



The Training Foundation



white paper

# Employee Engagement: The Rules of Engagement

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**“...thought-provoking insights...  
well worth considering by employers...”**

*“Employee engagement continues to be at the top of the strategic agenda for UK employers across all sectors. Initiatives that increase the focus on this vital subject are to be welcomed.*

*The Rules of Engagement white paper offers some thought-provoking insights to employers, well worth considering in the light of their current engagement strategies.”*

David Macleod  
author of the 2009 Macleod Report to Government  
on Employee Engagement

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## Executive Summary

Improving employee engagement remains a strategic priority for UK employers. There is proven correlation between engagement and organisational performance.

Gallup surveys report that less than a quarter of UK employees are engaged. This is clearly unsustainable and raises two questions. Do employers really understand what the key drivers of engagement are today? Are they addressing these in their engagement strategies?

The 2009 **Macleod Report** to the UK Government (*Engaging for Success*) referred to employer confusion about what the key drivers are. This white paper seeks to clarify that key issue, the first step towards finding a viable solution. More than 75 'drivers' have been suggested, however, analysis of multiple international research reports by occupational psychologists has identified six as being of major importance and broadly universal. At the same time, remarkable recent discoveries from neuroscience and genetics have upgraded the role of emotions in human decision-making.

Together, these insights suggest that employee engagement can be significantly improved by addressing six key drivers, employees' emotional 'hot spots'. However, and this is the key challenge for employers, doing so will require a fundamental review of the traditional model for managing people in the workplace.

Generally, organisational development has followed a 'rational-brain' paradigm for 100 years. There has been little place for emotions in the Scientific Management model, nor in the behavioural science approach to management. As a result, most engagement strategies being employed are focused on **secondary** issues for employees such as flexible work patterns, or pay and reward systems. This approach underestimates the crucial need to satisfy the six innate emotional drivers as mentioned. Managers play the pivotal role in that. The **primary** issue for employees is the relationship with their immediate manager, accounting for some 80% of decisions to engage or disengage, to 'go-the-extra-mile' or do the bare minimum. Managers' attitudes and behaviours are the key influencers of engagement.

Engagement is a complex matter. However, we believe there are three simple underlying concepts. Given their universal significance, and to use a military analogy, we have termed them the **Rules of Engagement** - employers are in a battle after all!

## Conclusions

- Due to its correlation with organisational performance, **improving employee engagement is a strategic imperative** for UK employers. Engagement levels are unsustainably low.
- Recent discoveries from brain-sciences and genetics, supported by research by occupational psychologists, have identified **six key drivers of engagement**.
- Distilled from the evidence, three **Rules of Engagement** highlight the **pivotal role of line managers** in influencing employee engagement and performance.
- The key issue for employers is to ensure that **managers exhibit attitudes and behaviours** that meet six the key drivers and create an engaging workplace climate.

## Employee engagement is more critical than ever

The recession has caused many employers to make decisions they would otherwise not have made.

Some of these decisions have damaged the trust of the workforce, and weakened the psychological contract that causes people to 'go-the-extra-mile'.

Yet, an engaged workforce is critical for three reasons.

First, there are significant **financial penalties** for employing disengaged people. (*reduced and lower quality outputs, increased costs of sickness absence and attrition etc*)

Second, every organisation is subject to **constant change**. Moving forward with disengaged people is like driving a car with the brakes on – you can make progress, but it's slow, uncomfortable and wearing!

Third, in recent years a new phenomenon is creating anxiety in Boardrooms because it is almost totally dependent on employee engagement. **Customer advocacy** is the new competitive battleground.

### Less than a quarter of employees are engaged

According to the latest Gallup Survey...

24% of employees are engaged

51% of employees are neutral

25% of employees are disengaged

*Disengaged employees impose significant cost; increased sickness absence and attrition, lower productivity etc.*

Engaged employees create engaged customers and in a world where products and services can often be indistinguishable, customer advocacy is now a powerful differentiator.

It is a potent weapon because it cannot be copied or imitated by competitors.

Why are we more trustful of what other customers say about the quality of a product or service than we are about the claims made by the provider?

Because, when a customer originates the opinion, it is essentially selfless - there is no personal gain involved and no ulterior motive.

Customer advocacy gives a truly **authentic** competitive edge but it is only achievable through engaged employees.

## The HR Directors Key Challenges Survey 2010

In January, we carried out a survey of HR Directors across all sectors. We asked them to nominate their top five challenges for 2010, from a list of 14 current issues.

There were 295 responses and three concerns stood out:

**Employee engagement (159)**

**Organisational effectiveness (130)**

**Performance management ( 93)**

*engagement and performance are today's key issues*

## What drives customer advocacy?

Fundamentally, customer advocacy is driven by how the experience makes customers **feel about themselves** which then determines how they feel about the company.

It is no longer sufficient to simply deliver a quality service or product. What makes the difference is how the customer *feels* when they receive it.

