

Industry Report On Employee Engagement Strategies For 2021

Revamp With The New Age
Engagement Strategies To Improve
Employee Experience



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EXECUTIVE SUMMARY

The corporate world has come a long way from a labor-focused world to a people-first culture. With personalization, the focus is on solving unique consumer needs. Thus, organizational culture evolved too. It became more about empowering employees to come up with unique solutions.

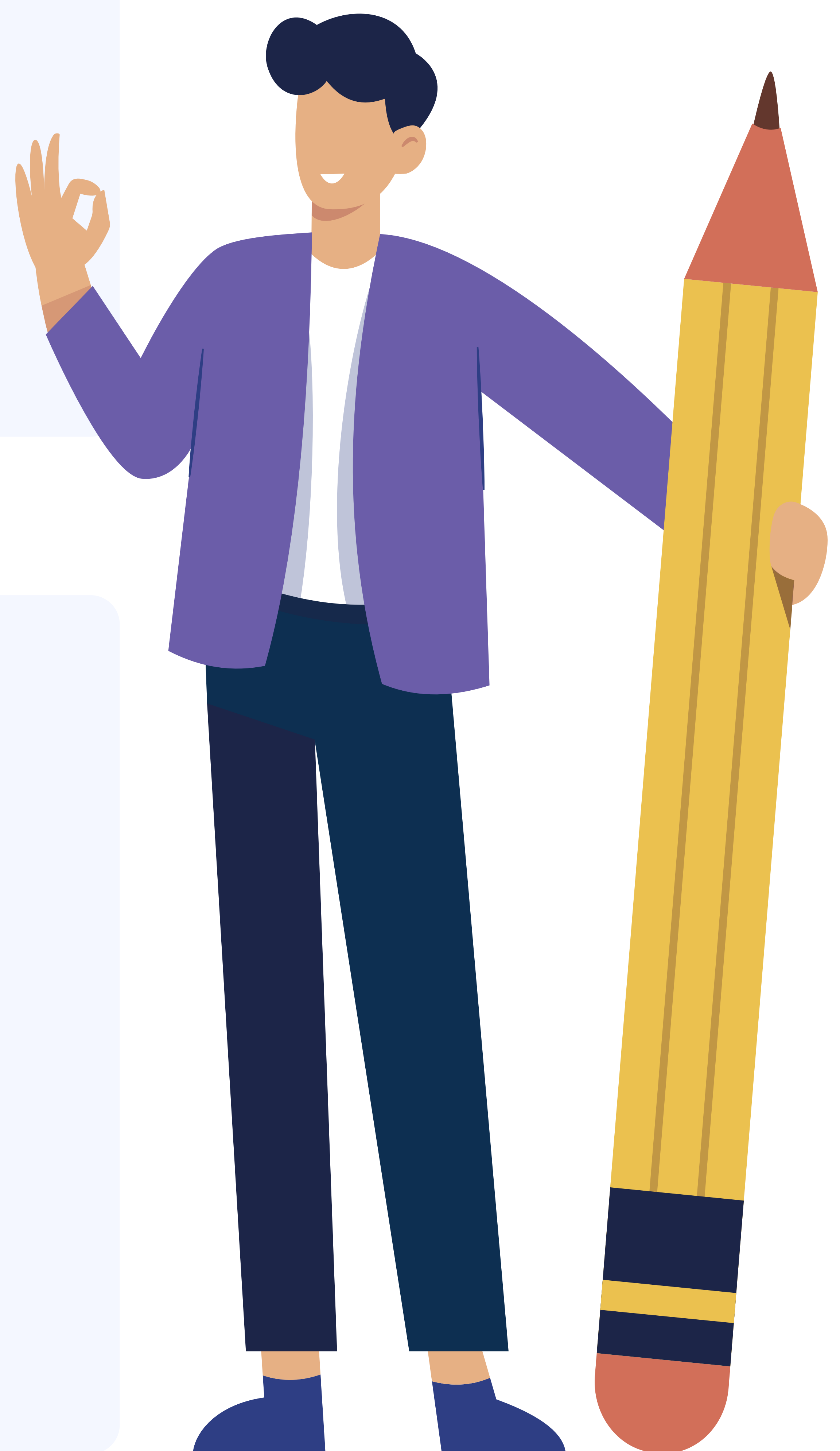
According to the study of **Harvard Business Review**, engaged employees perform better. They drive the success of a business. Leaders focussed on maximizing employee engagement strategies to achieve such a feat. It is the strategic answer in enhancing employee retention.

This report inspects the fundamental concept of employee engagement. It focuses on organizational leadership goals. It gives valuable insights for remote employee retention. Using these employee engagement strategies; HR professionals can plan for a better workforce.

OBJECTIVE

The prime aim of this industry report is:

- To highlight the HR disruptions happening globally
- To provide the top employee engagement strategies
- To raise performance, satisfaction, and employee experience in a company



METHODOLOGY



The following report is prepared; taking into account the statistics gathered during a 2021 Virtual HR Conclave on “**Transformations in Workplace.**”

More than 200 respondents with multiple designations from various industries participated in this online survey.

The questionnaire had ten general questions designed to capture some of the main ideas on employee engagement and retention. The entire questionnaire combined both open-ended questions and multiple-choice questions, focusing broadly on HR challenges, drivers, and strategies.

