

Leadership Development as a Driver of Material Changes in Employee Engagement



SECURE CONNECTIONS
FOR A SMARTER WORLD

Introduction

- **President, Beacon Global Group**

Beacon Global Group's mission is to innovate and develop products, services, tools and resources to support our independent financial advisers in meeting the financial goals of their clients.



BEACON GLOBAL
GROUP

- **Advisor, HR Executives Connected**

HR Executives Connected is the global meeting place for progressive thinkers and true leaders in Corporate executive HR positions. An actively managed LinkedIn Group facilitates knowledge exchange, has HR News Feeds and featured discussions.



- **Formerly EVP & CHRO NXP Semiconductors**

NXP Semiconductors N.V. (NASDAQ: NXPI) creates solutions that enable secure connections for a smarter world. NXP has operations in more than 25 countries, and posted revenue of \$6.1 billion in 2015.





MOVING THE NEEDLE ON EMPLOYEE ENGAGEMENT:

From 16 to 110

From 17 to 75

From 5 to 40

From 1.3 to 5.4

**Connecting leader development with
employee engagement, customer
experience and share price growth!**

*1 – Share Price

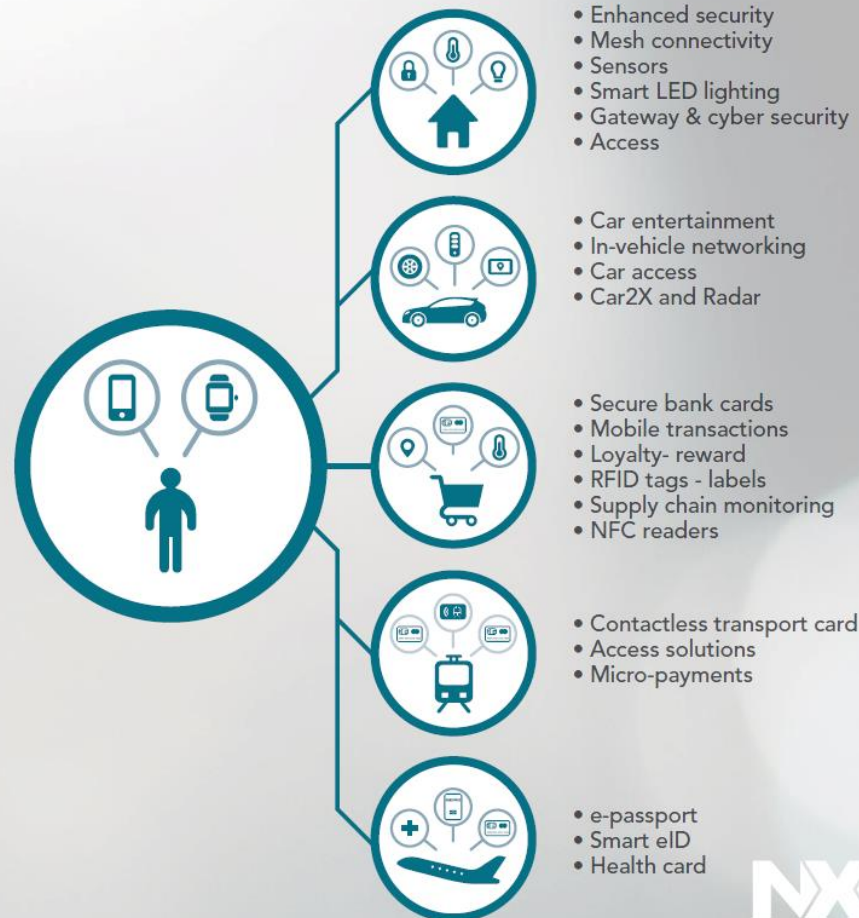
*2 – Employees - Percentile of Gallup db

*3 – Customers - Net Promoter Score of most engaged

*4 – Employees - Number of engaged employees for
every one disengaged



NXP PROVIDES SECURE CONNECTIONS FOR A SMARTER WORLD



NXP

SECURE CONNECTIONS
FOR A SMARTER WORLD



27,000 PEOPLE
17,000 OPERATORS
3,500 ENGINEERS
2,000 MANAGERS

We are a company of 27,000 employees. Each person is selected for their abilities and potential, and we are constantly on the lookout for the best talent to add to our number. Whether it's one of the roles above, or the other 4,500 essential members of the NXP community. You can count on a fulfilling career when you work with NXP.



