

Qualification: CIPD Diploma in Applied Human Resources

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Introduction

This briefing paper will look at different definitions of employee engagement and how these differ to similar concepts. It will then go on to describe key elements that indicate high levels of employee engagement within organisations and how it is important to align employee engagement with other key organisational factors. An argument will be made for why employee engagement needs to be a valid dimension of HR strategy and how it can benefit different stakeholders. Finally, different studies will be looked at to point out key trends in employee engagement and how these trends will shape the future of employee engagement.

1.1 Define employee engagement.

Employee engagement does not have a definitive definition and is a complex concept to describe. Khan (1990) describes employee engagement as having three dimensions. Firstly, physical engagement where an employee puts effort into their work, is highly energetic and shows mental resilience during work. Secondly, cognitive engagement where the employee enjoys their work and is happily engrossed in their work. Time often passes quickly, and they find it hard to stop working. Thirdly, emotional engagement when the employee feels involved, enthusiastic, inspired, challenged and proud of their work. They feel like their work makes a significance (Johns and Ellis, 2016, pp. 80-81).

CIPD (2021) defines employee engagement as a psychological state experienced by employees, according to academic literature. Employees are engaged when they show vigour, dedication and absorption at work rather than being burnt out.

High levels of employee engagement can be achieved when conditions are right for all members of the organisation which results in them giving their best to their work. Employees having high well-being, commitment to the goals and values of the organisation and motivated to achieve success for the organisation. It is an approach that can be measured and improved and contributes to business success.

As an employee, engagement is understanding one's role and how it plays a part in the organisation, clearly understand the objectives of the organisation and being able to have a voice in the direction of the organisation. It is feeling trusted and empowered and feeling like a part of the team.

As an employer, engagement is having a motivated team whose energy reinforces each other which helps reach the organisations objectives. Pride and loyalty are felt by the team which represents the organisation well. Employers can go to their team for ideas to make organisational success. An engaged team would have low sickness absence, less leave, less accidents at work, fewer grievances and conflicts and increased productivity (Engage for Success, 2021).

1.2 Compare and contrast employee engagement with other related concepts.

Organisational commitment is an employee's psychological commitment to their organisation and is loosely related to employee engagement. In contrast to this, job satisfaction is a work-related attitude regarding how the employee feels about their work. Organisational identification is where an employee sees no difference between their own interests and the interests of their employer. They feel a sense of 'oneness' with the organisation (Johns and Ellis, 2016, pp. 81-82).

One mindset that can characterise organisational commitment is affective commitment. This is where you have a strong emotional attachment to your organisation. You can identify with the values and goals, and you want to be there.

Another mindset is continuance commitment where you believe the pros outweigh the cons of staying in your job. You believe you have a better deal staying where you are rather than leaving. This can be in terms of finances, professional or social. This type of mindset increases with age and experience as you feel this more if you have had multiple promotions in your current organisation and if you are in a secure and established job role.

The final mindset is normative commitment where you feel obligated to stay at your organisation even if you believe you would be better off leaving. You stay because you feel it is the right thing to do regardless of if you feel unhappy or could have better opportunities elsewhere (MindTools, 2021)

Low levels of 'burnout', low levels of neuroticism and high levels of extraversion are all characteristics of engaged workers. Good mental and physical health can also be argued to be ways of describing engaged workers in comparison with their colleagues.

Engagement is more to do with performance and results rather than behaviour. People need to go beyond what is written in their contract in order for them to be engaged. This leads to the rest of team working more effectively together, improvement in efficiency and good customer service. Job satisfaction and happiness alone do not lead to employee engagement. The job role can be challenging enough for an employee to lead to job satisfaction and happiness but not enough for them to perform meaningful work. Therefore, high performance is not a result of job satisfaction and happiness alone (Johns and Ellis, 2016, p. 82).

