Research report
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CREATING AN ENGAGED WORKFORCE

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FINDINGS FROM THE KINGSTON EMPLOYEE ENGAGEMENT CONSORTIUM PROJECT

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Contents

Executive summary

EMPLOYEE ENGAGEMENT IN THE UK
- We carried out research in eight organisations across the UK resulting in a dataset of 5,291 questionnaires and around 180 interviews.
- Our measure of engagement incorporates three dimensions: emotional or affective engagement; intellectual or cognitive engagement; and social engagement, each measured in terms of extent and frequency.
- Overall, 8% of respondents in our sample are strongly engaged with their work, with the majority falling into an intermediate category.
- With respect to the frequency of engagement, 18% are engaged on a daily basis.
- Comparisons across the three dimensions reveal that levels of social engagement are lowest.

ENGAGEMENT ACROSS DIFFERENT ORGANISATIONAL CONTEXTS
- Many organisations measure engagement and have specific engagement strategies across the public and private sectors.
- Public sector employees are more strongly but less frequently engaged than in the private sector.
- Public sector employees show higher levels of social and intellectual engagement, whereas private sector employees are more engaged affectively.

ENGAGING DIFFERENT EMPLOYEES
- Comparisons across employee groups reveal a variety of interesting differences with respect to demographics and job types.
- Women are more engaged than men.
- Younger workers are less engaged than older workers.
- Those on flexible contracts are more engaged.
- Managers are more engaged than non-managers.

STRATEGIES FOR ENGAGEMENT
- Organisations can implement a range of workplace strategies that impact upon levels of engagement.
- Meaningfulness is the most important driver of engagement for all employee groups.
- Two-thirds of all respondents in our study find meaning in their work.
- Senior management vision and communication is a key driver of engagement, whereas senior management effectiveness is negatively related to employee engagement.
- Positive perceptions of one's line manager are strongly linked with engagement.

- Respondents rate their line managers more positively compared with their senior managers, with 56% indicating that they have a good relationship with their line manager.
- Employee voice is a strong driver of engagement.
- Just 34% of employees are the 'vocal-involved', who perceive their work as meaningful and have opportunities to voice their views, yet this category of workers is the most engaged.
- Most employees have negative views about their organisation's HR policies and practices.
- HR practices do not impact directly on engagement; the relationship is mediated by person–job fit and line management style.

OUTCOMES OF ENGAGEMENT
- Employee engagement is associated with a range of positive outcomes at the individual and organisational levels.
- Engaged employees perform better.
- The majority of our respondents were rated 'good' in their last appraisal.
- Engaged employees are more innovative than others.
- Engaged employees are more likely to want to stay with their employer.
- In our sample, 35% indicate that they would like to continue working for their employer for five or more years, compared with 17% who want to leave within the next two years.
- Engaged employees enjoy greater levels of personal well-being.
- Engaged employees perceive their workload to be more sustainable than others.
- One-third of employees are 'fit-performers', enjoying high levels of personal well-being and performing well.
- Our data indicate that excessively high levels of engagement might lead to ill-health and burnout.

CASE STUDIES
- In our two-year research project we analysed levels of engagement across eight different organisations, which are included as case studies in this report.
- ServiceCo is a support services partner company with around 9,000 employees. An important factor influencing levels of engagement is the extent to which employees are given a platform to communicate their opinion about work-related topics. Further challenges include the integration of employees working remotely and the engagement of manual workers.

- LocalGov is one of the largest local authorities in the UK, employing more than 50,000 employees. In 2006, LocalGov initiated a programme to empower employees and increase their levels of engagement, which runs very successfully. However, further improvements can be made in terms of communicating with employees, especially during change initiatives.
- GovDep is a large government department that has been interested in employee engagement for several years. One of the major strengths in this organisation is work–life balance and the opportunities to work flexibly. An area for improvement is the way leadership capacity is developed within GovDep.
- ScienceCo is a public sector organisation, supplying scientific information in the UK. Changes in the economic climate prompted ScienceCo to launch a new initiative to move from a very stable to a more dynamic workforce. Employees at ScienceCo find their jobs highly meaningful; however, senior management attitudes and behaviour could be improved to further raise levels of engagement.
- PlasticCo is a leading plastics manufacturer with a workforce of around 650 employees. Following the results from their engagement survey, PlasticCo undertook a major effort to change the culture and move towards a more open and integrative management style.
- EnvironmentCo is a leading recycling and waste management company in the UK, employing almost 12,500 people in the UK. A major strength within EnvironmentCo is the clarity of objectives, as the vast majority of employees feels that they are clear about the tasks they have to perform to achieve their goals. An important area for improvement are HR practices, as many respondents express their dissatisfaction, especially with training and development opportunities, and the career and performance appraisal systems.
- NorthTrust is an NHS foundation trust providing healthcare to a population of over 300,000 people. A consistently positive finding is that employees are generally satisfied working for the NHS. Future challenges for NorthTrust are communication and leadership style.
- ConstructionCo is an international consultancy and construction firm. The company benefits from its entrepreneurial culture and the fair and consistent management style. An area for improvement is work–life balance as many employees feel compelled to work long hours due to the sheer amount of work.

MANAGEMENT IMPLICATIONS

- The main drivers for engagement in our study are meaningful work, voice, senior management communication style and vision, supportive work environment, person–job fit and line management style.
- Understanding your workforce engagement profile is the first step to determining how to drive up engagement levels.
- Engagement is clearly associated, both in our report and in other studies, with high levels of performance, reduced intent to quit and raised levels of personal well-being. It is therefore legitimate from a corporate perspective to prioritise improving levels of employee engagement.
- There is a clear need to help create meaning for employees in their work; this can be achieved intellectually by articulating the links between individual jobs and the broader organisational aims, and emotionally through sharing an understanding of deeper levels of the purpose of the organisation.
- Employees need to be given opportunities to express their views and to know that their opinions will be taken seriously. This is an activity that needs to involve both senior and line managers. Our case studies provide some examples of how organisations in the consortium have achieved this.
- Senior managers have an important role to play in creating a vision for the organisation and sharing this with employees, and in being open, transparent and approachable.
- Engagement levels are affected by the working environment. Where employees can see that they have support from others to help them do their job, there is a sense of teamwork and they can safely express themselves, then engagement will be higher.
- Matching people to jobs is a critical driver of engagement. This is one area where HR professionals can play an important role helping line managers design jobs effectively, and develop selection processes that match individual skills to jobs.
- Line managers act as the interface between the organisation and the employee, and can do much to impact on engagement. Another key HR role is therefore to pay close attention to the selection, development and performance management of line managers to ensure they maximise their potential to be engaging leaders.

1 Introduction

The findings of the UK Government's 2009 MacLeod Review into employee engagement (MacLeod and Clarke 2009) have underlined the critical role played by an engaged workforce in both organisational success and individual well-being. The study corroborates the findings of the earlier report commissioned by the CIPD into employee engagement (Gatenby et al 2009). This highlighted the relatively low levels of engagement in the UK workforce generally, together with evidence demonstrating the impact of engagement on performance, quality, innovation, levels of absenteeism, turnover and organisational advocacy. Engagement would seem to be beneficial to both employers and employees, as those with the highest levels of engagement also appear to enjoy greater personal well-being.

However, despite these and other studies, it remains true that, in theoretical, conceptual and empirical terms, we in fact know relatively little about the concept of employee engagement. Largely, this is because academic research has lagged significantly behind the wealth of interest shown by practitioners, HR professionals and consultants, who have been much quicker to note the importance of this relatively new concept. Consequently, many management consultancies and survey firms have developed a definition of employee engagement and associated measurement index, while their academic colleagues have been much slower off the mark and have thus far not agreed on a single, theoretically derived and empirically validated definition of engagement. In particular, we note one significant discrepancy. Most consultancies and survey firms regard engagement as something that is *done* to employees, in other words, 'a workplace approach designed to ensure that employees are committed to their organisation's goals and values, motivated to contribute to organisational success, and are able at the same time to enhance their own sense of well-being' (MacLeod and Clarke 2009). In contrast, however they may actually define engagement, academics tend to agree that engagement is *experienced* by individuals, a state of being that may be affected by management strategies and approaches, but is not, in and of itself, such a strategy (May et al 2004).

It is the latter view of engagement as a state experienced by employees that has informed the work undertaken over the past two years by the Employee Engagement Consortium based in the Centre for Research in Employment, Skills and Society (CRESS) at Kingston University. Working with the CIPD and the ten members of the consortium, we have undertaken a very thorough and detailed exploration of employee engagement, its antecedents and consequences, in a variety of different settings. Through this research, we have developed a new definition and conceptualisation of employee engagement that builds on prior academic studies but extends them in important ways, and we have studied the processes through which engagement levels can be raised or lowered through the actions taken by managers.

2 The research study

We took as our starting point the first report we wrote on engagement for the CIPD in 2006 (Truss et al 2006). In this study, we were able to survey the views of 2,000 working adults from across the UK. This investigation yielded some important insights into engagement. However, we felt that there were still some unanswered questions. Most particularly, although the measure of engagement we used in that report was helpful (May et al 2004), we wanted to develop this conceptualisation further, drawing on wider academic studies and empirical evidence. We also wanted to explore, in more depth, how the engagement process works across different sectors and types of organisation.

The following year, in 2007, with support from the CIPD, we founded the Kingston Employee Engagement Consortium project in collaboration with ten public and private sector members. We set out to answer the following five questions:

1 What does engagement mean?

2 How can engagement be managed?

3 What are the consequences of engagement for organisations?

4 How does engagement relate to other individual characteristics?

5 How is engagement related to employee voice and representation?

> We define employee engagement as: 'being positively present during the performance of work
> by willingly contributing intellectual effort, experiencing positive emotions and meaningful connections to others.'

We see engagement as having three core facets:

- **intellectual engagement**, or thinking hard about the job and how to do it better
- **affective engagement**, or feeling positively about doing a good job
- **social engagement**, or actively taking opportunities to discuss work-related improvements with others at work.

We also differentiate between the extent of engagement – the strength of feeling engaged – and the frequency of engagement – that is, how often individuals experience engagement. This approach has been used in studies of other psychological constructs such as burnout.

Thus, an engaged employee is someone who thinks hard about their work, feels positive when they do a good job and discusses work-related matters and improvements with those around them.

This definition of engagement derives from the work of earlier theorists and commentators such as Kahn (1990), May et al (2004) and Schaufeli and Bakker (2004), all of whom regard engagement as a psychological state experienced by employees in relation to their work, together with associated behaviours. Engagement therefore has intellectual, emotional and behavioural dimensions. Our definition of engagement draws specifically on the work of Kahn (1990) in its incorporation of the concept of social engagement, and suggests that the willingness of employees to discuss work-related improvements with those around them is an important dimension of engagement and which serves to differentiate engagement from other, similar constructs such as job satisfaction, organisational citizenship behaviour and 'flow'. It is important to note that, following earlier theorists, our concern is with an individual's engagement with their specific job, rather than with their organisation as a whole. We would argue that these notions of organisational commitment and advocacy are generally associated with high levels of engagement, but are distinct from it.

Between 2007 and 2009, we collected data from eight organisations. Our preliminary findings were published by the CIPD in early 2009 (Gatenby et al 2009). In this, our final report, we extend our interim report and present the overall findings from this research project in the form of eight detailed case studies, together with an analysis of our entire dataset. Overall, we report on the findings of a study that has involved 5,291 questionnaire respondents and around 180 interviews.

First, we explore differences in engagement across organisational contexts and examine how different types of employee (for example, men/women; managers/non-managers) engage in their work. In the following section, we explain the key drivers of engagement, before we analyse the main outcomes of employee engagement at an individual and organisational level. Finally, we introduce our overarching model of engagement and highlight the management implications arising from our findings. In the Appendix, we explain the methodology used in our study.

3 Employee engagement in the UK

We measured and analysed levels of engagement in a number of different ways. Individuals were asked a series of questions that were designed to evaluate how engaged they are with their work, each using a five-point response scale. These questions combine to create three separate scales each measuring social, affective and intellectual engagement. We measured these facets of engagement in terms of both extent – that is *how* engaged the person is – and frequency – that is *how often* they are engaged. We also analysed our data in terms of the *overall* extent and frequency of engagement, combining the three scales into an aggregate measure of engagement. This means that we are able to talk about engagement from various angles.

In terms of the overall extent of engagement, if we divide our respondents into five categories corresponding to our five-point response scale, we found that 8% of respondents are 'strongly engaged' with their work (that is, scoring 4.5 or over on the scale out of a possible 5). A further 70% can be described as 'moderately' or 'somewhat' engaged (scoring between 3.5 and 4.5 on the scale), and just 1% as very weakly engaged, with the remaining 21% neither engaged nor disengaged.

Our study is the first that has explored the frequency with which people are engaged with their work, which is an interesting addition to our understanding of how engagement works in practice. We found that fewer than one in five, 18%, are engaged on a daily basis. Fifty-nine per cent report being engaged 'once a week', and 22% 'a few times a year' or 'once a month', and just 1% report 'never' being engaged. These findings suggest that a substantial majority of employees are not engaged with their work on a daily basis but, equally, only a very small number are never engaged.

If we plot extent of engagement versus frequency, we find that just 5% of the sample overall can be described as very highly engaged (scoring a very high 4.51 or over on both extent and frequency). Conversely, just 4% report extremely low levels of engagement (scoring 2.99 or below on the extent and frequency scales).

Looked at in another way, the mean score for engagement extent is 3.8 and for frequency 3.9 out of a possible 5. Consequently, it would be true to say that the vast majority of employees can be described as falling into an intermediate category of engagement, which is largely what would be expected. This suggests that there is still considerable scope for organisations to raise levels of engagement overall.

We can break this down further by looking at the three facets of engagement (see Table 1).

These findings comparing across the three facets of engagement provide an interesting insight into how engagement operates in practice. Scores for social engagement are the lowest, which was reflected within each of the organisations individually, both in terms of extent and frequency. Levels of affective engagement are highest, with intellectual engagement occupying an intermediate position. The relatively low level of social engagement in terms of both extent and frequency is of concern. Social engagement is a measure of how much people at work participate in constructive dialogue with those around them about their work or how to improve working methods or skills. This is closely linked with notions of organisational social capital, which suggests that one of the most important resources at an organisation's disposal is the network of relationships both within the organisation and beyond. Where levels of social engagement are low, this may mean that organisations are not capitalising on the unique strengths and knowledge of their workforce.

Table 1: Engagement extent and frequency (%)

	Extent strong (over 4.0 out of 5)	Frequency daily/once a week (over 4.0 out of 5)
Social engagement	38	29
Affective engagement	58	77
Intellectual engagement	41	65

However, overall, our findings broadly suggest that levels of engagement are moderate–high in the sample of organisations participating in our research. Of course, our sample is self-selected and chose to be members of the Employee Engagement Consortium, and so it is perhaps to be expected that the overall level of engagement in these organisations would be higher than average.

Nevertheless the findings are encouraging and compare favourably with other studies into engagement levels. For example, Truss et al (2006) found that 35% of employees are actively engaged, with 57% moderately engaged. Another study found that 29% of workers are engaged and 17% disengaged (Seijts and Crim 2006). A study by the Corporate Leadership Council (2004) found that just 24% of staff are highly engaged. The conclusion from the MacLeod Review (2009) is that levels of engagement in the UK workforce generally need to be raised. Although our findings are more positive, it is still the case that levels of engagement could be higher.

Why do studies of engagement reveal such a different picture? There are two main reasons for this. First, different studies use different questions to assess levels of engagement, based on how engagement is defined and operationalised. Measures of engagement that incorporate questions around employees' understanding and awareness of organisational strategic objectives, for example, will always yield a more negative response as many employees lack this knowledge. However, it could be argued that this does not reflect the psychological state of engagement per se. Other studies, such as our report for the CIPD in 2006 (Truss et al – in this report we used the May et al (2004) measure of employee engagement), include questions on employees' willingness to work overtime and take work home with them. However, we did not include questions such as these in this current measure, which is based on work we have undertaken since 2006 on the topic of engagement that extends prior understanding. We wanted to include questions capturing the extent to which people engage socially with their colleagues, feel positively about their work and think hard about how to do their jobs better,

rather than focus on long working hours. It is perfectly possible to be engaged with one's work during working hours, but not work excessive overtime. Long working hours may be indicative of other factors, such as a culture of presenteeism in the workplace. Whereas engagement is associated with positive benefits for the individual, such as enhanced well-being, workaholism has been found to be linked with negative health outcomes.

The second reason that studies report differing levels of engagement is that different scales are used to record employees' views and the data are analysed and coded in different ways. Here, we use a standard approach recommended for academic research, giving respondents five possible responses to each question. This is one of the most common ways of recording and coding employees' views.

These divergent approaches to conceptualising, measuring and reporting on engagement can create a confusing picture for managers wishing to understand engagement and develop strategies for raising levels of engagement amongst their workforce. Everyone will form their own views as to how best to measure the engagement levels of their own employees based on what is important to them. It is, however, interesting that whatever the measure of engagement used, the range of drivers and outcomes of engagement tend to be quite similar across different studies, and the general conclusion is that the majority of employees are moderately engaged with scope to raise levels of engagement overall.

KEY FINDINGS

- Eight per cent are strongly engaged with their work, with the majority falling into an intermediate category.

- Eighteen per cent are engaged 'daily'.

- Our measure of engagement incorporates three dimensions: emotional or affective engagement; intellectual or cognitive engagement; and social engagement, each measured in terms of extent and frequency.

- Levels of social engagement are lowest.

CASE STUDY:

ServiceCo

ServiceCo is a support services partner in the UK providing business solutions for clients across the local government, transport, education, health and defence sectors. As a part of a large European infrastructure and services group, the company employs around 10,500 employees and is present in over 200 locations within the UK. In 2008, ServiceCo had a turnover of £1.49 billion and a profit of £86.5 million.

ServiceCo's vision is about transforming the nature of services to the public. A strategy has been developed to implement this vision, which focuses on being engaged throughout all work processes. Hence, ServiceCo encourages employees to take every opportunity to 'go the extra mile' for the customer. ServiceCo has been interested in engagement for several years. The company launched its first employee engagement survey in 2006 and has been conducting engagement surveys once a year since then. The surveys have been supported by action plans around the key issues arising. ServiceCo joined the Kingston University Employee Engagement Consortium to get a more detailed understanding of levels of engagement across different groups of the diverse workforce.

A total of 2,500 employees working for ServiceCo in the UK were encouraged to participate in the study. Those with email access (1,500 employees) were invited to complete an online questionnaire survey. A further 1,000 employees without Internet access were given a paper version of the questionnaire. A total of 1,157 questionnaires were returned, providing a response rate of 46%. Additionally, 33 interviews with managers and employees were carried out.

ENGAGEMENT LEVELS

The results of the survey suggest that employees at ServiceCo generally have very high levels of engagement. Nine per cent are very strongly engaged and 77% are strongly engaged. Fourteen per cent have a moderate level of employee engagement.

'I think on the whole most people would generally care about what they do and the company they work for. I think in my experience and the people I know and I work with, it's not just a salary, it's not just a job, they do believe in the company and their division and the work that they do.' Development manager

Overall engagement frequency is even higher among employees at ServiceCo, with 19% being engaged on a daily basis and 66% being engaged once a week. Fourteen per cent are engaged once a month and only 1% said they are engaged only a few times a year. A director reflects upon the high levels of engagement and at the same time points out that it is important to continuously strive for higher levels.

'ServiceCo does have an engaged workforce but you can always engage more.' Director

In the next sections we will consider three areas that are contributing to high levels of engagement in ServiceCo – employee voice, supportive environment and commitment – and three areas where there is still some room for improvement – engagement among manual workers, integration of workers working remotely and well-being in some roles.

Figure 1: Extent and frequency of employee engagement at ServiceCo (%)

Legend: Overall engagement extent | Overall engagement frequency
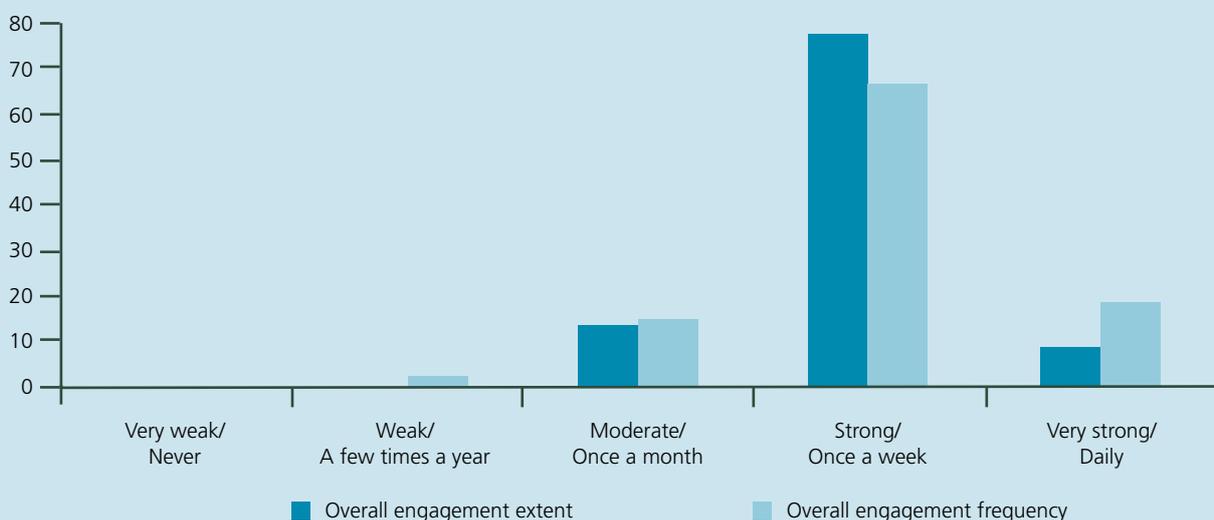
EMPLOYEE VOICE

One of the most important factors impacting upon the high levels of employee engagement at ServiceCo is the extent to which employees participate in meetings and decisions that are directly related to their job and are given a platform to communicate their opinion about work-related topics. Most employees feel highly involved in work-related matters, could give their opinion and are listened to by management.

