

NEW BRAUNFELS UTILITIES · BOARD OF TRUSTEES

Employee Engagement 2026

What our people told us — the state of our organization



CLARITY

Do people see where we're going?



TRUST

Do people believe we can lead through change?



VOICE

Do people feel safe to speak up?

The Global Leader in Workplace Analytics and Advice

Combining **more than 85 years of experience** with our global reach, Gallup aims to empower workplaces to advance economic and human development by providing leaders and organizations with analytics, advice and learning solutions that reflect the attitudes and behaviors of employees and their workplaces in **over 160 countries**.

UNPARALLELED GLOBAL IMPACT AND RESEARCH EXPERIENCE

350+

Partnerships with Fortune 1000 companies

1.5B+

Employee and Customer Survey Responses

33M+

CliftonStrengths® assessments

99%

of the world's population represented in Gallup data

80,000+

Leaders studied globally

30

Bestselling Books with over 20M copies sold

185,000+

Hours of Coaching Leaders and Managers

800+

CHROs in our Global Roundtable

2,100+

Learning Programs Delivered Annually



Gallup's Strategic Advisory Services

- CULTURE
- EMPLOYEE EXPERIENCE
- PEOPLE AND LEADERSHIP
- CUSTOMER EMPLOYEE NEXUS
- STRENGTHS



Coverage Map

Gallup Utility Clients

2025 Utilities Database

426,211

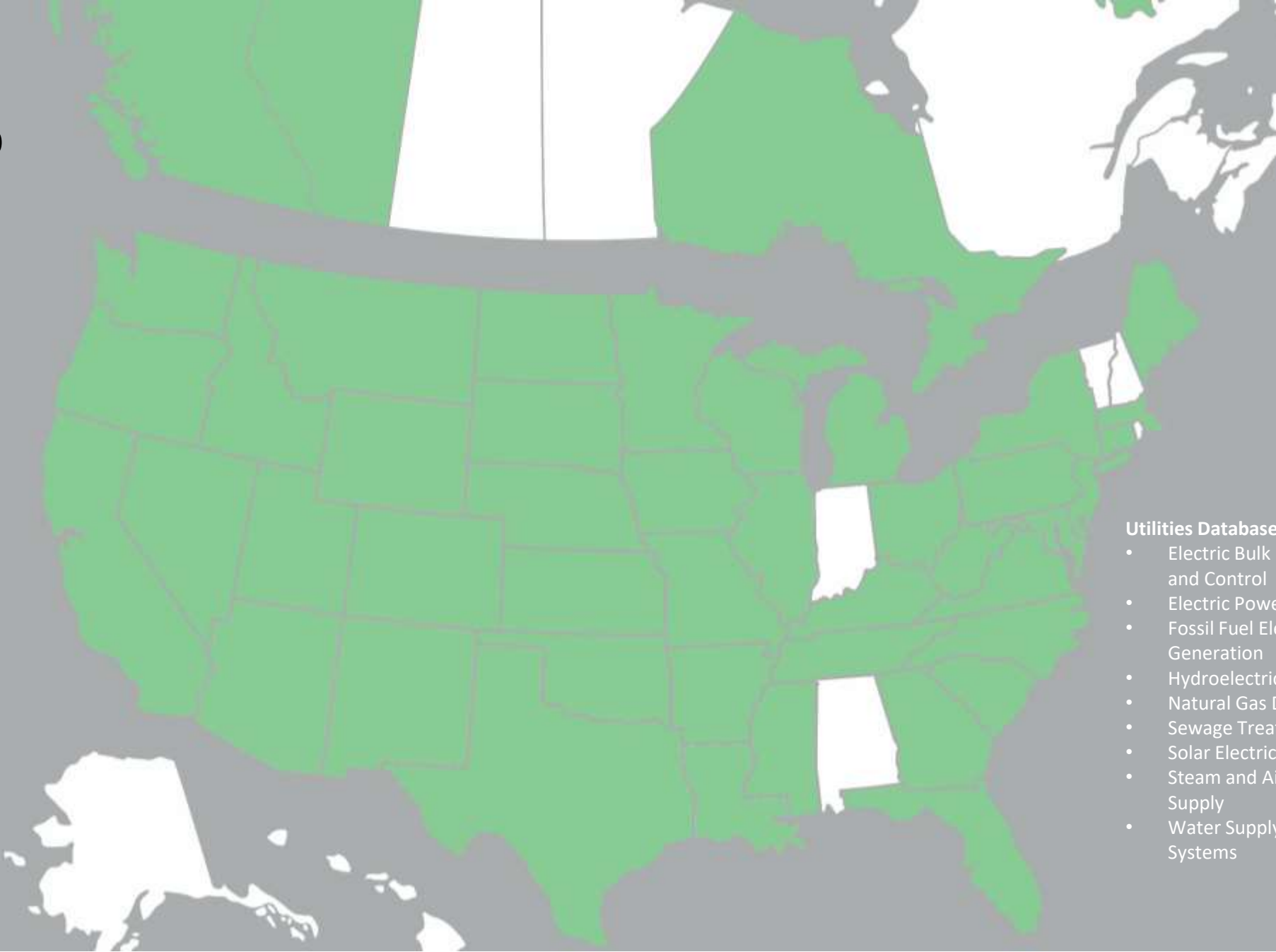
RESPONDENTS

101,026

WORKGROUPS

123

CLIENTS



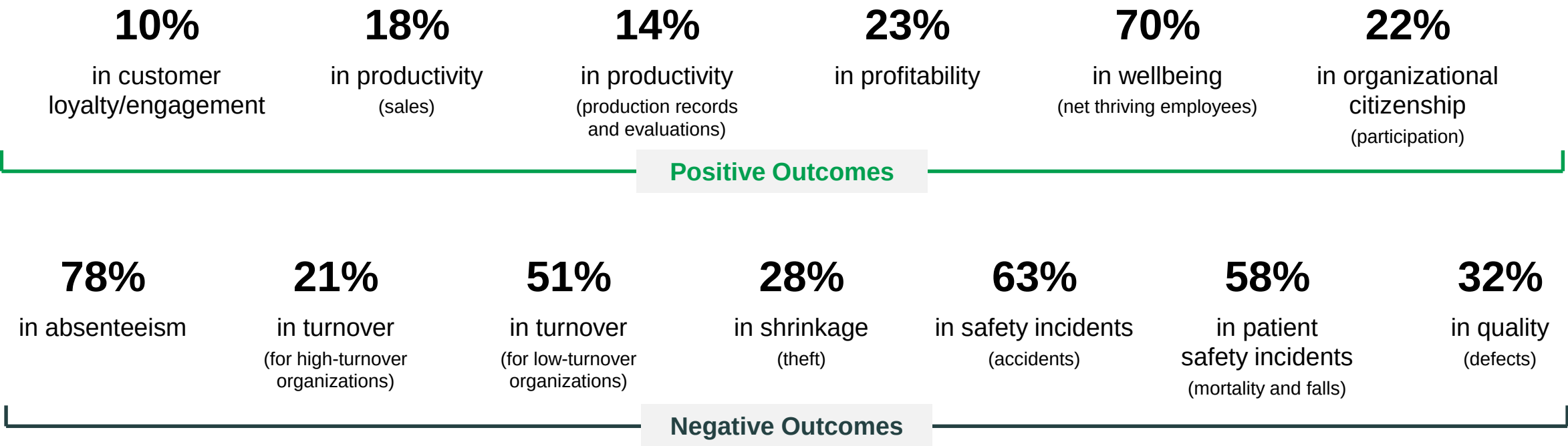
Utilities Database includes:

- Electric Bulk Power Transmission and Control
- Electric Power Distribution
- Fossil Fuel Electric Power Generation
- Hydroelectric Power Generation
- Natural Gas Distribution
- Sewage Treatment Facilities
- Solar Electric Power Generation
- Steam and Air Conditioning Supply
- Water Supply and Irrigation Systems

