1%	73%	-2%			
Career Opportunities	3%	41%	-1%				
PEOPLE	Motivation & Initiative	1%	62%	-2%			
	Talent	1%	70%	-3%			
	Teamwork	1%	84%	0%			
PEACE	Wellness	0%	63%	-5%			
	Work/Life Balance	1%	76%	0%			
	Flexibility	36%	63%	-3%			

# drivers of engagement



High  $\geq 80\%$   
 Med  $50 < 80\%$   
 Low  $< 50\%$

$\geq +10\%$   
 $-10 < +10\%$   
 $\leq -10\%$

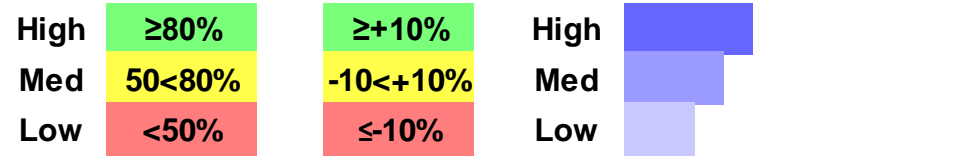
High  
 Med  
 Low

Private  
 % Diff

Impact On  
 PASSION

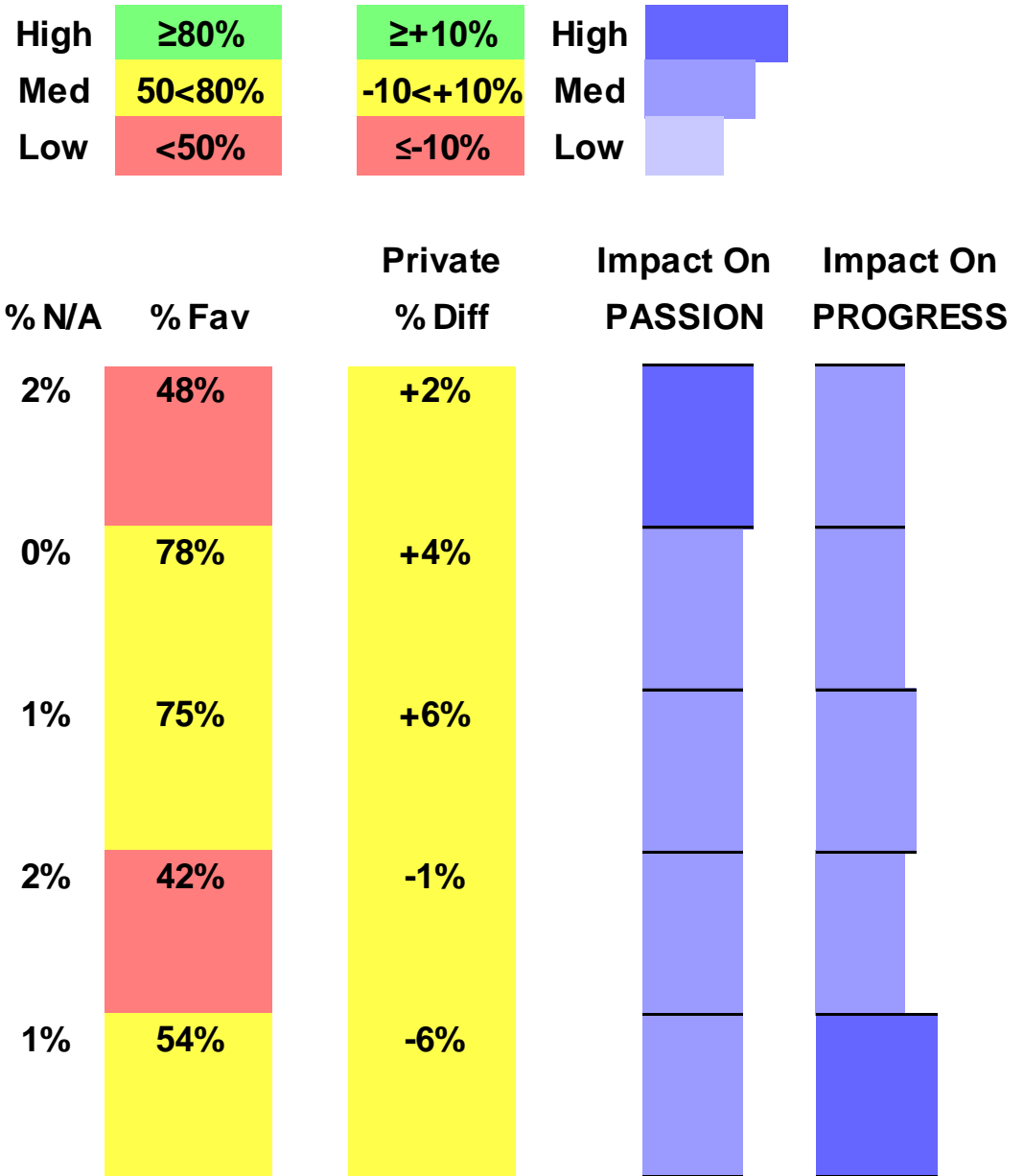
Impact On  
 PROGRESS

# drivers of engagement



		% N/A	% Fav	Private % Diff	Impact On PASSION	Impact On PROGRESS
<b>Rewards &amp; Recognition</b>	The rewards and recognition I receive from this job are fair	1%	46%	-6%		
	This organisation fulfils its obligations to me	1%	54%	-6%		
	I am satisfied with the income I receive	1%	44%	-5%		
	I am satisfied with the benefits I receive (super, leave, etc)	1%	61%	+3%		
<b>Career Opportunities</b>	Enough time and effort is spent on career planning	4%	32%	-2%		
	I am given opportunities to develop skills needed for career progression	2%	48%	+2%		
	There are enough opportunities for my career to progress in this organisation	2%	42%	-1%		