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

Purcell (2010) argues that there are common factors that lead to common engagement. These are: trust in managers, work satisfaction, being involved with decision making, satisfactory pay, being challenged by the job and being satisfied with what is achieved at work (Johns and Ellis, 2016, pp. 82-83).

MacLeod (2015) argues there are four enablers for employee engagement. The first is a strategic narrative (Johns and Ellis, 2016, p. 83) which is for employees to understand the goals of the organisation. They need to be able to understand what their role is in order to achieve these goals and be given the opportunities to lend a hand in achieving the goals. The more involved people are, the more they can relate with their own futures of their working lives to the aspirations of the organisation (MacLeod, 2015).

An example of an organisation that does this is Google. They embrace innovation from all over the organisation and do not let job titles, formal authority or strategic rules within the organisation stop an employee from having a say (Olson and Simerson, 2015).

MacLeod (2015) argues secondly, engaging managers (Johns and Ellis, 2016, p. 83) where managers must engage with employees. This can be achieved by discussing with employees how to be successful in their role. They allow the employee to have a say in how this is achieved. Managers must also treat employees as human beings instead of machines. This can be done by accommodating to employee's needs (e.g., childcare issues and career progression) or just by

identifying what each employee can bring to the organisation individually. Managers must act as coaches. Managers must praise and acknowledge when an employee does well so that they feel appreciated. Equally, if an employee is acting dysfunctional, this is dealt with quickly, so it does not become a huge problem later. Helpful feedback is appreciated by employees. If a problem with an employee is not addressed in a timely manner, this can drag down the rest of the team as they feel like not everyone is pulling their weight (MacLeod, 2015).

Robinson and Hayday (2009) on behalf of the IES conducted research to find out how engaging managers create employee engagement. They found twenty-five 'engaging managers' from the seven organisations taking part in the study. The amount of people these managers managed ranged from four to five thousand people and they came from different backgrounds, training and had varied personalities. However, their behaviours were similar which included communication and making expectations clear, listening and valuing their team, target focused rather than processes, procedures and task focused, have and share a clear vision of strategy, actively interested in others, good leaders who practice positive role-modelling and they respect others which leads to them being respected.

The study also found behaviours of disengaging managers as unempathetic, communication and listening failures, self-centred, unmotivating and uninspiring, blame others for mistakes and do not take responsibility for their team, aggressive, unaware of how their behaviour impacts others and failure to deliver promises (Johns and Ellis, 2016, pp. 83-84).

MacLeod (2015) argues thirdly for employee voice (Johns and Ellis, 2016, p. 83). This can be done formally or informally. Everyone can offer value to help the organisation achieve its goals. Any problems within the organisation can be found quicker if all employees have a voice that can be carried over (MacLeod, 2015).

Google demonstrates this with the Googleist survey. This is an engagement survey sent out annually to every employee at Google and has an 88% response rate. The feedback from the survey is then actually acted upon. For example, as a result of the survey the CEO moved a portion of bonus into base salary (Nguyen, 2020).

Fourthly, integrity (Johns and Ellis, 2016, p. 83) where the 'values on the wall' must match the behaviours shown in managers and colleagues. This leads to trust and integrity. If there is a gap between these then this leads to distrust and more time and resources are needed to get anything done as people are second guessing the motives behind what is happening. If the gap is small there is no need to question the motive and you are more readily to accept things at face value (MacLeod, 2015).

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

Ford made the phrase 'culture eats strategy for breakfast' but this phrase was first attributed to Drucker. This means that you can have the best plan in place but without the right culture, your plan is not going to be met. A culture must be co-created, and a strategy worked on together, so everyone understands the vision and the role they play to make it happen (Reidy, 2022).

Employees who understand the organisation's strategy and know how to relate their role to the big picture are more likely to be engaged employees. If an employee is unaligned, they feel disconnect

to the vision of their employer, have hardly any knowledge about the business strategy, and are pessimistic about the organisation's future. By empowering employees with a supportive culture, having a defined vision and mission that is clear and consistent communication, employees are more aligned which results in greater innovation and productivity. Engaged employees can link organisational success to their own personal development (The Big Picture People, 2020).