The Business Impact of Highly Engaged Business Units and Teams

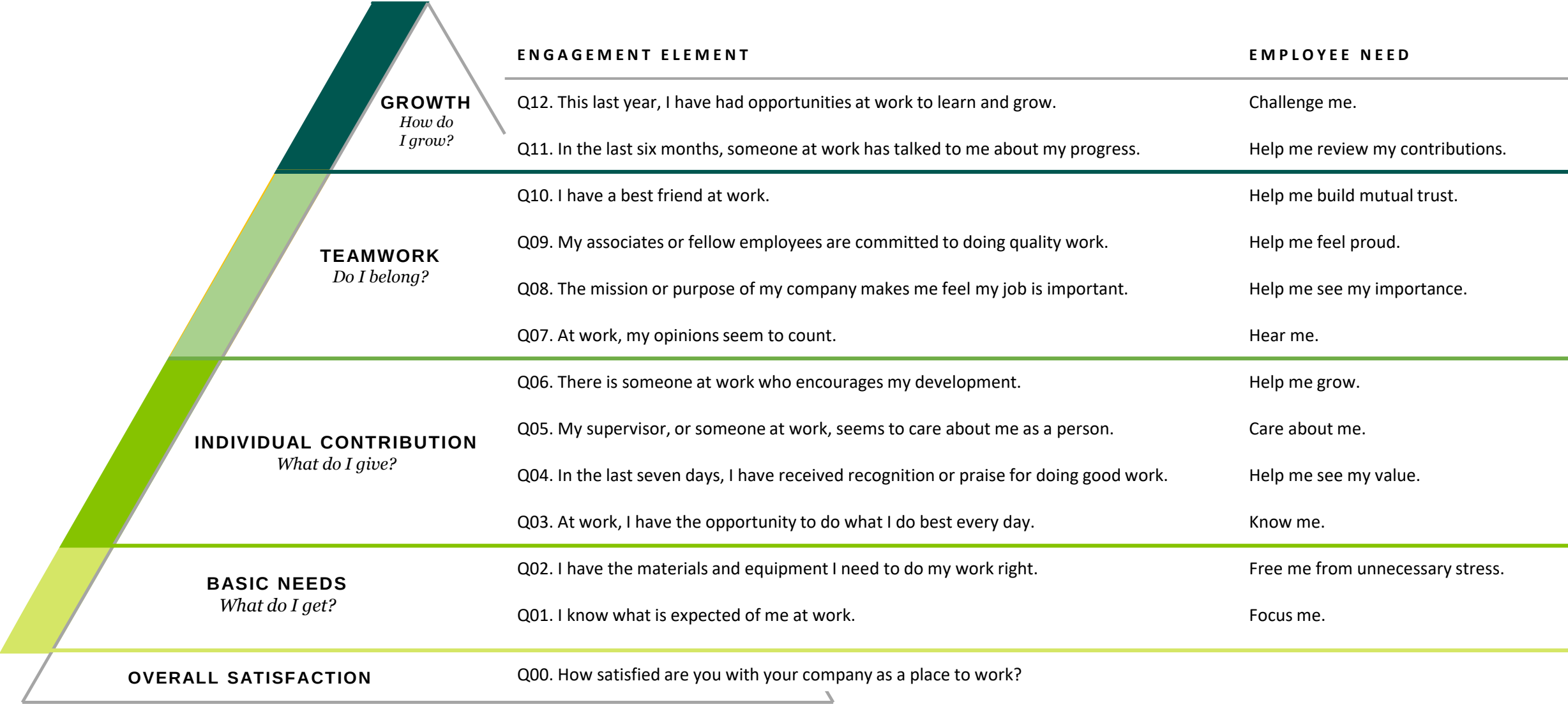
Gallup’s research of more than **180,000 teams** — **over 3.3 million employees** — revealed that teams in the top quartile of employee engagement achieved higher performance on positive outcomes and realized fewer negative outcomes than bottom-quartile teams.

