



The origins of employee engagement

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The origins of employee engagement

A lot of HR practices have been around for decades. But the same cannot be said for employee engagement. But while employee engagement may not have been around for decades like performance management, it is no less important in the field of HR. In fact, employee engagement can be considered one of the more accessible aspects of HR since it not only involves organizations and managers, but also mainly focuses on employee wellbeing and morale.

Employee engagement made its appearance around the 1990s. In fact, the very first use of the term employee engagement can be traced back to a paper, "Psychological Conditions of Personal Engagement and Disengagement at Work" in the Academy of Management Journal by William A. Kahn in the year 1990. The paper explored the premise that, "people can use varying degrees of their selves[sic], physically, cognitively, and emotionally in work role performances, which has implications for both their work and experiences."

Prior to that, while personnel management was a widely accepted practice, nobody really gave much thought to employee engagement. Until Kahn's mention of the term employee engagement, employees and the work they did was only considered in the context of how involved they were with their job and how motivated they were with respect to their job. In fact, even though employee engagement made its 'debut' in 1990, it wasn't well until the early 2000's that academia in general took note of it. A number of research papers were published on the topic of employee engagement from the early 2000's onwards and continue to be published even now speak literal volumes about employee engagement's popularity as a concept.



The American workforce has more than 100 million full-time employees. 51% of them are not engaged. They are just there.

Employee engagement is now a popular enough term that it has become something of a buzzword in HR circles. Its status as a buzzword does not deny the fact that, now more so than ever, employees aspire to achieve a good work-life balance that allows them to have a life outside of work. You will notice this is in stark contrast to early depictions of work life where employees were expected to go above and beyond the call without any thought of reward or rest, something along the lines of a necessary sacrifice. While it was important for people to be good at their job, it was not important for them to be happy at their job or even stay engaged. In fact, before employee engagement came on the scene, work-life balance wasn't a concept that many even agreed with or considered.

But now, not only do employees consider being engaged and happy an important part of their job but organizations too aspire to high levels of employee engagement and actively seek to improve levels of engagement.

To the uninitiated, this sounds very good but a skeptic might wonder, what does employee engagement actually mean? How are organizations even measuring it? What can be considered a low level of engagement or a high level of engagement? Despite the countless articles out there on the internet, an exact definition for employee engagement is surprisingly hard to pin down. And if you question various experts as to how they would define engagement, the answer might wildly vary across the board.

This might come as a surprise to some but the real reason why it's hard to nail down the exact definition of employee engagement is because there just isn't one.

To some, employee engagement can be defined as:

Engagement is above and beyond simple satisfaction with the employment arrangement or basic loyalty to the employer—characteristics that most companies have measured for many years. Engagement, in contrast, is about passion and commitment—the willingness to invest oneself and expend one's discretionary effort to help the employer succeed. (Erikson, 2005)

To some others, employee engagement can also be defined as something that is inherently linked to satisfaction such as:

Through our study, we've confirmed a definition of engagement that involves both emotional and rational factors relating to work and the overall work experience. The emotional factors tie to people's personal satisfaction and the sense of inspiration and affirmation they get from their work and from being part of their organization. A key item here, for instance, is having a strong sense of personal accomplishment from one's job. The rational factors, by contrast, generally relate to the relationship between the individual and the broader corporation; for instance, the extent to which employees understand their role, and their unit's role, relative to company objectives. (Towers Watson, 2003)

Or

The individual's involvement and satisfaction with as well as enthusiasm for work. (Harter et al. 2002)

