

Employee engagement

Employee engagement is flavour of the month with employers. But is it a way of improving working conditions and employee participation in decision-making or does it lead to a side-stepping of union representation structures?

Advocates of employee engagement, a basic definition of which is the desire to do a job well, say that it benefits organisations and individuals, boosting the bottom line, improving performance and enhancing employees' experience of work – which makes workers happier and less likely to be off work sick.

Unions say they welcome real and meaningful employee engagement, with an employee voice that includes independent collective representation through trade unions. But there are fears that employee engagement can undermine collective bargaining arrangements and drive work intensification – with organisations coming to expect employees “to go the extra mile” as a matter of course, overtime becoming “normalised”, and only over-performance rewarded, leaving behind those who just do a good job.

Workplace Report looks at union experiences of employee engagement programmes. Is engagement a win-win solution? Or is it being used to increase workloads and sideline unions? And can it be used by unions to promote their own “good work” agenda?

Definitions of engagement

Employee engagement has become a key performance indicator for many organisations, who measure their engagement levels every year, through staff opinion surveys and focus groups for example, and look for improvements that will feed through into better performance and improved customer services. Proponents say that it is about understanding and improving employees' experience of work in order to benefit both the organisation and its employees, and have come up with a number of definitions of what employee engagement is.

According to the Civil Service fact sheet, *Introducing Engagement*: “Being engaged is more than just being satisfied or motivated. Engaged employees have a sense of personal attachment to their work and organisation that means they want to give of their best to help it succeed.”

The CIPD personnel professionals' body says: “It can be seen as a combination of commitment to the organisation and its values plus a willingness to help out colleagues (organisational citizenship),” adding that “Engagement is something the employee has to offer: it cannot be “required” as part of the employment contract.”

The CIPD's Research Insight publication,

Employee Engagement in Context, expands on this: “Fundamental to the concept of employee engagement is the idea that all employees can make a contribution to the successful functioning and continuous improvement of organisational processes. Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organisation. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job.”

Mike Emmott, CIPD employment relations advisor, says: “Many private sector companies, particularly in the banking and retail sector, have embraced employee engagement, and it is gaining ground across the public sector, particularly in the health service and in central government departments.”

The government has also recently expressed interest in the topic. In September 2008, the Department for Business, Enterprise, and Regulatory Reform (BERR) commissioned a review on employee engagement, or “the harnessing of employee's discretionary effort”, that will report this summer. The review's stated aim is to examine new ways to boost performance of employees and help them to achieve their full potential in the workplace, while improving British business success.

Job intensification

Much of this sounds all well and good. Who wouldn't want to make work more satisfying and enjoyable? But some have found that it is not always a win-win situation.

Professor Katie Truss, Director at the Centre for Research in Employment, Skills and Society and the Kingston Business School Employee Engagement Consortium, who is currently conducting research in this area, told *Workplace Report*: “On the one hand, we have found that engaged employees enjoy better health and personal wellbeing but, on the other, we are aware that some organisations use engagement initiatives to undertake work intensification, which would obviously run the risk of being detrimental to the individuals concerned.”

She adds: “Given that so many organisations in both the public and the private sectors are now investing in employee engagement initiatives, it is clearly in the interests of unions to become involved so that they can

represent the interests of employees in the development and implementation of these programmes.”

But union experiences on the ground have not always been positive. The rail infrastructure company Network Rail has an employee engagement programme which includes investing in employee learning and development schemes, improving the working environment by refurbishing depots and upgrading IT, and improving communications channels.

As part of the programme, an annual “Q12” survey measures employee engagement through a series of questions such as whether they have the right materials and equipment, and what recognition they have received when they have done a job well. Scores then form the basis of action planning.

Mick Cash, assistant general secretary at rail union RMT, says it recognises and welcomes the improvements that Network Rail has made in areas like the provision of decent work gear and improved facilities. But with regard to the Q12 survey, he says the union's position has moved “from agnostic to concerned” and it now advises its members not to complete the forms if they don't want to.

“Although the company says the survey forms are anonymous, we are concerned about confidentiality. We think that the level at which they are analysed means that groups of workers can be identified, and if there are poor scores, managers put pressure on workers to improve performance. Also, we feel that the completion of the survey should be voluntary,” he said.

In addition, he says the Q12 can be used to undermine collective bargaining. “There are examples of where our reps have been asking for improvements for several years to no avail. Then, because a problem is identified through Q12, the improvement is made.”

And because the engagement initiatives are taking place against a background of efficiency savings and failure to reach agreement on the harmonising of pay and conditions across the organisation, Cash says his members are suspicious that the survey could be used as a way of making more cuts.

Undermining organisation

At the Royal Bank of Scotland (RBS), an employee opinion survey is carried out every year asking staff what they think about the leadership of the

organisation, terms and conditions, training and the pay system, for example.

Stuart Davies, the lead officer in the RBS section of the Unite general union, says: "The company puts a lot of stock on the outcome of the survey, but the results often say something very different to what our members are telling us. In addition, the survey results are used to undermine workplace organisation. For example, we are trying to negotiate an across-the-board pay rise above the rate of inflation. But managers tell us that the results of the survey show that employees want performance-related pay."

