

Employee DISENGAGEMENT Strikes Early

By Michael Laff

Walk past the office of a new hire and you're likely to see that employee reading archived company materials or browsing the employee handbook.

Visit that same office one year later and you may find the staffer wondering where the next best career opportunity lies.

Employee disengagement is a real concern for employers and can occur as quickly as six months after an employee starts a new job, according to research by Kenexa Institute of New York. In a survey of 840,000 employees from United States and United Kingdom multinational companies, the institute found that 72 percent of new hires are actively engaged, but the rate drops off markedly in the first two years. By the third year of employment, the number of employees who remain engaged in their work dips to 57 percent.

Jeffrey Saltzman, Kenexa's New York practice leader, believes that many employees become discouraged quickly because adequate training may not be provided or they believe their salary is not commensurate with their contributions to the organization.

"They're excited and want to make a real contribution," he says. "Then the support mechanisms fade away. They may not be getting additional responsibilities or the company may not be recognizing their talent."

Fair compensation is always a factor. Saltzman believes that the finances devoted to rewards and recognitions for individual achievement could be better spent on higher salaries. If a capable employee earns a 3 percent raise, while a high performer receives a 4.5 percent increase, the high performer may rightfully ask why he is exerting so much

extra effort for just a few dollars more per pay period.

Saltzman traces some of the current tension to the 1970s when organizations began to consolidate positions, thus adding responsibilities to job functions without additional pay. From that point on, employees started to look critically at their role in comparison with their salary.

"A lot of companies say they need new blood," Saltzman says. "They spend a lot of time attracting people and as a result, create a situation where they allow the excitement of the new employee to dissipate."

Saltzman dismisses notions that members of Generation X and Generation Y are job hoppers who seek some elusive satisfaction that leads them to vacate jobs after a short stint. Individuals seek consistency and only make a change if the prospects of a new job

The BIG Number

43%



of employees report being disengaged on the job by their third year of employment.

offer substantially greater incentive than the risks for leaving a secure position, he says.

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IMPACT OF TENURE ON ENGAGEMENT
ACROSS 840,000 EMPLOYEES