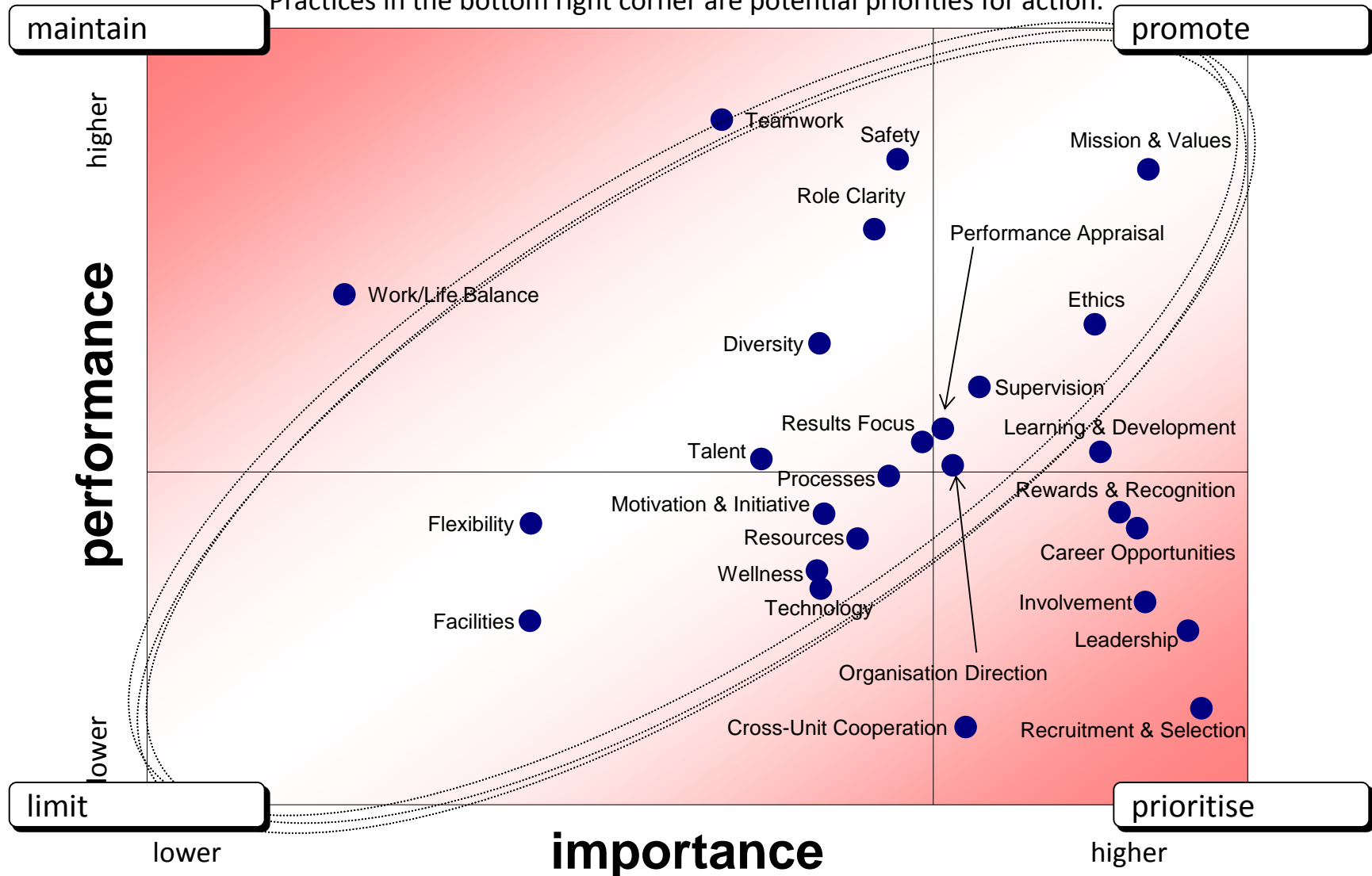
# top 5 impacting passion



# gap analysis – public sector

Practices towards the right (higher “importance”) have a greater impact on Passion and Progress. Ideally, practices should rest in the oval where there is a good match between performance and importance.

Practices in the bottom right corner are potential priorities for action.





