Control, Opportunity & Leadership

A Study of Employee Engagement in the Canadian Workplace

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BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE

ENGAGEMENT STUDY

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Introduction

Employee engagement is the connection people feel to their work that results in higher levels of performance, commitment and loyalty. Given these positive results, there is a lot of interest in current levels of employee engagement, and ways in which engagement can be increased.

At Psychometrics Canada, our motivation to study workforce engagement was multifaceted. We were curious to know the answers to these questions:

- Is engagement a problem in Canadian organizations?
- What are the results of engagement?
- What happens when people are disengaged?
- Who is responsible for employee engagement?
- What can organizations do to improve engagement?
- What do organizations do that builds disengagement?

The results of this engagement study surprised us at times. The indication that engaged and disengaged employees desire the same things from their work was not what we expected. The positive impact and value of as little as one engagement-focused training event was startling.

Other findings simply reiterated things we commonly talk about. Repeatedly we hear that increasing communication and giving people control over their work builds engagement. We heard that again in this research.

For human resources (HR) professionals, the results of this survey have two main uses. First, they can help HR professionals make the argument for why training that focuses on engagement makes sense. Second, the results show who and what should be targeted by the training.

The Research

In December 2010 we surveyed 368 Canadian HR professionals working in business, government, consulting, education and not-for-profit organizations. As professionals with a great deal of familiarity with employees' experiences at work, they provided a valuable perspective on workplace engagement.

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Executive Summary

Employee engagement is best described by its results. Engaged employees demonstrate higher levels of performance, commitment and loyalty. Disengaged employees do not. Given most organizations' strong focus on performance, employee engagement has become a popular topic. Our survey of Canadian HR professionals indicates that, along with its popularity, engagement is problematic and very important.

The majority (69%) indicated that engagement is a problem in their organizations. Eighty-two per cent said that it is very important that their organizations address employee engagement. In fact, less than half of one per cent felt that engagement was not an important issue for their organization.

The benefits of engaged employees are found in a number of organizational measures. HR professionals responded that some of the most common results are a willingness to do more than expected (39%), higher productivity (27%), better working relationships (13%) and more satisfied customers (10%). The advantage of engagement goes beyond better communication; it directly affects the production and efficiency of an organization.

Disengaged employees also affect the output of their organizations. Survey respondents indicated that the most common results of disengagement were dysfunctional work relationships (29%), lower productivity (25%) and an unwillingness to go beyond the job description (17%). A startling finding was that disengaged employees do not quit in droves or fail to show up for work. Turnover (8%) and absences (7%) were among the lower rated results of disengagement. It appears that the disengaged do not leave their organizations; instead they stay and damage both productivity and relationships.

To increase engagement, HR professionals rated the following as the most effective: control over how a person does their work, opportunities to use their skills, and good relationships with management and leadership. Because engagement is driven by the work environment and processes, it can only be affected by those with influence over them. These people are an organization's leaders. The vast majority of our survey respondents (84%) indicated that senior leaders and managers are primarily responsible for employee engagement. Fair or not, it appears that it is not up to employees to engage themselves, but up to organizations to engage their employees.

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When asked what leaders could do more of to improve engagement, respondents endorsed these actions:

- Communicate clear expectations   **71%**
- Listen to employees' opinions   **62%**
- Give recognition   **52%**

Driving engagement requires adjusting work environments and processes. This is the realm and responsibility of leadership, and it is leaders who bear the initial burden. From initially matching a person's skills to the job requirements, to communicating clear expectations and recognizing a job well done, leadership begins and sustains employee engagement.

There are also significant benefits to be gained from training that focuses on engagement. In organizations that provide engagement training, the percentage of engaged employees rises by more than 10%, and the proportion that see engagement as a problem drops by 20%.

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"I am at the point in my career where I am tired of trying to push ahead and have become complacent and if it wasn't for the pension I would be looking for other work."

Section 1: The Engagement Problem

If you type "employee engagement" into Google you will receive more than 2 million results. In 2010, there were more than 3,000 news articles about engagement. Given the vast amount that has been written, one could assume that employee engagement—or the lack thereof—is a terrible problem. One of the primary goals of this study was to test the hypothesis that a lack of engagement is real, and has real consequences. HR professionals are in a position in organizations that provides them with a good view into the activity of employees. This view gives them insight into whether or not engagement is a problem, and how important it is for organizations to address.

Is employee engagement a problem in your organization?

Yes
69%

No
31%
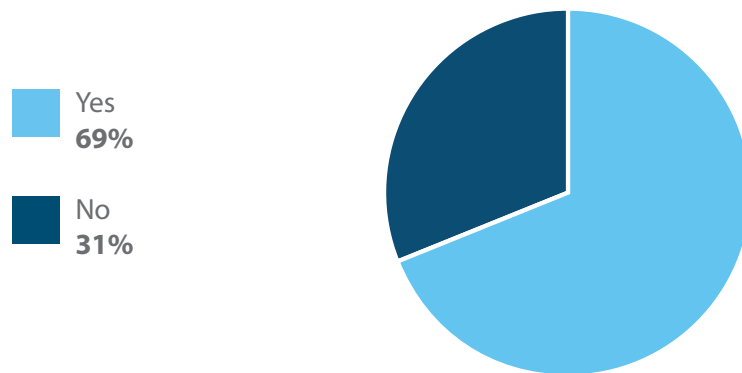
Almost seven out of 10 professionals indicated that engagement is a problem in their organizations. Given the diverse work sectors of the survey respondents, this is a striking number. It overwhelmingly indicates that engagement, and the lack thereof, is seen as a significant concern.

SECTION 1: THE ENGAGEMENT PROBLEM

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There are some differences between work environments. Those working in government and business sectors were most likely to identify engagement as a problem; people in education and not-for-profit organizations saw it as less so. Our survey was not able to identify why these differences exist between different work sectors, but it does indicate that those working in government and business have a greater problem on their hands. It may be that larger organizations have environments that are not as conducive to engagement, or that not-for-profits provide some unique benefits that boost engagement. That is not to say, however, that those in the consulting, education and not-for-profit sectors have a free ride. The majority of people in all organizations identify engagement as a problematic issue.

Percentage of Respondents From Each Business Sector Who Identified Engagement as a Problem

- Government   **80.3%**
- Business   **74.4%**
- Consulting   **66.3%**
- Education   **64.2%**
- Not for Profit **54.2%**

How important is it for organizations to address employee engagement?

