

## **Change no handicap to success**

*Latest research shows engaged employees ensure business success in times of change*

**Sydney, 27 May 2014:** Arduous regulation, a rapidly changing business and economic environment, demanding customers and low consumer sentiment are no barrier to success for Australia and New Zealand's Best Employers who were announced in Sydney tonight.

The annual Aon Hewitt Best Employers study has been running since 2001 and is Australia and New Zealand's leading research and accreditation program into the people practices of high performing organisations.

The 2014 research provides insights on data from 120 organisations and over 70,000 employees with 16 of the surveyed companies accredited as Aon Hewitt Best Employers, meaning they have the highest levels of employee engagement and outstanding people practices.

National Transport Insurance (NTI) was awarded the coveted title of Best of the Best status for 2014.

Reflecting on the win, Tony Clark, CEO at NTI, said that the award comes at the end of a successful year for the organisation: "Our employee engagement levels over the past year have been the highest ever, 99% of customers who have processed a claim with us would recommend NTI to their peers and we are on the cusp of finishing our most successful sales and financial performance year yet.

"The relationship between employee engagement, customer satisfaction and results is profound at NTI and we are thrilled to be awarded the Best of the Best accolade."

It is clear that the higher the levels of engagement, the better the business results are. Businesses in the top quartile for employee engagement are performing better than 75% of the market generally, and accredited Best Employers perform better against those in the top quartile.

Commenting on the findings of this year's program, Partner at Aon Hewitt and Employee Engagement Lead, Stephen Hickey, said: "What is most interesting about the results is whilst almost all companies face challenging market forces and economic circumstances, Best Employers are able to increase employee engagement and the discretionary effort of their people, in some cases in the face of major change which put their business at significant risk.

"Best Employers understand that high employee engagement is not just an end in itself, it actually leads to higher sales growth, revenue growth and operating margins," Mr Hickey added.

### **Times are changing – engaged employees mitigate the risk of adverse consequences**

Mr Hickey said that the current rate of change in the business and economic environment is unprecedented and against this backdrop it is more important than ever for companies to focus on their talent agenda. Understanding the impact of change is the first step, but building the capacity to withstand change and use it to advantage is what sets Best Employers apart.

“Drastic change doesn’t need to impact employees adversely, the key is to communicate clearly and constantly through times of change and to understand the drivers of engagement within each segment of the workforce,” Mr Hickey explained.

“For example, the myth that it is almost impossible to engage young workers is just that, a myth. Best Employers are able to maintain high levels of employee engagement regardless of age group by understanding that there isn’t a one size fits all solution, and targeting different age groups differently.

#### **Leaders hold the key to success**

In further findings, the crucial role played by leaders was again identified as key to employee engagement. Best Employers were able to develop a cohort of engaging leaders within their organisation and to enable and encourage critical leadership behaviours, such as being open and honest and maintaining visibility.

Mr Hickey said that leaders at Best Employers were able to connect their employees to the vision, strategy and purpose of the organisation in a meaningful way.

“Leaders in Best Employers have a fundamental belief that people make the difference to the success of the business. Importantly, they also consistently make good business decisions and hold each other to account,” Mr Hickey said.

#### **Best Employers outperform**

By valuing employee contribution and engagement, Best Employers also continue to outperform and create high performance cultures. The responses from the research indicate that creating a high performance culture depends very much on specific performance management processes, including setting clear expectations, offering real career opportunities and differentiating rewards.

“True engagement really means that every employee, at every level not only knows that their work has a critical impact, but also exactly how they contribute to the strategy and ultimate success of the business,” Mr Hickey said.

By way of example, Mr Hickey cited National Transport Insurance, this year’s winner of the Best of the Best status, an organisation which, despite its relatively small size, engaged employees across the board and was particularly creative with career development options for employees.

“National Transport realised that with only 200 employees, career options within the company could be limited. As a result they partnered with their shareholders, two of Australia’s largest financial institutions, in order to open up a wealth of opportunities, including secondment placement, outside of their immediate business,” Mr Hickey said.

#### **Brand matters – a strong employment brand acts as a magnet to talent**

Mr Hickey went on to say that the fourth important theme to emerge was that Best Employers were able to develop an employment brand that acts as a magnet to attract and retain high quality staff, which in turn ensures a continuous supply of qualified talent.

“Engaged employees are great advocates for the business, attracting great people,” Mr Hickey said. “And the same goes for corporate culture, which also plays a large part in maintaining

engagement. Companies which are at the forefront of contributing to positive social change via connection with the community were able to increase the credibility of their employment brand.”

In conclusion, Mr Hickey said that for companies looking at ways of improving employee engagement and their bottom line, the findings from the 2014 Best Employers are a great starting point.

“Aon Hewitt has been tracking Australian and New Zealand employers since 2001 and as a result we have robust data which provides key insights into the specific set of actions companies need to develop in or order to develop and sustain a high performance workforce,” he said.

**The 2014 Aon Hewitt Best Employers are (in alphabetical order):**

Bristol-Myers Squibb, Chorus New Zealand Ltd, DDLS, DHL Express (New Zealand) Limited, FedEx Express (New Zealand), Fiat Chrysler, Frucor Beverages New Zealand, Hilti (Aust.) Pty Ltd, National Transport Insurance, Peoplebank Australia Limited, Select Solutions, Smartsalary Pty Ltd, Starlight Children’s Foundation, STIHL Pty Ltd, Swinburne Online, Wood & Grieve Engineers.

National Transport Insurance won the Aon Hewitt 2014 Best of the Best accreditation.

The full insights report from the Best Employers research can be accessed [here](#).

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**Key statistics from the 2014 Best Employers research**

- Best Employers recorded 7% higher sales growth than those employers with engagement levels in the bottom quartile.\*
- Best Employers in Australian and New Zealand have nearly two thirds less actively disengaged employees than other organisations.
- Best Employers maintain consistently high levels of employee engagement, regardless of age group. Young employees were as engaged if not more so than older age groups at Best Employers organisations.
- Employee engagement is on the rise; the Australian and New Zealand average jumped 5 percentage points in the last year from 56% to 61%.
- Best Employers have twice as many ‘highly engaged’ employees than other organisations.

*\*Aon Hewitt’s 2014 Trends in Global Employee Engagement*

For more information on the 2014 **Best Employer** study, to receive case studies from the 16 Best Employers or to arrange an interview with Stephen Hickey, please contact:

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## **About Aon Hewitt Best Employers in Australia and New Zealand**

Aon Hewitt **Best Employers** Australia and New Zealand is the preeminent research and accreditation program into the people practices of high performing organisations.

Conducted in Australia and New Zealand since 2001, the 2014 study involves data from 120 organisations and over 70,000 employees.

The report provides the specific set of actions and benchmark comparisons that an organisation needs to develop and sustain a high performance workforce.

## **About Aon Hewitt**

Aon Hewitt is the global talent, retirement and health solutions business of Aon plc (NYSE: AON).

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