# drivers of retention

# public sector

1219 employees in 139 work units

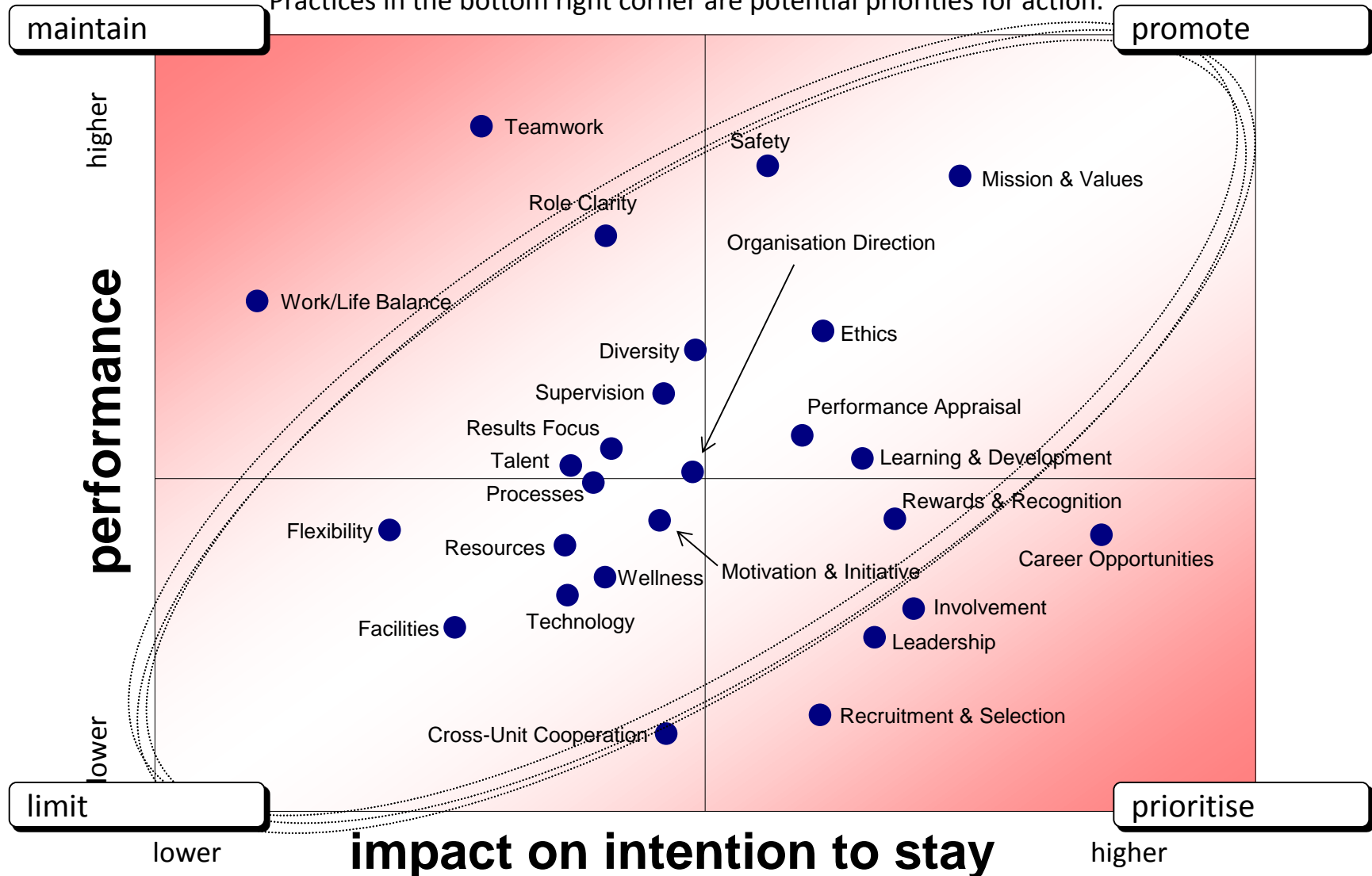


		% N/A	% Fav	Private % Diff	Impact On Intention to Stay
PURPOSE	Organisation Direction	2%	60%	-3%	
	Results Focus	0%	75%	-5%	
	Mission & Values	1%	77%	+5%	
	Ethics	2%	70%	+2%	
	Role Clarity	0%	81%	-1%	
