

CIPD Diploma in Applied Human Resources

Understanding Employee Engagement

Student Name: Sarah Louise Cosker

Student Number: 1905443

CIPD Membership Number: 53581196

Word count:

Task 1 – 960

Task 2 – 540

Task 3 – 510

Task 4 – 995

Total: 3005

By signing below, I confirm that the work/evidence presented is my own, unaided work. I understand the regulations pertaining to candidate malpractice and the action that may be taken as a result.

Signed: *SL Cosker*

Date: 12.01.2021

Briefing paper - Employee Engagement

Introduction

1.1 Define employee engagement.

When considering employee engagement, what it is and its purpose, it is evident that there are many theorists definitions of its meaning but no definite definition of what it is (Bingham,2016).

The CIPD (2019), concluded that the idea employee engagement *“focuses on mutual gains in employment relationships, seeking the good of employees (well-being, job satisfaction and so on) and the good of the organisation they work for (performance, commitment, and so on)”*.

Macleod (2009) states that engagement is *“the heart of the workplace relationship between employer and employee”*, with Johns and Ellis (2016) claiming it is the *“key to unlocking the productivity and transforming the working lives of many”*.

Vance (2016) reiterates this stating that *“Employees who are engaged in their work and committed to their organizations give companies crucial competitive advantages—including higher productivity and lower employee turnover”*, highlighting why there is extensive works on the theory of employee voice.

One of the early definitions of employee engagement was by Kahn (1990), which claims that employee engagement is how employees may behave Physically, (by showing high levels of energy and resilience), Cognitively, (interested and happy to complete work) and Emotionally (showing inspiration, commitment, and pride) when they interact at work. This definition highlights the complexity of employee engagement.

Research by the CIPD (2012) suggests that there are two different types of engagement – emotional and transactional. Emotional engagement suggests that a person is more committed and therefore engaged with their role, whereas, transactional engagement, suggests a person is showing the behaviours of engagement to get the job done but is not fully committed to the organisation.

Engage for success (2020) highlights that for successful employee engagement, employees need to understand their role, have clear goals and expectations set, be aware of the part they play within their team and the overall organisation and how they contribute to its overall goals. This encourages job satisfaction and in turn engagement.

Highlighted in their works from the ‘engaging for success’ report, Macleod and Clarke (2009) identify four enablers of employee engagement, these are:

- *“Strategic Narrative – A strategic narrative is defined as its strong transparent an explicit organisational culture which gives employees a line of sight between the job and the vision and aims of the organisation*
- *Engaging Managers – Managers who offer clarity, appreciation of employees’ efforts and contribution, who treat people as individuals and who ensure that work is organised efficiently and effectively so that employees feel they are valued and equipped and supported to do their job.*
- *Employee voice – When employees views are sought out: they are listened to and see that their opinion count and make a difference.*
- *Integrity is a belief amongst employees that the organisation lives it values, and that behavioural norms are adhered to, resulting in trust and a sense of integrity”.*

(Macleod and Clarke, 2009)

Main body

1.2 Compare and contrast employee engagement with other related concepts.

Similar concepts of Employee engagement are those of employee satisfaction, involvement, and participation.

Employee satisfaction is the extent to which an employee may be, or not be, happy with their job. A theory by Locke (1970), (cited via www.hrzone.com), claimed that satisfaction depends on employee expectations- and how big the gap might be from expectation to reality of a person's role.

High satisfaction levels can indicate that employees are happy with how they are being treated, it is like that of engagement, but not the same - as engagement can be determined as one factor of an employee's overall satisfaction.

Satisfaction can influence retention but unlike engagement is not an indicator of good performance. Engagement and its link to passion and commitment from employees is what will establish success and increased output and revenue. Satisfaction is not only linked to material gain such as pay and benefits, but also the opposite, with things such as engagement. Without both satisfied, an employee is likely do the bare minimum to stay in employment and/or is likely to look for a job elsewhere (bamboohr.com,2020).

This can relate back to the CIPD (2012) theory that highlights two types of engagement – for example, the transactional engagement, relates to a person showing the behaviours of engagement but is actively seeking employment where pay and benefits are higher.