'I think that culture encourages upward communication, because I think people are very approachable.' Director

'We can always come up with something and it's taken through and it's dealt with. I certainly know on the projects they have regular meetings with the side teams where anyone who comes up with any initiatives or ideas, they are always received and welcomed.' Supply chain manager

ServiceCo has implemented an innovation library as one initiative to foster engagement across the organisation. The programme encourages employees to share success stories and ideas for improvement and relies on innovation champions who capture new ideas and feed them back into the innovation library. The innovation library is well received among office-based staff; however, as the following manager points out, ServiceCo could make even more use of this tool if operational roles could be informed about the innovation library and encouraged to use it more frequently.

'We have got a best practice library with a lot of information. I think office-based staff probably [use it] because they know about it. I would query if operatives knew that we had an innovation forum to put their ideas forward to.' Marketing manager

SUPPORTIVE ENVIRONMENT

Another great strength at ServiceCo is the level of support in the working environment. This refers to the level of teamwork. As many employees at ServiceCo work in teams, a supportive working environment is important as it enables employees to feel comfortable at work and therefore has a major impact on levels of engagement. Employees at ServiceCo are very satisfied with the support they get from their colleagues in carrying out their jobs. They feel that colleagues help each other out whenever someone is experiencing a problem, and that generally all team members are committed to achieving common team goals.

'Everybody is easy to get on with. Everybody works as a team; we're all trying to achieve common goals. From other organisations I've worked in there was what I call politicking but there's very little politicking within ServiceCo. Everybody has got a common objective, common understanding and people work in different ways and you need to understand that but it's very friendly, very approachable.' Director

'I think there's a real teamwork ethos on a number of the contracts.' Director

Most employees also feel very comfortable saying that they could 'be themselves' at work.

'I've always found it a very, very comfortable working environment with people I can actually get on with.' Manager

'Within my department, we're almost like a family, we look after each other, we're very good at making sure everybody's okay.' Supply chain manager

'I think the energy and the commitment that you get from individuals from being part of a team far outweighs the energy of the individuals as individual parts as it were.' Manager

COMMITMENT

Following the positive comments above it is not surprising to find that ServiceCo employees have high levels of commitment to their department. Many employees indicate that they experience a strong sense of belonging to their department and would be happy to spend the rest of their career there. The high levels of commitment are closely associated with the good levels of teamwork and clearly contribute to the organisation's high levels of engagement. Many employees are committed to do a good job and put a lot of effort into their work.

'You go to any of our schools and you will find the cleaners are all very, very committed; if they can't do something to the best of the quality that they want they get concerned about it.' Director

'Generally, we have a very committed workforce who will stay here as long as there is a job to be done.' Manager

Commitment levels with respect to ServiceCo as a whole are slightly lower, but still on a satisfactory level. A good part of the workforce feels emotionally attached to ServiceCo and are proud to work for the organisation. Therefore, many employees do recommend ServiceCo as a good place to work to friends and family. This is mainly attributed to the development opportunities available and because they consider ServiceCo a 'very dynamic and exciting place to be'. Manager

Hence, related to the high commitment, employees show a very good level of advocacy for their company.

'I think there are currently five people who are working in ServiceCo that I have recommended.' Director

'People who work here will get people into the business, either friends or family even. I have a father and son team working for me within my team.' Manager

MANUAL WORKERS

Although engagement levels at ServiceCo are generally very high, manual workers are significantly less engaged than other employee groups within the company. This finding is consistent with other companies employing manual workers and ServiceCo are ready to address this within the coming months. Manual workers at ServiceCo indicated some major points of dissatisfaction. When asked about what could be improved in their working life, they expressed a need to improve communication between the workforce and management.

'[The one thing which would help improve my working life is] better communications between employees and managers.' Manual worker

'Communications with my line manager and project manager are very good, communications with higher management are less effective.' Manual worker

'It would be nice for the senior management to meet the staff.' Manual worker

'Understanding by senior managers of how difficult the job can be would improve my working life.' Manual worker

Manual workers at ServiceCo also indicated that they would like to get involved more in decision-making and also would like to get more training to improve the way they are working.

'[I would like] to learn more skills.' Manual worker

'To better me for the job the organisation should provide me with regular training in health and safety, new techniques of machinery and IT literacy.' Manual worker

Further topics arose around the quality of the equipment, the role of line managers and better work–life balance. As a result of the lower levels of engagement among manual workers, ServiceCo has put an action plan in place to improve the work experience of manual workers.

EMPLOYEES WORKING REMOTELY

A second area for improvement, which is closely related to the previous topic, is about employees working remotely. As ServiceCo is present in over 200 locations across the UK, many employees work in small teams at some distance from the head office. In the survey, many remotely working employees feel that they received little attention and information from the head office. They indicate a strong preference to see their managers more often to increase mutual understanding of work objectives and work environment, raise awareness of problems occurring on remote jobs, and discuss new ideas or areas for improvement.

'We're out on a limb in the north of England and we very rarely have senior management come and visit so we don't feel part of the whole with ServiceCo. It would be nice to see more engagement from the senior management.' Manager

'You do hear of people who don't get communicated to and feeling left out and I don't know whether it's the barriers or it's the managers or whether they're not given the talks, which may be the case. It's especially in remote areas it could be that there's more work to do there.' Manager

The implication of having employees working remotely and the difficulties in managing them are also recognised by some top managers.

'Communication is not a challenge but something we have to work very hard at because we employ 8,500 people within the group and many of those are part-timers that are very remote from head office and quite remote from their contract bases.' Director

'I encourage face-to-face meetings. I have two senior managers that work for me and even though the teams are quite remote they will meet with them on a face-to-face basis as regularly as possible, given the constraints of travelling of course.' Director

'I just think it's down to the simple kind of human need for that kind of contact and it is more difficult if you are managing remotely. It requires people to be more mature in their attitude and more self-contained and not everybody is like that.' Director

However, although individual top managers are aware of these challenges and take necessary steps to integrate remote workers by making efforts to meet them regularly, ServiceCo would benefit from organisation-wide processes considering the management of remote workers.

WELL-BEING

In general, employees at ServiceCo experience high levels of personal well-being. A large majority of staff feel that their work is highly sustainable and they are therefore able to continue working at their current pace. However, comparing the levels of well-being across different groups at ServiceCo reveals that contract managers experience significantly higher levels of stress. They feel burned out more often and also have a less favourable work–life balance. The reason for the high workload is that on top of being involved in managing their own contract, especially the most experienced and hard-working contract managers are often drawn into bidding for new contracts. Although employees generally like the team effort and the atmosphere during bidding periods, which they describe as motivating and exciting, the work–life balance goes wrong when they are involved in too many bids during the year.

'I think people are willing to go the extra mile to put in the bid, they can be very hectic and very time-consuming and a lengthy process and I think that when push comes to shove people are willing to help out, step in and do what's needed for the company and their team and for themselves.' Manager

'The work–life balance sometimes goes wrong, particularly around bids going in, you know they get very intense when there are very significant bids going in, so the work–life balance probably goes the wrong way.' Director

'We have gone through a period where we have been extremely stretched with the amount of bids that we've done and last year I think I've been involved with six, seven bids and some of these have been long days, long weeks, long months. Not only that, in my area I've had one contract that was not performing terribly well so we've been looking to improve the performance of that during the last year.' Director

'When there's a lot of bidding it's really poor, you have no life.' Manager

ServiceCo should therefore monitor these roles more closely to ensure that contract managers can cope with work demands, and measures such as stress management training courses and health initiatives should be considered where potential problems arise.

4 Engagement across different organisational contexts

Fifty years ago, the American political scientist Wallace Sayre (1958) argued that public and private organisations are 'fundamentally alike in all unimportant respects'. Since then, organisations have been transformed by new technologies, financial systems and management methods. In recent years, public organisations have been encouraged to become more 'business-like' by adopting the management style and processes used in private organisations (Boyne et al 1999). Research conducted by the CIPD has shown that work practices, such as carefully planned recruitment and selection, targeted training and equitable rewards, are significant drivers for organisational success. These practices are increasingly being implemented by managers in both the public and private sectors.

As this report shows, employee engagement has emerged as a useful way to measure the relationship between employee and employer. In this section, we compare the engagement levels of employees across the public and private sectors. We draw on the evidence from three public organisations – an NHS trust, local authority and central government agency – and five private sector organisations – including manufacturing and service industries. In particular, we consider similarities in the experience of work and explore how organisational context may contribute to differences in engagement levels.

ENGAGEMENT STRATEGIES ACROSS THE PUBLIC AND PRIVATE SECTORS

Our research reveals that organisations in many parts of the UK economy are actively pursuing strategies to raise levels of employee engagement. The management initiatives we have observed take many different forms, paralleling the diversity of organisational needs. As the MacLeod Review recommended, organisations need to find their own definition and approach contingent with organisational context (MacLeod and Clarke 2009). We have observed two broad trends across the public and private sectors (Boyne 2002).

First, we found that many organisations now regard measures of engagement as the most significant measure of employee attitudes or experience. Based on either a single question or several questions to make a composite measure, engagement has been incorporated into annual employee attitude surveys. For example, the NHS annual survey includes questions such as 'I am enthusiastic about my job', 'time passes quickly when I am working' and 'I often do more than is required'. The Civil Service has a measure of engagement based on the 'say, stay and strive' model. Related survey questions focus on employee advocacy and whether employees are happy to remain with their organisation for the foreseeable future. Many organisations in the private sector are also incorporating measures of engagement into annual surveys. We have seen evidence of this in small, medium and large companies and across different industries.

Second, 'engagement' has been used within organisations as a more general term to describe workplace approaches to improvement. For example, several private companies we studied used suggestion schemes under the banner of engagement. A local authority we studied is using an ambitious programme of employee involvement to engage staff. Often, engagement initiatives are linked to training and mentoring.

Our research suggests that there are no consistent or distinctive differences between public and private sector strategies around employee engagement. In some cases, there are more similarities between sectors than within them. Particular initiatives depend on senior management style and corporate strategy, but also on the size of the organisation, the type of workforce (for example skill level) and the type of work (for example work environment and location). Furthermore, external assistance is often provided by management consultancy and research organisations, in which case, particular approaches in both the public and private sectors reflect the preferred method of the consulting firm. Individual organisations have tended to give their employee engagement strategies distinctive branding, but the details and underlying initiatives are often very similar. One difference we did find was that public organisations are more likely to share and collaborate with the development of engagement methods. We found examples of groups being set up within local government, the NHS and the civil service, where managers are coming together to discuss employee engagement and sharing ideas for improvement. This has tended not to be the case in the private sector, where competitive pressures mean companies are more likely to pursue their own approach, often at considerable cost.

CASE STUDY:
LocalGov

With more than 50,000 employees, LocalGov is one of the largest local authorities in the UK. Many local services are managed in ten geographic constituencies and decentralisation of duties is supposed to continue in the future. In collaboration with the community and local strategic partners, LocalGov has developed a strategic vision for the city, which centres around 'being a global city with a local heart'. LocalGov has identified several areas of improvement to turn the vision into reality and works closely with its partners to achieve this.

The council has undergone significant changes and restructuring initiatives in the past. A major change involved the revision and alignment of pay structures in accordance with new national guidelines following the Single Status Agreement, which was signed between local government and trade unions in 1997 to streamline all pay scales into one. Further changes will follow over the next few years.

In 2006, internal employee surveys indicated that employees at LocalGov felt disempowered and were not very motivated. As a response to these findings, LocalGov became interested in the topic of employee engagement and decided to initiate the BEST (Belief – Excellence – Success – Trust) programme. This council-wide initiative aimed at involving employees in change management and decision-making by running workshops and empowering teams. The central idea behind BEST is to give employees a voice and provide them with a platform where they can give their opinion and share ideas for improvement. The initiative is generally well received from the employees; however, they also point out areas that still need more development.

'The BEST team are really, really working hard to do it, because things have come and gone before. So I think it is starting to embed itself. There's still a huge amount of cynicism out there and it's so important to get it seen as something that's integral as opposed to yet another thing we've got to tick the box on. But I think it's moving that way but then you see I'm closer to it than other people.' Policy manager

'If you've got enthusiastic leaders then it seems to work. Last year we had a leader that wasn't particularly enthusiastic and nothing seemed to be carried forward from that. I think it is very indicative of who you've got doing the team leader role.' Team manager

Following the launch of the BEST programme, LocalGov decided to join the Kingston University Employee Engagement Consortium to further strengthen their knowledge about engagement and identify areas that could be further improved to strengthen levels of engagement across the workforce.

All employees working for LocalGov in the UK were invited to participate in the engagement survey. A total of 1,198 questionnaires were returned, providing a response rate of 2.4%. Additionally, 21 face-to-face interviews were conducted with different managers, including HR managers, team managers and service area managers.

ENGAGEMENT LEVELS

The results of the survey indicate that LocalGov generally has an engaged workforce. Seventy-five per cent of the respondents indicate that they are strongly engaged and 7% are very strongly engaged. Seventeen per cent have a moderate level with respect to the engagement extent. In terms of engagement frequency, the results are similarly positive, with 17% being engaged daily and 65% being engaged on a weekly basis.
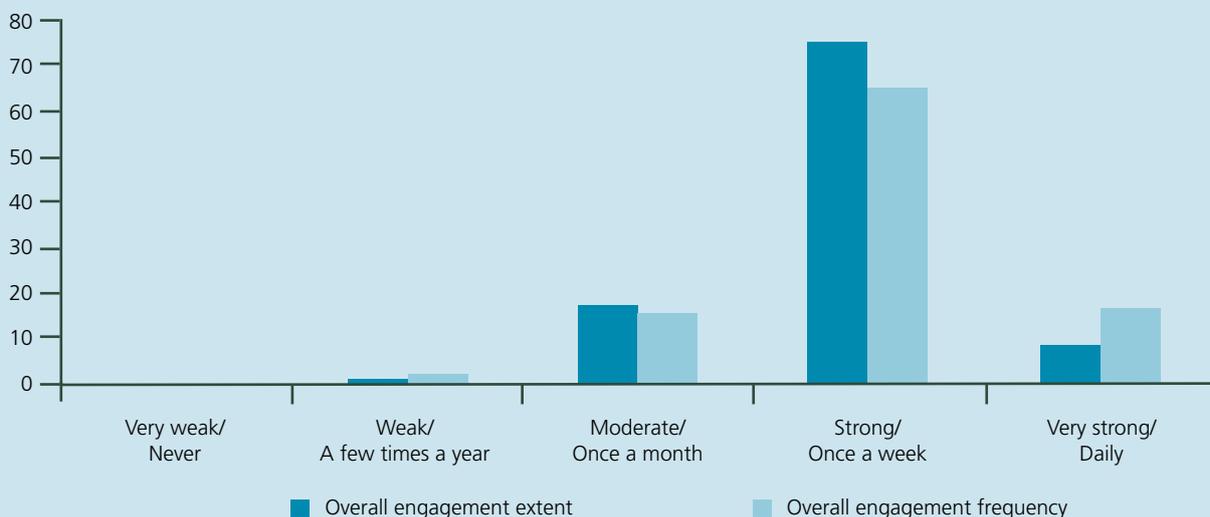
'Oh most of them would go the extra mile, there's probably a couple who wouldn't but the majority of them would always go the extra mile.' Team manager

'Eighty per cent [really care about job]. I know that for some of them, if we'd have been high up on that list of closures, it would have really affected them, particularly some of the older ones who just want to get to retirement now and enjoy the job they're doing and do it quite well.' Team manager

The high levels of engagement in LocalGov are closely related to the nature of work and the ethos of being a local government employee. As one manager puts it: 'It's the nature of the work as well, if you're dealing face to face with the public or you're a social worker or a childcare worker, so there's that element.'

In this case study we will consider which engagement-related aspects LocalGov is managing well – job-related skills and flexible working opportunities – but also discuss which other engagement strategies could be implemented to further raise levels of employee engagement among the workforce – communication, appraisal process.

Figure 2: Extent and frequency of employee engagement at LocalGov (%)

Legend: ■ Overall engagement extent ■ Overall engagement frequency

X-axis categories: Very weak/Never, Weak/A few times a year, Moderate/Once a month, Strong/Once a week, Very strong/Daily

JOB-RELATED SKILLS

One of the biggest strengths within LocalGov that clearly contributes to the level of engagement is a close match between the content of the individual roles and their level of skills. Almost two-thirds of respondents feel that they possess the necessary skills to carry out their job at the required standards. Employees appreciate the amount of training they are provided with, which they feel is exceptionally high compared to other organisations, especially in a difficult economic climate.

'Yes, most of them [are right for their job], they're quite good. What we find though is that as technology moves on we need to keep up to date you know and as new things come out, in the IT world that's very regular and so people need to be acquiring skills. So for us training is quite a critical thing.' Service manager

'Training is offered, it must be one of the few organisations that still places a great emphasis on training its employees because the first thing in a recession that goes is the training budget, isn't it?' Head of service

'The training opportunities, I wouldn't have got them anywhere else.' Head of unit

FLEXIBLE WORKING OPPORTUNITIES

Flexible working opportunities have been linked to high levels of engagement in many studies. LocalGov offers a variety of opportunities for their employees to work flexibly. As one HR manager explained, LocalGov tries to comply with all employee requests within the limits set by the need for service within the council. Flexi-time is the most popular working arrangement employees apply for and about two-thirds of the respondents have the possibility to work under a flexi-time arrangement. Other popular working arrangements include homeworking, shorter working weeks, annualised or compressed hours and term-time contracts.

'The head-office-based staff, we try and fit in with what people want. If they want to do a nine-day fortnight, we try and arrange that.' Head of service

'I think generally we encourage flexible working. There's nothing about what I see that doesn't realise that people need to be flexible.' Manager

'Flexible working arrangements for people who need it, they're quite sympathetic to people's needs.' Manager

But also within the regular set of working hours, managers have some discretion to give employees some flexibility if needed, which is also appreciated by the employees.

'If ever my son is ill and I ring up and say "look we're taking him to the doctor," I would never get a "well, that's not acceptable." I've always, always had a positive response in that regard and I likewise would do the same with my staff.' Manager

'If they want to take some of their time owed, time in lieu I always try and help them, so I guess there's flexibility there.' Manager

COMMUNICATION
There are many changes and restructuring initiatives going on at LocalGov. In general, employees feel that communication processes around these changes do not always function optimally. For example, a major change had been reported in the media before the news of the change had been given to the workforce, so that the staff got their information from a local newspaper. Employees indicate that they often were not informed thoroughly about the details of the change and were only given information sporadically instead of on a regular basis. Also, employees perceive communication as inconsistent across different teams depending on the level of information and communication abilities of their respective line manager.

'We've all had a briefing that explained why the restructure was taking place. The only problem is the length of time, I mean we're talking about April and this was October time that this was communicated to us. And it's a long time to have in the back of your mind – "what's going to happen, what's going to happen?"' Team manager

'So you'd report back and I know some managers just didn't report back to their staff, didn't tell them what was going on at all and didn't make any attempt to interpret it.' Unit manager

Consequently, communication processes around the restructuring and downsizing of the workforce have a somewhat negative effect on the relationship between managers and employees. Trust between both has worsened considerably following the changes, which impacts levels of engagement among the workforce.

'I think a lot needs to be done on trust, working on trust. In fact we had a conversation about that this morning at one of the meetings we had, you know that there's still huge amounts to do to actually empower and build the self-esteem of the staff, you know it's a uphill battle really and particularly when messages are coming out from the leadership about, you know, flex systems, getting rid of middle management, sloth, getting rid of sloth, you know, so I think there's messages that are not about trust.' Policy manager

APPRAISAL PROCESS
Although HR practices and policies are perceived well within LocalGov, the appraisal process is a concern throughout the organisation. Almost half of the respondents indicate that they are either dissatisfied or very dissatisfied with their appraisal process. One of the major concerns is that objectives are often abstract and not broken down adequately to the individual level.

'The council has very aspirational, abstract objectives which I don't really know what they mean. We're going to have a "greener city", well what does that mean? They're sound-bites, they're political sound-bites. From a practical point of view, to convert that into something that's meaningful to the staff, that's very difficult. So I think one big improvement would be to have clearer meaningful objectives set by the council that can be more easily interpreted and adopted by, you know, as this thing cascades down. So that's a practical problem I find.' Manager

Managers are unhappy with the appraisal process as well. They feel that it was too rigid and does not allow for enough flexibility. They also respond that they do not have enough time to effectively conduct an appraisal with all team members.

'Performance management is not very successful because it's very prescriptive at the moment, although again it's going through a review at the moment so it may improve. But at the moment it's very prescriptive, you have to have done x, y, z by this time and if you haven't there's no leeway whereas everybody develops at different levels, at different speeds and in different ways and if you could be more flexible in the way that you can develop the members of staff then it would be more effective.' Team manager

ENGAGEMENT LEVELS ACROSS THE PUBLIC AND PRIVATE SECTORS

We now consider what our research can tell us about differences in engagement levels across public and private organisations. Here we distinguish between engagement 'extent' – the overall strength of experience – and engagement 'frequency' – how often employees feel engaged at work. The results suggest that public sector employees are slightly more engaged on the extent measure, with 72% being engaged compared with 69% in the private sector. However, the difference is small. When looking at the frequency measure, there is a more pronounced difference, with private sector employees being engaged more often. Twenty per cent of private sector employees say they are engaged every day, whereas 16% of public sector employees feel this way. We can look into these findings in more detail by considering how the different dimensions of engagement – social, intellectual and affective – compare between the two sectors.

Our findings for social engagement suggest that employees in public organisations experience a stronger connection to work colleagues and with more frequency than those in the private sector. For instance, public organisations are more likely to have cross-department meetings to discuss problems and potential solutions. Government organisations at both local and central levels are keen to get teams and departments actively thinking about solving local problems through improvement initiatives such as 'lean'.

One possible reason for this is the inherent 'openness' and 'permeability' of public organisations. In contrast to private organisations, where it is possible to create a relatively direct organisational hierarchy in which senior managers enjoy considerable decision-making power, public organisations must keep their boundaries open to the scrutiny of politicians and the public. We found that it is often the role of public managers to promote organisational communication and knowledge-sharing, frequently through the use of IT. Public organisations are increasingly looking to consult and involve their employees in a way that is enhancing the transparency of organisational processes. Furthermore, the interdependence of many public organisations, such as civil service agencies, may create a need for public organisations to collaborate more than private organisations. Although there has been a move towards targets, league tables and public 'choice' throughout English public services in particular, there is significantly less competition than in the private sector, where companies compete for limited market share.

