



**Employee Engagement:  
The psychology behind  
individual behaviours**

**sodexo**  
QUALITY OF LIFE SERVICES

## WHY IS EMPLOYEE ENGAGEMENT IMPORTANT?

An organisation that engages its employees will be more successful and profitable than one that does not.

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An organisation that engages its employees will be more successful and profitable than one that does not. Organisations of today need employees who are psychologically connected to their work, especially in an economy of service and information industries.

Research that has shown that engagement is related to bottom line outcomes such as job performance<sup>1</sup> client satisfaction<sup>2</sup> and improved financial returns<sup>3</sup> which has focussed the attention of many organisations on how they go about fostering employee engagement.

Engagement is not the same as motivation. Engagement is when employees are experiencing job satisfaction from a shared understanding of organisational goals that results in enhanced productivity or service levels. Motivation sits on a solid foundation of engagement. It is about firing up employees to achieve specific goals such as sales targets or service levels and then rewarding them appropriately for this achievement. This whitepaper will help HR and business managers get to grips with employee engagement – what does it look like and how do you create it?

## CREATING THE RIGHT WORK ENVIRONMENT

Employee engagement is not a tick box exercise. It demands a holistic approach to create the conditions that foster engagement. In some cases, that may mean driving a sea change in corporate culture. In an ideal world employees should be presented with a balance between the demands made of them and the resources they can access to meet those demands. Resources may be physical, such as having a laptop for mobile working, but just as often resources may be social or even emotional, in the form of support from colleagues and management. This type of support may look like a 'nice to have' but actually organisations derive much of their performance from it.

It is vital to recognise that support is an important job resource. It need not cost much, but without it employees are unlikely to fully engage with their roles and may suffer from work overload or negative emotional demands, often resulting in stress or even resignation.

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1. Bakker & Bal, 2010; Halbesleben & Wheeler 2008

2. Salanova, Agut, & Peiro, 2005

3. Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2009b

Employees demonstrate the best job performance in challenging, yet resourceful work environments.

*A global study carried out by Towers Perrin-ISR<sup>4</sup> compared the financial performance of organisations with a more engaged workforce to their peers with a less engaged workforce over a period of 12 months. The study found that those companies with a highly engaged workforce improved operating income by 19.2% over 12 months, while those companies with low engagement scores saw operating income decline by 32.75% over the same period.*

Organisations need to structure roles and responsibilities to allow for colleagues supporting each other. It is important to create time for managers to carry out performance management properly, incorporating recognition and reward, and to provide training and development.

This must become a continual process to hold integrity and achieve buy in that the employer is 'serious' about engagement, and not just providing lip service.

Just as importantly, engagement cannot be imposed on employees. There needs to be commitment to employee engagement at a senior level, and organisations need to recognise that managers that provide support also need to be supported themselves.

Achieving engagement can have a dramatic motivational effect, resulting in low levels of cynicism and excellent performance. Employees demonstrate the best job performance in challenging, yet resourceful work environments. With engagement, a high workload can in fact be a positive motivator rather than a negative issue.



4. Towers Perrin-ISR (2006) The ISR Employee Engagement Report



## MEASUREMENT

Engagement is not as tangible as other outcomes that have more concrete KPIs. However, there are clear indicators of high and low engagement.

### A highly engaged employee:

Vigour,  
dedication,  
& absorption.



The UWES (Utrecht work engagement) scale<sup>5</sup> is the most often used scientifically derived measure in the academic study of engagement. UWES covers three engagement dimensions – vigour, dedication, and absorption. There are also commercial tools for measuring employee engagement, such as the 3Ease survey tools or the ISA engagement scale<sup>6</sup>, which assumes that engagement has intellectual, social and ‘affective’ aspects.

Low engagement can be seen through factors such as high absenteeism and staff turnover, as well as poor staff satisfaction levels as expressed in anonymous qualitative surveys. A Gallup poll<sup>7</sup> found that engagement levels could be predictors of sickness absence, with more highly engaged employees taking an average of 2.7 days per year off sick, compared with disengaged employees taking an average of 6.2 days per year.

