

The State of Engagement™



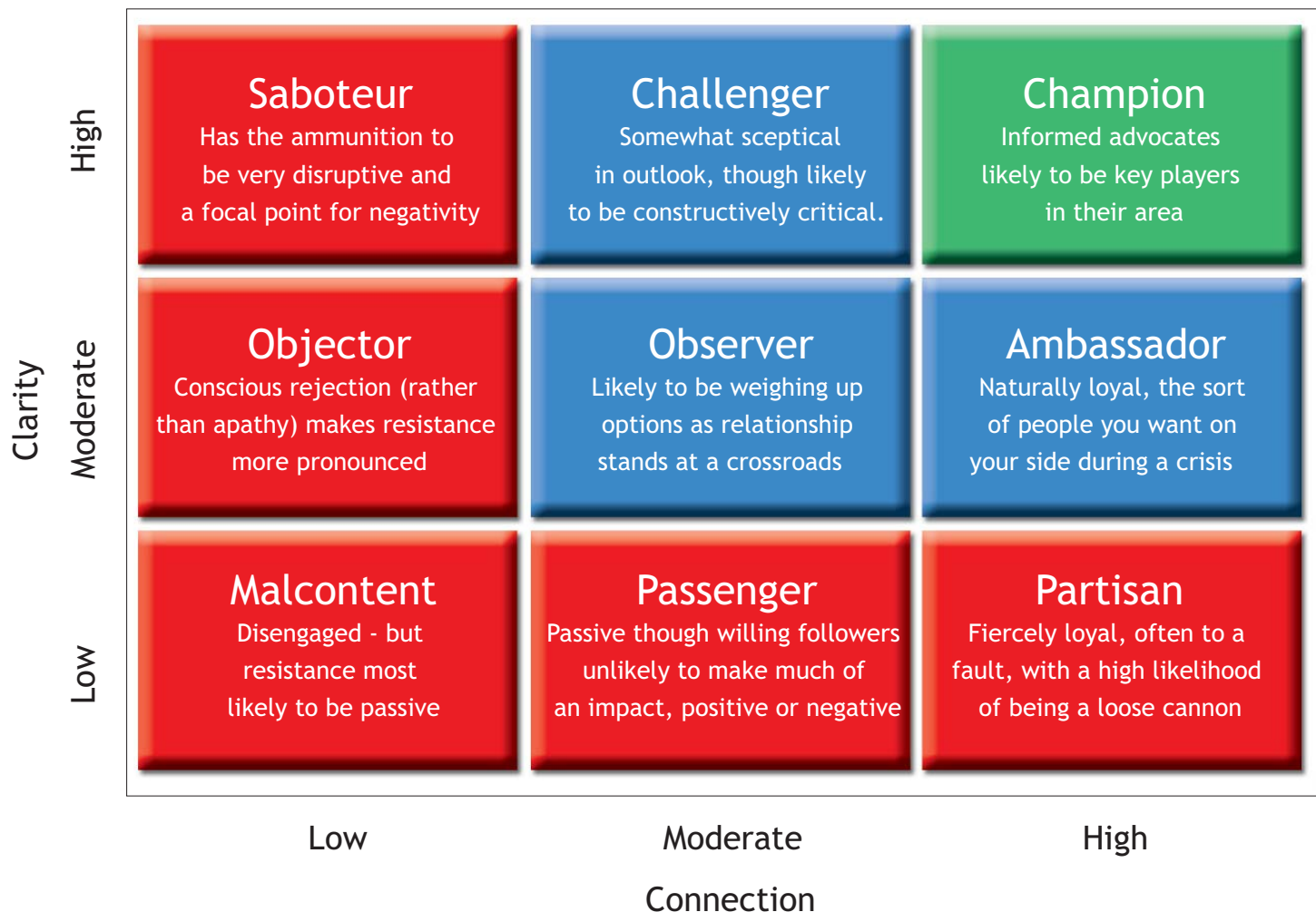
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Executive summary

- Just 13% of employees in the UK are fully engaged with the organisation they work for;
- In companies employing 500 people or fewer, this figure rises to 19%;
- Engagement amongst public sector employees is significantly weaker with less than 8% fully engaged;
- Engagement is strongest amongst senior people and weakens as you move down through the organisation;
- Emotional connection is weaker than intellectual clarity across most indicators;
- Engaged employees are significantly more likely to commit themselves, be strong advocates and expend extra effort.