Appreciating the significance of this **emotional** component is vital as it focuses attention on the critical human dimension.

**There is a huge clue here to engaging with employees...** it is fundamentally a question of *how the workplace and the job make the individual feel about him/herself!*

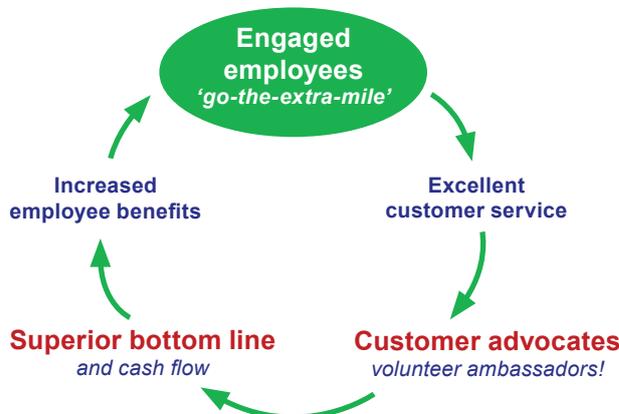
## Two preconditions for customer advocacy

First, the customer must **trust** the supplier's organisation and its products and services as being of reliable quality. Second, however good the product or service itself, it is the **interactions** they experience with customer-facing staff that make the crucial difference.

**Engaged employees create engaged customers**



## The virtuous circle...



*Do they exhibit customer-engagement skills?  
Are they emotionally intelligent?  
Are they motivated to 'go-the-extra-mile'?*

The customer advocacy imperative puts a high value on engaged employees: they truly are an employer's greatest asset. Quite simply, engaged employees create engaged customers, and engaged customers become customer advocates.

On the other hand, *disengaged* employees certainly do not engage the customer emotionally, rather the opposite.

And disaffected customers not only seek an alternative provider, they also tell everyone why they are doing it. They become, not customer *advocates*, but customer *adversaries*. The key question of course is **how do we achieve a highly-engaged workforce?**

That requires employers to observe the **Rules of Engagement!**

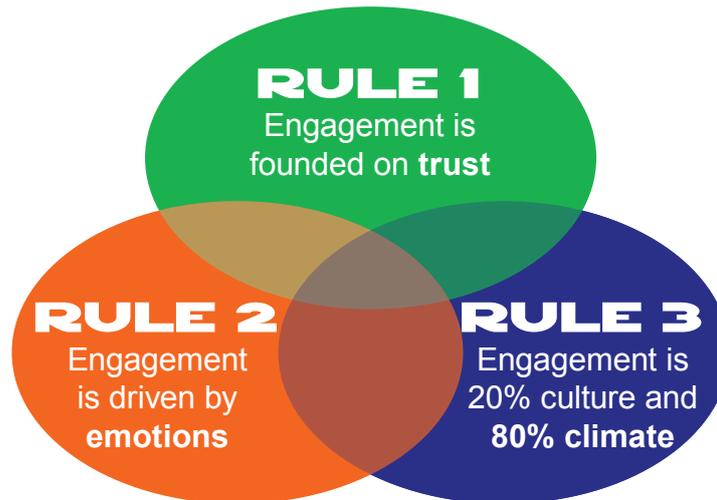
## The Rules of Engagement

The philosophy behind the **Rules of Engagement** is that human beings respond better to leadership than to management and control.

The proposition is that traditional management models, designed for the circumstances of the 20<sup>th</sup> Century, are not enabling employers to meet today's challenges and are contributing to the current crisis in engagement.

### *...the Rules of Engagement*

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A new model, one based on trust and a holistic approach to people, is surely needed if employers are to engage hearts and minds in the 21<sup>st</sup> Century.

The white paper project team brings more than a hundred years of professional experience in management and leadership at all levels, of seeing what works and what doesn't and of helping to develop thousands of managers and leaders.

We have been focused on understanding the engagement conundrum for several years and our research and work with many clients led us to the three Rules.

These fundamental concepts were distilled from more than 30 expert works and research studies. They reflect recent discoveries from the brain-sciences and genetics which shed light on why the traditional management model is not working, why we are seeing unacceptably high levels of disengagement and what can be done to improve the situation.

The Rules succinctly convey how the new insights can be pragmatically applied in the employment context. We suggest that they can be a useful starting point for all employers who face an engagement problem and who are willing to consider a fresh approach.

The **Rules of Engagement** are important because the extent to which organisational culture and workplace climate reflect them has a direct impact on performance.

## **1<sup>st</sup> Rule of Engagement**

### **Engagement is founded on trust**

Employers today must retain and inspire valuable knowledge workers, reduce cynicism and improve morale, and at the same time find ways to get 'more from less'. All of this is only possible in a high-trust culture. Trust builds emotional engagement and stimulates a willingness to invest discretionary effort to support the organisation's vision and values.