Percent Differences in Outcomes Between Top-Quartile and Bottom-Quartile Teams



Source: *The Relationship Between Engagement at Work and Organizational Outcomes: Q12® Meta-Analysis: 11th Edition*
Note: The above figures are median percent differences across companies in Gallup’s database. High-turnover organizations are those with more than 40% annualized turnover. Low-turnover organizations are those with 40% or lower annualized turnover.

The Items That Matter for Engagement — Gallup’s Q¹².



Key Highlights

- **Your overall GrandMean dropped from 4.24 to 4.04.** Engagement gains from last year were lost. This puts NBU in the 37th percentile for utility companies.
- **Some teams improved or maintained engagement** despite disruption. Most teams were experienced a drop in engagement across the organization.
- **Employees are saying that communication is strong; candor is not** — fewer than half feel safe to disagree.
- **Confidence in leadership is significantly lower than last year.** Office and hybrid populations experienced the biggest drop. How can you deliver as an individual for your team?
- **The grid lost voltage:** You have the same engaged core, louder frustration. *Engagement ratio fell from 11.6:1 to 5.4:1. Momentum took a real hit.*
- Employees generally still feel **free to express their thoughts**, feelings, and disagreements to their manager. How do we support managers during this moment?



The headline: last year’s engagement gains were lost.

4.04

Overall engagement (GrandMean)

▼ from 4.24 in 2025

37th

Percentile among utility companies

▼ from 52nd last year

5.4 : 1

Ratio of engaged to actively disengaged

▼ from 11.6 : 1

80%

Response rate — 361 employees

A voice worth listening to



This is not a story about pay or workload. The items that fell hardest — knowing what’s expected, confidence in leadership, and feeling safe to speak up — trace a single storyline: rapid change without a clear narrative is straining clarity, trust, and voice.

Three lenses that explain what moved — and what to do about it.



CLARITY

Do people understand where we’re going and what’s expected of them?

3.51

“Leaders help me see how today’s changes affect our future” — **31st percentile**



TRUST

Do people believe leadership can successfully manage what’s ahead?

▼ 0.40

Confidence in leadership fell to 3.66 — 27th percentile, the largest drop measured