Employee involvement is the process where employers introduce policy collaboratively with its employees to gain ideas and buy-in to working practice (CIPD,2020). In some organisations this is often via management directives, or via direct downward communication, involvement can include consent from employees in direct two-way communication (Marchington, Cox and Suter, 2007 and Gennard et. Al, 2016). A better approach to employee involvement would consist of direct upward feedback, aiming to include employees in suggestions for improvement and problem solving (Marchington, Cox and Suter, 2007 Marchington, Cox and Suter, 2007) giving employees a sense of job enrichment (Dundun and Wilkinson, 2013). The downside of this, in instances such as, direct upward feedback in appraisal meetings may be that employees may find they cannot be honest for fear of management reaction, ultimately depending on trust between employee and management, with a lack of, resulting un-honesty about workplace issues (Aylott,2018). Dromey (2016) identified, that - no matter what job you're doing if you feel involved, you feel you have autonomy, a role in decision making...you'll care more about what you're doing and hence the company will have better results.

Employee participation in comparison does not communicate decision making directly through the employees, but through their representatives (CIPD,2020). This may include employee forums, partnership working and joint consultation committees (Ellis,2016). Profit-sharing bonuses and shared ownership (Marchington, Cox and Suter, 2007) is found in one third of organisations, this is a form of direct financial participation. This form of participation increases motivation and commitment for employees as the more the organisation achieves and prospers so will the employees.

Involvement and participation are all considered as the main forms of employee voice (Ellis,2016), which as identified by Macleod and Clarke (2009), is also one of the four key enablers of employee engagement.

When considering the definitions of the comparable concepts mentioned, although slightly different in their own rights; they all have similar if not the same themes needed for success. Such as, clear organisational vision and goals, trust between employees and managers. With senior management and line managers displaying role model behaviour, with effective communication.

2.1 Describe the typical HR, leadership and cultural elements likely to be found in an organisation characterised by high levels of employee engagement.

2.2 Evaluate the need for alignment between employee engagement and other organisational factors.

Bingham (2016) suggests that organisations with a more Pluralist view, where employees do not work under strict managerial boundaries and traditional hierarchical set ups are more likely to have higher rates of engagement, this could be linked with the pluralist view of encouraging employees to have a voice at work. This was demonstrated by Shantz et al (2013), who studied 300 employees across two different settings, those empowered to use their own discretion on tasks showed greater engagement than those who were not, resulting in the latter group showing disengagement and more likely to cause conflict at work.

To build a positive working relationship, Mindtools (2020) identifies 5 points including, trust, self-awareness, inclusion, and open communication. These things are also identified as enablers towards engaged employees (Engage for success,2020). A team that has developed a positive working relationship will be more likely to be engaged (Mindtools,2020). Work by Purcell (2010) demonstrates the need that managers and senior leaders have a high part to play in promoting the engagement culture within an organisation. Without those truly onboard, and pushing from top-down, with role modelling behaviour, the engagement agenda will fail (Kotter,2020).

This is reinforced by the results of the 2013 Harvard Business Review on employee engagement survey that revealed *“that 70% of people surveyed say that they are most engaged when senior leadership continually updates and communicates company strategy”* (hbr.org,2013). This is said to make employees *“feel part of the bigger picture, working towards a collective end goal”* (hbr.org,2013).

McCarthy (2004) states that a *“recent report has highlighted the pivotal role of managers in winning the hearts and minds of employees”*. Line managers are the main support and contact for their teams. It is key that line managers are engage themselves otherwise they will not engage their teams, this highlights that engagement should come from senior management and delivered downwards throughout the organisation (Johns and Ellis, 2016). *“Managers account for at least 70% of the variance in employee engagement scores”*(Gallup,2020).

An analysis of a Gallop 2019 study found a direct link with UK workers engagement and the trust had for management *“more trust equalled higher engagement”* (Nink,2020), further backing the need of positive working relationships to gain trust (Mindtools,2020).

It should also be noted that *“People are naturally motivated to do a good job and become demotivated when they feel overworked, unsupported or frustrated”* (CIPD,2019).

