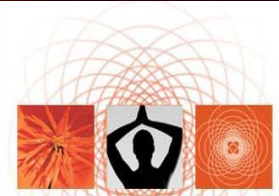


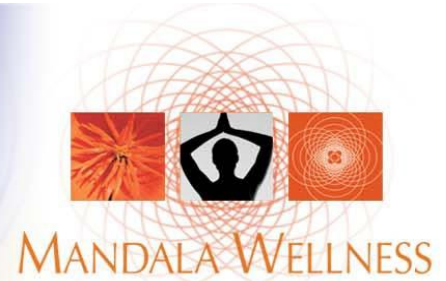
Wellness Indicators and their impact on Employee Engagement – Case study results from Ghana, South Africa and Peru

Dr Beverley Peens-Hartman



MANDALA WELLNESS

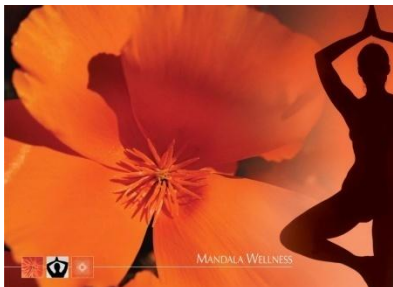
Wellness and Engagement



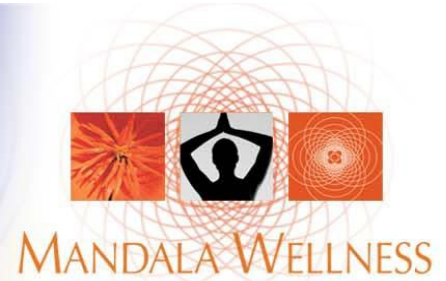
The Business Case for Engagement Studies

Employee engagement, rather than employee satisfaction, is a method of measuring performance and employee attitudes because:

- 1) engagement is a more complete measurement tool than job satisfaction;
- 2) engagement studies reveal **factors other than satisfaction** that improve employee performance; and
- 3) engagement studies reveal **factors other than satisfaction** that improve business results



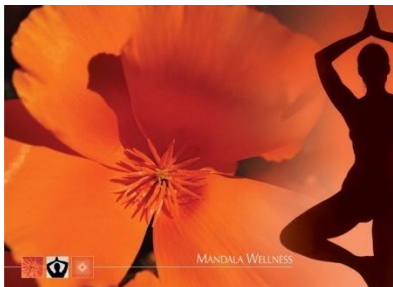
Wellness and Engagement



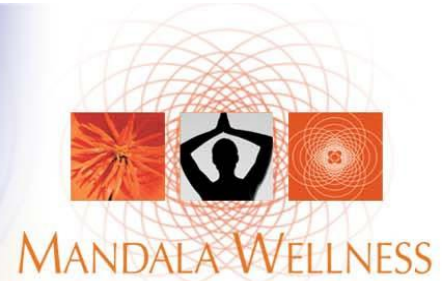
The Business Case for Engagement Studies

Watson Wyatt's 2001 research across 750 companies showed that the total return to shareholders over a 5 year period:

- Companies with strong engagement + 64%
- Companies with weak engagement + 21%
- Productivity - engaged employees generate 43% more revenue than disengaged



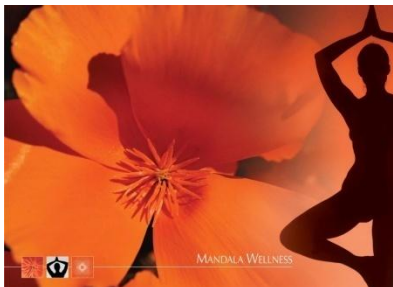
Wellness and Engagement



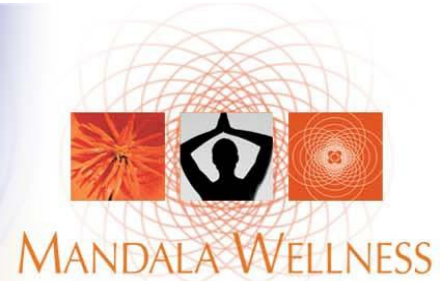
The Business Case for Engagement Studies

Research by Gallup (1999 / 2005):

- In Engaged Companies:
 - Customer loyalty increases by 56% above the average
 - Employee retention is 44% above the average
 - Safety record improves by 50%
 - Productivity increases by 52%
 - Overall profitability increases by 33%



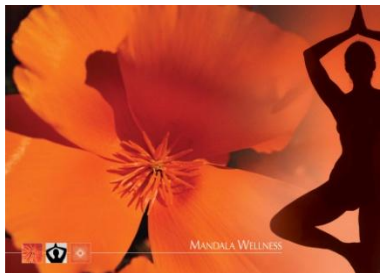
Wellness and Engagement



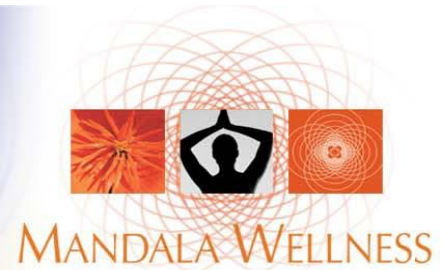
The Business Case for Engagement Studies