However, trust is a 'two-way street' in that it is reciprocal. It is managers who have first-move responsibility: employees will not develop trust in their manager if they do not themselves feel trusted.

From an employee perspective, it is only when we feel trusted that we start to trust in return. As we become more familiar with a manager and see that they mean us no harm and want what's best for us we gradually allow ourselves to be open to them. We share our personal concerns. We will go the extra mile. As long as our own needs are met, our trust increases.

However, if our manager breaks that trust we are less inclined to cooperate and are careful not to share too much information in future. This is highly counter-productive to organisational performance.

Managers who are inclined to be cynical of others' motives, or overly controlling, often find it difficult to fully trust others. This inhibits trust, engagement and performance in return. A vicious circle develops.

### **How we define 'trust'**

***“Trust is the confident expectation that the other person or party will incorporate our interests into their actions.”***

There are many ways of looking at it: we like this definition. At its heart, today's engagement crisis is symptomatic of a wider crisis of trust at all levels of society.

People are currently distrustful of politicians who they see as generally self-serving. They no longer trust what they read in the newspaper or see on the television. Consumers are cynical of claims made by vendors.

It should be hardly surprising, then, if employees lack trust in employers and for many that is the case. In the current recession, closures, lay-offs and short-time working may weaken trust levels further.

From the perspective of an employee facing personal deprivation or hardship, employers can appear **not** to be taking their interests into account when making such decisions. The acceptance that employee trust is vital to engagement and that it has been weakened by recent events is the first step towards rebuilding that trust.

## Employee mistrust is potentially fatal but trust can be rebuilt

In 2006, *Harris Interactive* conducted the Franklin Covey XQ Study, a poll of **23,000** full-time employees within all key industries with an employee engagement questionnaire. This was two years or so *before* the credit crunch and financial meltdown which has made things that much worse. The results were startling; only 1 employee in 5 felt they fully trusted their employer and only 1 in 6 trusted their manager.

The evidence suggests that, since 2006, trust levels have weakened further due to the recession. When trust is lacking in the organisation's vision, values and strategies, the most talented employees, able to jump ship, do so. The organisation is left with a high proportion of structurally committed employees, unable to consider moving to employment elsewhere.

It is impossible to generate high customer advocacy through such a workforce, and as we've said, customer advocacy is the new battleground. These are potentially terminal problems.

### Rebuilding trust

It is possible, if challenging, to turn trust levels around. Many start the rebuilding process with a review of the organisation's **values** with employee participation. Involving employees often results in the human dimensions being given increased focus.



That is not to diminish the importance of operational performance and the bottom line, but it does signal a recognition that profit is *through* people, not *before* people.

Later in this paper we will introduce a model for engagement that would be a useful guide to employers wishing to develop a value-set that builds greater trust with their people.

### Managers are not immune to a lack of trust

The independent market research company, **72 Point**, surveyed 1,091 UK managers in organisations with 1,000 or more staff in March 2007. Only **40%** described their relationship with their team as '*trusting*' and only **27%** described their relationship with their own manager as '*trusting*'. ([www.chapr.co.uk](http://www.chapr.co.uk))

Where managers do not themselves feel trusted, but part of a 'blaming' or high-criticism culture, they may well find it difficult to be trusting of their own people, or to encourage a 'no-blame' climate in their team. It's clear that trust has a cascade effect. It needs to permeate the entire organisation if it is truly to be felt at the employee level. Only then will it lead to high engagement and high performance.

## Trust is a two-way street

When we think of what an engaged employee looks like, the phrase '*goes-the-extra-mile*' springs to mind. Of course, in reality employees are only *obliged* to provide their services in accordance with a formal Contract of Employment. Anything more than what is specified in that written Contract requires their complicity in what is called a 'psychological contract'.

A psychological contract is informal. It is not compulsory. Employers who expect their people to be willing to deliver beyond their contracted terms need to appreciate the reciprocal nature of this informal agreement: engagement cannot be demanded – it must be earned.

The mutuality of this relationship is illustrated by another 'engagement'. When two people announce their intention to marry, what they are signalling is that there's been a meeting of hearts and minds. At that point both of them feel motivated to make the relationship permanent, believing that the other will meet their needs for happiness. If those perceptions are maintained, marriage usually follows.

However, like all human relationships, the couple are essentially entering into a 'psychological contract'.

The longevity of the relationship depends on the needs of both parties continuing to be met by the other.

If over time either one comes to a different conclusion, that the other no longer meets their needs and is not keeping their side of the 'contract', trust weakens and the relationship breaks down.

It is similar in relation to the psychological contract between employer and employee. This 'marriage' is of course seldom permanent as there are no 'jobs for life' any more. Indeed, the average lifespan of any organisation is now less than 30 years, much shorter than an individual's working life, so most of us will have more than one employer during our career.

