

Understanding Employee Engagement

Word Count: 2980

Activity 1- 750

Activity 2- 575

Activity 3- 485

Activity 4- 345

Activity 5- 465

Activity 6- 360

Student Name: Carys Ratcliffe

Student Number: 2005792

CIPD Membership Number: 5665681X

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:

A handwritten signature in blue ink, appearing to be 'CR', is written over a light blue grid background.

Date: 20 January 2022

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

Employee engagement has become a hot topic of discussion in the corporate world. Both Gifford and Young (2021) and Johns and Ellis (2016) agree that there are many definitions to employee engagement, none of them being completely definitive.

Kahn (1990) is associated with one of the earliest definitions of employee engagement, focusing on how people 'employ and express themselves physically, cognitively and emotionally.' Kahn's definition depicts engagement as a three-dimensional concept. Physical engagement is expressed through high levels of energy/mental resilience while working and willingness to invest effort into work. Cognitive engagement is when the employee is fully concentrated and engrossed in their work. Finally, emotional engagement entails strong involvement in the employees work and experience a sense of significance enthusiasm, inspiration, challenge, and pride (John and Ellis 2016).

The CIPD (2014) describe employee engagement as 'a combination of commitment to the organisation and its values plus a willingness to help out colleagues. This goes beyond job satisfaction and isn't motivation. Engagement is something the employee has to offer it cannot be required in the employment contract.' The CIPD (2012) agree with Kahn's definition (1990) but state that there are only two types of engagement: emotional engagement and transactional engagement. Emotional engagement is defined as someone who has 'emotional attachment to one or more aspects of their work'. Transactional engagement is described as someone who exhibits behaviour of engagement but isn't committed to the job/organisation. These employees work in exchange for pay, bonuses and annual leave for example and often exhibit indicators such as clock watching, lack of knowledge sharing, mistrust of internal communication and a lack of tolerance of mistakes. Employees who are transactionally engaged will be willing to leave the organisation if a better offer appears elsewhere contributing to high turnover.

MacLeod (2009) argues that employee engagement goes to the 'heart of the workplace relationship between employer and employee and it is key to unlock productivity.'

All definitions agree that employee engagement is a complex subject with a number of dimensions.

Employee engagement is important as engaged employees are happier, more fulfilled, and more motivated. Bailey et al (2015) conducted research which shows that employee engagement and high performance go hand in hand. Health and safety performance, retention, efficiency, productivity, and customer satisfaction are all proven to improve when employees are engaged (Engage for Success 2021).

However, there 'is no magic pill for engagement' as every organisation is different (Engage for Success). The Conference Board (2022) identified common drivers for employee engagement, the most common were trust and integrity, the nature of the job, career growth opportunities, pride, colleagues, employee development and relationship with the employee's manager (Ward 2015).

According to the CIPD (2021) a broad employee engagement strategy could focus on:

- Motivation, which is defined as how employees guide their efforts to achieve organisational goals. This could take two forms, intrinsic motivation which is when individuals enjoy work for their own sake or extrinsic motivation which is when reward is why employees work. Without an effective employee engagement strategy, employers will struggle to cultivate a workforce that feels motivated to perform their best work (Sinclair 2021).

- Organisational identification is the alignment of how an employee sees themselves and the organisation. Employees with high organisational identification will be actively involved in the organisation working with diligence and in accordance with the objectives/requirements of the organisation without supervision. This has a positive correlation with indicators that help to achieve organisational goals such as employee engagement (Dai and Qin 2016).
- Organisational commitment is one concept related to employee engagement and relates to an employee's psychological attachment to organisation (Johns and Ellis 2016). Whereas employee engagement refers to an employee's loyalty and commitment to their work (Agyemang and Ofei 2013).
- This is contrasted with other work-related attitudes such as job satisfaction which is the employee's feeling about their work. This is very similar to employee engagement however, the difference in the relationship between individual and organisational performance aspect differentiates the two. Job satisfaction does not correlate different organisational performance indicators whereas employee engagement does (Shoobridge 2017).
- It is also contrasted with organisational identification which significantly affects employee engagement. The higher the organisational identification of the employee/s, the stronger the sense of belonging meaning they are more willing to show support and reflect higher levels of employee engagement (Dai and Qin 2016).