Welcome to the State of Engagement™



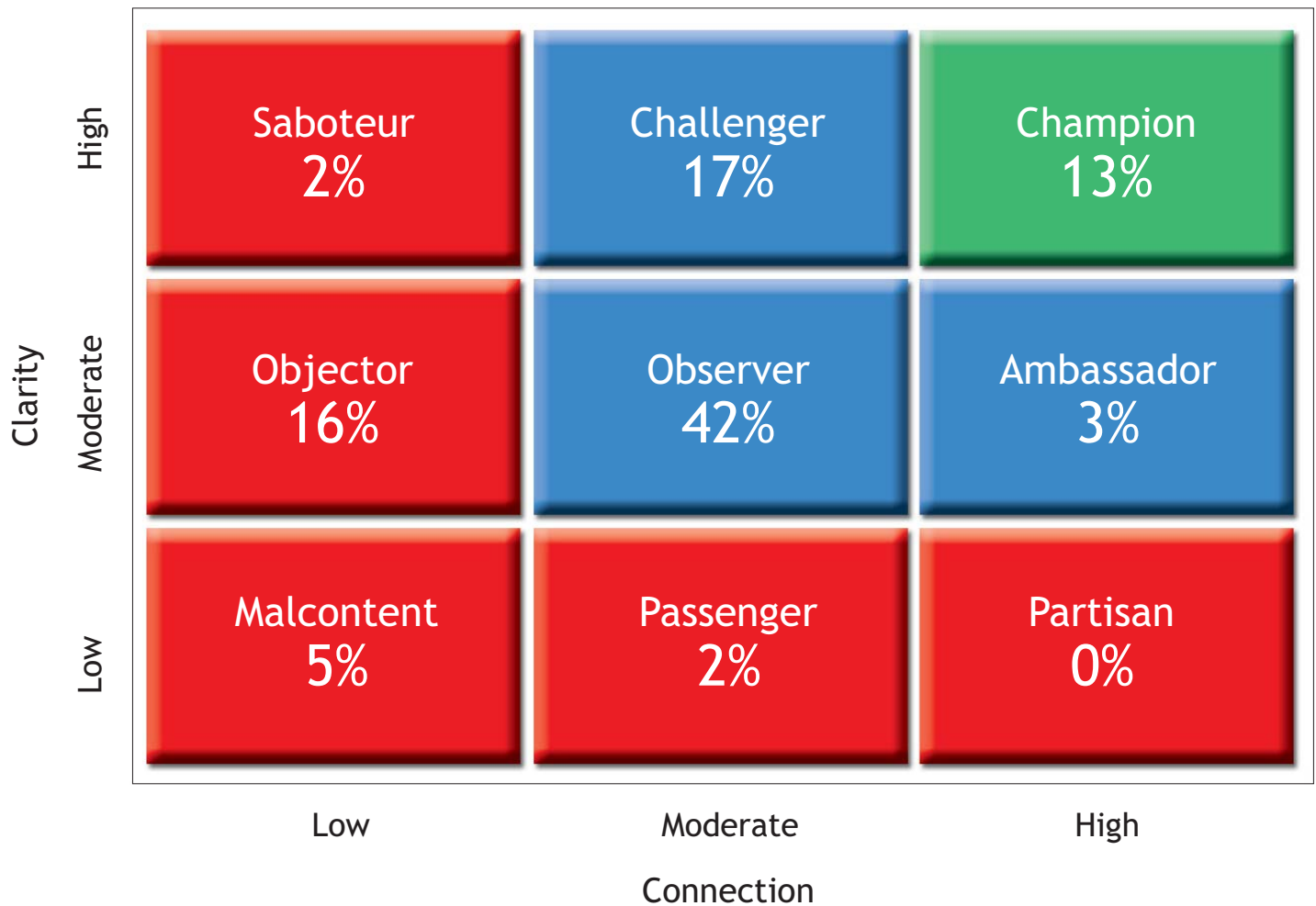
Engaging employees is one of the most fundamental challenges facing today's organisation. Why? Because in a competitive world, most of us believe that engaged people deliver superior performance and help achieve better business results.

