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Introduction

In this report I will define employee engagement, how it relates to other concepts such as organisation commitment and job satisfaction, describe the HR, leadership, and cultural elements of organisations which have high levels of employee engagement, explain the need for aligning employee engagement with other key organisational factors and why employee engagement is increasingly a vital dimension of HR strategy and practice. I will also describe the potential benefits for different stakeholders, summarise key sources of employee engagement related data, outline findings of recent studies on employee engagement, summarise key sources of employee engagement related data and conclude with a balanced evaluative summary of the future of employee engagement.

1. Define employee engagement and explain how it relates to other concepts such as organisational commitment, employer involvement and job satisfaction.

Kruse (2012) Defined employee engagement as the emotional commitment the employee has to the organisation and its goal, to go the extra mile. Employees who care and are engaged give more discretionary effort. Kahns (1990) saw engagement as arising when people brought their personal selves to work in terms of their cognitive, emotional and physical expression. MacLeod and Clarke (2009 p9) uncovered at least 50 different definitions of engagement and chose 'engagement is a workplace approach designed to ensure that employees are committed to their organisation's goals and values, motivated to contribute to organisational success, and are able at the same time to enhance their own sense of well-being' as a definition. John and Elis (2016 p87) describe three dimensions of engagement. Emotional engagement, the employee being involved emotionally with their work. Cogitative engagement, focusing hard while at work, and physical engagement, being willing to go the extra mile for the employer.

Employee engagement is key to activating a high performing workforce and goes beyond motivation and job satisfaction. It is linked to organisational commitment, an employee's psychological attachment to the organisation and job satisfaction / happiness and an employee's feelings towards their work however it is not the same, making them happy and satisfied is different to making them engaged (Johns & Ellis, 2016 p82) examples of organisational commitment can include not wanting to let co workers down, and providing the best service for the employers, or an employee not enjoying their job but not wanting to leave because of the benefits associated with it. Organisations can offer benefits such as increased pensions, enhanced pay, onsite coffee machines and gyms, which may improve job satisfaction but not engagement. Research shows that high levels of employee engagement are linked with high levels of organisational commitment (Saks, 2006) as those that trust the organisation and are engaged, have higher levels of job satisfaction and are less likely to leave (CIPD, 2012a). Employees who are engaged are more likely to be motivated and perform well and stay (Built in, 2021). An example of this is ITSU, who had low engagement and high turnover of fish cutters and therefore created new training program, a masterclass with an accredited qualification and a fish pro of the year competition, which resulted in increased levels of engagement, a saving in food waste and labour turnover cost and employees gaining a pay increase due to being upskilled. (CIPD, 2021a)

2. Describe the HR, leadership and cultural elements of organisations which have high levels of employee engagement, making reference to academic literature on the subject. You should also explain the need for aligning employee engagement with other key organisational factors.

There are many indicators of high levels of employee engagement within an organisation such as high levels of job satisfaction, trust in management, a shared sense of purpose and employee involvement in decision making (IES, 2014) An example of this is ACAS (2014) Brush Electrical Machines underwent takeover and redundancies, resulting in employees reporting feeling a lack of trust, not feeling valued and therefore low engagement. ACAS helped set up focus groups to improve communication and led to employees feeling like they were listened to, their ideas taken on board and acted on, they had trust in management and increased engagement. Organisations built on trust are better placed to engage its people and in turn, adapt, grow and prosper. (ACAS, 2014)

McLeod (2015) believes leadership is a key element of engagement and needs to ensure a transparent and explicit organisational culture which gives employees a line of sight between their job and the goals and vision of the organisation. Organisations that have tried to address this issue of leadership capability such as the Mace Group, Standard Chartered and Network Rail (MacLeod and Clarke, 2009) have invested in core leadership and management skills such as giving praise and recognition, enabling and supporting employees to do their job, developing and evaluating individuals, often with a focus on coaching as a key management competency (ACAS, 2012) and Google removed all status symbols of managers to send a message to the workforce that Google live to their values and there is no hierarchical structure, encouraging employee voice at all levels (Brock, 2015). Employees need empowerment and a sense that they own and understand the

organisation, where it is going and has come from and the more involved they are, the more they can relate to what they want and the future of the organisation (Mcloed, 2015). Another key element is having an employee centric culture and an engaged culture which involves looking at the policies on motivation, respect, and empowerment. (People managing people, 2022)