Although public organisations display higher levels of social engagement than their private sector counterparts, this does not mean public organisations are all highly effective at socially engaging their staff. We saw instances of low take-up of involvement initiatives among some employees in both local and central government. In particular, managers reported that because of the permeability of some government workplaces, employees had become apathetic to the influence of involvement initiatives. Organisations in the public sector have more formal procedures for decision-making, and are less flexible and more risk-averse than their private sector counterparts. Conversely, private organisations are less likely to place significant emphasis on knowledge- and idea-sharing but, in the pockets where this is occurring, it is often more successful due to the flexibility and control of senior managers.

The findings for affective engagement suggest that private sector employees are more strongly and more frequently emotionally connected to their work. This finding may stand in contrast to theoretical predictions of 'public service motivation' – the idea that public sector employees are intrinsically motivated by a concern to serve public citizens. For example, we might expect the prime motivation for clinical staff working in the NHS to be the immediate health needs of patients under their care. While public sector employees do show a strong emotional attachment to their work, private employees appear to experience a stronger connection. A possible explanation for this is again the competitive pressure of private sector working environments. Rather than through a concern for service users, private sector employees must face constant pressures to survive economically in the marketplace, which can place a psychological burden on them. We spoke to employees who felt a persistent emotional pressure to take work home because of work demands and the competitive culture of their organisation.

Our interviews with staff suggested that workloads are increasing in many areas of the public and private sectors, with particular strain being placed on first-line managers. The time-frame of our research has picked up the effects of the economic recession on employee experiences. This has had a more immediate effect in the private sector over the last few years but is likely to have increasing ramifications for public employees in the near future.

The results suggest, on average, that public sector employees are more strongly and frequently intellectually engaged than private sector employees. This measure varies widely in both sectors depending on the type of work and the seniority of staff. Senior managers are almost always more intellectually engaged than junior staff. We found that employees in manufacturing and administrative roles are often the least engaged on the extent measure and that professional groups, such as hospital physiotherapists or accountants, tend to be more engaged.

This research has suggested that employee experiences across public and private organisations are becoming increasingly alike. There are few consistent differences in engagement strategies and initiatives between the two sectors, and survey evidence shows that the overall engagement levels are comparable. If Wallace Sayre could comment today, he might argue that public and private organisations are becoming alike in all *important* respects. Nevertheless, we have found some differences in the dimensions of engagement. In particular, public organisations are more likely to engage their staff socially whereas private organisations provide an environment where employees are more likely to be emotionally engaged.

In the next section, we explore the relationship between individual factors, such as age, gender, job status and contractual arrangements, and employee engagement.

KEY FINDINGS

- Many organisations measure engagement and have specific engagement strategies across the public and private sectors.
- Public sector employees are more strongly but less frequently engaged than private sector employees.

CASE STUDY:

GovDep

GovDep is a large government department that covers several customer-facing business areas. This case study is based on one of the larger agencies within the department. The agency has offices in various locations across England, including the south-east, the midlands and the north. Core values of the agency include ensuring an accurate, rapid and joined-up service based around customer need; improving value for money for the taxpayer; and reducing levels of service error. At the time of the survey, the agency employed over 16,000 people and their services are used by around 15 million customers in the UK.

The agency has recently undergone considerable change as a result of a merger between two previously separate business units. This has led to a new management structure and around 1,000 job cuts. Like many areas of the civil service, there is an efficiency drive with overall reduction in financial allocation for the next three years.

The department has been interested in employee engagement for several years. This interest stems from a drive to renew employment practices and processes as part of a wider agenda of government modernisation. The agency now conducts an annual staff survey that feeds into improvement activities and has an increased focus on employee involvement initiatives. The majority of the agency's employees work in an office environment. There is an emphasis on employee development, coaching and teamwork. There is also careful attention paid to diversity and equal opportunities. Sickness absence rates have been relatively high in the agency over recent years and a new performance standard for sickness has been put in place with the aim to reduce sickness absence to fewer than 8.3 average working days.

GovDep joined the Kingston Business School Employee Engagement Consortium to help develop new initiatives around employee engagement as part of recent changes in the agency. The department already has a policy on engagement and this research process is intended to feed into that work. The engagement research was conducted in two stages. First, a sample of 1,400 employees was invited to complete an online questionnaire. From this sample, 571 online questionnaires were returned, providing a total response rate of 41%. Second, 20 face-to-face interviews were conducted with a range of managerial staff.

There are standardised management grades across the agency, including: Executive Officer (EO), which is the first management level responsible for teams of operational staff; Higher Executive Officer (HEO), which is the next level up from EO and has responsibility for groups of operations or decision-making teams; Senior Executive Officer (SEO), which has responsibility for wider units of operation; and Grade 7, which is a middle management grade.

ENGAGEMENT LEVELS

The results of the survey suggest that GovDep has a generally engaged workforce. Seventy per cent are 'highly' or 'very highly' engaged overall. Twenty-nine per cent are moderate or unsure, while very few people had low levels of engagement. Findings with respect to engagement frequency are similar. Almost 70% are engaged on a regular basis; however, 28% engage only once a month. These results may in part reflect the uncertainty at this time of change within the organisation. Early analysis of the data from GovDep uncovered two main areas of strength that contribute to engagement – work–life balance and a supportive social environment – and two areas that could benefit from some attention to improve engagement – leadership development and employee involvement uptake.

Figure 3: Extent and frequency of employee engagement at GovDep (%)

Overall engagement extent   Overall engagement frequency
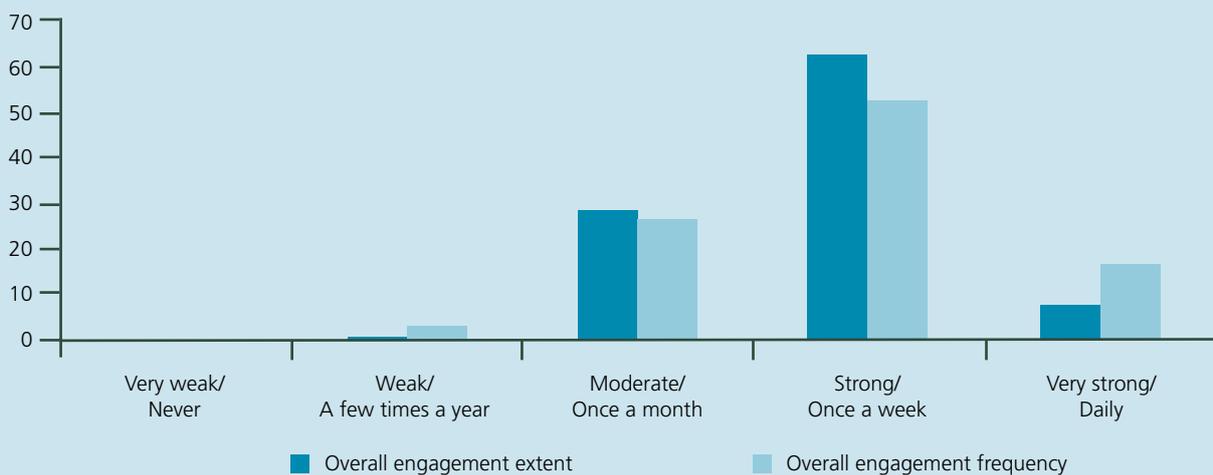
WORK–LIFE BALANCE

Work–life balance is a considerable strength in the organisation. This was praised by many managers and scored highly in the employee survey. The flexi-time system is the jewel in the crown of employee practices at GovDep. Staff can accrue up to four days of flexi per month within the core hours of 7am–7pm. Interviewees felt that this is a main attraction for staying at the organisation, particularly for people with family responsibilities such as childcare:

'I think that's one of the plusses really in the civil service, the work–life balance. The flexi is something that I think most people would be lost without and that's one of the things that maybe they look for from other things really, the flexi and I mean I think it's 37 hours a week we work, which is not that bad really and with flexi, that you can have flexi, afternoons off, you know, a day off.' EO

Research participants report that the attention to work–life balance meant that individual workers could create a work pattern that was most appropriate to them. For example, one manager said that some staff prefer a late start, so they work an 11am–7pm pattern, whereas others like getting in at 7am every day.

SUPPORTIVE SOCIAL ENVIRONMENT

Another main strength at GovDep is the level of social support in the working environment. If employees are struggling with their workload, then their team members and immediate line manager will pick this up and try to provide them with the help needed to improve their confidence.

'I mean most managers who I've worked for have been supportive. I think the support you get with regards to, sort of like, meeting targets and things…you know, I've worked a lot in the outside industry and I think as an employer, I can only think of one employer that was better than [GovDep].' HEO – operations

Most interviewees feel that there is a strong sense of teamwork in the organisation. However, there are some signs of change in this respect due to the job cuts across the agency. With the threat that some people within teams will lose their jobs or be relocated, individual team members were behaving more competitively towards their colleagues and not helping them out as much as they would normally.

LEADERSHIP AND PERFORMANCE MANAGEMENT

An issue of concern at GovDep is the way leadership capacity is developed. There is a feeling that often individuals are promoted into EO or HEO positions without having the core set of management skills, particularly interpersonal and mentoring skills.

'Give them the managers' skills to manage people and make them people-focused, they need to be able to see that they can get more done by involving the staff…We do need technical experts but not in management. Look at what management training we're actually giving to them, not this e-learning as it goes on.' HEO

A common concern is the type of training people were given. GovDep makes use of 'e-learning' techniques for training where individuals can take a course on topics such as coaching or appraisals from the comfort of their work desks. However, this is seen as an ineffective way to learn new skills because it lacked people interaction and what people called a 'learning environment'. One manager commented that you can put a sticker on your chair to show people that you are training, but this does not take you out of the busy and distracting office environment. They reflected that it was very difficult to learn management skills from the computer screen. The agency does provide other types of training, including face-to-face classroom training, as part of an overall 'blended learning' approach.

A related problem is the lack of performance management skills at some management levels and the ability of managers to deal with underperformance. Although, as discussed above, there are good levels of support within the office environment, there is a reluctance or lack of ability to make difficult decisions and motivate consistent underperformers.

'So I don't know whether or not even the team leaders have succumbed to the personality of the team members within the team and I suspect there's a little bit of that because there seems to be a lot of…rather than leading the team, being part of the team, too many soft decisions are made to keep the peace.' HEO

Some feel that this is symptomatic of the wider culture within the agency of not dealing with poor performance.

'I think a small percentage of staff were moved and moved and moved, moved on, moved on, moved on where they should have addressed the problems. So they were moved on because they weren't doing very well in their previous role but then it still carried on? Yes, just being moved on.' HEO

As the words from the HEO above suggest, there is a tendency at times to just move bad performers into other roles, thereby making it another manager's problem without tackling the underlying problems of the underperformance. This is also seen to occur in performance appraisals in the past but was improving with the introduction of a new appraisal system.

'What happened was that in previous years managers…it's easier for the manager to give people a higher box marking because it shuts them up really and therefore when this new system came in a few years ago people who were getting box ones and twos suddenly were down and the majority had three.' EO

It is important to note that the issue of leadership development is not simply a problem with management practice but is also an issue of how willing staff are to engage with development opportunities. In some areas, managers suggested there was an apathetic reaction, or even resistance, from staff towards taking on more responsibility and developing leadership skills.

'Yet as a manager, trying to get my staff to take on development opportunities is like pulling teeth, they just don't want to do it, they just want to come in, do the job and go home. So I actually find [GovDep] quite frustrating with all the…I think they do too many staff surveys and we…not being funny but I think we mollycoddle the staff a little bit.' HEO

'When you work in an organisation and you ask [almost one hundred] people "does anybody want to team lead" and none of them says "yes", that says a lot, doesn't it?' HEO

EMPLOYEE INVOLVEMENT

A further challenge for GovDep is encouraging the take-up of involvement and improvement initiatives. The majority of managers feel that there are many opportunities for staff to feed ideas to managers and share ideas among teams, most commonly through team meetings. However, the take-up from staff, particularly at the lower levels, is not very strong. Some managers feel that the type of work many operational staff are undertaking means that they do not have time away from their usual routines to take part in improvement.

'I think to a certain degree people are just busy churning out the work and there isn't always the time to [come up with ideas]. I think you try to do that and certainly in our team we try to share ideas and have a regular team meeting with our manager, usually once every fortnight, where we all get together and we put any items we want on the agenda and often we have quite long discussions because we all have different ideas and we try to come to a consensus.' EO

'I would say my people have got opportunities; like it doesn't stop, it's continuous.' HEO

'If you are asking me – do people naturally come up with suggestions and ideas to improve things – it's a simple "no". Team leaders do but the people on the teams don't.' HEO

One HEO talked about helping his or her staff with filling out a suggestion form with ideas for improvement. However, there was some cynicism as to the extent to which these improvement mechanisms really fed into the management decision-making chain.

'[The suggestion form] was a practical thing that she could do – [I said] "look, we can do it now, come on let's get on with it and get it done" – and so that was great because it made her feel involved and things. She probably hasn't got a hope in hell of changing it really but you never know, but she's feeling that she's contributing.' HEO

A final opportunity for improvement is around cross-functional working. Several senior managers feel that there is scope for more learning across business units, both within the agency and more widely across the government department. For example, one manager had the ideas that groups could meet every quarter based on geographical area to discuss changes and ideas for improvement.

5 Engaging different employees

Through our data we were able to explore whether there are any differences between the engagement levels of various employee groups. First, we considered demographic variables.

We found some interesting variations. For instance, we discovered that women are significantly more engaged overall than men: while 74% of women report being moderately engaged and 9% strongly engaged, 68% of men are moderately engaged and 7% strongly engaged. This reflects the findings of our previous report (Truss et al 2006).

In terms of caring responsibilities, it was interesting to note that employees with dependent children report significantly higher levels of engagement than those without. Eighty per cent of people with children report being moderately or strongly engaged, compared with 77% of others.

We also explore the link between age and engagement. Younger people below the age of 25 are significantly less engaged in terms of both extent and frequency of engagement. This corroborates the findings of our earlier research (Truss et al 2006).

Next, we explored associations between working patterns and engagement. Full-time employees are significantly more engaged with their work than part-timers in terms of both extent of engagement and frequency. Those on permanent contracts are similarly significantly more engaged (78%) than temporary workers (74%). The quote below illustrates the destabilising impact that temporary contracts and continuous change can have on employees:

'[The frequent change] feeds people's cynicism about when the organisation has changed like – we've done this before, we've had this, we've had that, we've had the other – and I think it would help if it [the change programme] was sort of longer term.' Manager, public sector

Managers are significantly more engaged than non-managers and, in general, we found that those in professional or managerial roles are the most engaged. While 88% of managers report being moderately or strongly engaged, this is true for 71% of others. The quote below illustrates the way that job content may impact on people's attitudes towards their work:

'Yeah, too routine, they've been doing it for years. I would be very surprised if you found they were satisfied, I'd say they were not satisfied. The only thing that keeps them is probably the money. That's not being cynical but the jobs are quite well paid and that's why a lot of them are still here.' Manager, public sector, speaking of their direct reports

'Working here? It's very varied. I like that with the department and it's busy, you know, I mean I'm never going to be bored, ever, which is great, I like that aspect of it.' Manager, public sector, speaking of their own job

Employees on flexible contracts emerge as being more engaged than others in terms of both extent and frequency of engagement. Again, these findings broadly reflect those from our previous report (Truss et al 2006). However, tensions can arise within flexible roles as people sometimes struggle to manage a heavy workload within restricted hours:

'I filled out a job satisfaction survey this morning and I think I would have scored – oh my god, why are you working at all?…ask me when everybody is back at work and I'm not covering for people. There are a few weeks when I think – yup, I can cope with this, and there are other weeks when I think – oh my god, I'm glad I'm only job-share – but I think that might be part of my problem…I try not to take work home, I did it this week.' Manager, public sector

Generally, however, we found that senior managers appreciate the importance of work–life balance and flexibility and try to set a personal example for their staff:

'I think over the years I've toned the number of hours down. I think it's important for people like myself to set an example there, and as I say, I try to influence others and I feel that if they're going…or they're travelling, they're coming to work and they're travelling at night, and I say, "oh no, you're not doing that."' Senior manager, construction

Looking broadly at our data on individual differences and engagement, it seems that there is a link between job type and engagement. Younger workers typically have less interesting and involving work to do than their older counterparts, which may explain their lower levels of engagement overall. Similarly, managers may be more involved in decision-making processes within their organisations and experience greater autonomy than non-

managers, which may explain why their engagement levels are significantly higher. It is difficult to explain why women are more engaged in their work than men. Further research is needed to explore these issues in more depth. In the next section, we consider which managerial strategies have the most impact on levels of engagement.

KEY FINDINGS

- Women are more engaged than men.
- Younger workers are less engaged than older workers.
- Those on flexible contracts are more engaged.
- Managers are more engaged than non-managers.

6 Strategies for engagement

Previous research has identified a range of workplace strategies that impact upon levels of engagement. We ran statistical tests to find out whether we could see a similar pattern across our organisations and analysed the associations between meaningfulness, perceptions of managers, employee involvement, HR practices and engagement.

MEANINGFULNESS

The extent to which employees find meaning in their work has a substantial impact on how they feel about their working life in general. Employees who believe that their work is important and that they can make a difference have much more positive perceptions about their work and their work environment. Previous studies have demonstrated the positive impact of meaningfulness on employee engagement (Cohen 2008, Kahn 1990, May et al 2004). The data in our study largely confirm these findings by demonstrating that having a meaningful job is the most important factor influencing levels of engagement. This is true for all types of worker in all kinds of jobs.

Our study demonstrates that about two-thirds of all respondents find meaning in their work, compared with 8% who do not find their job personally meaningful. Employees who are able to relate their tasks to a broader context and feel that they can make a difference have higher levels of motivation and are more likely to be engaged.

'I am providing an essential service for several hundred thousand people, in fact probably for half a million people. So in that context, my job is very meaningful in terms of my customers, my client. I provide a meaningful service to them. And I think it carries with it a social and environmental and corporate responsibility which makes it meaningful as well.' Manager, EnvironmentCo

The above quotation shows that where people can see the impact of their work on other people or society in general then their jobs are seen as more meaningful.

The nature of the organisation might facilitate this process and help employees find their jobs meaningful. Traditionally, public sector employees have been regarded as having a distinctive work ethos that stands in contrast to the profit motive of private organisations. Our analysis shows that individuals working for public sector organisations find greater meaning in their jobs, compared with their counterparts in the private sector.

'Local authorities are not in the game that people are running off doing all sorts of things on their own. The work has to have some meaning and some purpose, it can't be just somebody "Oh I fancy doing this task this week." We're in the wrong job for that kind of thing.' Team manager, LocalGov

Figure 4: Meaningfulness (%)
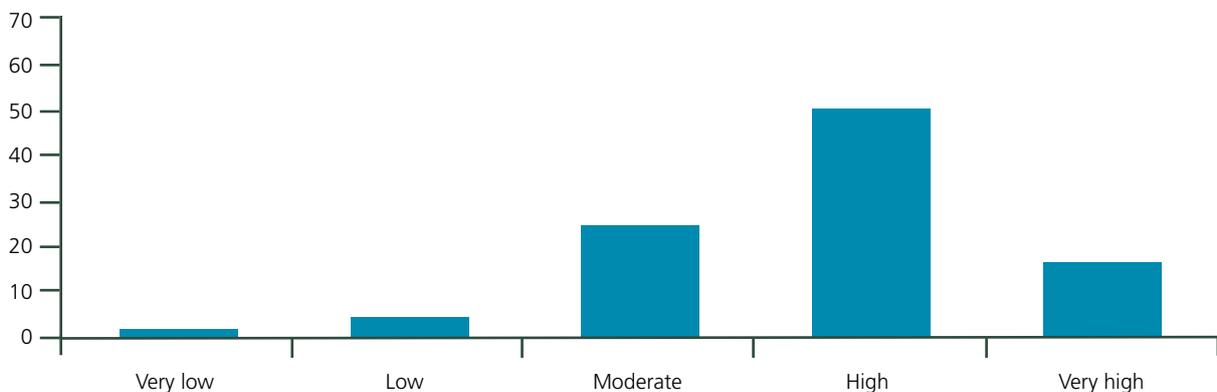
Moreover, meaningfulness is largely attached to the type of work individuals are asked to carry out in an organisation. Our analysis reveals that managers find it easier to see the importance of their work compared with non-managers; and professionals and senior line managers perceive their jobs to be highly important, whereas process, plant and machine operators and other low-skilled workers less frequently relate to their jobs on a personal level.

Besides these contextual factors, managers are essential in helping individuals find meaning in their work. One way to facilitate this is through regular communication about the organisation's vision and future objectives. Creating a common framework helps employees to see a bigger picture in their daily work. Moreover, managers play a crucial role in designing jobs in such a way that individuals are enabled to experience positive feelings during their work. Job enrichment is just one of the effective techniques that enable organisations to create meaningful jobs, even for more routine tasks. However, independently from the type of work, it is important to match people to their jobs according to their qualifications and skill levels to raise their level of engagement.

KEY FINDING

- Meaningfulness is the most important driver of engagement for all employee groups.

CASE STUDY:
ScienceCo

As a public sector organisation, ScienceCo is an important supplier of scientific information in the UK. More than 700 employees are employed at ScienceCo, a large proportion of whom are scientists researching topics such as sustainable use of natural resources, impact of environmental change and spatial modelling. ScienceCo is partially funded by the Government but also receives income through commissioned research from the private and public sectors. ScienceCo is currently undergoing a period of considerable change. For the previous decades, ScienceCo had experienced a very stable workforce that effectively met its needs. Typically, employees would join the company as graduates and stay with ScienceCo for a long time. Turnover rates were very low and many employees were given opportunities for training that meant they were able to meet business needs whenever ScienceCo had to move into a different area of research.

