



Annual survey report 2006

HOW ENGAGED ARE BRITISH EMPLOYEES?

Contents

Introduction	2
Engagement	3
Key findings	4
Demographic and sector differences	12
Management implications	14

Introduction

This report is based on the findings of a nationwide survey of employee attitudes and engagement that was conducted electronically during July 2006, using a stratified sample of 2,000 employees from across Great Britain. The report is the latest in a long-running series by the CIPD, and provides an independent picture of the experience of work in Britain. The research was conducted for the CIPD by Kingston Business School and Ipsos MORI.

The full report, together with details of the sample and methodology, is published as *Working Life: Employee attitudes and engagement 2006*, and can be ordered from the CIPD bookstore at www.cipd.co.uk/bookstore

If you would like to see the survey questions on which this report is based, and the percentage responses to each, please email research@cipd.co.uk

Engagement

Employee engagement, or 'passion for work', involves feeling positive about your job, as well as being prepared to go the extra mile to make sure you do your job to the best of your ability. Perhaps not surprisingly, high levels of engagement have been found to be associated with a whole range of beneficial outcomes, including high levels of performance. It has come to be seen as one of the most important ways of measuring how employees feel about their work today.

Engagement has three dimensions: *emotional* engagement – being very involved emotionally with one's work; *cognitive* engagement – focusing very hard while at work; and *physical* engagement – being willing to 'go the extra mile' for your employer.

We wanted to find out how employees in the UK feel about their work and, crucially, what employers can do to raise levels of engagement. We found that:

- three in ten employees are engaged with their work
- levels of engagement among the under-35s are significantly lower than those in older age groups
- engaged employees perform better than others, are more likely to recommend their organisation to others, take less sick leave, and are less likely to quit

- engaged employees also experience increased job satisfaction and more positive attitudes and emotions generally towards their work, suggesting that enhanced levels of engagement are of benefit to the individual as well as their employer.

The main drivers of employee engagement are:

- having opportunities to feed your views upwards
- feeling well informed about what is happening in the organisation
- thinking that your manager is committed to your organisation.

We also found that:

- women are more engaged with their work than men
- older employees are more engaged than younger employees.

Perceived managerial fairness in dealing with problems also impacts significantly on individual performance, although it is not significantly related to engagement.

Key findings

In our survey, we collected information about a whole range of issues, in order to build up a complete picture of attitudes to working life in the UK. Our findings are grouped into sections on: working life; management, leadership and communication; attitudes to work; engagement; and outcomes in terms of performance, intention to quit and sickness absence. The main findings are summarised below.

Working life

- One in ten employees works more than 50 hours per week.
- Employees who are satisfied with their work-life balance and those on flexible contracts are more engaged with their work than those who are dissatisfied or not working flexibly.

Figure 1: Actual weekly hours worked

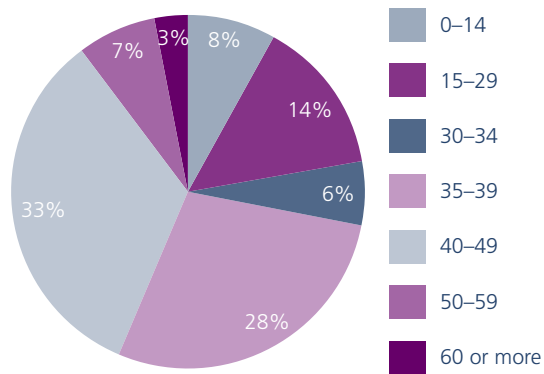
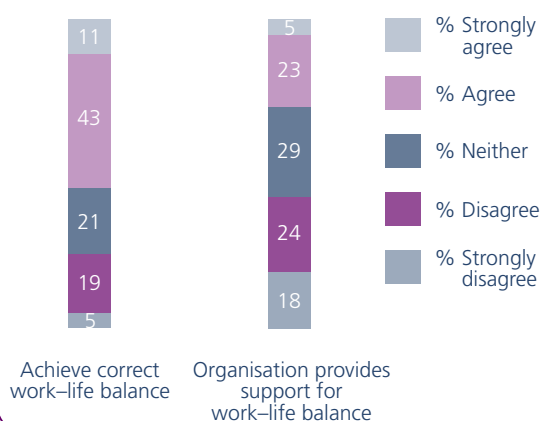


Figure 2: Work-life balance



- Women, over-55s, part-timers and those working in small organisations are happier with their work-life balance than others.
- People who take less annual leave than they are entitled to are more engaged in their work, but do not achieve higher levels of performance.
- Around a fifth of employees overall and three in ten black and Asian employees have experienced some form of bullying or harassment in the last two years.
- Those who have experienced bullying or harassment are, understandably, more likely to be depressed and anxious, less satisfied with their work, to have a low opinion of their managers and senior managers and to want to leave their organisation.

Figure 3: Flexible working

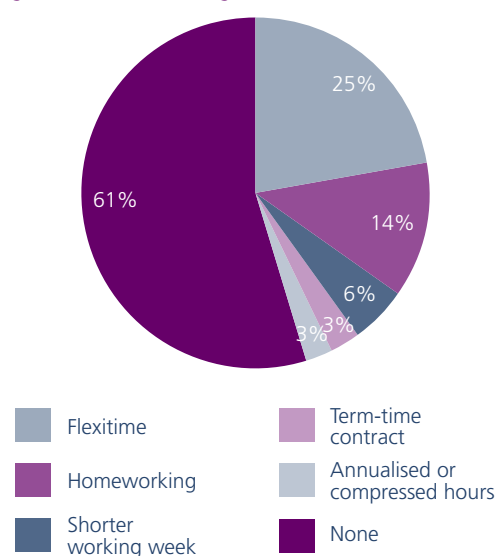
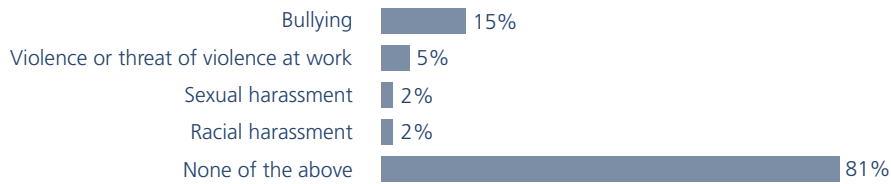


