

The Financial Impact of Engagedly



Financial Impact & Business Benefits

A Gradmor Financial Impact Study Commissioned by Engagedly



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Executive Summary



Executive Summary

Talent Management software is essential for modern organizations to function at the highest level. Improved Talent Management leads to better business performance, more sustainable organizations, more productive teams and improved financial outcomes. Engagedly helps organizations grow high-performing teams and drive better employee engagement with their Talent Management Platform. The Engagedly platform includes products that elevate performance, enable development, and engage people. Their tools range from performance management tools to LMS systems to goals tracking and recognition to engagement surveys.

Engagedly commissioned Gradmor to conduct a Financial Impact study and examine the potential financial impact and return on investment (ROI) enterprises may realize by deploying Engagedly. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Engagedly for their organization.

To better understand the benefits, costs, and risks associated with this investment, Gradmor interviewed three customers with experience using a variety of Engagedly's Talent Management solutions. These customers were representative across several industries including financial services, health care and media.

Prior to using Engagedly, customers used spreadsheets or Google Drive to address their employee performance needs and most of them did not have a Learning Management System (LMS), goals recognition software or engagement surveys at their disposal. With these customers facing performance challenges, they wanted more flexible and powerful tools, which could drive employee performance, improve onboarding and continuous improvement within their organization.

Engagedly enables the organizations to achieve these goals; whereby all three organizations interviewed for this study saw improved financial gain across several different metrics, whether it was cost of turnover, reduced costs associated with underperforming employees or cost reduction due to decreased onboarding time.

Before & After Engagedly



Before & After Engagedly

Interviewed Organizations

For this study, Gradmor conducted three interviews with Engagedly customers from different industries. Interviewed customers included the following:

COMPANY	INDUSTRY	EMPLOYEES	INTERVIEWEE
The Christian Care Ministry (TCCM)	Health Care	700+	HR Director
Valkyrie Trading	Financial Services	50+	HRBP
Spiro	Media	800+	People & Culture Lead

Key Challenges Before Engagedly

The interviewed customers were organizations that were unsatisfied with their existing employee performance, learning environments and managerial feedback structures. They turned to Engagedly to meet the following challenges:

- **Customers were outgrowing their current systems.** Prior to Engagedly, interviewees were using a mix of ad hoc solutions to solve their challenges. All interviewed customers were using spreadsheets or a combination of several different software solutions that were limiting their ability to execute their talent management strategy for their organizations. Several interviewed organizations were experiencing massive headcount growth in a short period, making it impossible to execute performance management reviews, onboarding at scale, and enable goal tracking/OKRs for the whole organization.
- **Current tools lacked flexibility.** Interviewed customers felt that their current tools lack flexibility and customizations for them to execute their talent management needs at a high level. One interviewed customer had used an LMS, but it did not have the customizations that Engagedly's tools provided to onboard efficiently. Another customer had been using their Performance Management tool within their HRIS, but they felt it didn't have the flexibility or features that Engagedly's tool had.
- **Human error and inaccuracies.** Interviewed customers felt that their current tools had inaccurate data either due to poor data management in their systems or human errors from inaccurate data entry. Since several interviewed customers they were using spreadsheets to manage performance, there were errors in excel calculations or data entry by managers which was creating problems in how they were assessing talent performance.
- **Time-consuming processes.** All interviewed customers felt their current solutions were time-consuming leading to hours of wasted time spent on unnecessary tasks. This was due to all of them either using spreadsheets or multiple systems to achieve their talent management goals leading to low productivity.

Key Results After Engagedly

The interviewed customers were organizations that were unsatisfied with their existing employee performance, learning environments and managerial feedback structures. They turned to Engagedly to meeting the following challenges:

- **Reduced turnover and increase employee retention.** After implementing Engagedly, several interviewed organizations reported reduced turnover and increased employee retention. They attributed the reduction in turnover due several key features of the Engagedly platform, including increased goals recognition capabilities, OKR tracking and improved readiness of employees after onboarding.
- **Increased employee onboarding efficiency.** Interviewed organizations experienced increased employee onboarding efficiencies, eliminating challenges where employees were not well equipped to succeed in the role. Most interviewed organizations pointed to Engagedly's learning tools, which allow them to personalize and customize training to suite their needs.
- **Saved time during the performance review cycle.** Interviewed customers were spending hours running their performance reviews cycles, which was taking time away from other tasks. With Engagedly, they were able to automate most of their performance review cycle, leading to increase efficiency and time saved for HR leaders within the organization.
- **Improved employee satisfaction.** Interviewed customers saw increased employee satisfaction and engagement. Interviewees attributed this improvement due to Engagedly's employee recognition features, where it makes it easier for managers to give employees recognition for doing good work.
- **Unified platform for talent management.** Previously, organizations had been using a mishmash of software and systems. Engagedly enabled interviewees to retire some of their prior solutions due to Engagedly's wide range of capabilities, making it easier for them to work off of one solution, instead of multiple at one time.