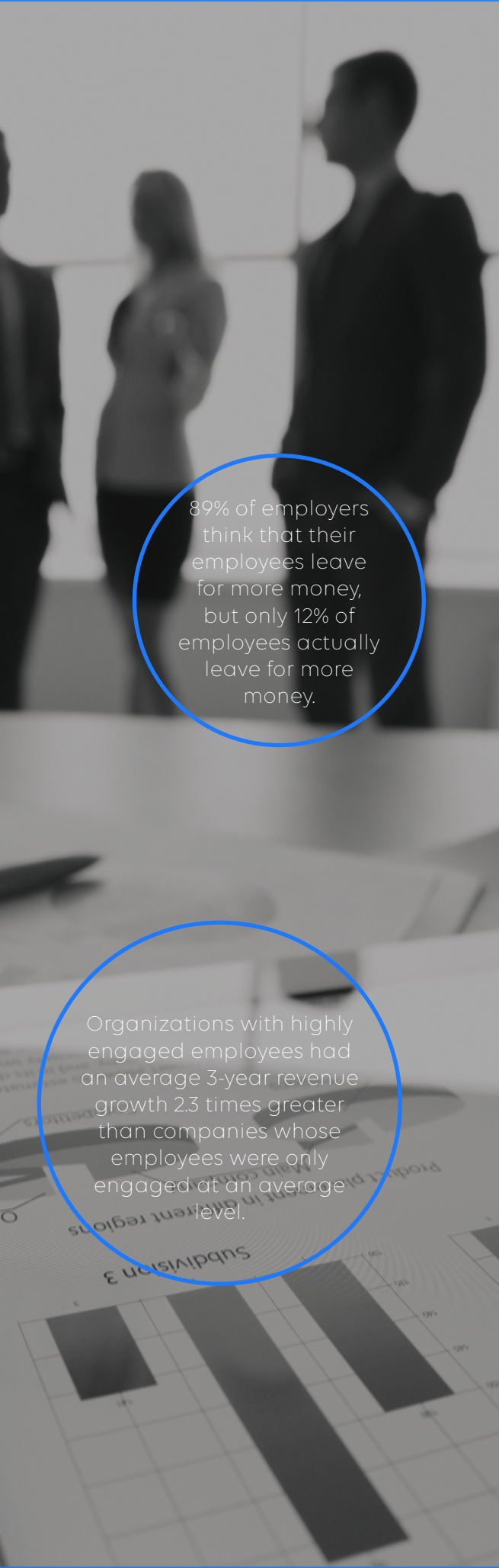
Kahn himself defined employee engagement as "the harnessing of organisation members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances."

As one can see, there's no dearth of definitions when it comes to engagement. However, from the various definitions of employee engagement available to us, it is possible to identify some common elements that can help us understand the core philosophy behind employee engagement. Such as:

- An employee's involvement with work.
- Employee's enthusiasm for work
- The percentage of themselves that they invest in work, cognitively, emotionally and physically.
- Passion and commitment to one's work.

All these factors are similar enough to each other that they can be clubbed together, but can also be interpreted differently. The core idea behind employee engagement seems to be based on the fact that in order for employees to be engaged with work, they need to invest a significant emotional part of themselves as well as be mentally invested in doing well.

It stands to reason that if there are many different ways to define engagement, there are different ways to measure it as well. In this instance, let us look to Gallup in order to better understand what it means to measure engagement on a global scale.



89% of employers think that their employees leave for more money, but only 12% of employees actually leave for more money.

Organizations with highly engaged employees had an average 3-year revenue growth 2.3 times greater than companies whose employees were only engaged at an average level.

Measuring employee engagement and its benefits

Gallup periodically measures the state of the employee engagement, at times globally and at times confined to individual countries and has been measuring engagement for a long enough time to be considered an authoritative source. Through the use of their Q12 survey (a survey consisting of 12 questions that measure the most important elements of employee engagement) which they have refined over and over again through the years, Gallup has built up an enormous database of employee engagement data and one can always look to Gallup to figure out what the current state of engagement looks like.

According to Gallup's latest study on the state of engagement, a whopping 85% of employees are not engaged or are actively disengaged at work. These figures are a worldwide count. One could laugh at these figures or consider them far fetched but we doubt organizations would feel the same way once they realised the impact employee engagement has on organizational productivity.

Employee engagement has been shown to reduce employee absenteeism and turnover, increase customer ratings, organizational productivity as well as organizational profitability.

Studies have also shown that strong employee commitment leads to higher shareholder returns. They posit that employee commitment may pay off even more for companies in bad times than in good.

70% of engaged employees indicate they have a good understanding of how to meet customer needs; only 17% of non-engaged employees say the same.

From these above studies, it is clear that in addition to enhancing organizational productivity, high levels of employee engagement bodes well for good customer experience, which in turn leads to high levels of customer satisfaction. Also, employee engagement ensures that when the going is good, engaged employees are figuring out what they can do better, and when things are taking a turn for the worse, engaged employees have a plan to make things better and are committed to seeing it through.



75% of employees leave their jobs because of their boss.

More than productivity or returns, the morale boost that engaged employees provide to others, the dedication with which they apply themselves to their jobs, that is what makes engaged employees invaluable assets to an organization.


What drives employee engagement?