Figure 4: Bullying and harassment



Management, leadership and communication

- People are generally unhappy with the way they are managed, and with the senior leadership of their organisation.
- Around a third say that their manager rarely or never discusses their training and development needs with them and rarely or never gives feedback on their performance, and a quarter are rarely or never made to feel their work counts.
- Two in five employees get feedback on how they are performing; those who get more feedback tend to perform better.
- Half of employees are confident that if they have a problem at work it will be dealt with fairly.
- Almost half feel that their senior managers have a clear vision of where the organisation is going, more than a third have confidence in their senior management team and trust their senior managers.
- Almost four in ten employees say that directors and senior managers treat employees with respect.
- Two in five people do not feel they are kept well informed about what is going on in their organisation.
- Almost four in ten are satisfied with the opportunities they have to feed their views and opinions upwards.
- Those with positive views about their managers and senior managers are most engaged with their work, perform better and are less likely to quit.

Figure 5: Line manager strengths and weaknesses

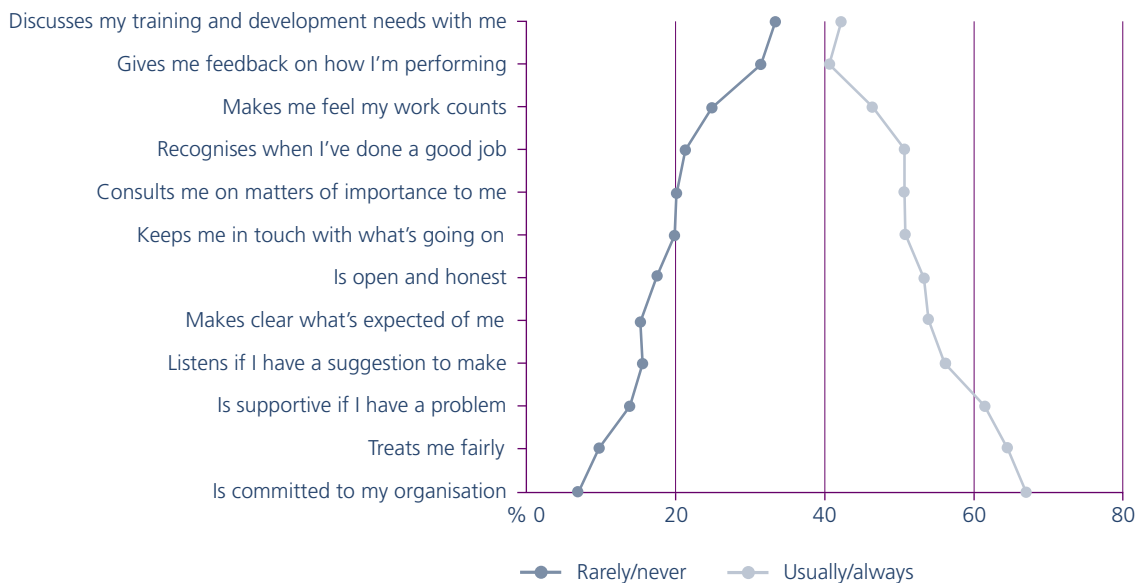


Figure 6: Leadership – 1

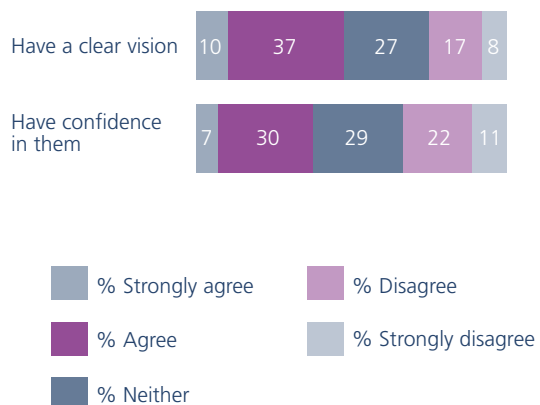


Figure 7: Leadership – 2

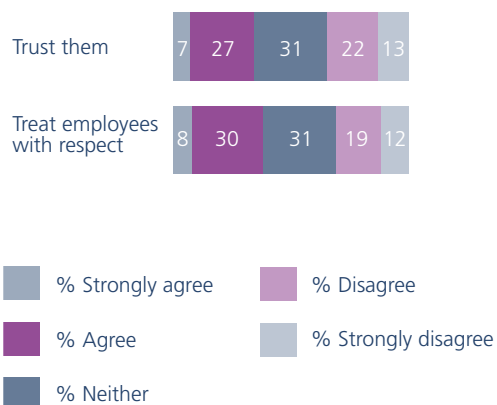


Figure 8: Internal communications

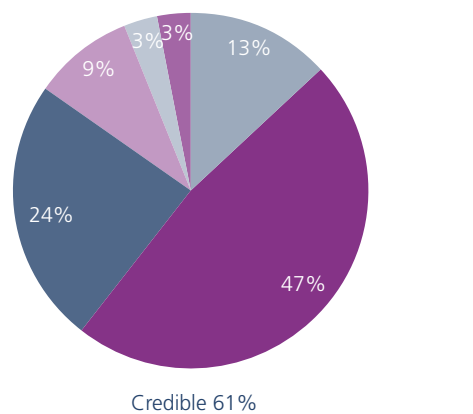
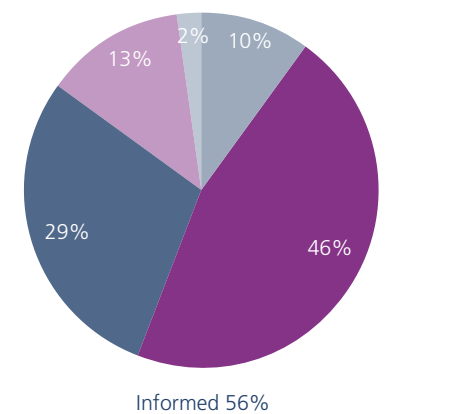
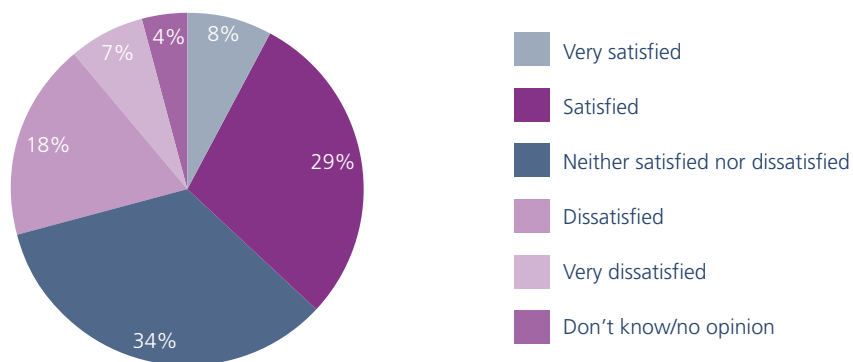


Figure 9: Satisfaction with opportunities for upward feedback



Attitudes to work

- Just over half of people say that their work is personally meaningful to them and that they are satisfied with their job.
- People derive a great deal of their job satisfaction from their co-workers, to whom almost nine in ten feel very loyal.