Even so, the actual length of the relationship will depend on both parties continuing to feel that their needs are being met to an acceptable level, that the psychological contract is being honoured. For the employee, this means the employer continuing to meet their specific needs and the pivotal role in doing that is played by the immediate line manager.

Managers who appreciate the two-way nature of engagement follow Ken Blanchard's advice:

***“If you want to know why your people are not performing well, step up to the mirror and take a peek”***

**Ken Blanchard**  
*The Heart of a Leader*

Regrettably, few managers receive training in how to fully engage the hearts and minds of their people.

Generally, employers have overlooked the second **Rule of Engagement...**

## 2<sup>nd</sup> Rule of Engagement

### Engagement is driven by emotions

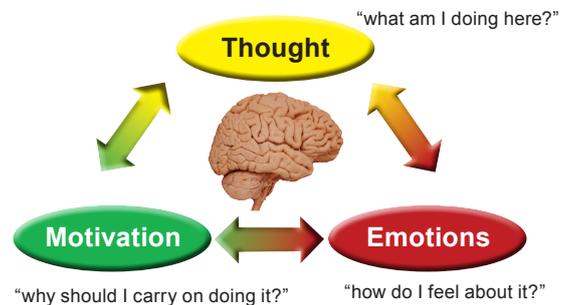
It was long thought that emotions should be kept out of organisational life, which ought to be focused purely on objective, logical decision-making. As a result, emotions were taboo in organisations for decades: the rational-brain model had no place for them and the behavioural scientists disliked their unpredictability. Three distinct lines of research have now shown that approach to be wrong.

### Discoveries from neuroscience

**First**, in recent years the invention of the fMRI scanner has enabled **neuroscience** to start unlocking the secrets of the human brain. Astounding discoveries about the workings of the mind are being made which do much to explain why employee engagement is such a problem.

In essence, the traditional management model is designed to reach only a part of the brain, the rational, logical part, and this means that people are at best only partially engaged. The mind has three 'virtual subsystems', *cognition*, *emotion* and *motivation*, and all three need to be taken into account for high-level engagement.

Perhaps the most important discovery of recent neuroscience is that **emotions are far more significant** to human behaviour than previously thought. Emotions are integrally involved in every decision: the mind's emotional brain often makes decisions *before* our rational brain knows anything about it!



### Discoveries from genetics

**Second**, the science of **genetics** has shed light on human behaviour. It was previously thought that humans start with a blank slate in terms of emotions. Not so.

It now seems the case that we actually all start with half-complete emotional and motivational templates, and these are either strengthened or weakened by our early-years' experiences.

The remarkable work of Joe Griffin and Ivan Tyrrell (*'Human Givens'*) has shown that human DNA is endowed with physical and emotional needs *at the point of conception*.

### *The human givens offer the key to engagement - employers simply need to satisfy them!*

Physical needs	Emotional & Motivational needs
Shelter	<b>Security.</b> To care & be cared for. To give and receive attention.
Air	
Water	<b>Emotional connection to others.</b> To be part of, and valued by, a wider community.
Food	
Sleep	<b>Self-direction; autonomy.</b> Competence & achievement.
Sex	
Exercise	<b>Meaning &amp; purpose.</b>

*Humans Givens*  
Griffin and Tyrrell

These needs are *innate* and *universal* - they transcend time and culture. It explains why we seek fulfilment of these 'human givens' from our environment, from the cradle to the grave.

In the employment context, it means that although a person's motivation is *intrinsic* ie self-driven, it can be either *stimulated* or *suppressed* by their environment. If the atmosphere in the workplace engages with a worker's innate motivators, engagement is reciprocated and personal application increases.

The 'human givens' hypothesis has been recently supported by scientists at Yale University, who have shown that babies at just six months of age have an understanding of right and wrong.

***“A growing body of evidence suggests that humans do have a rudimentary moral sense from the very start of life. With the help of well-designed experiments, you can see glimmers of moral thought, moral judgment and moral feeling even in the first year of life. Some sense of good and evil seems to be bred in the bone.”***

**Professor Paul Bloom,**  
Yale University, May 2010.

## Findings from occupational psychology research

The **third** line of research is the domain of **occupational psychology**.

In the last decade, numerous organisations - for example the Institute for Employment Studies (IES), the Gallup Organisation and Towers Perrin - have been conducting substantial international projects.

In the UK, the IES surveyed 14,000 NHS employees to understand what factors determined their engagement.

In view of the *human givens* it should not surprise us to learn that all these studies can be shown to broadly correlate - there appear to be **Six Key Drivers of Engagement**.

These are shown in the panel; the reader will see the close correlation of these with the *human givens* identified by Griffin and Tyrell. Note that these drivers are all *feelings* – decisions to engage or not are made by our **emotional brain**, not the rational brain.