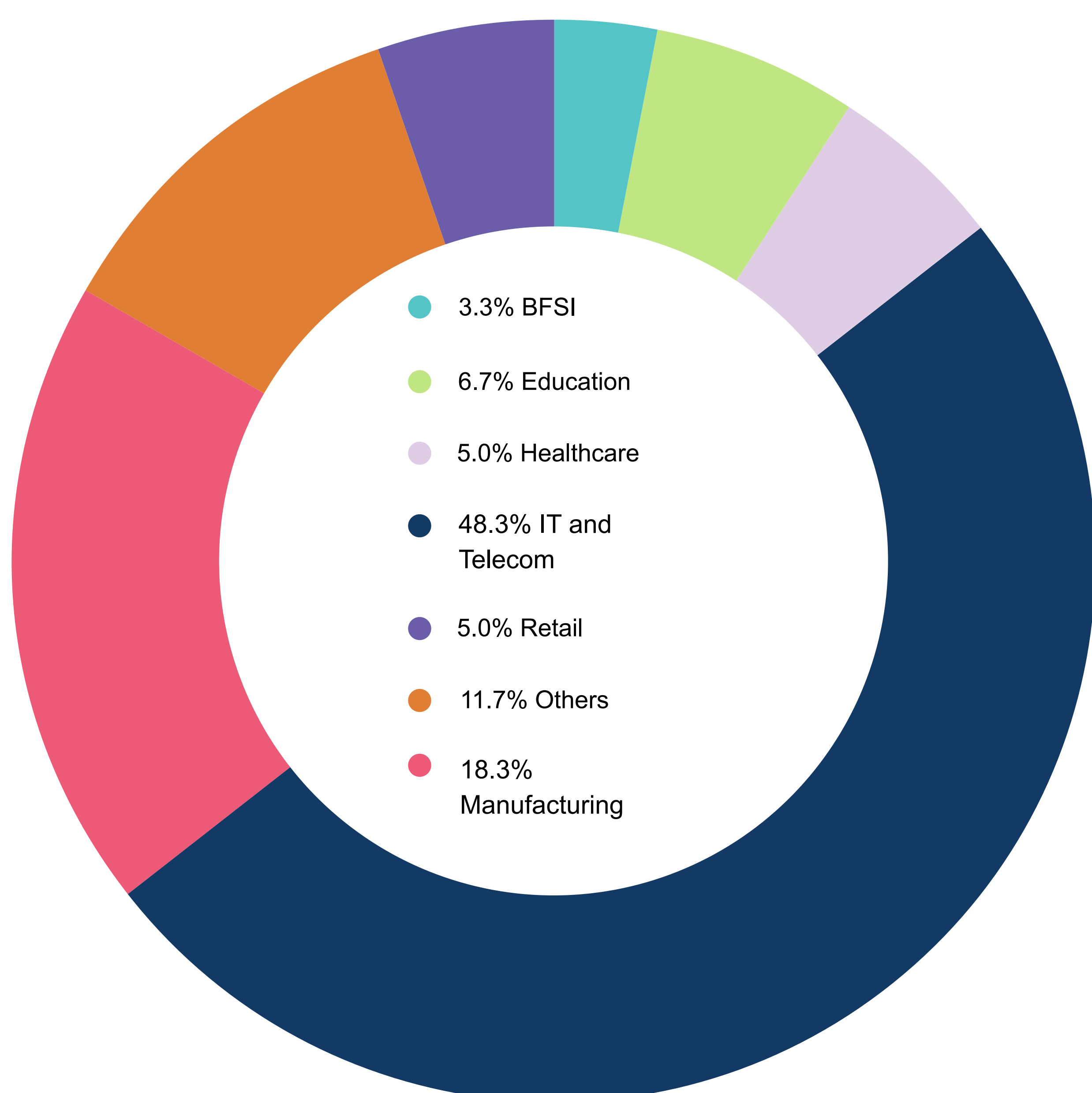


Exhibit (a): Data representing industry segmentation

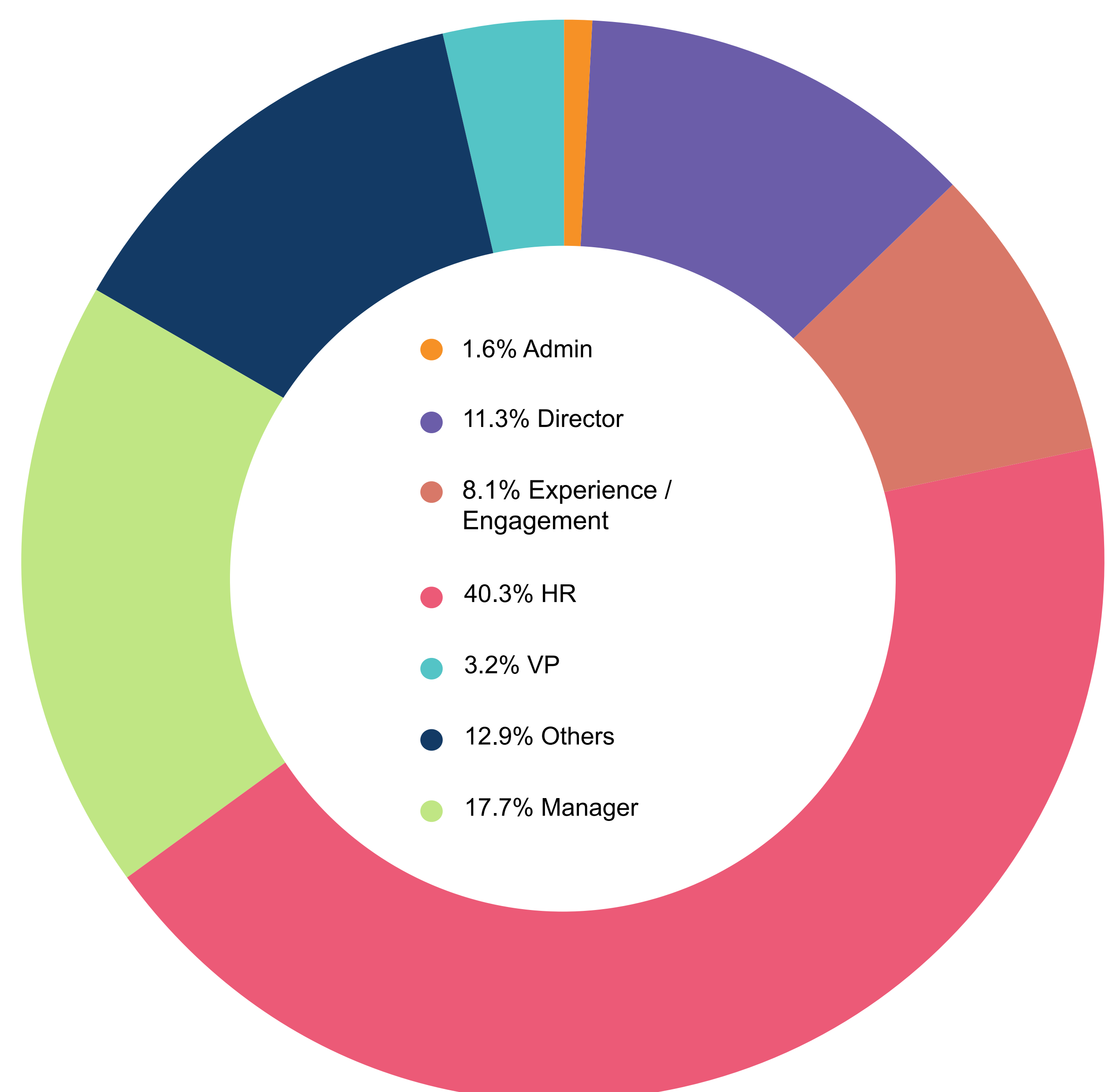


Exhibit (b): Data representing designation segmentation

Source: Vantage Circle (2021)

KEY FINDINGS



35%

of respondents voted employee engagement and experience as the major HR challenges.

22%

of HR cites that employee health is one of the major issues across their organization. Health awareness will be the prime factor to consider in 2021.

60%

of respondents prefer employee rewards and recognition to improve job performance. It is the top non-monetary incentivization process for their mid-level management.

35%

of participants claimed the pulse survey is the best employee retention activity.

60%

of HR leaders look forward to revamping employee wellness programs.

25%

of participants preferred remote working policy as the top HR initiative for 2021.

27%

of respondents claim to upgrade their HR initiatives with the latest trends in 2021. Implementing a digital reward and recognition platform being the foremost.



INTRODUCTION

Over the last decade, businesses are exploring new ways to thrive in a global marketplace. Soon leaders recognized the importance of employees in improving financial and operational results. Investing in employee **engagement strategies** became the next corporate buzzword.

Employee engagement is the mental and emotional connection between employees and their work. It is a strategic workplace approach. It nurtures employees' commitment towards the organization's goals.

Recently Gallup research found a historic drop in engagement amidst the COVID-19 pandemic. There can be several drivers for its impact. A special mention goes to remote workplace culture, communication management, and leadership style.



THE CHALLENGES

Many interesting reports state business leaders find difficulty in establishing employee engagement initiatives. Also from study on ResearchGate found that,

- 90% of organizations say employee engagement impacts business success.
- 75% of organizations have no engagement plan or strategy.

Q1.

What are the toughest HR challenges your organizational management finds difficult to deal with?