SECURE CONNECTIONS
FOR A SMARTER WORLD

SUPPORTING EMPLOYEE ENGAGEMENT THROUGH QUALITY MANAGEMENT DEVELOPMENT

PROGRAM OVERVIEW

- Proven public program called **The Leadership Room™** (by Rich Leadership).
- Four expert-facilitated sessions over the course of 7 months
- Real work while learning and practicing leadership skills
- Personalized learning plan based on 360 feedback and individual business goals – focus on skill development that impacts performance
- Regionally delivery with 12 participants per program from different areas of the business
- Emphasis on:
 - personal skill development
 - building cross-NXP relationships
 - developing a cross-functional, general management perspective on leadership



PROGRAM COMPONENTS

Each session is structured around three components:

- Participants present actual business problem/opportunity
- Group provides input and ideas
- Systems thinking emphasized
- Presenter receives leadership and presentation feedback
- Develops cross-functional and general management perspective



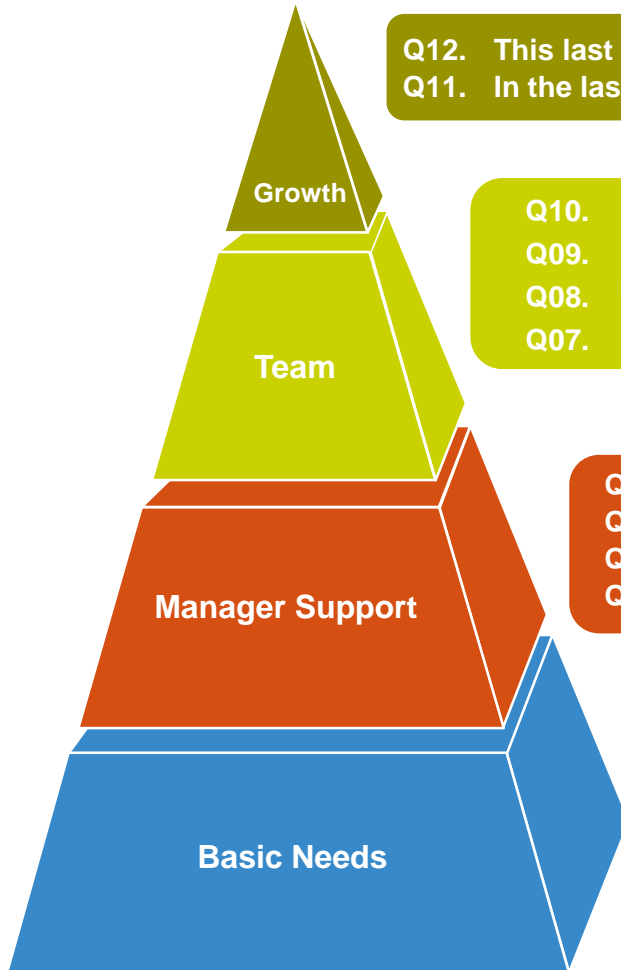
- Groups of 6 participants
- Structured peer involvement
- Individual coaching to progress learning plans and overcome obstacles
- Targeted assignments/actions to practice between sessions

Core modules developed for NXP based on results from aggregate 360's of NXP Leaders and key company priorities:

- Conflict Management
- Driving Engagement
- Managing Performance
- Communicating Purpose & Vision to Drive Collaboration



EES ITEMS – MEASURING EMPLOYEE ENGAGEMENT AT NXP



Q12. This last year, I have had opportunities at work to learn and grow.
Q11. In the last six months, someone at work has talked to me about my progress.

Q10. I have a best friend at work.
Q09. My associates are committed to doing quality work.
Q08. The mission or purpose of my organization makes me feel my job is important.
Q07. At work, my opinions seem to count.

Q06. There is someone at work who encourages my development.
Q05. My supervisor, or someone at work, seems to care about me as a person.
Q04. In the last seven days, I have received recognition or praise for doing good work.
Q03. At work, I have the opportunity to do what I do best every day.

Q02. I have the materials and equipment I need to do my work right.
Q01. I know what is expected of me at work.