It is, however, worthy of mention that although all of us do generally value each driver, we have an *individually distinctive view* of their relative importance. For example, NHS Consultants were shown to value the 'personal growth' driver more than other groups of employees, and 'fairness' was valued more highly by those from ethnic minority groups. There may only be *Six Key Drivers* – but ranking them in order of personal importance involves 720 possible permutations!

## Six engagement drivers appear to be **universal**

- 1 “A sense that I am valued as a person and appreciated for my contribution”
- 2 “A sense of honesty and fairness in the way I and my colleagues are treated”
- 3 “A sense of openness, where I feel tuned in to what's going on and listened to”
- 4 “A sense of being involved in decisions, having some autonomy in how I do my job”
- 5 “A sense that I am personally growing and developing my knowledge and skills”
- 6 “A sense that the organisation is engaged in something worthwhile and 'does what is right'”

## What the new insights into human emotions mean for employers

These three independent lines of research have transformed our understanding about the significance of human emotions to workplace performance. It means that the **atmosphere of the workplace**, the ‘emotional centre’ as it were, should now be the most important focus area for engagement specialists.

Simply rolling out a cross-organisation ‘engagement initiative’ is unlikely to have as much overall impact on engagement as previously imagined.

Daniel Goleman popularised emotional intelligence (EI) in the 1990’s. His research proved a direct correlation between EI and success at senior levels of management.

However, what the recent discoveries are showing is that **all** people-managers and supervisors need to develop their abilities to engage with people at an emotional level.

### **The CHOICE mental model reflects the six key drivers and the human givens**

The six key drivers from the research	Human Givens - our innate needs	CHOICE core values
feeling valued	to care and be cared for	<b>C</b> aring for people
feeling fairly treated	emotional connection to others	<b>H</b> onesty & fairness
feeling of being ‘in the know’ and listened to	giving & receiving attention	<b>O</b> pen communication
sense of involvement	self-direction, autonomy	<b>I</b> nvolving people
sense of personal growth & development	competence and achievement	<b>C</b> oaching & assisting
belief in the employer’s honesty and purpose	meaning and purpose	<b>E</b> thical practice

This should lead employers to re-evaluate their management selection process, incorporating EI alongside the required technical competence. Clearly, it is better to select as managers people with developed emotional intelligence. However, every organisation has a legacy management structure in place, so the good news here is that emotional intelligence (unlike IQ) can be learned. Management development programmes that deliver EI competence will generate an excellent return on investment.

To assist employers and managers to be better-equipped to engage with their people, we developed the **CHOICE** mental model in 2008. As may be readily seen, **CHOICE** is closely aligned with both the *human givens* and the *six key drivers of engagement*.

## The underpinning Principle on which all ‘engagement’ rests

Laws and rules change with the times. Principles do not. There’s a fundamental principle about engagement – whether it’s employee engagement, customer engagement or two people pledging their affections – and it is this:

***engagement correlates with how the relationship makes us feel about ourselves***

Organisational cultures that make people feel good about themselves are engaging. Managers who treat people in line with **CHOICE** principles, making people feel good about themselves, are engaging. That is really the top and bottom of it all.

## New insights mean change for managers

Our new understanding of how people perform best and the changing nature of a knowledge-based workforce will lead to redefinition of the 'manager' role. It will become more a *facilitator* than a *controller*.

The successful manager of the future will need to be able to engage emotionally with team members, developing an empathic understanding of each one in order to facilitate their optimal performance. This means redefining managers' job specifications to enable more of their time to be spent with their people and less on functional tasks.

It also means that managers will need to demonstrate people-skills, acquired either naturally or through training. For example, the ability and willingness to 'involve' people more (see the **CHOICE** model below) and 'micro-manage' them less will be essential to improving engagement and performance.

*“Virtually everything we do now has to be seen through the lens of what we’ve learned about the mind. When it comes to how we approach business, we need to rethink everything we thought we knew about management.*

*This is about the need for a fundamentally different paradigm to drive the way we think and act.”*

**Charles Jacobs**  
*Management Rewired*

## **CHOICE** is a model to improve employee engagement

The **CHOICE** model is aligned with new insights from neuroscience, genetics and occupational psychology and is at the heart of the *Employers of Choice* initiative ([www.employers-of-choice.org](http://www.employers-of-choice.org)). It is recommended as an organisational value-set or to support existing values.

We also know from experience that **CHOICE** is an effective mental model for managers. It can make a real difference to their attitudes and behaviours and often leads to a more trusting workplace climate.

**Caring for people**, by showing they are valued and appreciated, engages their hearts and minds

**Honesty and fairness** in everyday management practice, earns trust and respect

**Open communication** builds rapport and makes for positive and productive relationships

**Involving people** in work-related decisions strengthens their commitment to make things happen

**Coaching and assisting** people to achieve their objectives is a win/win strategy

**Ethical practice**, 'doing what's right', reinforces belief in our organisation for everyone

The **CHOICE** model, with adjusted wording to suit, can be beneficially applied at all levels: organisation, team and individual. To appreciate its value, we need to consider the third *Rule of Engagement*...