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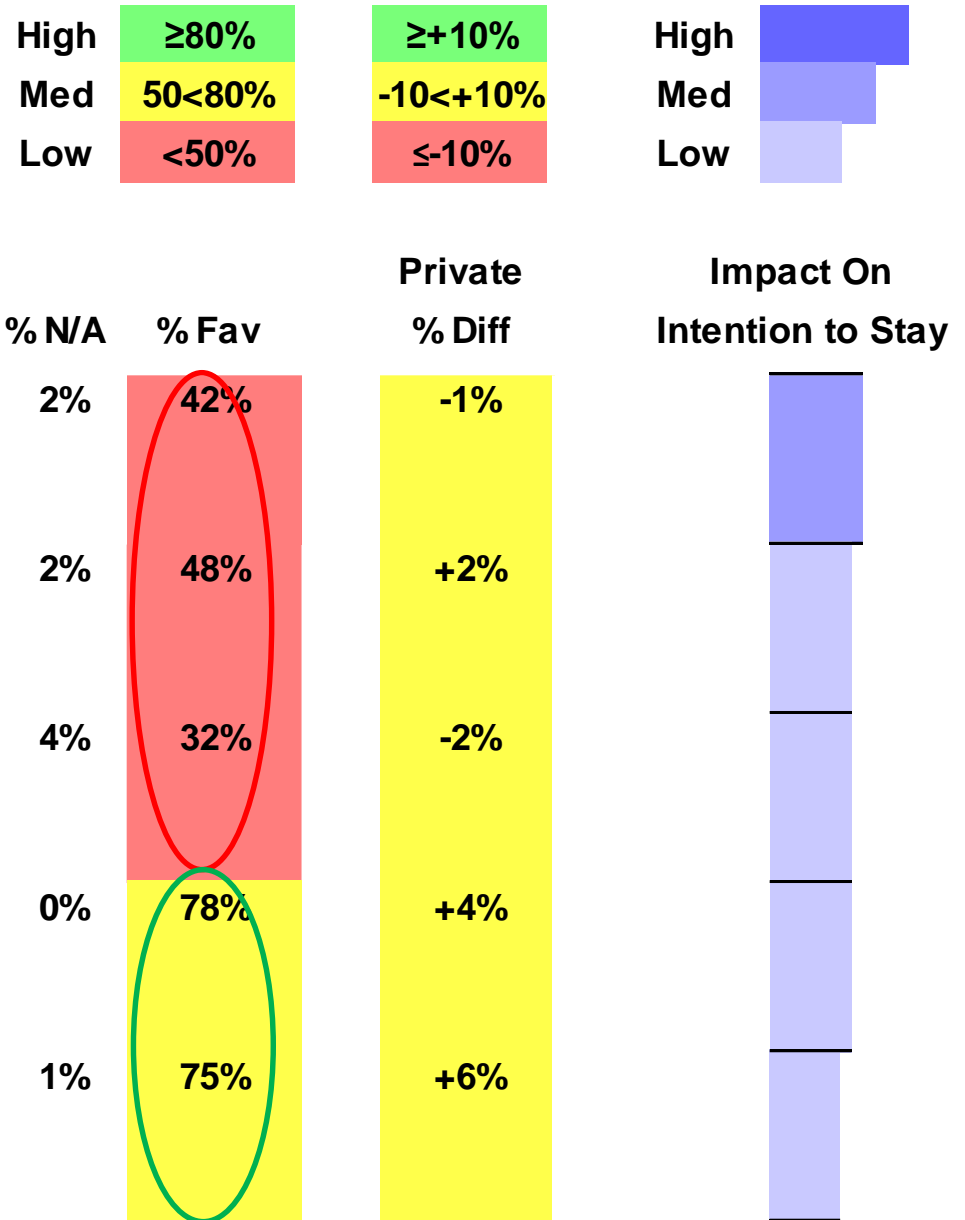
# gap analysis – public sector

Practices towards the right (higher “importance”) have a greater impact on Passion and Progress. Ideally, practices should rest in the oval where there is a good match between performance and importance.

Practices in the bottom right corner are potential priorities for action.