Figure 10: Overall job satisfaction

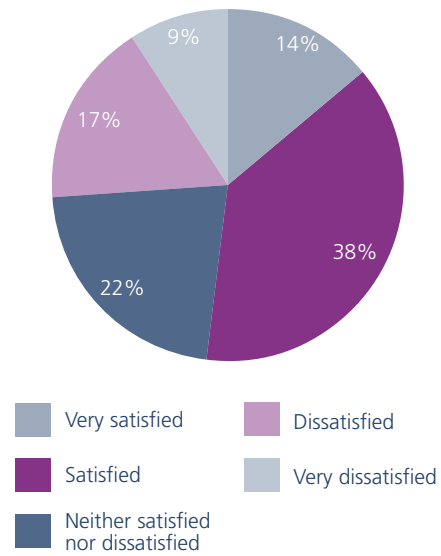


Figure 11: Meaningfulness

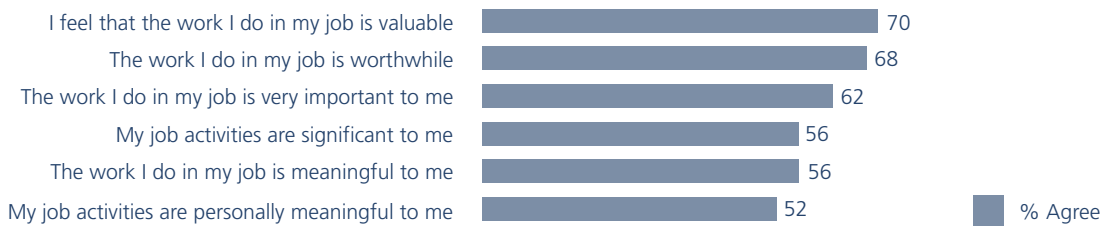


Figure 12: Job satisfaction – 1

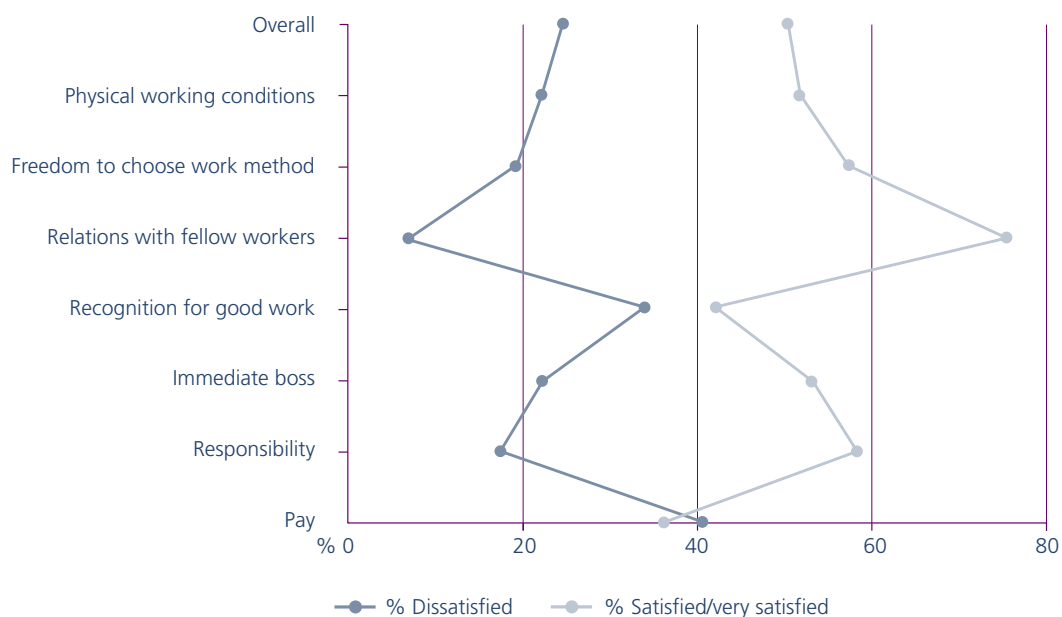
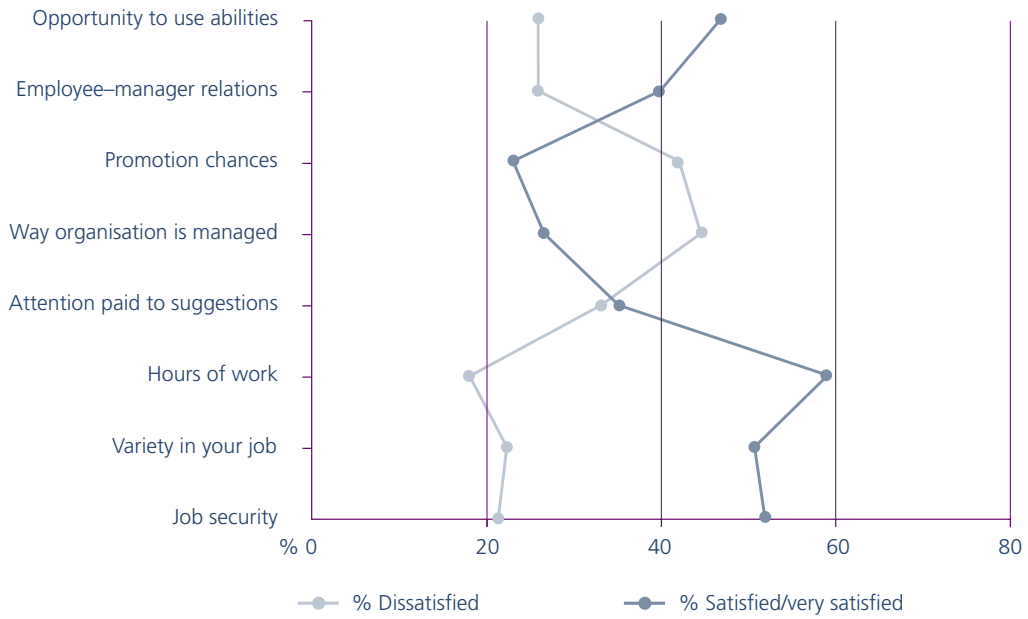


Figure 13: Job satisfaction – 2



- Two in five employees are satisfied with relations between managers and employees in their organisation, while over a quarter are satisfied with the way their organisation is managed. Over a quarter are satisfied with their opportunities for promotion.
- More than four in ten are satisfied with their opportunities to use their abilities.
- Over a fifth of employees experience high levels of stress and nearly half say that they feel under excessive pressure once or twice a week or more.