Engaged employees are characterised by low levels of burnout and neuroticism, high levels of extraversion and better physical and mental health when compared to the rest of the workforce.

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

The level of employee engagement can be measured by employee's willingness and their ability to contribute to the success of the organisation. An employee's discretionary effort is an essential element for the good health, prosperity, and well-being of their company.

Organisations built and based on trust are better placed to engage its people, adapt, grow, and prosper. These organisations demonstrate key characteristics which include:

- Leaders who keep their employees informed, share business information and are open and honest.
- Allowing employees to contribute to organisation strategy and influence decisions before they are made.
- A supportive work environment with well-defined recognition and reward systems.
- Leaders who encourage their employees/team to develop and manage their time at work.
- Employee voice which is captured meaning employees are listened to with their ideas being acted upon and implemented (ACAS 2012).
- Employee engagement is a direct outcome of a strong company culture. The stronger an organisation's culture, the better employees understand what is expected of them and what they are working towards. This means that employees will feel supported, connected, and involved and therefore engaged (Boyle 2020).

Engaged employees also show key characteristics. One of these key characteristics is that the employee enjoys their day-to-day responsibilities and because of this they will consistently work to both meet and exceed expectations. They will also be resilient, recovering from setbacks with optimism rather than defeat. Engaged employees also show collaborative characteristics meaning they commit to sharing ideas, insights and suggestions which will benefit the team (Pingboard 2019).

One of the concepts closely related to employee engagement is organisational commitment. This refers to an individual's psychological attachment to the organisation. Affective commitment refers to the employee's positive emotional attachment to the organisation, they will identify with the business goals and wishes to be part of them. This form of commitment goes hand in hand with employee engagement as these employees 'want to' commit and form part of the organisation (Johns and Ellis 2016).

Employee engagement starts on an employee's first day when they are introduced to the organisation's culture, policies, processes, and procedures. This gives employees a sense of what the company stands for- its values ethics and personality. Including employees in the creation, review, and implementation of policies, encourages employee engagement as it encourages participation, reinforces to them that their opinions matter and are listened to (Point 2015).

Organisational structures can have a significant impact on the impact of achievement of organisational and strategic objectives. The most common organisational structure is the hierarchical structure with lines of command. This vertical organisational alignment results in strong employee relationships and encourages efficiency; if employees understand how their work positively affects the organisation it means success for both employees and the organisation (Smith 2017). This encourages employee engagement as individual's are invested in the company and their objectives.

The Matrix structure allows employees to experience and strive towards increased productivity and creativity. Unlike the hierarchical structure, the Matrix structure is both vertical and horizontal, giving employees more autonomy, responsibility, and accountability (Day 2020). This structure also encourages employee engagement as employees are encouraged to manage their own time and workload. This is one of the key characteristics of organisations which have high levels of employee engagement.

Data collated by Benn, Teo and Martin (2015) showed that participation is directly associated with higher levels of employee engagement within an organisation. Both employee engagement and employee participation can establish a strong sense of commitment to a common goal.

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 incredibly beneficial to all organisations. This is because:

Employee engagement boosts productivity. There are numerous reports which show that employees who are invested in their roles are more productive than those who aren't- by up to 21%! This is because employees who succeed and feel good about their contribution to the organisation will be proud, valued, and happy (Moseley 2009). This is reinforced by Towers Perrin 2007/2008 Global Workforce study (2009) which demonstrates the link between high employee engagement and high performance. Crush (2019) states that UK employees are 27% less productive than their German counterparts meaning the UK are missing out on an estimated £130 billion of potential economic output annually. The Engaged for Success report uncovered that this is because of the lack of engaged employees.