Purcell (2010) has highlighted key points referred to as the “building blocks of engagement”, these include trust in management and quality of relationship between management and employees (as mentioned) but also go on to highlight other key factors such as:

- *“Satisfaction with the work itself*
- *satisfaction with involvement in decision making at the workplace*
- *satisfaction with the amount of pay received*
- *job challenge*
- *satisfaction with the sense of achievement from work”* (Purcell, 2010)

This can be achieved through things such as recruitment and communication of what a job involves via clear and detailed job design and job profiles. By providing competitive rates of pay to the job, clear performance management activities to identify goals, set challenges and promote achievement. Along with providing training and development and the tools to jobs as effectively as possible, and in turn advance into other roles as desired (Vance,2016).

Briner (2014) states *“the more we engage our employees, the more engaged they will feel and the more they will want to contribute”*. HR should support line managers via training and coaching in order to ensure they are engaging their teams successful.

Organisations with high engagement levels will have factored the mentioned into their organisation's everyday life – through strategy and in turn, is therefore embedded throughout organisational Culture. Gallop (2020) states to *"Make engagement central to your business strategy"* to achieve this.

"A world-class culture inspires your most talented employees to create superior customer experiences" (Robison,2019).

Research has also shown that a valuable tool for creating engagement starts at the point of employment with a clear onboarding process (Peterson,2020). The purpose of onboarding is to get new employees involved , included and to feel happy and settled at their work , (more key points of higher engagement, (CIPD,2019),positive onboarding experiences and higher retention figures are also linked (Peterson,2020), just like higher retention figures and higher engagement figures (Bingham,2016).

3.1 Explain why employee engagement is an increasingly vital dimension of HR strategy and practice.

The CIPD Professional Map sets the standards expected for all HR professionals to deliver best practice, the CIPD(2018) states that *"The fundamental purpose of the people profession is to champion better work and working lives. Everyone connected to the world of work has a role to play in delivering this"*. If an employee is engaged, they are said to be happier, fulfilled and more efficient and motivated at work (CIPD,2019). With this in mind along with the following statement *"Compelling evidence released recently by the Engage for Success movement showed that a more engaged Employee Engagement Hints and Tips workforce could boost the UK's economy by £26 billion"* (Engageforsuccess,2020) – it is enough to see why engagement should be a core element of HR practice throughout organisations.

Evidence suggests that for engagement to be successful, not only leaders and line managers influence but that HR practitioners also have critical role to play (Macleod and Clarke,2009).

A challenge for HR as highlighted by Jackie Orme, the Chief Executive of CIPD (2020), is how HR can both recognise engagement and ensure that it is embedded within organisations, utilising tools, and resources available, ensuring managers have the skills and abilities to develop engagement themselves.

HR need to ensure that their own strategies align with that of overall organisational strategy whilst ensuring that HR policies factor engagement throughout, which include a range of policies such as sufficient training and development procedures are in place (Macleod and Clarke,2009).

Even though there are many positives to employee engagement it should be noted that there are also critics of the concept. Welbourne (2011) highlights that an employee could be engaged and very focused on certain tasks of their roles but at the detriment to other key points of their roles, affecting other team members who may need to then pick up the missed task or the overall organisation with missed deadlines. Some theorists suggest that there is such a thing of being *"too engaged"*, which in turn results in employees becoming overworked and *"burned-out"* (Welbourne,2011) with a lack of work-life-balance (Johns and Ellis, 2016), therefore becoming disengaged. HR need to be aware of this and ensure that HR strategy and process allow for prevention and if needed intervention if this does happen within the organisation.

3.2 Evaluate the potential benefits, for different parties, of high employee engagement.

High employee engagement can provide a range of benefits for all stakeholders, from employees, management, to customers. Employees who are engaged, are said to be more committed and in turn work harder or go the extra mile to help at work, Gallop(2020) reports that engaged employees are 17% more productive and if engaged are more likely to produce quality work, benefiting both customer and organisation. Happy employees and customers are also more likely to show loyalty to the organisation, referring for business or as a great place to work, in turn attracting a high standard of staff (Macleod and Clarke,2009).