Very Important
82.3%

Important
13.8%

Somewhat Important
2.9%

Not Important
0.5%
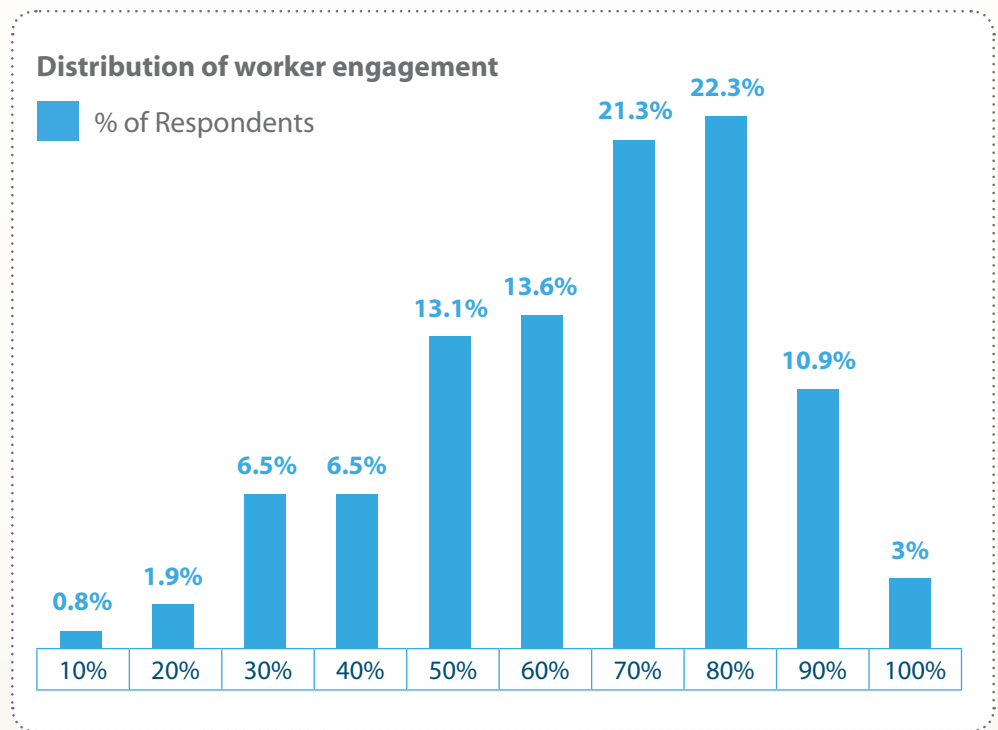
SECTION 1: THE ENGAGEMENT PROBLEM

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"Management gives "lip service" and says it listens, but it does not. Do as you are told is business as usual which contributes to higher levels of turnoverand overall job dissatisfaction."

A large number of professionals see engagement as a problem—a problem that is very important for organizations to address. More than 96% of respondents rated addressing employee engagement as important or very important. Less than half of one per cent saw engagement as an issue of no importance. These results leave no doubt that HR professionals view employee engagement as a key issue.

In the survey, participants were asked, "Considering the people you work with on a daily basis, what percentage would you say are engaged?"

Distribution of worker engagement

■ % of Respondents

10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
0.8%	1.9%	6.5%	6.5%	13.1%	13.6%	21.3%	22.3%	10.9%	3%

The chart above shows the percentage of employee engagement chosen by respondents. For example, 1.9% of the respondents indicated that 20% of people they interact with are engaged, while 22.3% of the respondents said that 80% of the people they work with are engaged.

Most survey respondents indicated that the majority of people they work with are engaged. A weighted average (calculated by dividing the sum of all the ratings by the total number of responses) places the average rate of engaged employees at 65%. It also indicates that a significant portion of the working population is not engaged. Those answering the survey indicated that this disengaged group is 35% of the workforce, almost four out of 10 people.

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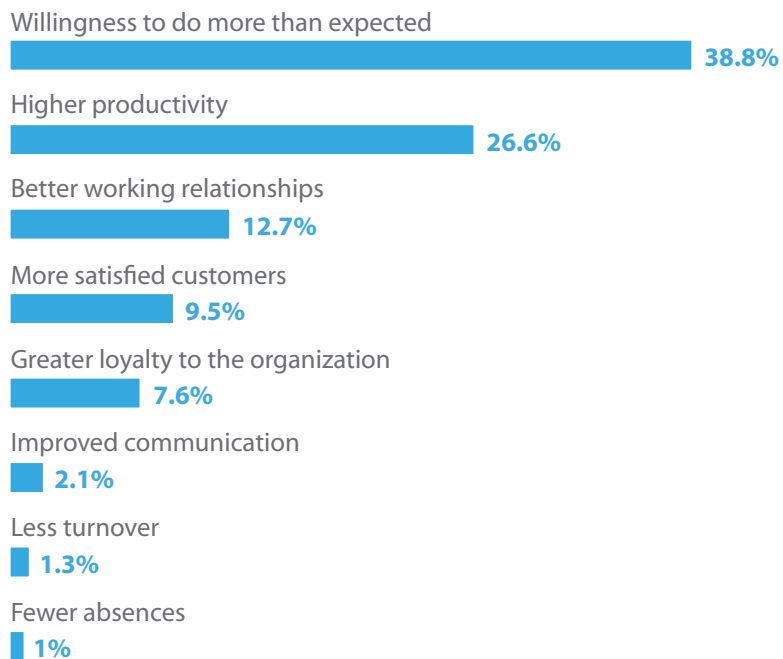BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE
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"I really enjoy my job.
I have autonomy, receive
challenging projects, have
a great team and good
working relationships
with others in the
organization."

These results show that many HR professionals see engagement as a problem. They also indicate that engagement is very important to address. Finally, HR professionals also identify significant levels of disengagement in the people with whom they work.

To clarify the importance of workforce engagement, we wanted to identify the benefits that arise from engaged employees. The most common outcomes are a willingness of engaged employees to do more than expected, and higher productivity. With productivity being a key indicator of work performance, survey respondents indicated that engagement has a profound impact on organizational performance.

What is the most common result on engaged employees?

Willingness to do more than expected
38.8%

Higher productivity
26.6%

Better working relationships
12.7%

More satisfied customers
9.5%

Greater loyalty to the organization
7.6%

Improved communication
2.1%

Less turnover
1.3%

Fewer absences
1%

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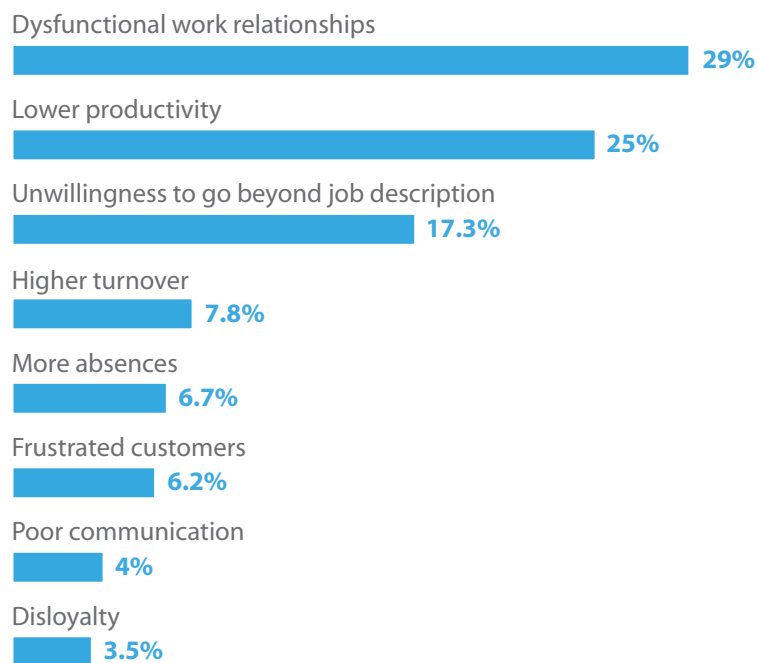
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"I could go on but why bother, I'm out of here in 8 months and although I like my job and the people I work with I am disillusioned with the corporation."

The highest rated result of disengaged employees was dysfunctional work relationships, with 29% of professionals identifying this as the most common result of disengagement. This was closely followed by lower productivity (25%) and an unwillingness to go beyond their job description (17%). Seventy-one per cent of the effects of disengaged employees are covered by these three results: poor relationships, poor productivity, and poor attitudes.