- Less than one in ten employees look forward to coming to work all of the time, and just over a quarter rarely or never look forward to coming to work.

Figure 14: Stressfulness of job

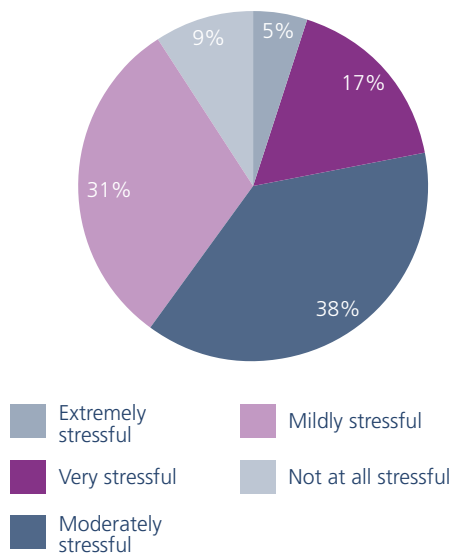
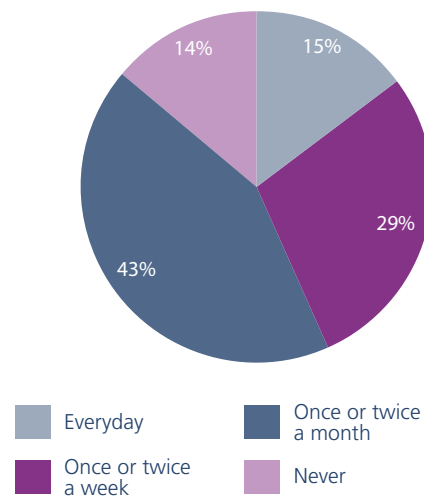


Figure 15: Excessive pressure in job



- However, people feel very loyal towards their organisation, with nearly three-quarters saying that they feel some or a great deal of loyalty, and around two-thirds saying that they feel committed to helping their organisation achieve its objectives.
- Just under half of all employees say they see their work as 'just a job' or are interested but not looking to be more involved.