The union has no input into the design of the questionnaire, and Davies says that of course questions can be worded in such a way as to elicit a particular response. "If you are asked whether you want to be rewarded for your hard work you are not going to say no. But equally, if you are asked whether you support across the board, cost of living pay rises, you are not going to say no to that either!" says Davies.

But other union representatives report positive experiences. For example, Royal College of Nursing (RCN) representative Bonnie Mitchell, East Lancashire PCT Workforce Partnership lead steward and chair to the combined staff side, told *Workplace Report*, "At East Lancashire PCT there is a partnership between management and unions, encompassing the union and non-union members of the workforce for the purpose of engagement and collective reorganisation. The idea is to form working relationships to support the workforce through change, focused on positive outcomes for patients, staff and the organisation. Front line staff are involved in designing services fit for purpose, a priority under the latest Department of Health (DoH) agenda to introduce competition to the healthcare market."

She says that the focus on engagement means there has been a change from a top-down management style to one that is more inclusive, with front line staff having a much bigger say in how changes are made. And information-sharing is much better "with no surprises at the negotiating table".

Public services UNISON branch secretary and staff side lead at Aintree Hospitals NHS Trust Peter Ballard says that employee engagement has given "those at the coalface" a chance to talk about the issues that affect them, and be listened to. He says unions have been able to use it to move their own agenda forward.

"Of course we don't want to see people working unpaid overtime, but we do want to see people working better and more efficiently, because that is in everyone's interest. Employees want that too. They want to do a good job and engagement gives them the opportunity to talk about the difficulties they face that stop them

from doing that, and get things put right", he says. "And we can argue that membership and involvement in trade unions is good for engagement. Those groups of workers with the highest union density are also those most likely to be engaged."

In the Civil Service an employee engagement programme is underway with the aim of developing a cross-government approach. Charles Cochrane, secretary to the joint civil service union (CCSU), says that the unions were initially suspicious of this evangelised management technique being imported from the private sector into the civil service. However, he told *Workplace Report*: "There is evidence that Civil Service staff can be disengaged, particularly in some of the larger departments. So asking them what they think about the civil service as an employer and what improvements can be made can only be a good thing."

However, in respect of "going the extra mile", he said: "This can have equality and diversity implications and must not fall outside negotiated terms and conditions. Also there is an entirely legitimate response from our members, which is 'what is in it for us?' Many areas are already having to deal with increased workloads, fewer staff and almost nil pay increases."

The civil service has around 66% to 70% union density and Cochrane says that the programme has not been used to side-step the unions. However, he says that there could have been more engagement with the unions in some of the early pilot projects. A national strategy on employee engagement is now in place, led by the Cabinet Office and part of a wider "work and well being" remit, with unions now fully involved.

"It's early days and it has largely been about inputs so we have yet to see the outcomes. We will reserve judgement until we see what comes out of the staff survey and how it is acted upon, but so far, so good," he says.

Positive union involvement

A spokesperson for the retail union USDAW said: "USDAW's view is that employees' experience in businesses that try to engage with employees is always better than the experience elsewhere." Tesco has a commitment to employee engagement that involves a staff partnership structure, recognition of USDAW as the independent trade union and full collective bargaining with the union. "A business commitment to employee engagement and recognition of an independent trade union can and should go hand in hand. Employers don't always get employee engagement right and there is often room for improvement but some attempt at involving employees is better than no attempt," the spokesperson added.

This is the key issue for unions. In order

for employee engagement to be meaningful, it must include an employee voice which is legitimate and independent – and that means that it must be backed up by trade union recognition and collective bargaining.

Otherwise, says Unite's research section head, John Earls: "People may not be prepared to raise issues they are concerned about because of fear of the consequences. They are much more comfortable having them raised on their behalf by collective representation."

He says that while employee engagement is broadly a good thing: "Getting people to go the extra mile is all very well, but get the basics right first." In Unite's view, those basics are the five key areas of the union's agenda for "Good work", which are 1) a safe and healthy workplace; 2) control over the working environment; 3) secure and interesting work (including support for skills and learning; 4) fairness and dignity at work; and 5) a trade union voice.

Nita Clarke, Director of the Involvement and Participation Association (IPA) is working on the government's review. She told *Workplace Report*: "Engagement is very much part of the same discussion as the partnership relationship with employers, and a collective voice is an important element. Employee engagement should not be seen as an alternative to collective representation. I hope that the government will use their powers to convene a national discussion about how employee engagement can be extended in the public and private sectors, and that trade union activists will play a part. Properly done, employee engagement is good for the workforce and can increase opportunities for trade union involvement."

Reasons to engage

Research evidence provides a compelling case for both employers and employees for adopting an employee engagement approach. This includes:

- A survey of 200 organisations found that moving a workforce of 10,000 employees from low to high engagement can have a £21 billion impact on the bottom line;
- 84% of highly engaged public sector workers in the UK believe they can have an impact on the quality of the organisation's work – nearly three times the number of disengaged;
- Engaged employees in the UK take an average of less than three days sick per year; disengaged people take more than six;
- Seventy percent of engaged employees say they have a good understanding of how to meet customer needs, compared with only 17% of disengaged employees;
- Eighty six percent of engaged employees say they often feel happy at work, compared with 11% of those who are disengaged;
- Engaged employees are 87% less likely to leave the organisation than those who are disengaged; and
- More than two thirds of engaged UK workers (67%) would advocate their company as a good place to work, compared with only 3% of those who are disengaged.