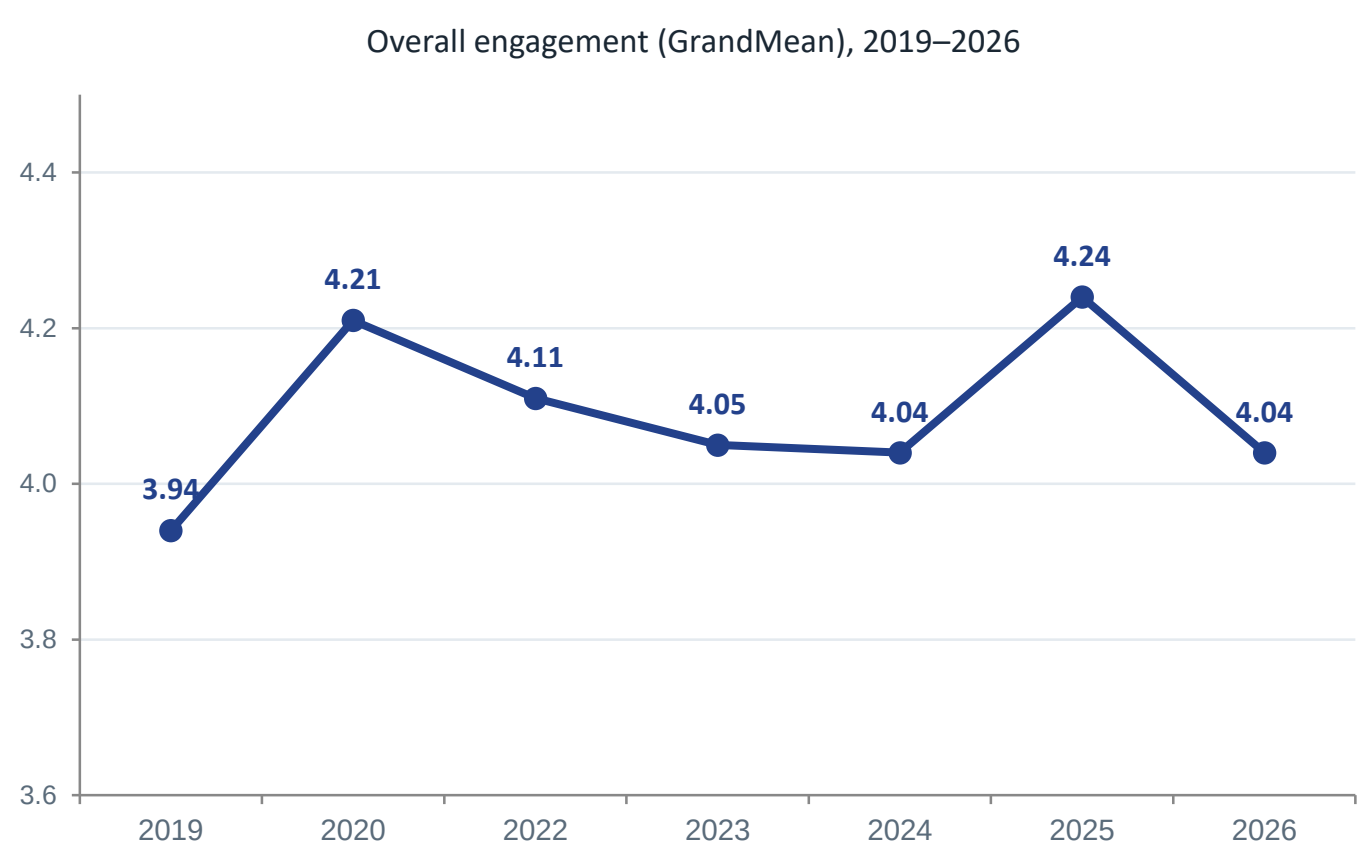
VOICE

Do people feel safe to raise concerns and disagree?

33rd percentile

Percentile for “my opinions count” — and fewer than half feel safe to disagree

A change in momentum— but a recoverable one.



49%

Engaged
58% in 2025

42%

Not engaged
37% in 2025

9%

Actively disengaged
5% in 2025

3 of 27 teams now sit in Gallup's top quartile (11%), down from 38% of teams last year.



The message isn't landing: change isn't connected to the future.

My manager keeps everyone well informed



41st percentile · ▼ 0.13

I know what is expected of me at work



28th percentile · ▼ 0.24 — lowest percentile of all 12 core items

Leaders help me see how today's changes affect our future



31st percentile — lowest score on the survey

What this tells us

Information is flowing — meaning is not.

Managers are communicating updates, but employees can't see the storyline behind the changes.

Clear Direction is Slipping “I know what's expected of me” fell in nearly every group — the foundation item for performance.

