

Special supplement

Employee engagement: the role of HR

Employee engagement has become a sacred cow of HR, one of the things it does to help the business. The danger is, says Nick Holley, that in many organisations it has become a 'solution looking for a problem'

While a lot of the evidence suggests there is a correlation between employee engagement and firm performance, some research¹ suggests that engagement does not drive firm performance, rather firm performance drives engagement. People are proud to work for a successful firm because a successful firm provides greater job stability, career opportunities, funding for development and so on.

So we need to start with a more sceptical view of employee engagement.

The "why" and the "how" of focusing on engagement

I would not argue that you should stop trying to enhance employee engagement, especially if the focus is on engagement rather than woollier concepts such as employee opinion or satisfaction. We need to focus on a tighter, more outcome-focused definition of employee engagement that covers three aspects:

- **Cognitive:** a positive mind set, thinking about the job, knowing what needs to be done, a belief in the task
- **Emotional:** energy, enthusiasm, passion for the job, a sense of pride and ownership.
- **Behavioural:** putting in effort and not being aware of the effort you're putting in

All three elements have a link to performance so spending time on engagement can be a value-added activity for HR. However, from supporting numerous large organisations with their employee



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not actively support it we are wasting our time as their role modelling will change behaviour quicker than anything HR does. If they will not do it we have three choices as an HR leader:

- Do something else and stop whining about them not supporting our initiative
- Try to persuade them based on a deep data-driven understanding of why employee engagement will make a difference to performance specifically in our organisation
- Quit and go somewhere where leaders get it

In thinking about the "how", my research² suggests that carrying out expensive and time-consuming organisation-wide employee engagement surveys is a "spray and pray" approach that produces meaningless data at too high a level, which most organisations fail to action effectively. In my interviews I found several issues with surveys:

- **Post-event rationalisation:** manipulation of the numbers to achieve a desired outcome especially when linked to reward
- **A huge focus on action planning but no action:** the real key is follow through
- **Paralysis by analysis:** so much time is spent slicing and dicing the data that we lose track of why we are doing it
- **Only asking the questions we are comfortable with:** as a result the real issues that are driving engagement are not surfaced.

Done this way, it is a waste of time at best. At worst, it disengages people as they lose trust in the process and the intention behind it, especially when they compare the outcomes to the time and money spent on the process.

engagement efforts, I found that it is essential to challenge the "why" and "how".

In thinking about the "why", HR's role is not to engage employees but to enhance organisational performance. So we should focus where the data shows employee engagement drives higher individual and overall performance in an organisation.

It is not enough to use generic research, often created by vendors with an angle, to justify investments in employee engagement. This is no basis to convince the leaders of an organisation.

It is likely that they will shoot down the idea or seemingly play along while quietly going about their own business. However, if they do

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HR's levers to enhance engagement

However, there are ways to make HR's role in engagement impactful.

First, an HR leader should identify areas of an organisation that are material to overall performance (whether that is financial performance, patient safety and wellbeing or whatever metric is meaningful) and where the data suggest employee engagement drives this performance and focus efforts there.

Second, we need to focus on what drives engagement. My research³ suggests that there are four main factors:

- Individuals' natural levels of engagement – some people are simply more engaged than others. So assess this natural engagement when recruiting
- Engagement with the organisation – in my work with charities, supranational entities and many public-sector organisations employees are deeply engaged with the organisation's purpose. I would question, however, whether increasing shareholder value really engages people
- Engagement with the job – some people are engaged with the pleasure or the intrinsic reward of doing a great job. This is often the case in craft industries or tech companies where "geeks" are fascinated with the detail of their task
- Engagement with the manager – this was the clearest result and key finding – the manager is the key driver of engagement. As the saying goes, people leave their manager not their job. I found that managers who engage take a genuine interest in each individual in their team and engage them in a way that is relevant to them. They are honest and authentic. They give direction but allow people to get on with the job. They do not micromanage. They adjust their style to the needs of each member of their team. Engagement for them isn't a task or an HR initiative, it is a way of managing

Therefore HR needs to work at a manager level, looking at recent advances in cognitive psychology, organisational behaviour and neuroscience to understand the impact managers have on engagement at an individual level.



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What HR should do

This brings us back to our title: what does this mean for HR?

Focus less on creating massive firm-wide surveys and more on working with key managers to help them engage their employees. Focus where this will make a material difference to organisational performance.

If managers are doing it well but not doing it our way let them get on with it. If they are not, understand why. If it's a lack of competence provide real-time coaching (perhaps from their peers who are doing it well) to help them do it better. If they lack the confidence then sit with them and help them understand the barriers and how to overcome them.

If it is a lack of commitment understand why and challenge them to recognise that this is a core part of their job. Ultimately, this might mean they will never be engaging managers. If their technical skills or customer relationships are still critical it might be best to create roles for them that do not involve them managing people.

So what's the overall message?

Engagement happens at a manager level so HR leaders need to get out of their office and spend time in the business understanding where to focus their efforts and working with key managers rather than designing yet another meaningless organisational initiative.

Centres of excellence and firm-wide initiatives will not do the trick. HR will only have a sustainable positive impact on employee engagement where HR business partners operate at the front line, physically in the business, rather than sit in an HR office.

FOOTNOTES

1. Which Comes First: Employee Attitudes or Organizational Financial and Market Performance? Benjamin Schneider, Paul J Hanges, D Brent Smith, and Amy Nicole Salvaggio Journal of Applied Psychology 2003, Vol. 88, No. 5, 836 – 851

2. http://www.henley.ac.uk/web/FILES/corporate/cl-Henley_Centre_HR_Employee_Engagement_Report_March_2007.pdf

3. http://www.henley.ac.uk/web/FILES/corporate/cl-Henley_Centre_HR_Employee_Engagement_Research_Phase_2_May_2008.pdf

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ABOUT THE AUTHOR

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