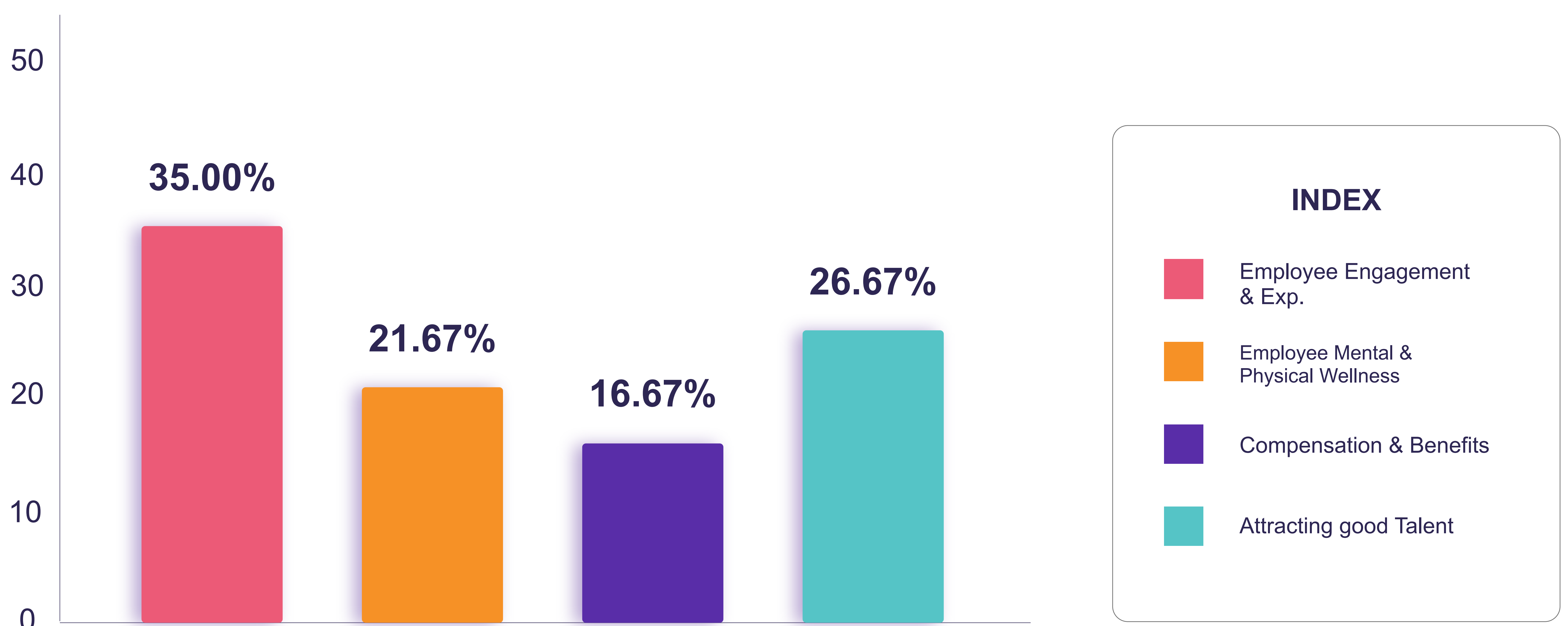


Exhibit (c): Data representing management difficulties in HR

Source: Vantage Circle (2021)

Finding 1.1: Employee Experience and Engagement

35% of the respondents mentioned employee engagement and experience as the prime factor. It ensures high-performing employees.

As per designation, **39%** of HR followed by **20%** of IT Head found engaging employees to be a difficult task.

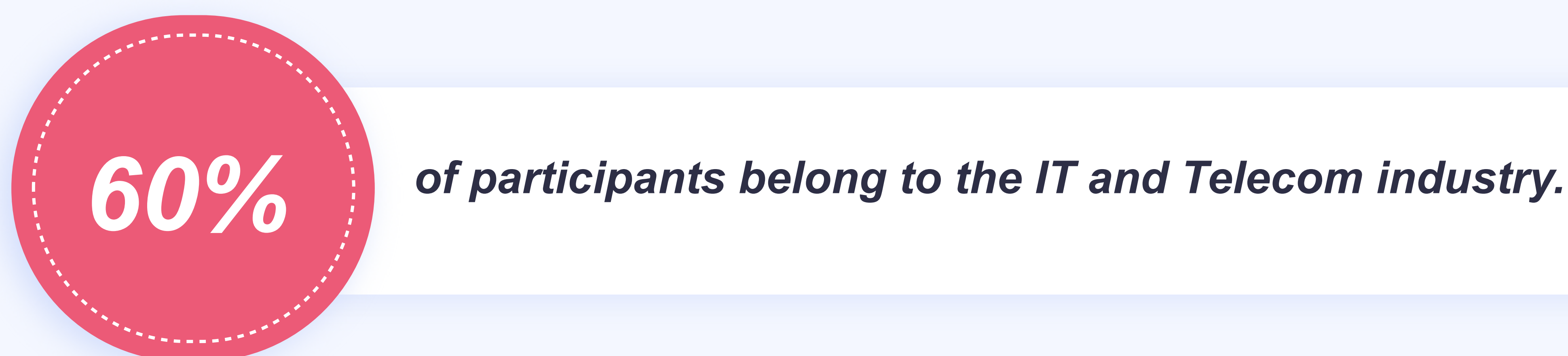
After analyzing further, we found that:

- The IT and telecom industries represented almost **53%** of those who agreed.
- This was followed by Manufacturing (**19%**), Retail (**10%**) and Education (**5%**) industries.

Finding 1.2: Attracting Good Talent

Hiring has become the biggest challenge, especially when it comes to remote hiring. Around **27%** of respondents said attracting good talent has become the top HR challenge in 2021.

Employers are looking for people with the right attitude, and who have the growth mindset. Finding such talents is a task by itself. As the bar gets higher, the efforts for attracting and keeping these talents should grow.



Out of these respondents; **32%** were HR and **25%** were managers. **60%** of participants belong to the IT and Telecom industry. It is followed by Manufacturing(**13%**) and Healthcare Industry(**13%**).

Finding 1.3: Employee Mental Health and Physical Wellness

Employee health is the prime factor for successful companies. With the increased screen time; health has taken a back seat among remote workers. It leads to a sedentary lifestyle and work burnouts.

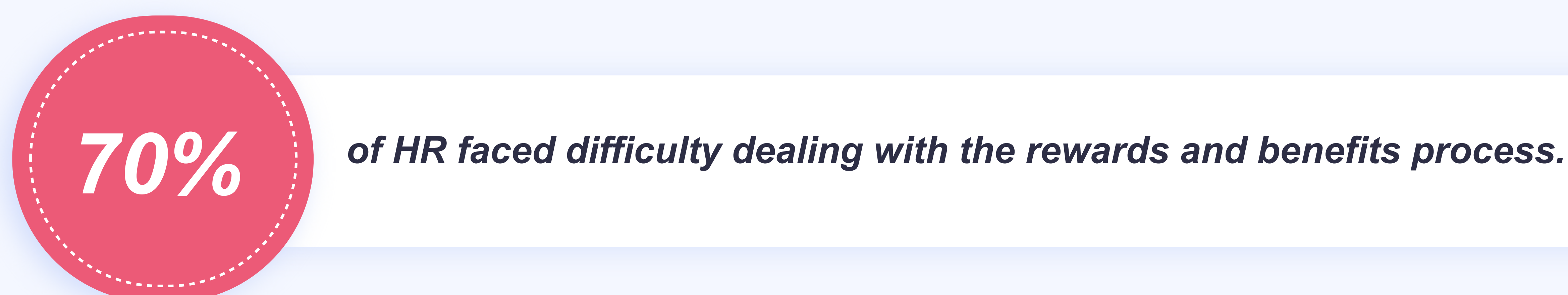
Around **22%** of respondents said managing employee wellness is one of the top **HR challenges**.