It increases customer satisfaction. An employee's passion is infectious, those who are passionate about their work will be the best employees to interact with customers. Those customers who deal with engaged employees will be treated to a better experience compared to those who deal with disengaged employees (Moseley 2009).

Engagement improves retention. Those employees who are engaged, involved, and invested in their role and organisation are less likely to leave their job. Actively disengaged employees are 12 times more likely to quit their jobs than their colleagues (Built In 2019).

Employee engagement reduces absenteeism. Engaged employees missed on average 4.67 days of work a year, whereas actively disengaged employees missed 10.68 days (Johns and Ellis 2016). This has a knock-on effect to productivity, customer experience, profit, retention, and the workload for other employees (Chadwick 2018).

Employee engagement contributes to better mental health. Engagement supports employee's wellbeing and happiness- disengaged employees are three times more likely to suffer from depression and/or other mental health issues (Built In 2019).

The above points demonstrate how beneficial employee engagement is to organisations and the damage which disengagement causes to employees and businesses alike.

There are several simple strategies that HR professionals can deploy to improve employee engagement in organisations. The first is to communicate regularly using the correct method to ensure maximum success.

Wellbeing and employee engagement are closely linked; therefore, organisations should strive to create a healthy workplace. To do this, organisations could introduce an Employee Assistance Programme, Mental Health First Aiders and promote healthy eating and exercise. Looking at the organisation's culture is also vital at this stage to ensure this doesn't negatively impact employee engagement. A high trust culture plays a huge positive role in employee engagement and shows that organisations with strong values demonstrate trust and fairness due to two-way promises and commitments between employers and employees (Harney).

Empowering employees through support and trust and allowing individuals to work autonomously encourages employee engagement.

A further strategy which could be implemented to improve employee engagement is simple, to recognise good work. Introducing an incentive-based scheme/awards programme cultivates a culture of recognition and thanks (Newbery 2019).

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

Identifying and analysing the relation between engagement and retention is vital to managing employees. Information regarding how and why people engage with what they do, how this translates into business metrics and how improvements can be made to retain them is needed to transform businesses (Clapon 2014).

What drives or hinders commitment and/or motivation varies from one organisation to another, therefore it is important that employers give employees an opportunity to both speak and be listened to. Measuring aspects of employee engagement is an important to identify how different parts of the organisation compare, how motivation changes and the main factors that motivate/demotivate people (CIPD 2021). This microdata can be obtained from employee satisfaction surveys, sickness rates or employee turnover, to name a few! They provide information specific to the organisation. However, this can be problematic as there is little evidence that these measures are valid or reliable. Additionally, they do not demonstrate cause or predict anything in the future (Briner 2014).

Mezzodata isn't person or organisation specific and is generated by using a group of microdata specific to a sector. This is beneficial to understand employee engagement levels across specific sectors and how this compares to other sectors. One example of Mezzodata is that 48% of legal professionals feel actively disengaged at work, this is low compared to 56% of teaching staff who are also not engaged in their work (Weekly10 2019). People professionals can use this data to suggest sector wide improvements to increase engagement levels and improve retention.

Macrodata isn't person-specific, focuses on the larger picture and is also generated by using a group of microdata. One example of Macrodata is data collated by the Office for National Statistics (2015) which publishes statistics related to the economy, population, and society at a national and regional level. The Good Work Index measures various aspects of employee engagement and shows that only two-thirds of workers are satisfied with their jobs (CIPD 2021). This data is beneficial to understand engagement levels across the UK and how many businesses have an engagement plan and strategy.

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

The CIPD Good Work Index survey measures various aspects of employee engagement and shows that about two-thirds of workers are satisfied with their jobs overall. Focusing specifically on engagement, Gallup reports that 51% of employees are disengaged in the workplace with an additional 13% being actively disengaged (HR Cloud 2021). This has a negative knock on effective to other employees. This means that 36% of employees are engaged, although this is low, this is the highest number of engaged employees since Gallup started measuring it in 2000. For example, in 2017, 85% of employees were disengaged in the workplace (HR Cloud 2021).