Other findings

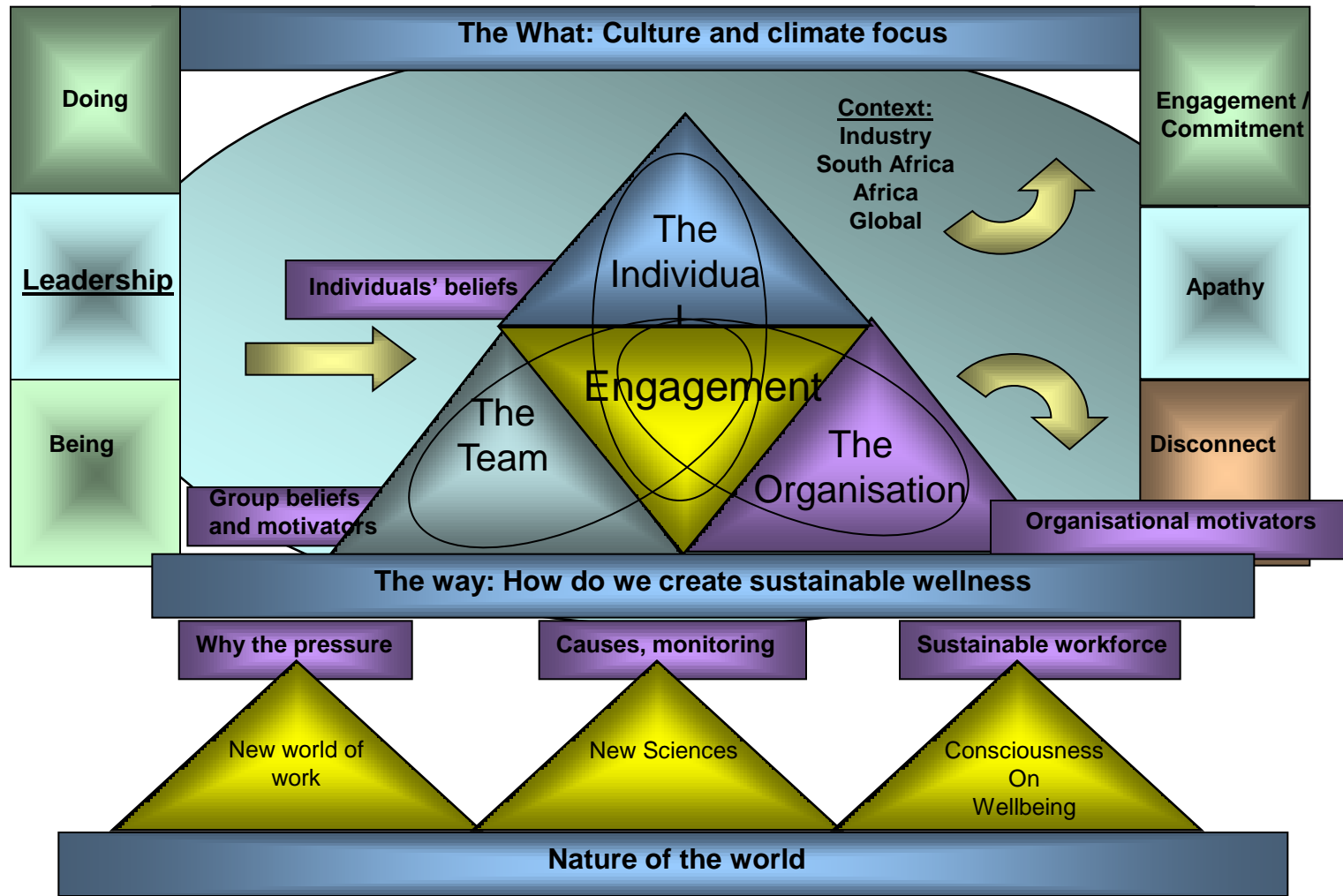
- What has increased employee engagement been statistically proven to do?
 - Increase net income growth rates by 17.5%
 - Increase employee productivity by 38%
 - Increase profitability by 27%
 - Low engagement teams have an error rate of 100 times more than a highly engaged team
 - Highly engaged sales representatives have 8.8% higher sales
 - Highly engaged teams on average have **40% less absenteeism**
 - Increase operating margins by 17%
 - Moving an employee from moderately engaged to highly engaged makes them twice as likely to stay



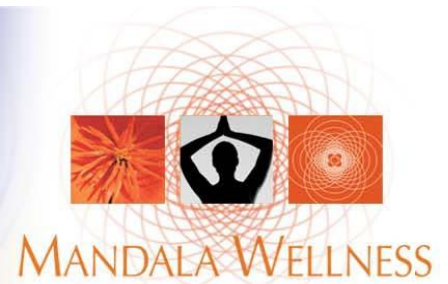
Viljoen's model of Engagement



Philosophy of Engagement



Wellness and Engagement



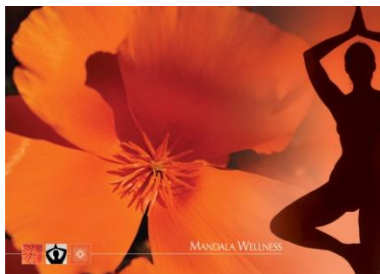
The Benchmark of Engagement Quotient - BeQ™



A climate and culture survey which is internationally benchmarked and which has been independently validated as able to yield reliable results on the constructs measured.

National cultures are also evaluated to provide context to companies that have a global/multi-national footprint.