QUANTITATIVE EVALUATION RESULTS

Three sources of data were used to measure program impact:

1) Post-Program Participant Self Evaluations

- 95% of participants reported that they have started using the leadership skill that they selected to improve during the program
- 91% of participants reported that they are using “self awareness” to lead, rather than acting on “auto pilot”
- 82% of participants reported that they have implemented actions to improve their performance management practices in their organizations
- 91% of participants reported making significant progress in implementing their “employee engagement commitment”

2) 2013 Employee Engagement Survey Scores

- Program participants Grand Mean score of **4.25 “beat” the NXP GM of 4.02**
- The NXP program participants average GM improvement was .14 or over **4X the improvement of Gallup’s comparable normative group** GM improvement of .03 (*noteworthy due to the difficulty of improving at higher GM base scores*)
- On specific Q12 questions that were related to Leadership Program course content, participant’s improvement scores were significantly better than NXP overall:
 - “**Trust** in teams”: Participants improved .23 vs. NXP .18
 - “**Caring** leadership”: Participants improved .23 vs. NXP .16
 - “**Recognition**”: Participants improved .29 vs. NXP .17

3) Pre/Post Program 360 Feedback Comparisons

- All participants were rated as being aware of the need to work on their selected skill (average score of 81% = “Mostly Aware”)
- All participants were rated as having made progress in terms of actually changing and using the skill (average score of 70% = “Better Than Half-way There” in progress)

WHY IT WORKS

- Holding sessions over the course of several months allows sufficient time for *real* behavior change to occur.
- Don't teach theory, we practice real skills.
- Sessions are highly collaborative and a “safe” place to learn and practice new skills.
- By combining participants from different areas, participants gain exposure to a rich variety of business approaches and leadership styles.
- Keeping groups small means that each NXP leader plays a larger role in the program and receives far greater individual attention.
- Each program is customized to meet the personal objectives included in each participant's learning plan



WHY EMPLOYEE ENGAGEMENT IS KEY FOR THE BEST IN CLASS CUSTOMER SERVICE

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LEVERAGE ENGAGEMENT TO IMPROVE CUSTOMER OUTCOMES

4 engagement
elements have
the greatest
link to the
NPS

I have the
materials and equipment
I need to do my work right.

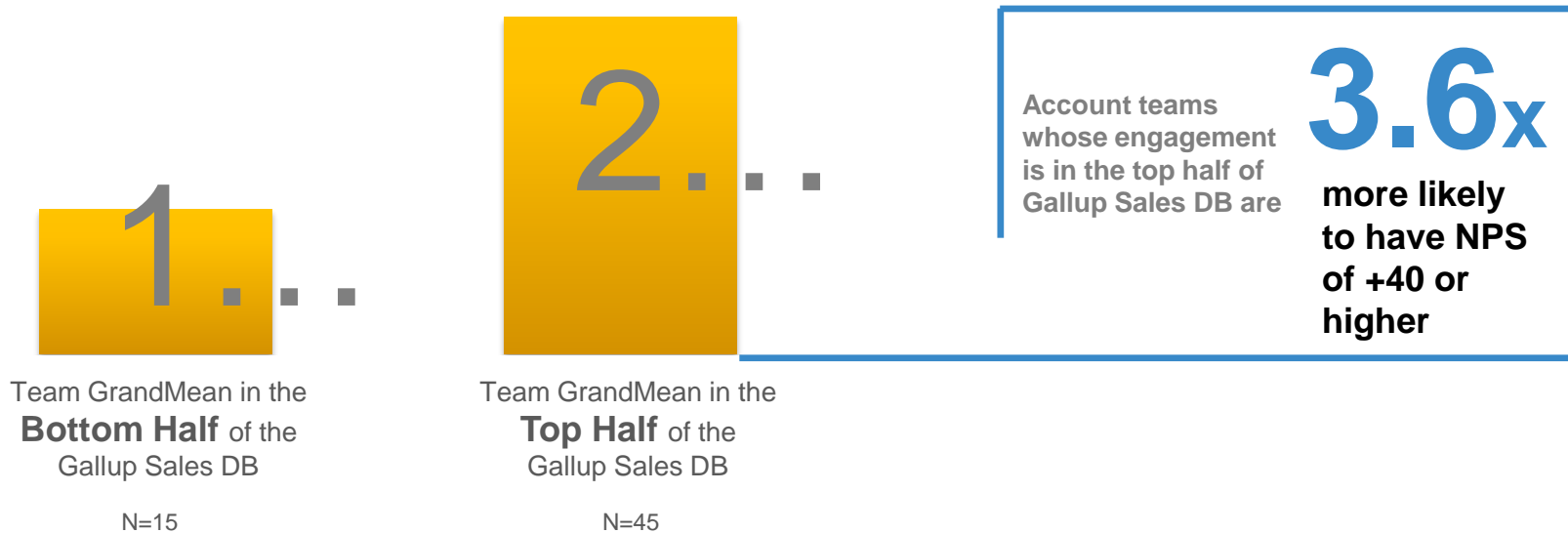
At work,
my opinions seem to count.