The CIPD study reported that over a third of employees are actively engaged with their work. 60% of these individuals were emotionally and cognitively engaged with a lower 40% showing a level of physical engagement (Johns and Ellis 2016).

Personally, I am quite surprised that employee engagement levels have increased due to the COVID-19 pandemic and the rules and regulations which have been implemented as a result of this. This demonstrates that employee engagement is climbing up the agenda and becoming a key focus for organisations.

Focusing on the day-to-day workplace, just over half of UK workers feel enthusiastic about their role and are willing to work harder than expected. Despite this, a fifth of workers feel they are under excessive pressure, feel exhausted and are likely to quit their job in the next year (Gifford and Young 2021). This is potentially because of rising demands, technological changes, economic recession, and COVID-19 of course!

The CIPD study also reported that:

- More women were engaged with their work compared to men.
- A quarter of under 35s felt engaged compared to 40% of over 35s.
- Half of managers were engaged compared to only 30% of non-managers.
- Employees on flexible contracts are more likely to be emotionally engaged due to improved work life balance, increased job satisfaction and are less likely to leave the organisation (Johns and Ellis 2016).

In 2022, I predict that COVID-19, the rules, and regulations implemented due to this, and lack of a clear endpoint will result in decreased employee engagement and wellbeing. Oehler (2020) predicts that employee engagement levels will plunge to depths which were last seen after 9/11 and the financial crash of 2008. The likelihood of economic recession following COVID-19 and subsequent lockdowns will also have a negative effect on employee engagement.

This will have a huge negative significance for the wider economy. One reason for this is Gallup investigated attendance and absence figures because of disengagement. Engaged employees missed on average 4.67 days of work a year, whereas actively disengaged employees missed 10.68 days (Johns and Ellis 2016). This has a knock-on effect to productivity, customer experience, profit, retention, and the workload for other employees (Chadwick 2018).

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

Employee engagement has been a growing focus for both research and practice in recent years developing in numerous directions with many definitions.

Microsoft conducted a survey which shows that the COVID-19 pandemic has increased the focus on employee engagement. In this highly transformative period, businesses have not only been forced to change how and where they work but many have realised that employees play an increasingly important role in the success of the business. Before the pandemic, only 24% of businesses felt that employee engagement was a priority, this has now risen to 36%. This needs to rise even more to improve employee's commitment to an organisation and the overall success of the business (Newman 2021).

In 2022, I predict that COVID-19, the rules, and regulations implemented due to this, and lack of a clear endpoint will result in decreased employee engagement and wellbeing. Oehler (2020) predicts that employee engagement levels will plunge to which were last seen after 9/11 and the financial crash of 2008. The likelihood of economic recession following COVID-19 and subsequent lockdowns will also have a negative effect on employee engagement. This will have a huge negative significance for organisations and the wider economy.

For the better or worse, COVID-19 is going to be a pivotal moment in business, more specifically employee engagement. Annual employee engagement surveys need to be left in the pre-pandemic period and replaced with engagement tactics which focus on improving commitment. The Gallup Q12 survey is a fantastic metric for measuring employee engagement as it covers the most important elements by measuring the strength of a workforce (QuestionPro 2021). Alternatively, Timms, Flack and Ingham state that 'instead of measuring fluctuating moods and attitudes', organisations need to focus on energy levels as this is key to sustainable performance. Timms adds that having an employee's energy in the right place, even if their attitude isn't 100% then they will still perform and have good working relationships.

No-one has a crystal ball to tell us what will happen in upcoming years, but organisations need to focus on employee engagement to minimise the impact that disengaged employees have on both the organisation and the wider economy.

Bibliography

ACAS (2012) *Employment Relations: Placing Trust in Employee Engagement* [online] ACAS. Available at: <https://www.bl.uk/collection-items/placing-trust-in-employee-engagement> (Accessed 19 January 2022).