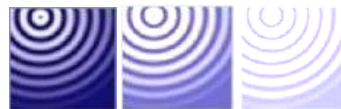
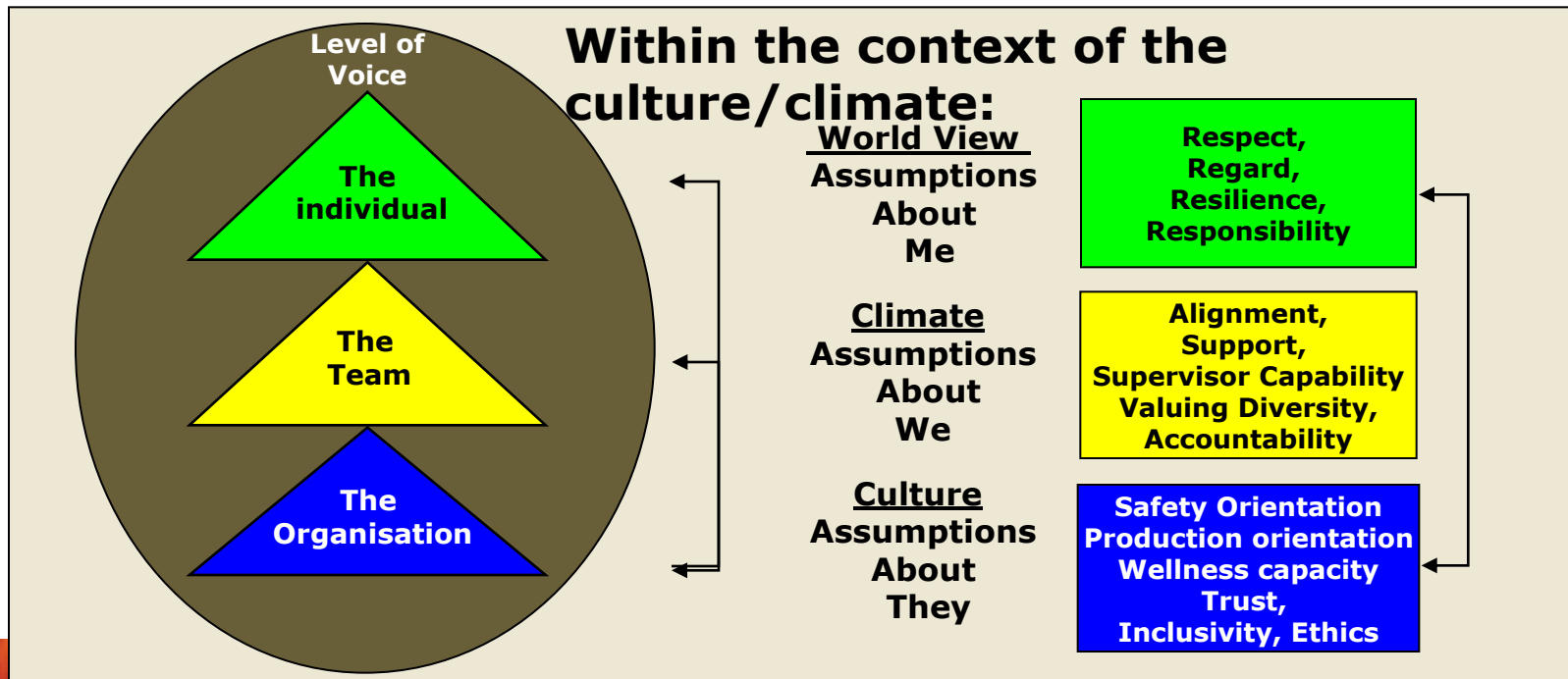
Quantitative and qualitative analysis and validation.



BeQ Model: Constructs



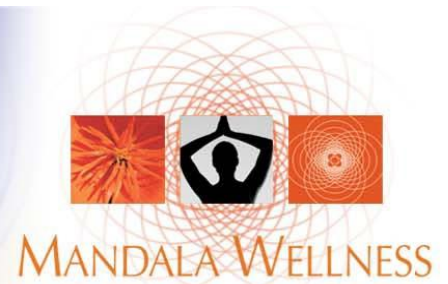
The BeQ™ model



BeQ™

Benchmark of Engagement Quotient

Wellness and Engagement



Why Engagement?

Level of
Engagement

Correlates directly to:

Vicious Cycle: (Negative energy)

Disengagement
Absenteeism
Staff Turnover
Apathy
Low morale
Negative Behaviour
Poor service delivery
Incidents and accidents

Virtuous Cycle: (Positive Energy)

Unleashing voice
Productivity
Staff Retention
Employee Satisfaction
Creativity and Innovation
Value based behaviour
Customer Experience
Safe behaviour
Stakeholder Experience

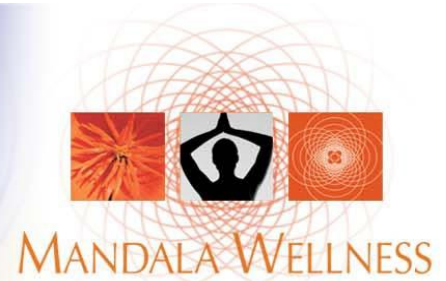
Disconnected
30%-44%

Apathetic
45-59%

Involved
60-74%

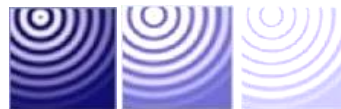
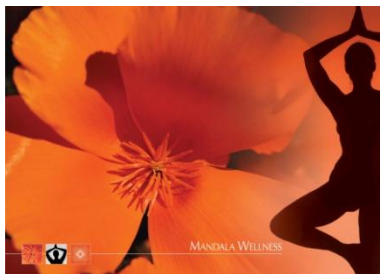
Engaged
> 75%

Wellness and Engagement



What makes the BeQ™ unique?

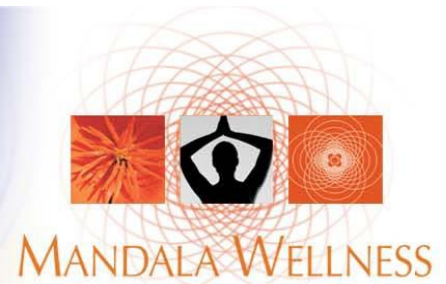
- The BeQ™ survey is the only survey of its kind that provides contextual information and research into the **social-political, societal, national cultural and industry specific variables** which impact on the operational space of the organisation.
- This provides insight into **contextual considerations** that would be imperative to consider when planning for change and the integration thereof from a people's buy-in perspective.
- It is designed to assist companies that have **multiple international operations** to inform on the **uniqueness of each operation's context** and to provide information around how to structure and run a global corporate model within the uniqueness of each operational space yet still maintain a sustainable corporate identity.