Summary of Financial Findings



Summary of Financial Findings

Each interviewed customer experienced financial benefits from using Engagedly, with their impact coming from different areas. Interviewed customers saw the following financial benefits along with considerable return on investment (ROI):

COMPANY	CATEGORY	TOTAL FINANCIAL GAIN	ROI
Spiro	Reduced Onboarding Costs	\$3,500,000	57x
Valkyrie Trading	Reducing Underperformance Costs	\$750,000	135x
TCCM	Reduced Turnover Costs	\$535,500	3.3x

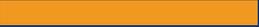
All financial findings are based on estimates from the data provided by the interviewed customer. Return on investment (ROI) is the amount that the client has received since using Engagedly. With Engagedly pricing based on headcount and features used, this greatly impacts why we see such a wide range in return on investment (ROI).

Financial Findings Details

Since using Engagedly, each of the interviewed organizations experienced significant financial benefits. Each customer's financial impact was different, as their use cases for using Engagedly differed. Additionally, with each customer coming from different industries, the financial impact of using the platform differed depending on their organizations structure and business model.

- **Reducing onboarding costs by \$3.5 Million.** After implementing Engagedly, Spiro, an experiential marketing agency, saw major savings in onboarding costs for their sales team. Spiro has 300+ sales team members globally, and they attribute the costs savings to using Engagedly's L&D and performance management tools. The costs savings is due to the amount of sales reps who have been retained at the company, eliminating their need to onboard new sales reps. Sales reps make an average of \$1 million in revenue for the company each year, but it takes a new sales rep 6 months time to start producing revenue for the company.
- **Reduction in underperformance costs by \$750,000.** After implementing Engagedly, Valkyrie Trading, a financial trading firm, saw financial benefits by using Engagedly to better identify if a trader is going to be a good fit for their organization early in the employees tenure. By using Engagedly's performance management and L&D tools, they are able to tell early on if a trader is going to be successful with a 3 month time frame instead over 9 months. With a bad trader costing the organization \$500,000 per/year, the speed at which they can identify and replace someone who isn't a fit provides significant financial benefits for the company.
- **Reduced turnover costs by \$535,500.** After implementing Engagedly, TCCM, an alternative health care service provider, saw a 23.6% reduction in voluntary turnover across their organization. With each 1% drop in voluntary turnover saving the organizations \$105,000, TCCM saw a significant reduction in turnover costs since using Engagedly. They attribute this to Engagedly's goals tracking and recognition tools, which have keep employees more engaged in their roles and made them less likely to leave the company.

Financial Benefit # 1: Reducing Onboarding Costs



Financial Benefit # 1: Reducing Onboarding Costs

One area where Engagedly's platform is providing financial value to customers is in reducing onboarding costs. For one of the interviewed customer, Spiro, using Engagedly's platform helped increasing retention on their global sales team leading to significant financial gain.

COMPANY	Spiro
INDUSTRY	Media
SERVICES	Spiro provides experiential marketing services across the globe.
ENGAGEDLY TOOLS	Performance Management, LMS, Goals & Recognition
FINANCIAL GAIN	\$3,500,000
ROI	57x

Interviewed Customer Overview

Spiro is a global experiential marketing agency with over 800 employees across the globe. They provided event services, ranging from conferences to brand activations along with branded content and strategy.

Over 40% of their workforce consists of sales representatives, who's main responsibility is to build relationships with customers for new experiential opportunities.

Engagedly's main financial impact on Spiro is largely due to the reduction in onboarding costs on their sales team, where Engagedly's tools has led to a increase in retention among sales representatives.

Key Challenges Prior To Engagedly

Spiro is a relatively new company that was founded in 2022. Spiro has experienced fast headcount growth in a short time, leading to hundreds of new employees being hired in a short period. Because of this, it became impossible for them to execute their talent management strategy without a tool like Engagedly.

