



July 2008

To: All Employees in the General Church/Academy of the New Church

From: Tom Kline & Eric Carswell

Subject: Employee Engagement Survey 2008-Update

Dear Employees,

In March of this year, the General Church and Academy conducted an employee engagement survey. This is the third time in the past five years that we have conducted such a survey, and as you will no doubt recall, employees in both organizations were invited to participate in the survey process. People Metrics, an independent research firm specializing in survey work assisted us with the construct and administration of the survey questionnaire and with the analysis of the survey findings.

This particular survey work has been managed by the members of the People Vision Project Team and is a component of the overall People Strategy for The General Church and The Academy of the New Church known as People Vision. Additional information about the strategy and this ongoing strategy work is available to you at the project website www.ncpeoplevision.org. The People Vision Project Team is the main interface between People Metrics and our organizations.

This memo is intended to provide background and historical perspective of this employee survey work and a summary of the findings from the 2008 Survey. Additional information will follow over the course of the next months as we begin to prepare and implement action plans based on this survey analysis and data.

History

In 2003 the General Church and Academy conducted the first employee survey but found the questions were too generic for our unique populations. Following this experience we engaged People Metrics to help us create a custom survey that would better measure employee's perceptions of the work environment, culture, and rewards. We retained People Metrics to assist us in the administration of three surveys over a period of 36 months beginning with a survey in October of 2006. It is our intent to use this first wave of surveying (October 2006) as a benchmark against which future improvements or deteriorations of employee engagement will be assessed.

The arrangement with People Metrics was to conduct three surveys beginning with a comprehensive survey in 2006 across a fairly broad range of issues with a primary objective of determining the key drivers of engagement in both organizations. This first



survey would then be followed by a second, shorter survey in 2008 measuring engagement and the key drivers identified in the 2006 survey. In 2009 we will repeat the process with a comprehensive survey measuring engagement.

Our Survey Objectives

This type of survey process is one very tangible way in which we can measure employee satisfaction. Our specific intent is to use the information gathered through this survey process to create action plans to improve in those things that will drive greater levels of employee satisfaction and greater levels of engagement between employees and our two primary church organizations---The General Church and The Academy of the New Church.

The following information has been extracted from the analysis of the 2008 and 2006 survey data done by People Metrics. This information and a more in-depth look at the survey results will be used by the leaders and managers within the General Church and Academy to develop action plans aimed at improving employee satisfaction and engagement.


All of the information is being reported as received from People Metrics. We have not changed any data or the representation of data.

Measurement Methodology

	Background & Objectives
<ul style="list-style-type: none"> • In October 2006, PeopleMetrics (“PM”) administered an Employee Engagement survey to all employees within The General Church (“GC”) and the Academy of the New Church (“Academy” or “ANC”) • In 2008, PeopleMetrics conducted a follow-up ‘Pulse’ survey with employees <ul style="list-style-type: none"> ○ The survey was administered online from March 17 to March 31, 2008 ○ Employees received personalized emails from PeopleMetrics with a survey link • Main research objective: <ul style="list-style-type: none"> ○ To assess improvement in employee engagement levels and specific key driver items since the October 2006 Employee Engagement Survey • Secondary objective: <ul style="list-style-type: none"> ○ To transition to an enhanced definition of engagement that includes Passion, an emotional outcome question 	
<p style="text-align: right;"> PeopleMetrics® 4 <small>The Power of Insight.</small> </p> <p style="text-align: center; font-size: small;">Copyright © 2008 PeopleMetrics Inc.</p>	

Methodology: Measuring Engagement

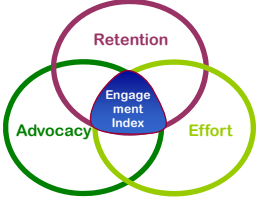
- The Pulse survey included only questions measuring engagement and the key drivers identified in the 2006 survey
- The following questions were included to enable a comprehensive measure of Employee Engagement
 - Engagement with Local Organization
 - **Retention:** It would take a lot to get me to leave
 - **Effort:** Being part of [this society/school program location] motivates me to go beyond what is expected
 - **Advocacy:** I recommend [my society/school program location] as a great place to work
 - **Passion:** I love working for [my society/school program location]
 - Engagement with Broad Organization (i.e. GC and ANC overall)
 - **Retention:** It would take a lot to get me to leave
 - **Effort:** Being part of [the General Church/Academy of the New Church] motivates me to go beyond what is expected
 - **Advocacy:** I recommend [the General Church/Academy of the New Church] as a great place to work
 - **Passion:** I love working for [the General Church/Academy of the New Church]

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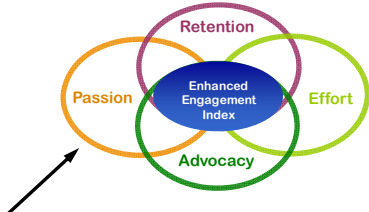
Methodology: Measuring Engagement (cont'd)

- Given the objective to transition to an enhanced measure of engagement, two Engagement Indices were calculated
 - To be included in the Engagement Indices, employees must answer "Agree" or "Strongly Agree" to all three (or four) engagement questions


Employee Engagement Index
(original definition)




Enhanced Employee Engagement Index
(with Passion)



- Adding Passion to the calculation 'raises the bar' and creates a more stringent measure of engagement

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% Favorable Scores

- **Results throughout this report show % favorable scores**
 - This is the percent of respondents rating each item with a '4' or a '5' ("Agree" or "Strongly Agree") on a 5-point scale
- **The key below is used throughout and includes guidelines for interpreting favorable scores:**


K	Green: Strong (score above 65%)
E	Blue: Average (score from 50% to 65%)
Y	Red: Requires Attention (score below 50%)

 - Scores above 65% are considered strong: These are areas where things are going well. How are you achieving this? What do you need to continue doing or do more of?
 - Scores between 50-65% are considered average: There is room for improvement on these items. What do you need to do more of? What could you do less of? What could you start doing?
 - Scores below 50% require attention: These are the items where attention is required. What could you start doing or do more of to bring about behavioral change?