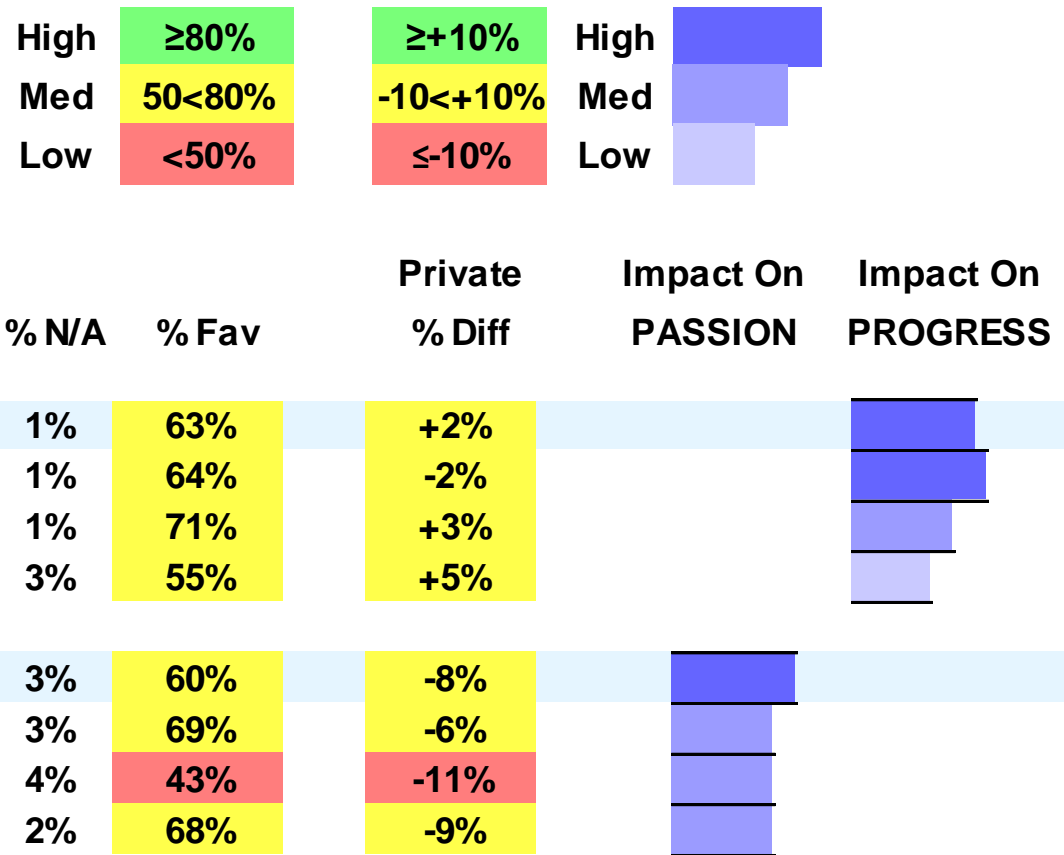
# top 5 impacting intention to stay



# private sector comparisons