Engage for success (2020) revealed some key statistics from a national engagement survey conducted, these points included that:

- Organisations with low engagement have around 62% more at work accidents
- 59% of employees that are engaged claimed they were innovative compared to only 3% of those that were less engaged.
- Organisations with high engagement have 40% less turnover rates than those with low engagement rates.
- Organisations with higher engagement had twice the annual net profit
- Organisation with higher engagement had 12 % higher customer satisfaction scores

This research and that of others shows that there is a positive relationship with various organisation desirables including Health and Safety, customer satisfaction, productivity, staff retention and innovation (CIPD,2019).

4.1 Identify key sources of employee engagement related data.

Bingham (2016) highlights that organisations may use different ways to try and measure engagement, but that none can really be accurate due to the different definitions of employee engagement itself.

Organisations can try to gauge employee engagement via surveys such as Gallup's Q12, which is widely used to measure engagement levels. If used yearly the results can be compared to that of previously, the data can be used to make comparisons across different departments, teams and between different employee levels and be used for benchmarking across similar organisations. This can allow to both identify any issues that may need to be investigated further and see what works and investigate why so that it can be enacted across an organisation (Macleod and Clarke,2009).

Focus groups can also be used which may give more meaning as qualitative methods will give employees more chance to communicate what their issues may be, giving organisations rich data to enact change (CIPD,2019).

Results may also be relative to the day an employee has taken the survey, for example, they may be completing a particular task they are not engaged with on that day or have some issues at home or work which may be causing some stress, of which may result in lower engagement scores. Employees may also feel that they need to complete surveys with more positivity than they are feeling not to face any backlash from management, which will not give realistic results (Johns and Ellis, 2016).

Data such as Absence and retention figures are also used to measure engagement, this is because both points are said to improve if employees are engaged at work, although they are not entirely consequential as there are many other factors that could affect these rates (Bingham,2016). But in contrast studies by Gallop (Johns and Ellis, 2016) revealed that when considering absence rates of those within the study they showed that of those engaged, on average, had missed 4.67 days of work per year, compared to those not engaged who had an average of 10.68 days absent.

4.2 Describe key trends in employee engagement and differences linked to gender, demographic and other factors

Research has identified that levels of employee's engagement are influenced by factors such as gender, age, personality, seniority of job, sector, and type of contract (Johns and Ellis, 2016).

Job sector seems to effect engagement levels, Rotich et al (2016) stated that *"Work engagement in the public sector is low globally"*, Johns and Ellis (2016) also expand on this , giving reasons such as that public sector employees feel they cannot trust and therefore lack confidence in senior management, as they lack clear vision and goals. Private sector a communally focused on sales and targets, showing more vision and goals for the future, which may influence an employee's trust as they know what their goals are.

Data produced by the “*Our UK Working Lives*” survey (CIPD,2019) revealed that engagement was higher at senior management level, those with postgraduate qualifications, with voluntary sector workers and those with higher pay. This links in with the fact that engagement looks at many factors – for example if you are a satisfied with your pay, your job role - those with postgraduate qualifications and in senior management positions may have more control over their role and what they enjoy doing, those in a voluntary sector role may achieve more fulfilment from their role (CIPD,2019).

Results of a national survey commissioned by the CIPD (CIPD,2009) also showed that more women than men were engaged with their work, this coincides with those on flexible working contracts who were shown to be more engaged. There may be a link with the two - as often women are more likely to be working on a flexible contract due to caring responsibilities. Results showed that 40% of those aged over 35 were engaged, in comparison to only a quarter of those under 35 (CIPD,2009), this may be due to those in higher paid roles or roles which have more autonomy which could be more likely to be amongst those that are older and have more work experience. This could also be linked with the fact that nearly half of the managers were engaged compared to 30% of non-managers (CIPD,2009), and managers may once again have more control or autonomy in their roles than those in non-managerial roles (Bingham,2016).