BeQ™

Benchmark of Engagement Quotient

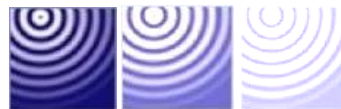
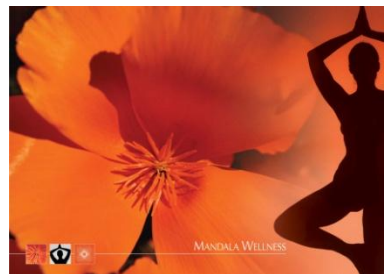
Wellness and Engagement



Wellness indicators and engagement : 4 case studies

First 3 Case Studies focus on a multi-national company with operations in various countries – each one at different levels of comparative analysis highlighting importance of different wellness and culturally relevant scenarios

Last study is South African based highlighting importance of identity and belonging as important emotional wellness indicators



BeQ™

Benchmark of Engagement Quotient

Ghana Case Study 1 (a):

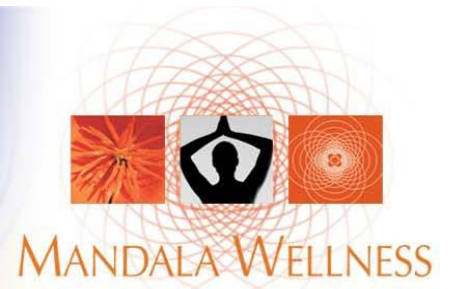


MANDALA WELLNESS

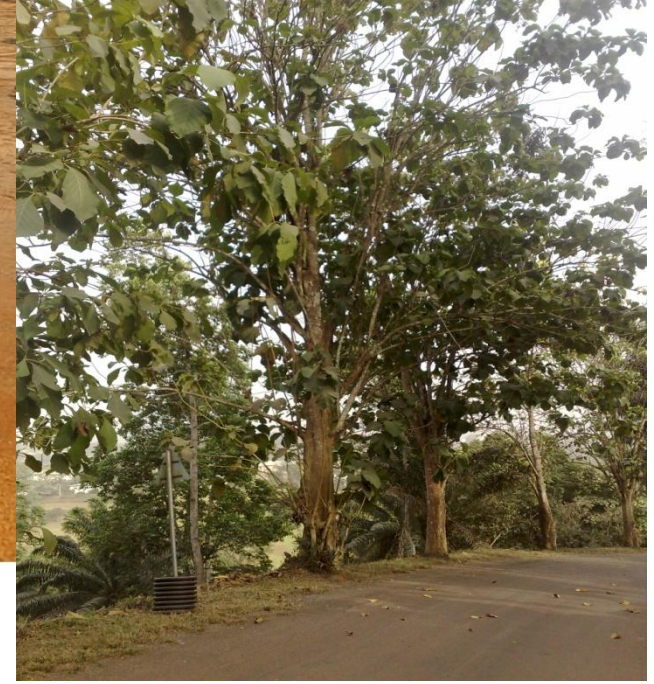
Mine Operation 1: Ghana : 3 year comparison

		Year 1	Year 2	Year 3
Regard Resilience Respect Responsibility	Individual: (I-engage) Y1: 73% Y2: 76% Y3: 74%	73	77	73
		76	78	75
		66	75	73
		76	80	76
*Accountability Diversity *Supervision Support	Group: (We-engage) Y1: 67% Y2: 71% Y3: 68%	64	63	56
		62	69	65
		69	66	74
		74	68	67
Alignment Ethics *Inclusion Production Orientation Trust Wellbeing Capacity Safety Orientation	Organisation: (They-engage) Y1: 66% Y2: 73% Y3: 70%	75	82	79
		63	54	59
		60	65	78
		71	66	66
		63	68	66
		58	67	61
74	81	79		
Total BEQ™		68	73	71

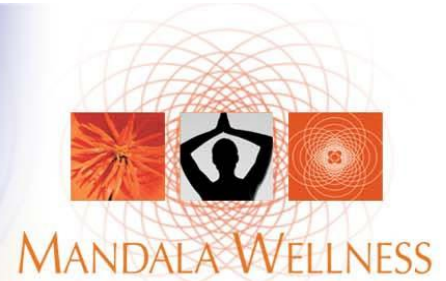
Ghana Case Study 1 (a):



A Question of Dust, Food and Company style!

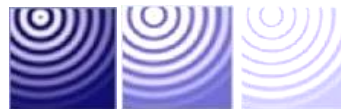


Ghana Case Study 1 (a):



A Question of Dust, Food and Company style!

- Qualitative focus group discussions revealed the following results on the Wellness constructs and scores obtained over the 3 year period investigated:
 - The area where the mine is situated has no tarred roads. The fine red dust from the dirt road dirtied the commuting mine workers so that they felt embarrassed to go to and return from work. Ghanaian people believe that “to live is to work” and have a strong work ethic and pride. They like to go to and return from work dressed and washed neatly. All the mine workers commute to the mine on busses since the mine is not close to any village. The busses had no air-conditioners which resulted in commuters needing to keep the windows of the busses open due to the heat (Ghana’s average daily temperature all year round is between 30 and 40 degrees). The dust from the road filled the busses, dirtied the workers and had them inhale lots of fine dust resulting in lung and other respiratory conditions. The workers felt that air-conditioned busses would solve this problem.

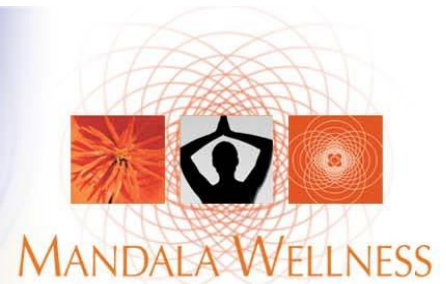


BeQ™

Benchmark of Engagement Quotient

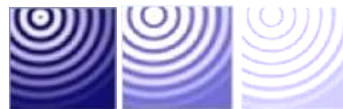


Ghana Case Study 1 (a):



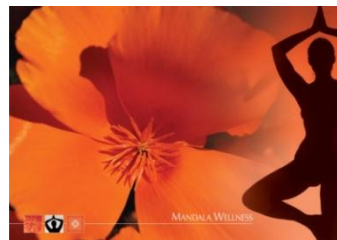
A Question of Dust, Food and Company style!