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7


2008 Survey Results




The Bottom Line *General Church*

- **Good news:** Engagement levels still exceed benchmarks for both groups
- **For General Church employees, engagement with their local society remains stable, however, engagement with the broader organization has increased 5 percentage points since 2006**
 - This is largely attributed to increases in Advocacy, as more employees are likely to recommend the General Church (up 13 points)
 - As a result, the proportion of Disengaged employees is nearly half of what it was in 2006 (32% vs. 18%)
- **Additionally, engagement with the General Church has increased across many demographic groups including:**
 - GC School Society (up 7 points)
 - Ministers (up 12 points)
 - Employees in Administrative Operations (up 9 points)
 - Male employees (up 16 points)
- **Worthy of note, two areas for focus have increased greatly over the past year and a half, but one area for focus has significantly declined**
 - Perceptions of senior leadership and cooperation have improved, but employees believe their workloads are less manageable


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10




 **The Bottom Line**
Academy of the New Church

- **Even better news:** Within the Academy, employees are more engaged with their local school/program - up 11 points since 2006
 - This is due to significant increases in Effort and Advocacy (i.e. more employees are willing to 'go the extra mile' and speak positively)
 - Additionally, engagement with the Academy overall has increased slightly (up 4 points)
- **Engagement has increased across many groups as well, with the exception of teachers and faculty in the Secondary School (down 5 points):**
 - Academy (ANC Central Office/ Bryn Athyn) (up 7 points)
 - Employees in Administrative Operations (up 8 points)
 - Female employees (up 10 points)
- **Perceptions of empowerment and confidence in senior leadership have significantly increased – up 15 points and 33 points, respectively**
 - The increases on these key drivers are undoubtedly due to the efforts carried out to improve engagement since the last survey


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 **The Bottom Line**
Enhanced Engagement

- **Looking at the enhanced measure of engagement, the General Church and the Academy also outperform benchmarks**
- **Additionally, employees are very passionate:** Employees in the General Church and the Academy are emotionally connected to their local society and the broader organization
 - Passion is usually the lowest scoring engagement item, however, this is not the case for the General Church and the Academy, as more than three-quarters of employees feel emotionally connected to their local society or school

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Key Improvements 2006 to 2008



More Good News: Many Key Drivers Increased for the GC including Senior Leadership and Cooperation


- However, employees do not believe their workload is as manageable as in 2006

General Church - Key Drivers of Engagement (listed in order of impact)	GC 2006	GC 2008	Diff
<i>N size</i>	164	150	---
I feel empowered by the organization to get my work done effectively	57%	60%	3%
There are excellent job opportunities available for me	27%	28%	1%
My colleagues share a commitment to the General Church's mission	77%	80%	3%
I have confidence that senior leadership is moving the General Church in a good direction	46%	48%	2%
Senior leadership's vision provides a clear direction for the General Church	39%	49%	10%
There is good cooperation between my colleagues in different areas of the organization	48%	56%	8%
I am regularly observed and evaluated by my immediate supervisor	38%	40%	2%


General Church - Key Drivers of Empowerment (listed in order of impact)			
I have the resources I need to do my job	65%	62%	-3%
I feel like my job here is secure	66%	72%	6%
My relationships with other colleagues in the organization are rewarding	74%	74%	0%
My workload is manageable	68%	57%	-11%

K	Green: Strong (score above 65%)
E	Blue: Average (score from 50% to 65%)
Y	Red: Requires Attention (score below 50%)

Note: Statistically significant differences are circled in red



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Across the Academy, Empowerment and Confidence in Senior Leadership have Increased Significantly


- Perceptions of senior leadership moving the Academy in a good direction have increased 33 percentage points – from 30% in 2006 to 63% in 2008

Academy - Key Drivers of Engagement (listed in order of impact)	ANC 2006	ANC 2008	Diff
<i>N size</i>	122	129	---
I am given enough information about my family's benefit plan	54%	57%	3%
I am fairly compensated for my contributions to the organization	43%	38%	-5%
Job applicants are evaluated fairly for non-teaching positions	29%	34%	5%
I feel empowered by the organization to get my work done effectively	43%	58%	15%

Academy - Key Drivers of Empowerment (listed in order of impact)			
I am regularly observed and evaluated by my immediate manager	43%	44%	1%
I have confidence that senior leadership is moving the Academy in a good direction	30%	63%	33%
My workload is manageable	56%	48%	-8%
Overall, my benefit plan (including retirement, health care, time off, etc.) meets my needs well	60%	59%	-1%

K	Green: Strong (score above 65%)
E	Blue: Average (score from 50% to 65%)
Y	Red: Requires Attention (score below 50%)

Note: Statistically significant differences are circled in red



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Next Steps

- 1) Share the survey results and analysis with leaders and managers in both organizations.
- 2) Use survey findings to create action plans for improvement.
- 3) Communicate improvement plans to all employees.
- 4) Continue to focus on the key drivers of engagement and empowerment.
- 5) Measure engagement and success on the key drivers via a follow up survey in 2009.

Thank you for your interest and participation in this survey work. **Remember to find additional information about this survey and other activities relating to the People Vision work** www.ncpeoplevision.org

If you would like to discuss this information and related issues with a member of the People Vision Project Team please contact any member of the team listed below:

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Sincerely,

Tom & Eric