Changes in the economic climate and demands from major stakeholders prompted the HR department within ScienceCo to launch new initiatives that encouraged a different career pattern to move towards a more dynamic workforce. Instead of hiring employees for a lifetime, ScienceCo now aims to attract an increasing number of graduates and postgraduates who want to be part of the organisation for three to five years, then go away to work for a different organisation and then maybe come back when they have developed other skills: 'The career path that we are describing for the future is more come to us, learn some things, gain some skills, go somewhere else, move on and maybe rejoin us later in your career as a senior leading scientist.' HR manager

As part of its changing careers initiative, the HR department aims to develop a range of new HR practices and policies. Employee engagement provides the company with a framework to integrate these policies and evaluate their effect on ScienceCo employees. The participants in our study were 798 employees working for ScienceCo. All employees were invited to complete an online questionnaire survey. From this sample, 240 questionnaires were returned, providing a total response rate of 30%. Additionally, two face-to-face interviews were conducted with senior managers working for ScienceCo.
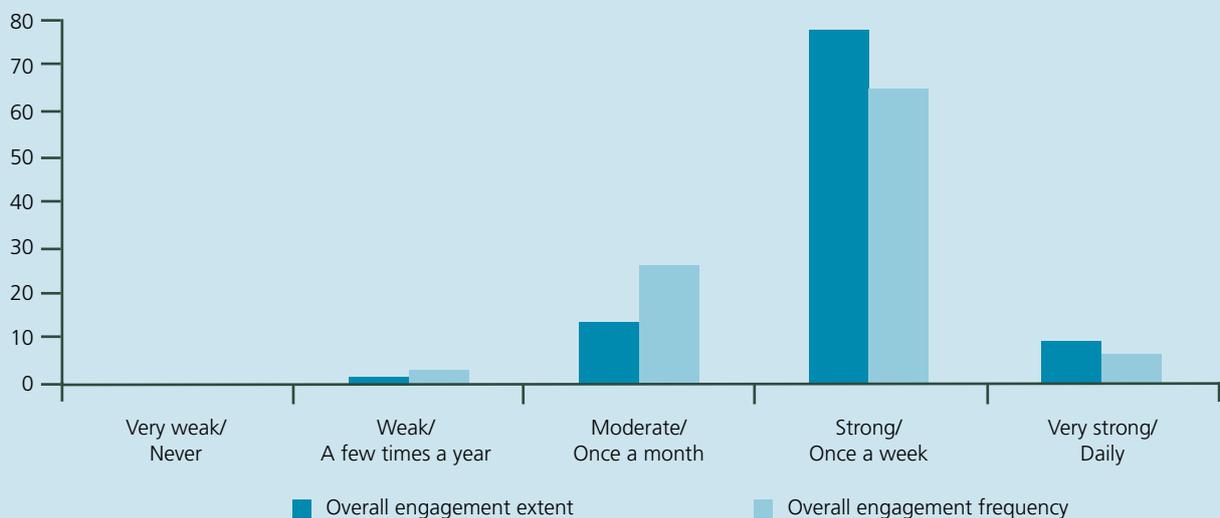
ENGAGEMENT LEVELS
The overall results reveal that employees at ScienceCo demonstrate particularly high levels of engagement. Seventy-seven per cent of all respondents are strongly engaged overall and an additional 8% report being very strongly engaged. The values for the frequency dimensions are slightly lower, with 65% indicating that they are engaged once a week and 6% on a daily basis. However, 26% say they are engaged once a month only.

Employees score very high on affective engagement, with 40% indicating that they are very frequently engaged on this dimension.

'On the scientific side it is very much the case that they live and breathe it, so it's not just a job, it's a major part of life.' Manager

Figure 5: Extent and frequency of employee engagement at ScienceCo (%)

'I think the scientists are absorbed in what they're doing and greatly dislike anything that stops them being absorbed in it.' Manager

Levels of intellectual engagement are also very convincing. The majority of participants (66%) feel 'strongly' engaged on this measure and most employees think about ways to improve their job at least on a weekly basis.

In the following sections we will consider factors that are associated with engagement. We will point out a major strength at ScienceCo, meaningfulness of work, but also talk about important aspects that could be improved to raise engagement levels with the organisation, HR practices and attitudes towards managers. Furthermore, we analyse two challenges at ScienceCo: person–job fit and organisational advocacy. Challenges are aspects related to engagement, where employees currently score very highly, but that are likely to be subject to change in the near future.

MEANINGFULNESS

A major strength within ScienceCo is the value employees place on their work. Almost four-fifths of the respondents indicate that they find their work meaningful. A lot of this comes down to the nature of the job many employees carry out at ScienceCo. A large proportion of the workforce is employed as scientists who do research on environmental subjects, and many find that the work they do in their jobs is worthwhile. A vast majority of respondents also indicate that their job activities are personally meaningful and significant to them. These results are reflected in the interviews, with managers pointing out that for some employees work is their hobby.

'You know for many of our employees, if they weren't being paid to do their work here it would be their hobby. They are absolutely involved in the study of their respective subjects. It's their life.' Manager

'We are an organisation that's involved in environmental research and anyone who is working for us is passionate about the life of the planet and the state of the planet. They are keen to pursue whatever end necessary to advance the cause.' Manager

HR PRACTICES

An important area of improvement within ScienceCo is the sophistication of HR practices and policies. A considerable number of respondents indicate that they are dissatisfied with HR practices and policies and the majority group is moderate on this aspect. When analysing each HR practice separately, our study finds that employees are highly satisfied with their training and development opportunities and also feel that they have a high level of job security. However, employees rate career management and opportunities for promotions more negatively and are especially dissatisfied with the appraisal system. They also feel that the rewards they receive are not related to their performance at work.
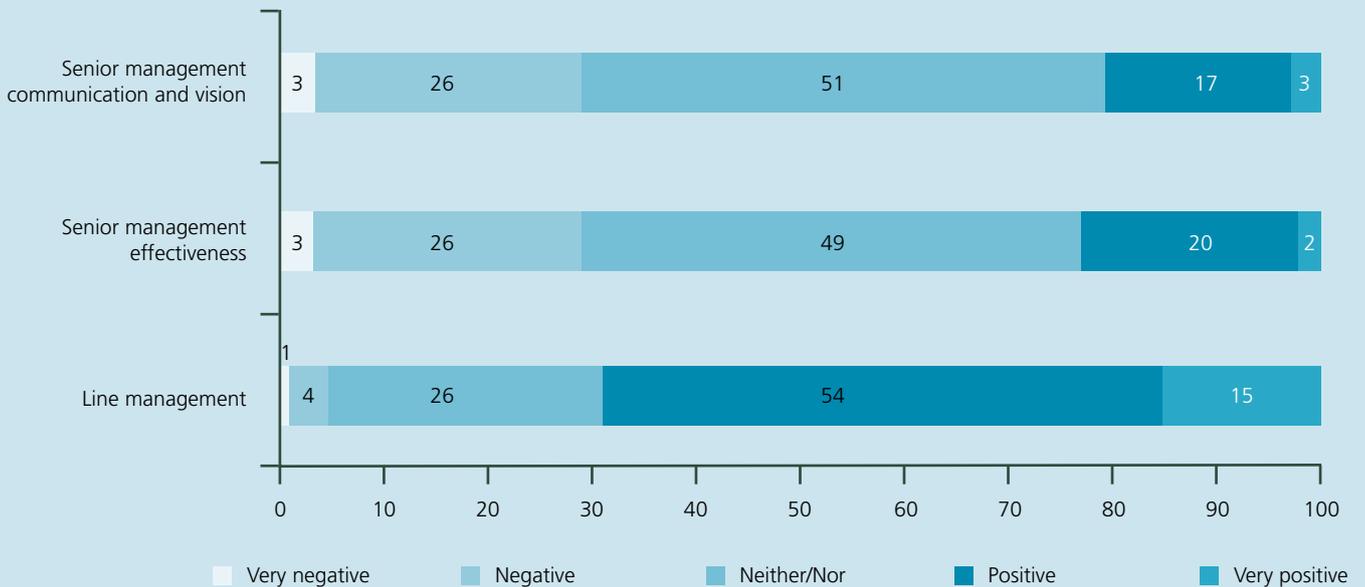
Although our research study overall indicates that HR practices are not directly associated with engagement, HR practices influence levels of engagement indirectly via management behaviour and a supportive work environment. Improving the above-mentioned practices could therefore help to further increase engagement levels at ScienceCo.

ATTITUDES TOWARDS MANAGERS

The relationship between management and employees is a very important aspect of an individual's working experience and it directly impacts upon engagement levels across the workforce. Assessing employees' perceptions of their line and senior management is a good indicator of this relationship. To get a detailed picture of the dynamics underlying the relations between managers and employees, we measured three different scales. The line management scale encompassed questions concerning communication, fair and respectful relationships and whether line managers listened to employees' ideas and suggestions. Additionally, two separate sets of questions were asked for perceptions of the senior management: first, communication and vision, that is, how employees rate communication from their senior managers and feel that they are listened to; second, overall effectiveness, that is, the degree to which employees feel that their senior managers have an effective and fair management style.

At ScienceCo, 69% of respondents perceive their line management in a positive or very positive way. In contrast only 5% express negative or very negative perceptions of their line managers, and 26% are unsure about how to rate their line management. The scores drop significantly when respondents were asked to rate their senior management and a considerable portion of the respondents, one-third,

Figure 6: Attitudes towards managers at ScienceCo (%)

Category	Very negative	Negative	Neither/Nor	Positive	Very positive
Senior management communication and vision	3	26	51	17	3
Senior management effectiveness	3	26	49	20	2
Line management	1	4	26	54	15

Legend: Very negative | Negative | Neither/Nor | Positive | Very positive

judge senior management communication and overall effectiveness negatively. The vast majority of respondents are unsure about their senior management and only about a fifth feel positive about the way senior management communicate and work. The results indicate that there is room for improvement regarding senior management behaviour and visibility, which might also help to further increase engagement levels at ScienceCo.

PERSON–JOB FIT

A major strength within ScienceCo is the extent to which employees feel that their skills are a good match with their jobs. Person–job fit has been identified in previous research as one of the important factors impacting upon levels of engagement. At ScienceCo almost 85% of respondents feel that their job is right for them compared with only 2% who indicate a low fit between the job they were asked to carry out and their skills. More than four-fifths say that their abilities fit well with the demands of their jobs and a similar number of respondents feel that their personality is a good match for their job.

This excellent feedback from ScienceCo employees is likely to change due to the changes in career management approach described above. The decision to move towards a more dynamic workforce has major implications for the organisation, which have to be managed and evaluated carefully.

ORGANISATIONAL ADVOCACY

Employees at ScienceCo demonstrate very high levels of organisational advocacy. Almost 90% of respondents would recommend ScienceCo as a good place to work to family and friends. This compares with a small minority who would not want to recommend ScienceCo to friends and family. Following from this positive finding it is not surprising that many employees have been working at ScienceCo for a very long time and turnover rates are generally very low.

'It is a low turnover rate. We've looked at this fairly recently and certainly over the past 10 or 15 years the turnover rate has been in the order of 4% or 5%. This last year, it's actually been 2%.' Manager

'We certainly have a very large number of over-50-year-old employees. That follows on from a lot of recruitment in the mid to late 1970s, and many of those employees are still with us.' Manager

As can be seen from these findings, employees at ScienceCo demonstrate exceptionally high levels of loyalty, which clearly contribute to the positive engagement levels. However, similar to the positive findings on person–job fit, changes are likely to occur with respect to high tenure and low turnover rates with ScienceCo introducing its dynamic workforce concept.

We would like to thank Jasleen Lonial for her help in collecting the data upon which this case study is based.

MANAGEMENT AND LEADERSHIP APPROACHES

There is considerable evidence from prior research that perceptions of managerial processes impact on engagement (De Mello e Souza Wildermuth and Pauken 2008). Evidence suggests that employees' level of engagement and other work responses are affected by their perceptions of management style. For example, opportunities for upward feedback increase engagement through greater participation, which, in turn, relates to greater understanding of wider organisational issues as well as personal involvement (Robinson et al 2004). The belief that managers are interested in employee well-being is also relevant since perceived reciprocation of effort is an important motivator of engagement and related behaviours. Effective leadership also encompasses individual-level feedback, which can increase both engagement and performance (Alimo-Metcalfe and Alban-Metcalfe 2006).

In our study, we asked employees to rate their line and senior managers. For senior management, we focused on effectiveness and asked respondents to rate the degree to which employees feel that their senior managers have an effective and fair management style. Questions about line managers focused on communication, fairness and trust.

PERCEPTIONS OF LINE MANAGERS

Line managers have a critical role to play since they are the interface between employees and senior managers. This is particularly important in large organisations where there is typically little contact between the senior management team and employees. Our data show that 56% of our
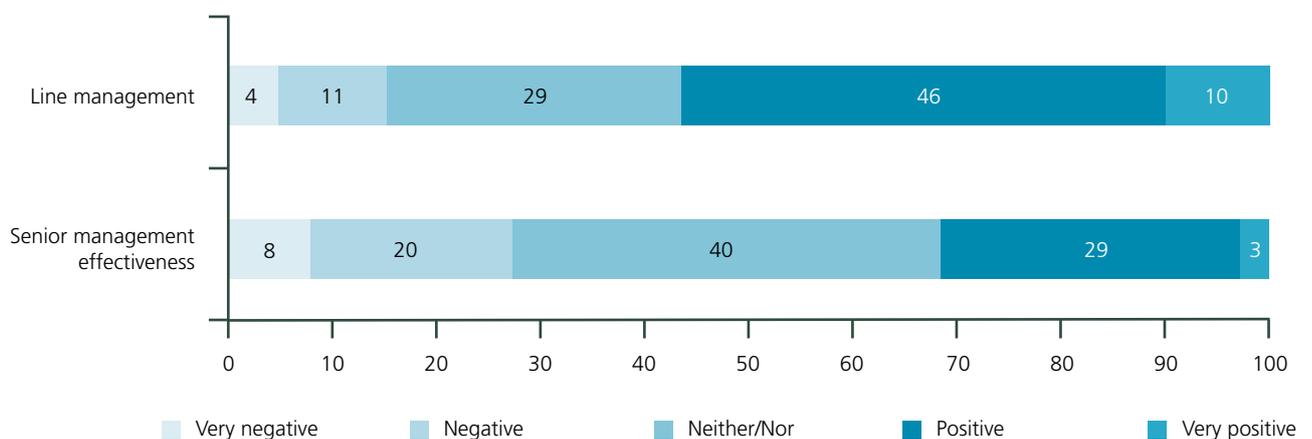
respondents rate their line management positively, compared with 15% who have a more negative view of their line managers. Our study further reveals that positive perceptions of line managers were associated significantly with extent of employee engagement. This result indicates that line managers may have a significant role to play in raising levels of engagement.

'My perception of what's actually wrong with this organisation is that we have a lot of very good people who are not good people managers. The problem this creates is that people at the bottom, who probably have most of the ideas, can't communicate those upwards because the people in the middle over-filter or don't bother at all.'
Accountant, PlasticCo

Relating to the quotation above, we identified several aspects of the line manager's role that can enhance employee engagement. Starting with recruitment and selection, line managers need to ensure that the right people are placed in jobs that are appropriate for their skills and abilities. Line managers need to communicate goals and objectives clearly, so that employees can focus their effort and engagement on specific tasks. These objectives can encompass helping employees to see how their role fits with, and contributes to, the bigger picture of the organisational strategy. Finally, there needs to be a clear cycle of reciprocity where effort, engagement and reward are mutually positive and reinforcing. This cycle should include opportunities for development and promotion so employees can see their future trajectory within their organisation.

Figure 7: Management perceptions (%)

	Very negative	Negative	Neither/Nor	Positive	Very positive
Line management	4	11	29	46	10
Senior management effectiveness	8	20	40	29	3

PERCEPTIONS OF SENIOR MANAGERS AND EMPLOYEE ENGAGEMENT

Respondents in our study rate senior management lower than their line managers. Only about a third believe that their senior managers are effective leaders and the majority, 40%, are unsure about how to evaluate their senior managers. Questions included items such as 'senior managers treat employees with respect', and 'senior managers are fair in their treatment of me'.

In the questionnaire surveys across the eight organisations we included the open-ended question: 'What is the one thing which would improve your working life?' Many employees commented about their senior managers. Example comments are listed below:

- more open and effective communications from senior management
- improve information-sharing within the organisation, especially from senior management to lower levels within the organisation
- better communications all round would be a vast improvement on how things are at present, especially between line workers and senior management.

The evidence from earlier studies reviewed above, as well as our own research, shows that positive perceptions of line managers have a positive impact on engagement. Our data regarding perceptions of senior managers and, specifically, their effectiveness, reveal a different pattern. We found that perceptions of senior managers' effectiveness are negatively associated with engagement. That is, low ratings of senior managers' effectiveness are associated with high levels of employee engagement. At first glance, this might appear to be a counterintuitive result. Certainly, it does not fit with our general pattern of positive relationships between perceptions of work and engagement. Yet, there are some similar findings in other studies. For example, some research has suggested that a moderate level of dissatisfaction could be a powerful motivator (Frese 2008). It is possible that a small degree of negative responses to work could have a role in driving need for change. In this case, having some negative

perceptions of managers alongside a generally much more positive perspective could encourage employees to work harder, become more engaged and see a range of benefits of doing so. These employees might seek managerial positions themselves, and such ambitions can be positive for the individuals as well as the wider organisation. However, the general recommendation is that positive attitudes towards managers are important to achieve, and more likely to have considerable and broad benefits than the specific influences that some negative perceptions might have. We would not wish to suggest that senior managers should actively seek out negative views from their employees! In contrast with the findings on senior management effectiveness, our scale capturing communication between senior managers and employees, visibility and senior managers' vision for their organisation is positively related to engagement; in fact, this emerged as the third most significant driver of high levels of engagement.

Senior managers have a significant role in creating an optimal working environment and helping line managers to achieve this for their employees. Two critical components are the design of jobs and the organisation of work. As noted above, people need to be in the right jobs with appropriate targets to channel their engagement. The corollary is that the jobs must be designed to ensure that they have appropriate breadth and depth. Where jobs are limited, such as production line tasks, then jobs can be enriched through additional responsibilities. Such job enrichment leads to a range of positive outcomes such as enhanced performance, reduced turnover and increased engagement (Parker et al 2006).

KEY FINDINGS

- Senior management effectiveness is negatively related to employee engagement.
- Senior management vision and communication is a key driver of engagement.
- Positive perceptions of line managers are strongly linked with engagement.

CASE STUDY:

PlasticCo

PlasticCo is a leading plastics manufacturer producing blow-moulded plastic bottles for the UK food and drink industry. The company grew in the 1990s from the merger between several medium-sized manufacturing businesses. The company operates from eight sites across the UK and has a turnover in excess of £100 million. It currently has a workforce of around 650 employees and is part of a multinational packaging group of companies.

The leadership style at PlasticCo has traditionally been described as 'top–down' with an autocratic approach to problem-solving. However, recent changes in senior management have led to a new strategic direction for the company. A new managing director was appointed in 2007, bringing a more participative vision. With full board support, a business case was made for a three-year transition towards an involvement-orientated culture. At the heart of this approach are people development, teamwork, communication and a more open leadership style. The new management team made clear that the company was profitable and performing well and that the change was part of a new strategy of continuous improvement towards greater performance. PlasticCo joined the Kingston Business School Employee Engagement Consortium at the start of this transition to help assess the levels of engagement in the company and identify potential avenues for improvement.

The majority of PlasticCo employees work within the bottle-producing factories operating the blow-moulding machinery. There are head office functions such as personnel, managerial and administrative roles outside of the factory, but these are relatively small in number. The factory work setting presents many challenges for managers trying to increase employee engagement. Many of the jobs require a relatively low level of skill and are repetitive, with tasks including transporting materials around the factory and operating particular parts of the machinery. Employees generally have few qualifications. A further challenge is the shift pattern on which the factory process is based. Around 80% of factory employees work a strict 12-hour shift pattern, with four days on followed by four days off. Shifts either run through the day (8am–8pm) or night (8pm–8am). The production process runs 24 hours a day, 365 days a year, including all bank holidays and Christmas Day. Employees have to adjust their home lives to the system and adapt to unsociable working hours. A further potential challenge is the factory working environment, which is noisy and hot.

Considering the challenges in the manufacturing setting and traditional management approach at the company, it was a bold move from the senior managers to attempt to change towards a more participative approach. One of the first steps the managing director took was to create an 'Employee Engagement Steering Group' involving key managers from across the organisation. A leadership and development manager was also appointed with the specific role of increasing the engagement of the workforce. The incumbent to this role described the company as being at a crossroads: 'we either go on as before, or we take some risks, involve and let go gradually.' She also stressed that the change is 'not about driving employees to work harder, but about providing the conditions under which they will work smarter and to offer their opinions, ideas and solutions to problems that they encounter.'

Demonstrating the new participative approach, all PlasticCo employees were included in the employee engagement questionnaire conducted for this project. A total of 650 questionnaires were distributed and 484 were returned, providing a high response rate of 75%. Thirty-four interviews were also conducted with managers from various departments and levels. Finally, two focus groups were held with 11 shop-floor workers across the sites. Employees were given paid time on their shift to complete the questionnaire, and help was offered to employees for whom English was not a first language.

ENGAGEMENT LEVELS

The results of the survey suggest that at the start of the change process the company had a generally 'high' level of engagement in the workforce, with 60% of employees in this category. However, only 7% of employees were 'very' engaged and 3% had a 'low' level of engagement. This outcome was not a huge surprise for the senior management team but gave a measure of the work that was needed to create a highly engaged workforce. Levels of engagement frequency were slightly higher. Forty-nine per cent of the respondents indicated that they are engaged once a week and another 26% are engaged on a daily basis. In contrast, 7% said they are rarely engaged.

Figure 8: Extent and frequency of employee engagement at PlasticCo (%)
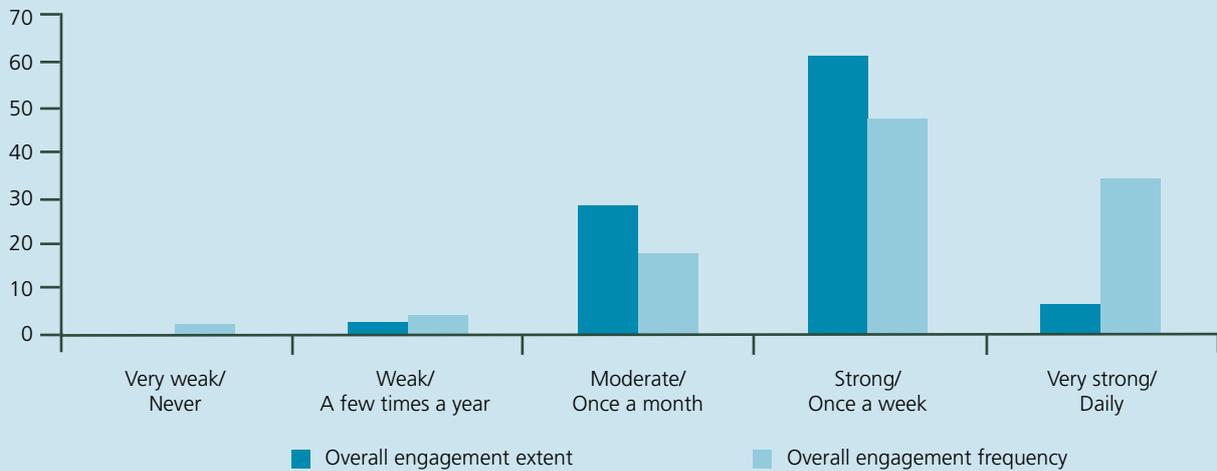
Analysis of the data from PlasticCo uncovered three main areas that need addressing to improve engagement – decision-making, people management and organisational advocacy.