Figure 16: Loyalty

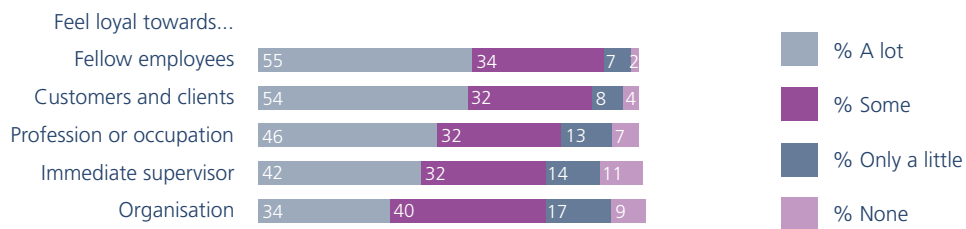


Figure 17: Involvement

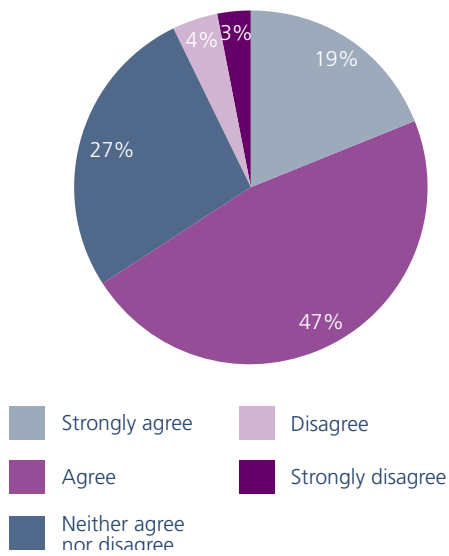
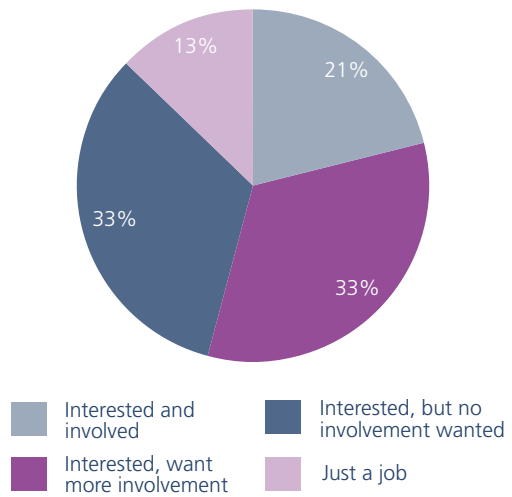


Figure 18: Committed to helping organisation achieve its aims and objectives



Engagement

- More women than men are engaged with their work.
- Around a quarter of under-35s report feeling engaged compared with two in five over-35s.
- Almost half of managers are engaged compared with around three in ten non-managers.
- Of the three types of engagement, levels of emotional engagement are the highest, with around six in ten employees being emotionally engaged (feeling engrossed in their work), while three in five are cognitively engaged (focusing very hard on their work) and around four in ten are physically engaged (willing to go the extra mile).
- Engaged employees are more likely to act as organisational advocates than disengaged employees and therefore may have a powerful role to play in promoting their organisation as an employer of choice.

Figure 19: Cognitive engagement

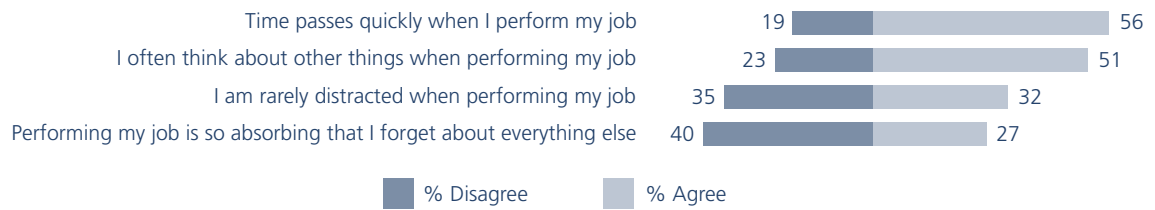


Figure 20: Emotional engagement

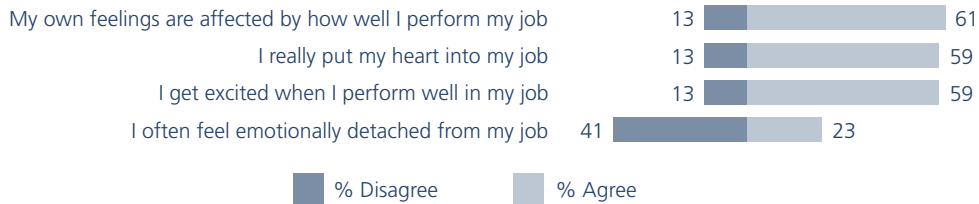


Figure 21: Physical engagement

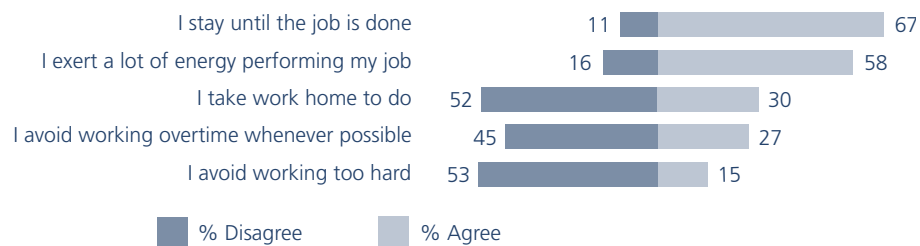


Figure 22: Advocacy

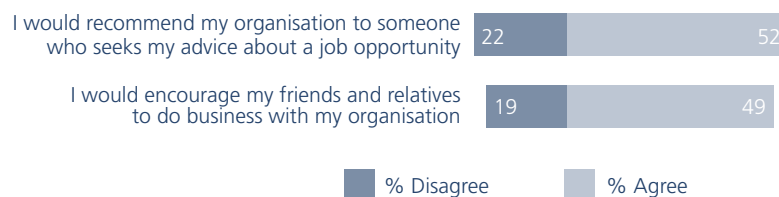
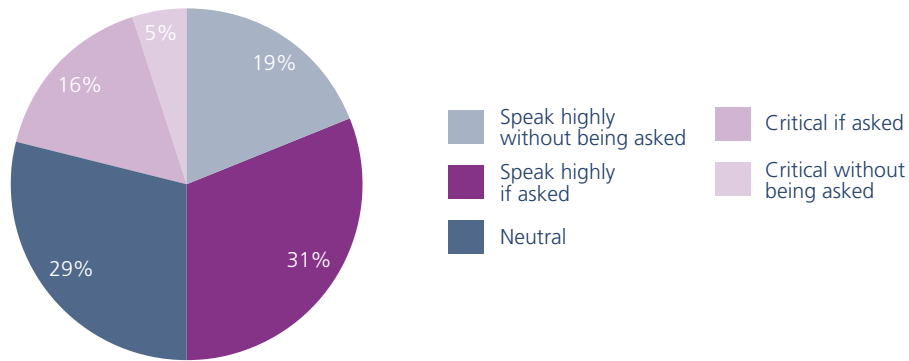