I have a
best friend at work.

This last year, I have had opportunities at
work to
learn and grow.

NXP SALES TEAMS ARE MORE EFFECTIVE WHEN ENGAGED

Average Account Net Promoter Score



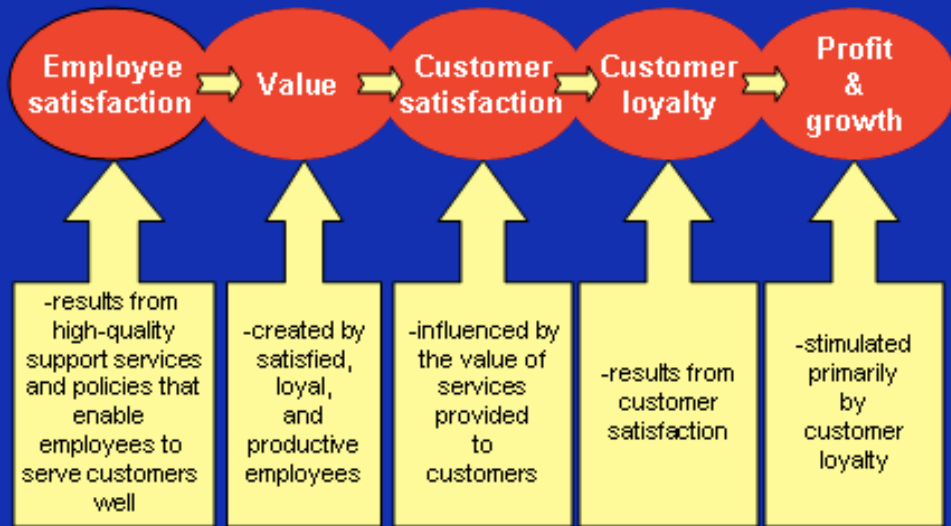
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Service-Profit Chain