### **3<sup>rd</sup> Rule of Engagement**

## **Engagement is 20% culture, 80% climate**

It should be clear by now that many employers have been focused on the wrong priorities with their engagement strategies. It is not that employees are *not* concerned about the organisational culture. Things like organisational values, pay and reward systems, flexible working arrangements and charismatic leaders **are** important.

However, the evidence is overwhelming that employees are **more** concerned about something that is typically overlooked or taken for granted: the **atmosphere in the workplace**.

### **It's what happens on a day-to-day basis that really counts**

To employees, **climate** is more important than **culture**: it is primarily what happens to people in the workplace on a day-to-day basis that can either stimulate increased engagement or turn engagement into disengagement.

Since supervisors and line managers have considerable influence over the workplace environment, it is logical that their attitudes and behaviours affect others' engagement.

Indeed, the research indicates that the employee/ immediate manager relationship accounts for around **80%** of the decision to stay or leave, to work at the minimum or invest discretionary effort – in short, to engage or disengage.

*This is so important it bears repetition:*

**Around 80% of an employee's decision to engage or disengage is dependent on the relationship with their immediate manager.**

***"It is better to work for a great manager in an old-fashioned company than for a terrible manager in a company offering an enlightened, employee-focused culture.***

***People join companies. They leave managers."***

**Marcus Buckingham**  
*first break all the rules*

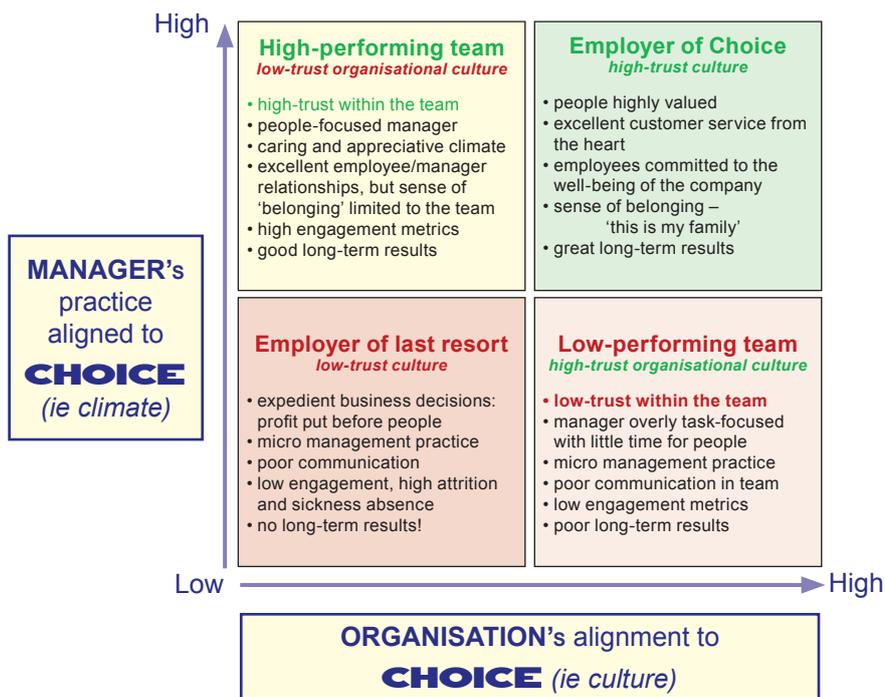
**IFF Research carried out a survey of 427 UK workers in February 2010**  
*(published in Personnel Today)*

For each of 11 key factors they asked:

***'how important is this to you at work?'***

The numbers saying 'very important' were;

<b><i>Atmosphere in the workplace</i></b>	<b>85%</b>
<b><i>Pay &amp; reward</i></b>	<b>55%</b>
<b><i>Flexible working</i></b>	<b>38%</b>



## What if culture and climate are at variance?

The interplay between *culture* and *climate* is illustrated in the Boston grid.

Even in a generally low-trust organisational culture, a great manager can create a pocket of excellence, a highly-engaged, high-performance team (*top left quadrant*).

Conversely, a poor manager can negate all the benefits of a high-trust organisational culture and hence create a low-trust, poor performance team (*bottom right quadrant*).

The grid highlights two principles of employee engagement...

## Engagement is influenced on a top-down basis...

Managers carry the responsibility to model high engagement for their people: engagement flows down an organisation, or it doesn't flow at all.