Figure 23: Employer advocacy



Outcomes

- Three-quarters of employees reported that their most recent appraisal rating was ‘good’ or ‘excellent’.
- Almost half of employees are looking for another job or are in the process of leaving; just under one quarter of employees expect to leave within the year.
- The most common reason for quitting is insufficient pay, followed by low job satisfaction.
- Over four in five employees say they take five days or fewer sick leave per annum; around half take one day or none at all.
- Workers aged 55 and older are significantly less likely to take sick leave than younger workers.
- Rates of sickness absence are higher in the public sector than the private, and public sector workers also experience more bullying and harassment and report higher levels of stress and pressure than their private sector counterparts.
- Engaged employees take less sick leave than disengaged employees.
- Engaged employees are less likely to leave their employer than disengaged employees.

Figure 24: Sick leave taken in last year

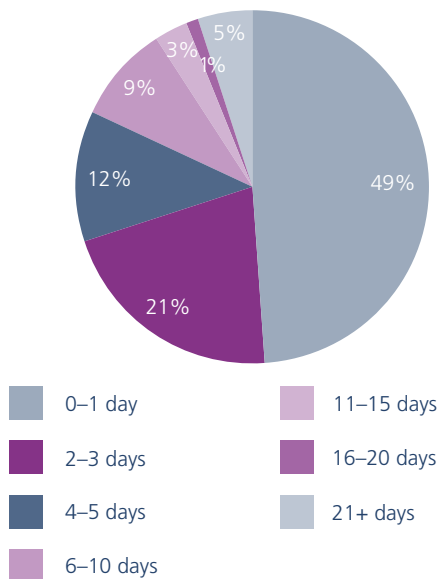
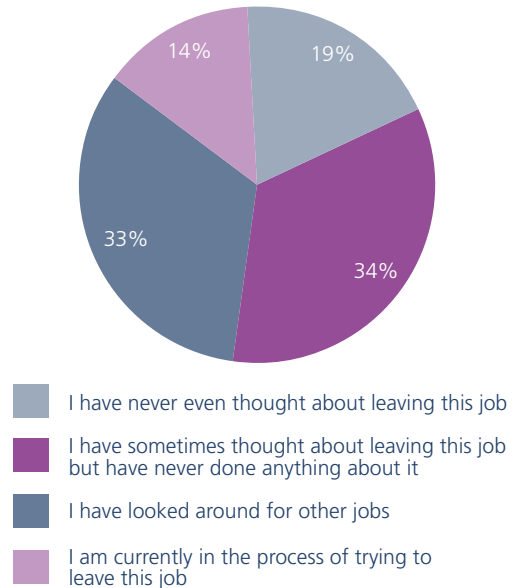


Figure 25: Commitment/intention to leave



Demographic and sector differences

Demographic variables alone are not predictors of levels of engagement or performance. A positive working environment and sound management practice are the key to fostering high levels of engagement and performance for everyone. However, differences have emerged between groups of employees.

Gender

- Women are more engaged with their work than men and more satisfied; they feel more positively about their senior management team and are more loyal.
- Women are more likely to act as organisational advocates than men.
- Women work shorter hours, are happier with their work–life balance, and feel they get more support in this than do men.
- Women experience more bullying and harassment than men.
- Women report higher performance appraisal ratings than men.
- They experience more bullying and harassment than others and feel less supported if they have a problem.
- They are also more likely to say that they are not listened to, are less satisfied with their work, and are more stressed and pressured than others. They feel less control over their work and report being more anxious. They are also more critical of their organisation than others.
- They are less likely to have been rated good or excellent in their performance appraisal, and less likely than employees without a disability to remain in their job.
- Employees with a disability rate their own performance lower than those without a disability and also report higher instances of long periods of sick leave.

Age

- Workers aged 55 and older are more engaged than younger employees and also take less sick leave.
- Employees aged under 35 are the least engaged.
- Workers under 25 have more trust and confidence in their senior management team than older workers.

Disability

- Employees with a disability tend to work a shorter week but tend to be less happy with their work–life balance.

Managers

- Managers work longer hours and tend to take less holiday than other workers. They also feel less happy about their work–life balance but earn more than non-managers.
- Managers feel more positive about communication and involvement and feel they have more support and recognition and are listened to more than non-managers.

- More managers have had an appraisal during the past year than other employees, and are more likely to report they are treated fairly at work.
- However, they are less likely to believe senior managers have a vision.
- Managers find their work more important and more meaningful than non-managers.
- Overall, they are more satisfied with their work, but also report they are more stressed and anxious. They report more loyalty to their organisation than non-managers and are more likely to look forward to coming to work.
- Managers are also significantly more engaged with their work than non-managers.
- Managers report higher performance appraisal ratings than non-managers and rate their own performance more highly. They say they are less likely to leave their organisation than non-managers, and also are more hopeful of promotion.