Turnover and absences followed in a distant fourth and fifth position. What is startling is that disengaged employees generally show up for work and stick with the job. The striking problem is that while on the job they are less productive, poison relationships and have little interest in working beyond their specified responsibilities. The challenge for organizations is that disengaged employees do not have higher turnover rates or absences; instead, they stay with the organization and disrupt the work environment. Like a rotten apple in a barrel, the disengaged spoil the good things around them.

What is the most common result of disengaged employees?

Dysfunctional work relationships
29%

Lower productivity
25%

Unwillingness to go beyond job description
17.3%

Higher turnover
7.8%

More absences
6.7%

Frustrated customers
6.2%

Poor communication
4%

Disloyalty
3.5%

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"Engagement happens when staff feel in control of their situation and can make decisions about the way in which work is completed.

- *Lead with integrity.*
- *Cheer for your employees.*
- *Expect a lot from them.*
- *Hire the right person into the right position.*
- *Pay close attention to human dynamics in the workplace.*
- *Guard against negativity.*"

Section 2: Increasing Engagement

With engagement seen as a significant problem, we wanted to know what type of activities best increase employee engagement. We asked HR professionals to rate the effectiveness of 10 work-related issues at helping engage people. The top rated were having a work environment that builds positive relationships and ensuring a good fit between a person's skills and his or her job requirements. Having a good work atmosphere where people are able to do what they do best was ranked as very effective in terms of increasing engagement.

The lowest rated areas were salary and benefits, and bonuses and financial awards. These were rated as somewhat effective to effective at increasing engagement. It is important to note that, although these are the lowest rated, HR professionals do see these direct financial incentives playing a role. What is interesting is that they are not seen as the most effective. Salary and financial rewards can be put in place to increase engagement, but they are certainly not the only requirement for an engaged workforce. Instead, work relationships, opportunities to use skills and learn new ones, feedback and communication play a stronger role in increasing engagement.

How effective are the following at increasing employee engagement?

Positive work relationships — **3.6**

Good fit between person's skills and job requirements — **3.5**

Regular feedback on employee performance — **3.3**

Opportunities to learn new skills — **3.3**

Giving employees greater control over their work — **3.3**

Celebrating progress — **3.2**

Communicating the direction/strategy of the organization — **3.2**

Access to a role model/mentor — **3**

Bonuses and financial awards — **2.5**

Salary and benefits — **2.5**

0   1   2   3   4

1 = Not Effective
2 = Somewhat Effective
3 = Effective
4 = Very Effective

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"Work with middle management. They have the daily interactions with the greatest number of employees. They need to be chosen very wisely."

"I have a new manager that is over bearing and never wrong. I have gone from very engaged to somewhat because of her attitude."

Who is Resposible?

When asked who shares the most responsibility for engagement, half of the HR professionals selected management, and a third identified senior leadership. Only a minority of 15.9% indicated that employees are primarily responsible for their own engagement. Fair or not, the great majority of respondents indicated that engaging employees is the responsibility of those who can influence the organization's work environment and processes. It is a question of organizations engaging employees, not employees engaging themselves.

Who is primarily responsible for engagement?
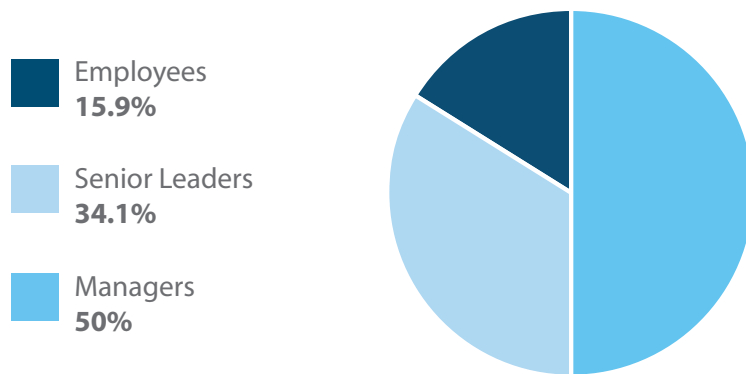
Employees
15.9%

Senior Leaders
34.1%

Managers
50%

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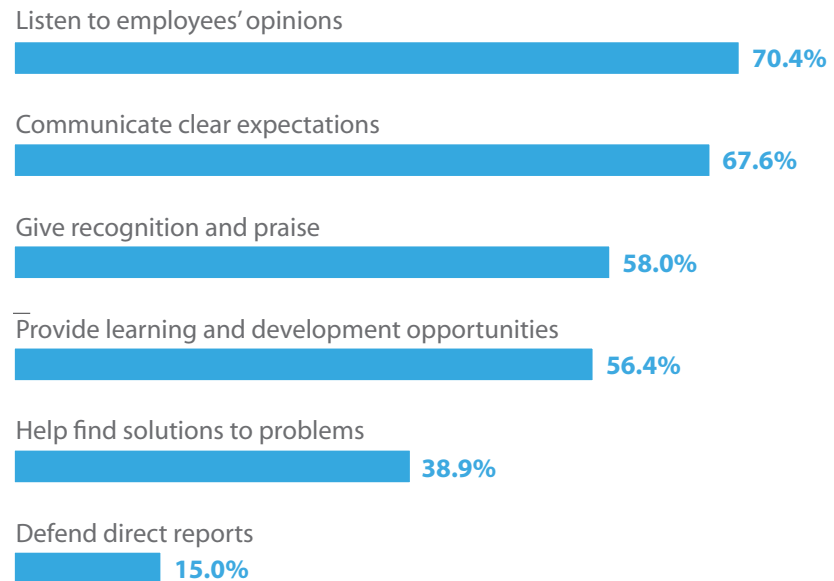BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE

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"Communicate to people about the changes that are happening and listen to their perspectives and opinions about integrating the changes."

"It is unfortunate that most senior leaders and managers don't get the connection between increased employee engagement and increased productivity. They are too focused on the bottom line and getting work done that they don't invest in employee engagement on a regular basis."

Given this identified responsibility, there are things that leaders can do more of to improve employee engagement. The two highest rated recommendations for leaders were to listen to their employees' opinions (70.4%), and communicate clear expectations (67.6%). Much further down the list were helping find solutions (38.9%) and defending their direct reports (15.0%). It does not seem surprising that increasing engagement will require leaders to listen to their employees' ideas and clearly communicate what is expected of them. Yet the vast majority of respondents indicated that these are things leaders need to do more of. This information contains both good and bad news. The good news is that better communication is not particularly costly, yet goes a long way in engaging employees. The bad news is that this is something we have known for a long time, yet leaders still struggle with it.

These recommendations for leaders hold true across all work sectors. In business, government, consulting, education and not-for-profit organizations, respondents rated communicating clear expectations and listening to employees' opinions as the top things leaders can do to improve engagement.

What could leaders do more of to improve employee engagement?

Listen to employees' opinions
70.4%

Communicate clear expectations
67.6%

Give recognition and praise
58.0%

Provide learning and development opportunities
56.4%

Help find solutions to problems
38.9%

Defend direct reports
15.0%

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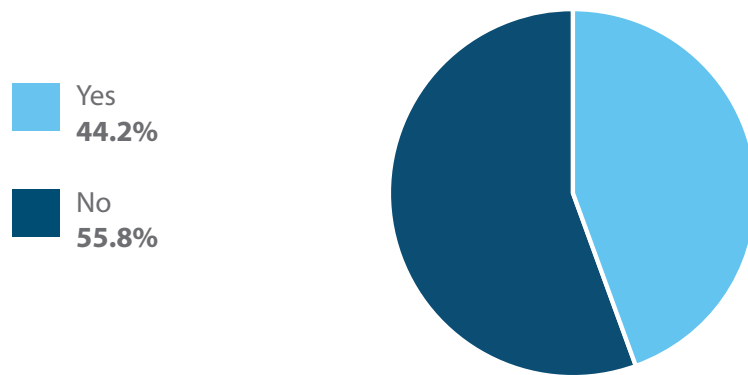BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE

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"What is not measured cannot be increased! And you cannot manage and improve what is not measured. So Measuring Engagement and Taking Action is key!"