- **No Performance Tracking.** Spiro did not have a Performance Management system to track and measure employee performance, making it impossible for them to easily assess performance for their fast growing workforce.
- **No Customizable LMS Capabilities.** Spiro was using ad-hoc solutions like LinkedIn for professional growth and learning for employees. This made it impossible for them to create custom trainings, which greatly impacted their onboarding and training speed and ramp time.

"Without Engagedly, it would be total chaos for us to train, onboard and assess the performance of our entire workforce."

-Teresa Thompson
People Experience Lead
Spiro

Engagedly Use Case

Spiro uses Engagedly's tools across their entire 800+ person corporate workforce. They use several of Engagedly's tools for talent management purposes:

- **Performance Management.** Spiro uses Engagedly to management performance review cycles for their entire workforce. The tools allows them to automate and streamline performance reviews and makes it easier for managers to evaluate their employees.
- **LMS.** Spiro uses Engagedly's LMS for L&D purposes. They are able to create their own courses in Engagedly, and use it primarily for onboarding and training new employees.
- **Goals & Recognition.** Spiro uses Engagedly's goals and recognition features to help recognize employees for high performance and track goals and OKRs.

Key Benefits With Engagedly

Spiro has experienced both financial and tangible benefits since using the Engagedly platform.

- **\$3.5 million in financial gain from reduced onboarding costs on sales team.** Spiro has achieved a 2% increase in the retention of their sales employees, a significant milestone given their team of over 300 sales representatives. Since it takes six months for a new sales rep to reach full productivity, employees generate no revenue during this period. By improving retention, Spiro avoids the need to hire and train replacements, effectively preventing a \$500,000 revenue gap for every new sales representative required to fill a vacancy.
- **57x ROI due to financial benefits from sales team efficiencies.** Because of Engagedly's competitive pricing and value that Spiro is deriving from the improved sales team retention, the organization is seeing significant ROI in the first year of using the software.
- **Customizable training and onboarding.** Spiro's biggest benefit has been their ability to create customizable trainings for each department and role, allowing for a better employee experience. Based on their sales retention data, the improved training modules has greatly contributed to increased sales rep retention and improved the overall onboarding experience.

Explanation of Financial Benefits

The \$3.5 million in financial benefit to Spiro comes from their reduced onboarding costs on their sales team. It takes a new sales rep an average of 6 months to ramp up and start producing revenue for the company.

By increasing their retention by 2% after using Engagedly, this reduced the number of sales reps that need to be replaced ramped up and trained. When a sales rep leaves Spiro, they replace them with a new sales rep to fill their role.

The average sales rep makes \$1 million in revenue, so if it takes them 6 months to ramp up, we can estimate that each retained rep is producing \$500,000 in revenue vs. hiring a new rep until they reach full productivity.

With the 2% increase in sales rep retention of their 356 person sales team, Spiro retained 7 more reps leading to them saving \$500,000 for each rep (\$3,500,000 total) due to the increase in retention rate.

Financial Benefit #2: Reducing Underperformance Costs



Financial Benefit #2: Reducing Underperformance Costs

Another area where Engagedly's platform is providing financial value by reducing underperformance costs. For one of the interviewed customer, Valkyrie Trading, using Engagedly's platform helped reduce costs by identifying early on if a new trader was going to underperform in the organization.

COMPANY	Valkyrie Trading
INDUSTRY	Financial Services
SERVICES	Valkyrie Trading is a financial firm that specializes in trading.
ENGAGEDLY TOOLS	Performance Management, LMS
FINANCIAL GAIN	\$750,000
ROI	135x

Interviewed Customer Overview

Valkyrie Trading is a financial services firm that specializes in quantitative and derivatives trading.

The trading firm has over 50 employees, with a team of traders and software developers who build and refine financial algorithms.

Engagedly's main financial impact on Valkyrie Trading is largely due to the reduction in costs for underperforming traders, by helping them identify early on if a trader is likely to succeed at the company.

Key Challenges Prior To Engagedly

Valkyrie Trading was founded in 2011. One of the hardest roles for someone to be successful in at the company is their quantitative trading role, where underperformance is a common outcome due to the complexity of the role.