Here, **46%** belong to IT and Telecom followed by the manufacturing sector (**16%**). Designation-wise, around **31%** of HR followed by **23%** of managers found it more hard as compared to directors (**8%**) and VP (**8%**).

Finding 1.4: Compensation and Benefits

Compensation and benefits are a vital area that relates to employee retention.

In our survey, around **17%** of respondents said it to be the top HR challenge for employee engagement. We also found that **70%** of HR faced difficulty dealing with the rewards and benefits process.



Out of all participants, **40%** belong to the IT sector, followed by the manufacturing industry (**20%**).

THE EMPLOYEE ENGAGEMENT STRATEGIES

Employee engagement is the emotional connection an employee feels towards their company. Engaged employees show willingness and potential in carrying out work-related activities.

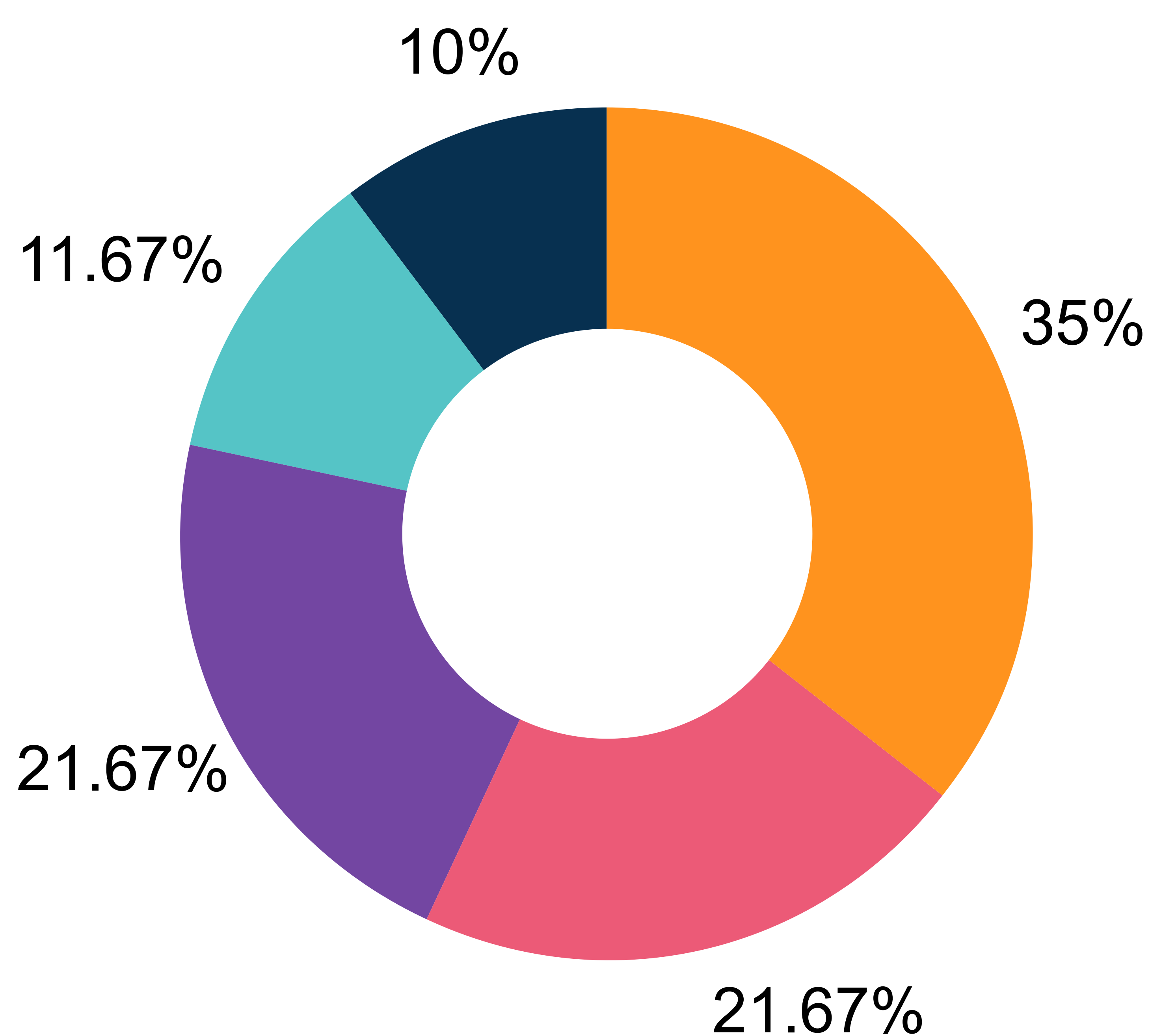
According to [Gallup research](#),

Engaged employees have better work experience. These employees have more than a 17% productivity rate than their peers.

Happiness can indeed be a big factor in determining employee engagement. Creating an engaged team requires attention factors such as communication and wellbeing.

Q2.

Which activity would you rate has the highest impact on employee retention?



INDEX

- Employee Pulse Survey
- RnR policy|Employee Pulse Survey| Total Wellness program
- Total Wellness Program
- RnR Policy
- Others

Exhibit (d): Factors impacting employee retention

Source: Vantage Circle (2021)

Finding 2.1: Employee Pulse Survey

Pulse surveys are becoming popular while gathering meaningful feedback. A pulse survey reduces the amount of time in conducting traditional surveys. It also introduces a new dimension to employee performance analysis.

As per the study, more than **35%** of respondents carried out employee pulse surveys in their company. It can be an effective engagement idea for 2021.

About **62%** of HR noted that such timely surveys would help in employee retention.

The highest response was from IT and Telecom participants(**53%**). We also found an equal response of **15%** from the manufacturing sector and other sectors like NGO, etc.

Finding 2.2: Total Wellness Program

A strong culture of wellness boosts employee engagement.

Around **22%** of respondents think that wellness programs are vital factors for employees' health. It determines employee engagement levels.

In our survey, **39%** of respondents from manufacturing, and **31%** from the IT and Telecom industry. They said that having wellness programs can boost employee retention. About **31%** of HR and Managers prefer that having such a program boost job experience.

Finding 2.3: Rewards and Recognition Policy

Rewards and recognition are critical in boosting employee performance and engagement. Around **12%** of participants said that having a rewards and recognition program is crucial. Also more than **22%** of respondents will prefer all the three policies. This includes R&R, Total wellness program and employee pulse survey.

Around **57%** of the IT and Telecom Industry respondents consider this vital. The highest of all respondents has their designation as engagement officers(**29%**). It was equally followed by HR, Partners, and Managers(**15%**).

Finding 2.4: Others That Include Teamwork, Work-Life Balance, and Compensation

Work life balance is important in current dynamic company conditions. It helps a company improve productivity, competitiveness and efficiency. **10%** of respondents think that fostering teamwork, work-life balance, and compensation increases employee retention.

Around **34%** of survey respondents were HR. They believe that having these initiatives will boost employee morale. Most of these respondents were from the IT and Telecom (**67%**) and manufacturing sector(**34%**).

Q3.

How do you incentivize (non-monetarily) your mid-level management to improve job performance?

