

Employee Engagement

Research Report, December 2010

"Engagement can be seen as a combination of commitment to the organisation and its values plus a willingness to help out colleagues. It goes beyond job satisfaction and is not simply motivation. Engagement is something the employee has to offer: it cannot be 'required' as part of the employment contract." (CIPD, 2007).

Current Research

Organisations are under increasing pressure to do 'more with less'. Forced to make difficult decisions involving budget cuts and redundancies, the challenge of maintaining employee engagement is increasingly important.

It comes as no surprise, in the current uncertain context, that employees are feeling less engaged with the organisation they work for. This raises a number of questions surrounding what employees value, how organisations can increase drive, commitment and engagement especially during times of uncertainty, when discretionary effort is most needed.

The saying 'employees leave their managers not the organisation they work for' is true for many workplace issues. The relationship between a manager and the employee can create an engaged and coherent workforce, or it can have the opposite effect. This can be very costly for an organisation, as decreased employee engagement has been linked to reduced motivation, quality of output, and increased sickness absence.

Berkshire Consultancy's Findings

Berkshire Consultancy Limited conducted research investigating factors which increase employee

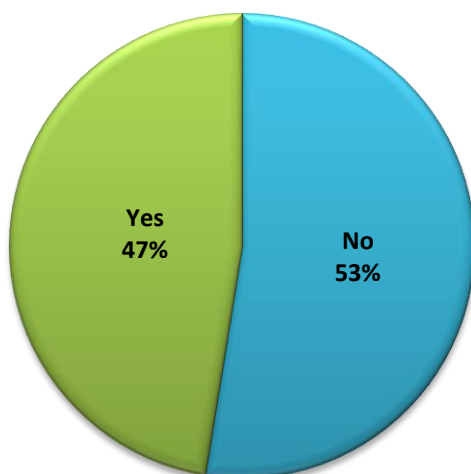


Fig. 1. Percentage of participants trust in management

engagement. Of the sample of individuals that took part in our research, 8% were senior managers, 22% middle managers and 70% had no management responsibility.

A third of participants indicated they have experienced a breakdown of trust within the organisation they work for. Only 47% of employees trust their managers (see figure 1), yet, employees rated trust as top priority for enhancing employee engagement (see figure 2).

Key Research Findings

CIPD research shows that **98% of employees are disengaged**. Berkshire Consultancy conducted research into employee engagement, to understand why, and found:

- 1. 60% of employees feel they are not utilising their full potential**
- 2. 53% of employees do not trust their manager**

The top 5 factors which are perceived as key to engaging employees are:

- 1. Trust in manager**
- 2. Feeling Valued**
- 3. Involvement in decisions**
- 4. Work Life Balance**
- 5. Work Environment**

Our findings demonstrate that organisations must create an environment which fosters employee involvement in decisions, encourages trust in management and provides sufficient challenge for employees in order to motivate and engage them.

Our research demonstrated a number of positive findings which are important to highlight; 73% of participants feel their work contributes to their feeling of personal accomplishment and 65% of participants felt valued and appreciated for their contributions at work. A further 63% of employees agreed that they were provided with sufficient opportunities to develop in the workplace and felt their efforts were recognised.

Only 40% of employees felt they were utilising their full potential

However, only 40% of employees felt they were utilising their full potential. This would suggest that organisations do have the capacity to do ‘more with less’. Success relies on organisations increasing levels of engagement and discretionary effort from staff to improve performance and increase results.

Organisational leaders and managers must promote an environment that facilitates trust between the employee and their manager, involves employees in decisions and ensures employees feel valued (voted by participants as the three key elements to engage employees, see figure 2, below). To achieve this, senior employees need to “get out there”, deliver difficult messages in person and be active in the workplace.