But what do we actually mean by engagement? What constitutes a high or low level of engagement? And critically, does stronger engagement really deliver benefit? Ibis Communication has developed the **State of Engagement™** to answer each these questions.

Employee engagement measures the strength of the relationship between an employee and the organisation they work for. It has two fundamental dimensions: intellectual clarity and emotional connection.

Clarity focuses on what the individual knows or understands about the organisation and his or her role within it, whilst connection focuses on how the individual reacts to this knowledge and feels about it. Different combinations of each yield some very different engagement profiles.

The State of Engagement™ in the UK



To establish a benchmark for engagement in the UK, we invited a sample of over 1,400 people to answer a series of questions about their overall clarity and connection. The sample was drawn from all industry sectors and across all levels and business functions by Ciao!

The results allow us to draw some fundamental conclusions about employee engagement in the UK.

- Just 13% of employees are fully engaged which means 87% are in some way dissatisfied with the relationship with their employer;
- One in four is in the 'red zone' which denotes a significant degree of disengagement;
- Approaching half occupy the middle ground, neither engaged nor disengaged. Their neutrality and sheer numbers mean they hold the balance of power in many organisations;
- Just 16% have strong connection, exactly half the proportion with high clarity. Improving connection must therefore be the top priority.

More about clarity



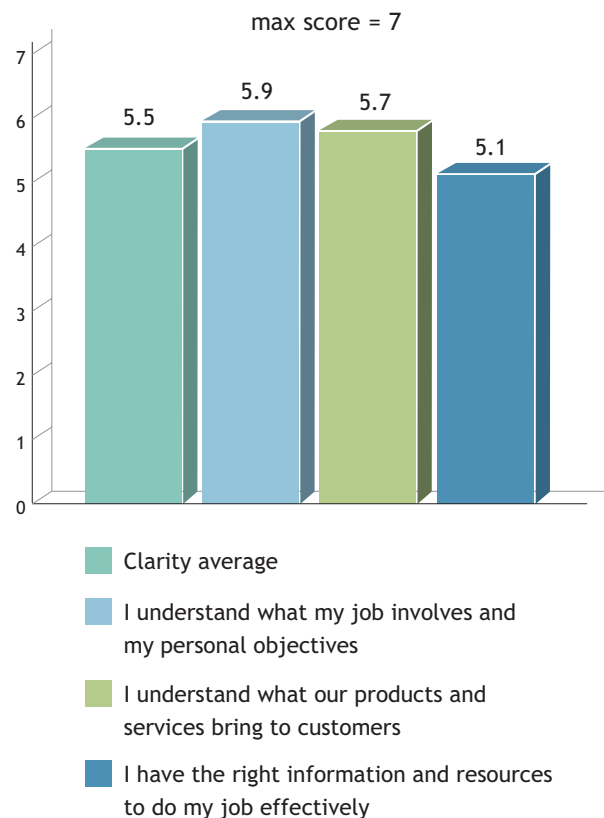
The facts

The overall average for clarity is 5.5 out of 7, though this varies across indicators. The chart below shows average scores for three of these indicators.

Clarity is very strong around understanding of job role and personal objectives with an average score of 5.9 and 71% having high understanding.

Understanding of what products and services bring to customers scores an average of 5.7 with 63% having high understanding.

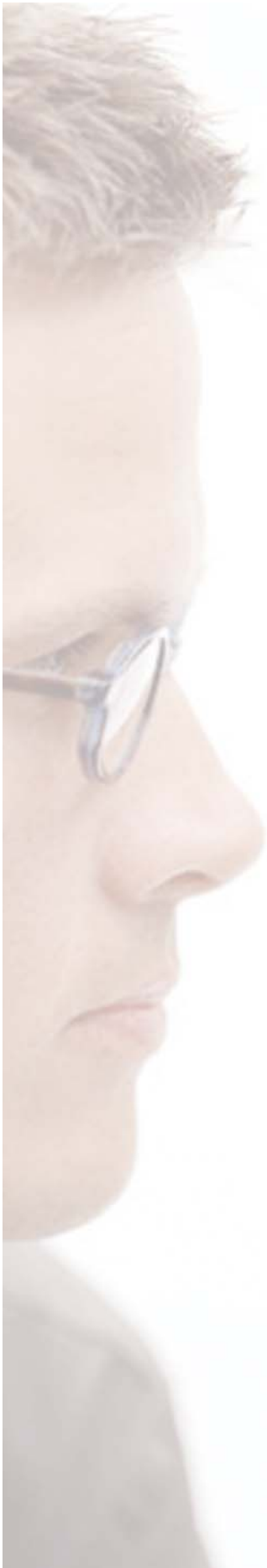
Accessing the right information and resources to do an effective job scores less well with an average score of 5.1 and 43% having high understanding. This makes it one of the weakest indicators.



