

# Employee Engagement

## Leading the Way to an Engagement Culture



RIGHT VIEWPOINT™

Where engagement leads, performance follows. A highly engaged workforce is 50% more productive than an unengaged workforce.<sup>1</sup> Engage your employees and your organization is sure to prosper; fail to engage them and it is likely to languish. A major Right Management study of engagement involving nearly 30,000 employees in 15 countries worldwide suggests that an organization's culture can play a special role in driving engagement and that leaders can take many concrete steps to create a culture of engagement.

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### IDENTIFYING THE DRIVERS OF ENGAGEMENT

Our study asked respondents to indicate their level of agreement (or disagreement) with more than 90 specific statements addressing aspects of organizational effectiveness. Responses were then correlated with respondents' self-reports on their level of engagement to reveal which statements highly engaged employees agreed with most strongly and most often. While those statements showing the highest correlations are, strictly speaking, only *linked* with engagement, we may reasonably infer that they reveal actual *causes* of engagement. It is perfectly plausible, for example, to see the strong correlation between engagement and the statement "There is sufficient incentive to perform well at my organization" as suggesting that providing performance incentives are an important engagement driver.

<sup>1</sup> Weir, J. HR.com. 2003. Reporting findings of *First, Break All the Rules*, by Marcus Buckingham and Curt Coffman (Simon and Schuster, 1999) and *Now, Discover Your Strengths*, by Marcus Buckingham and Donald Clifton (The Free Press, 2001).

## CULTURE MATTERS MORE

Leaders can take any number of overt measures to enhance engagement, the most obvious being to offer material inducements. Interestingly, statements pertaining to reward and recognition, such as the one just cited, showed significant correlations with engagement, but they by no means showed the highest correlations. Engaged employees expect more than material incentives. In fact, among the survey's more than 90 statements, the one that showed the highest correlation with engagement was, "I am committed to my organization's core values." By comparison, "There is sufficient incentive to perform well at my organization" ranked only 19<sup>th</sup>. A commitment to the organization's core values, the very constituents of organizational culture, outranked reward as an engagement driver by a significant margin. Indeed, it outranked every other potential driver of engagement evaluated by our study.

### TOP GLOBAL ENGAGEMENT DRIVERS

1. I am committed to my organization's core values
2. Our customers think highly of our products and services
3. My opinions count
4. I have a clear understanding of what is expected of me at work
5. I understand how I can contribute to meeting the needs of our customers
6. I have been fairly rewarded
7. Senior leaders value employees
8. Everyone is treated with respect at work, regardless of who they are
9. I can concentrate on my job when I am at my work area
10. My personal work objectives are linked to my work area's business plan
11. I clearly understand my organization's mission
12. Senior leaders have the capability to make my organization successful
13. I am encouraged to take ownership of my work
14. My organization is involved in supporting the community
15. There are career opportunities for me at my organization
16. You can balance work and personal interests at my organization and still progress
17. My organization allows me to maintain a reasonable balance between my family and work life
18. The amount of pressure I experience in my role is reasonable
19. There is sufficient incentive to perform well at my organization
20. My pay is competitive compared to similar jobs in my organization
21. My immediate manager gives me the support I need to do my job well
22. People in my organization have the capability to do their jobs effectively
23. My organization is effective at attracting and retaining talent
24. I have the authority that I need to do my job well
25. My organization actively promotes health and well-being
26. My organization invests in its people's learning and development

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## SUPPORT YOUR COMMUNITY

If values play a key role in driving engagement, then what kind of values are likely to win the commitment of employees? In other words, what might an engagement-friendly organizational culture look like? Since values differ as people differ, no definitive answer is likely possible. Nevertheless, some of the other top engagement drivers identified by our study are linked to values that we may reasonably infer have wide, if not universal appeal. For example, the 14<sup>th</sup>-highest driver of engagement identified by our study was, “My organization is involved in supporting the community.” An organization that places a high value on being active in the community (and, one suspects, pursuing a strong corporate social responsibility agenda) is likely to achieve higher levels of workforce engagement and, therefore, productivity.