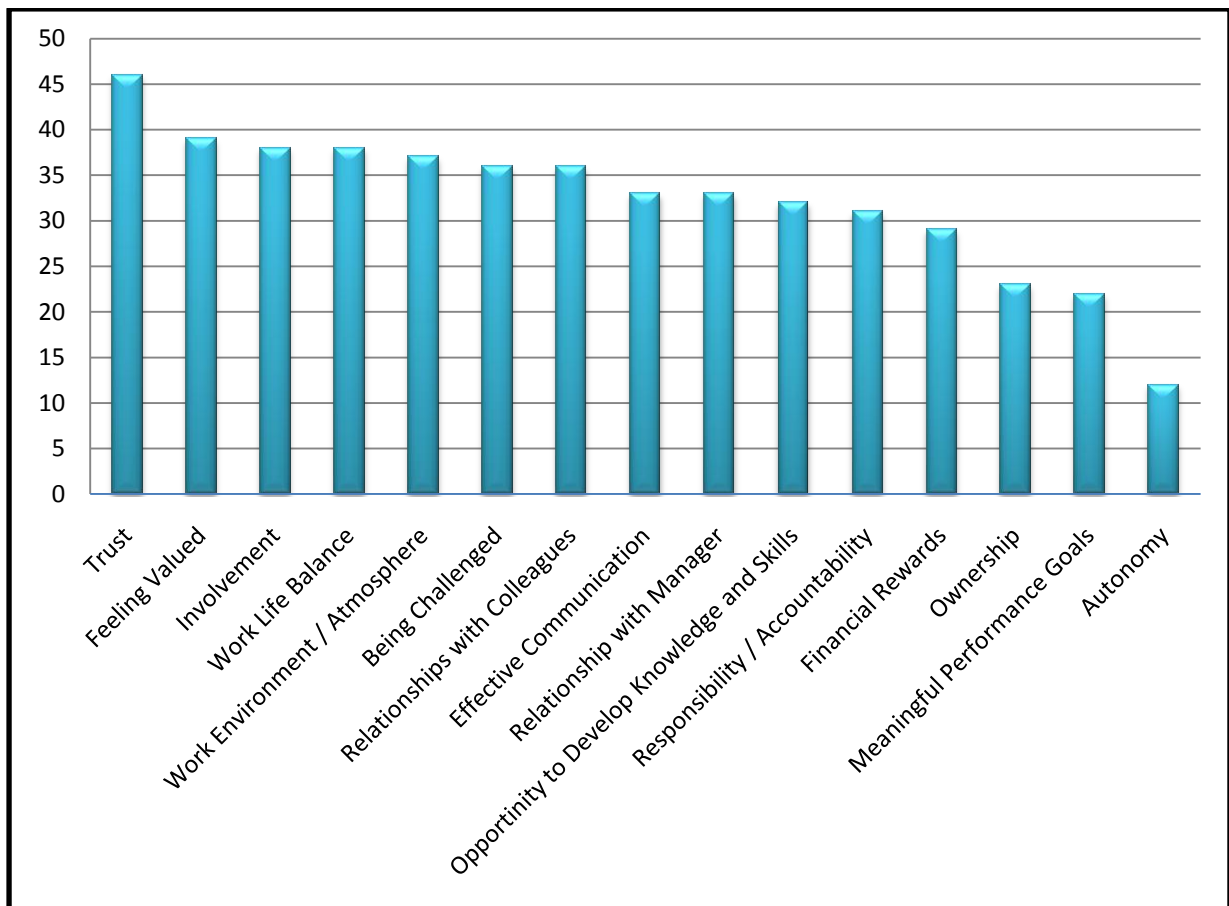


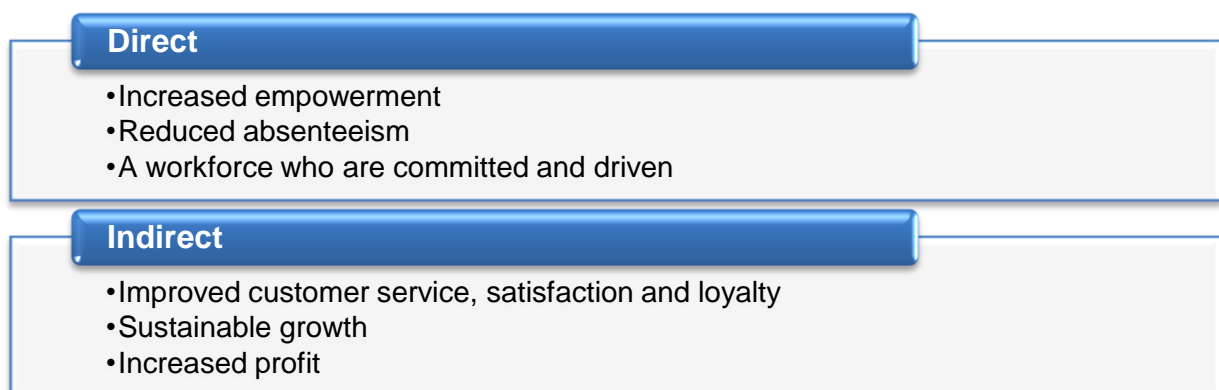
Fig. 2. Employee perceptions of the important factors in successful employee engagement

Implications of this Research

There is compelling evidence that businesses that manage their talent effectively achieve greater employee engagement and significantly improve their results by up to 50%. Understanding employee engagement is the first step towards improving performance in the workplace.



