



Korn Ferry Hay Group Research Proves Employee Engagement Drops During Organizational Change

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Employees Believe Companies are Less Able to Retain Talent and Address Poor Performance

Experts Offer Advice on How to Instill Confidence and Sustain Productivity

LOS ANGELES--(BUSINESS WIRE)--Oct. 10, 2016-- A new analysis by the Hay Group division of [Korn Ferry](#) (NYSE:KFY) proves what many executives already know – employees’ engagement and confidence in their organization falls during significant change, such as a new CEO at the helm. A [recently released report](#) offers tangible tips to successfully engage and enable employees during these situations.

As part of the study, Korn Ferry Hay Group analyzed its global employee opinion database, comprised of responses from more than six million employees, and compared results for organizations undergoing large-scale change with global averages. The data indicated that during a CEO or leader change, the percentage of employees who feel:

- **the company is able to retain high-quality employees** is 27 percent lower than the global average.
- **encouraged to take reasonable risks** (such as trying new ideas or new ways of doing things) is 18 percent lower than the global average.
- **the company is effectively organized and structured** is 13 percent lower than the global average.
- **poor performance is generally addressed effectively** in the company is 16 percent lower than the global average.
- **the company is effectively managed and well-run** is 11 percent lower than the global average.
- **the company keeps employees informed about the performance of the business** is 19 percent lower than the global average.

“Given the fact that 2015 was a record year for corporate mergers and acquisitions, the issue of change at the top is a very real possibility for organizations. And while no two changes are the same, many factors influence whether they succeed or fail,” said Korn Ferry Hay Group Senior Director Mark Royal. “But we know from our work with clients across the globe that there are distinct ‘dos’ and ‘don’ts’ to help leaders engage and enable their people.”

In the report, entitled [One Definitive Guide to Engaging Through Change](#), Korn Ferry Hay Group experts recommend that company leaders:

- **Engage before the change** – Work to develop strong engagement levels before change to help weather the storm.
- **Make communications crystal clear** - At the start of a change event, commit to working with your leaders and internal communications team to create frequent, clear and consistent communications.
- **Set leaders up for success** – Coach and develop leaders, and help them understand their personal role in change.
- **Support and equip managers** – Make sure managers have the tools, skills and ideas to engage their teams.
- **Involve your people** – Change impacts the entire organization. Develop ways to retain the best and brightest.

“Change can make the future look less certain, which gives your competitors a great opportunity to try to snatch your best people,” said Royal. “Make sure you know who your high performers and high potentials are, then think about proactively engaging them. This is especially true for new hires, who may have signed up to work for a very different organization from the one it’s about to become.”

About Korn Ferry

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