Linking Employees and Customers

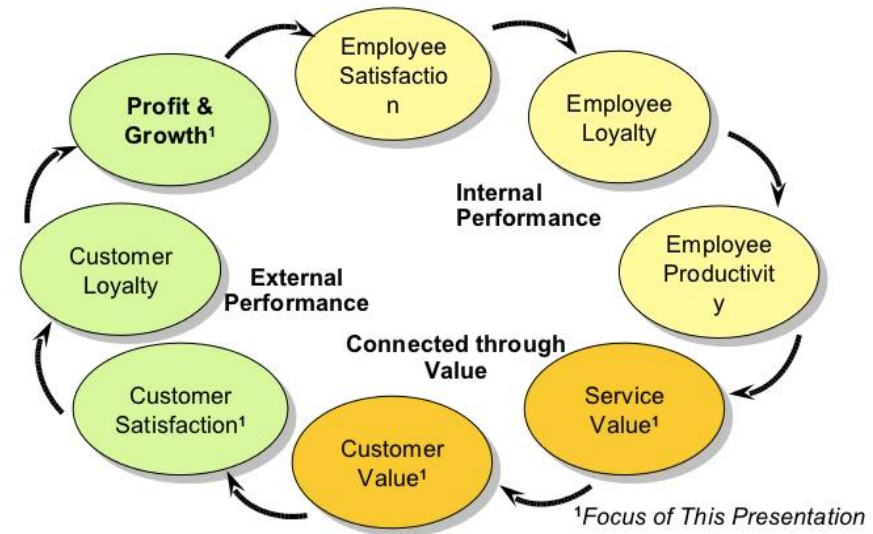
Leveraging Your Corporate Performance



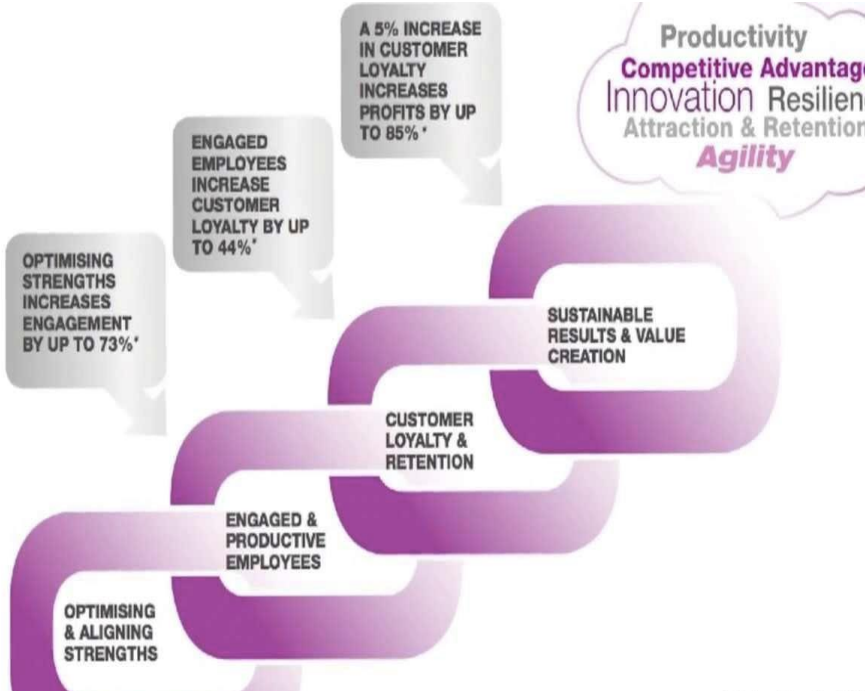
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The Service Profit Chain

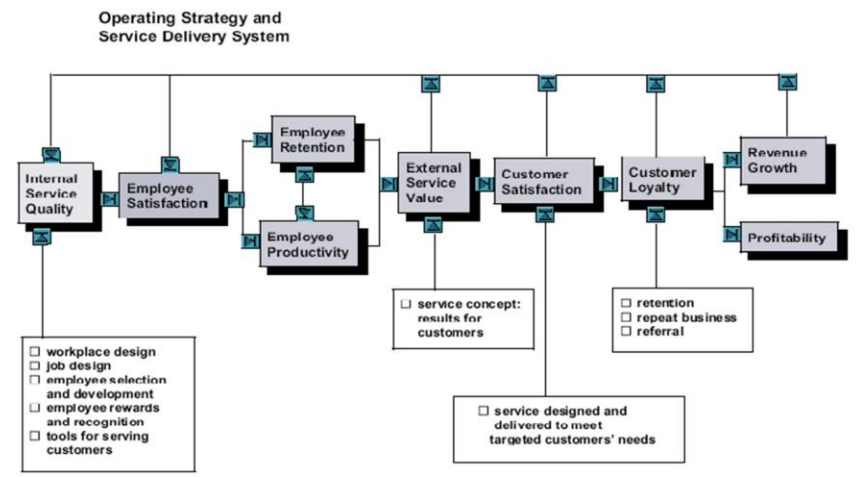


adamson@digitalinvestor.com.au | June 2003 | Slide 3



*Rath and Coonie, 2008

The Links in the Service-Profit Chain



USING TARGETED “ENGAGEMENT COACHES” TO SUPPORT EMPLOYEE ENGAGEMENT

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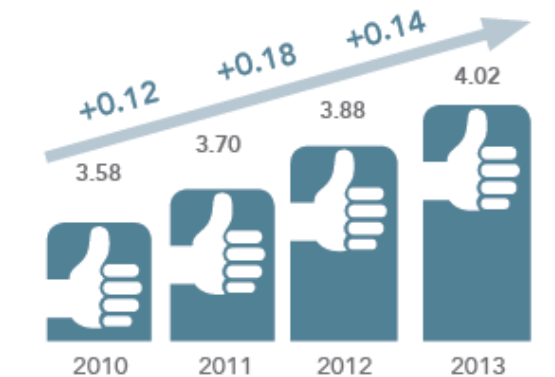
Engagement Coaches