- **Inaccuracies with ad-hoc performance tracking.** Prior to using Engagedly, Valkyrie Trading was tracking performance in spreadsheets. This was leading to data error and inaccurate tracking of performance amongst their team. It was also very time consuming to run a performance review cycle, taking hours for their HR team to assess and track performance.
- **Performance challenges with new traders.** It was difficult for Valkyrie Trading to identify whether a trader that was hired would perform well in the role. They did not have an LMS system for coursework on trading strategy at the firm, making it difficult to train new traders and see if they were a good fit for the role.

"Engagedly helps us assess and track performance for our trading team, which is critical to our company's growth and success."

-Catherine Sloan
HRBP
Valkyrie Trading

Engagedly Use Case

Valkyrie Trading uses Engagedly's platform across their entire company, but where they see the most value is with their trading team. They use several of Engagedly's tools for talent management purposes:

- **Performance Management.** Valkyrie Trading uses Engagedly's performance management system to assess and track performance. It helps them automate and streamline the performance review cycle, and eliminates the inaccuracies in assess employee performance. Additionally, all their performance data now sits in one place, making it easy for them to access performance data and metrics.
- **LMS.** Valkyrie Trading uses Engagedly's LMS to provide coursework to traders who need to be onboard and trained. It allows them to map competencies and create a flagging system, so if a trader is not on place for success, they can easily administer a performance improvement plan.

Key Benefits With Engagedly

Valkyrie has experienced both financial and tangible benefits since using the Engagedly platform.

- **\$750,000 in financial gain from reducing costs due to underperformance.** With Valkyrie Trading hiring between 5-10 new traders per/year, it is imperative that the traders they hire perform well in the role. Valkyrie estimates that an underperforming trader costs the company \$500,000 per/year. With Engagedly, they are able to quickly identify if a trader is going to perform at a high level, as the Engagedly's training modules and performance management system allow them to identify if someone is going to underperform much earlier in the process. What used to take 9 months to identify an underperforming trader, now only takes them 3 months. This allows them help them get on track for performance quicker, or replace the trader sooner rather than later if they are not a good fit for the role.
- **135x ROI due to financial benefits from underperformance visibility.** Because of Engagedly's competitive pricing and value that Valkyrie is deriving from the reduction in underperformance, Valkyrie is seeing significant return on investment (ROI) from using the tool. With such a small headcount, but with such high value for identifying low performing traders, Valkyrie is receiving exceptional return from using Engagedly.
- **Streamlined performance management and training process.** Because Engagedly offers both performance management and LMS, it allows Valkyrie to streamline the whole process for their employees. It saves their HR team hours of time to train and assess performance optimizing their overall efficiency across the board.

Explanation of Financial Benefits

The \$750,000 in financial benefit to Valkyrie Trading comes from their reduction costs associated with trader underperformance. Prior to Engagedly, it would take Valkyrie Trading 9 months to identify whether or not a trader is going to perform well at the company.

With Engagedly, they are able to identify if a trader is going to be a good fit by the 3 month mark. With the improvement by 6 months time, Valkyrie is saving \$250,000 for every underperforming trader that they hire.

The organization estimates that an underperforming trader costs the company \$500,000 per year, so the sooner they can identify under performers the better it is for their bottom line.

With 3 traders in the past year turning over due to underperformance, it is estimated that using Engagedly's platform saved the company \$750,000 in the past year.

Financial Impact #3: Reducing Turnover Costs



Financial Benefit #3: Reducing Turnover Costs

Another financial benefit customers see from Engagedly is helping reduce turnover costs. For one of the interviewed customer, The Christian Care Ministry (TCCM), the Engagedly platform has lead to reduced turnover across the whole organization.

COMPANY	The Christian Care Ministry (TCCM)
INDUSTRY	Health Care
SERVICES	TCCM is an alternative health care provider.
ENGAGEDLY TOOLS	Performance Management, Goals & Recognition, Engagement Surveys
FINANCIAL GAIN	\$535,500
ROI	3.3x

Interviewed Customer Overview

The Christian Care Ministry (TCCM) is a non-profit health care provider that administers Medi-Share, a health care sharing program. TCCM has over with over 700 employees across the globe.

TCCM had experienced rapid growth in the past few years, growing the organization from 150 to 700 in a short amount of time.

Engagedly's main financial impact for TCCM is with reducing turnover costs, as Engagedly's performance management tools have helped improve employee satisfaction at the organization.

Key Challenges Prior To Engagedly

Because TCCM experienced rapid expansion with over 4x headcount within a few years, it was critical for them to have necessary tools in place to execute their talent management strategy.