What we say

Clarity of role, purpose and direction is vital to every employee. Our research suggests that in a number of key areas clarity is quite strong, a likely consequence of greater openness and improved communication in many organisations. This though should not hide the gaps that remain nor obscure the fact that demand amongst employees for good information is growing all the time.

More about connection



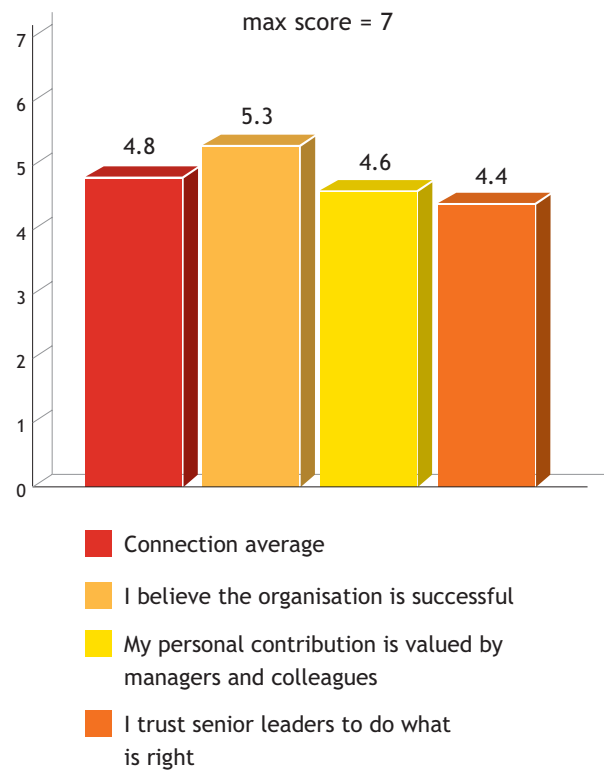
The facts

The overall average for connection is 4.8 out of 7 and again varies across indicators. The chart below shows the average scores for three of these indicators.

Connection is strongest around belief the organisation is successful with an average score of 5.3 and 57% with strong belief.

It is significantly weaker around believing that my personal contribution is valued with an average score of 4.6 and nearly a quarter recording a score of low.

Connection is weakest around trust in senior leaders where there is an average score of 4.4 and just 30% having high trust.



What we say

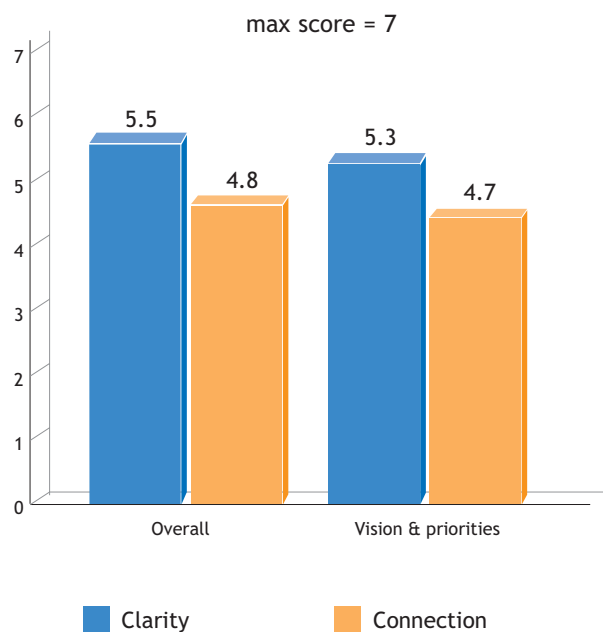
Improving connection represents the real battle in the pursuit of hearts and minds. Just knowing what's expected of them is not enough for many employees. They want to work for a successful organisation and in the right role for them. They want their contribution to be valued and they want to trust those leading them. This requires genuine two-way dialogue between employee and organisation, one that recognises changing expectations and respects individual choices.