# public sector

1219 employees in 139 work units



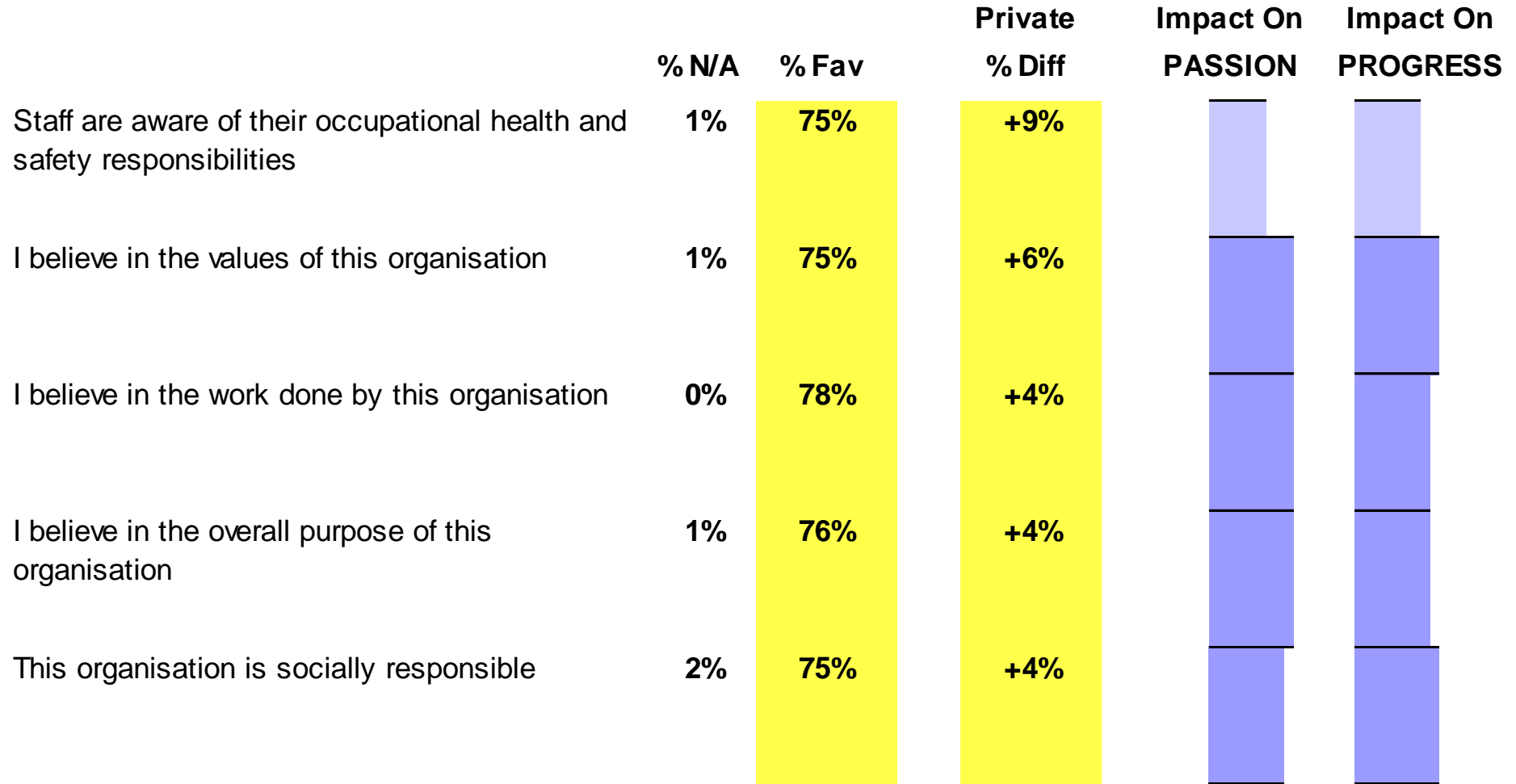