## FOCUS ON CUSTOMERS

The values important to engagement, however, aren't just social. A straightforward business value is associated with our study's second-highest engagement driver, “Our customers think highly of our products and services.” Employees are likely to be more engaged if the organization places a premium on building its reputation in the marketplace. People want to work for respected employers. Of course, building a reputation in the marketplace is the name of the game. Just about any organization would claim to be pursuing that value. But would all organizations take the necessary measures to realize it? Would they encourage the necessary customer focus or product quality? Would they sacrifice short-term results or incur higher up-front costs?

## DEMOCRATIZE THE WORKPLACE


Employee empowerment emerges as another key value identified by our study. A number of statements correlating highly with engagement reflect this value. The statement or driver that ranked third overall was, “My opinions count.” Organizations that take employee opinions seriously stand a better chance of engaging them in their work and driving productivity.

Who else but leadership can make employee opinions count? Not surprisingly, another top driver of engagement, ranked seventh overall, was, “Senior leaders value employees.” One clear means of showing that you value employees is, of course, to make their opinions count. The eighth-highest-ranked engagement driver was, “Everyone is treated with respect at work, *regardless of who they are.*” Again, one way of showing employees respect is by taking their views seriously. An important aspect of this statement is its egalitarian emphasis: everyone is respected regardless of who they are—regardless, that is, of their position in the organization's hierarchy.

### 5 KEY ORGANIZATIONAL VALUES ASSOCIATED WITH ENGAGEMENT

- Social Responsibility
- Reputation in the Marketplace
- Employee Empowerment
- Work-Life Balance
- Fairness

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In part, showing everyone respect means giving everyone the opportunity to contribute meaningfully to the common enterprise. The 13th- and 24th-ranked engagement drivers were, respectively, “I am encouraged to take ownership of my work” and “I have the authority that I need to do my job well.” Employees become more engaged when they are granted the independence they need to succeed. Engagement is supported by an organizational culture inclined towards workplace democracy and employee empowerment.

### STRIKE A BALANCE

As should be increasingly clear, many of the engagement drivers identified by our study are connected and mutually reinforcing. A number of statements correlating highly with engagement addressed the issue of work-life balance. They include the drivers ranked 16<sup>th</sup> through 18<sup>th</sup>, as well as 25<sup>th</sup>:

- You can balance work and personal interests at my organization (16)
- My organization allows me to maintain a reasonable balance between my family and work life (17)
- The amount of pressure I experience in my role is reasonable (18)
- My organization actively promotes health and well-being (25)

The interesting suggestion of the correlation between these statements and high levels of engagements is that a driven workforce is not necessarily the most productive workforce. An organizational culture in which balance and general well-being are central values is more likely to yield higher performance.

### DON'T FORGET REWARDS

We said at the outset that culture is more important to engagement than reward, yet reward can have cultural implications. A final value to emphasize is fairness. The sixth-highest engagement driver identified by our study was, “I have been fairly rewarded (e.g. pay, benefits, incentives, etc.) for my performance in the last year.”

### CONCLUSION: WHAT'S A LEADER TO DO

An organization's culture has a life of its own. No leader or group of leaders can control it entirely. However, leaders can influence a culture in ways that will drive engagement. At least one approach senior leaders can take has already been broached: show that they value employees. Other approaches could include making corporate social responsibility a strategic imperative; reviewing work processes and lines of communication to support employee empowerment and a healthy work-life balance; reviewing compensation policies to ensure fairness; and focusing on measures to increase customer satisfaction. None of these measures address engagement directly, but all would contribute to a culture of engagement.

### About the Author

Dr. Deborah Schroeder-Saulnier is Senior Vice President for Right Management's Global Solutions Team with responsibility for overseeing the firm's Leader Development, Organizational Effectiveness and Employee Engagement solutions portfolio – focused on aligning talent management strategy with business strategy.

### About Right Management

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