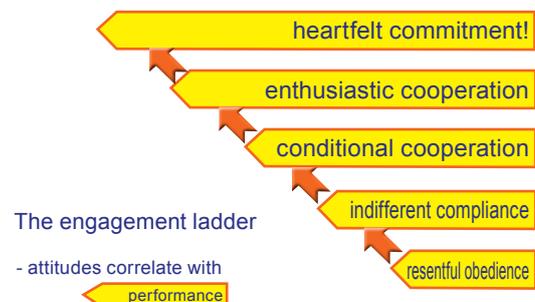
The 'top team' of any enterprise has a major role to play in shaping and exemplifying its cultural values. Where senior managers 'walk the talk' and set an example of high engagement and commitment, this becomes a norm that cascades down the organisation. However, by virtue of their day-to-day contact with their people, it is line managers who are in the pivotal position. They carry enormous influence through the example they set - for better or worse.

## ...and engagement is always on the move!

Because the employee/manager relationship is fluid, it is affected by every single interaction between them. An individual's engagement level is therefore not static, it is virtually always on the move, either up or down.

Most people start a job in an engaged frame of mind. It is often what they encounter in the workplace that influences them to become disengaged. If declining motivation is arrested quickly, it can be prevented from deteriorating to a point of no return.

Managers can play a key role here but it requires them to keep mindful of individual engagement levels. To help them do that, we developed the '*Engagement ladder*' as a mental model for daily use!



## Why employers are failing to address the central issue

We have seen that, to employees, the atmosphere in the workplace is the critical factor to their personal engagement. We would therefore expect that a focus on improving this key area would be at the heart of employers' efforts to increase engagement levels. It is not. Surprisingly, it often goes virtually unaddressed, either because it is unnoticed or because it is noticed but ignored.

This is an important issue and worthy of reflection by HR professionals in all organisations.

### It is often unnoticed...

Of course, what goes on at team level is often invisible to senior management. Yet there are clues. Departmental attrition, sickness absence, disciplinary procedures and employee complaints can all be suggestive of problems. The best guide ought to be employee opinion surveys (where these are carried out) however often these are not as helpful as they could be. The fundamental issue - line manager influence - can go largely unnoticed. Some of the reasons for this can be:

- too many questions, or failing to ask the right questions
- insufficient opportunity for employees to express themselves or weight the issues that are important to them
- people lack sufficient confidence in the organisational culture to be completely honest
- disengaged employees lack the motivation to give accurate and complete responses
- results are not analysed at individual manager level

These comments should not be taken as dismissive of the concept: we are entirely in favour of involving employees in the workplace and that includes soliciting their feedback. However, it may well be that doing this in the *wrong* way is actually less helpful than *not doing it at all*. It can take employers down a completely wrong track and obscure the key issue: line manager influence over the atmosphere in the workplace.

By way of example, one UK 'best employer' competition\* solicits applicants' employees' feedback on some 65 or so criteria to determine 'engagement levels' and an overall rating is given. Yet, only a few scored questions relate to the immediate manager relationship.

Such surveys can miss the real point and produce skewed results – it is not that other things are *unimportant* – it is just that the immediate manager relationship is much *more* important!

\*Our view is that a 'best employer' competition is an unhelpful concept. Alternatively, the **Employers of Choice** initiative is not a competition, it is freely accessible to every employer. [www.employers-of-choice.org](http://www.employers-of-choice.org)

### ...or it is noticed but put in the 'too hard to fix' tray

To understand the reason for this requires a short look back at the history of management. The model used for organisational development for around 100 years is derived from the concept of '**Scientific Management**' developed by Frederick Winslow Taylor at the turn of the 19<sup>th</sup> Century.

Taylorism, as it came to be known, pre-supposed that people behave in entirely objective, logical and predictable ways. Functional or technical knowledge and skill were paramount and people were seen only as rational, logical creatures. To Taylor, the employee's 'mind' was of no consequence.

In an age of assembly-line mass production, it seemed to make sense. Capital was the scarce resource, not labour. Giving people repetitive, mundane tasks to perform with no mental involvement increased productivity, but it had a side-effect. Workers naturally resisted the boredom it created and sustaining performance required close supervision and control. It led to the development of the behavioural science movement in organisational development.

To Taylor, it was the rational brain only that was recognised: *emotions* were not controllable, were not recognised as valid and were to be avoided. Taylorism's legacy message for managers may be summarised as follows:

***'Tell people what to do and how to do it.  
Closely supervise them to ensure they perform.  
Give feedback on their performance.  
Reward or punish accordingly.'***

It is self-evident that, in today's knowledge economy, people can no longer be effectively managed to the outdated paradigm of the Taylor legacy.

Most workers have specialist roles; the manager simply cannot ***'tell them what to do and how to do it!'*** Moreover, such a management style does not engage hearts and minds. It does not sit well with how the human mind works, nor does it bring out the best in people.

Despite this, for many managers Taylorism lives on, mainly in organisations that pay homage to the god of short-term results. If managers are judged and rewarded on the basis of short-term results their attitudes and behaviours will tend to match accordingly. The problems this creates, in terms of employee disengagement and performance drop-off, are often felt when they have long moved on - promoted up the corporate ladder somewhere and sowing the seeds for similar problems elsewhere.