- After the results were provided to the management team, the team took a drive with their staff on the busses to evaluate the problem. Air-conditioned busses were ordered and used with good effect. Hence the 9% increase in the wellness score in year 2.
- In year 3, the mine had begun an owner-miner integration initiative and the contractor staff (who work at the mine with the staff of the company we investigated, but are employed by other companies that are subcontracted to the parent company) were very disgruntled because they had seen the effectiveness of the air-conditioned busses provided by the parent company for their employees and reported unfairness because their owners had not implemented the same bus policy.
- Feedback was given to the contracting companies and the parent company mandated and insisted that they also provide air-conditioned busses for their staff.
- Re-measure is scheduled for July 2011 where the interventions set out for 2010-2011 will be evaluated.



BeQ™

Benchmark of Engagement Quotient



Ghana Case Study 1 (b):

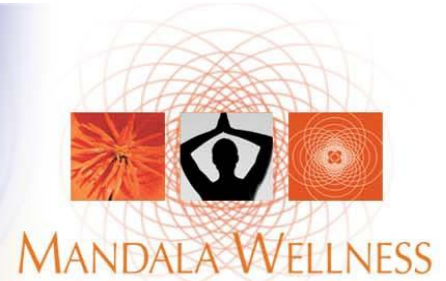


MANDALA WELLNESS

Mine Operation 2: Ghana : 2 year comparison

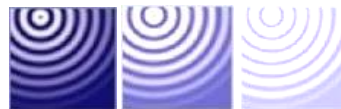
		Year 1	Year 2
Regard Resilience Respect Responsibility	Individual: (I-engage) Y1: 75% Y2: 71%	75	71
		75	72
		73	69
		79	74
Accountability Diversity Supervision Support	Group: (We-engage) Y1: 71% Y2: 67%	58	55
		65	63
		77	70
		75	68
Alignment *Ethics Inclusion Production Orientation Trust Wellbeing Capacity Safety Orientation	Organisation: (They-engage) Y1: 73% Y2: 71%	83	77
		62	69
		64	59
		65	63
		70	63
		60	59
	85	85	
Total BEQ™		73.3	71

Ghana Case Study 1 (b)



A Question of water and access to medical care

- Qualitative focus group discussions revealed the following results on the Wellness constructs and scores obtained over the 2 year period investigated:
 - The staff at this mine complained that clean, fresh water was not always available at the water points for replenishing during the day which was problematic as a result of the heat. Staff also were disgruntled because of the quality of the food provided to them. The level of oiliness was bad and made the food distasteful. Members believe that if you give something to someone, you should present it in such a way that it will be appreciated and seen to be valuable. Rather don't give anything, than give something of low standard. Members were also concerned at the quality of medical care available to them at the site clinic.
 - Several management team changes occurred in the year between the measures and when the results yielded the trends of no shift, the management team admitted that they had not focused on driving the results and agreed to drive initiatives more readily in the year to come.
 - Re-measure is scheduled for July 2011.

