

## Employee engagement

Dilys Robinson

Engagement is big in the HR consultancy market, where it appears to have passed through the 'latest fad' stage and has become embedded in the organisational psyche. It is a concept that everyone seems to understand, and there is a widespread belief that it brings clear business benefits. However, there is little underpinning academic research evidence.

IES's research has defined engagement, created an engagement measure and provided an engagement diagnostic tool. We have established that our measure and diagnostic tool work well in a variety of settings and sectors, and identified the major challenges that must be faced by organisations wishing to reap the benefits of high engagement levels. Raising engagement levels, and maintaining them, takes time, effort, commitment and investment – it is not for the half-hearted. A 'one size fits all' approach is unlikely to yield the required results; engagement levels and drivers vary depending on the organisation, the person and the job.

### What is engagement?

The first step in our research was to investigate what HR professionals understood or meant when they used the term 'engagement'. We consulted HR professionals in over 40 organisations.

A clear view of the behaviours demonstrated by the engaged employee emerged:

- belief in the organisation
- desire to work to make things better
- understanding of business context and 'bigger picture'
- respectful of, and helpful to, colleagues
- willingness to 'go the extra mile'
- keeping up-to-date with developments in the field.

#### Engagement: the IES definition:

'A positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.'

Engagement has clear overlaps with the more exhaustively researched concepts of commitment and organisational citizenship behaviour, but there are also differences. In particular, engagement is two-way: organisations must work to engage the employee, who in turn has a choice about the level of engagement to offer the employer.

### Measuring engagement

Our analysis used data from IES's 2003 attitude survey of over 10,000 employees in 14 organisations in the NHS. Twelve attitude statements representing engagement were tested; all were found to 'sit together' reliably, to comprise a single indicator of engagement. Although tested within the NHS, the statements are not NHS-specific; they can be transferred to other organisations and sectors. If attitude survey space is at a premium, and organisations feel unable to include 12 statements, an engagement sub-set of five statements can be used instead. This sub-set can be safely used, as it represents the essence of engagement and has been tested for reliability.

Positive responses to the engagement statements indicate:

- a positive attitude towards, and pride in, the organisation
- belief in the organisation's products or services
- a perception that the organisation enables the employee to perform well
- a willingness to behave altruistically and be a good team-player
- an understanding of the bigger picture and a willingness to go beyond the requirements of the job.

The big question for IES, having carried out the first phase of our research in the NHS, was, does the engagement measure work everywhere – in all sectors and settings? We tested our first phase findings in eight separate organisations, which comprised a mix of private, public and voluntary sectors. The answer to our question was a very definite 'yes'; our engagement indicator works reliably in every sector and setting.

## Engagement challenges

Scratching below the surface of engagement shows very clearly that engagement levels vary considerably by employee group. The organisation, personal characteristics, job characteristics and employee experiences all play a part. Some key findings follow.

- Engagement levels are highest amongst young employees, especially the under 20s. Another age group that is usually highly engaged is the 'oldies' (60 plus). Most organisations experience a definite engagement dip when employees are in their 30s, 40s or 50s – with the lowest point varying depending on the organisation.
- Minority ethnic respondents have higher engagement levels than their white colleagues; the difference is not huge (3.63 compared to 3.61), but it is significant.
- Our engagement indicator is measured on a five point scale from one to five, with three as the mid-point. All eight organisations in our second phase sample returned positive engagement scores overall (ie, over the mid-point of three). No clear pattern was apparent; the two private sector companies in our sample, for example, returned the highest and lowest scores out of the eight participating organisations (just over 3.9 and just below 3.5 respectively). All

eight, however, had higher scores than the sample of NHS employees taken from our first phase of research, where the overall score was just below 3.4.

- The jobs of the participants in our engagement research were allocated to one of five categories, depending on their position and job within their organisation. Managers generally have high engagement levels, and those who come into direct contact with clients or customers (operational/hands-on employees) also have relatively high levels. Employees providing back-room support are less likely to feel highly engaged, while professionals have the lowest levels of organisational engagement of all groups; they appear to owe their engagement to their profession rather than their employer.

Scratching below the surface of engagement shows very clearly that engagement levels vary considerably by employee group.

- Engagement levels decline as length of service increases, until very long lengths of service (typically 20 years plus) are reached. This 'length of service effect' is independent of the 'age effect'.

- Having an accident or an injury at work, or experiencing harassment (particularly if the manager is the source of the harassment) both have a big negative impact on engagement.
- Employees who have a personal development plan, and/or who have received a formal performance appraisal within the past year, and/or believe that their access to development opportunities is at least adequate, have relatively high engagement levels.

The above findings show that organisations need to work hard to prevent, and minimise the impact of, bad experiences. They also need to:

- ensure that employees' development needs (including the special needs of professionals) are taken seriously
- pay attention to, and value the roles of, support staff
- maintain the interest of longer-serving employees.

The relatively high levels of engagement of the oldest employees, and of minority ethnic staff, suggest sources of untapped potential within some organisations.

## What drives engagement?

Research shows that committed employees perform better. If we accept that engagement, as many believe, is 'one step up' from commitment, it is clearly in the organisation's interests to understand the drivers of engagement. Analysis of the NHS case study data

indicates that opinions about, and experiences of, many aspects of working life are strongly correlated with engagement levels. However, the strongest driver of all was a sense of feeling valued and involved. This has several key components:

- involvement in decision-making
- the extent to which employees feel able to voice their ideas, and managers listen to these views, and value employees' contributions
- opportunities employees have to develop their jobs
- the extent to which the organisation is concerned for employees' health and well-being.

