



The ROI of an
**Employee
Engagement App**

Your Comprehensive Guide

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The ROI of an Employee Engagement App

When we think of ROI, we often think of something physical - like money. A symbol that's universally understood as a signifier of success. Money, to many businesses, is the absolute be all and end-all. Money is easy to define and it's easy to understand. It's something that's tangible, something that's easy to track and measure. Money speaks any language. The more money that's made, the more success is typically attributed to a business, product that's being sold and the people that sell it. Often, companies invest hundreds of thousands of pounds on systems that help streamline sales processes, improve efficiency or helps employees be more productive. At first look, it may seem like a practical solution to a practical problem. If someone or something isn't performing to the best of their ability, it makes sense that we invest in a better standard of tool to get the job done to the highest standard possible, right? What if, however, the problem wasn't the tool your team were using, or even the way they were using it: what if it was them?



Despite what many think, the modern-day workplace is a much more three-dimensional environment than what we've been led to believe. Factors like employee wellbeing, employee engagement and the ability to communicate effectively all play pivotal roles in the overall success of any business. If employees aren't engaged, they aren't productive. If they aren't productive, things don't get done. When things don't get done, businesses lose money and employees are left feeling unmotivated. So whilst at first it may seem logical to address a process behind a problem or issue, it's much more beneficial to look at the root cause - which in most cases, can be attributed to a lack of engagement, alignment or employee wellbeing.

Defining ROI in Today's Workplace

Of course, employee engagement and wellbeing can help companies yield better financial returns. In fact employee engagement is one of the biggest financial drivers for companies, regardless of size or industry. Companies with an engaged workforce have reported seeing a [significant uplift in the volume and quality in sales](#): on average 20% higher than those without. With 17% higher productivity and 21% higher profitability than companies without any discernible engagement strategies, it's no wonder that some of the world's most successful companies are now incorporating employee engagement into part of their wider strategies.



Why Is Employee Engagement Important?

You've heard of a chain reaction. Now apply this thinking to a modern-day work environment. Engagement is great for many things – but its ability to create a positive knock-on effect for everything that it touches is unprecedented. When your employees are happy, so are your customers. This is what's known as the [service-profit chain](#). This concept was first introduced by the Harvard Business Review 1998 and despite all the changes since, it remains as relevant now as it was then. Imagine for a second that every employee working for your business was passionate about seeing the company and its customers succeed. If your employees care, they're more inclined to go the extra mile when it comes to providing exemplary customer service.

Both profit and financial growth are massively influenced by customer loyalty and a low churn rate. In many cases, loyalty to a brand, product or service can be observed as a direct result of continued customer satisfaction. This satisfaction is largely influenced by the value of the service provided to customers from employees. Value is created and influenced by loyal, positive and productive employees. Customer satisfaction then, can be seen as a direct result of high-quality service and support provided from hardworking employees.



The Science of Engagement

Employee engagement and productivity go hand in hand. The more that an employee is engaged, the more likely it is that they are going to be productive.

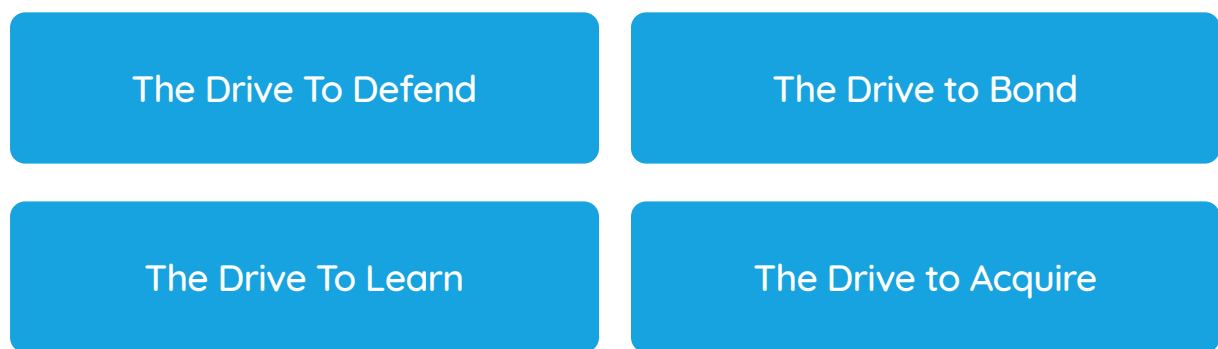
Engagement is perfectly natural. As humans we give something our attention when we deem it important or worth our time. Engagement is a process in which humans express an exaggerated interest in something because it either interests us, or we receive some sort of pleasure from it. Our brain is home to a diverse mix of 'pleasure centres', wired up in a variety of complex and intricate ways. One part of the brain (known as the nucleus accumbens) sits at the epicentre of this 'pleasure metropolis', secreting dopamine (the feel-good hormone) and serotonin (whose effects include inhibition and satiety) every time we have a pleasurable interaction. It regulates our relationship with activities and how we perceive them. An increase in the release of chemicals like dopamine signal a positive chemical chain reaction within the brain.

