



*Introduction*  
**What is Employee Engagement  
and why is it important?**

In 2000, the number of engaged workers in the US was around 32% (Gallup 2000). The number today, in 2017, is roughly the same (Gallup 2017). In 2006, Truss et al (2006) found that 35% of the UK workforce is engaged. A CIPD report from 2010 found that 34% of UK employees are engaged. In 2013, Engage for Success found that roughly one-third of UK employees are actively engaged.

Are you starting to see a pattern?

Despite all the money and effort we throw at engagement, the numbers stay more or less static.

In my work, I could see that engagement was achievable. It was, however, something to be chipped away at: every workshop I led, every employee, line manager or senior manager that I trained – if my contribution was to change just a few minds, I was content with that.

Over the past few years, though, I kept coming back to that unchanging 33%. Is chipping away enough? Is engagement an unsolvable problem? If employee engagement seems to be the answer, what exactly is the question?

If that number won't budge, it makes me wonder if we're approaching the whole issue in the wrong way. Is engagement something we *can* fix? Is it something we *should* fix? Or do we need to take a step backward, get a bigger picture view, and reconsider what it is we need to solve?

In this book, I want to really hone in on what companies and people can really achieve and what they need to do to achieve engagement.

So, first of all, I wanted to briefly look at why engagement might be failing. I think there are a few things going on here and they are related to:

1. The flow of history
2. Technology
3. Culture

## *The Flow of History*

Where did employee engagement come from?

Employee engagement is one of the outcomes and the logical end result of a process that started with the Industrial Revolution. When people no longer worked for the family business, and started working for others and for companies, the question was: how do we get people to come to work, work hard and be productive?

For the longest time, the majority of workplaces were command and control. They were authoritarian, and they were top down in their decision-making.

There was a culture of deference and a trust in the hierarchy. In the workplace, employees accepted that what the boss said went, that the boss knew what he (and it was more likely than not a 'he') was doing, that he didn't want or need feedback.

But there were trade-offs for workers' compliance: security, status, and salary.

For some people, work was the answer to fending off the poverty that was at the door. That might have been motivation enough. In the past, employers offered jobs for life – security in exchange for what was perhaps not very exciting or motivating work. Some people went to work because of a high salary. Others went for the perks. Many chose careers that gave them status and respect in our society. Still others

might have decided to work a job that was poorly paid financially but allowed them to contribute to society by doing good.

While we oughtn't to forget that forces like globalisation have been happening for thousands of years, today's globalisation is a heady mix of multinational corporates and late stage capitalism, with a dose of anxiety thrown in for good measure, caused by shadowy terrorism and global unrest. The relentless desire and drive for annual growth of 3% adds more pressure to the system, as does the need for immigration that that growth demands. The net result is insecurity: jobs for life no longer exist, and status and high salaries are harder for a majority to achieve.

We now live in a world where the gig economy reigns supreme, and our insecure workforces are called the *precariat*. Maybe we in the West are finally experiencing what people in other parts of the world have been living for a long time. Maybe we in the West are going back to a time before the Industrial Revolution, with an unequal society and a feudal system.

### ***Technology***

And change itself has sped up over the past two hundred years. Each technological revolution happens quicker and impacts our lives, societies and world more rapidly.

The impact of automation started with Henry Ford's production line, and has ended with workers almost

completely reduced to machine appendages. But that took place over a number of decades.

We have no idea, as yet, exactly what the impact of the internet will be. But it will be deeper and there will be more upheaval than with Ford's production line, because it has changed the very way that we as a species think, through giving us instant access and instant gratification.

### ***Culture***

The thing that we have instant access to is information (regardless of whether that information is good, or true or reliable). We have a lot more at our fingertips to gauge the quality of what we are getting from the marketplace, the workplace, or, for that matter, our private lives.

There has also been a privileging of the knowledge industry and the tech world over other kinds of industry. Status, salaries and perks are all readily available there, but elsewhere, there are all the jobs that lack glamour, pay or non-financial reward. We now live in a world where those employers compete with the ones who do offer all amazing benefits and perks. Since they can no longer even offer a job for life, how do they get people to come to work at those jobs? And how will our society function if nobody wants to do the jobs that lack glamour, pay or non-financial reward?