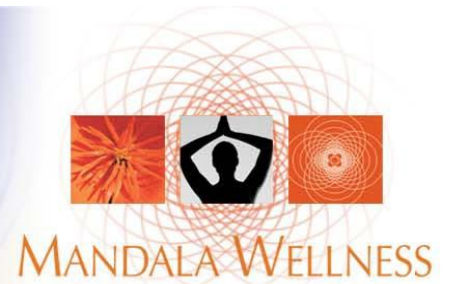


BeQ™

Benchmark of Engagement Quotient

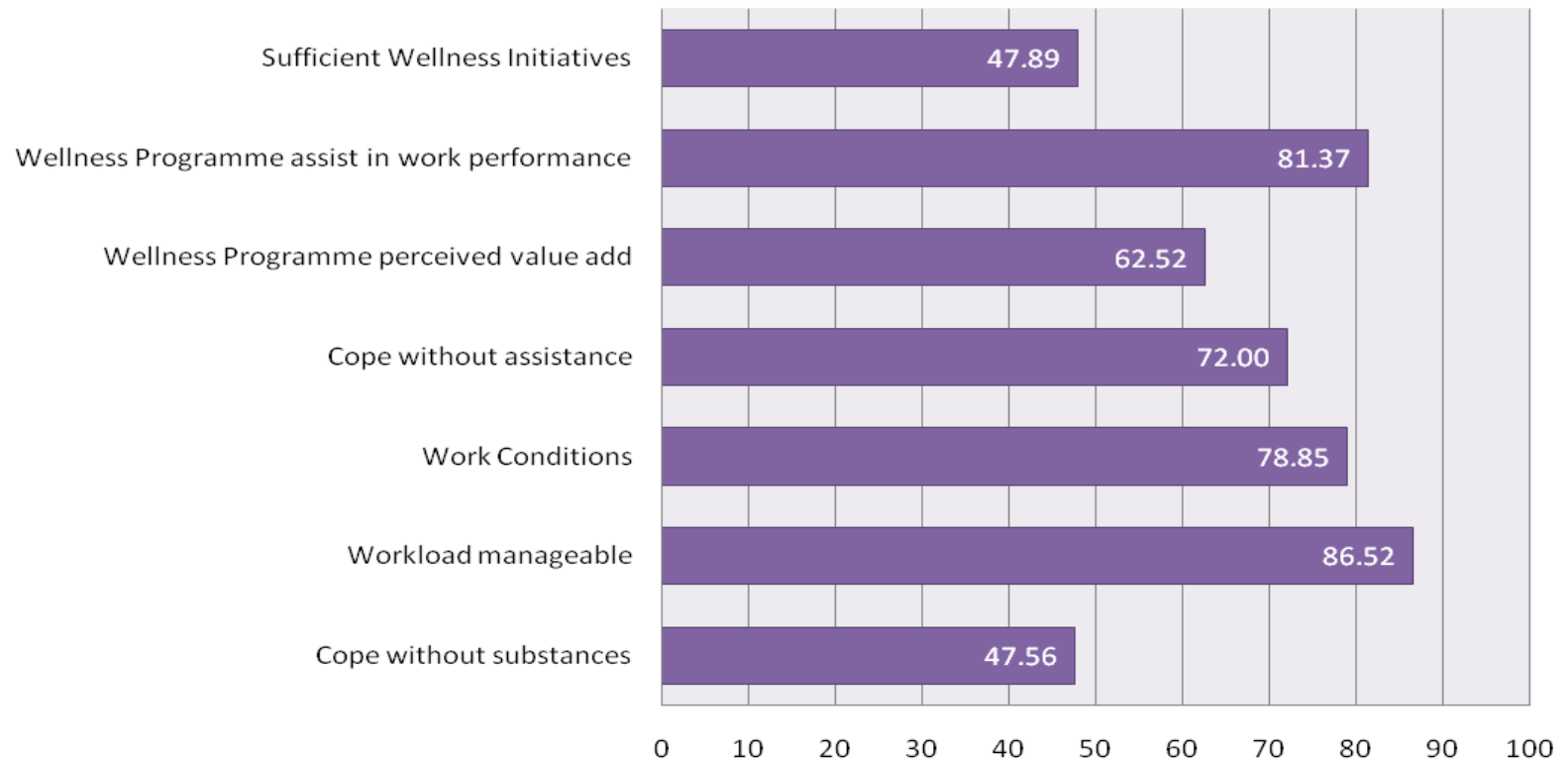


Australia Case study 2:

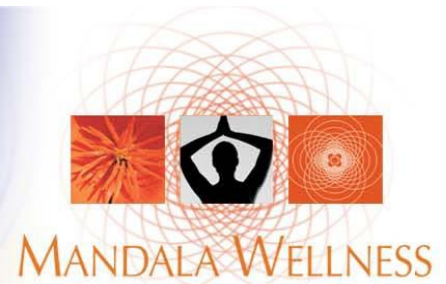


Quantitative Wellness indicators: Australia

Wellness Dynamics

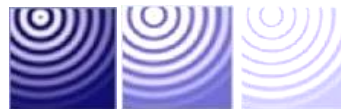


Australia Case Study 2:



A Question of Distance, family values, acknowledgement

- Qualitative focus group discussions revealed the following results on the Wellness constructs of insufficient wellness initiatives:
 - The mine is situated in a very rural and remote area of Australia in the desert. Travelling to the mine implies a distance of 20-30km's (1-2 hours of travel either side of the working day) since the mine is nowhere close to any town. The mine was experiencing a high staff turnover of younger women and men who were starting families. Discussions revealed that no daycare facilities were available in the nearby towns for people to leave their children while at work and the two that were available did not accommodate the time-lines for the staff commuting to and from the mine. Family and work-life balance is important for people in Australia, so this compromised young mothers' ability to work and they left to relocate to areas that accommodated this family orientation.
 - As part of a remedial action, the mine is investigating a feasibility study to open their own on-site daycare facility for parents to bring their children with them to site to a safe daycare space – the first of its kind in this part of Australia.

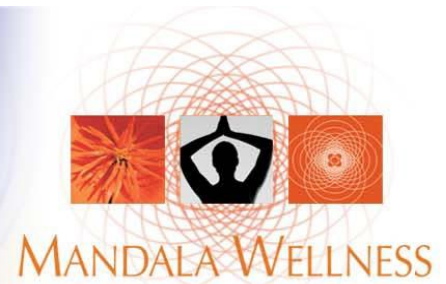


BeQ™

Benchmark of Engagement Quotient

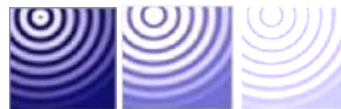


Australia Case Study 2:



A Question of Distance, family values, acknowledgement

- Qualitative focus group discussions revealed the following results on the Wellness construct of needing substances to cope:
 - The organisation was surprised at how the role of substances was recorded on the survey – it was an unexpected result. Most people felt that “substances” were under control and not necessary to talk about because of the stringent controls in place with respect to breathalisers and testing as a safety precaution. During the discussions, people were able to acknowledge the role that substances had begun to play in coping due to the various demographics and demands of mining life. The mine has people that live in the remote towns that commute each day and groups of people that fly in to the mine site from the bigger towns and then stay on in one of the surrounding “camps” for 5 or 7 days before flying home. With limited things to do and being away from families for this time, several people have resorted to substance use to pass the time. Being able to “open” the conversation and acknowledge the role of substance use was a platform to start addressing issues.
 - Re-measure is scheduled for November 2011 to evaluate progress.

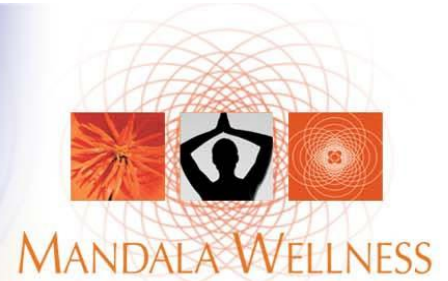


BeQ™

Benchmark of Engagement Quotient



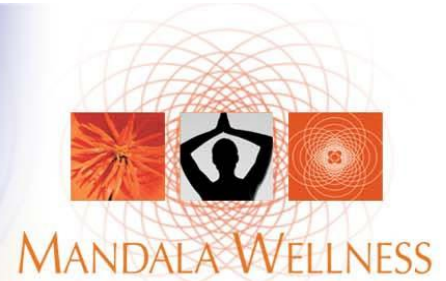
Case Study 3 Peru



Peruvian Operation Analysis 1:

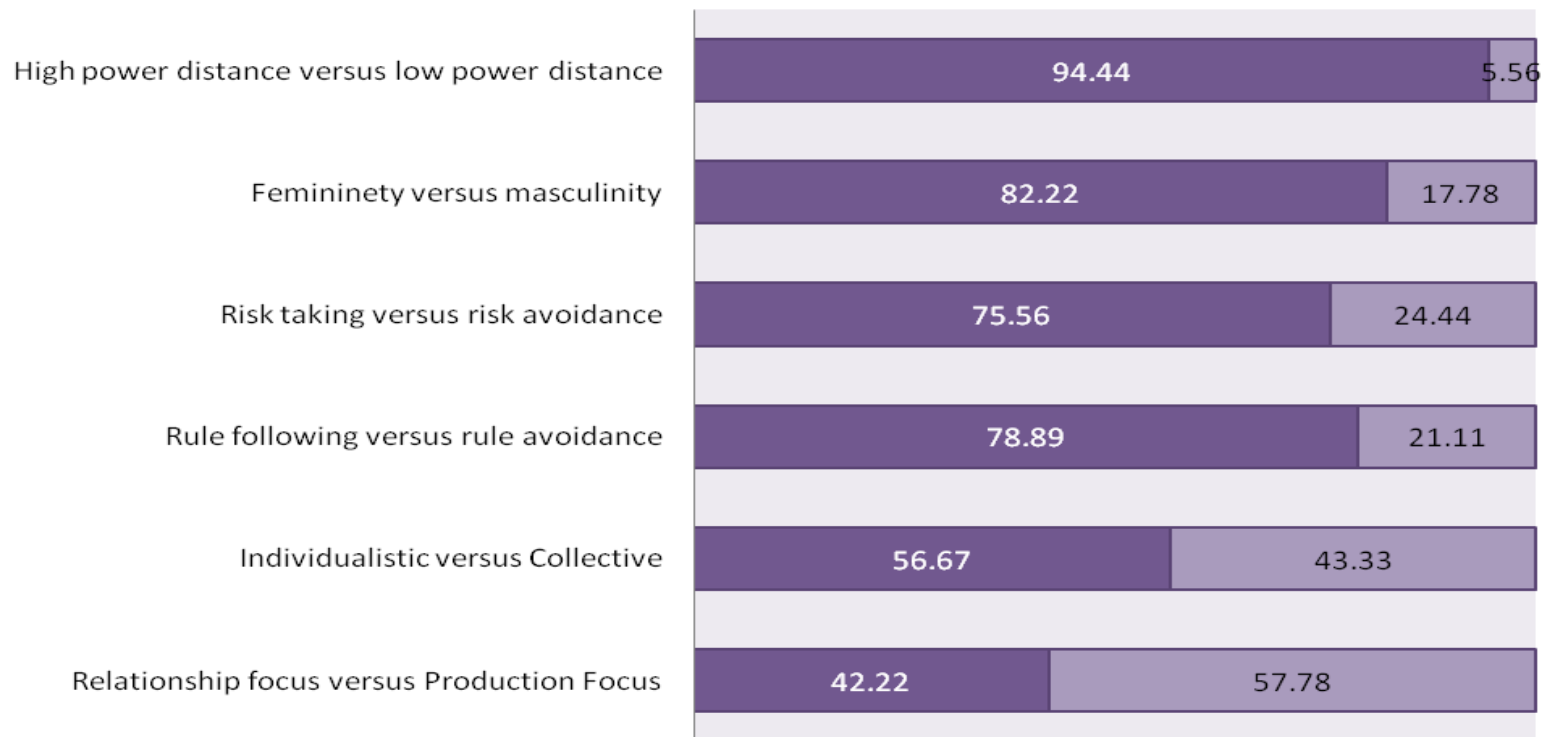
Regard Resilience Respect	}	Individual: (I-engage) Y1: 87.9%	91.75
			93.33
Corporate Citizenship	}		82.65
	}		87.23
Accountability	}	Group: (We-engage) Y1: 79.66%	80.58
Diversity			81.83
Supervision			83.72
Support			72.83
Ethics	}	Organisation: (They-engage) Y1: 80.91%	78.69
Trust			78.12
Inclusion			80.18
Adaptability			80.38
Alignment Doing			83.58
Alignment Being			84.46
Total BeQ™			82.47

Case study 3: Peru

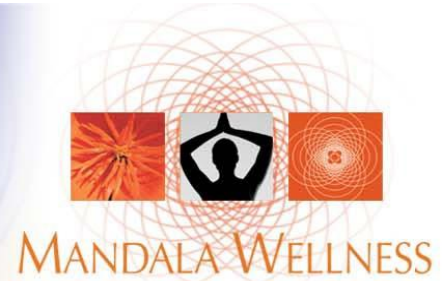


Qualitative analysis of results

Peruvian National Cultural Dynamics

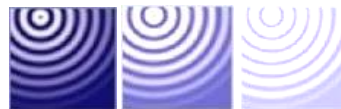


Peru Case Study 3:



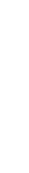
A Question of organisation and “cultural fit”

- The Peruvian operations had the highest level of engagement in the multi-national company and the question as to “why?” arose. Qualitative analysis revealed that national cultural fit contributed to the engagement success since the value system and work ethic of the Peruvian culture aligned well to the company objectives:
 - Peruvian culture is comfortable with hierarchy, class segregation and power distance between people in authority. People therefore naturally fall into roles assigned and follow their leader (provided he/she is credible and consistent) and are comfortable with people in authority taking the lead. In a mining operation, hierarchy is often acceptable to ensure efficiency and safety.
 - The high feminine focus is around nurture and taking care of one another, being mindful of collaboration which are all good values for teamwork and safety protocol.
 - Following and adhering to rules is important to Peruvians which works well in a regulated environment like mining. The production focus is also high.
 - A good balance between the needs of the individual and the needs of the team is maintained due to the balanced individualism versus collectivism culture.