An engaged workforce lends itself to a range of benefits:



Critical questions for organisations to consider:

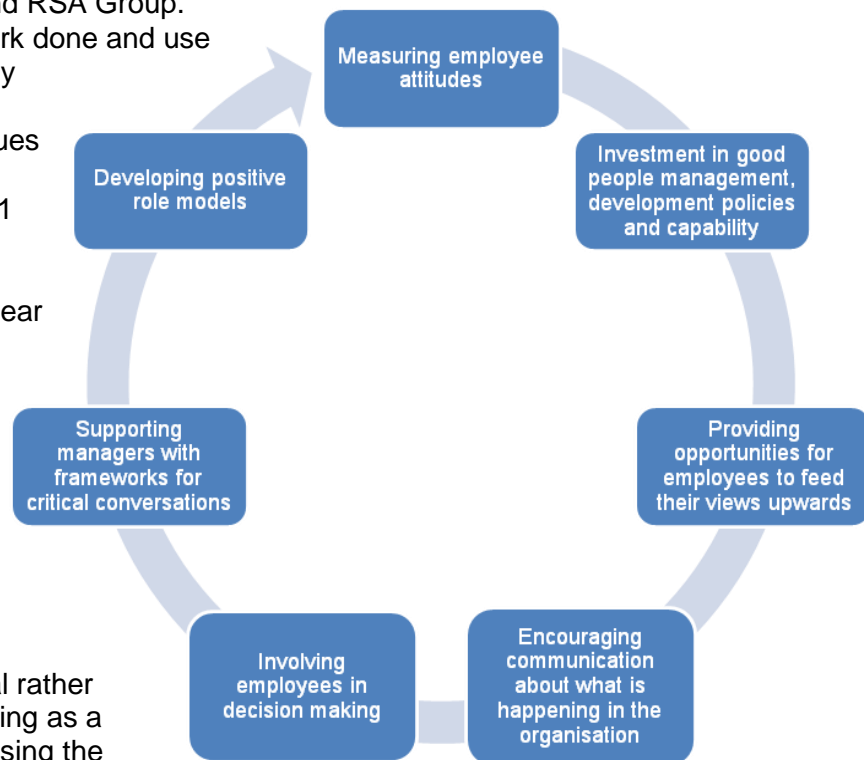
- How can we clearly communicate organisational strategy to employees in demanding circumstances where tough decisions are required while maintaining engagement and performance?
- What can we do to keep a check on employee engagement throughout organisational changes in order to inspire people to contribute?
- How can we ensure employees remain motivated, driven and committed during extended periods of uncertainty?
- What can be done to improve trust, involvement and ensure employees feel valued by the organisation, especially if traditional means of valuing staff (salary increases and promotions) are less available?

Why Berkshire Consultancy?

Berkshire Consultancy understands that employee engagement is impacted by the culture of the organisation, which is filtered through to employees by the beliefs, behaviours and actions of managers. Changes being made in organisations place increasing strain on managers and business leaders. It is equally important for employees to understand the effort and investment required to deliver a cultural shift and demonstrate full commitment.

Berkshire Consultancy Limited:

- Has a vast amount of experience of getting into the workplace to develop managers and their teams, increasing managers' capability to notice where performance can be improved and develop the coaching skills to support the team in translating this into results.
- Supports managers to have honest (tough) conversations with their staff and helps identify innovative and cost-neutral ways to invest in talent development.
- Are experienced in the field of practical leadership development and have worked closely in partnership with clients including: HM Prison Service, Home Office, Department of Health, Hitachi and RSA Group.
- We believe in getting the real work done and use current strategic projects as a key methodology for embedding and testing out the skills and techniques of leadership.
- Provide in-year ROI - typically 5:1 as identified in our work with the Home Office which won us the Award of Value Supplier of the Year in 2009.
- Our work in this area ranges from measurement tools such as 360 degree feedback to building managers skills in effective communications, identifying staff aspirations, performance management, and inspiring leadership.



Our approach is to work with what is real rather than in a workshop, using blended learning as a means of accessing models and maximising the time that is spent “doing”. This means we resolve current challenges and issues whilst developing individuals and teams – and we measure results in the moment. So the managers deliver that difficult news, ask for feedback and we talk to their staff to understand what is necessary to build trust and engagement – and we help managers plan for the next conversations and actions. For success, this must be supported by senior management and integrated into ongoing work. No one alone can be responsible for the change. But leaders can influence and demonstrate an engaged culture in a way that will drive engagement. This is the beginning of an integrated change which enables you to sustain a culture which ensures your organisation is able to get the most out of your employees.

For further details on Employee Engagement please contact **Sarah Hunter** (by email) sarah.hunter@berkshire.co.uk or (by telephone) **0118 932 3580**.

Participant feedback:

“I feel much more confident in having difficult conversations with my team, and better able to support my team as well as myself”, “I can now see how the coaching techniques I have gained from this programme will aid my style of management and enable me to build trust and improve my relationship with my colleagues and my team”