<sup>5</sup> Schaufeli & Bakker, 2010; Schaufeli et al., 2002

<sup>6</sup> Soane, E., Truss, C., Alfes, K., Shantz, A., Rees, C. and Gatenby, M. (2012 – in press) ‘Development and Application of a New Measure of Employee Engagement: The ISA Engagement Scale’ - Human Resource Development International.

<sup>7</sup> Gallup, 2003, cited in Melcrum (2005), Employee Engagement: How to Build A High Performance Workforce

## ADDRESSING INDIVIDUAL NEEDS

How is growth perceived within the organisation?

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Fostering the right environment for an engaged workforce is a vital first step. Beyond that it is important to recognise that engagement can be very personal to the individual. The process needs to start by identifying some common profiles of employees that demonstrate engagement behaviour. Then HR staff will have a better understanding what an “engaged employee” looks like and organisations are in a much better position to consider how they can go about replicating these behaviours and developing positive attitudes towards engagement.

Psychologists (e.g. Azjen) believe that people’s attitudes and beliefs influence how they intend to behave. This will therefore also be true for engagement behaviour. However there are other influences on how people actually behave. Senior managers will therefore need to investigate:

### **What is the likely perceived outcome of demonstrating engagement behaviour (such as proactively solving customer queries)?**

If an employee decides to “go the extra mile” to solve a customer query, what is the likely outcome for the individual concerned? There may be a range of responses such as praise and recognition from a line manager or improved earnings to ultimately increased sales and profitability at an organisational level. On the other hand, there may be no individual recognition or even criticism if the individual is not seen as resolving the query quickly and efficiently. Therefore the likely outcome of “going the extra mile” will affect the employee’s attitude towards doing it. Interestingly a Towers Perrin study found that broadly three-quarters of highly engaged employees believe they can impact costs, quality and customer service where in contrast only 25% of the disengaged believe they can.

### **What is the contribution of the organisation’s culture to the employee’s beliefs?**

A second influence on behaviour relates to the opinions and performance norms of those around you. In the case of our example of “going the extra mile”, if other workers are indifferent or cynical about the task then it is likely that an individual employee may adopt these beliefs and expectations around what is acceptable behaviour. Work team, department or organisational culture are powerful in influencing the individual that certain behaviours are what are expected, the norm so to speak. Leading by example and clarity of expectation are therefore important influences in developing engagement behaviour

### **How confident is the employee in their ability to perform the required behaviour?**

Consider how to develop staff so that they feel resourced and have confidence in their competence to carry out the tasks they are asked to complete. Do some people get promoted without the proper support to build their skills base? What autonomy does the individual really have to make decisions? What support will they be given to test theories? How is growth perceived within the organisation?



## TAKING ACTION

Walk the talk  
& truly understand  
and believe  
in the benefits  
of creating an  
engagement culture.

A good starting point is to identify and include engagement behaviours in the corporate competency framework. Consider psychometric testing to assess behaviours. Organisations that are ahead of the game are working hard to define engagement competencies. A good start point is to look at the existing competency framework and identify the behavioural indicators that help to define the organisation's expectations of what engaged employees look like. For example, if 'Maintaining a Customer Focus' is one of the organisation's core competencies, this will be identified by a number of key behaviours which can be observed. These might be:

- i) Maintains consistent and frequent contact with internal and external customers
- ii) Meets customer expectations
- iii) Ensures that all activities are focused on better serving the customer
- iv) Continually gathers and analyses information relating to customer needs and preferences

Consistent observation of items (iii) and (iv) might indicate an engaged employee in the context of this job role and organisation. In essence, there are four key areas where HR and leadership teams can help boost employee engagement:

**1. Take a close look at your leadership:** Having leaders understand their roles and responsibilities is a priority in setting the tone of the culture of the organisation. There needs to be a top down articulation of the importance of engagement, where leaders walk the talk and truly understand and believe in the benefits of creating an engagement culture. The Corporate Leadership Council has said that engaged organisations grew profits as much as three times faster than their competitors<sup>8</sup>.