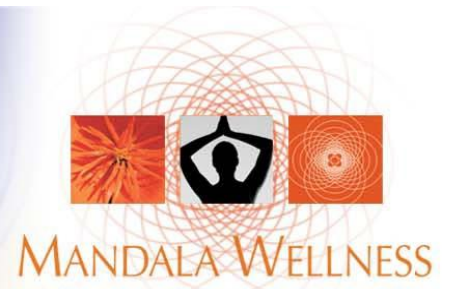


BeQ™

Benchmark of Engagement Quotient



Case Study 3: Peru



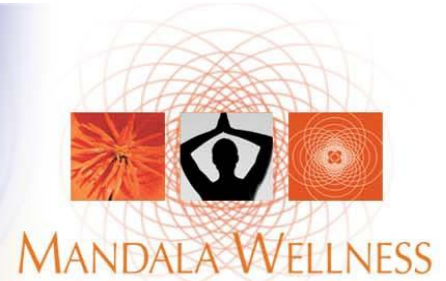
Feminine focus



Working safely ensures that we can all go home to our families later today



Case Study 4 South Africa:



Health care operation: South Africa

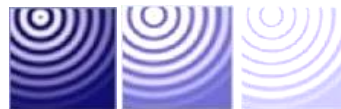
Regard	<div style="border: 1px solid black; padding: 10px; text-align: center;"> Individual: (I-engage) Y1: 72.33% </div>	80.00
Resilience		81.11
Respect		69.67
Responsibility	<div style="border: 1px solid black; padding: 10px; text-align: center;"> Group: (We-engage) Y1: 56.24% </div>	81.11
Corporate Citizenship		52.92
Teamwork		55.42
Diversity	<div style="border: 1px solid black; padding: 10px; text-align: center;"> Organisation: (They-engage) Y1: 53.96% </div>	56.11
Supervision		52.50
Support		62.33
Accountability		36.67
Ethics	<div style="border: 1px solid black; padding: 10px; text-align: center;"> Organisation: (They-engage) Y1: 53.96% </div>	44.58
Trust		45.00
Inclusion		51.11
Operational Excellence		58.48
Alignment Doing		54.33
Alignment Being		76.11
Total BeQ™		59.72

South African Case Study 4:



MANDALA WELLNESS

A Question of Identity and Belonging

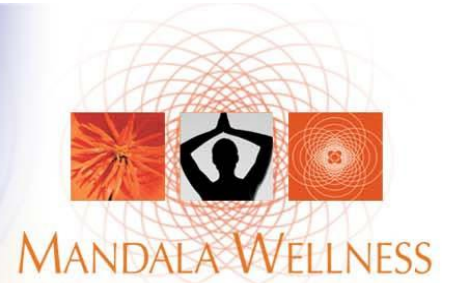


BeQ™

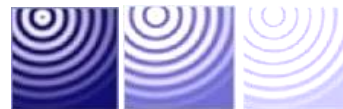
Benchmark of Engagement Quotient



South African Case Study 4:



A Question of Identity and Belonging

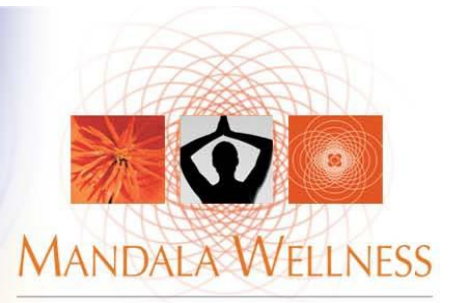


BeQ™

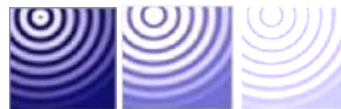
Benchmark of Engagement Quotient



South African Case Study 4:



A Question of Identity and Belonging

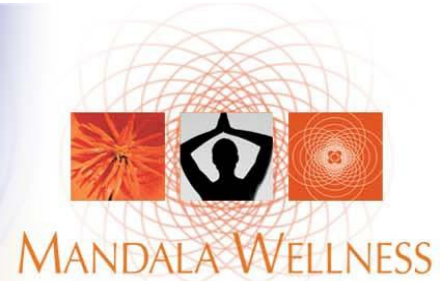


BeQ™

Benchmark of Engagement Quotient

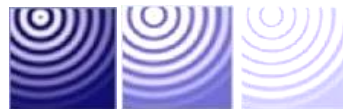


South African Case Study 4:



A Question of Identity and Belonging

- The case study group in question had very low engagement scores on all the constructs.
- One of the most important findings was the complete lack of identity of the team. Although part of a corporate structure, there were no branded name boards indicating where the group was and no indication that they even belonged to the greater organisation. The researcher could not find their premises for 3 hours – even though directions had been provided as can be seen from the photographs. Several grave concerns had been raised as to the overall wellbeing and effectivity of this team (hence the climate survey being done). Lack of identity and belonging proved to be an important emotional indicator.
- Several important interventions were embarked on by the management group with this team after the findings were made known,
- Re-measure in September 2011 would probably prove to show significant improvements because of the remedial actions diligently being implemented.



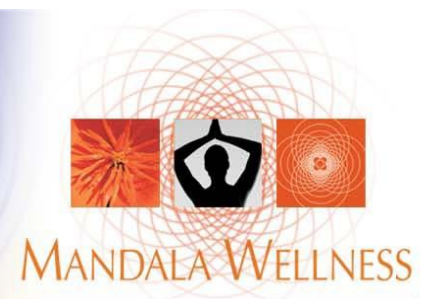
BeQ™

Benchmark of Engagement Quotient





Contact details



All queries and further information requests can be directed to:

Dr Beverley Peens-Hartman

Clinical Director: Mandala Consulting & Mandala Wellness

+27 (0) 83 273 6266

+27 (0) 11 782 3754

bev@mandalaconsulting.co.za