Section 3: Organizational Focus on Engagement

With the costs of disengagement, and the frequent recognition about the benefits of engaged employees, we wanted to know how organizations focused on the topic and worked to make improvements. Survey respondents indicated that the majority of organizations (55.8%) do not measure engagement. However, a significantly minority (44.2%) do assess the engagement level of their employees.

Does your organization measure employee engagement?

Yes
44.2%

No
55.8%

## SECTION 3: ORGANIZATIONAL FOCUS ON ENGAGEMENT

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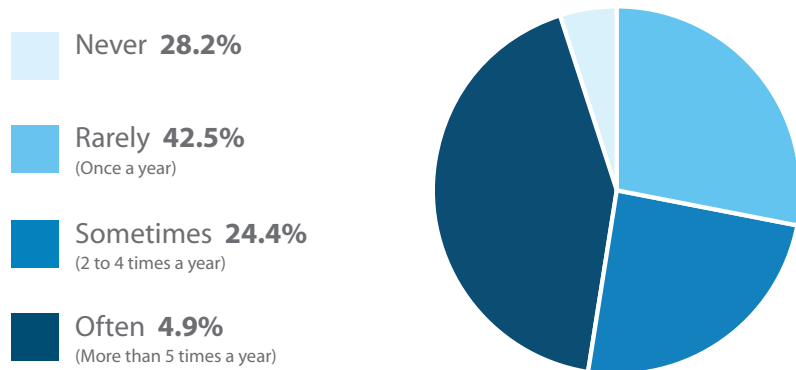BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE
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"We didn't think about it until one of our team failed to follow through in a big way over several months, and refused to take responsibility for it. While this employee was not performing and the administration was not acting, the job went from wonderful to stressful."

In a similar breakdown, the percentage of organizations that directly address employee engagement is also in the mid-40% range. These findings indicate that 60% of organizations do not focus on engagement directly, but they may implement other changes and training that affect engagement.

Does your organization address employee engagement directly?

Yes
41%

No
59%
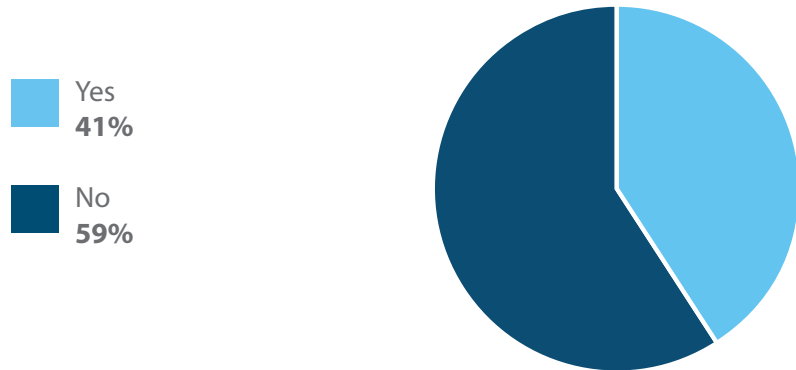
How often does training on how to engage employees take place in your organization?

Never **28.2%**

Rarely **42.5%**
(Once a year)

Sometimes **24.4%**
(2 to 4 times a year)

Often **4.9%**
(More than 5 times a year)

The amount of training taking place in organizations is quite varied. Twenty-eight per cent of organizations conduct no training on how to improve engagement, and 42.5% provide training once a year at the most. Given the overwhelming response that engagement is a problem, it is somewhat surprising that less than 30% of organizations provide engagement training more than once a year.

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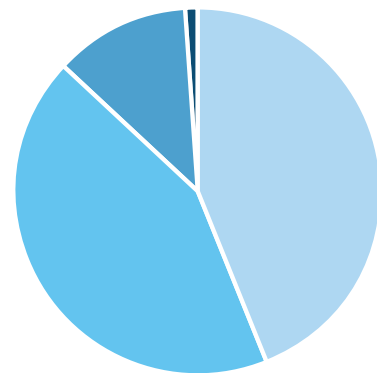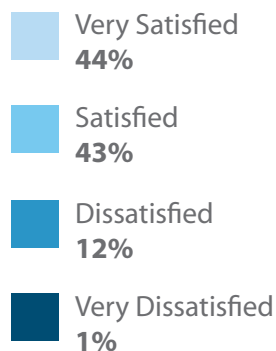## Section 4: Personal Ratings of Engagement

As part of our research we were interested in the engagement level of survey respondents. We also wanted to know what HR professionals rated as having the greatest impact on their work engagement.

How would you rank your level of work engagement?

Very Engaged
57.5%

Somewhat Engaged
37.3%

Not Engaged
4.7%

Actively Disengaged
1.1%
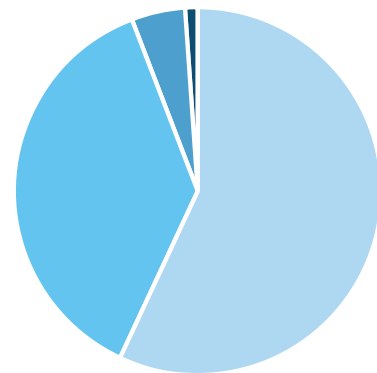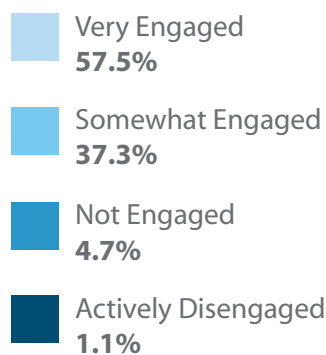
The vast majority of respondents indicated that they were somewhat or very engaged in their work. Only slightly more than 5% of people noted that they were not engaged or were actively disengaged.

How satisfied are you with your current role?

Very Satisfied
44%

Satisfied
43%

Dissatisfied
12%

Very Dissatisfied
1%

"My engagement is slipping quickly due to being under-utilized, and with no scope to enhance the work I am delivering."

Not surprisingly, the majority of respondents rated themselves as satisfied or very satisfied with their current role. Numerous studies have shown a strong correlation between work engagement and work satisfaction.