Program:

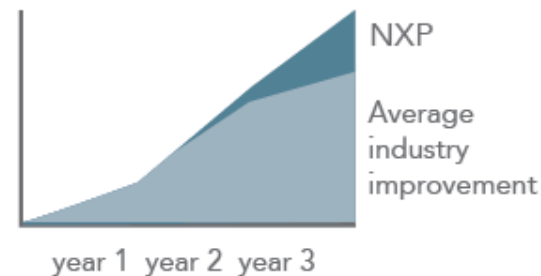
- Coaches have 2 consecutive years in the top quartile of the Gallup DB.
- Voluntary and as recognition of their engagement performance.
- An opportunity to expand their internal network.
- 2 hour coaching skills webinar to develop their skills and create a sense of community.
- Paired them with managers with Good Scores while HR worked with managers with Poor scores.
- 6 month program with a start and stop - At the end of the 6 months we surveyed both the coaches and coachees.

Result:

- 90% achieved positive improvement.
- Significant improvement in the follow through scores:
- My team received feedback about the last EES
 - Average coachee improvement 1.5pts
 - Average of NXP 0.5pts
- My team used the results of the last EES to agree on actions to be taken
 - Average coachee improvement 2.2pts
 - Average of NXP 0.4pts
- My team effectively implemented the actions we agreed on in our action meeting
 - Average coachee improvement 2.8pts
 - Average of NXP 0.7pts



GRAND MEAN GROWTH



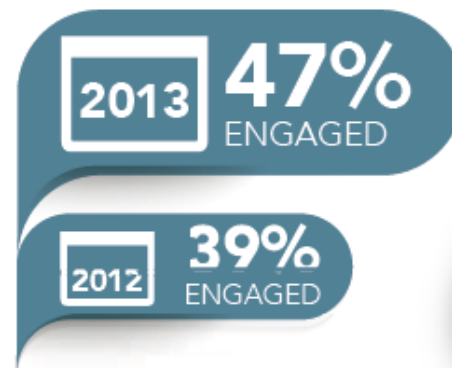
RECORD BREAKING

Our rate of improvement is ahead of the curve.

FUEL YOUR PASSION FOR SUCCESS AND BECOME AN NXP ENGAGEMENT COACH



LARGEST INCREASE



SUCCESSION & PROMOTIONS TIED TO PERFORMANCE AND ENGAGEMENT

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Succession Template

2<name>								
<picture>	Job title	3<job_title>	Manager	4<direct_manager>				
	BL	5<business_line>	Functional area	6<functional_area>				
	Grade	7<grade>	Last promotion	8<date_last_promotion>				
	NXP hire date	9<NXP_hire_date>	Date to role	10<start_date_current_role>				
11location	Education	12<completed_education_incl_year>			Retention risk?	Y/N	Mobile?	Y/N
	2013	2012	2011		2014	2013	2012	
PM rating	13<pm_2013>	14<pm_2012>	15<pm_2011>	EES – directs	19EESdir_2014	20EESdir_2013	21EESdir_2012	
Growth profile	16<gp_2013>	17<gp_2012>	18<gp_2011>	EES – roll-up	22EESru_2014	23EESru_2013	24EESru_2012	
Key strengths	* ...					Conclusion		
Opportunities & needs for development	*		
2014 Key achievements	* ...							

E-LEARNING TAILORED TO SUPPORT ENGAGEMENT

ENGAGEMENT INFORMATION

More Information about engagement can be found [here](#).