Of course, it's not all bad. Access to information in the marketplace, for example, has made us better, and better-educated consumers. It's no longer enough that one company undersells another to get our attention – companies are expected to reflect the values of consumers. In other words, many of us expect companies to be ethical.

We can also look around to see what other workplaces are like. In 2015, the *New York Times* published a story about a CEO who decided to give up his salary so that all of his employees could earn \$70,000 a year. It is within this frame of reference that you will judge your own workplace, for better or for worse.

Is it any wonder, then, that as people looked around and compared what they had with what others had, that they would become envious? That they would become disappointed with their own lot in life? That there would always be someone who has more status or a better salary? That they would – in a word – become disengaged?

In this context, the statistic of engagement remaining at 33% doesn't seem that anomalous.

There have been so many changes on such a big level and companies have struggled to figure out how to get that extra commitment from their people, since they can no longer offer what they used to offer: security, status and salary.

And disengagement is a real problem. According to Gallup, disengaged staff cost the UK economy approximately £52 to £70 billion every year (2013). That number in the US is around \$355 billion. The ONS estimates that stress costs the UK £57 billion per year (HR Magazine 2016). And, Investors in People found that less than a third of UK employees have complete trust in their manager (2007).

**So, let's come back to the question: how do we get people to come to work, work hard and be productive?**

And I think employee engagement is the answer to this question: I'm just not sure it's the right answer. Or, to be more precise, that it's enough of an answer.

I think people are perhaps so fixated on how to solve this huge problem of disengagement, that we've forgotten why we're trying to do this, and where this problem came from in the first place. If we could identify what it is we're trying to solve with engagement, there might be some other solutions.

It's within this framework that I want to think about employee engagement.

### ***What is Employee Engagement?***

Type the words "employee engagement" into Google, and it pulls up close to twelve million results. Twelve million! Definitions, methods, articles, companies

offering to help you achieve it, more articles, more definitions...

I want to logically deduce a definition of engagement that we can all use, and that means coming back to bare basics.

The first thing to do is to strip the term “employee engagement” of jargon.

What the term is really trying to say is: let’s have a conversation. Because we’re talking about business, let’s make sure that that conversation is situated within the context of a strategic narrative: where the business was, where it is now, and where it is going in the future.

In other words, engagement is a two-way dialogue that people have with each other about how to make a company successful. On the one hand, it's about ensuring employees understand a company's strategic narrative, so that they can align their personal goals realistically within that context. And, on the other hand, it's about how companies can help employees achieve their potential at work.

My most basic definition of employee engagement, then, is:

Employee engagement =  
people + two-way dialogue + strategic narrative

There is one other element to take into account when coming up with an engagement strategy. Because we're fundamentally talking about the human beings who make up the workplace, it's important to look at the situations in a business where engagement – or disengagement – happen.

Each individual worker interacts within five spheres in the workplace:

1. The company – in terms of organisational culture and values, and the strategic narrative
2. The work itself – how an employee sees the work that needs to be done – is it valued and necessary? The work itself includes knowledge, skills and aptitudes, but also takes into account personalities and connections needed to get the job done
3. The team – people may work with the same team or be a member of different teams. This includes what configurations work best for people to help them to achieve company goals; it also includes how people ask for and give help to each other
4. The network – how people interact with different teams or companies, as well as the people they are networked with outside work. Workers are at the nexus of a network of people at work and beyond work, professional and social. The network also includes clients or customers.

5. Society – we are affected by the outside world in terms of culture, but also in terms of major and minor events that take place, which may influence our lives and business. This includes politics, legislation, and general cultural values.

I call these the **Five Spheres of Employee Engagement**.

Optimum employee engagement is when employee and employer move fluidly amongst these five spheres, actively and appropriately matching skills, knowledge and experience to enhance and improve the workplace. In this way, the goals of individual and organisation can be balanced and achieved. The only way to do this is through on-going dialogue.