When an employee engages in activities that they enjoy, dopamine is released to the prefrontal cortex and positive reinforcement occurs. When employees enjoy an activity or feel engaged on any level, their brain subconsciously rewards them and provokes a reaction that leaves them wanting more. Our 'built-in' reward system is essentially an internal drug delivery system, meaning that when our supply gets cut off, we get a sense of withdrawal. Whilst these sensations make us feel great in the short term, we're left chasing the same sense of gratification over and over again.



Why Your Employees Need to be Engaged: Four Behavioural Drivers

Now that we know about how engagement works on a more scientific level, it's important to understand that we understand why employees need to be engaged in the first place. There are four main drivers behind employee engagement, signifying the importance of its inclusion in any modern workplace.



The Drive to Defend

The brain is hardwired to defend itself should the occasion arise. In a working environment, this can take the shape of feeling undervalued, disengaged, or threatened. A result of poor feedback from management [feedback from management](#) or a genuine lack of acknowledgement, employees can be left feeling disengaged and disheartened. In this instance, the employee can be left feeling disengaged and looking for another way to engage their attention.

The Drive to Bond

Fulfilling the need to bond enables employees to feel more engaged and committed to their work environment. Not only are they driven to achieve their own objectives but they're also driven so they don't let their fellow employees down.

The Drive to Learn

The need to learn is the driving force behind people's natural inquisitive nature. It makes people want to learn more about their world and the things around them. Fulfill this need through reinforcement, encouragement and development. Jobs should offer scope for learning and provide individuals with the room to grow their skillset.

The Drive to Acquire

The drive to acquire is the need for employees to feel fulfilled and to achieve satisfaction. This can be achieved through employee recognition programmes and incentive programmes. By reinforcing the correlation between positive performance and positive recognition, workers are more incentivised to reach for the high associated with gratification and acknowledgement.



The Benefits of an Employee Engagement App to your Workforce

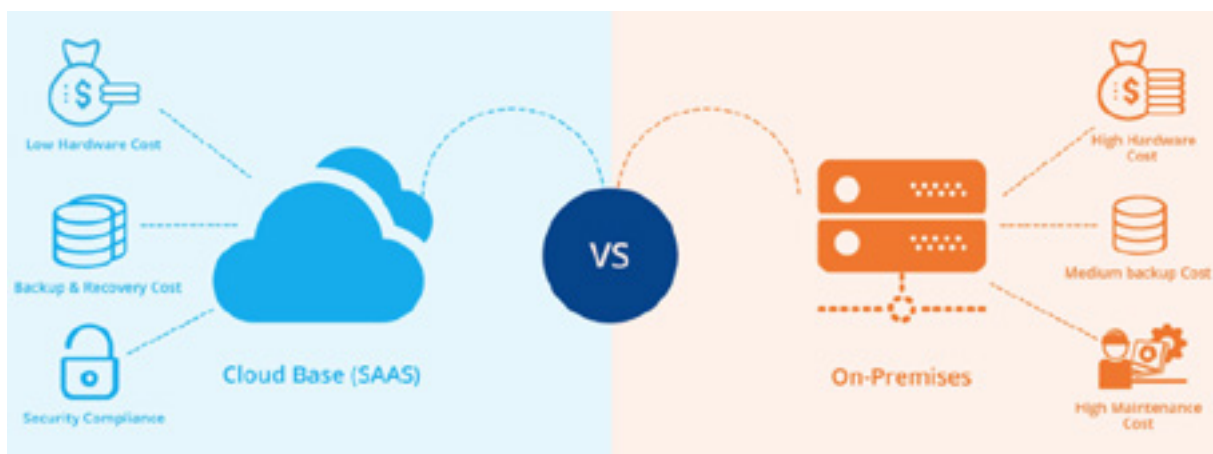
How can an employee engagement app help your business boost its performance and improve wellbeing; what are the benefits of embracing software and going truly digital?



Consider the advantages: apps are mobile and easily integrated into your employee's lives, easy to use and low in cost compared to other solutions. Employee engagement apps even facilitate communication in different languages giving your employees messenger functionality that rivals the likes of Facebook or Whatsapp. The beauty of this all-encompassing digital environment? It's all within the confines of your company's control, allowing you to keep employees aligned and productive whilst simultaneously encouraging engagement.

Employee engagement apps are able to function with your intranet, alongside it or independently. They can be integrated with well-known tools like [SharePoint](#); or in the case of Oak Engage, for example, can adopt all of the traditional functionalities of an intranet whilst offering a much broader usability.

An employee engagement app is exactly what you make of it. Your employees can have access to any facet of the app or interact with it any way you see fit, depending on the needs of your business. Security can be specifically delegated to meet the needs of your organisation and the use cases and operation for each can be individually adapted. Used worldwide, employee engagement apps are the one stop solution for a businesses' communication, collaboration, wellbeing and engagement requirements. Surpassing traditional channels of communication like newsletters or email, employee engagement apps have completely redefined the art of workplace interaction.