Workers on flexible contracts

- Those on flexible contracts tend to be more emotionally engaged, more satisfied with their work, more likely to speak positively about their organisation and less likely to quit than those not employed on flexible contracts. However, there are no differences in terms of reported performance.
- Flexible workers tend to feel that they get help from their employer in managing their work–life balance. However, they also have much more positive views about their immediate manager than those not on flexible contracts, and are more loyal to their organisation as well as more likely to act as organisational advocates.

- Employees on flexible contracts are more likely to report that their work is important and meaningful to them than those not on flexible contracts. They feel they are treated more fairly and listened to more than other workers and they are also more likely to take part in discussions about their training and development needs.
- Flexible workers are more likely to stay with their employer and to rate their chances of promotion highly.

Sector

- We found no differences between the public and the private sectors in terms of hours worked; however, public sector workers are more likely to receive some compensation for working extra hours than those in the private sector.
- We would have expected that public sector workers would receive more help from their employer to achieve a good work–life balance, but actually there is no difference.
- Public sector workers report more bullying and harassment than those in the private sector, are less satisfied with the opportunities they have to use their abilities, feel more stressed and pressured and more critical of their organisation than those in the private sector.
- Public sector employees are more likely not to feel their senior managers have a clear vision for the organisation and have less trust and confidence in their senior managers. They are also less likely to believe organisational communication.
- More public sector workers find their work worthwhile and personally meaningful compared with private sector employees.
- Public sector workers rate their own performance lower than private sector employees, and take more sick leave.

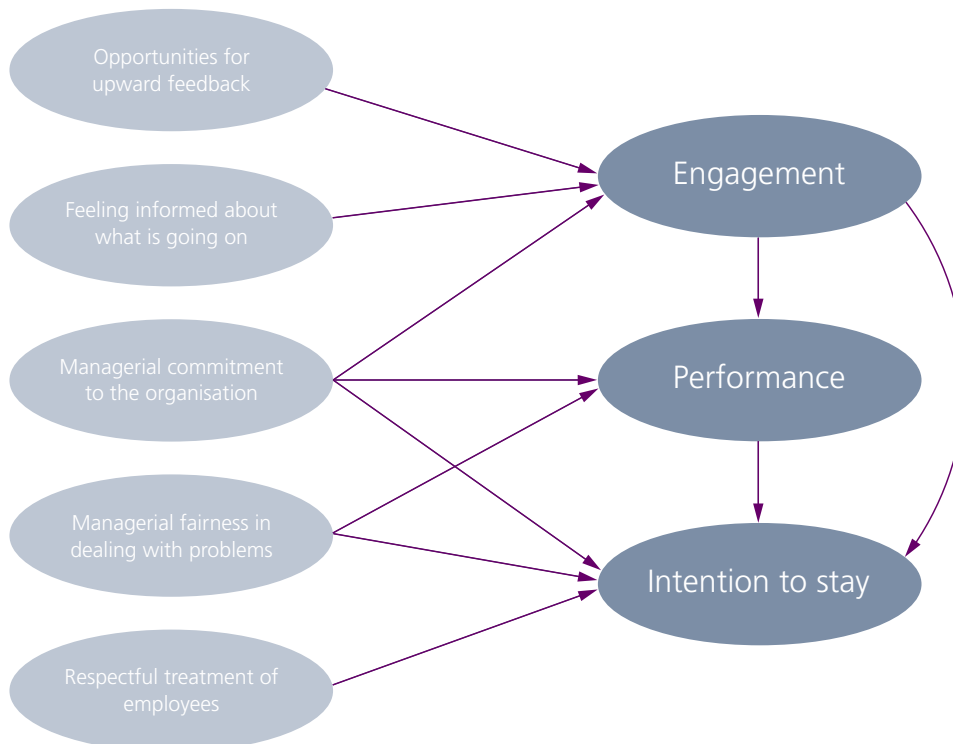
Management implications

Top recommendations for managers

Given the clear association between engagement, job satisfaction, advocacy and performance, there is every incentive for managers to seek to drive up levels of engagement among the workforce. We recommend employers should consider the following:

- Allowing people the opportunity to feed their views and opinions upwards is the single most important driver of engagement.
- Keeping employees informed about what is going on in the organisation is critical.
- Employees need to see that managers are committed to the organisation in order to feel engaged.
- Having fair and just management processes for dealing with problems is important in driving up levels of performance.
- Different groups of employees are influenced by different combinations of factors, and managers need to consider carefully what is most important to their own staff, beyond the more general messages contained in this report.

Figure 26: Engagement, performance and retention



Model of engagement

The model shows the links between managerial behaviour and processes, engagement, performance, and intentions to stay with the organisation. The factors included are those that emerged through regression analysis as being the areas of managerial action most significantly related to engagement levels. However, other aspects of employment, such as job satisfaction, flexibility, age, and job content are also strongly associated with engagement. People's levels of engagement need to be considered holistically within the context of managerial actions, features of the job itself, and individual preferences.

In addition to the general issues around engagement, many other points have emerged through the study as being significant for managers. There is much that employers can do to enhance the working experiences of their staff, as well as improve levels of engagement and performance.

Working life

Working conditions have important effects on levels of engagement, performance and intentions to quit. There is much that managers can do to create a more positive environment where employees can flourish:

- Create opportunities for people to work flexibly, as this will raise levels of engagement, satisfaction and advocacy, and improve retention rates; those with a good work–life balance are more engaged.
- Allow employees a degree of choice in terms of how they manage their work–life balance, as this is important to individual well-being.
- Work–life balance is important for all employees, including those who are often neglected in discussions over this issue, such as men, managers, and those with a disability. Long working hours are detrimental to health, and do not lead to higher levels of performance.
- Dissatisfaction with pay will often lead people to quit; a sound pay policy, including benchmarking surveys, is therefore critical to retention of top performers.