One legacy of Taylorism is that, in many organisations, the sole criterion for a management role is technical competence and knowledge. This is frequently counter-productive.

For example, a good track record as a sales executive is usually the key qualifier for a promotion to a sales management position. Yet some of the very qualities that make a good salesperson (ego drive, single-mindedness) are diametrically opposed to the qualities needed to be a good manager. In the short-term, the manager's high-driving approach seems to get better results, but over time the team sees engagement and performance drop off. Some may leave. The manager may get frustrated and also leave, perhaps returning to a front-line sales job elsewhere. Selecting a manager with a good track record *and* people-skills would clearly be better for all concerned.

HR professionals are aware of these issues, they realise that managers who lack people-skills create problems for them. But in a short-term culture, as long as things are going well enough and as long as today's performance is broadly in line with expectation, it may be 'too hard to fix.'

Today, however, things are not going well for most employers. It is no longer viable to be persisting with an ineffective management model. Managers need engagement skills.

**A paradigm shift is needed.**

## Summary

The proven correlation between employee engagement and organisational performance makes improving engagement a high priority for UK employers. Most are not doing well with current strategies. They are not addressing the key drivers of engagement.

Research by occupational psychologists has identified **six key drivers of engagement**, universally applicable to today's workforce. These are emotional in nature rather than rational and are reflected in the **CHOICE** mental model. The importance of the emotional dimension has been supported by discoveries from neuroscientists and geneticists in human motivation and behaviour.

The prevalent management paradigm, derived from Taylorism, is now outdated but still in widespread use. As a result, most engagement strategies being used by employers are focused on *secondary* issues for employees such as flexible work patterns, or pay and reward systems. This underestimates the *biggest* engagement factor: the atmosphere in the workplace as largely defined by managers. The employee/manager relationship accounts for some 80% of employees' decisions to engage or disengage.

Because this fact is not generally fully appreciated, employers are not taking measures to address it. Fewer than 20% of managers have received awareness and skills training in three critical aspects of engagement, which we have termed the three **Rules of Engagement**.

The underpinning evidence for the **Rules** has been derived from distinct but coinciding lines of research; genetics, neuroscience and occupational psychology. The extent to which the **Rules** are observed, and the **six key drivers of engagement** are satisfied, determines engagement.

## Conclusions

- Due to its correlation with organisational performance, **improving employee engagement is a strategic imperative** for UK employers. Engagement levels are unsustainably low.
- Recent discoveries from brain-sciences and genetics, supported by research by occupational psychologists, have identified **six key drivers of engagement**.
- Distilled from the evidence, three **Rules of Engagement** highlight the **pivotal role of line managers** in influencing employee engagement and performance.
- The key issue for employers is to ensure that **managers exhibit attitudes and behaviours** that meet six the key drivers and create an engaging workplace climate.

## **'Engaging for Success'** **1-day workshop for employers seeking to improve employee engagement**

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### **Who is it for?**

*The workshop is designed for senior management teams who are aware of the need to improve employee engagement but who are unclear as to how it can best be achieved*

For many, solving the engagement problem is like Hampton Court maze - there are countless routes that seem worth a try but all seem to go nowhere! Following extensive research into recent findings from occupational psychology, neuroscience and genetics, we have identified the key to the engagement conundrum. It requires a willingness to consider a new approach and that is the focus of the workshop.

Adjusting an organisation's culture is difficult and no attempt to do so can succeed without the genuine and visible support of senior management. Managers need to understand how a changed approach would benefit the organisation so that is the principal objective of the **Engaging for Success** workshop. We recommend that representatives from senior management, human resources and operational units will benefit from attendance.

The heart of the workshop is the **CHOICE** model. If you have not yet defined your core values, then **CHOICE** would be an excellent model in its own right. Where your values are already embedded, you should find that the six principles will generally support them. Understanding the linkages between **CHOICE** and current HR policy and management practice is essential, so we ask that a short background questionnaire be completed before the event. It ensures that the workshop is as relevant as possible.

The workshop agenda is flexible, designed to cover the following:

- Review of the findings of the **Macleod Report** to Government
- Background to the development of the **CHOICE** programme
- Discussion around the six **CHOICE** core values
- Understanding how **CHOICE** would complement current HR policy and management practice
- Introduction to the **IDEAL** online questionnaire for managers (access for all managers is included in the workshop fee – see [www.employers-of-choice.org](http://www.employers-of-choice.org) for details)
- Introduction to the **EMPLOYERS OF CHOICE** service

**Workshop fee** £1,500 plus VAT

The fee includes access to the **IDEAL** online questionnaire for managers

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*“**CHOICE** is an excellent, very real and appropriate set of principles. Adopting it throughout the Company will create greater engagement leading to higher levels of employee satisfaction and performance improvement.”*

Steve Marsh  
HR Manager  
Aviation Training International



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