Anything that improves the rate of employee engagement or boosts employee morale can be considered an employee engagement driver. While it is possible to think of employee engagement as an inexhaustible powerhouse that can keep running forever that is not the case. It is possible for engaged employees to become disengaged and lose steam.

This is why it is imperative that employee engagement is something that must be nurtured continuously. Organizations who are known for their high levels of engagement will tell you, that employee engagement is not a one time affair. It's an ongoing process.

While it would seem like there must be only one universal driver of engagement, ultimately, that is reductive because it does not take into account the fact that employees are a diverse bunch. What drives one person may do nothing for another. Like employees, there can be many drivers of engagement. And what works for one organization might not even work for another.

In order to figure out what drives engagement for themselves, it is possible for organizations to take a deep look at their own work culture, policies and employees and identify drivers of engagement.



Gallup estimates the cost of poor management and lost productivity from employees in the U.S. who are not engaged or who are actively disengaged to be between \$960 billion and \$1.2 trillion per year.

The various drivers of engagement

There are quite a few different elements that can be considered drivers of employee engagement. Some of them have to do with leadership, some might have to do with quality of work etc. Essentially, it is important to note that there is no singular driver of engagement. It can be considered a combination of many different factors coming together at the right place, at the right time and in the right amounts.

Here's a list of some of the most common drivers of employee engagement. Some of them might seem like plain old common sense but that does not change the fact that they are considered important drivers of engagement.



87% of
employees
worldwide are
not engaged.



Employee's relationship with manager

It has been said (in many different ways and by many different people) that employees don't quit organizations. They quit bad managers. An employee's relationship with their immediate supervisor can account for a lot of factors. If an employee has a good relationship with their immediate supervisor, they are more likely to stay at the organization for a longer period of time, actively participate in projects, show enthusiasm in taking on additional responsibilities, seek career development advice etc.

On the other hand, employees who have poor relationships with their immediate supervisor are more likely than not to be looking for a way out, display reluctance to take on additional responsibilities, may report feeling stressed at the thought of interacting with them, and even keep interactions with them to a minimum.

According to Markos, 2010, employee engagement is the outcome of personal attributes such as knowledge, skills, abilities, temperament, attitudes and personality, organizational context which includes leadership, physical setting and social setting and HR practices that directly affect the person, process and context components of job performance.



Caring, competent and engaging leaders

What is a ship without a captain? Adrift and aimless.

Leaders can be considered the face of an organization or the invisible force that guides an organization from behind the scenes. Regardless of how they lead, leaders help an organization unite behind a cause or goal. Without a leader, employees would not know who to turn to in times of crisis, not sure when to take a plunge etc.

Visibly present senior leaders can inspire a lot of loyalty among employees. Especially during troubled times. The need for a leader becomes especially strong when groups experience some form of conflict. When a leader is available to guide them, group members tend to be more content and productive. Although individuals in leadership roles may cause resentment among others, most people appreciate the contributions that leaders make to their groups and consequently welcome the guidance of a leader

Research by consulting firm Aon Hewitt has found that talent is more successfully managed in organisations where:

- Senior leaders take active ownership of the leadership/people agenda
- HR priorities are clearly embedded in the business strategy
- Employee communication is constantly open, honest, and transparentLeadership strategy is measured by outcomes
- Key talent is built by experience, exposure, and feedback
- Talent is more built than bought (75% internal; 25% external)

Belief in senior leadership is not limited to organizations alone. A number of examples of such leaders can be found in the annals of history as well.



Pride in working for the organization

One common feature that all engaged employees share is that not only are they proud of the work they are doing, but they are also proud to be a part of their organization. Normally, pride is associated with ego and arrogance but in the context of employee engagement, pride has a different meaning. Employees who take pride in being a part of an organization more often than not feel like they are a part of the larger mission are allowed to be their authentic selves. As a result, it drives them to work harder or assimilate better into an organization.

On the other hand, when employees are ashamed of working for an organization or even regretful about the work they are doing, they withdraw themselves from the workplace and look to disassociate themselves from the organization. In such situations, employees are more likely to be disengaged.



Career opportunities and growth development

Organizations which afford employees career growth and opportunities to develop as well will have no problem retaining employees. In fact, one of the most common reasons why employees might choose to leave an organization even when everything is just right is because they feel they are stagnating or not receiving enough opportunities to develop. Organizations with dedicated leadership and mentoring programmes are going to have a much better chance of retaining employees than organization which do not focus on leadership or development programs.