SECTION 4: PERSONAL RATINGS OF ENGAGEMENT

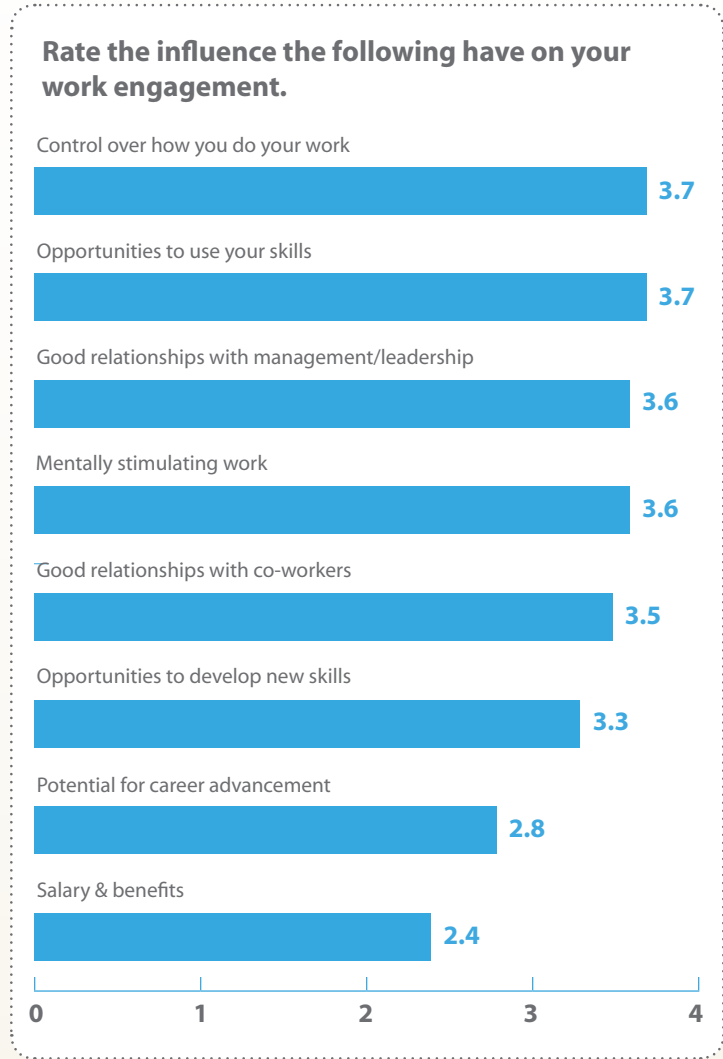![Psychometrics logo] **Psychometrics**
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"Although I am new to my organization (7 months), I have already been able to contribute my expertise and skills beyond my job description."

In what is a very engaged and satisfied group of respondents, it is interesting to know what influences their engagement the most. Highest ranked was control over how to do their work and opportunities to use their skills. This was closely followed by good relationships with management and leaders of the organization as well as mentally stimulating work. The things rated lowest in terms of their influence on engagement were salary and benefits, and the potential for career advancement. For survey respondents, financial rewards and advancement are not as engaging.

Rate the influence the following have on your work engagement.

Control over how you do your work — 3.7

Opportunities to use your skills — 3.7

Good relationships with management/leadership — 3.6

Mentally stimulating work — 3.6

Good relationships with co-workers — 3.5

Opportunities to develop new skills — 3.3

Potential for career advancement — 2.8

Salary & benefits — 2.4

Scale: 0 1 2 3 4

1 = Not Influential
2 = Somewhat Influential
3 = Influential
4 = Very Influential

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"Supervisor doesn't listen to my suggestions or appears intimidated by good ideas from others. As a result, I don't even bother giving my suggestions anymore because they don't get considered."

Section 5: Age and Engagement

A key part of the study was to examine whether there were age differences in level of engagement and work satisfaction. Although there was some variation in engagement levels, respondents in each of the different age groups were quite similar. The vast majority described themselves as engaged, and only a small proportion said they were not engaged or were actively disengaged.

Age Group	Somewhat to Very Engaged	Not Engaged
18–29	93.3%	6.7%
30–39	91.7%	8.3%
40–49	92.7%	7.3%
50–59	96.4%	3.6%
60+	94.1%	5.9%

Satisfaction levels showed a greater variation between age groups, with those aged 30 to 39 reporting the highest levels of satisfaction with their current roles. People whose age fell between 40 and 49 years reported the highest levels of dissatisfaction with their current activities. In fact, people aged 40 to 49 were three times as likely to be dissatisfied as those aged 30 to 39. If we were to ignore the group of people in the 18- to 29-year-old range because of their small number, it appears that dissatisfaction peaks at age 40 to 49 and then decreases. This is not a longitudinal study, so we cannot know whether those currently aged 40 to 49 will find their work satisfaction increasing as they get older. However, this age group does report higher levels of dissatisfaction than any other. This could be due to generational differences or the typical work situation of those in this age range.

Age Group	Satisfied to Very Satisfied	Dissatisfied
18–29	86.7%	13.3%
30–39	93.8%	6.2%
40–49	82.0%	18.0%
50–59	85.5%	14.5%
60+	90.4%	9.6%

SECTION 5: AGE AND ENGAGEMENT

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We also examined whether age had any impact on what people rated as most influential to their work engagement. Results from each age group were quite similar, with the largest differences coming from those aged 18 to 29. For this group, the opportunity to develop new skills was very influential, as were relationships with both co-workers and management. This is not surprising, given that people starting in their careers would find the opportunities to learn and develop more rewarding than those further down their career paths.

Highest Rated Influences on Engagement

Age Group				
18–29	30–39	40–49	50–59	60+
Relationships with co-workers	Control over work	Control over work	Control over work	Opportunities to use skills
Relationships with management	Relationships with management	Opportunities to use skills	Opportunities to use skills	Control over work
Opportunities to use skills	Stimulating work	Relationships with co-workers	Stimulating work	Stimulating work
Opportunities to develop new skills	Opportunities to use skills	Stimulating work	Relationships with management	Relationships with management

> "I get disengaged when my manager omits information, leaves me in the dark, is wrong and doesn't admit it or re-does work rather than giving me feedback."

The lowest rated influence on engagement for all age groups was salary and benefits. This does not mean that these financial incentives are not influential, but simply that people from each age group identified them as the least influential of the things listed. Whereas the areas listed in the table above were all rated as influential to very influential, salary and benefits were ranked by each age group as only somewhat influential. The second area, career advancement, was also given the same rank by everyone except those in the youngest age group. Career advancement had less influence on engagement for older workers, whereas control over work was rated as less influential by younger employees. This may simply reflect recognition of their current work status; when beginning a career, expecting to have control over much of your work is unrealistic. People in the older age groups listed control over their work as one of the most influential things for their engagement.
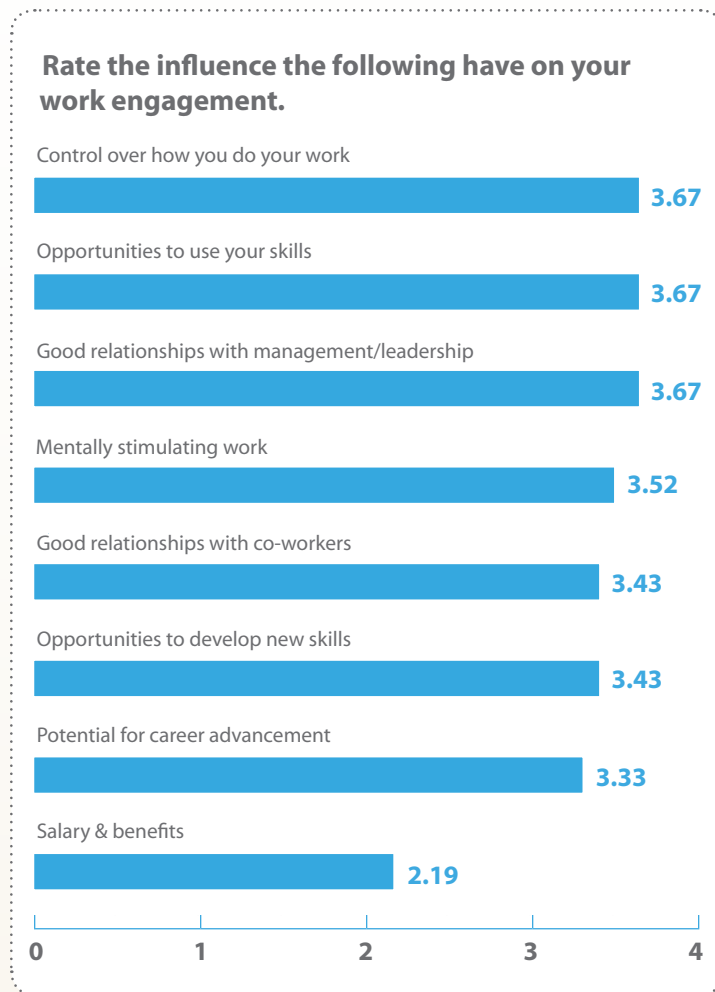
Lowest Rated Influences on Engagement