It is possible for a worker to be engaged with any combination of these spheres. At one advocacy organisation, for example, there is a disconnect between staff and management. Staff feel that they are untrusted and left out of the loop. However, they are fully engaged with the work they do with their clients. This is something I have heard from NHS staff as well: they are dedicated to their patients, but have no patience for the bureaucracy of the organisation. In the charity sector, workers are unified in their dedication to a cause, but sometimes find it difficult to understand the network – in this case that might be those private sector companies and individuals who might be able to fund them.

The five spheres approach allows companies to move towards a more nuanced and complex understanding of employee engagement.

### ***Why is Employee Engagement Important?***

Let's take a look at the benefits of engagement for both the organisation and the individual.

### ***The Employer's point of view***

What business problems does engagement solve? Why bother throwing resources at what seems to be a woolly concept?

It's important to put this notion of engagement as woolly or politically correct to rest. The statistics that I've already mentioned should emphasise that engaging employees will improve productivity. Clearly, then, engagement is not a woolly concept, and it has a clear and large impact on the bottom line.

Engagement is good from a business perspective – we know from research that highly engaged workers are much more productive, they take less sick days, and they are less likely to leave; and this inevitably affects businesses' bottom line. This positive feedback loop also means that a space is opened up for creativity and innovation, which again feeds right back into improving business as usual.

One good reason, then, to engage staff is that it is a way to maximise profitability through increasing

productivity. This has a knock on effect on retention of staff, reduced absenteeism, and customer focus and satisfaction.

These are some of the other benefits of engagement for organisations in terms of the five spheres:

The company:

- Lower employee turnover and recruitment costs
- Belief in organisation

The work itself:

- Higher knowledge retention, leading to better work decisions
- More purposeful goal-setting, as work goals are integrated with strategy
- Continuous improvement is embedded in culture

The team:

- Development of team / personal goals linked to corporate goals
- Teams more effective at setting goals

The network:

- Self-nominated opt-in to strategy and culture, on the part of all staff
- Access to more information / knowledge from a broad range of participants

Society:

- Improved corporate reputation for customers and staff, and for potential customers and staff (employer of choice)

- Changing the way society works for the better –
- It's in everyone's best interest to build an economy of engaged people

### ***The Employee's point of view***

The rewards for the employee shouldn't be underestimated. Job satisfaction, upskilling and CPD are just a part of the picture. When companies invest in their employees, they both contribute to unlocking people's potential, and they also communicate how much they value and respect those employees.

If an organisation succeeds in engaging its workers, then the worker will also bring those feelings of achievement outside the workplace, so that creativity and innovation at work may well impact on creativity and innovation outside of work. Again, this knock-on effect may be a factor in making our world a better place to live in.

In terms of the five spheres, individuals benefit from engagement as well:

The company:

- People want to come to work
- People feel valued and respected
- Staff feel they can make a difference
- Staff feel they are being treated fairly and are listened to
- Employees report an increased sense of well-being as well as lower feelings of stress

### The work itself:

- Individuals actively take part in their own development, identifying areas for improvement in keeping with organisational strategy and culture
- People are responsible and accountable for achieving their goals at work

### The team:

- People have a greater scope to make decisions
- Employees become more confident
- People know what they're good at and opt-in to projects they can improve
- People become more responsible and accountable to their colleagues

### The network:

- Networks strengthen through improved channels of communication
- External networks become strengthened
- Teamwork, collaboration and problem-solving lead to innovation and creativity on a broad level

### Society:

- Creativity and critical thinking are encouraged and flourish
- Diversity and inclusivity are advanced
- As the workplace improves, those mores are translated outside work and slowly are embedded within the culture at large

## ***Conclusion***

Employee engagement is a clever move for business. There's nothing woolly about it.

It should be an essential part of every organisation's strategy. If correctly identified and implemented, an employee engagement strategy can provide a competitive edge for business.

The challenge lies in analysing the Five Spheres, and aligning them successfully with organisational strategy and culture.

This book comes in two parts:

**Part One** examines the Five Spheres in detail, with a chapter dedicated to each one. We'll look at what obstacles each sphere puts in the way of engagement, and what the strategies and solutions are.

**Part Two** is a toolkit for sowing the seeds of engagement in your own workplace. After having read Part One and understanding the context for engagement – the part that addresses the question 'why do it?' – Part Two helps you to tailor this approach to your business.