Conclusion

4.3 Evaluate the future for employee engagement, based on current trends.

Welbourne (2011) has suggested that engagement could be a “*field of study in its own right*”. Suggesting that employee engagement is here to stay, and its concept could be more widely used and integrated into everyday working lives amongst successful organisations going forward. With its benefits as identified by various credible academic sources such as the Chartered institute of Professional Development, CIPD (2020) and suggested success previously, it is clear why this concept is a part of the way forward with its own not-for-profit platform, called “*Engage for Success*” launched in 2011, to raise the knowledge of engagement after it was identified by government as an issue due to the low engagement levels throughout the UK. Since 2016 the CIPD have also worked in collaboration with the platform after championing for employee engagement for many years themselves (CIPD,2016). In an article by the CIPD (2016), David MacLeod, Founder of Engage for Success, states that “*The new world of work requires new ways of thinking and this has to start with how organisations engage with their employees. We believe that there is a better way to work, a better way to enable personal growth, organisational growth and ultimately growth for Britain by releasing more of the capability and potential of people at work.*” (CIPD,2016). Further reiterating the power of engagement, this statement could not be more prevalent at this time, with the ongoing worldwide pandemic that started in March 2020, due to coronavirus , now more than ever it is important to keep teams engaged at their work. Times are strange and people across the world are facing different experiences and stressors. From working at home and trying to home School or having to go to work in a completely new environment with new sets of process to follow (CIPD,2020). Ultimately from the benefits identified of positive engagement, now is the perfect time to look at engagement strategy’s and encourage collaboration and change for the better in working lives.

Reference

1. Aylott,E (2018) *Employment law: A Practical Introduction*, 2ed. London: Chartered Institute of Personnel and Development.
2. bamboohr.com (2020) "What is Employee Satisfaction?" [Online] Available via: <https://www.bamboohr.com/hr-glossary/employee-satisfaction/> Accessed on :29.12.2020
3. Bingham,C (2016) *"Employment Relations: Fairness & Trust in the workplace"*. Sage publications. London.
4. Briner,R (2014) Engage for Success Peer-Reviewed Thought Leadership Series - The Future of Engagement Thought Piece Collection. https://www.cipd.co.uk/Images/the-future-of-engagement_2014-thought-piece-collection_tcm18-10758.pdf (Accessed: 30.12.2020)
5. CIPD (2012) *Emotional or transactional engagement: does it matter? Research insight*. [Online] Available at: www.cipd.co.uk/hr-resources/research/emotional-transactional-engagement.aspx.Accessed on:29.12.2020
6. CIPD (2020) *"information and consultation of employees (ice) what, why and how guide March 2020"* [Online] Available at: https://www.cipd.co.uk/Images/ice-guide-full_tcm18-73473.pdf (Accessed: 29.12.2020)
CIPD (2018) *"The new professional map"* [Online] Available at: <https://peopleprofession.cipd.org/profession-map> Accessed on: 30.12.2020
7. CIPD (2019) *"Employee engagement and motivation"* [Online] Available at: <https://www.cipd.co.uk/knowledge/fundamentals/relations/engagement/factsheet> Accessed on: 30.12.2020
8. CIPD (2016) *"CIPD and Engage for Success announce a new collaboration"* [Online] Available at: <https://www.cipd.co.uk/about/media/press/engage-for-success-300916#:~:text=Engage%20for%20Success%20is%20a,of%20engagement%20in%20the%20workplace.> Accessed on: 11.01.2021
9. CIPD(2020) *"Coronavirus redundancies"* [Online] Available at: https://www.cipd.co.uk/?utm_source=mc&utm_medium=email&utm_content=PR_020420-redundanciescoronavirus.http%3a%2f%2fwww.cipd.co.uk%2fdefault.aspx&utm_campaign=pr&utm_term=5358119 Accessed on: 12.01.2021
10. CIPD (2009) Employee engagement. Factsheet. [Online] Available at: <https://www.cipd.co.uk/knowledge/fundamentals/relations/engagement/factsheet>. Accessed on: 12.01.2021
11. Dromey (2016) *"Have your say: alternative forms of workplace voice, positioning paper, CIPD"* [Online] Available at: https://www.cipd.co.uk/Images/voice-positioning-report_tcm18-27507.pdf. Accessed on:29.12.2020
12. Dundon, T. and Wilkinson, A. (2013) *'Employee Participation'* in Wilkinson and Redman, Contemporary Human Resource Management: Text and Case, 4th ed. London: Pearsons Education Ltd.
13. Engage for success (2020) *What is employee engagement?* [Online] Available at: <https://engageforsuccess.org/what-is-employee-engagement>. Accessed on:29.12.2020
14. Gallop (2020) *"Engage Your Employees to See High Performance and Innovation"* [Online] Available at: <https://www.gallup.com/workplace/229424/employee-engagement.aspx> Accessed on: 30.12.2020
15. Gennard, J., Judge, G., Bennett, T., Saundry, R. (2016) *Managing employment relations* (6th edn.). London: CIPD.
16. hrzone.com (2020) *"What is Employee Satisfaction?"* [Online] Available via: <https://www.hrzone.com/hr-glossary/what-is-employee-satisfaction>. Accessed on: 29.12.2020
17. hbr.org (2013) *"The Impact of Employee Engagement on Performance - a report by Harvard business review analytic services"* [Online] Available at: https://hbr.org/resources/pdfs/comm/achievers/hbr_achievers_report_sep13.pdf Accessed on: 04.01.2021