Age Group				
18–29	30–39	40–49	50–59	60+
Salary & benefits	Salary & benefits	Salary & benefits	Salary & benefits	Salary & benefits
Control over work	Career advancement	Career advancement	Career advancement	Career advancement

So what can be made of the lower rating of salary and benefits? They undoubtedly play a role in keeping employees engaged. However, there are things beyond financial rewards that organizations can focus on to improve engagement. Positive relationships with management, and giving people greater control over their work, are both highly rated and do not come with the same costs as increasing salaries. Indeed, study after study has shown that people rate micromanaging as one of the things they dislike most.

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Section 6: Who Are the Disengaged?

A portion of our respondents rated themselves as not engaged or actively disengaged. These people did not see themselves as proactive participants in their organizations. We wanted to know what interventions would best influence their engagement, and what they would look for from their organization's leaders.

"The disengaged people around me are the ones who've been personally hurt, disciplined, overlooked for awards, or unappreciated. Engagement seems to be largely a function of feeling in control and feeling appreciated."

Rate the influence the following have on your work engagement.

Control over how you do your work
3.67

Opportunities to use your skills
3.67

Good relationships with management/leadership
3.67

Mentally stimulating work
3.52

Good relationships with co-workers
3.43

Opportunities to develop new skills
3.43

Potential for career advancement
3.33

Salary & benefits
2.19

0   1   2   3   4

1 = Not Influential
2 = Somewhat Influential
3 = Influential
4 = Very Influential

The three highest rated influences for the disengaged were control over their work, opportunities to use their skills, and positive relationships with the management and leadership of their organization. In essence, this provides the road map for re-engaging employees who have pulled back from the organization. Giving employees greater freedom over how they conduct their work and allowing them to use the skills they have developed are seen as very influential in building engagement. Managers and leaders also need to foster good relationships within the organization, as this too plays a significant role in building engagement and reaping its benefits.

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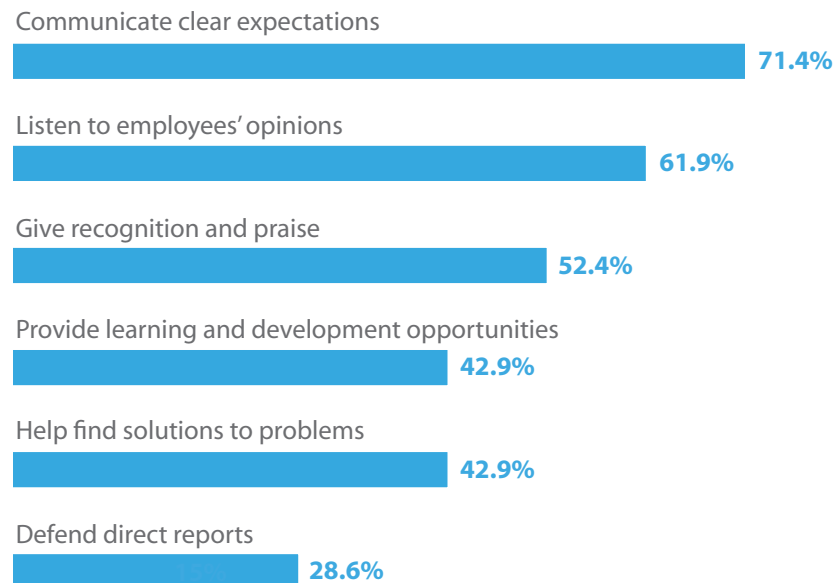BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE

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"Strong, clear and truthful communication from senior management. Don't just tell employees what you think we want to hear. Tell them the truth. Things are tough. Decisions are tough. Money is tight. Trust them to stand together to help."

"Make better hires and ensure that there is a great deal of fit between the employee and the job."

"I believe that people want to work and want to do good work. Leaders who understand this and create an environment that allows people to do their best work will have the most engaged employees."

The key finding from this analysis is that disengaged and engaged people rated the same things as influential. The disengaged are not looking for anything above and beyond what engaged people look for. This means that engaging those employees who have fallen by the wayside does not require any different types of interventions. Instead, organizations can focus on the same types of activities and positively influence both disengaged and engaged employees.

What could leaders do more of to improve employee engagement?

Communicate clear expectations
71.4%

Listen to employees' opinions
61.9%

Give recognition and praise
52.4%

Provide learning and development opportunities
42.9%

Help find solutions to problems
42.9%

Defend direct reports
28.6%

So what are these things that leaders can do? By far the two biggest things for the disengaged are clear communication and listening. These just so happen to be what engaged people rate as the highest as well.

Disengaged employees are no different in their needs or desires from those who are engaged at work. The disengaged do not require a different type of motivation, or a different relationship with the organization's leadership. Instead, they want the same four things that engaged people say they want:

1. Control over their work
2. Opportunity to use their skills
3. Clear expectations
4. Opportunity to share their ideas and opinions

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"Allow the staff to have full reign within a structure. Give them the opportunity to make the decisions, whether correct or not, and walk with them through the process of learning."

Section 7: Business Sector and Engagement

Respondents to our survey work in five sectors: business, government, consulting, education, and not for profit. Given the diverse work activities, values and goals of these different sectors, we were interested to see whether any aspects of engagement differed between them. These aspects included the engagement level of people, the things that best influence engagement, the levels of investment, and the requirements of leaders in each sector.

What percentage of people that you work with are engaged?

Not for Profit
71.5%

Education
67.1%

Consulting
66.1%

Business
63.4%

Government
61.3%
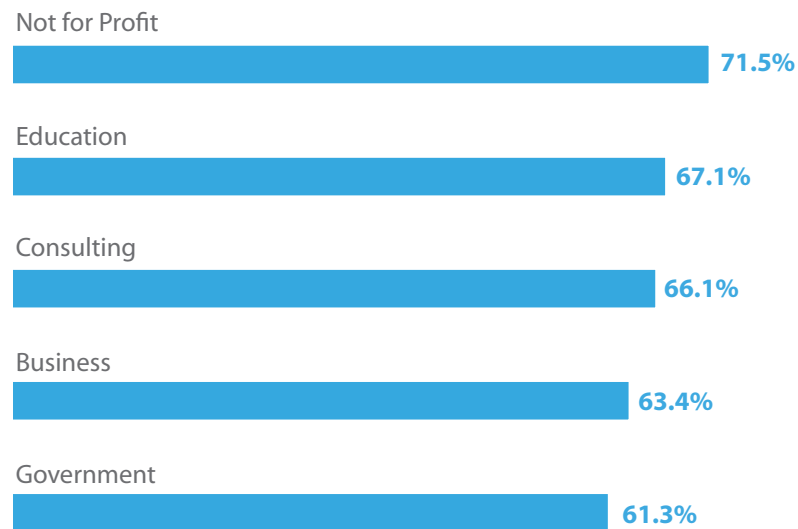
*The percentage is a weighted average calculated by dividing the sum of all weighted ratings by the number of total responses.