Organisations need to have engagement threaded through all their policies, communications, and initiatives so it is fully embedded. Mcloed (2015) believes that for employees to be engaged they need to be clear of the strategic narrative. There is a need for horizontal and vertical integration, aligning an engagement strategy with a strategic strategy from the top down, then having HR policies which run across. Strategies for employee engagement can include embedding company core values, carving out career paths and providing opportunities for growth, recognising top performers and promoting transparency, honesty and accountability (build in, 2021) This process of integration starts with policies and practices such as recruitment, selection, job and task design, compensation and training (SHRM, 2016) Processes within organisations need to make the employee lifecycle seamless, for example an employee is more likely to be engaged if they have gone through a seamless onboarding process. (People managing people, 2022)

3.Explain why employee engagement is increasingly a vital dimension of HR strategy and practice. The potential benefits for different stakeholders should be evaluated with reference to published sources.

Employee engagement is an increasingly vital dimension of HR strategy and practice as people are an organisations most expensive and valuable resource and employee engagement is an important facet of getting the best out of that resource. Employees are no longer treated like objects, and instead are encouraged to bring their whole selves to work, to contribute and add value in their own right and HR need to help organisations tap into that discretionary effort by creating a high trust culture.

Former Campbell's Soup CEO, Doug Conant, once said, "To win in the marketplace you must first win in the workplace." Engaged employees lead to better business outcomes. According to Towers Perrin research, companies with engaged workers have 6% higher net profit margins, and according to Kenexa research engaged companies have five times higher shareholder returns over five years (Kruse,2012) and a study by Gallup based on 8000 businesses showed those with high engagement levels showed 1-4% higher profitability levels and on average between \$80,000 and \$120,000 higher monthly revenues or sales, (Gallup, quoted in John and Ellis, 2016 p85). In the post Brexit market organisations need to be competitive to attract, retain and engage its workforce and get the best out of them.

There are many benefits of high employee engagement to organisations such as high-performance, long-term loyalty, increased ability to attract and retain talent (Deloitte,2022), higher levels of customer satisfaction, health and safety performance and innovation (CIPD,2021) Improved profitability, reduced absence and employees are more likely to promote the brand and organisation (Johns and Ellis, 2016) The benefits to employees are that if they are engaged, they can be more motivated, contribute more, have increased wellbeing and have more prosperous careers (CIPD,2021) Benefits to the country include economic development, and benefits to

managers are that it is much easier to manage an engaged workforce, for owners it drives forward and increases profit and for customers a better service provided by the organisation, prompt resolution of complaints, and building a longer-term relationship (SHRM, 2006) People managing people (2022) states that studies show that highly engaged businesses achieve 59% less staff turnover in high turnover organisations, and 24% less staff turnover in low turnover organisations, when employees are engaged.

4. Summarise key sources of employee engagement related data, citing different examples.

Key sources of data include Macro level data which is high level data looking at the world or country, for example reports by the Office of National Statistics looking at productivity of the UK as a whole. Meso Level data, gained at institution level and can include sector reports and sector organisational data such as future market data, the extent in which the institution shares business processes, or HR policies, or engagement levels. Micro level data provides the finest level of detail and usually the quickest form of data, data that is reported within your organisation such as engagement surveys exit interviews, absence rates, turnover rates. (Shum, 2021) Brown (2020) believes pulse surveys measure engagement well, as they are shorter and more frequent, however they do not believe they should be the foundation as annual engagement surveys are better at showing the bigger picture across the organisation such as people trends over time, working well alongside the pulse surveys to collect lightweight feedback. It also stresses the importance of not just looking at the qualitative results, which some organisations do, and instead ensuring that the qualitative feedback, which are often employee comments are also closely looked at. What is measured is also important, according to CIPD (2021) the data gathered on engagement needs to be reliable, clear and specific enough to be actionable. (Office Vibe, 2021) suggests using emotional metrics such as wellness, happiness and quality of relationships by monitoring and measuring employee recognition and praise, feedback, relationship with colleagues, relationships with managers, satisfaction, company alignment, employee happiness, employee wellness and ambassadorship.

