



A KENEXA RESEARCH INSTITUTE WORKTRENDS REPORT

Welcome to the 2009 Kenexa Research Institute WorkTrends Annual Report, “Driving Success Through Performance Excellence and Employee Engagement.” We write this in the midst of the most widespread economic crisis of our generation. Actions that began last year as streamlining and trimming have, for many, turned into severe cash flow management tactics, such as expansive downsizing efforts, plant closures, pay cuts and mandatory furloughs. Leaders are expected to still meet demand, however diminished, but with proportionally fewer costs and fewer resources.

Productivity expectations are now the responsibility of a smaller workforce and the remaining employees’ performance is more critical than ever before. Despite the grim economic outlook, employees need to be motivated and engaged in their work in order to get their jobs done. Like runners midway through a marathon, many organizations and employees are feeling battered. Yet runners put one foot in front of the other, struggling through the tough times in order to reach the grander goal. In the midst of the current economic climate and ensuing organizational struggles, we at KRI asked, “What makes employees continue to perform at high levels and engage in their work, especially in hard times?”

In this report, we present Kenexa’s new High Performance-Engagement Model (HPEM) as a framework for achieving success in periods of turbulence and change, as well as in times of high demand and economic growth. The HPEM supplies leaders with clear guidance on specific organizational levers to pull in order to get the most from their workforce.

Section 1 begins by describing the elements of the HPEM. Then, in section 2, we take a deeper dive into describing characteristics of a high performance organization. We utilize the WorkTrends data to discover where employees are reporting strengths and opportunities for improving performance, enabling leaders to modify their practices and improve their systems. In section 3, we look at employee engagement, discussing the leadership behaviors that support employee engagement and demonstrating the countries and job positions where employee engagement is the strongest and weakest. Section 4 combines performance excellence and employee engagement as we research their respective impact on important organizational performance outcomes. We conclude this report by gauging the relationships between the two constructs and standard fiscal metrics, total shareholder return and diluted earnings per share.

The HPEM offers leaders insight into the steps they can take to strengthen their own organizations. We look forward to working with our clients as they implement Kenexa’s High Performance-Engagement Model and survey concepts, and hope that this report offers readers an evolved way of tackling a very difficult situation.

Best Regards,

A handwritten signature in black ink that reads "Jack W. Wiley". The signature is written in a cursive, flowing style.

Jack W. Wiley, Ph.D.
Founder and Executive Director, Kenexa Research Institute