The strategy gap



Engagement around the vision and priorities of the organisation provide a good example of this gap in connection.

As the chart below shows, the average score for understanding vision and priorities is 5.3 out of 7 whilst it is just 4.7 for believing they are right for the organisation. This shows that employees do not accept or believe everything they are told and suggests that conventional approaches to strategy communication do not always work.



We believe there are two reasons for this.

First, strategy communication is often a one-way process with success judged by how much people understand and not what they accept. Opportunities to discuss and question are limited and communication is often not sustained over time.

Second, messages often lack relevance with organisations relying on local managers to provide context without making any special effort to engage them. Communication remains high level and has little or no impact on what happens locally.

If organisations want to close the strategy gap, our research gives a clear message. Employees will make their own judgements and not just accept what they are told.

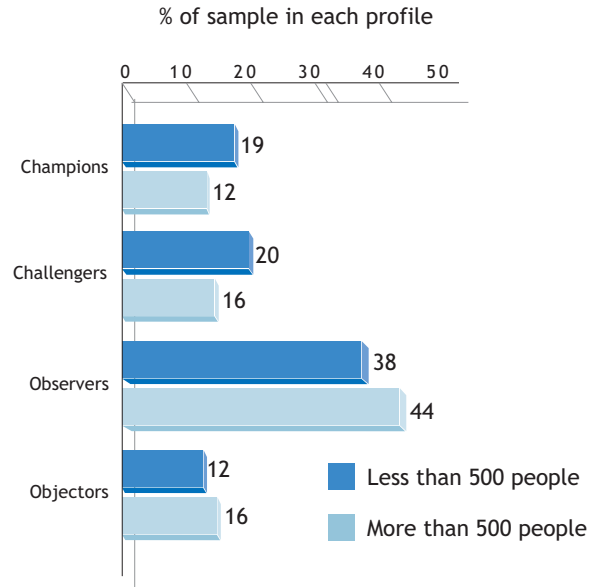
Organisations must communicate in a way that recognises this and allows staff to genuinely engage.

Engagement by company size and industry sector

The breadth of our sample means we can draw some important conclusions about engagement both across and within organisations.

Smaller companies generally lack the infrastructure and resources of large organisations but what impact does that have on employee engagement? Our research suggests that the smaller organisation will have stronger engagement than its larger counterpart.

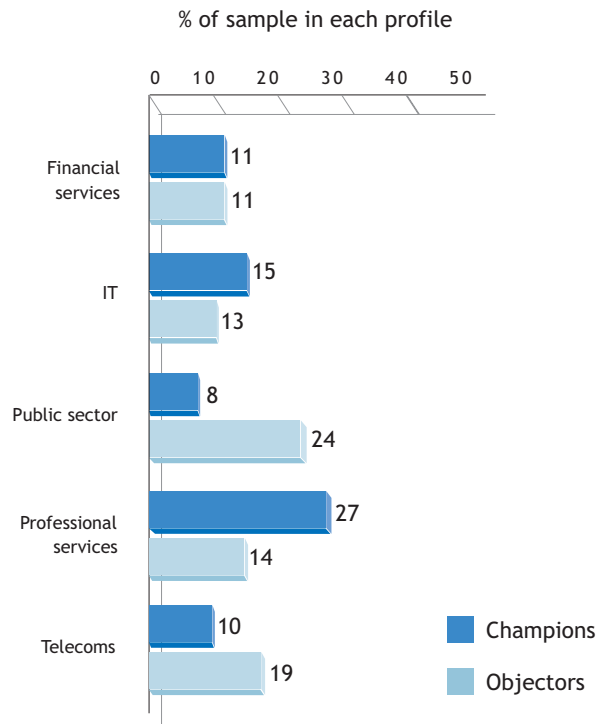
The chart opposite compares the proportions of the four largest profiles between companies employing more than and less than 500 people. Our results suggest that 19% of people in companies employing less than 500 people are champions compared to 12% in organisations employing more than 500. Conversely, the smaller organisation will have an average of 12% objectors compared to 16% in the larger one.