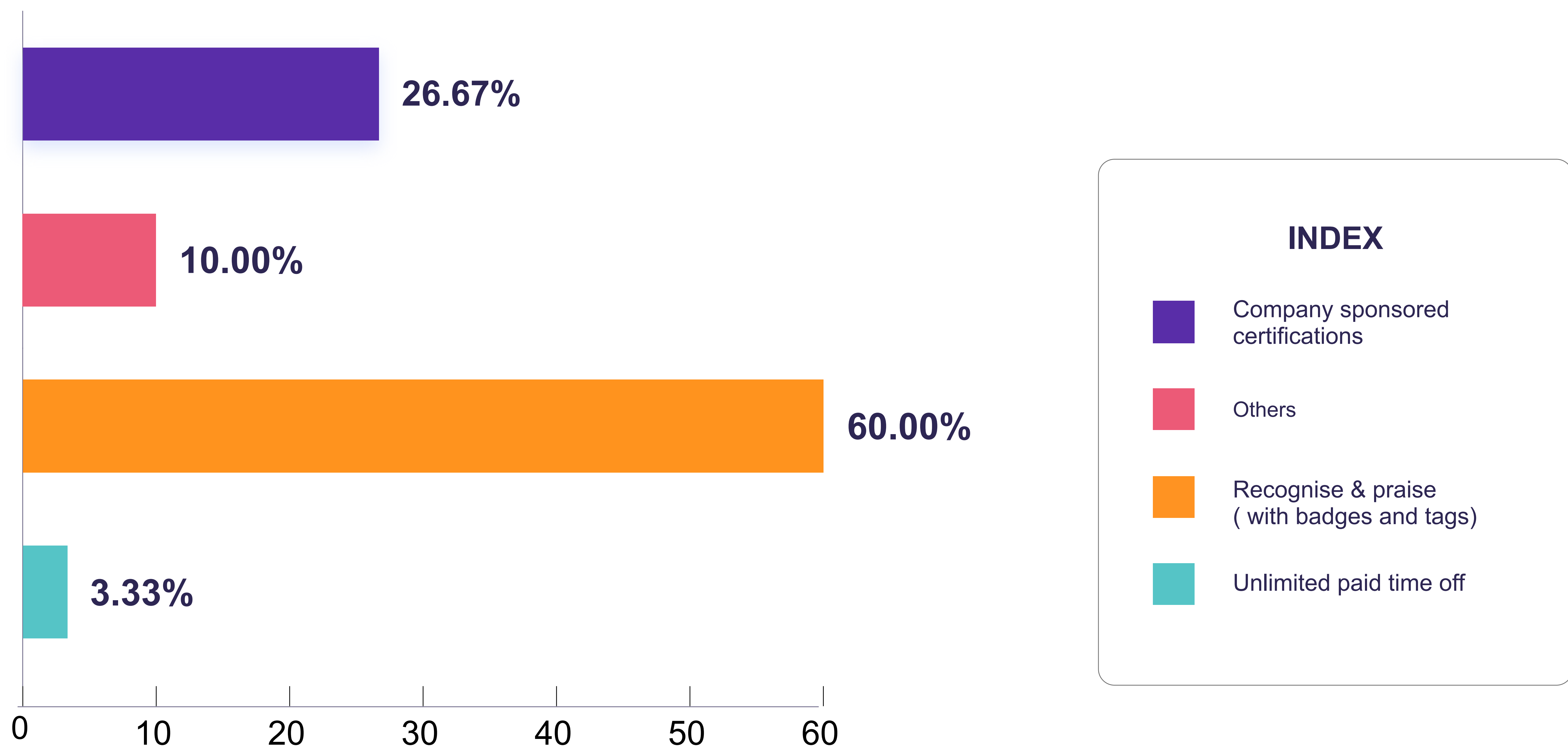


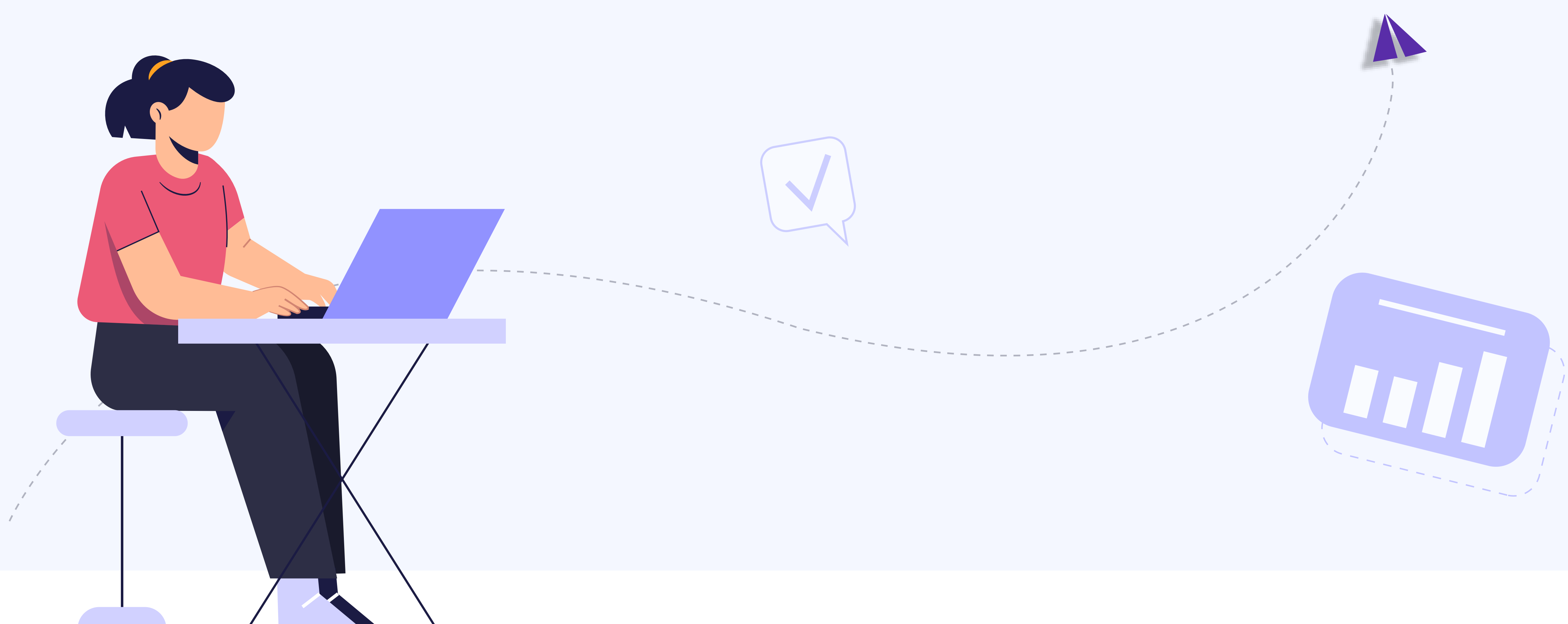
Exhibit (e): Data representing ways to incentivize management for improved job performance (non-monetary)

Source: Vantage Circle (2021)

Finding 3.1: Employee Appreciation

An appreciation-based culture is a sign of a great workplace that starts with top-down. **60%** of respondents said that if people are timely appreciated, it is likely that they will work better.

In our survey, **39%** of HRs and **23%** of managers consider total recognition programs as the ideal form of non-monetary incentives. Most of these respondents were from IT and Telecom(**51%**). Also, some respondents belong to Healthcare(**9%**), Manufacturing(**11%**) sector.



Finding 3.2: Certifications and Training

Employees thrive working for a company that focuses on upskilling the workforce. This is a big factor in generating loyal and valuable employees.