The proportion of engaged people was relatively similar across work sectors. Yet people working in not-for-profit organizations said the highest majority of their colleagues were engaged (72%), whereas those in government reported the lowest rate of engagement among their colleagues (61%). A 10% difference may not seem that large; however, considering the number of people in the workforce, the proportion of employees who are disengaged is startling.

When asked about the effectiveness of different ways to increase engagement, professionals across all work sectors ranked positive work relationships the highest, and bonuses and financial awards the lowest. When asked what had the strongest impact on their own engagement, respondents from every sector except consulting listed having control over how they do their work (Consulting-sector employees rated opportunities to use their skills as the highest). Of the choices in the survey, respondents from all sectors indicated that salary and benefits had the least influence.

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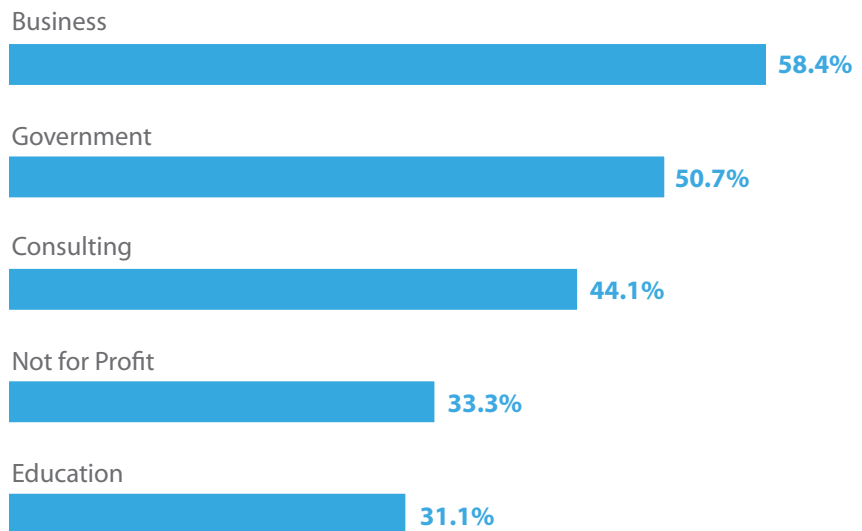BUILDING BETTER ORGANIZATIONS THROUGH PEOPLE

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Engagement Ratings for Survey Respondents From Each Sector

Work Sector	People Who Are Somewhat to Very Engaged
Business	91.5%
Government	93.0%
Consulting	97.4%
Education	93.8%
Not for Profit	95.7%

Organizational Investment in Engagement

Along with differences in employee engagement across work environments come varied amounts of investment in work engagement. Business and government organizations are the most active in measuring employee engagement. More than half of business and government employee respondents indicated that their organizations evaluate the engagement levels of employees, whereas only a third of those working in education or not-for-profit organizations could say the same.

**Percentage of organizations that measure employee engagement**

Business
58.4%

Government
50.7%

Consulting
44.1%

Not for Profit
33.3%

Education
31.1%

SECTION 7: BUSINESS SECTOR AND ENGAGEMENT

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"I have been responsible for running our Engagement Surveys for the past few years and I'm astounded at what is learned versus what is discussed openly with our employees. Employees aren't stupid, they know that when they never hear back about their feedback or actions to be taken, that the company "doesn't really care about them"."

Of course, measuring the engagement of employees does not mean much if nothing is done with that information. We wanted to know what percentage of organizations not only measured engagement, but also actively directed efforts to improve it. When it comes to addressing engagement, business organizations are the most active. Fifty-five per cent of business respondents indicated that their organization focuses directly on improving worker engagement. The numbers fall to the 44% to 45% level for consulting and government organizations, to 34% for not-for-profit groups, and to 23% for educational institutions.

Percentage of organizations that address employee engagement directly

Business
55.1%

Consulting
45%

Government
43.9%

Not for Profit
34%

Education
23%
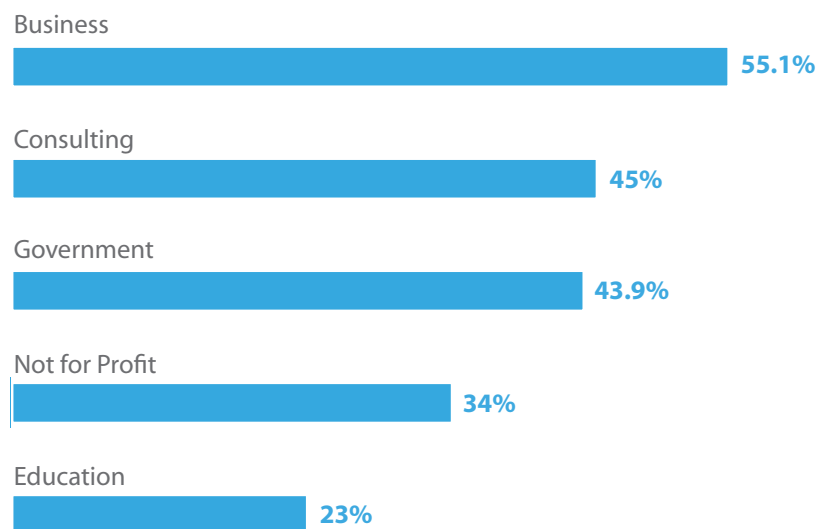
A recurring theme was that business and government groups tend to invest more resources into measuring engagement and focusing on it directly. However, the engagement levels of their employees are actually rated as slightly worse than those of people working in consulting, education and not-for-profit organizations.

This brings up a number of questions:

• Why do business and government spend more time and effort on workforce engagement and yet have lower levels of engagement?

• Would their results be worse if they removed all engagement interventions?

• Do their engagement efforts actually have little impact on employees' connection to their work?

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"If you say that you value and want to hear employee suggestions and ideas, then give employees feedback on final decisions. They need to know what was considered and why some-thing is feasible or not."

Section 8: Impact of Engagement Training

Engagement is definitely seen by the vast majority of our survey respondents as a problem that needs to be addressed. Many organizations have invested time and resources into measuring engagement, conducting engagement interventions and training their staff on how to engage others. The key question is, does this investment make any difference?

To shed some light on this issue, we split our respondent group into four categories based on the amount of engagement training provided by their organizations. We then looked at their levels of engagement and satisfaction.

Percentage of respondents who said engagement is a problem in organizations that

- never have training: 74%
- have training once a year: 75%
- have training two to four times a year: 55%
- have training more than five times a year: 61%

In organizations that provide training two to four times a year, the percentage of people who see engagement as a problem drops by 20%.

Percentage of engaged employees in organizations that

- never have training: 60%
- have training once a year: 65%
- have training two to four times a year: 71%
- have training more than five times a year: 69%

In organizations that provide more frequent engagement training, the percentage of engaged employees rises by more than 10%.

Percentage of respondents who rated themselves as very engaged in organizations that

- never have training: 48%
- have training once a year: 60%
- have training two to four times a year: 61%
- have training more than five times a year: 61%

In organizations that have some engagement training during the year, 12% more people describe themselves as very engaged than the percentage in organizations that never have engagement-focused training.

SECTION 8: IMPACT OF ENGAGEMENT TRAINING

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Percentage of respondents who rated themselves as very satisfied in organizations that

• never have training: 32%
• have training once a year: 45%
• have training two to four times a year: 49%
• have training more than five times a year: 56%

Differences in satisfaction ratings are even more dramatic. As the amount of training opportunities increases in an organization, the reported levels of employees who are very satisfied steadily increases. Even with only one engagement training intervention a year, the percentage of people who rate themselves as very satisfied increases from 32% to 45%.