DECISION-MAKING

A common problem identified by managers across the organisation was that problem-solving tended to be 'reactive' rather than 'proactive'. In practice, this meant there was little effort to come up with ideas for improvement, but rather issues were resolved only when problems arose. A plant manager summarised this:

'I think it's probably more based around problems rather than them sitting around and asking how am I going to improve my job? It's very much if there's an issue – how can we improve it? So I think it's more reactive problem-solving.' Plant manager

This problem linked into how decisions were made more generally in the factories. Control and responsibility tended to be concentrated with a few managers who made changes on an ad hoc basis. There was very little encouragement from managers for shift workers to become involved in decision-making. With little chance of influencing decisions, workers tended to ignore issues unless they were told directly by managers about them. This problem was picked up by one senior manager who reflected on the level of involvement in the factories:

'Very little at the moment, very little I would think. As far as people actively talking about [ways to improve their job] instead of talking about the weather or the traffic or the newspaper or TV, do they then say "how can I do my job better?" I doubt it.' Senior manager

Perhaps the biggest opportunity for the future at PlasticCo was the survey finding that employees really care about their work and want to do a good job. However, because in the past they were given little opportunity to contribute to the improvement of work processes, their interest had gradually declined:

'I do realise working in places that you are just a number... if they didn't need you, you wouldn't be here. I do feel as well, when I'm in my job I give it 110% but I used to give it 130%.' Shift manager

To respond to these considerable barriers to engagement, the recently established employee engagement steering group introduced a number of measures to increase employee involvement and a more participative decision-making process. First, an initiative was set up that would allow all employees to feed back their views and ideas directly to the managing director. In break periods, the managing director invited the employees from each team and shift to meet with him and 'challenge' him. This was a strong signal of change to the workforce and produced some early enthusiasm from employees. A second initiative also showing new commitment to listening to employee

views was being involved in the Kingston Business School Employee Engagement Consortium and survey. After receiving the results, the leadership and development manager visited all factory sites to report back the results direct to staff. A third initiative in the area of decision-making was to set up cross-functional problem-solving groups that would meet periodically to discuss ideas for improvement.

PEOPLE MANAGEMENT STYLE

The management style at PlasticCo was traditionally left to the proclivities of individual managers. In most factories, the leadership style was described as performance-focused and, in some, the culture was seen as 'hard-nosed', to quote one manager. In essence, little attention had been paid to people management in the past. Before the strategic redirection, there were few HR practices in place. Training was limited and there was little emphasis on teamwork.

When comparing the employee engagement levels against the performance of the factories, there is generally a positive correlation between engagement and performance. It is interesting to note that factories tend to perform well or badly across all employee attitudes. The most surprising result comes from one factory that is performing very well by many measures, including productivity, efficiency and unplanned downtime. However, workers in the factory are amongst the least engaged from the employee sample. This clearly contradicts the idea that engagement and high performance are always related. An important piece of information that may help to explain this is that the factory was recently reconfigured with new machinery that increased automation of the production process. While management saw this as an excellent investment, shift workers were less satisfied with the change because they saw this as another snub of them and their interests. They felt that all management attention was put into improving the production process with no investment in the people. It only reduced the opportunities to contribute to the improvement of the production process. The plant manager admitted:

'All the sites were very much driven on running better, running lean, running light, we're all very focused on that and I think maybe sometimes we forget the people side of things.' Plant manager

To attempt to overcome the problems of people management, senior managers at PlasticCo introduced some new initiatives for managers to think about their style and start to develop new ways of working. Management groups were set up to identify areas of skills shortage and staff development needs. Formal HR practices, such as appraisals and training, were discussed as important avenues for the future.

Following the results from the engagement survey, PlasticCo made a conscious effort to improve relationships between employees and managers within the company. A performance review process was introduced to encourage employees to talk to their line managers about their day-to-day targets, personal objectives and development plans as well as their career aspirations. A new task set for line managers was to engage with their team members to find out each individual's motivator and to ensure that they stayed committed to PlasticCo.

Many of the line managers that were interviewed for the research said how they thrive on the challenge of their work:

'I enjoy the role. I think there's a challenge of something different every day. There are things that you get frustrated with but I enjoy it. I'm still motivated for it, I'm determined for the site to get better so for me personally I find it quite a challenging role and an enjoyable role.' Plant manager

An important consideration for shaping people management in PlasticCo is to be realistic about the scope for new ways of working. The nature of manufacturing work often leads to highly automated, repetitive tasks and a clear performance focus on efficiency and productivity. For example, some of the lowest-skilled job roles are seen as too restrictive to be able to foster job satisfaction and engagement by managers. Conversely, we might argue that because there is a highly mechanised work environment, it is more important for managers to make a concerted effort to consider their team's needs because these do not flow naturally from work processes. A key challenge for the senior management team is to explore how people management and development can become a key focus for first-line managers at PlasticCo.

ORGANISATIONAL ADVOCACY

A final area that needs careful attention at PlasticCo is the findings of very low levels of employee advocacy for the organisation. Most employees said they would not recommend the company as an employer to their friends and family. Improving decision-making and people management style will be two clear avenues for improving advocacy. Another suggestion is to put more effort into celebrating what the organisation already does well. One such area mentioned during interviews was opportunities for career development and promotion within the business. There was recognition that, if employees wanted to stand out and work hard, their efforts would be recognised and there were opportunities for promotion:

'I started 15 years ago driving a forklift. So I can see that it's a very encouraging business for people, developing people and I'm a prime example. I've obviously got through various roles within our business to get to a senior management position.' Senior manager

EVOLUTION OF A NEW CULTURE

There have been some recent changes at PlasticCo with the aim of improving communication and advocacy. An experienced learning and development professional has been hired and promoted to director within 12 months. Moreover, a new HR strategy has been implemented focusing on the key aspects of attraction, development, retention, and reward and recognition.

One group of employees had taken responsibility for a two-day recruitment event that they ran without the involvement of HR or senior managers and that had been a huge success. This gave shift workers the chance to talk about what they liked about their jobs and promote this to the public. A company magazine had also been introduced to communicate news and celebrate success in the organisation – feeding into a more positive work climate.

Much emphasis has been put on leadership development. A programme has been initiated to identify and develop high-performing leaders across the business. All these changes contributed to the evolution of a new culture within PlasticCo and first results from the company's management survey indicate an increase in levels of engagement across PlasticCo's workforce.

EMPLOYEE VOICE, INVOLVEMENT AND COMMUNICATION

In terms of the key levers that managers can activate to raise levels of engagement, our research indicates the importance of providing meaningful work, as well as leadership. The third key driver that emerges in our study is effective employee voice, in other words, opportunities for employees to input into decisions affecting their work and their organisations, and to be properly consulted and communicated with over workplace issues that affect them. Our data suggest that employee involvement and management communication have a positive association with both the extent and frequency of engagement.

In recent years, there has been a renewed interest in various forms of employee voice, and it is often argued that employee involvement and communication are linked with benefits such as lower absenteeism, fewer exits and higher levels of commitment, efficiency and performance. Research suggests that so-called high-involvement work practices can develop the positive beliefs and attitudes associated with employee engagement and that these practices can generate the kinds of discretionary behaviours that lead to enhanced performance (Konrad 2006). Work by the Institute of Employment Studies also points to a 'sense of feeling valued and involved' as a major driver of engagement (Robinson et al 2004). Similarly, while Purcell et al (2003) found a number of factors to be strongly associated with high levels of employee engagement, the one thing all of these factors had in common was that they were connected with an employee's involvement in a practice related to their work.

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. Clearly, employee involvement mechanisms are central to this endeavour. Our study considered the extent to which employees participate in decisions that directly affect their job and attend meetings where they can make suggestions related to their work. As our data reveal, about two-fifths feel that they are highly or very highly involved in decisions that affect their job; however, the majority of respondents only feel moderately involved. A considerable number, one-fifth, indicate that they do not get involved in work-related matters on a regular basis.

We can further illustrate these data by three particular case studies – PlasticCo, ConstructionCo and NorthTrust – all of which have made efforts to improve the extent of communication and involvement but face different challenges in ensuring that these efforts are reflected in heightened levels of engagement.

At PlasticCo shift workers have historically had little encouragement from managers to become involved in decision-making, and problem-solving has tended to be reactive rather than proactive. However, a management team traditionally perceived as having an autocratic and hard-nosed leadership style is now committed to developing a more participative organisational culture. The results suggest there are a significant number of employees who feel moderately involved, but there are also a good number who are unsure, or feel that they are not particularly involved

Figure 9: Involvement (%)
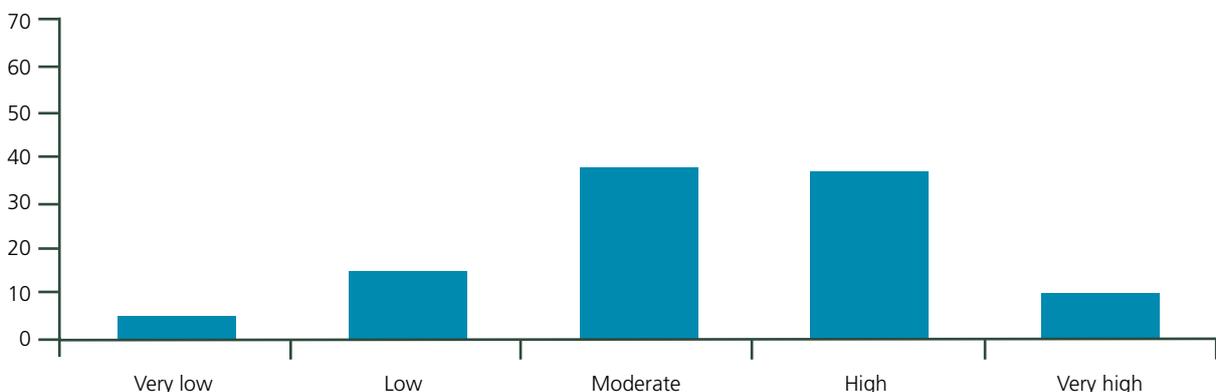
in managerial processes. The factory work setting, shift patterns and lack of training opportunities present severe challenges. Given the initiatives that are being put in place, it is likely that engagement levels will rise over coming months.

ConstructionCo is a relatively young company with a strong entrepreneurial culture, and this context feeds into positive employee experiences, creating a dynamic and intellectually challenging work climate. There are several ways in which ConstructionCo is attempting to involve employees. These include: annual communication, 'Good to Great' workshops, a regularly updated intranet, staff surveys, team meetings and suggestion schemes. Some employees are very positive about these, but others see the situation as letting 'a thousand flowers bloom' with little clarity over which initiatives are most important or useful. Linked to this, an area that is acknowledged as needing attention is the extent of collaborative idea-sharing. The company is forward-looking, but sometimes this means that teams and departments do not share knowledge and ideas about how things are working and how they might be improved. As one manager noted:

'There's a real apathy for collaboration, for sharing, for knowledge transfer. It's a shame because that's what the business is about.' Senior manager, ConstructionCo

So there are various involvement initiatives in the organisation for staff to interact with managers but, in some respects, these are not strategically coherent or widely understood.

At NorthTrust, the HR department has developed a wide range of practices and policies designed to widen the involvement of employees, including a 'lean programme' set up to make improvements in outpatients, non-elective admissions and emergency care. Interviewees report that the major benefit of this programme is not necessarily the economic or process efficiency gains but, instead, the investment in people by giving them the opportunity to think about their work more carefully and produce ideas for improvement:

'Lean has given people a lot. There are a lot of positives that have come out of Lean. I think people who have gone working on Lean projects have loved it, and they've come back really enthused.' Clinical business manager, NorthTrust

However, there were issues raised about communication at NorthTrust. A number of matrons said that they feel senior managers sometimes send out a negative message, particularly around infection control and targets, while others think key operational issues are not effectively communicated:

'My biggest beef with [NorthTrust] is the lack of downward flow of information. I hear from a lot of other managers around the Trust…[saying] we get a team briefing and we get *[NorthTrust] News*, but the actual nitty-gritty of what is going on doesn't always filter down.' Middle manager, NorthTrust

In summary, involvement initiatives have been met with a mixed response by employees. Across the organisation, there is concern with the kind of messages that senior managers are sending to staff as these are sometimes perceived as being negative. The trust is already in the process of creating a new post of Director of Communications. Their main role will be to redesign communication channels, encompassing top–down communications, news, electronic communication, idea-sharing, continuous improvement and emergency planning. This is a very positive initiative in response to employee feedback that is likely to yield significant benefits in terms of raising levels of engagement.

It is also notable that at both of the unionised organisations (PlasticCo and NorthTrust), employees generally feel that the union is successful in representing employee interests and this is also associated with higher levels of engagement. Clearly, the goal of improving and increasing employee engagement is not without its challenges, given wider macro-environmental pressures facing many organisations. Success may require organisations to avoid adopting a 'piecemeal', ad hoc approach and instead focus on the development of a more strategic and holistic approach, which aims not only to establish clear employee involvement mechanisms, but also to build a culture that promotes active listening, involvement, consultation and participation. Moreover, our research reaffirms the contention well established in the literature that genuine employee engagement depends upon long-established principles, namely that employees feel the organisational climate is based upon fairness and justice, that managers treat employees with respect and that effective voice mechanisms exist for the expression of both individual and collective concerns.

Looking at our sample overall, statistical tests revealed that the two most important drivers of engagement are meaningfulness of work and employee voice. Meaningfulness is measured by a set of items including, for instance, 'the work I do on this job is worthwhile' and 'the work I do on this job is very important to me.' Voice is similarly measured by a series of items including, 'I develop and make recommendations concerning issues that affect my workgroup', and 'I get involved in issues that affect the quality of work life here in my group'. Statistical tests showed that these two factors are the major drivers for all types of employees, for example in terms of age, gender and job role.

Plotting meaningfulness versus voice provides an insight into the proportion of employees who have positive perceptions of these two important factors. We found that only one-third of our sample, 34%, fall into the category of the 'vocal-involved', those who find their work meaningful and feel they can express their views openly. The vocal-involved are those who are in the setting most conducive to high levels of engagement. It is positive, however, to note the very small numbers falling into the other categories, with the exception of the 51% of 'fence-sitters', who clearly have the potential to be converted into the vocal-involved or lapse into the other categories.

KEY FINDINGS

• Employee voice is a strong driver of engagement.

• Just 34% of employees are the vocal-involved, who perceive their work as meaningful and have opportunities to voice their views, yet this category of workers is the most engaged.

HR POLICIES AND PRACTICES

There is good evidence in previous research that HR policies and practices play a critical role in shaping the relationship between employers and employees (Gould-Williams 2007). Our analysis reveals that only about a quarter of employees are satisfied with the HR practices in their organisation. The majority of all respondents, 38%, are neither satisfied nor dissatisfied and a considerable number, 35%, indicate their dissatisfaction with HR practices.

Respondents indicate several areas for improvement, such as performance appraisal systems, training and development opportunities and career management systems.

'We get PDP [professional development plan] once a year and that's meant to be a face-to-face but this year I got sent an email – this is your PDP.' Manager, EnvironmentCo
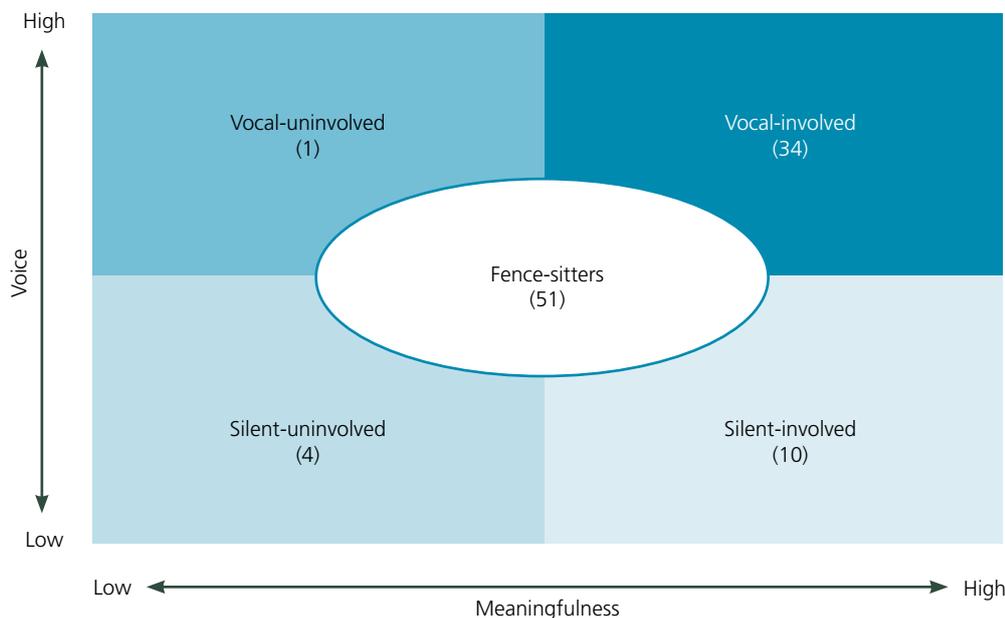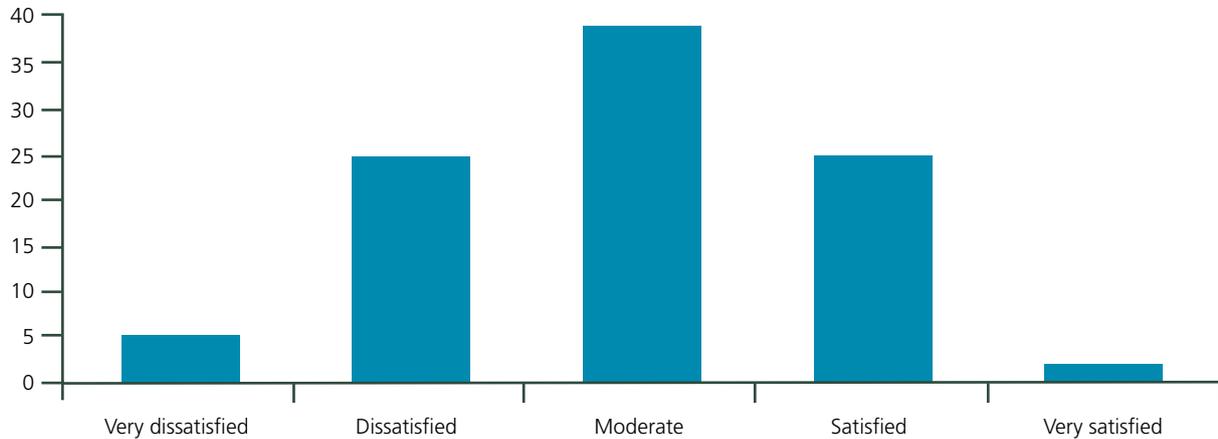
Figure 10: Meaningfulness vs voice (%)

Figure 11: Satisfaction with HR policies and practices (%)

> 'I haven't had any formal sort of training as such, I've not had any management training, I haven't had any training at all, whatsoever, [...] so I'm just assuming that what I'm doing is right and hopefully it is.' Engineering manager, PlasticCo

Previous studies have demonstrated that individuals' perceptions of HR practices positively impact upon employee outcomes, such as organisational commitment and job satisfaction (Conway and Monks 2009, Kinnie et al 2005). We therefore aimed to assess whether HR practices are also a significant predictor of employee engagement by analysing the relationship between both variables through statistical tests.

In contrast to what we expected, we do not find a direct association between HR policies and practices and employee engagement. Rather, our analysis reveals that the relationship between HR practices and engagement is indirect. HR practices impact on two key factors: the behaviour of line managers and person–job fit, or the match between individuals and their jobs. It is these two factors that have the most important impact on engagement and not HR practices in and of themselves.

KEY FINDINGS

- Most employees have negative views about their organisation's HR policies and practices.

- HR practices do not impact directly on engagement; the relationship is mediated by person–job fit and line management style.

EnvironmentCo

EnvironmentCo is a leading recycling and waste management company in the UK and part of a global environmental services company that consists of four divisions, encompassing water, energy, waste management and transport. The company employs almost 12,500 people and 2008 revenues were above £1.2 billion. In the UK, EnvironmentCo provides integrated waste management and environmental services to local authorities and industry, including refuse collection, recycling, hazardous and non-hazardous waste treatment, disposal, energy recovery, street cleansing and landscaping and landfill contracts.

EnvironmentCo places a strong emphasis on operating in a responsible and sustainable manner. The company is committed to the preservation and protection of the environment through the provision of professional waste and recycling management services to communities and businesses. The access to top-quality research and international innovation and expertise allows EnvironmentCo to promote innovative recycling and recovery solutions to its clients and champion innovative waste treatment technologies.

EnvironmentCo has set itself the objective of becoming an employer of choice within the UK. To achieve this objective, EnvironmentCo has been reappraising a range of practices and policies within the company. EnvironmentCo also made a substantial effort to change its culture towards a more flexible and open working style. Engaging employees was seen as a major step towards becoming an employer of choice. EnvironmentCo decided to join the Kingston Business School Employee Engagement Consortium to find out more about the workforce's levels of engagement and get detailed information about which aspects to improve in order to raise engagement levels within the company.

The participants in the engagement survey were 2,217 employees working for EnvironmentCo. The research consisted of two main stages. First, 757 employees with email access were invited to complete an online questionnaire survey. A further 1,460 employees without Internet access were given a paper version of the questionnaire. From this sample, 1,029 questionnaires were returned, providing a total response rate of 46%. Second, 20 face-to-face interviews were conducted with a range of managerial staff.