Around **27%** of respondents said that these tips will be vital to job performance:

- Incentivize mid-level management
- Providing certifications
- Frequent staff training

Such staff programs will be beneficial in upskilling with the latest technologies, says; **38%** of our respondents from the IT and Telecom industry. It is followed by the Manufacturing sector(**25%**) and Retail sector(**12%**). Majority of the respondents had HR(**44%**) as a designation. It was equally followed by managers and head of industry(**19%**)

Finding 3.3: Unlimited Paid Time Off

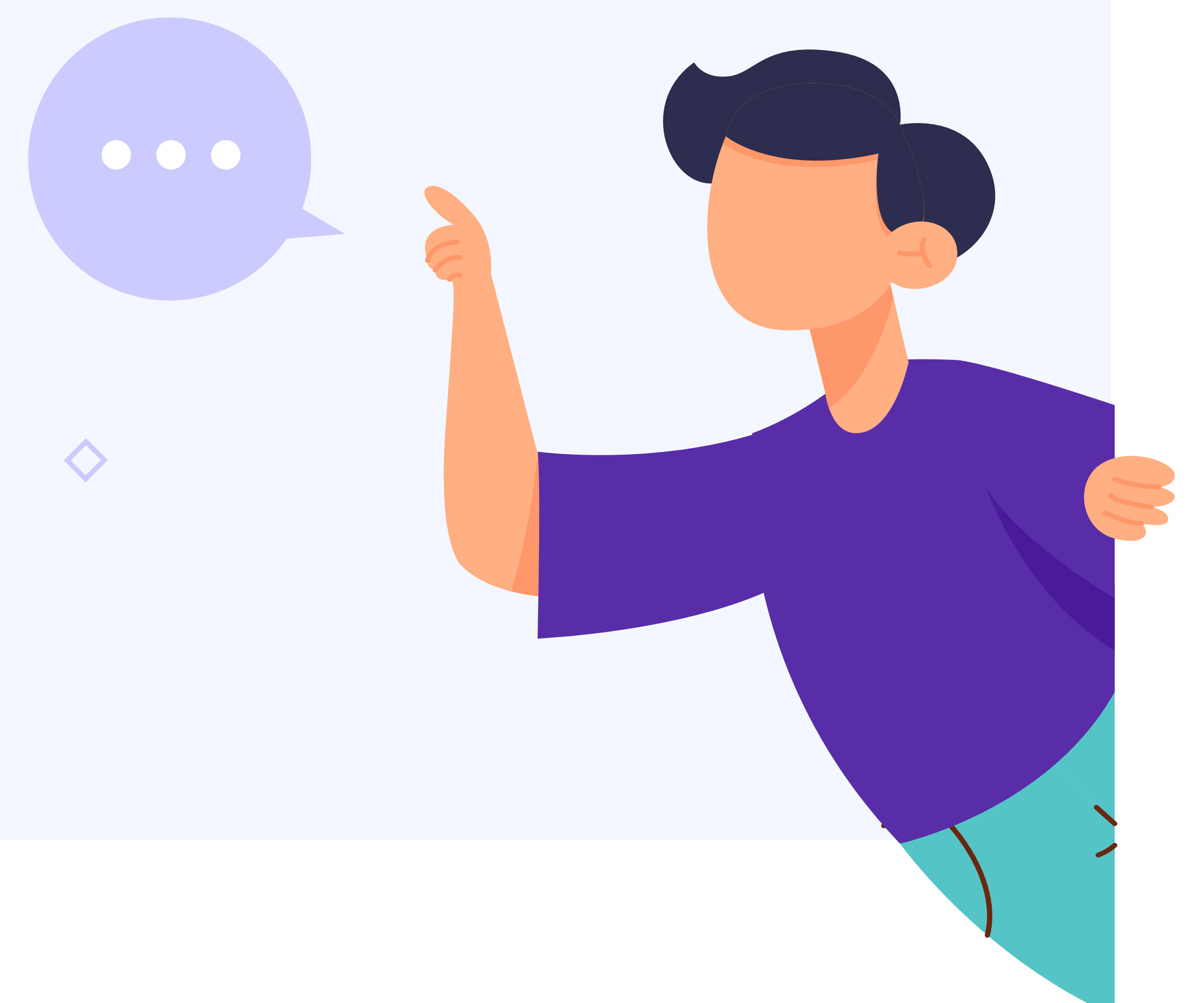
Employee burnout is one of the top HR challenges across industries. It is because work can be stressful for some employees that need either mental or physical effort.

Around **4%** employers agree that unlimited paid time off (PTO) can boost their people's performance after they return. More than **90%** of participants from the IT and telecom industry think that PTO is vital to employee retention. Around **50%** of respondents were head of industry and partners. They agree that offering time off or vacation can result in increased performance.

Finding 3.4: Others That Include Flexible Working Arrangements and Lunch Sessions

Flexible work options like remote work, telecommuting, and part-time jobs are on the rise. About **10%** of respondents said that remote working and one-on-one lunch sessions help in boosting the boss-employee bond. Out of all respondents, the highest share had the HR as designation.

Also **17%** of respondents included admin; partner and directors respectively. Around **50%** of participants who valued flexible working arrangements as HR initiatives belong to the IT and Telecom and Manufacturing sector.



Q4.

What new initiative is going to be taken in your company in 2021?