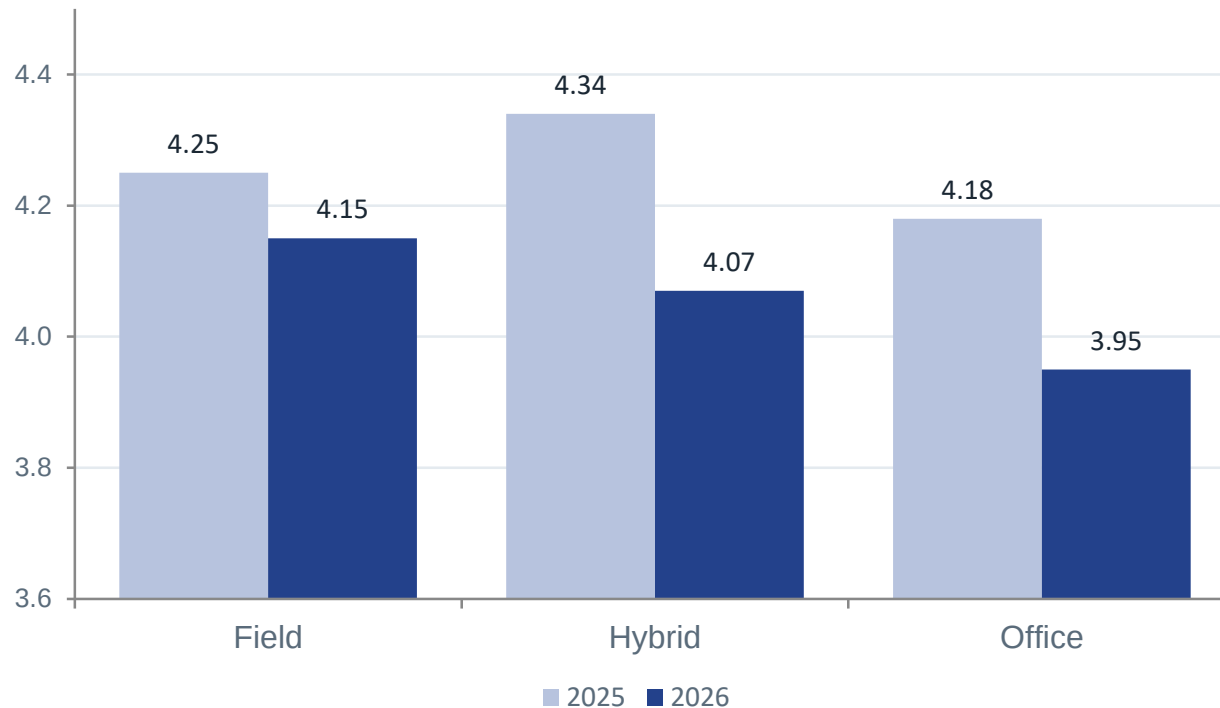
Change without a narrative reads as drift — and drift erodes belief in leadership.

Means on a 1–5 scale. Percentiles vs. Gallup's overall workgroup database (2020–2024).



Confidence in leadership fell furthest

Engagement by work mode — 2025 vs. 2026



Foundations to build on: “Someone at work cares about me” remains our strongest item (4.27), the best-friend-at-work item is our highest percentile (59th), and field engagement held nearly steady. These teams navigated the same disruption — with steadier local leadership. The task is to spread what they do, not invent something new.

3.66

Confidence in leadership to manage emerging challenges

▼ 0.40 — largest drop on the survey · 27th percentile

4.01

Overall satisfaction with NBU as a place to work

▼ 0.36 year-over-year

Leading through change: three requirements rebuild trust.



Communicate clearly

A consistent storyline: why the change, what success looks like, what won't change.

→ rebuilds **CLARITY**



Lead and support change

Leaders get alongside their people — visible follow-through, not just direction-setting.

→ rebuilds **TRUST**



Inspire confidence in the future

Hope people can picture: a concrete near-term narrative, repeated and made local.

→ restores **VOICE**

95%

of employees fully trust their leaders when all three requirements are met — Gallup's research on leading through disruption.



Communication is strong; candor is not.



What's working

Employees still generally feel free to talk to their own manager (3.89), and managers keep people informed (4.01).



What's eroding

Fewer than half feel safe to disagree — and the “free to express disagreement” item fell 0.28 to the 32nd percentile. A meaningful share of employees are self-censoring.

33rd

Percentile for “at work, my opinions seem to count” (3.71, ▼ 0.24)

3.42 vs 3.85

“Opinions count” for women vs. men — the widest voice gap in the data

Why this is important: Teams that surface disagreement make better decisions. Silence isn't harmony — it's risk that surfaces later, as turnover, safety issues, or missed problems.

CLOSING THOUGHTS

The Foundation Is Strong.

Clarity, trust, and voice all dipped this year — but none of them broke. NBU already has teams proving the playbook works. The task now is to scale it.



NEXT ON THE AGENDA

NBU's Employee Experience Team

will walk the board through how these insights become action.