- **Limited functionality of HRIS performance tracking tools.** TCCM was using a performance management tool within their HRIS system, but it did not have the functionality and capabilities necessary to support the organization's growth.
- **Voluntary turnover due to lack of employee recognition.** TCCM did not have the capabilities to easily provide recognition and rewards to employees that were producing at a high level, leading to voluntary turnover for employees that were performing well at the company.

"Engagedly helps us easily reward and recognize our employees leading to reduced voluntary turnover."

-Casey Saunders
HR Director
The Christian Care
Ministry (TCCM)

Engagedly Use Case

TCCM uses Engagedly's tools across their entire workforce. They use several of Engagedly's tools for talent management purposes:

- **Performance Management.** TCCM uses Engagedly to management annual performance reviews for their entire workforce. The tools allows them to easily assess and rate performance of their whole workforce, increasing transparency of who is performance well within the organization.
- **Goals & Recognition.** TCCM uses Engagedly's goals tracking and recognition tool to help managers reward top performing employees on a consistent basis.
- **Engagement Surveys.** TCCM uses Engagedly to measure and track engagement of their workforce, providing insights into employee satisfaction.

Key Benefits With Engagedly

TCCM has experienced both financial and tangible benefits since using the Engagedly platform.

- **\$535,500 in reduced costs from lower voluntary turnover.** TCCM has seen a 23.6% decrease in voluntary turnover since using Engagedly's platform. TCCM estimates that for every 1% drop in turnover, it leads to a \$105,000 cost savings for the company.
- **7% Increase in employee satisfaction.** Since using Engagedly, TCCM has seen an increase in employees saying that they are satisfied with the recognition they are receiving from their managers for doing a good job. This directly correlates with a reduction in voluntary turnover, showing the impact that the rewards and recognition tool is having on the company overall.
- **Increased efficiency during the performance review process.** TCCM's HR team saved hours of time managing the performance review cycle since using Engagedly. Instead of relying on the performance tool in their HRIS system which had limited functionality, they are able to run the performance review cycle in much quicker fashion, and get insight into employees who are performing without having to rely on paper or PDFs.

Explanation of Financial Benefits

The \$535,500 in financial benefit for TCCM comes from their reduced turnover costs specifically around voluntary turnover.

TCCM estimates that for every 1% drop in turnover at the company, the company saves \$105,000.

Since TCCM has seen turnover reduced from 21.6% to 16.5%, we can estimate that they have saved \$535,500 with a 5.1% drop in turnover.

In terms of return on investment (ROI), TCCM has seen a 3.3x ROI from Engagedly since they began using the tool in 2019.

Engagedly Overview



Streamline Your Talent Management Process with a Single Platform

Manage Performance, Learning & Development, Employee Engagement, Rewards & Recognition and Talent Mobility & Growth – all in one powerful platform.



About Engagedly

Engagedly, founded in 2015, has evolved from an employee engagement solution into a leading All-in-One Employee Experience Platform catering to mid-market organizations. With a global customer base spanning over 30 countries and serving 450+ customers, Engagedly is backed by a dedicated team of 110 professionals across the US, UK, and India.

Products

Elevate Performance

- Performance Reviews
- OKRs & Goals
- 360 Degree Feedback
- Real-time Feedback
- Advanced Talent Analytics
- Meetings

Enable Development

- Learning Experience Platform
- Growth Hub
- Skill Intelligence & Talent
- Mobility
- Mentoring & Coaching

Engage People

- TheEmployeeApp
- Employee Engagement Survey
- Team Pulse
- Employee Social
- Employee Survey

Innovative Enhancements

- Marissa AI
- Workflow Automation
- Rewards & Gamification
- Flow of Work
- Mobile App

Study Methodology



Study Methodology

Interviewed Customers

Three of Engagedly's customers were interviewed for this financial impact study. Each interviewed customer provided the necessary data and financial metrics to determine how much of a financial benefit Engagedly's platform was having on their bottom line. We also asked each interviewer to explain their experience using Engagedly, along with the challenges that Engagedly solved and key benefits to the organization.

Financial Impact

All interviewed customers provided data to support the financial findings in the report. The financial impact calculations for each customer was based on their own data, along with their own estimates to determine financial impact from Engagedly.

Return on Investment (ROI)

Return on Investment (ROI) is calculated by taking the financial gain that the customer received divided by the amount of money they have invested in Engagedly since using the software.