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

CIPD (2017) found that employee engagement and the health and well-being of employees are key for productivity, better performance and organisational success.

Towers Perrin Global Workforce Study 2007-2008 looked over a one-year period at fifty global companies to see how the levels of employee engagement correlated with financial results. There was a 19% increase in operating income and nearly 28% growth in earnings per share for those companies with high levels of employee engagement. Operating earnings dropped more than 32% and earnings per share dropped over 11% for those companies who had low levels of employee engagement (p. 5)

Saks (2006) found in their study that engagement was positively related to job satisfaction and organisational commitment and negatively related to intention to quit. Harter et al (2002) found that high levels of employee engagement led to higher levels of customer satisfaction, productivity and profit and lower levels of employee turnover, and accidents.

Cao (2018) argues that happiness is about building a great culture and success is a side effect of this. Therefore, happiness drives success. Instead of just focusing on money, you should treat employees as people this will lead you to success.

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

MacLeod (2009) believes that engagement is a triple win as it is a win for individuals at work, the enterprise and the country. Therefore, employee engagement is beneficial universally (Johns and Ellis, 2016, pp. 84-85).

Gallup studies have shown that employee engagement and customer engagement work in tandem and can feed off each other. Hutchingson and Purcell (2003) studied four Tesco stores in the UK. Stores that had higher levels of employee engagement and customer satisfaction had higher percentages of customers that bought something than those with lower levels. For one store that scored low, they changed from managing employees in a top-down approach to allowing employees the freedom to make decisions for themselves. As a result, when employees saw the changing rooms filling up they moved to the tills as they anticipated that this meant that customers will be buying the clothes they are trying on. This was a success for the business as customers were happy as they had less time to wait and the staff were happy because they had some autonomy (Johns and Ellis, 2016, p. 86).

4.1 Identify key sources of employee engagement related data.

Macro level data is data across a region, national or international. The Office of National Statistics is an example of how employee engagement data can be collected in this way. They seek to enable cross institutional analytics (Buckingham Shum, 2012). Macro data can be used to check the sense of engagement in your organisation regularly to work towards enhancing performance (Lander, 2021).

Micro level data is collected from individuals or small groups. This data is of primary interest for the organisation itself (Buckingham Shum, 2012). Data collection for employee engagement involves exit interviews, one-to-one conversations with managers and performance management (BasuMallick, 2021).

Meso level data is data collected at an institutional level. Therefore, organisations in the same sector can find this data useful and benchmarks can be set (Buckingham Shum, 2012). The Gallup survey is popular for setting benchmarks for engagement (Gallup, 2022).

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

CIPD Employee Outlook Survey indicates that UK employee engagement levels are stable as 35-39% of employees reported that they are engaged. A national survey of employee attitudes was carried out by Kingston University and Ipsos/MORI which can be used as a national benchmark for employers to measure their own employees' attitudes. However, matching this benchmark does not make your organisation a world-class leading-edge business. The benchmark needs to be exceeded for this. It is also important to understand that the benchmark might be low.

The study found that women tend to be more engaged than men, nearly a quarter of people under the age of thirty-five felt engaged whilst 40% of those over the age of thirty-five felt engaged and, managers are more likely to be engaged than non-managers. The study also found employees on flexible contracts tend to be more emotionally engaged, more likely to say positive things about their organisation, more satisfied with their work and less likely to quit than those not on flexible contracts. Another factor the study found was that those in the public sector felt that their senior managers did not have a clear vision for their organisation. They were less likely to believe what was communicated to them from the organisation as not having a clear vision leads to less trust and confidence (Johns and Ellis, 2016, p. 87).