Different sectors and professions attract different types. But what impact does this have?

The most obvious conclusion is that engagement is weakest amongst public sector employees where just 8% are champions and 24% are objectors.

Amongst private sector employees, staff working in professional services are the most engaged, where 27% are champions and 14% objectors. Elsewhere, telecoms has 10% champions and 19% objectors, whilst financial services has 11% of each.

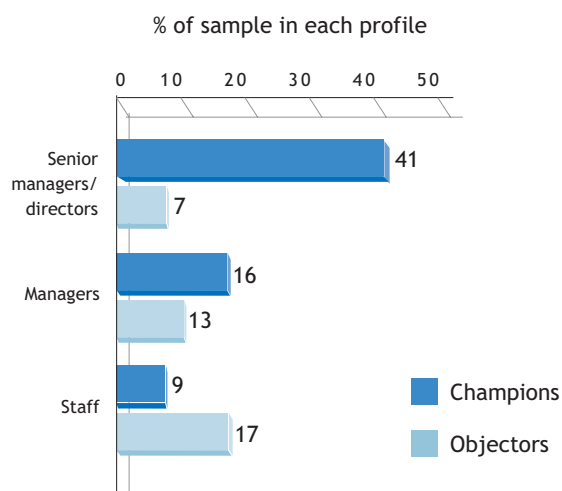


Engagement by role and business function

We might expect senior people to be more engaged and our research suggests that they are.

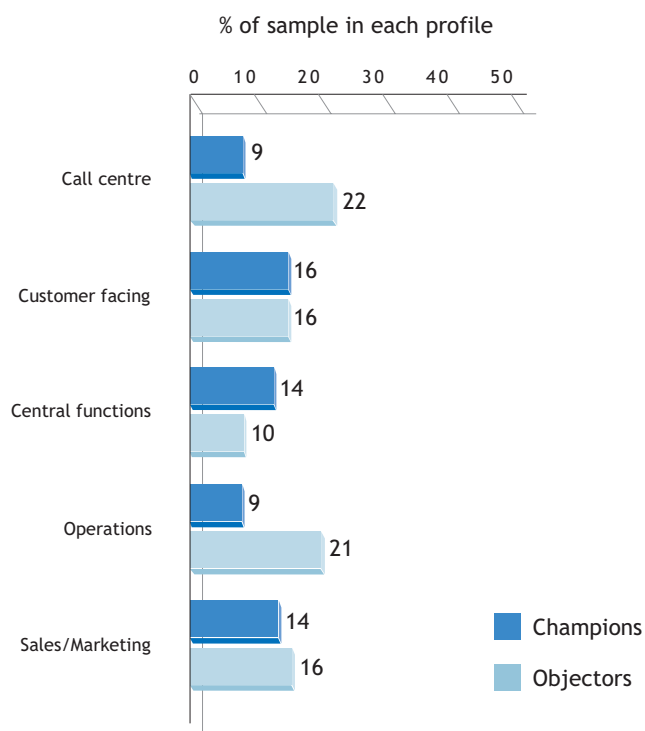
We found that 41% of senior managers and directors are champions whilst 7% are objectors. Amongst other managers, the proportion of champions falls to 16% with 13% objectors. Just 9% of staff are champions whilst 17% are objectors.

One other significant difference is that senior managers and directors have greater trust in senior leaders than they do in other colleagues - the only group to do so.



We also see some interesting differences across functions. No one single function can claim to have stronger engagement than any other, with customer-facing, sales and marketing and central functions all claiming similar proportions of both champions and objectors.

Engagement amongst call centre and mainstream operations staff appears weaker however. Just 9% of both call centre and operations staff are champions whilst 21% of operations and 22% of call centre staff are objectors.