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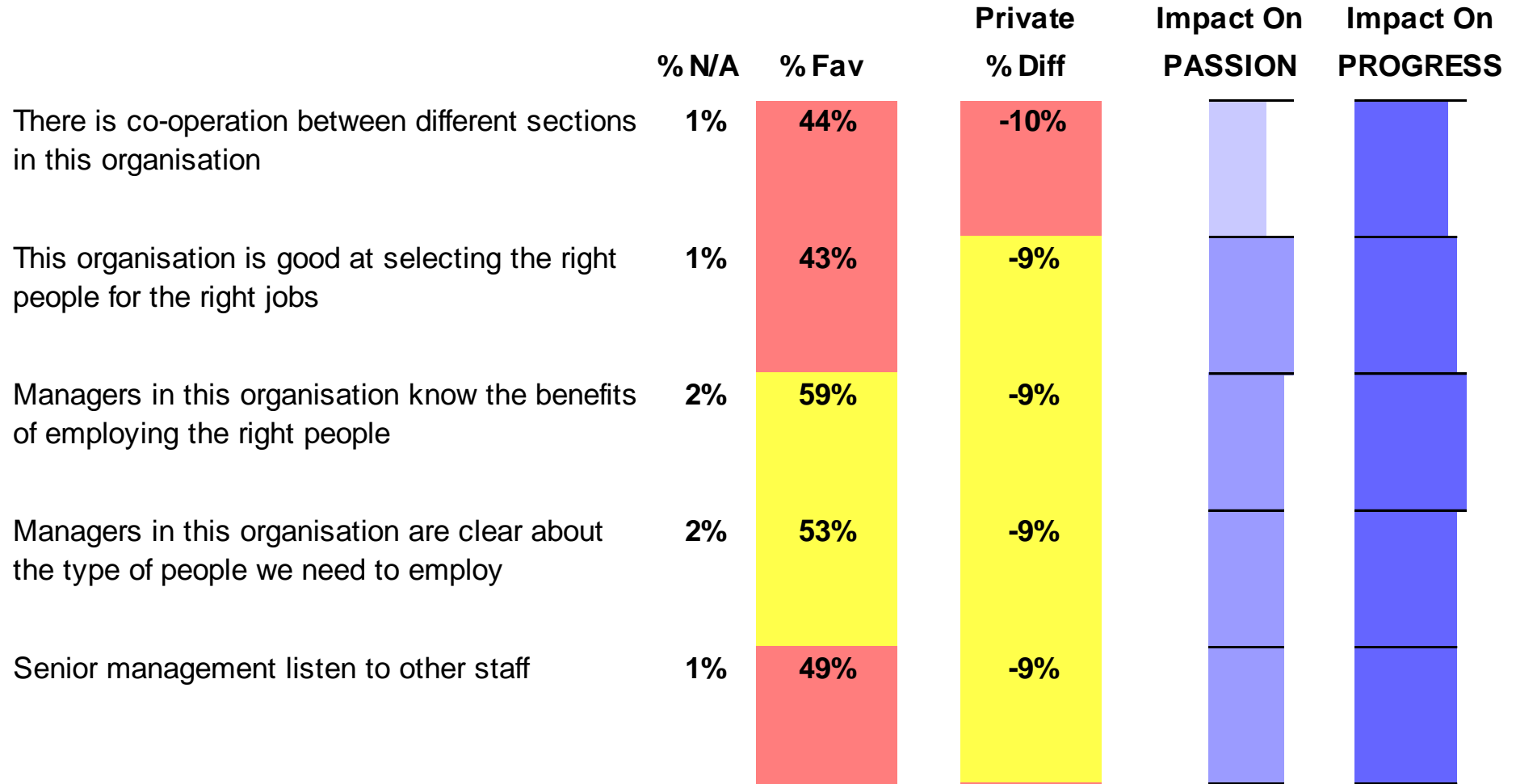
## private sector sample:

8405 employees in 975 work units  
across all industries

# top 5 %diff from private sector



# bottom 5 %diff from private sector





# top 5 impacting passion (private sector)

	High	Med	Low	Private % Diff
	≥80%	50<80%	<50%	≥+10%
				-10<+10%
				≤-10%
	% N/A	% Fav		
I believe in the work done by this organisation	0%	78%		+4%
I believe in the values of this organisation	1%	75%		+6%
This organisation fulfils its obligations to me	1%	54%		-6%
I believe in the overall purpose of this organisation	1%	76%		+4%
There are enough opportunities for my career to progress in this organisation	2%	42%		-1%

# top 5 impacting intention to stay (private sector)

	High	Med	Low	Private % Diff
	≥80%	50<80%	<50%	≥+10%
				-10<+10%
				≤-10%
	% N/A	% Fav		
There are enough opportunities for my career to progress in this organisation	2%	42%		-1%
I am given opportunities to develop skills needed for career progression	2%	48%		+2%
Enough time and effort is spent on career planning	4%	32%		-2%
I believe in the values of this organisation	1%	75%		+6%
I believe in the work done by this organisation	0%	78%		+4%

# summary

- Main opportunities for improving engagement and organisational performance:
  - Improving the effectiveness of recruitment and selection procedures
  - Improving confidence in senior leadership
  - Involving staff more in everyday decision making, and consulting with them about decisions that will affect them
- Key drivers of engagement and intention to stay:
  - Consistent across both public and private sector
  - Biggest positive driver for public sector is a belief in the purpose, work and values of the organisation
  - Biggest negative driver is opportunities for career development, followed by value of employee voice or involvement in decision making
  - Also driven by success of the organisation, and the fairness of (non-monetary) rewards and recognition
- Performance compared to private sector
  - Better on purpose & value alignment, OH&S, & Intention to Stay
  - Behind on driving and managing change, customer service, and recruitment & selection processes, and cross-unit cooperation

# questions

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