**2. Review your recruitment strategy:** Plan to recruit people with a higher propensity to be engaged. Most recruitment involves person specifications so if particular behaviour predicts future engaged behaviour, look for examples of that by asking people about how they have reacted to particular situations in the past. Once you have identified a set of beliefs that might underpin engagement it is possible to use psychometric testing as part of recruitment.

**3. Ensure your staff have the right core skills through training and development:** The right training and development is vital so that employees feel competent in their ability to do their jobs and do not disengage as a result of stress or to distance themselves from apparently unachievable objectives.

**4. Performance management and continual motivation is essential:** Engagement can be seen as an outcome from behaviour and rewarding desired behaviours can reinforce the goals of an organisation. Effective performance management is not done well in many organisations. It is essential that, as a starting point, managers carry out basic performance management with employees – setting objectives, appraising progress, rewarding people for doing well and supporting people who need it.

<sup>8</sup> Corporate Leadership Council /Corporate Executive Board (2008). 'Improving Employee Performance in the Economic Downturn'



## CONCLUSION

It is also about identifying where there is high engagement and capitalising on that.

Organisations that have ensured employee engagement is a top priority will be more successful than those that have not. The evidence will be clear to see on the bottom line. But employee engagement is not just about hitting sales and service nirvana in a thriving enterprise.

When the going gets tough and the company faces sometimes unpleasant change such as the need to introduce a pay freeze or reduce staff headcount, engaged staff will be better resourced to approach change positively. Fully engaged with a company that they believe has their interests at heart, employee fear of change will be reduced.

This is not just about identifying and addressing poor engagement; it is also about identifying where there is high engagement and capitalising on that. There is significant association and influence between employee engagement and innovation – as well as a strong correlation between highly engaged staff and client satisfaction. It is clear that an organisation founded on an engaged workforce is in a great position to go from strength to strength.

### Five top tips for creating employee engagement in your work environment

1. Include engagement behaviours in the corporate competency framework
2. Take a top down approach and get high-level buy in to the goal of creating an engaged workforce
3. Develop profiles describing what attributes engaged employees will display in your organisation, so that everyone knows what engagement looks like
4. Incorporate attributes predicting employee engagement into person specifications used for recruitment
5. Make time for performance management supported by reward and recognition in order to achieve and maintain engagement

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## ABOUT SODEXO

Engagement encourages employees to buy-in to the goals, ambitions and corporate ethos of an organisation in a way that will inspire them to drive the business forward proactively and generate success.

Sodexo's dedicated motivation division helps organisations to engage their workforce through **award winning recognition schemes** and branded **incentive schemes** which improve performance and talent retention and, unlike cash incentives, provide detailed reporting to demonstrate return on investment.

Headquartered in Milton Keynes, the company is part of Sodexo, which employs over 500 people from a wide range of specialist and vertical sector backgrounds.

For further information please visit [www.staffmotivationmatters.co.uk](http://www.staffmotivationmatters.co.uk).

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1 Bakker & Bal, 2010; Halbesleben & Wheeler 2008

2 Salanova, Agut, & Peiro, 2005

3 Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2009b

4 Towers Perrin-ISR (2006) The ISR Employee Engagement Report

5 Schaufeli & Bakker, 2010; Schaufeli et al., 2002

6 Soane, E., Truss, C., Alfes, K., Shantz, A., Rees, C. and Gatenby, M. (2012 – in press) [Development and Evaluation of a New Measure of Employee Engagement: The 20-Item Engagement Scale](#) - Human Resource Development International.

7 Gallup, 2003, cited in Melcrum (2005), Employee Engagement: How to Build A High Performance Workforce

8 Corporate Leadership Council /Corporate Executive Board (2008), 'Improving Employee Performance in the Economic Downturn'