ENGAGEMENT LEVELS

The overall result of the study is very positive. Seventy-five per cent of employees at EnvironmentCo are strongly or very strongly engaged. About 24% are moderately engaged and only 1% of respondents indicate that they are weakly engaged. Levels of engagement frequency are even higher, with 78% indicating that they are engaged on a regular basis, 19% even on a daily basis.

Employees at EnvironmentCo especially show very high levels of affective engagement, which reflects that respondents generally care about doing a good job.

Figure 12: Extent and frequency of employee engagement at EnvironmentCo (%)
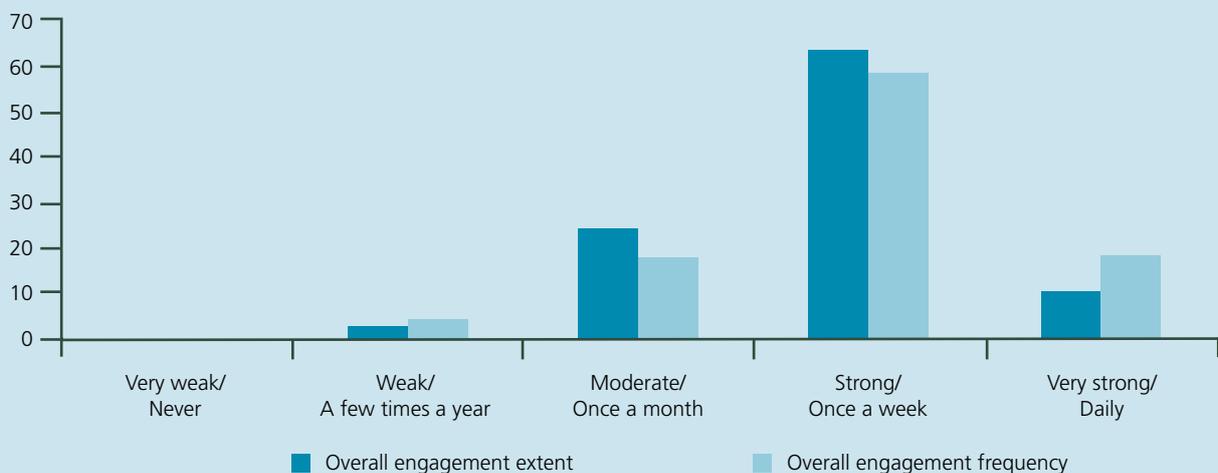
'Everybody is working hard because they care about the company, you know they all want to make sure that they save the company money and it stays a successful company.' Manager

'I'd say 90% of our workforce is conscientious; they want to drive the business forward.' Senior manager

In the following sections we will explain which aspects contribute to the high levels of engagement at EnvironmentCo – clarity of objectives, employee voice, corporate social responsibility – and also give some advice as to which areas could be improved to further raise levels of engagement among EnvironmentCo employees – HR practices and systems and processes within EnvironmentCo.

CLARITY OF OBJECTIVES

Clarity of objectives has been shown in previous research to be an important factor impacting upon levels of engagement. At EnvironmentCo, the vast majority of employees feel that they know what is expected of them and are clear about the tasks they had to perform to achieve their goals.

'Our people are competent, able to work within teams, understanding [...] the company's strategic objectives.' Senior manager

'It's really key that employees understand what the business objectives are, what the company objectives are and the reasons why. I think if they understand that and someone sits and explains that to them then they will absolutely work for us without a shadow of a doubt.' Senior manager

An impressive number of interviewees talk about EnvironmentCo's strategic objectives in the next few years, which reflects the fact that strategic goals and objectives had been communicated very well at management level. Occasionally, employees indicate that they would prefer to receive more information about EnvironmentCo's future direction.

'Improved information-sharing within the organisation [would make my working life easier], especially from senior management to lower levels within the organisation. Too much information isn't accessible, eg Strategy 2012.' Employee

However, overall clarity of objectives is a major strength at EnvironmentCo, which clearly contributes to the high levels of engagement.

EMPLOYEE VOICE

A second strong point at EnvironmentCo is the extent to which employees are given opportunities to get involved in discussions about work-related matters and communicate their opinion about aspects of their job. Almost two-thirds of the respondents in our study feel highly or even very highly involved in work-related matters. The management style at EnvironmentCo is described as open, democratic and honest, where employees can talk to their managers about issues that affected their work.

'The management style is one of creating a communicative culture, ie communication downstream and upstream.' Director

'Most managers sit there with their door open and it's a fairly open management style and most of them have come up through the ranks as well, so most of them have come from either a driving or from an admin type role anyway so they know what everybody is doing.' Manager

'I think it's quite an open management style. I think it's quite direct but I would say reasonably diplomatic.' Manager

To further encourage employees to get involved with their job, EnvironmentCo has implemented a suggestion scheme to foster ideas across the organisation. Every quarter employees are encouraged to put down their ideas on a specific topic, such as health and safety, customer service or efficiency. At the end of each quarter, three ideas get picked out and the winners are given vouchers as rewards for their ideas. Managers in our study complimented employees for the number of valuable ideas they put into the suggestion scheme.

'We're really getting a lot of suggestions. We had a recent conference and we had over 100 suggestions in one day from the assembled group, which is fantastic.' Senior manager

'One which was a really simple idea but great was that all the drivers should have a name badge so that when they are talking to their customer the customer sees their name, gets familiar with the driver, they are the point of contact at the end of the day.' Senior manager

CORPORATE SOCIAL RESPONSIBILITY

A third important strength in EnvironmentCo is its commitment to being a socially responsible member of society. EnvironmentCo's aim to protect the environment by investing in innovative and state-of-the-art techniques is highly appreciated by many employees. Fifty-one per cent of respondents believe that EnvironmentCo is a socially responsible member of society, compared with only 9% who disagree with this statement.

> 'I would say the values and what we aspire to do are laudable in the environmental space. I would say definitely yes.' Manager

> 'I think everything that I hear from the highest level is that that is our intention and that we will make every effort to reduce our impact on the environment and it seems to be a consistent message.' Manager

Many respondents indicate that working for a socially responsible company is important to them and some respondents indicate that they cannot imagine themselves working for a company that they would consider irresponsible.

> 'We are in a world that is getting smaller, diminishing resources, increasing population. At most we all have a social conscience and how we are affecting the environment, other people and so forth. So it is the most important thing. And if you have got children you are going to worry about that.' Director

> 'Yes, corporate social responsibility is important for me because I consider myself to be fairly socially and environmentally responsible anyway.' Manager

> 'I would be very uncomfortable working for a company that I thought was unethical or didn't think was responsible.' Manager

HR PRACTICES

One area for improvement at EnvironmentCo is the development of more sophisticated HR policies and practices. A considerable number of respondents (19%) in our study are dissatisfied with HR.

At EnvironmentCo, employees specifically express their dissatisfaction with training and development opportunities, and the career and performance appraisal systems.

> 'The training for HR, for managers, is horrendous. I've never had any training on it. You just learn the processes and the policies, you just go on the intranet and have a look and we sort of make it up as you go along.' Manager

> 'Everybody talks about training and likes to be trained and we've got a very good training department. [...] But I think it's underutilised and the reason for that is that the training culture from the top is weak.' Manager

> 'The career management is really about who knows who at the moment. There's no real formal structure to the career management.' Senior manager

On the positive side, several respondents indicate that HR practices have been identified as a weakness within the company by the HR department already and appreciate that the HR department is currently working on new policies and processes across several HR areas.

> 'We have a performance development plan process and that's management levels. We're in the middle of changing the process at the moment because we're investing in an intranet-based system because we've found with the manual-based in such a big organisation, it's really hard for us to track the output.' Manager

> 'The performance appraisal system is embryonic. It had an initiative a few years ago and went badly wrong, but the current HR director is relaunching it.' Senior manager

SYSTEMS AND PROCESSES

Another challenge for EnvironmentCo is the systems and processes in place across the company. Several interviewees commented that the systems and processes within EnvironmentCo are not developed to a level appropriate to a business of EnvironmentCo's size. This is a major frustration, especially for managers, which impacts upon levels of engagement.

'Reporting mechanisms have been very poor, very, very poor because we work on different systems.' Manager

'Because we've got all sorts of systems out there, the company runs on about 25 different systems, each different division has got a different system.' Manager

'You've just got a system that's very laborious, the system that we've inherited to use is not as efficient as other systems might be so we've had to adapt that but resource is really tight.' Senior manager

Interviewees especially feel that the intranet needs much more development, as communication and collaboration opportunities are missed. Collaboration and talking to peers about ways to improve a job is part of our conceptualisation of social engagement and interviewees indicated that one means of increasing levels of social engagement would be providing a more sophisticated intranet.

'The current intranet is terrible, just a place where people put documents and we want to turn it around, we want to make it a tool for online collaboration, so that people can have electronic forums...blogs, we want the CEO to do a blog every week.' Director

'One of the big communication opportunities we're missing is the intranet. Our intranet is just poor, it's static.' Manager

7 Outcomes of engagement

Employee engagement has been associated with a range of positive outcomes at the individual and organisational levels, for example, engaged employees are more likely to perform better and are less likely to seek a new job elsewhere. In this section, we consider how all the factors in our model impact on a range of outcomes at both levels, including individual performance, intention to leave and individual well-being.

FOR ORGANISATIONS

We consider three important outcomes of engagement: performance, innovative work behaviour – or the extent to which people innovate in their jobs – and intent to quit.

INDIVIDUAL PERFORMANCE

The process of engagement that we have seen so far involves a positive cycle of perceptions of work, satisfaction with work, involvement in and engagement with work. These behaviours and the psychological processes that underpin them lead to enhanced performance. Engaged employees perform better than their less engaged counterparts because they are more involved with their work, they think more about their work, which helps them to develop better solutions, and they are socially connected with their work. There is also considerable empirical evidence for a positive association between engagement and performance, and our study fits well with prior evidence.

Although individual performance would ideally be measured by asking someone else, such as a line manager, about an individual's performance, this is not possible in a survey of this nature, so we asked employees to self-rate their perceptions of a range of performance measures. These

include job skills (that is, the extent to which employees have the knowledge and ability to carry out their job); social skills (for example leadership and interpersonal skills); willingness to take on extra work; and the rating they received in their most recent performance appraisal.

We first asked people whether they feel that they have the right skills to carry out their work effectively. Fifty per cent feel their job skills are very good and an encouraging 22% feel they are excellent. For social skills, the scores are just slightly lower, with 41% feeling they are very good and 22% excellent. On both scales, very few employees rate themselves as having a poor or fair skill level.

We also asked employees whether they are willing to take on extra work and go beyond the call of duty. Fifty-nine per cent indicate that they were willing to take on extra work on a regular basis. We then asked people to let us know the rating they received in their last performance appraisal. Forty-three per cent of all employees received a good performance appraisal, 36% were rated very good and another 9% excellent. In contrast, 12% received a poor or fair rating in their last performance appraisal.

These performance data are positive across the whole sample; however, we can find some statistically significant differences across employee groups.

Although these data are not objective measures of performance, they provide a barometer of employees' understanding of their own performance in relation to that of their peers.

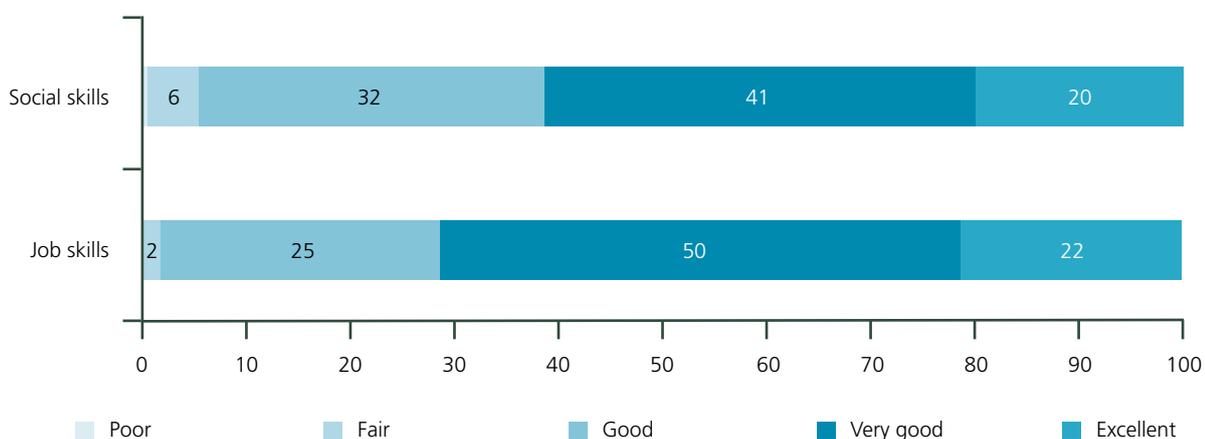**Figure 13: Levels of self-rated job skills and social skills (%)**

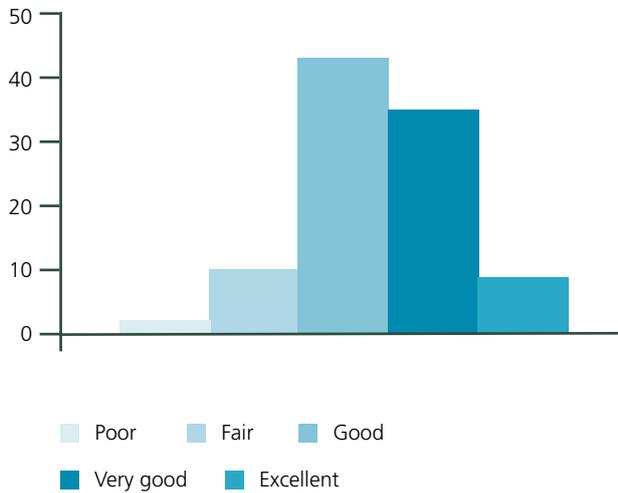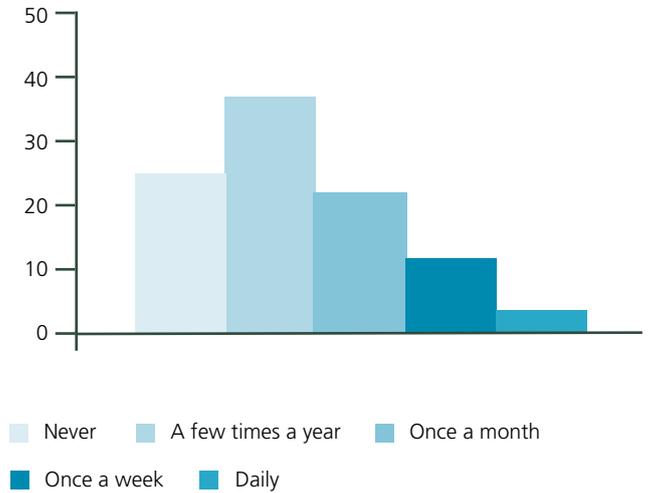**Figure 14: Rating of the last performance appraisal (%)**

Poor   Fair   Good
Very good   Excellent

Figure 15: Innovative work behaviour (%)

Never   A few times a year   Once a month
Once a week   Daily

INNOVATIVE WORK BEHAVIOUR

For a subset of our organisations, we analysed whether higher levels of engagement lead to innovative work behaviour. Across the three organisations included in our subsample, a quarter of respondents say that they never engage in innovative work behaviour, such as creating new ideas for difficult issues or generating original solutions for problems. The vast majority of our respondents, 38%, indicate that they develop innovative ideas a few times a year, whereas only 15% show innovative work behaviour on a weekly or daily basis.

Although respondents certainly rate their innovative work behaviour much lower compared with their in-role performance, we ran statistical tests to determine whether engaged employees are more likely to engage in innovative work behaviour than their less engaged counterparts. Our data show a strong association between engagement and innovative work behaviour. Engaged employees are more likely to search out new methods, techniques or instruments, make important company members enthusiastic for innovative ideas, and transform innovative ideas into useful applications. However, more research is needed in the future to explore these relationships in more depth and analyse the different behaviours of engaged versus non-engaged employees when it comes to being innovative and creating new ideas.

INTENTION TO STAY

A third important outcome of engagement is the intent to remain with the organisation. Intent to stay is important for organisations since it ensures that human capital is maintained, morale is good and recruitment costs are reduced. Conversely, people's intention to leave is a close proxy for actual leaving behaviour and gives a good indication of how employees generally feel about their work and their working environment.

'I have been in the company for almost 20 years. I never thought about working for another company. I love working with EnvironmentCo. EnvironmentCo has been very good to me. I try to repay the trust they put in me. Whenever I have been approached by any other company I'm just not interested. I am happy with EnvironmentCo, I'm delighted with what I am doing, and I work with fantastic colleagues. My boss is great with me; my CEO is great so I am absolutely delighted.' Senior manager, EnvironmentCo

Similar to the senior manager of EnvironmentCo, many of our interviewees express a high level of satisfaction and loyalty to their companies. In our study, more than a third, 36%, say they would like to stay with their respective organisation for at least five years, compared with 17% who want to leave their organisation within the next two years. The majority of employees, 40%, do not indicate how long they want to continue working for their current employer.

Figure 16: Intention to stay (%)

Legend: Less than one year | One or two years | Three or four years | Five or more years | Unsure
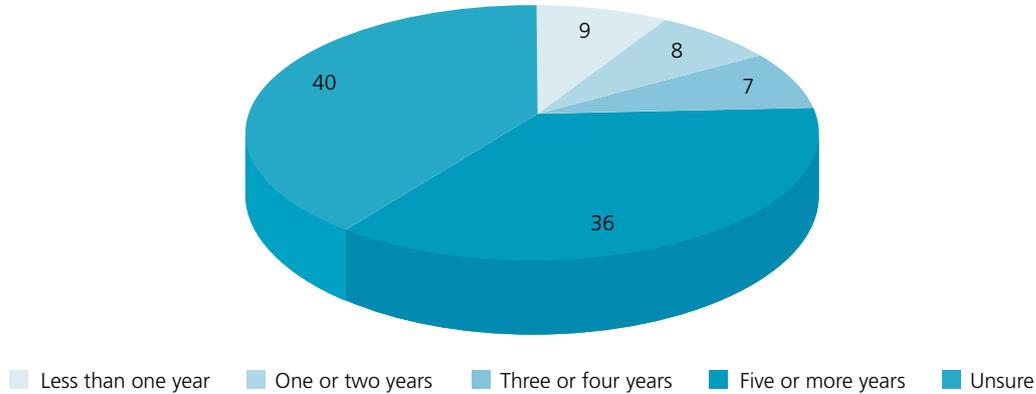
The data from our study show that engaged employees are significantly more likely to want to stay with their organisation compared with those who are less engaged. These data, combined with our other data on engagement, suggest that it is not the case that people who are not engaged and quit would be no loss to the organisation. Rather, most people have the potential to be engaged, but the working environment must be right for engagement to be initiated and sustained.

For those intending to leave their company, the main reasons given are listed in Table 3.

These data show that there are two main reasons for wanting a new job. The first is to achieve higher pay in a similar job elsewhere. The second is to find a more satisfying job in a different organisation. Pay is, of course, a perennial issue and one that goes beyond the scope of this report. However, while pay rises are not typically feasible, other forms of reward are possible and these alternatives can be successful in raising engagement. For example, some of the organisations in our sample use recognition schemes to give employees public acknowledgement of their achievements. Another opportunity for increasing engagement and productivity is the use of suggestion schemes. One of the organisations in this consortium has recently started an initiative that involves team discussions of suggestions whereby the most popular suggestion is acted upon and changes are made within two months, and then another suggestion will be selected and put into practice. Another way that retention can be enhanced is through the design of work. Line and senior managers have a responsibility to ensure that jobs are suitable, support is available and employees are enabled to craft meaningful roles, as discussed earlier in this report.

KEY FINDINGS

- Engaged employees perform better and are more likely to want to stay with their employer.
- Engaged employees are more innovative than others.

Table 3: Main reasons for wanting to leave organisation

Reason	%
Better pay/benefits elsewhere	21
Job satisfaction	17
Opportunities for promotion	16
To find a different job within the organisation	13
To find another similar job in a different organisation	13
To do a different type of work	13

NorthTrust is an NHS foundation trust based in the north of England. It is a large public organisation providing acute healthcare to a population of over 300,000 people. The immediate catchment covers some 33 square miles, which is largely an urban area. It has foundation trust status, which means it has increased independence from government regulation and can reinvest any surpluses back into improving service delivery. Annual income is in the region of £225 million.

The trust is also a teaching hospital and a tertiary centre providing specialist services to a wider population of around 1.5 million people. The population served by the trust includes some of the most socially deprived communities in the UK, with high rates of heart disease and cancer creating considerable demand for hospital-based care. The trust is one of the largest employers in the area with 4,500 staff. It has been accredited with Investor in People recognition for all workplace policies and practices.

The hospital has a bed complement of 860 inpatient and 105 day case beds. In 2007, the trust handled over 76,500 episodes of inpatient and day cases, over 280,000 outpatient attendances and nearly 87,000 emergency visits. The trust's services are organised into 15 clinical business units, grouped by three main divisions: medicine and emergency, surgery and support services.

The vision of the trust is 'to provide high-quality, patient-centred healthcare and proactively enhance the Trust's local, national and international reputation'. The central aim of the HR strategy is for the trust to be an employer of choice for the area. Recent trends have included an increased workload of around 9% during 2007–08, perhaps reflecting an increase in patients choosing to be treated at the hospital under new NHS arrangements. The organisation has recently invested £2 million in ward-based nursing and made a financial surplus of £1.1 million in 2007–08 to be reinvested in the following financial year. The trust has also recently begun an ambitious £7.5 million reconfiguration of radiology facilities. In terms of service performance, the trust has delivered the 18-week waiting list targets and cancer targets set by the Department of Health.

NorthTrust joined the Kingston Business School Employee Engagement Consortium as an opportunity to learn from other organisations and feed the results into other HR initiatives, such as the annual staff survey and employee involvement policy. The HR department in the trust has developed a wide range of practices and policies to support the diverse needs of the workforce. These are described by the HR team as initiatives that 'value staff'. In addition to policy documents relating to partnership and involvement, they include schemes such as 'Employee of the Month', 'Team of the Year', long service awards, staff suggestion scheme/zone, health walks, cycle scheme, pamper days, flexible working, nursery and childcare vouchers, and gym discounts.