Training focused on how to engage employees in organizations has a positive effect. Levels of workforce engagement and satisfaction are reportedly higher in those organizations that provide training. The proportion of people who are very engaged in their work increases dramatically, and the amount of engagement problems decreases by a significant amount.

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Section 9: Gender and Engagement

The interaction between gender and engagement is something that we also wanted to examine. We wanted to see whether there were differences in engagement and satisfaction levels, and also whether recommendations for how to increase engagement varied by gender.

How would you rank your level of work engagement?

	Males	Females
Very Engaged	58.5%	55.8%
Somewhat Engaged	37.2%	36.8%
Not Engaged	3.2%	5.2%
Actively Disengaged	0%	1.5%

■ Males ■ Females

> "Sometimes, the employee who voiced the idea is not given credit nor are they invited to participate on implementing their suggestion, and they are not provided with feedback on the feasibility/timelines of suggestions."
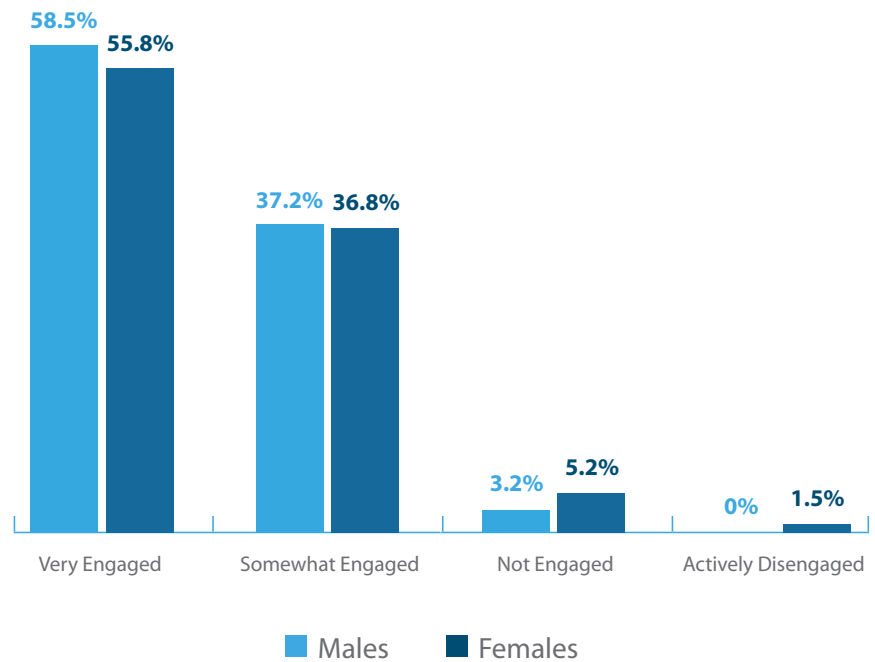
In terms of engagement rankings, male and female respondents to the survey were remarkably similar. As shown in the figure above, males and females had a nearly identical distribution of their rating of engagement.
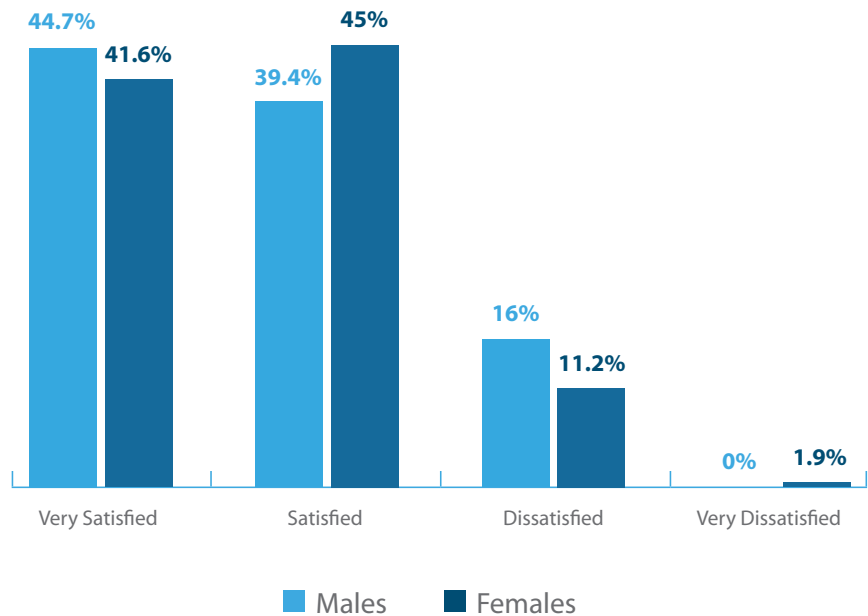
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How satisfied are you with your current role?

	Males	Females
Very Satisfied	44.7%	41.6%
Satisfied	39.4%	45%
Dissatisfied	16%	11.2%
Very Dissatisfied	0%	1.9%

■ Males   ■ Females

Levels of satisfaction were also quite similar between gender groups. In fact, when looking at those who reported being very satisfied or satisfied, the difference between males at 84.1% and females at 86.6% is negligible.

When it comes to things that leaders can do to improve engagement, the top two for both genders were listening to employees' opinions and communicating clear expectations. Females did place a somewhat higher value than males on providing recognition and praise. However, when ranking leadership engagement activities, males and females identified the same key variables as important and not important. For all respondents, communication and listening were rated as important, whereas helping find solutions and defending direct reports were considered much less important.

Finally, when it comes to what most influences people's engagement, both males and females rated having control over how they do their work, and opportunities to use their skills, as the most influential. In terms of what has the least influence, members of each gender identified career advancement and salary and benefits.

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Conclusions

Employee engagement is problematic. The results from the survey show this beyond any doubt. When employees are engaged, they demonstrate higher levels of performance and commitment, and improved work relationships. When they are disengaged, productivity suffers and relationships between employees can become dysfunctional. Whether engaged or disengaged, employees generally stay with their organizations, having either a positive or negative impact.

Increasing engagement is a multifaceted challenge, but there are a number of common themes. One, provide people with greater control over how they do their work. Two, give employees opportunities to use their skills. Three, build better communication and relationships between management and staff. These themes remain constant; they are identified by engaged and disengaged employees, males and females, and all generations.

Driving engagement requires adjusting our work environments and processes. This is the realm and responsibility of leadership, and it is leaders who bear the initial burden. More than eight out of 10 respondents indicate that senior leaders and managers are the ones to increase engagement. From initially matching a person's skills to the job requirements, to communicating clear expectations, to recognizing a job well done, leadership begins and sustains employee engagement.

Yet there is also reason for hope in these results. With increased communication, less micromanaging, and greater responsibilities for employees, employee engagement makes leaps forward. Organizations with training on how to increase engagement show much improvement compared with those with no training, even when that training is infrequent. It does not have to take much to get started and realize some benefits of increased engagement.

Top Tips for Driving Engagement

1. Build positive work relationships.

2. Ensure a good fit between people's skills and their job requirements.

3. Provide regular feedback on performance.

4. Give opportunities to learn new skills.

5. Give employees greater control over their work: stop micromanaging.

6. Celebrate progress and recognize employees' accomplishments.

7. Share information: communicate the direction and strategy of the organization.

8. Give employees the opportunity to share their ideas.

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