The line manager clearly has a very important role in fostering employees' sense of involvement and value – an observation that is completely consistent with IES' research in many different areas of HR practice and employment, all of which point to the critical importance of the employee-manager relationship.

## The IES diagnostic tool

We developed a diagnostic tool, using a regression model, to identify the most influential inputs to employee engagement. Our first phase research suggested that a sense of feeling valued by, and involved with, the organisation was the key driver.

### Engagement drivers in the NHS



Source: IES Survey, 2003

However, the impact of feeling valued and involved, though important in every organisation in the second phase of our research, proved not to be so overwhelming as it was in the NHS. In overall terms, feeling valued and involved took second place to job satisfaction – a three-

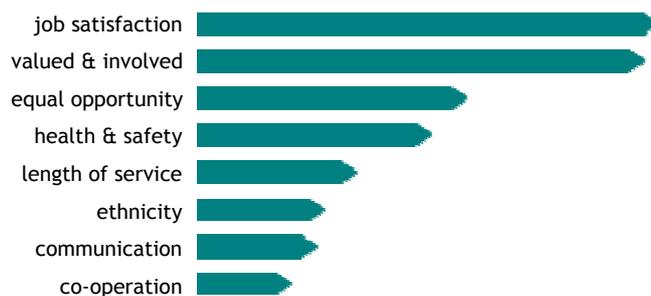
item indicator comprising job variety, job interest and challenge, and job accomplishment. Three personal attributes also proved to be important drivers – length of service, ethnicity and gender.

Other key factors were:

- equality of opportunity and fairness of treatment
- the care shown for employees' health and safety
- communication
- intra-organisational co-operation
- the employee's opinion of the way in which training, development and career are managed
- the pay and benefits package.

Phase 2 of our research, therefore, yielded a slightly different model via our diagnostic tool.

### Engagement drivers: composite picture from eight organisations



Source: IES Survey, 2003

## General lessons for organisations

Attempts to raise engagement levels are likely to founder, unless the following 'building blocks' are in place:

- good quality line management
- two-way communication
- effective internal co-operation
- a development focus
- commitment to employee well-being
- clear, accessible HR policies and practices, to which managers at all levels are committed.

Organisations cannot do much about the personal or job characteristics of their employees, but they can work to understand engagement levels, and engagement drivers, of their different employee groups. 'One size fits all'

approaches to engagement, based on an overall analysis of engagement levels and drivers, but not breaking down the analysis into separate groups, are unlikely to work. One of the organisations in our sample, for example, is the retail arm of a mobile telephone company. Here, the drivers for sales staff were very different from those for stores managers. The former had job satisfaction as their key driver, while for the latter it was feeling valued and involved and training, development and career.

Regardless of the employee group, organisations can also work hard to reduce accidents and incidences of harassment and violence, by having extensive training programmes and responsive, well-understood policies. Line manager training and support are particularly important here, to ensure that managers are equipped to deal with difficult issues when they occur, in a consistent way. Performance management is another area where line manager training, support and monitoring are important; ensuring that appraisals are carried out well, and that employees have PDPs and opportunities to develop, may not be rocket science but makes a big difference to engagement levels.

It looks easy, but of course it isn't; it requires a huge amount of effort and continuing investment to ensure that all of these basics are in place and working well. Embarking on a drive to increase engagement levels should not be undertaken lightly, bearing in mind the ease with which engagement (like the psychological contract) can be shattered.

**Embarking on a drive to increase engagement levels should not be undertaken lightly, bearing in mind the ease with which engagement (like the psychological contract) can be shattered.**

## The IES research

IES's research into employee engagement was promoted by the interest and involvement of several IES HR Network member companies. It proved more complicated than first envisaged, due to the lack of existing research in the area. IES explored the concept of engagement with member and client organisations, before embarking on original research into measuring engagement and establishing its main drivers. The database used for the first phase of the research comprises 2003 attitude survey data from 14 organisations in the NHS (10,024 completed questionnaires). The full range of employee groups and job roles were represented – managerial, professional, technical and support (manual and administrative). The database used for the second phase of the research comprises attitude survey data collected in eight organisations in different sectors and settings (1,400 records in all). These data were compared to a sample taken from the first phase of our engagement research, carried out in the NHS.

---

## Contact

If you want to learn more about how to manage employee engagement in your organisation, please contact Dilys Robinson, Principal Research Fellow:

E: [dilys.robinson@employment-studies.co.uk](mailto:dilys.robinson@employment-studies.co.uk)  
T: 01273 873122

---

## About IES

IES is an independent, apolitical, international centre of research and consultancy in human resource issues.

IES aims to help bring about sustainable improvements in employment policy and human resource management. We achieve this by increasing the understanding and improving the practice of key decision makers in policy bodies and employing organisations.

We believe that HR can make a significant impact on the success of organisations of all types. In order to help bring this about, we help organisations:

- decide what they want HR to achieve
- identify what high performing HR people are like
- design and deliver bespoke development programmes for HR people
- evaluate how they are progressing against their goals.