Agyemang, C and Ofei, S (2013) *Employee Work Engagement and Organisational Commitment: A Comparative Study of Private and Public Sector Organisations in Ghana*. European Centre for Research Training and Development. Vol 1, No 4, pp20-33. Available at: <https://www.eajournals.org/wp-content/uploads/Employee-Work-Engagement-and-Organizational-Commitment-A-Comparative-Study-of-Private-And-Public-Sector-Organizations-In-Ghana.pdf>. (Accessed 8 January 2022).

Bailey, C et al. (2015) *The meaning, Antecedents and Outcomes of Employee Engagement: A Narrative Synthesis*. International Journal of Management Reviews [online] 19 (1) pp 31-53. Available at: <https://onlinelibrary.wiley.com/doi/full/10.1111/ijmr.12077> (Accessed 4 January 2022).

Benn, S, Teo, S and Martin, A (2015) *Employee participation and encouragement in working for the environment*.

Boyle, S (2020) *How Company culture affects employee engagement- Culture IQ* [online] CultureIQ. Available at: <https://cultureiq.com/blog/employee-engagement-company-culture/> (Accessed 19 January 2022).

Briner, R.B (2014) *The Future of Engagement: Thought Piece Collection. What is employee engagement, and does it matter? An evidence-based approach* [online]. Available at: https://www.cipd.co.uk/Images/the-future-of-engagement_2014-thought-piece-employee-engagement-rob-briner_tcm18-10764.pdf (Accessed 16 January 2022).

Chadwick, G (2018) *The impact of disengaged employees* [online] www.penguins.co.uk. Available at: <https://www.penguins.co.uk/blog/the-impact-of-disengaged-employees>. (Accessed 8 January 2022).

CIPD (2012) *Emotional or Transactional Engagement: Does it Matter?* Research Insight [online] CIPD. Available at: www.cipd.co.uk/hr-resources/research/emotional-transactional-engagement.aspx (Accessed 4 January 2022).

CIPD (2014) *Developing Managers to manage sustainable employee engagement, health, and well-being*. Research Report [online] Available at: www.cipd.co.uk/hr-resources/research/developing-managers.aspx (Accessed 4 January 2022).

CIPD (2021) *Employee Engagement & Motivation | Factsheets* [online]. Available at: <https://www.cipd.co.uk/knowledge/fundamentals/relations/engagement/factsheet#> (Accessed 16 January 2022).

Clapon, P (2014) *Big Data: The key to effective employee engagement* [online] Hppy. Available at: <https://gethppy.com/employee-engagement/big-data-key-effective-employee-engagement> (Accessed 16 January 2022).

Dai, K and Qin, X (2016) *Perceived Organisational Support and Employee Engagement: Based on the Research of Organisational Identification and Organisational Justice*. Open Journal of Social Sciences 04 (12) pp46-57. (Accessed 8 January 2022).

Day, N (2020) *Organisational Structures: Its impact on business performance and employee engagement* [online] JGA Recruitment Group. Available at:

<https://jgarecruitment.com/organisational-structures-its-impact-on-business-performance-and-employee-engagement/> (Accessed 19 January 2022).

Engage for Success. *The Movement* [online]. Available at: <http://www.engageforsuccess.org/> (Accessed 8 January 2022).

Engage for Success (2021) *Nailing the Evidence- Engage for Success* [online]. Available at: <https://engageforsuccess.org/nailing-the-evidence/> (Accessed 4 January 2022).

Gifford, J and Young J (2021) *Employee Engagement and Motivation Factsheets | CIPD* [online] CIPD. Available at: <https://www.cipd.co.uk/knowledge/fundamentals/relations/engagement/factsheet> (Accessed 4 January 2022).

Harney, J- *What is a high trust culture and what are its benefits?* | Workstars [online] Workstars. Available at: <https://www.workstars.com/recognition-and-engagement-blog/2019/12/02/what-is-a-high-trust-culture-and-what-are-its-benefits/> (Accessed 17 January 2022).