Compensation benefits and working conditions

Organizations such as a Google, Netflix, Apple etc are all widely sought after places to work. Why is this? It is because much as been made of the amenities and benefits that these organizations provide. Organizations choose to closely model their culture and workspaces after these organizations in order to attract more talent.

Good working conditions go a long way towards ensuring that employees feel comfortable about the work they are doing. Only when they feel comfortable can they actually be motivated. On the opposite end of the spectrum, one only need to look at Uber and the brutal work culture they promoted. How did employees respond? They choose to leave because fear as a motivator can only work so long. When employees can sense a lack of concern for their well-being or figure out that they are easily expendable, they are less inclined to be motivated or even attempt doing more than the bare minimum.

Employees who exercise their strengths on a daily basis are 8% more productive and 6x more likely to be engaged.

Companies with highly engaged workforces outperform their peers by 147% in earnings per share.



Authority and empowerment

The ability to make our own choices is something that all of us value deeply. For employees, when they have the authority and the empowerment to make decisions or go ahead with plans, it makes them feel accountable and grants them ownership of their work. Of course in some fields, employees may have greater degrees of autonomy than employees in other fields (for instance, heavily regulated industries) but all the same it cannot be denied that empowerment and autonomy go hand and hand when it comes to employees feeling engaged.



Culture which values and recognizes employees

There's a clear difference between recognizing an employee for the amount of years they have spent at an organization and recognizing them for the good work that they have done. When employees feel they are being overlooked or their efforts are not being recognized or even acknowledged, they will simply move on.

Lack of recognition deeply affects an employee's ability to do work because they feel there is no yardstick for measurement. Are they doing well? Are they not doing well? On the other hand, organizations which recognize employees for the work that they do tend to have higher engagement levels than usual.

Drivers of Employee Engagement
Employee's relationship with manager
Caring, competent and engaging leaders
Pride in working for the organization
Career opportunities and growth development
Compensation benefits and working conditions
Authority and empowerment
Culture which values and recognizes employees

How can organizations improve employee engagement?

If organizations would like to give serious thought to employee engagement and how it can help the organization in question, then it is important to consider what drives employee engagement. And you cannot engage employees if you don't know what motivates them.

To know what motivates employees or even drives engagement, HR managers and senior leaders need to take into account the concept of individuality.

The bigger an organization, the more it can feel like a hive mind at times. After all, everybody is working towards the same goal. And are part of a shared culture. But more often than not, organizations are comprised of different individuals with different personality makeups who work together to integrate different personalities and produce a cohesive result. That is what makes up a successful organization.

And this is the mindset with which organizations need to approach employee engagement. That an organization is comprised of many different individuals who all have different factors that motivate them or drive them.

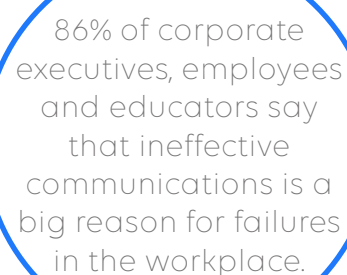
Once organizations understand this aspect of employee engagement, they can consider a quarter of the battle won.

The next step is to find out what engages employee? How does one accomplish this? The answer is, just ask questions.

There are no complicated gymnastics to figure out what engages employees or what drives them. Even the G12 survey at its core is a set number of questions that have been painstakingly refined over the years. Asking questions gets you answers.

One of the easiest way to figure out what employees are thinking is to use a survey. Well-created surveys that have been tested for reliability and consistency can reveal a wealth of information.

Once you have the information that you need, you can begin using employee engagement initiatives to boost overall engagement and motivation.



86% of corporate executives, employees and educators say that ineffective communications is a big reason for failures in the workplace.

What can an organization do to boost employee engagement?

There is no secret formula for improving or boosting employee engagement. And neither are there any methods which offer instant results.

Employee engagement is hard work. And if organizations want to boost employee engagement, they need to make it a priority, not an afterthought. Engagement begins from the ground up. It's not just the responsibility of employees (and in reality, there's little employees can do when it comes to boosting engagement). Leaders need to pave the way when it comes to engagement. When senior leaders set an example, employees will follow.