The engagement research was conducted in two stages. First, a stratified sample of 2,000 employees was invited to complete an online questionnaire. A further 100 without Internet access were sent a paper version of the questionnaire. From this sample, 381 online questionnaires and 39 paper copies were returned, providing a total response rate of 20%. The second part of the research was conducting 20 face-to-face interviews with a range of clinical and managerial staff – including clinical business managers, general support, matrons and consultants. Further insights were gained through site visits and secondary documentation.

Three occupational groups made up the bulk of survey respondents – administrative and clerical, registered allied health professionals and registered nurses. There are a wide range of administrative jobs in the NHS, including medical records staff, call handlers, clerks, patient liaison administrators and receptionists. They serve important roles in organising appointments and maintaining patient records. Allied health professionals include people working within a variety of health treatment areas such as physiotherapy, dietetics, orthopaedics and radiography. Practitioners within these roles are registered with a professional body that regulates professional conduct and development. Registered nurses are responsible for various roles around patient care. They may specialise in a specific medical area or serve a more general role.

ENGAGEMENT LEVELS

The overall results of the survey are positive, with 85% being 'highly' or 'very highly' engaged. Thirteen per cent are moderate and only 1% have a low level of engagement. Levels of engagement frequency are similarly positive. Eighty-three per cent of respondents indicate that they are engaged on a daily or weekly basis, and only about 2% engage less than once every month. We will consider three areas that are contributing to high levels of engagement in

NorthTrust – involvement initiatives, satisfied workforce and clarity of objectives – and three areas that are less successful in this context – recruitment and retention in some roles, leadership style and communication.

INVOLVEMENT INITIATIVES

Certain involvement initiatives the trust initiated or joined are positively received by employee groups. The main example given here is the 'Lean programme', which was set up to make improvements in outpatients, non-elective admissions and emergency care. One matron summed up this initiative:

'One sign of successful involvement in the trust is the "Lean programme". This is an initiative organised by an external consultant that seeks to remove redundant work processes and increase the "flow" in organisational systems. Many respondents reported how this was a rewarding experience. We have facilitators...and then we invite a selection of people – clinicians, junior doctors, senior nurses, junior nurses, porters – a cross-section...they would map out the current processes step by step...so by the end of that week we will have a plan of improvement to implement. I think it's been beneficial.' Matron

Other interviewees reported that the major benefit of this programme is not necessarily the economic or process efficiency gains but, instead, the investment in people by giving them the opportunity to think about their work more carefully and produce ideas for improvement.

Despite the warm reviews by most staff, a few point to the danger of this kind of initiative. There is the possibility that changes to work processes can be made too hastily without proper consideration for the implication of making the changes. The process-mapping exercise and planning stage do not always pick up important scenarios that occur in the day-to-day operation of work:

'[Changes to work processes] are very frustrating and sometimes confusing because things can change from week to week. One week, it's a good idea, but usually what happens is someone comes up and says "that's a great idea" so we introduce it, we haven't got time to get it tested and when it's introduced, of course, there's a fundamental flaw and somebody picks that up and so you have to change it again or you scrap it.' Matron

The engagement survey results show that there are pockets of employees, such as those participating in Lean, who feel very involved in organisational decision-making and improvement. However, there are also other areas where people are less positive. The senior HR team is disappointed with this finding because they feel they have put a lot of work into organisational involvement through outputs such as the staff involvement policy, staff involvement group and partnership forum. They plan to respond to this finding by making efforts to ensure involvement initiatives are spread more widely throughout the trust.

Figure 17: Extent and frequency of employee engagement at NorthTrust (%)
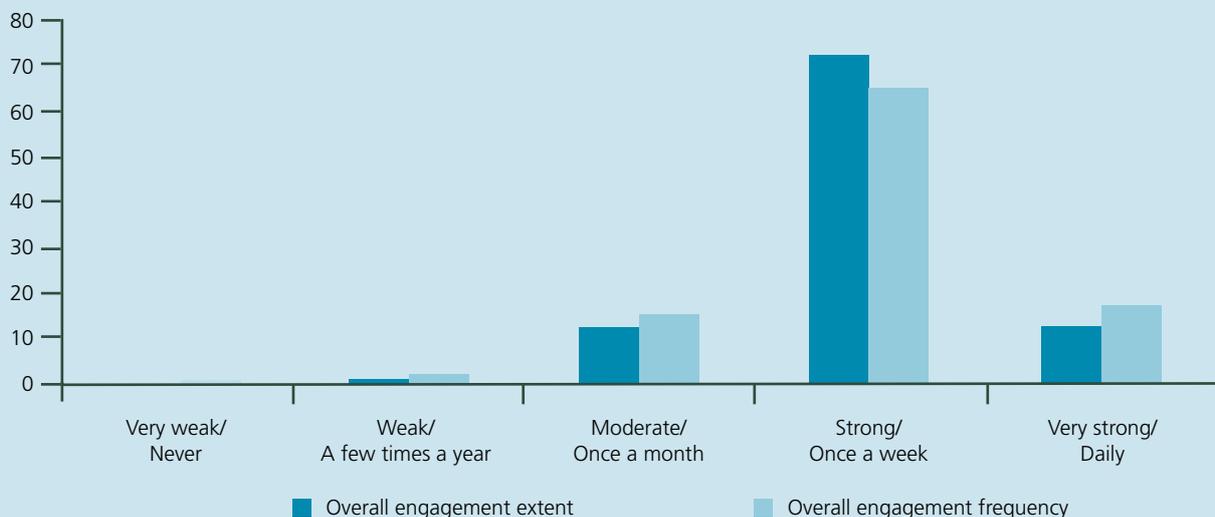
SATISFIED WORKFORCE

A consistently positive finding across NorthTrust is that employees are satisfied working for the NHS. Employees are slightly more satisfied with aspects supporting their job, such as pay and benefits, rather than core work tasks, but both are positive. Employees are also very positive and satisfied with NorthTrust as a hospital and place of health care. Many said they would be happy to let their close family and friends be treated in the trust's services.

'Health service jobs are good – everyone thinks we're poor nurses but no, we're not poor, nurses are paid very well and managers are paid very well too. We can afford a good standard of living I think. All in all it's a satisfying career in the health service.' Clinical business manager

Employees also score very highly on the extent to which they care about their jobs. Even groups that are less engaged in other aspects are engaged on an emotional level. This 'public sector ethos' is often found in public sector organisations.

'It's a satisfying career because the one thing is that you're doing something for the public, aren't you? You're doing something that makes a difference and that's probably why I like my job.' Clinical business manager

CLARITY OF OBJECTIVES

An important component of employee engagement is clarity in what individuals and teams are trying to achieve at work. This is particularly important for the intellectual aspects of engagement. In NorthTrust employees are confident that they know what they are trying to achieve and how this contributes to organisational performance. Sixty-seven per cent of respondents feel that they know what they have to do to complete their work tasks and how this contributes to performance. NHS trusts have strict performance targets set by central government's Department of Health. These relate to issues such as waiting times and infection control. Meeting targets is one of highest priorities for NHS staff – from senior executives to consultants to nurses. Discussion of targets featured heavily during the engagement research:

'The problem is of course that you can't go back, and no one would want to go back [to pre-target days]. To be fair to the Government they'll say "well surely you don't want to go back to the days when people in accident and emergency spent, you know, in extreme cases 24 hours waiting to be seen", and we clearly don't want that.' Matron

'Targets are a good idea – aspiration, you work towards it and achieve an end. But some of the targets aren't realistic. ...If you can't actually achieve them with the resources you've got all you're doing is putting pressure on people for no reason.' Consultant

RECRUITMENT AND RETENTION

Recruitment and retention of staff is an issue in some areas of the trust. Generally, across the organisation there is a feeling that employee skills match their roles well. However, there are a few areas characterised by high employee turnover and low attendance. More specifically, there are some administrative roles within the trust that appear to have a challenging work situation due to low pay, lack of training, demanding work and little social support. The recruitment process in the NHS is seen as bureaucratic by managers wanting to fill roles quickly. Yet this is difficult to overcome in the health sector due to prudent regulations and legal checks such as the Criminal Records Bureau (CRB) and Right to Work:

'The recruitment process takes a very long time because of the standard procedures and things like CRB checks, which add a further bureaucratic burden.' Middle manager

Linked to the problem of retaining people in some roles, another challenge in NorthTrust is developing teamwork in some areas. This is identified as a particular problem for larger departments, where team relationships are less personal.

'Some roles don't get an opportunity for social engagement because they are working independently away from colleagues and managers. They are then not given opportunities to interact at meetings either.' General manager

It was also an issue in other areas; for example, some receptionists are required to be fixed to a particular desk with no other employees in the same work area. This can be a very isolating experience.

LEADERSHIP STYLE

There is a huge amount of change going on in the NHS and this is impacting NorthTrust in important ways. For example, there are implications for leadership style within the organisation due to frequent changes in the management structure:

'Yeah I mean the management have actually changed a lot over the last year and we've got a new general manager... and his style will determine a lot of our workload and the priorities that we've got.' Clinical business manager

The style of management will affect how important priorities such as meeting targets are approached and controlled. With the NHS focus on targets and high-profile issues of ward infection control, some managers pointed out that poor performance had to be dealt with strongly, as there were severe health consequences for patients. Disciplinary action would undoubtedly affect the perception of support in the work environment, but this was an unavoidable consequence of the priorities of the hospital.

'Sometimes people are wrong and, if you're wrong, you're wrong, so you can't say that's a blame culture. That's like, you know, you didn't deliver what you should have delivered so therefore your role isn't suitable for you, so that's acceptable.' Clinical business manager

The trust has to take action in relation to complaints, serious untoward incidents and infection control issues.

COMMUNICATION

Style of communication is also perceived to be very important for senior managers. The allied health professionals (for example physiotherapists, occupational therapists, radiographers) are traditionally seen to be very good at communicating with their staff as part of their professional culture.

However, more generally across the organisation, there is concern with the kind of message that senior managers are sending to staff. For example, if the end-of-year message to staff from the chief executive is perceived to have an overriding negativity this does not go down very well with nursing staff because they feel they have worked very hard all year. Other senior managers are noted for being autocratic and distrusting of middle manager capabilities and this again impacts on the way they communicate to staff.

To overcome these issues, the trust has created a new post for Director of Communications. Their main role will be to redesign communication channels in the trust, encompassing top–down communications, news, electronic communication, idea-sharing, continuous improvement and emergency planning.

FOR INDIVIDUALS

The recent interest in positive organisational behaviour has included an emphasis on positive outcomes for individuals (Bakker and Schaufeli 2008). In the following two sections, we will therefore consider how engagement might lead to positive results at an individual level, such as higher well-being and sustainability.

WELL-BEING

There is good evidence that high levels of engagement are negatively related to burnout and positively associated with well-being (Bakker et al 2008, Schaufeli and Bakker 2004). Our data confirms these findings by demonstrating that engaged employees show higher levels of well-being. This means that engaged individuals are more likely to enjoy their work activities, are able to cope with work-related problems and are less likely to lose sleep over work-related issues. Three-fifths of our respondents indicate that they have high levels of well-being and a further 7% said that their level of well-being is very high, compared with only 4% who express low levels of well-being.

These are very positive findings that confirm that engagement has positive outcomes for individuals themselves. However, especially in our more recent case studies, managers express warnings that levels of well-being might decrease with the mounting pressures due to the current economic climate.

'I do think we possibly have a bit of an issue with work pressures and a long hours culture but I think there's a little bit of pressure for people to work hard, work smart and work fast and I think it does sometimes get a bit challenging for people and I think everybody can understand the reasons for it.' Manager, ServiceCo

'There seem to be people suffering with stress and I think that maybe we're pushing people so hard that sometimes we don't recognise it.' Manager, EnvironmentCo

'There was one bloke when I first joined and he was staying until like 11:00 at night and he was here at 9:00 in the morning. So I think there is actually quite a lot within the rest of the company as well, there's quite a culture of working long hours.' Manager, ConstructionCo

Looking at our dataset as a whole, we compared levels of individual well-being with performance to find out how many employees experience both high levels of well-being and perform highly. It was gratifying to discover that only a tiny number, 1%, fall into the category of 'unfit non-performers'. However, one-third, 32%, can be described as 'fit performers', while the majority, 59%, are 'fence-sitters'.

SUSTAINABILITY

Highly engaged employees are more likely to feel that their workload is manageable and that they can cope with their current workload. Sensing that work is sustainable in the longer term is important from an individual's perspective, as unsustainable work is detrimental to the health and safety of the workforce. In our study, almost three-fifths of respondents consider their work highly sustainable; however, about a third are unsure about whether they could continue to work at their current pace in the future and almost 10% clearly indicate that their workload is not sustainable.

Although our study revealed that engagement generally leads to higher sustainability, our qualitative and quantitative data also demonstrate that this relationship does not
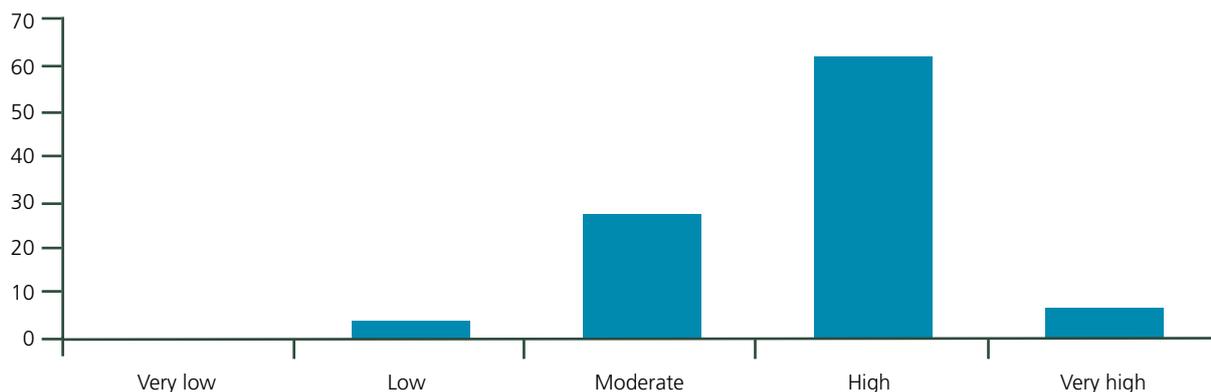
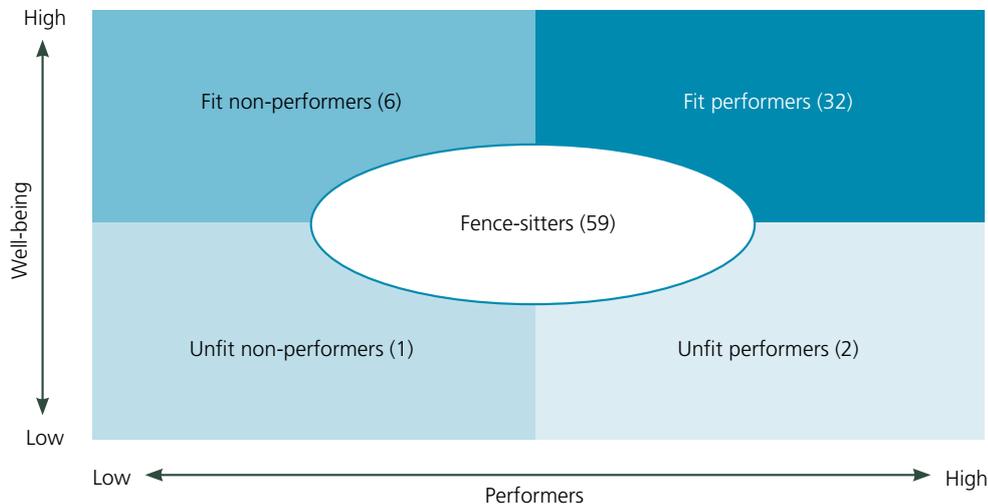**Figure 18: Levels of well-being (%)**

Figure 19: Individual performance vs well-being (%)

hold for very high levels of engagement. Employees at the extreme ends of engagement show lower levels of sustainability. Constantly thinking about work, taking extra work home on a regular basis and not switching off from work at any time during the day has a serious impact on individuals and might lead to ill-health and burnout symptoms, as these individuals are more likely to become 'workaholics' with the associated risks.

'I had a guy who used to be full-on and he had a heart attack, one of my sales managers, lovely guy, quite young, 31. When he was in hospital, he starts emailing, "I spent the weekend in hospital, they've done all these tests on me, I'm just on down for an ECG, but I thought I'd just copy an email to you, I hope you're alright"...I was virtually the same. When I was in hospital last year, they didn't have an Internet connection, so I asked my wife to bring my laptop. She would bring it to the hospital, I sent her back home so she could upload and send the emails, collect the new ones and bring it back.' Manager, ServiceCo

Similar to this quote from a manager in ServiceCo, other interviewees told us about incidents from their working experience where people have become too engaged. This has had serious effects on their health, but also impacted on their personal life and their ability to concentrate and focus, which in turn affected their productivity. Managers have a critical role to play in ensuring that the engagement levels of their team members are sustainable. Additionally, it is important to prevent organisational cultures from developing that reward working long hours and encourage 24/7 availability.

KEY FINDINGS

- Engaged employees enjoy greater levels of personal well-being.
- Engaged employees perceive their workload to be more sustainable than others.
- One-third of employees are 'fit-performers', enjoying high levels of personal well-being and performing well.

Figure 20: Sustainability (%)
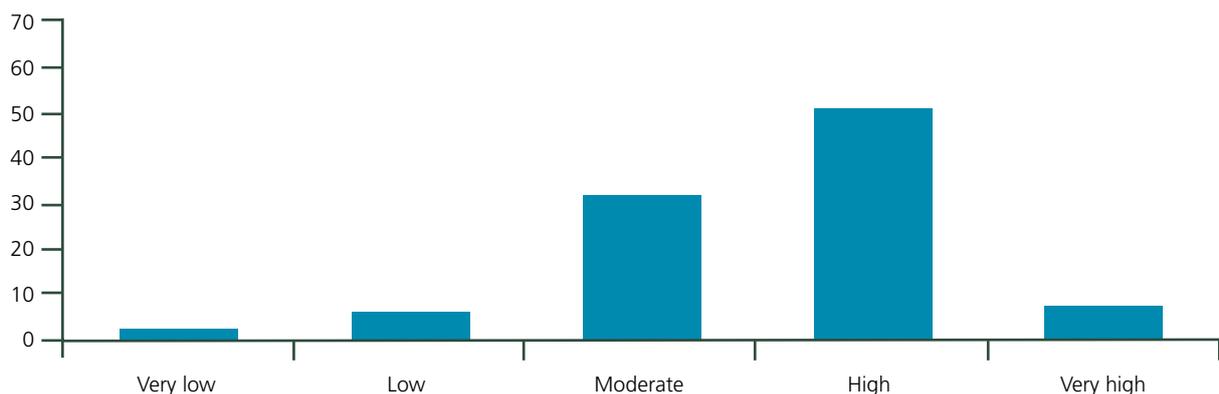
CASE STUDY:

ConstructionCo

ConstructionCo is an international consultancy and construction firm. Founded in 1990, the organisation has experienced rapid growth to a turnover in excess of £500 million in 2007. The firm has been responsible for several high-profile construction projects in the UK, Asia and the Middle East. The company employs close to 2,900 people and operates in 28 countries around the world.

The company offers services that span the entire property lifecycle, including planning and building, maintenance and facilities management, waste management and ICT consultancy. Senior management have set ambitious growth targets to have a £1 billion turnover by 2012. Around 63% of current turnover comes from consultancy and 37% from construction. The workforce is currently 70% male and has a relatively young age composition.

The company is particularly proud of its relationships with clients and suppliers; over 70% of contracts come from returning clients. The company has also established a good reputation for employee experience. It has been listed in the 'Sunday Times Best Companies to Work For', been named in the top 50 in Building magazine's 'Good Employers Guide' and holds Investor in People recognition across the UK business.

ConstructionCo has a simple vision: 'to be the best at what we do'. Feeding into the vision are a number of core values, which include – respecting people, listening to views of all staff, delivering with trust, honesty and integrity, and promoting positive collaboration. The company already

has in place a progressive set of HR practices and a team with responsibility for facilitating employee engagement. Participation in the Kingston Business School Employee Engagement Consortium was therefore to feed into existing initiatives rather than to kick-start a redirection. Further sources of information include an annual staff survey, Investors in People feedback and Sunday Times Best Companies feedback. The employee engagement survey was distributed to employees working in the UK. An online questionnaire was distributed to 346 employees and was returned by 180, providing a response of 52%. Twenty interviews were also conducted with a range of managerial staff.

ENGAGEMENT LEVELS

The results from the survey are very positive, with 77% of employees being 'highly' engaged and 12% 'very highly' engaged. Less than 1% fall into low engagement categories. Levels of engagement frequency are even higher. Almost 90% of all respondents are engaged on at least a weekly basis and only 2% are engaged only once a year. The general results clearly suggest that ConstructionCo is a very engaging company to work for.