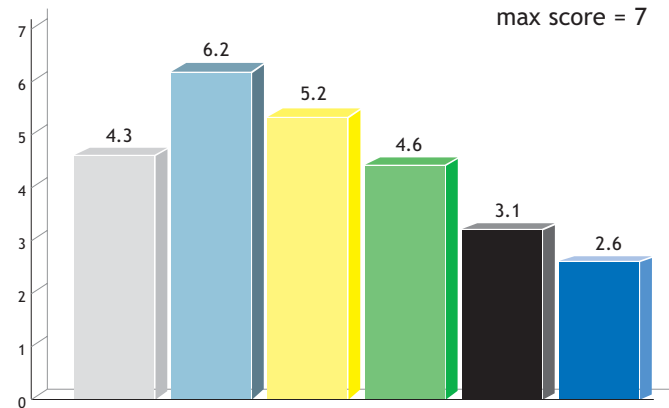
Why it matters

The most important question of all though is does it matter? Does a stronger relationship between individual and organisation really deliver superior performance and better business results? To answer this, we compared the responses given by different engagement profiles to three key questions around advocacy, commitment and discretionary effort.

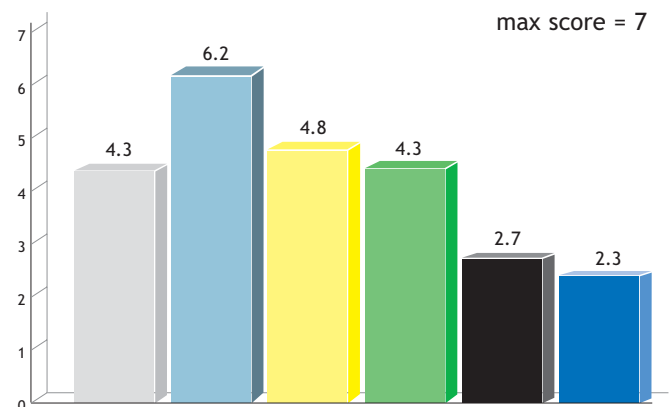
Our research suggests very clearly that there is a strong correlation between engagement profile and each of these desirable behaviours. Champions are far more likely to speak well of the organisation, commit themselves to it and critically, 'go the extra mile' than people with any other profile.

So we can conclude that employee engagement really can deliver superior performance and better business results.

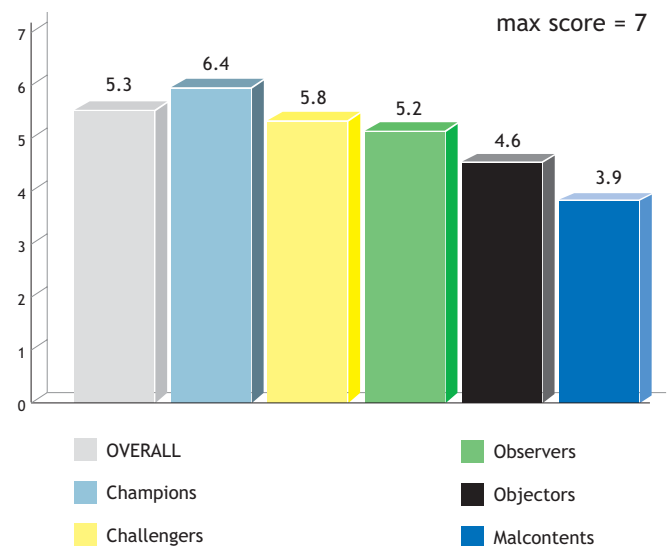
How would you describe your attitude to speaking about the organisation outside work?



How would you describe your future commitment to the organisation?



How would you describe your attitude to 'going the extra mile'?



About Ibis Communication

Ibis Communication was founded in 2004 to provide strategic guidance and practical support to organisations looking to engage employees. Our work involves:

- running employee surveys;
- advising on engagement and communication strategy;
- running engagement campaigns;
- improving communication channels through facilitation and training.

What links everything we do is a passion for improving the way organisations communicate.

Find out more at www.ibiscommunication.co.uk

About Ciao!

Ciao GmbH is a global digital media and market research services company providing Internet services to consumers and businesses through its worldwide network of online properties. The company's properties and services for consumers and businesses reside in two main areas: Comparison Shopping and Internet Survey Solutions.

Find out more at www.ciao-group.com

What now?

If you would like to learn more about the **State of Engagement™** or you'd like to run the survey in your own organisation, please call us on 01494 731858 or go to our website at www.ibiscommunication.co.uk



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