HR Cloud (2021) *8 Employee Engagement Statistics you need to know in 2021 | HR Cloud* [online] www.hrcloud.com. Available at: <https://www.hrcloud.com/blog/8-employee-engagement-statistics-you-need-to-know-in-2021> (Accessed 8 January 2022).

Johns, T and Ellis, C (2016) *Employee Engagement* in Taylor, S and Woodhams, C (2016) *Human Resource Management: People and Organisations*. 2nd ed. London: Chartered Institute of Personnel and Development (Accessed 4 January 2022).

Kahn, W.A (1990) *The psychological conditions of personal engagement and disengagement at work*. Academy of Management Journal. Vol 33 pp692-724

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 (Accessed 4 January 2022).

Moseley, C (2009) *5 reasons why employee engagement is important* [online] Jostle.me. Available at: <https://blog.jostle.me/blog/5-reasons-why-employee-engagement-is-important> (Accessed 17 January 2022).

Newbery, C (2019) *Six HR strategies for improving employee engagement* [online] CIPDHR. Available at: <https://www.ciphr.com/advice/six-hr-strategies-for-improving-employee-engagement/> (Accessed 17 January 2022).

Newman, D (2021) *The New Future of Work requires greater focus on employee engagement* [online] Forbes. Available at: <https://www.forbes.com/sites/danielnewman/2021/06/21/the-new-future-of-work-requires-greater-focus-on-employee-engagement> (Accessed 12 January 2022).

Oehler, K (2020) *How COVID-19 will impact employee wellbeing in the long term* [online] HRZone. Available at: <https://www.hrzone.com/lead/change/how-covid-19-will-impact-employee-wellbeing-in-the-long-term> (Accessed 8 January 2022).

Office for National Statistics (2015) *About us- Office for National Statistics* [online] ONS.gov.uk. Available at: <https://www.ons.gov.uk/aboutus> (Accessed 16 January 2022).

Pingboard (2019) *Measuring Employee Engagement: 7 Characteristics to look for* [online]. Available at: <https://pingboard.com/blog/measuring-employee-engagement-7-characteristics-to-look-for/> (Accessed 19 January 2022).

Point, C (2015) *Increase Employee Engagement by involving them in policy management* [online] SharePoint Compliance Management Software. Available at: <https://www.convergepoint.com/policy-management-software/policy-procedure-best-practices/increase-employee-engagement-involving-them-policy-management/> (Accessed 19 January 2022).

QuestionPro (2021) *Gallup Q12: Measure the commitment of your employees* [online]. Available at: <https://www.questionpro.com/blog/gallup-q12/> (Accessed 12 January 2022).

Shoobridge, G (2017) *Employee Engagement vs Job Satisfaction* | *Linkedin* [online]. Available at: <https://www.linkedin.com/pulse/employee-engagement-vs-satisfaction-gonzalo-shoobridge> (Accessed 8 January 2022)

Sinclair, S (2021) *Exploring the Link between Employee Engagement and Motivation* | *Talk Freely* [online]. Available at: <https://www.talkfreely.com/blog/employee-engagement-and-motivation> (Accessed 8 January 2022).

Smith, C (2017) *Types of Management Goals* [online] Bizfluent. Available at: <https://bizfluent.com/list-6692121-types-management-goals.html> (Accessed 19 January 2022).

The Conference Board (2022) *The Conference Board* [online]. Available at: <https://www.conference-board.org/us/> (Accessed 8 January 2022).

Timms, P, Flack, B and Ingham, J (2020) *HRZone's 2020 HR trends report* [online] HRZone. Available at: <https://www.hrzone.com/resources/hrzones-2020-hr-trends-report> (Accessed 12 January 2022).

Ward, C (2015) *The four key drivers of employee engagement* [online] My Customer. Available at: <https://www.mycustomer.com/experience/engagement/the-four-key-drivers-of-employee-engagement> (Accessed 8 January 2022).

Weekly10 (2019) *Which UK sectors are struggling with employee engagement?* [online]. Available at: <https://www.weekly10.com/the-uk-sectors-struggling-with-employee-engagement/> (Accessed 16 January 2022).