18. Johns,T and Ellis, C (2016) *“Employee Engagement”* ,in Human Resource Management: People and Organisations, 2ed.London: Chartered Institute of Personnel and Development. p.79-98.
19. Kahn,W.A.(1990) *The psychological conditions of personal engagement and disengagement at work*. Academy of Management Journal. Vol 33. Pp692-724.
20. Kotter (2020) *“Successful change Management – Kotter’s 8-step change model”* [Online] Available at: <http://www.leadershipthoughts.com/kotters-8-step-chnage-model>. Accessed on: 30.12.2020
21. Macleod,D and Clarke,N (2009) *Engaging for success: enhancing performance through employee engagement*. A report to government. London. Department for Business, Innovation and Skills.
22. Marchington, M., Cox, A. and Suter, J. (2007) *Embedding the provisions of information and consultation in the Workplace*. London.
23. Mindtools.com (2020) [Online] Available at: https://www.mindtools.com/search?search_term=chnage. Accessed on: 30.12.2020
24. Nink(2020) *“Why UK Leaders Need to Build Trust With Employees”* [Online] Available at: <https://www.gallup.com/workplace/312833/why-leaders-need-build-trust-employees.aspx>. Accessed on: 30.12.2020
25. Peterson,K (2020) *“The close ties between onboarding and employee engagement”* [Online] Available at: <https://www.predictiveindex.com/blog/the-close-ties-between-onboarding-and-employee-engagement/>. Accessed on: 11.01.2021
26. Purcell,J (2010) *“Building Employee Engagement”*, ACAS policy discussion paper [Online] Available at: www.acas.org.uk/media/pdf/s/1/building_employee_engagement-accessible-version-jun-2012.pdf.Accessed: 30.12.2020
27. Rotich, R et al (2016) Journal of Resources Development and Management - An International Peer-reviewed Journal Vol.18, 2016 [Online] Available at: <https://core.ac.uk/download/pdf/234696239.pdf> .Accessed: 30.12.2020
28. ROBISON, J (2019) *“The Future of Your Workplace Depends on Your Purpose”* [Online] Available at: https://www.gallup.com/workplace/257744/future-workplace-depends-purpose.aspx?utm_source=workplace-newsletter&utm_medium=email&utm_campaign=WorkplaceNewsletter_June_060419&utm_content=doyoulivepurpose-CTA-1&elqTrackId=1b7ed4fec3704fce88994df050807937&elq=b0c44aca718942efbec85b5bacd391fb&elqaid=1699&elqat=1&elqCampaignId=385 Accessed on: 30.12.2020
29. Shantz et al. (2013) *“The role of employee engagement in the relationship between job design and task performance, citizenship and deviant behaviours”*, The international journal of human resource management, 24 (13):2608-27.
30. Vance (2016) *“Employee Engagement and Commitment A guide to understanding, measuring and increasing engagement in your organisation” Society for Human Resource Management (SHRM)* [Online] Available at: <https://www.shrm.org/hr-today/trends-and-forecasting/special-reports-and-expert-views/Documents/Employee-Engagement-Commitment.pdf> Accessed: 29.12.2020
31. Welbourne,T.M.(2011) *“Engaged in what? So what? A role-based perspective for the future of employee engagement”*, in A. Wilkinson and K. Townsend (eds), *“The future of employment relations. New Paradigms, New Developments”*. Basingstoke: Palgrave Macmillan.