Create a culture of transparency

Honesty, transparency, communication, all of these words are vital to engagement. And not just in the sense that they are words. Rather, these are qualities that employees are actively looking for, especially from senior leaders and the organization in general. When organizations are honest about the state of affairs, be it with respect to successes or failures, they are giving employees the opportunity to trust them. Employees are more inclined to stick with organizations who let them know what's going as opposed to closing them out of the loop.

If the lines of communication feel fraught or employees are restricted from communicating with each other, an organization can very quickly become a breeding ground for distrust.





Adequate training

In order to recognize engagement or reward it, managers and employees should both know what engagement is. This means employees and managers need to be coached about acceptable engagement behaviours, so that they can learn and apply these behaviours. Behaviours need to be practiced many a times before they become habits.



Reward and recognize

Creating a culture of recognition that has its roots in fairness and hard work goes a long way towards to boosting engagement. If you haven't had a culture of recognition before, it's not too late to start building and nurturing one. Recognizing employees for good work is one of the easiest ways to boost engagement.

In fact, it's not always about how gets the biggest bonus or pay jump, though to be fair, those too can act as an engagement initiative, though definitely not as a long term one. Being valued and appreciated for work or even a diligent work ethic also tells employees they are at the right place, the one that appreciates them.



Coaching and mentoring programmes

Coaching and mentoring programmes are a great way to develop employee talent. And furthermore, they give employees the incentive to stay at a place, secure in the knowledge that their talents are being recognized and eventually, they will get the opportunity to further explore skill sets and latent abilities.

It's important to note that at times, it is not just the existence of a coaching and mentoring program that keep employees engaged. The amount of support and guidance they receive from senior leaders, managers and peers counts as well. An environment which encourages development and learning is always going to feel welcoming more than one that does not.

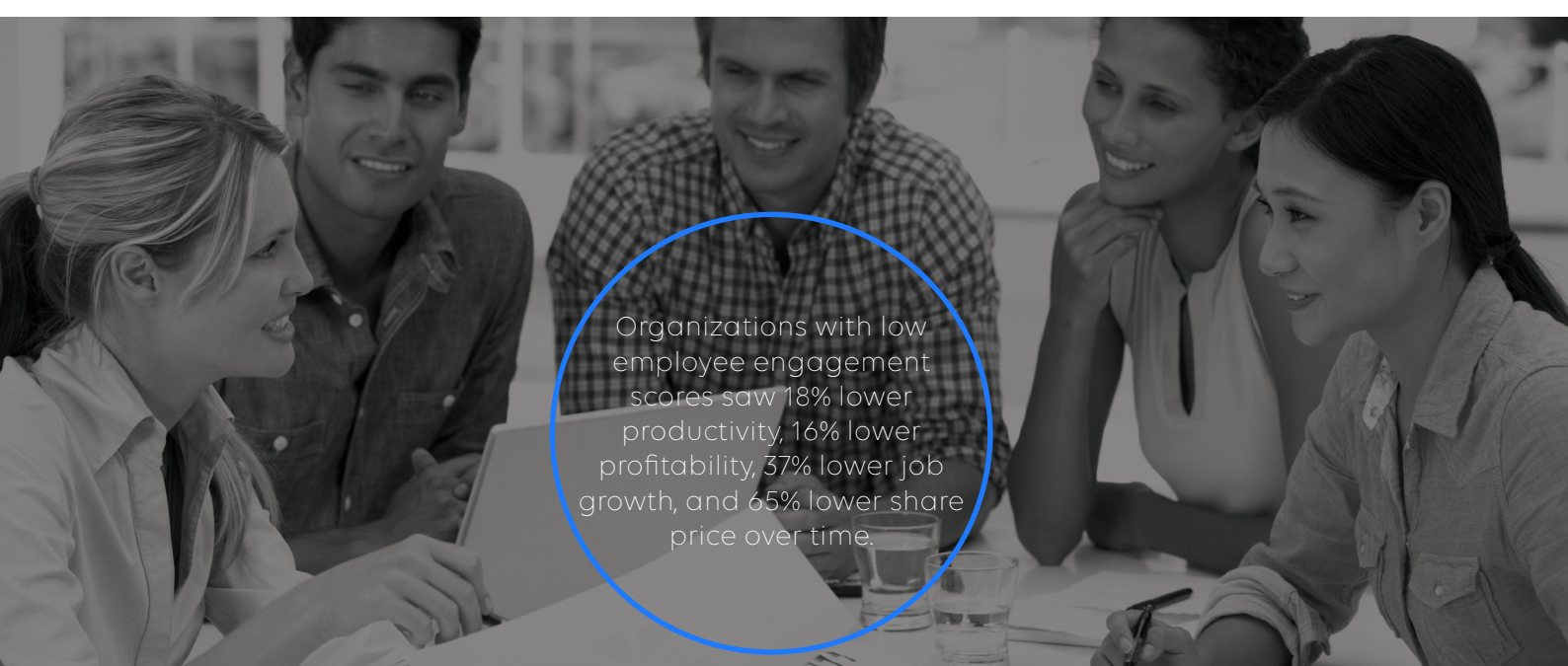
What's the downside to a lack of engagement? How does it affect organizations?