The CIPD – UK Working Lives (2019) found some interesting results which could impact employee engagement. Nearly three quarters of working believe their jobs are meaningful as they feel they contribute to their organisation. However, looking at meaningfulness at a higher level, nearly one in four workers feel that their work is not contributing usefully to society (CIPD, 2019, p. 8).

The study found that 19% of workers feel that they are blamed by management and 22% feel they are excluded because they are different. Over a period of twelve months, three in ten workers reported one or more forms of bullying or harassment in the workplace with one in seven workers saying their case is unresolved.

Gender plays a part in how conflict is carried out. Undermining, humiliation and sexual harassment are more common for women to experience, and physical threats and false allegations are more common for men to experience. Discrimination and being undermined or humiliated are also more common for workers in the BAME and LGBT+ communities (CIPD, 2019, p. 9)

More control over work, more meaningful and motivating work, and skill development and career growth opportunities are more common with those in higher-grade jobs which leads to greater job satisfaction. On the flip side, people in higher-grade jobs often face longer commutes and use flexible working more which can make it harder for them to switch off. This can lead to them feeling

overwhelmed and feeling as if there is not enough time to complete their work. Therefore, those in lower-grade jobs face less stress and have better mental and physical health (CIPD, 2019, p. 12).

The Gallup's State of the Global Workplace report shows that US employees are the most engaged at work at 33% which is double the global average (Jouany and Mäkipää, 2021).

It is important to view these engagement results critically as Purcell (2010) explains factors that can make results unreliable. Engagement surveys can become a tick-box exercise which leads to engagement being treated in isolation. Results from employee engagement surveys can lead to managers being punished in their performance reviews. It is also important to note that engagement scores do not explain the reasons for engagement levels (Johns and Ellis, 2016, p. 89).

One of the reasons for low employee engagement is burnout. If works feel exhausted from their job, then they could resist engagement (Johns and Ellis, 2016, p. 89). Google introduced the Dublin Goes Dark initiative to help with this problem by making employees check in their devices before they clock off for the day, so they are not taking work home with them (Kellaway, 2014).

Another reason is work intensification where employees being engaged with their work and going the extra mile can lead to their managers expecting this from them all the time. Overtime can be normalised which is often not paid. This can lead to exploiting engaged workers.

A third reason is lack of work-life balance. Some employees are not able to make in the extra effort because of other commitments in their life (Johns and Ellis, 2016, pp. 89-90).

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

Since COVID-19, many employees are now working from home. This has an advantage on employment engagement as there is a lack of commute which can be stressful for employees and a more flexible schedule which can lead to a better work-life balance (Jouany and Mäkipää, 2021). However, in the study The State of Remote Work, 27% of employees working remotely reported struggling to unplug after work which can lead to burnout. They also found that 16% of workers struggle with loneliness and 16% struggle with communication when working remotely. This can cause issues for the culture at an organisation so efforts should be made to keep employees feeling included and communication should be more regular (Buffer, 2021).

The 2021 State of Employee Engagement report found that engagement has declined by 49% over the past year for organisations with mostly frontline or on-site workers. To compare, 31% of mostly office-based or remote and 36% of organisations that have a mixture of office and frontline reported engagement levels lowering over the same period. Low engagement can mean talent leaving organisations and difficulties with recruiting, so it is important for organisations to become an employer of choice to attract new employees and retain existing talent (Urquhart, 2021).

Millennials are more likely to speak up if they are unhappy (Cao, 2018) and they value opportunities for professional development on the job. Professional development is key to employee engagement, so managers and HR need to provide recourses and tools to support the professional development of employees (Jouany and Mäkipää, 2021).

Guest's (2015) proposed strategy for promoting engagement includes managers and leaders promoting engagement values to implement engagement. Another way is to treat employees with fairness and trust to create a reinforcing climate for engagement. By recruiting employees who

welcome engaging jobs, providing training and development and designing jobs to provide autonomy, engagement can be promoted. Finally, use surveys, feedback and action planning to monitor the progress of high employee engagement (Johns and Ellis, 2016, p.91).

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