GALLUP Q12-RELATED RESOURCES

Click [here](#)

Engagement

Tools

[Printable version](#)
 [Search NXP Locations](#)

Learning Streams

- Giving and Receiving Feedback
- Setting Targets and Giving Direction
- Motivating Others
- Managing Performance of your Team
- Dealing with Underperformance
- Raising the Bar by Coaching
- Delegation Skills
- Managing Change
- Engagement

Creating connections across the organisation to mobilize commitment

Icon	Subject	Skillport-Number	Description	Expected Duration
	The Benefits and Challenges of Engaging Employees	lead_06_a01_bs_enus	Course	1 hour
	Leading Your Own Life: A New Approach to Employee Engagement and Leadership Development	ID#44936	Video	90 min
	Driving Engagement	lead_06_a02_bs_enus	Skill Brief	n/a
	Five Principles of Employee Engagement	ID# 19079	Quick Talk	8 min
	Employee Engagement=Connection	ID# 36672	Quick Talk	4 min
	Employee Engagement	_pc_ch_mgch006	Bus. Impact	15 min
	Creating High Performance Culture	ID# 23616	Quick Talk	5 min
	The Foundation for Developing People	ID# 43602	50 Lessons Video	4 min
	Full Engagement!: Inspire, Motivate and Bring Out the Best in Your People (A Summary)	ID# 43515	Executive Summary	n/a
	Challenges of Engagement	lead_06_a01_bs_enus	Job Aid	n/a
	Addressing Engagement Drivers	hr_05_a02_bs_enus	Job Aid	n/a

Editor: [NXP HRM](#), Owner: [Esther Houben](#)
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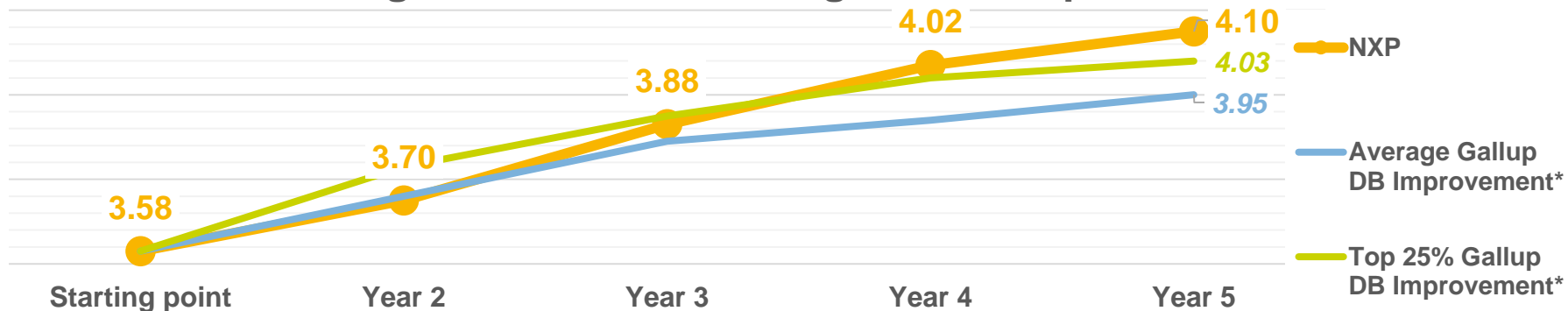
THE RESULTS.....

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NXP'S SUCCESS STORY CONTINUES, AND IS WELL AHEAD OF THE PACE GALLUP OBSERVES IN THE MAJORITY OF COMPANIES