When you think of the opposite of engagement, a few words come to mind, namely disengagement and burnout. Both of these terms can be applied to employees who were once upon a time highly engaged but due to a combination of factors such as a outside stresses, heavy workload, disillusionment etc lost the drive to perform at the level they were once performing at.

According to Kahn, "Personal disengagement ... is the simultaneous withdrawal and defense of a person's preferred self in behaviors that promote a lack of connections, physical, cognitive, and emotional absence, and passive, incomplete role performance."

Low levels of engagement can lead to higher rates of attrition since disengaged employees are far more likely to quit than engaged employees. They might deplete morale or negatively influence other employees by complaining frequently, indulging in disruptive behaviour and in some cases, even actively undermining other employees.

When organizations ignore engagement, not only are they making themselves vulnerable, but they also give employees the impression that they are not valued.



Organizations with low employee engagement scores saw 18% lower productivity, 16% lower profitability, 37% lower job growth, and 65% lower share price over time.

How can Engagedly drive employee engagement?

All of the drivers of engagement listed about might seem like they require a variety of disparate efforts - usually on the part of the HR manager - but the truth is, most of them can be achieved through a single platform. It all boils down to how you choose to tackle the issue.

There are three things to keep in mind:

1. Employee engagement is a long-term continuous effort
2. Tackling employee engagement requires a cohesive strategy.
3. Even the most comprehensive strategy can fail is not executed well.

Let us take a closer look at the 3rd point. Why does the success of a strategy hinge on execution and not the strategy in of itself? Because, execution requires thorough application and more often than not, this is where many organizations drop the ball.

To execute a strategy well is know it like the back of your hand, to apply it where necessary, to tweak it if need be and of course, to use a backup plan where and when necessary, flip the entire strategy on its head.

Forcefully implementing a comprehensive strategy even when its not working well bodes well for no one. And in the aftermath, everybody seems to suffer from the ill-effects of a failed strategy, with the general consensus being that maybe the organization should just wing it as it goes.

In reality, it's probably the worst possible thing to do. Instead of doubling down on the whole concept of an employee engagement strategy, it is easier to find a method that does all the work for you, such as a software like Engagedly.

This is not to say that a software platform can act as the one step cure-all for employee engagement. There is no such cure in fact. However, if there is a strategy, then a software can help implement that.

One of Engagedly's most valuable features is that it is cross-functional. Especially when it comes to boosting employee engagement.

One of the main drivers of employee engagement is the working relationship between managers and employees. The Feedback feature is an amazing way to initiate conversations between managers and employees. Frequent communication is the key to any healthy working relationship. Through the feature, users can communicate without the need to set meetings or wait for the right time to share a concern or request for feedback.

Another important driver is a culture of recognition. It is easy to establish a culture of praise through the Praise feature in Engagedly. Managers or employees do not need to wait for a specific time or period to praise another peer. They can do so at any time.

No feature in Engagedly hinges on waiting for an employee or manager to make the first move when it comes to communicating. Rather, the tools are readily available and can be used at any point of time.

Another important driver is career growth and development. While Engagedly does not drive compensation, it does provide users with a forward looking approach to reviews. The Performance module in Engagedly allows users to gauge leadership potential, use nine box analytics to measure a user's contributions, suggest training opportunities etc

In short, there are many ways in which Engagedly can help drive employee engagement at your organization. All you need to do is begin somewhere.



Companies with engaged employees see 233% greater customer loyalty and a 26% greater annual increase in revenue.

90% of leaders think an engagement strategy will impact business success. However, only 25% have a platform or a strategy to influence their employees.

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About Engagedly

Engagedly is a performance review software that incorporates elements of employee engagement.

Engagedly is simple yet flexible & powerful enough to work with fast growing companies of all sizes.



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