- More important than pay is whether or not the content of the job is meaningful to the individual; this is true for all forms of work. Managers need to give careful thought to how jobs are structured, job content and working environment to create meaningful work for everyone, leading to higher levels of engagement and performance.
- Bullying and harassment are worryingly prevalent in the workplace, causing poor performance, negative psychological states and high intention to quit; there is therefore an urgent need to address the human and systemic failures that may foster a climate where bullying is acceptable.

Management, leadership and communication

- The lack of attention paid by managers to employees' training and development needs is likely to be detrimental to longer-term organisational and individual performance.
- Employees need feedback on their performance on a regular basis if they are to understand what is expected of them and how to improve.
- People need to feel their work counts in order to perform well.
- Consultation and involvement are critical managerial skills that require more development for a substantial proportion of managers; around a fifth of employees were found to be 'uninformed non-communicators', receiving little or no information about what is happening in their organisation, and lacking the opportunity for feeding their views upwards.
- The management of non-managers appears to be weaker than the management of managers, suggesting that management skills among first-line supervisors are in particular need of being strengthened.

- Those on flexible contracts feel much more positive about their line managers than do non-flexible workers, most probably because managers who take the trouble to find ways of helping their staff manage their work–life balance are also those who have better general management skills.
 - A significant minority of people have a very low opinion of their senior managers and perceive them as untrustworthy; this is likely to be related to issues around visibility, communication and involvement in the workplace, and there is an opportunity here for senior management teams to make a real difference to people’s working lives and to organisational performance by strengthening employee involvement practices.
 - A large number also see senior managers as lacking in vision; only around two in five can be described as ‘committed visionaries’, both believing that senior managers have a clear vision and being committed themselves to help achieve these objectives.
 - This suggests that there may be problems of strategy in many organisations and in the communication of strategic vision. It may be more difficult for employees to feel engaged with their work when they do not have a clear understanding of what it is their organisation is trying to achieve.
 - As nearly half of employees feel they are not well informed about what is going on, organisations need to review their internal communications strategies.
 - The relatively high level of distrust in the public sector is worrying, and may well reflect the amount of change that has affected huge swathes of public sector employees in the UK; senior managers in this sector need to give special consideration to rectifying this situation.
- carefully about the person–job fit when selecting staff, and develop creative ways to make work meaningful.
- People who feel positively about their work also tend to feel positively about their organisation and are more engaged. This creates a virtuous circle that managers can foster.
 - Almost a fifth of employees are ‘enchanted–uninvolved’, satisfied with their current job but looking for greater involvement in their organisation. They represent a significant untapped resource.
 - Almost a third of employees are dissatisfied with employee relations in their organisation; this is an area where managers can usefully deploy their skills to bring about improvements.
 - Around three in ten people are dissatisfied with the opportunities they have to use their abilities, suggesting that managers are missing out on the chance to enhance organisational performance and create jobs that people enjoy.
 - Nearly a quarter of people feel their job is very stressful, and nearly half say that they feel under excessive pressure on a frequent basis, which is detrimental to individual and organisational health. Personal appraisals offer managers the opportunity not just to tell employees how they are performing, but to find out how they feel about levels of stress in their job.
 - Over a quarter of employees rarely or never look forward to coming to work. As we spend so much of our lives in the workplace, this finding is quite disturbing. Work can be fun, challenging, stimulating, exciting and rewarding for people in all kinds of occupations, leading to employees actually enjoying being at work, rather than regarding it as a painful necessity.

Attitudes to work

- People take their work very seriously and, for the majority of people, their work is very important to them. Just over half of people are doing jobs that are personally meaningful and they are more engaged than others. Managers need to think
- The high degree of loyalty that people feel not just towards their fellow workers, but also towards their employers, is a cause for optimism. This represents a solid foundation on which to build.

Engagement

- We found that levels of engagement are higher than some other studies have suggested. In this survey, over a third of employees are actively engaged with their work. Positive associations between engagement, advocacy, performance and intention to quit mean that it is in employers' interests to drive up levels of engagement among their workforce.
- Levels of engagement appear to have significant benefits for employees as well, since engagement is positively associated with job satisfaction and experiences of employment. It is therefore in the interests of employees to work for organisations that positively seek to raise levels of engagement.
- Organisations which foster high levels of engagement are more likely to retain high-performing employees.
- The fact that younger employees are more disengaged than their older colleagues suggests that organisations are failing to meet the needs of younger workers. This is a finding that has potentially serious long-term consequences for organisations and for the career development of young people, and is an area that merits further research.
- One in ten employees can be described as 'weak links', likely to be both critical of their organisation as an employer and unlikely to recommend its products and services, while almost two in five are 'champions', scoring positively along both dimensions. This suggests that there is scope for considerable improvement in levels of advocacy in organisations.

Outcomes

- The fact that most people feel they have the skills and knowledge needed to do their jobs is encouraging, and suggests that employers are giving employees the capabilities they need. However, the fact that many do not feel satisfied with the opportunities they are given to use their abilities suggests that some are over qualified for the jobs they are doing currently, or that they are not reaching their full potential.
- The vast majority of employees appear to be performing well, which is also very encouraging; however, only a quarter are satisfied with their chances for promotion, which suggests that today's good performers could become tomorrow's disengaged workers.
- Nearly half of all employees are either looking for another job or are in the process of leaving; this is an extremely high number, and suggests that engaged, as well as disengaged, employees are looking for another job. Pay and job satisfaction are the main reasons. Employers need to look proactively at ways of increasing retention rates.
- The fact that workers aged 55 and older take less sick leave than younger workers runs counter to the popular image of older workers as less reliable. Older workers are also more engaged than younger workers. Given demographic trends and the increasing average age of the workforce, these findings provide encouragement for employers to ensure they foster the enthusiasm, capabilities and dedication of older members of staff.

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