What do these results mean for engagement initiatives within the organisation? During one research meeting the employee engagement manager reflected, 'Maybe this means I am out of a job! There is nothing for me to do.' We will consider whether this is the case by looking at three things the organisation is currently doing well – creating an entrepreneurial culture, fair and consistent management

Figure 21: Extent and frequency of employee engagement at ConstructionCo (%)

Legend: Overall engagement extent / Overall engagement frequency
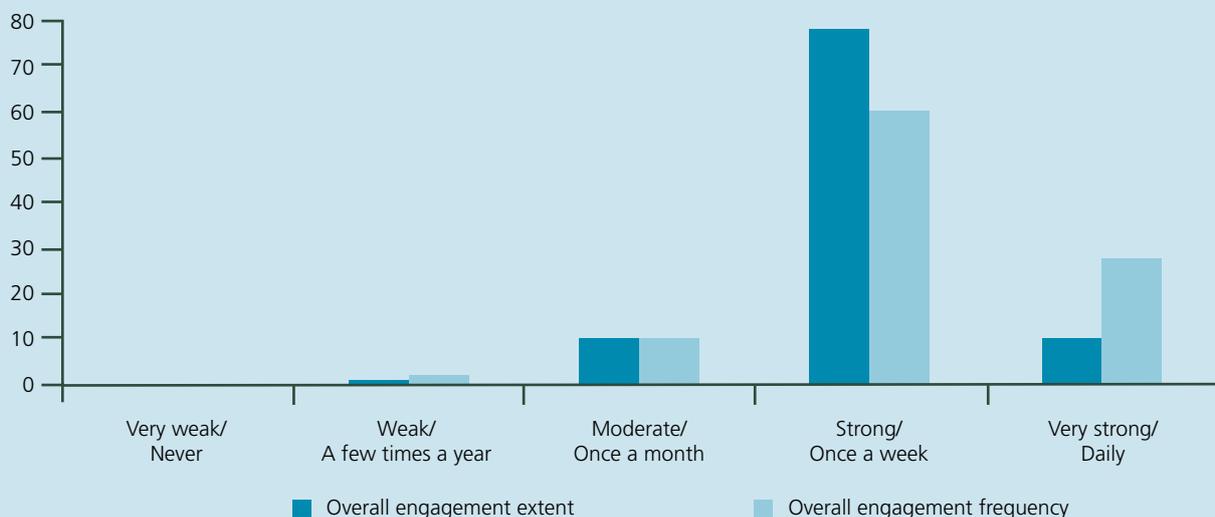
practices and high levels of organisational advocacy – and three areas where the organisation is not doing so well – sharing ideas for improvement, work–life balance and staff perceptions of senior managers.

ENTREPRENEURIAL CULTURE

ConstructionCo is a relatively young company and is growing rapidly. The organisation has an entrepreneurial culture based on a record of successful performance. This context feeds into positive employee experiences and at the workplace level this creates a dynamic and intellectually challenging work climate.

'[ConstructionCo] has a very entrepreneurial feel about it so there is always that intellectual challenge.' Middle manager

The organisational culture also creates a buzz of excitement and opportunity for staff. With recent growth, many new starters have been employed through staff recommendations from their network of personal contacts. This means that staff can make a real contribution to the growth of the organisation and shape the type of workforce they are growing into. Survey results suggest that employee–job fit and staff quality are high as a result. The entrepreneurial culture is based on the drive and ambition of staff and the willingness to succeed. This is supported by letting people take responsibility and ownership of their own performance, development and career. At the same time, it should be recognised that not all employees will, or should, be highly driven as this can create an overly individualistic and competitive culture. Instead, there needs to be a balance of drive and enterprise on one hand, and stability and cohesion on the other.

'We have this thing about managing your own career, so the way you manage your own career is that you actually have to communicate with your line manager what it is you want to do.' Senior manager

In general, the entrepreneurial culture in the company is a great strength and asset towards engaging staff.

FAIR AND CONSISTENT MANAGEMENT

The words 'fairness' and 'consistency' feature repeatedly in the HR strategy for ConstructionCo. The HR team does not have a secret formula or elaborate programme of initiatives for managing people. Instead, they feel it is important to focus on the traditional core aspects of management

that can form the bedrock on which to build more entrepreneurial, client-focused activities.

'I think the sort of fundamentals upon which we should rely with engaging people are basic things like – are people very clear about what their job is, what's expected of them, how they are to be measured, trusting their line manager, all of those issues, I think, whilst they might be fairly boring, and we have been talking about them for years, actually they are the true drivers of engagement.' Senior HR manager

Despite the core focus on traditional management concerns, ConstructionCo does have a set of what might be called 'progressive' HR practices. These include the employee referral scheme mentioned earlier, a graduate training programme and a mentoring process. However, in each of these initiatives fairness and equity in their implementation are stressed throughout. This in turn flows into the kind of trusting relationship with clients that is so important in the consultancy sector.

'You save money, you save grief, you save people's emotion, you save risk, you save all of these things if you treat your employees fairly.' Senior HR manager

There is one main caveat with the management approach at ConstructionCo. The relative informality of management processes, coupled with a flat management structure, has the potential to create some uncertainty of job role and responsibility.

'We don't have formulated, formal, typed job descriptions… [and these] sort of issues actually cause us, now we are a large company, quite a headache in terms of making sure that we know what people are doing and that they're working in accordance and being measured accordingly.' Senior HR manager

Over the coming year, ConstructionCo will need to pay careful attention to job design and the creation of management responsibilities that are unambiguous and, more fundamentally, still carry the underlying tenets of fairness and consistency.

ORGANISATIONAL ADVOCACY

Following the positive commentary above, it is not surprising that organisational advocacy is high at ConstructionCo. This feeds from the consistent approach to people

management and the flexibility and opportunity inherent in the entrepreneurial culture. Questionnaire responses suggested that employees are very proud to work for the firm. Employees have an emotional connection to their work and find their tasks intellectually stimulating.

'I think the majority of people passionately care about what they do in our business. They wouldn't go the extra mile quite as often as they do if they didn't passionately care about what they do…that's what I would call emotional attachment.' Senior manager

'You've got to remember what a great company it is, what great people there are within the organisation, what it has achieved, it's been excellent.' Middle manager

The high-profile nature of some of the company's projects reinforces the pride and willingness of employees to broadcast the benefits of their company. Everyone wants to work for a successful and reputable organisation; it is clear that ConstructionCo employees feel their company is both of these things and they are proud to call it their own.

SHARING IDEAS
One surprising area that needs attention in ConstructionCo is the extent of collaborative idea-sharing. The company is forward-looking but sometimes this means that teams and departments do not share knowledge and ideas about how things are working and how they might be improved. As one manager noted:

'We probably don't talk about improvements enough, is the honest answer. Part of our culture is about inwardly challenging but inevitably sometimes it's easier to do the job the way you did it last time.' Senior manager

There are various involvement initiatives in the organisation for staff to interact with managers but they are not strategically coherent or widely understood. For example, some employees said there was a suggestion scheme in place, but others said that it has been discontinued. Confusion like this could benefit from some attention. Although employees felt they worked in a supportive environment, there was some mismatch in expectation over social activities outside work.

'Some departments have a great team spirit but in others it's like, if someone wants to organise a ten pin bowling night, you know something local, down the pub, a quiz night, all the ideas have been floated but people don't seem willing to do it and it's a great shame because it really does bond the team, creates friendships, new relationships, if people are willing to do it but they just don't seem willing.' Senior manager

To overcome this issue, the HR department was leading by example by starting a reorganisation of the HR function to explore how idea-sharing could be improved.

WORK–LIFE BALANCE
Employee work–life balance is a challenging HR consideration at ConstructionCo. In the engagement survey this was generally perceived to be good, but many employees had a more moderate view. Many staff feel compelled to work long hours due to the sheer amount of work going on. The highly interactive nature of relationships with clients is a source of increased pressure. Furthermore, with such ambitious growth targets for the company, this problem is likely to increase in the future.

'What came out of last year's staff survey was that people wanted more work–life balance and that they perceived that there was a long-hours culture.' HR manager

The HR team is aware of this problem and is trying to tackle it through the staff appraisal process. Managers are being encouraged to consult with their staff about what would make their work–life balance better. However, this is likely to be one of the downsides of a fast-moving organisation during business growth.

Following the engagement survey, the HR team at ConstructionCo decided to address the low work–life balance amongst the workforce. Two days' extra leave were added to staff holiday allowances, and health checks, a dental plan and employee assistance programme have been introduced to help ensure employees do not burn out.

PERCEPTIONS OF SENIOR MANAGEMENT

A final issue that could be improved in ConstructionCo is the impression employees have of senior managers, particularly in terms of their visibility and quality of communication. This issue was somewhat frustrating for the senior management team because they felt they had put a huge amount of effort into improving this over recent years.

'We have a bi-annual manager conference…we have a newsletter called *HR Matters*, which is something that goes out with the payslips…. We put different posters up on a weekly basis…we have the most amazing intranet…we have *[ConstructionCo] Matters*, which is a quarterly glossy magazine that goes out to all employees.'
Senior HR manager

Surveys often find that employees' views of senior managers are less favourable than their perceptions of immediate line managers. However, in ConstructionCo, senior managers are vitally important for setting the strategic direction. The management structure is relatively flat and, therefore, in theory there should be less distance between non-managers and senior managers. The senior management team will be responding to this following a management conference in the coming year. They are also planning to increase the emphasis on activities such as directors' surgeries – where staff are given the opportunity to meet senior managers; and by offering staff training and e-learning so that non-managers can appreciate the role of managers while also learning important leadership skills.

Going back to the reflection of the employee engagement manager at ConstructionCo, the company is already doing many things well and currently has an elevated level of engagement. However, there are areas of weakness that need attention. Careful attention is needed to shape engagement initiatives around the future growth of the company.

8 Conclusions and management implications

In our research, we have collected data from over 5,200 employees across eight different organisations. The picture that has emerged about engagement is rich and complex. Extent of engagement is higher in the public sector compared with the private, but private sector employees are more frequently engaged. Women are more engaged than men, whereas younger workers are less engaged than older workers, and those on flexible contracts are more engaged than others, reflecting the findings of our earlier report (Truss et al 2006). Those with managerial responsibilities emerge as being more engaged than other employees.

For all these different employee groups, we have run statistical tests to uncover what the key drivers of engagement are. It has emerged very strongly from this analysis that two factors are more important than any others in driving up levels of engagement for all groups: meaningfulness of work and employee voice. The way in which senior managers communicate with employees is the third most important driver. Other important factors are person–job fit, supportive work environment and management style.

DRIVERS OF ENGAGEMENT
- meaningfulness of work
- voice, being able to feed your views upwards
- senior management communication and vision
- supportive work environment
- person–job fit
- line management style

Taken together, these factors create a virtuous cycle of engagement processes that employers can reinterpret in ways that fit with their own organisational context and circumstances. We note in our study that around one-third of respondents, 34%, can be classified as the 'vocal-involved', working in jobs they find meaningful and able to express their views. Since these are the two key drivers of engagement, it is concerning that this figure is so low, and suggests that there is much that employers can do to create a more engaging work environment for their staff. Similarly, 32% can be described as 'fit performers', enjoying high levels of personal well-being and performing to a high standard. Employers would generally wish to raise this proportion of their workforce and putting in place a range of engagement initiatives would help to address this problem.

However, it is positive to note that the proportion of engaged employees overall is somewhat higher than has been found in previous surveys. In part, this may be due to the self-selected nature of our sample of organisations, which joined the Kingston Engagement Consortium project out of an interest in engagement and where it might reasonably be supposed that engagement strategies would be further advanced than in other organisational settings. Despite this, we did find quite wide variations in levels of engagement and in strategies and approaches to manage engagement, as emerges strongly from our case studies. These show that engagement can be managed effectively in different ways, and that although there are some general prescriptions of best practice relevant to everyone, the nuances and implementation will vary from setting to setting.

Our engagement journey has led to some fascinating insights into employee engagement over the past three years. We are about to embark upon a new phase, where we set about trying to answer some of the questions that have arisen out of the consortium project that we still feel remain unanswered, using different methodologies and different approaches to tap into engagement at an even deeper level.

Our management recommendations are:

- Understanding your workforce engagement profile is the first step to determining how to drive up engagement levels.
- Engagement is clearly associated, both in our report and in other studies, with high levels of performance, reduced intent to quit and raised levels of personal well-being. It is therefore legitimate from a corporate perspective to prioritise improving levels of employee engagement.
- There is a clear need to help create meaning for employees in their work; this can be achieved intellectually by articulating the links between individual jobs and the broader organisational aims, and emotionally through sharing an understanding of deeper levels of the purpose of the organisation.
- Employees need to be given opportunities to express their views and to know that their opinions will be taken seriously. This is an activity that needs to involve both senior and line managers. Our case studies provide some examples of how organisations in the consortium have achieved this.

- Senior managers have an important role to play in creating a vision for the organisation and sharing this with employees, and in being open, transparent and approachable.
- Engagement levels are affected by the working environment. Where employees can see that they have support from others to help them do their job, there is a sense of teamwork and they can safely express themselves, then engagement will be higher.

- Matching people to jobs is a critical driver of engagement. This is one area where HR professionals can play an important role helping line managers design jobs effectively, and develop selection processes that match individual skills to jobs.
- Line managers act as the interface between the organisation and the employee, and can do much to impact on engagement. Another key HR role is therefore to pay close attention to the selection, development and performance management of line managers to ensure they maximise their potential to be engaging leaders.

Figure 22: Employee engagement model

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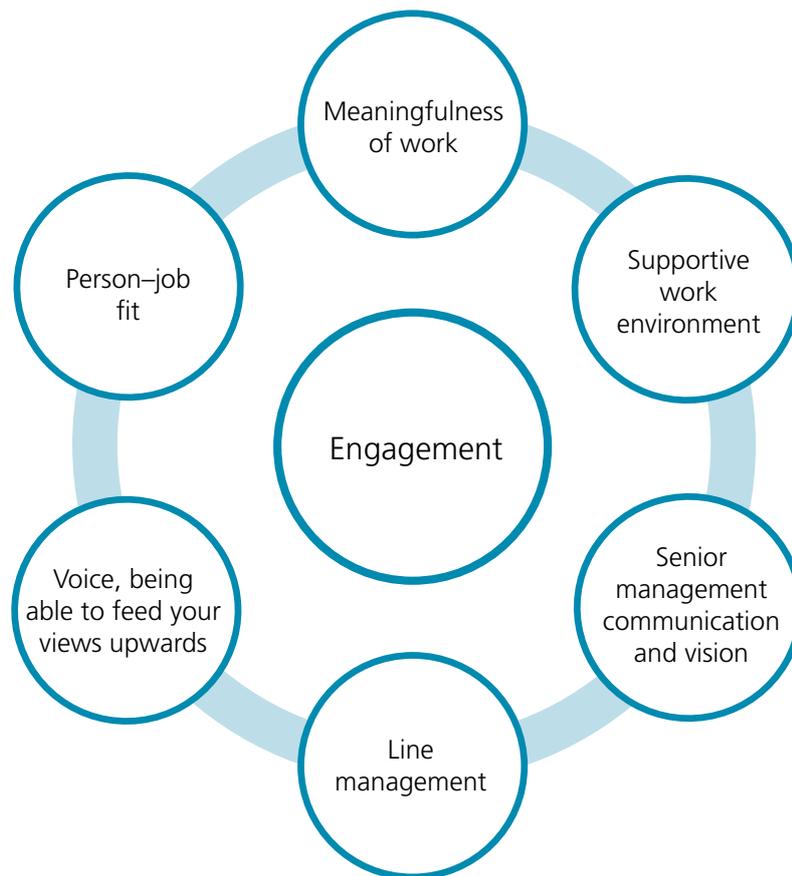
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10 Appendix

METHODOLOGY

The data collection for this research has been carried out over two years and the data reported come from a variety of sources, such as research evidence, questionnaire surveys, face-to-face interviews and focus groups.

Early stages of the project included reviewing the academic and practitioner literature and developing research questions. A research strategy was devised for conducting a series of in-depth case studies, each involving a questionnaire survey and a number of face-to-face interviews. A rigorous process of questionnaire development was undertaken using the academic literature, previous research by Kingston University and a pilot study. Focus groups were also used in some organisations.

In addition to the CIPD, ten organisations joined as members of the Kingston Employee Engagement Consortium, which has operated as a research and networking group over the two-year period. Out of the ten member organisations, seven participated in the research and data collection, and a partial dataset was collected from an additional organisation in collaboration with a master's student at Kingston University. The identity of participating organisations is confidential, but they are generally well-known names from the following sectors:

- government department
- NHS
- local government
- government agency
- manufacturing
- environmental services
- construction
- consultancy.

The first set of case studies was conducted during 2008; the first taking place in March, the second in April, the third in June and the fourth in October. The questionnaire was standardised across the case studies to allow reliable comparative analysis. Depending on the type of workforce being surveyed, the questionnaire was completed online or in paper format. An interview schedule of work-related questions was also developed to guide the interview process in each organisation. An interim report on the preliminary findings from the first case studies was published with the CIPD in 2009 (Gatenby et al 2009).

These findings, along with further questions that they raised, fed into phase two of the research. During 2009, phase two of our research was conducted, involving the second set of case studies, the first taking place in January, the second in March, the third in August and the fourth in September.

For each of the organisations, online and/or paper versions of the questionnaire were created by the Kingston Business School research team. They were distributed to our contact person at the respective organisation (usually the head of HR or the head of engagement), who organised the distribution of the survey to the staff. Employees were encouraged to participate in the engagement survey and asked to complete the questionnaires within two weeks. The online version of the survey was created on SurveyMonkey, a software tool that facilitates the development and administration of online surveys. The data from SurveyMonkey were copied into the statistical software package, SPSS, by the research team at Kingston University. The hard-copy questionnaires were sent back to the research team at Kingston University, where the data were entered manually into SPSS for analysis.

The items in the questionnaire were derived from three sources:

- the previous CIPD employee attitude survey, *Working Life: Employee attitudes and engagement 2006* (Truss et al 2006)
- Kingston Job Engagement Inventory (KJEI)©, which was developed by the research team and validated through a pilot study involving 200 respondents
- academic research, sourced by the Kingston Business School research team.

Two types of item were used in the survey. The first requested information about the individual respondent, such as age, gender and education. The second type of item asked respondents how they think or feel about an issue. Each of these items followed the same format using a 'Likert scale'. This gives respondents the opportunity to choose one outcome from a range of five. For example:

Please tell us the extent to which you agree or disagree with the following statement:

My line manager is an effective leader

Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Each response was scored in the following way:

Response	Score
Strongly disagree	*1*
Disagree	*2*
Neither agree nor disagree	*3*
Agree	*4*
Strongly agree	*5*

The score was stored in the database to be used for analysis.

A number of the factors that were measured in the questionnaire, for example employee engagement, are not easily assessed using only one item. A more effective way to measure employee engagement is to use a set of items and take the average score for each person, that is, the total score for that person divided by the total number of items. For example, if we want to measure a particular factor using two questions, a participant might respond 'strongly agree' to one question (a) and 'agree' to another (b). This gives them a score for the factor of 5 + 4 = 9. Their average score is the sum of the scores divided by the number of items (2), so 9/2 = 4.5. The 4.5 value is that person's scale score. This process is used to create composite scales that have a scale score for each individual respondent.

PARTICIPANTS
Across the eight organisations, 5,291 employees participated in the engagement survey. Table 4 shows a breakdown of the sample by a range of sociodemographic criteria.

Table 4: Sample information

	%
Gender	
Male	58
Female	42
Working status	
Full-time	92
Part-time	8
Age	
Less than 25	6
25–34	21
35–44	29
45–54	29
55 and over	15
Ethnicity	
White	90
Mixed	2
Asian or Asian British	2
Black or Black British	3
Chinese	1
Other ethnic group	2
Management role	
Managing employees	43
Not managing employees	57

Union membership	
Union member	42
Non-union member	58
Working hours	
Less than 37.5	31
37.5–46	49
47–50	13
More than 50	7
Educational qualifications	
No qualifications	8
Other job-related qualifications	6
GCSE or equivalent	21
A-levels or equivalent	13
Other higher education below degree level	16
Degree or equivalent and above	36
Organisation	
PlasticCo	9
ConstructionCo	3
NorthTrust	8
GovDep	11
LocalGov	23
ServiceCo	22
EnvironmentCo	20
ScienceCo	4

DATA ANALYSIS

Mean comparisons

Mean comparisons are used to segment a dataset so that differences between subgroups can be examined, for example the mean levels of engagement for men as compared with women. Comparisons can then be made to see whether there are important differences, such as whether women are significantly more highly engaged than men. The data for mean comparisons were examined to see whether the differences between each group were statistically significant. Differences in results for any two groups can be:

• real differences that are unlikely to have occurred by chance
• differences that have occurred by chance
• small or no differences at all.

Statistical testing enables researchers to examine for real, or statistically significant, differences between groups. As a guide, please note that results for different sub-groups generally need to differ by a certain number of percentage points for the difference to be statistically significant, although this will depend on the size of the sub-group sample and the percentage finding itself. The tests were performed with a 5% significance level, which means that 95% of the time when we find a significant difference there is an actual difference in the population. Where differences between two groups are reported, this is because we found them to be significant in this way.

CORRELATION ANALYSIS

Correlation analyses were used to examine the strength and direction of association between two variables. For example, age and engagement are significantly and positively associated – engagement increases with age.

REGRESSION ANALYSIS

Another form of analysis that was used is regression analysis. This enables us to explore the relationship between two sets of variables: input or *predictor* variables, and outcome or *dependent* variables. We wanted to know which variables best predict outcomes such as engagement and performance.

The predictor variables are nine of the scales that assessed perceptions of work and work environment:

- employees' satisfaction with HR policies and practices
- senior managers' style of communication
- senior managers' effectiveness
- line managers' respect for and treatment of employees
- having opportunities to get involved in matters that affect individuals' work
- feeling that the job is personally meaningful
- having clear objectives
- getting the right support from colleagues and supervisors
- feeling of being in the right job.

The nine scales were chosen because they have been identified in previous research as the key factors associated with engagement. Each scale is itself representative of several issues. For example, managers' respect for and treatment of employees encompasses whether a manager listens to ideas and suggestions, whether they make employees feel valued and whether they communicate effectively. The breadth of each scale needs to be considered when looking at the results of the regression analyses.

These variables were examined in relation to engagement with work. Engagement was measured using the Kingston Job Engagement Inventory, which has three components:

- social engagement
- affective engagement
- intellectual engagement.

In this report, these components were aggregated into an overall measure of engagement. Moreover, our measure of engagement also included two dimensions, extent and frequency.

Next, analysis focused on the relationship between the nine organisational and management scales, and employee engagement (the input variables) and five dependent, or outcome, variables:

- individual performance
- innovative work behaviour
- intention to quit
- work sustainability
- employee well-being.

Regression analysis examines the likelihood of association between variables, that is, the degree to which the relationship is likely to have occurred by chance. A significant relationship is one that is highly unlikely to have occurred by chance and is therefore important. Regression also shows the direction of association between variables. A positive association is when a high score on one variable is associated with a high score on the second variable, for example high levels of perceived meaningfulness of work being associated with high levels of engagement with work. A negative association is when a high score on one variable is associated with a low score on the other variable, for example high levels of perceived engagement with work being associated with lack of intention to leave an organisation. In sum, regression equations show which of the input variables best predict the value of the dependent variable.