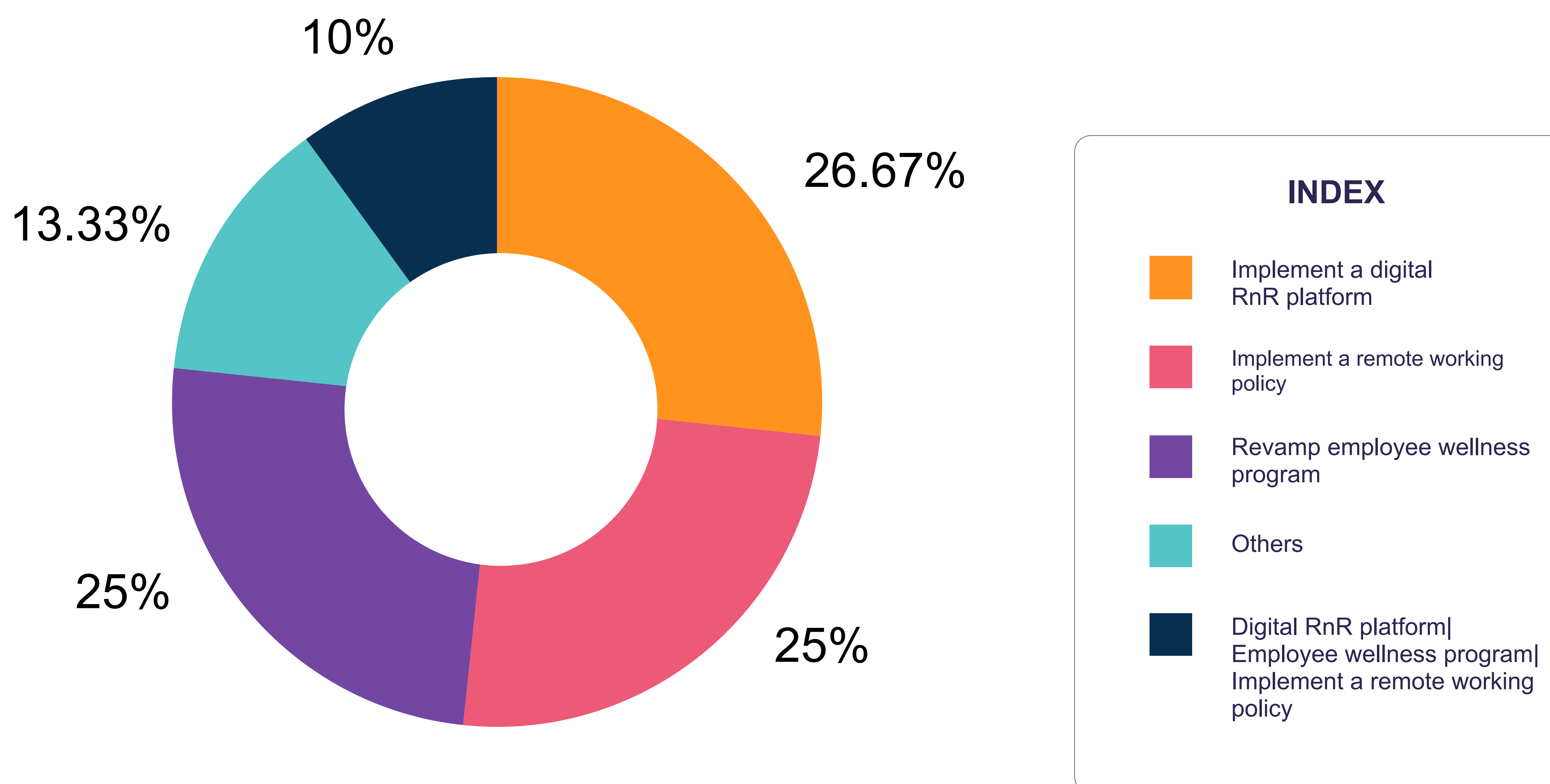


Exhibit (f): Data representing new initiatives for 2021

Source: Vantage Circle (2021)

Finding 4.1: Implement Digital R&R Platform

A digital reward program is a new form of rewarding and recognizing employees. Along with good rapport, it also helps in boosting team spirit and productivity.

In our survey, around **27%** of respondents said to install a digital reward and recognition for remote employees. One of the biggest advantages is that it brings teams closer. It is helpful for the remote workers, as they can share and recognize each other's efforts.

Around **44%** of experience and engagement officers found this to be effective. Out of all respondents, most were from IT and Telecom(**63%**) followed by the Manufacturing sector(**13%**).

Finding 4.2: Remote Working Policy

COVID-19 pandemic has completely redefined the way employees communicate and work. When asked about new HR measures in 2021, **25%** of respondents said that work policy will be the most preferred.

More than **40%** of employers will offer remote working policies even after post-COVID-19.

Around **67%** of respondents were from the IT and Telecom industry. They agreed that work from home is ideal for work-life balance.

Also, setting clear expectations must be the first thing employers need to follow. This will ensure high engagement and retention among remote employees.

Finding 4.3: Revamp Employee Wellness Program.

Work pressure has led to burnout and stress among many employees. Failing to see that can have a big impact on productivity and business growth. **25%** of respondents said that updating their wellness program will be the top HR 2021 task. Also **10%** of respondents will prefer all the three HR initiatives. This includes digital R&R, employee wellness program and remote working policy.

Among them, **60%** of HR's think that investing in employee's health equals the company. The highest number of respondents were from IT and Telecom(**27%**). It was followed by manufacturing(**20%**), and Other government and non-government sectors(**20%**).

Finding 4.4: Others That Include Setting Employee Goals and Objectives, Diversity & Inclusion

More than **13%** of respondents said that setting goals and focusing on diversity and inclusion are the key 2021 initiatives.

In our survey; the highest respondents were HR(**38%**) followed by Directors(**25%**) and Administration(**13%**). Also **38%** of the respondents were from IT and Telecom and manufacturing(**38%**). It was equally followed by retail(**13%**) and healthcare sectors(**13%**).



“

A company's greatest asset is its employees, and it is as well crucial to take strategic measures to encourage them and make them feel included in your organization. Appreciate and recognize the employees' efforts will not just improve their productivity but boost their confidence and efficiency.

~Partha Neog, CEO and Co-Founder of Vantage Circle.

THE FUTURE OF EMPLOYEE ENGAGEMENT

“

The global Covid-19 pandemic has enabled organizations to embrace digital transformations at the workplace. Carefully planning the engagement methodologies and investing in pertinent technology would contribute to measuring and improving the employee experience and employee engagement. The scope of technological advancements in employee engagement is very high and is a game-changer for businesses.

~Anjan Pathak, CTO and Co-Founder of Vantage Circle.

The introduction of new technology has created new work environments for employees. 2021 and beyond will see a digital transformation and every aspect of the HR strategies. One should be agile enough to adopt it. Revamping employee engagement strategies with HR technologies will be the sole agile approach. It will help HR to attract and keep the generation's best and brightest minds.



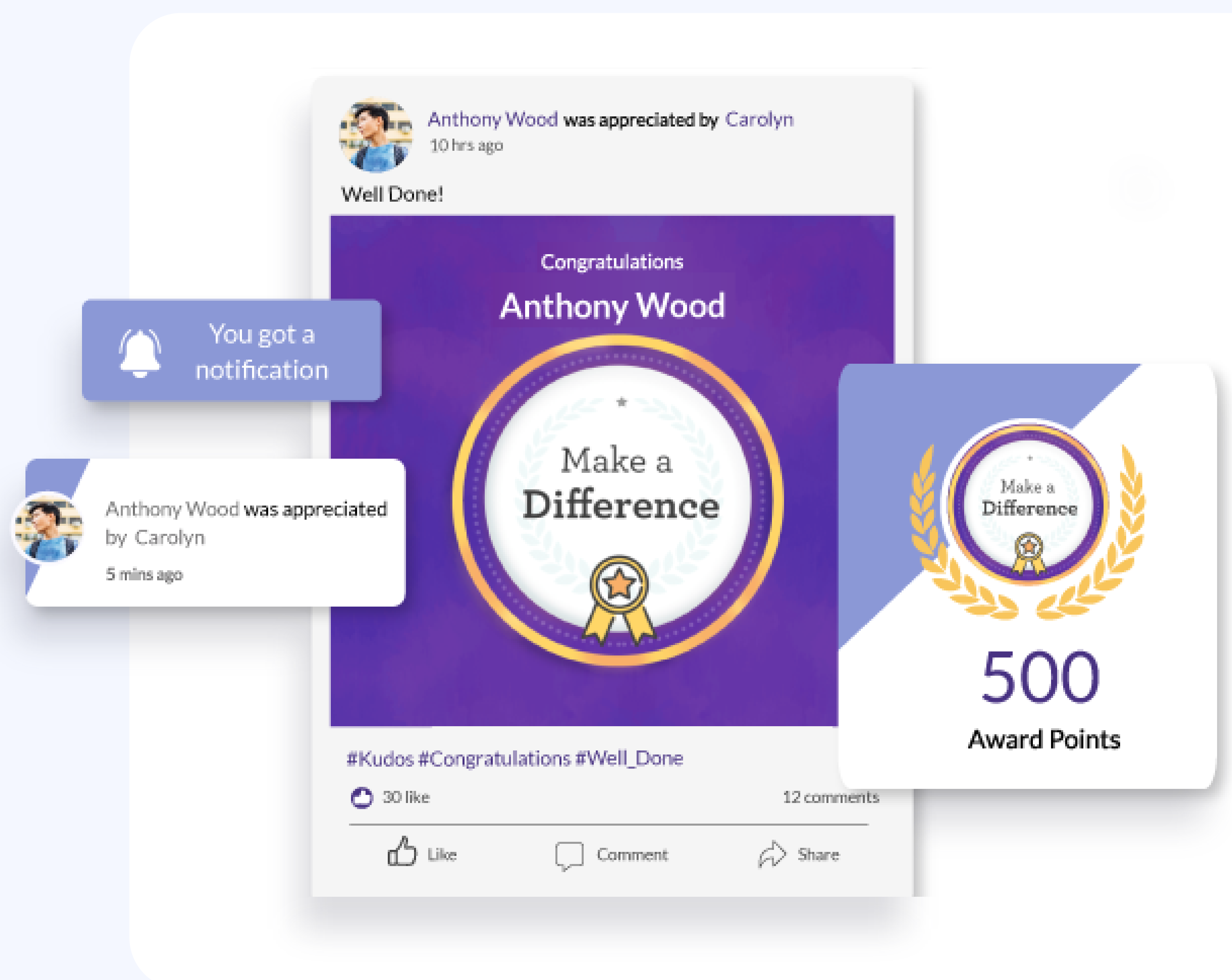
CASE STUDY: Tata Realty saw 40% growth in employee engagement with Vantage Rewards