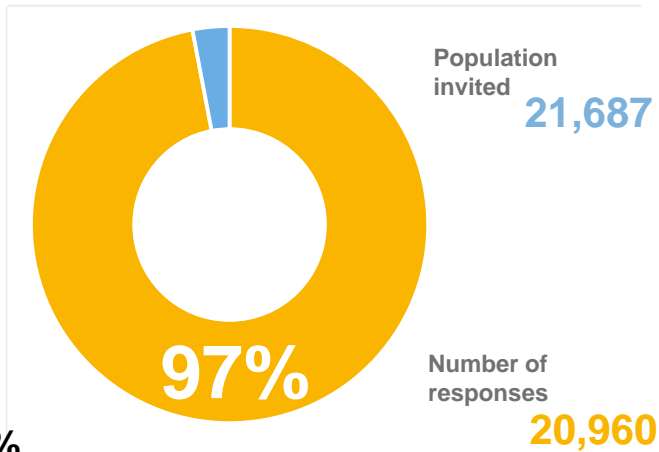


NXP Progress Benchmarked against Gallup DB



TOPLINE RESULTS: THE STORY CONTINUES

**EES 2014
Response Rate**



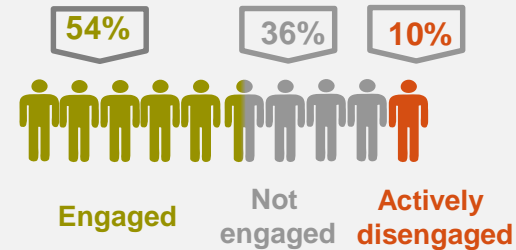
EES 2010
Response Rate: **86%**



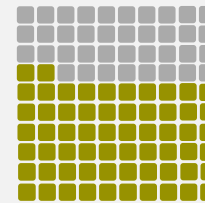
EES 2010 Results



5.4 Engaged for 1 Actively Disengaged Employee



2014:	54%	36%	10%	ratio 5.4:1
2013:	47%	44%	9%	ratio 5.2:1
2010:	23%	59%	18%	ratio 1.3:1
World Class:	64%	29%	7%	ratio 9.1:1

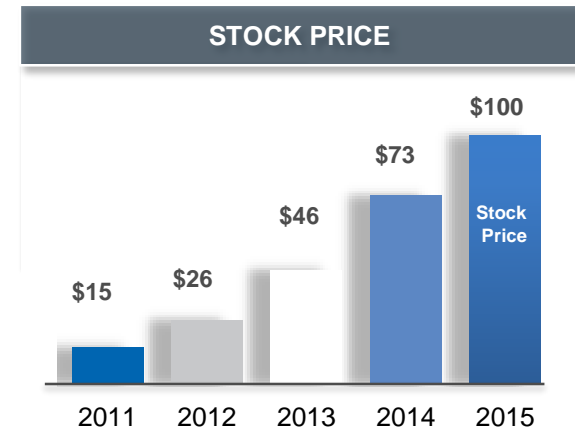
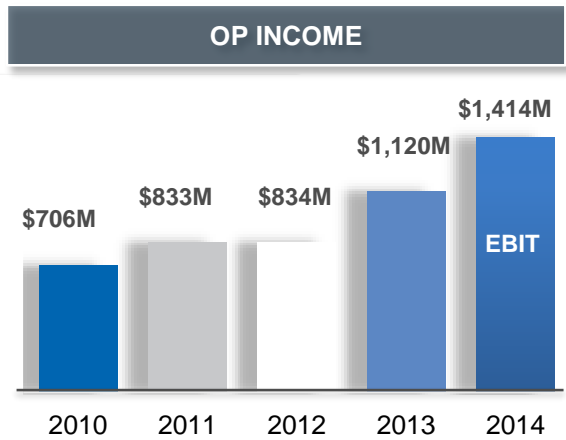
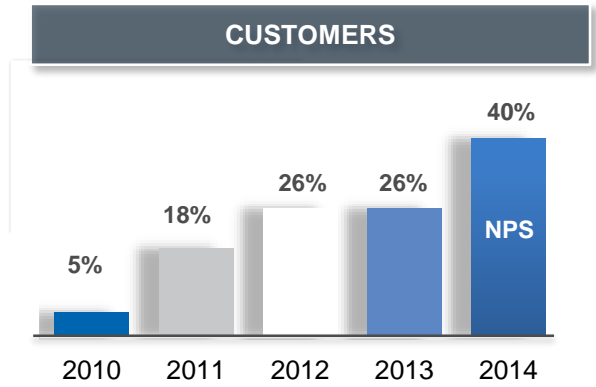
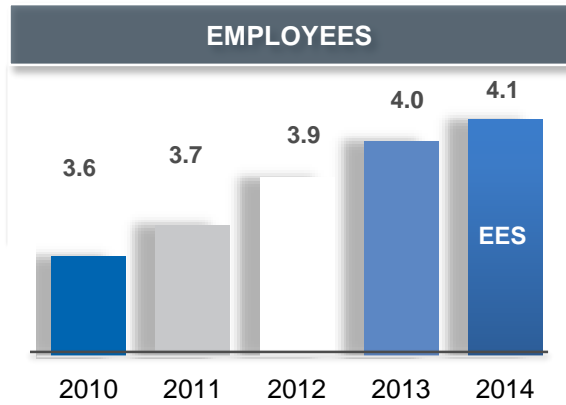


are more engaged than Gallup DB average

up from **51%** last year



A SUCCESS STORY





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