Connectivity

Employee engagement apps can instantly connect users via instant messenger. Sharing many of the same traits as many social media applications, employee engagement apps allow members of your team to connect with each other faster than ever before boosting productivity and alignment.

Collaboration

Often based off of the traditional intranet format, employee engagement apps are exceptionally practical and offer users a wide range of collaboration capabilities. Users can share documents, access centralised information and set up dedicated groups and areas dedicated to particular projects or topics.

Engagement

It goes without saying that any engagement app's primary function is to engage and motivate its users. With a range of tools at your disposal you can make your workplace more engaging than ever before. From social media style interaction to features that facilitate exciting gamification, your app can reflect the immediate needs and objectives of your business.

Engagement apps are very customisable, meaning that you can create your own personalised feeds, content or applets, each suited to your people and their preferences. Tailored experiences are key when it comes to driving employee engagement, so investing in a tool that's able to be built around your own people is a must.



Wellbeing

A recent trend advocating mental health awareness has seen the adoption of employee engagement apps increase exponentially. This positive push has seen workplaces all over the world prioritise their employee's well being as opposed to a 'traditional' productivity based output. Offering employers and employees a range of functionalities alike, employee engagement apps often feature feedback functionality, HR resources and the ability to get in touch with people they need to talk to the most.

Should You Make or Buy Your App?

When it comes to making an app, projects are massively underestimated in relation to both time and cost.

The development of a custom app to connect your team, can take (at a reserved guess) up to eighteen months to develop and then subsequently launch. That's if everything went to plan, and assuming that you have a very skilled and dedicated set of people behind the wheel of the project.

The cost for a custom app ranges between £200k and £1M. Plus maintenance. Not only this, but you also have to take into account that all of this is for an application that has never been tested or even tried by users.

A dedicated employee app on the other hand is comparatively much cheaper, less time consuming and less reliant on external parties (besides the company that are providing the service of course).

A SaaS software solution provides the added benefit of having been vetted by other companies prior to yourself. This reduces any nasty hidden surprises that might arise during or after the production of your custom app. Furthermore, the overall upkeep and maintenance of your app won't be anywhere near as expensive than if you were using your own. If using a SaaS based application the platform's development and maintenance fees are distributed between all customers, thus reducing the cost and cutting out any unnecessary expenditure.

Next Steps

Convincing the C-Level

You know the importance of employee engagement, connectivity and effective communications—but does your leadership? With something as important as employee engagement, it's critical that your people (especially those at the top) have a clear outline of what your organization is trying to achieve and how something like an employee engagement app can help you achieve this goal. This will help you to establish a much more transparent vision between the benefits of an employee app and your organization's overall goals.

It's important that you're prepared for feedback that you hadn't anticipated. As we've already mentioned, many business owners/C level associates still aren't savvy to the financial benefits of an employee engagement app. They want positive monetary returns and fast. It's important to reinforce that return on investment that can be achieved through factors like employee engagement and that it, like many other things, can (over time) directly influence a positive financial return. If in doubt, use these quick facts to show you how low engagement can negatively impact your company.

Quick Facts

- Disengaged employees can cost you at least 34% of their annual salary through absenteeism, lower productivity and lower profitability.
- Employees that are disengaged are 100 times more likely to make an error.
- Disengaged employees are likely to spread their negativity - sharing bad experiences with up to 10 other employees.
- Staff that aren't motivated are 87% less likely to stay with a company than those that are.
- Disengaged employees take up to 2.3 times more sick days off than their engaged colleagues costing the UK government £29 billion a year.

You also need to remember to provide several options in case you didn't get the answer you were looking for. You could, for example, suggest undertaking a research phase or ask to run an employee app pilot to showcase to leadership to provide a more up close and personal introduction to an employee app.

Also, be prepared to have to do a second or even third round of discussions. If your C-level leadership don't go for one of your recommendations straight away, it's important to collect any questions to address at a later date. From there negotiate a time frame for which you should get back to them and immediately set a follow-up meeting.

Summary

The ROI of investment on something traditionally 'non-tangible' like engagement can give even the most liberal of finance directors cold sweats. Unlike money, it has been historically difficult to measure and gauge. Engagement and wellbeing are feelings, sentiments, an idea. Thankfully with technology being the wonderful and ever evolving thing that it is, what was once just a feeling or emotion can be actively measured by a range of tools provided to us by employee engagement apps. Many businesses now hold employee wellbeing and engagement at a very high regard. Even more so than training and other more traditional means of increasing employee efficiency. Engagement encompasses success in many different ways. From being more productive to being more invested in your company and its values, positive employee engagement bleeds into every avenue of your business. Having the right tools to facilitate employee engagement in this day and age is essential, so much so that those who don't fall swiftly behind those that do. According to Harvard Business Review, companies are now spending [\\$720 million dollars on engagement](#) (£553 Million) with a projected rise to \$1.5 billion (£1.2 billion). So, can you afford to miss out?

If you would like to see how an employee engagement app can help your company achieve unprecedented success, get in touch with one of our employee engagement specialists today to find out more.

Want to find out more?

Get in touch with one of our experts today
and see how Oak could work for you