Tata Realty and Infrastructure Limited (TRIL) recently merged its Real estate, Housing, and Infrastructure firms into one entity under its banner. Because of this vast merger, they looked for a digital Rewards and Recognition platform that provides a user-friendly experience for remote employees.

Vantage Rewards is a simple AI-based reward and recognition platform that can boost engagement by making your people feel valued.

By showcasing leaderboards with multiple badges and awards, we:

- **Boosted employee engagement by 40%**
- **Saw a 15 times rise in peer-to-peer recognition in 2020**



KEY TAKEAWAYS FROM THE REPORT

1. Involve The Leadership and Stakeholders

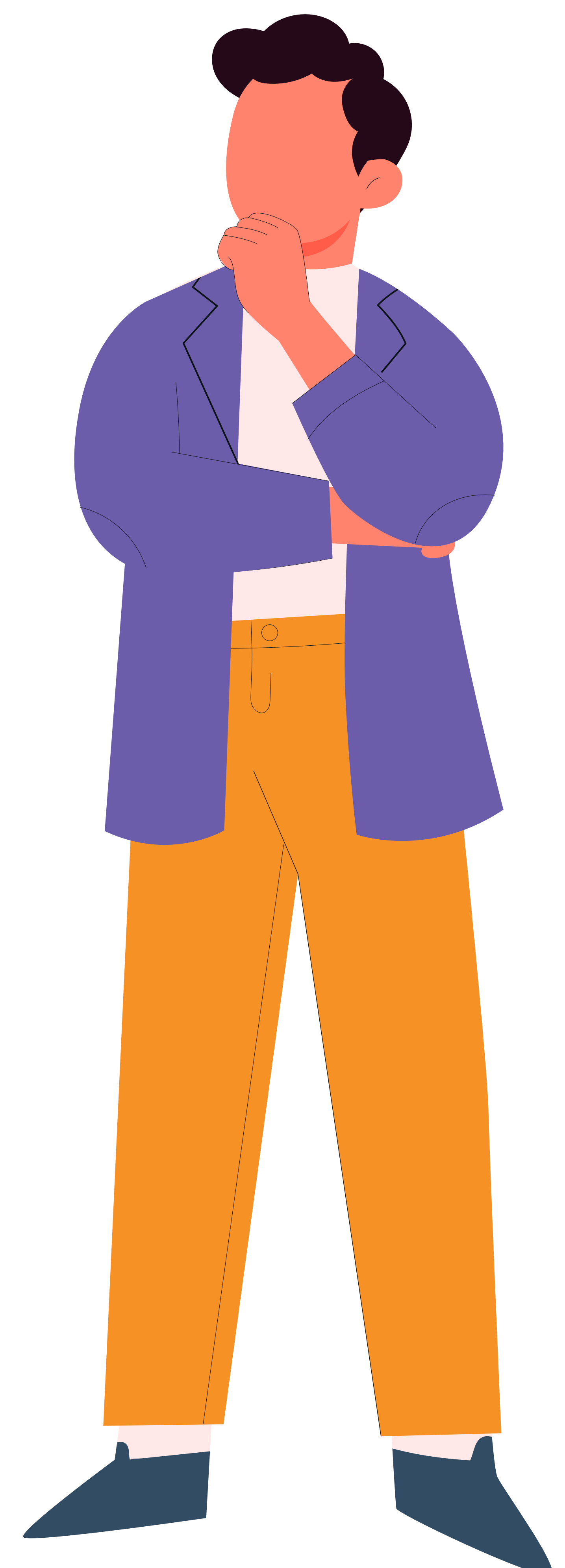
Human capital is the symbiosis of education, skills, and capacity for employee growth. The role of leadership and stakeholder is crucial in the creation of human capital. Our report describes leadership as the most influential factor in boosting [employee experience](#). A good leader redefines budget, and roles to match the remote workforce's demands. When leaders build trust, it fosters a sense of loyalty among employees. It gives them a sense of purpose in their work.

2. Take The Agile HR approach

Agile HR revamps traditional work culture with new tools, structures, and processes. It helps the company become more flexible and successful. Boosting engagement by building better cross-functional teams helps employees make faster decisions. Agile HR will be a much better way of managing people, especially in the post-pandemic era.

3. Implementing HR Technologies

HR-tech solutions can be the future in boosting the entire employee experience. Companies will adopt the reward and recognition process even in the post covid world. This will especially benefit remote workers. Leaders can send instant recognition for employees' efforts irrespective of any working conditions.



CONCLUSION

Humans are complex individuals with thoughts, actions, and choices. Every process that involves individuals who work within the company is subject to the attention of HR professionals. Managing and motivating them for the sole perspective isn't an easy task for HR managers.

If left unaddressed could result in growing turnover rates and degraded employee performance. It is when revamping employee engagement strategies becomes vital for every company.

This report suggests the new age engagement strategies for HR managers. It will help to create and nurture the critical performers in a dynamic business climate.



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ABOUT VANTAGE CIRCLE

Vantage Circle is the leading employee engagement and benefits platform. It has 400+ companies across 30+ countries with a user base of 1.5 million. We strive to make your employees feel valued, appreciated, and satisfied.

Our Mission:

Founded in 2011, Vantage Circle understands that efficient human capital management is a massive task. To overcome such HR challenges, we designed an all-in-one engagement platform. We help corporations build an engaged and productive workforce.

Products:

We provide efficient employee engagement solutions to corporations with our four primary modules:



VANTAGE PERKS

A comprehensive employee benefits platform. It provides exclusive corporate deals and cashback on a global catalog of top brands.

Important Features:

- Seamless integrations
- Customization
- Analytics and reporting



VANTAGE REWARDS

A simple AI-powered reward and recognition platform. It is easy-to-use, SaaS-based, and makes appreciation, fun, and accessible.

Important Features:

- Automated reward and recognition
- Budgeting and allocation
- Management dashboard



VANTAGE PULSE

It is an employee survey tool. It lets you collect, measure, and act on real-time employee feedback. Vantage Pulse is an eNPS based tool that is anonymous and has an admin dashboard, and a feedback loop.

Important Features:

- Data-driven results
- Predict employee behavior
- Analyze survey metrics



VANTAGE FIT

An all-in-one wellness platform. It aims to enhance better employee wellbeing and productivity.

Important Features:

- Measuring the heart rate
- Corporate wellness challenges
- Fitness rewards

OUR CLIENTS

Every organization wants happy and engaged employees. Our client base ranges across the globe; from large to small companies. Our clients are:



And many more...



Reach out to us: partner@vantagecircle.com
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www.vantagecircle.com