5. Outline the findings of recent studies on employee engagement, including the extent to which gender, demographic and other factors influence levels of engagement.

According to Gallup (2021) State of the Global workplace report, following a steady rise over the last decade, employee engagement decreased globally from 22% in 2019 to 20% in 2020. They have put this down to the global Covid19 pandemic, leading to change and stress. Fear of being unwell, home working, losing their job and personal situations were some of the things employees worried about. There is a widening gap between the wealthiest and the poorest and the perception is that senior leaders who earn more have become more remote from their employees and customers, causing a lack of trust and impacting engagement.

Whilst the Gallup (2021) report shows negative findings, the Best Workplaces (2021) publication showed that overall engagement remained high at 85%, an increase of 1% on 2019. This difference could be down to the fact that some organisations see disengagement only as active disengagement, for instance Best Workplace only collects data from its clients.

Research shows that engagement has risen over the last 10 years' (2012) Employer outlook survey found that 35-39% of UK employers reported feeling engaged, non managers were 30% engaged and managers 50%, and 25% of the under 35 group felt engaged in comparison to 40% of the over 35s. A study published in the IOSR journal of business and management, cited by People Managing People (2021) concluded that women are more engaged than men and the Gallup (2021) reports back this up, and also noted that employees led by women tend to be more engaged than those led by men.

A report by Marcus Buckingham (2001) showed that 80% of employees in the UK were not engaged in their work. According to John and Ellis (2016 p 89) this could be down to the ways the surveys are undertaken, with a tendency to use them as a tick box exercise or other factors such as burnout, lack of work life balance and work intensification such as an expectation of unpaid overtime.

The CIPD (2021b) good work index survey data showed discretionary effort is greater in the voluntary sector than in the private and public sectors, and greater in professional and senior managers, lower in administration roles, and even lower in employees who work manual and casual jobs.

Deloitte (2022) believes in the past the primary driver for organisations has been to offer employee programs for return in investment, this then changed and the primary driver was to tick the box responsiveness to the well being trend, now the primary driver is sustained engagement and long term loyalty.

6. Conclude with a balanced evaluative summary of the future of employee engagement.

Given the move to agile working, and work life balance being at the forefront of people's mind since Covid 19, I believe engagement levels will rise in future as organisations strive to offer more balance by introducing policies such as work from home, remote working and flexible office hours and days. In a survey by Flex job (2018) 75% of workers said they experience greater productivity at home. They said they encounter fewer distractions (74%) and less stress from commuting (71%). Cloud technology, automation, AI and HR technology will assist with this, allowing employees to work from anywhere at any time, and by being integrated to employee recognition and engagement, performance management and survey tools, allowing organisations to monitor and increase employee engagement as well as supporting the ability to be more personalised, unique and thoughtful with employee rewards and benefits, which is what millennials and Gen Z want and expect, as they put a great emphasis on the job package. This ability to gain information on engagement quickly through technology could help with the great resignation, by being able to view levels of engagement continually, it could allow organisations to adapt quickly

to increase engagement if required, and therefore prevent resignations. It will also assist with real time communication and feedback from employees on what is attractive, what engages them, and what might tempt them to go to another organisation (Mcfeely,2021).

I Predict BAME employees will become more engaged due to the positive action of the #BLM movement highlighting unfair treatment and that the coming together of different ethnicities, traditions, social structures results in new and unique ideas, different ways to problem solve and new perspectives. Diversity and inclusion will become an important part of organisations employee engagement strategy in 2022. Movements like #metoo and #timesup have highlighted that despite the advances of women in the workplace, they still have to face challenges such as gender parity, pregnancy discrimination, gender biases and sexual harassment, and many organisations are taking constructive steps to mitigate these challenges, which may increase engagement levels in women in future. (Vantage point, 2021)

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