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# Engaged Performance Framework

**RESEARCH AND VALIDATION**





Many organizations today are focused on enhancing levels of employee engagement – with good reason. In a knowledge-based economy, where people are the primary determinant of organizational success, the extra effort of engaged employees is a vital asset, especially for lean organizations needing to do more with less. In fast-changing environments, where roles and responsibilities are hard to specify, organizations must count on employees to act on their own in ways consistent with organizational objectives, culture, and values. Finally, as job guarantees are now largely a thing of the past, employees are more focused than ever on realizing a sense of personal fulfillment from their work.



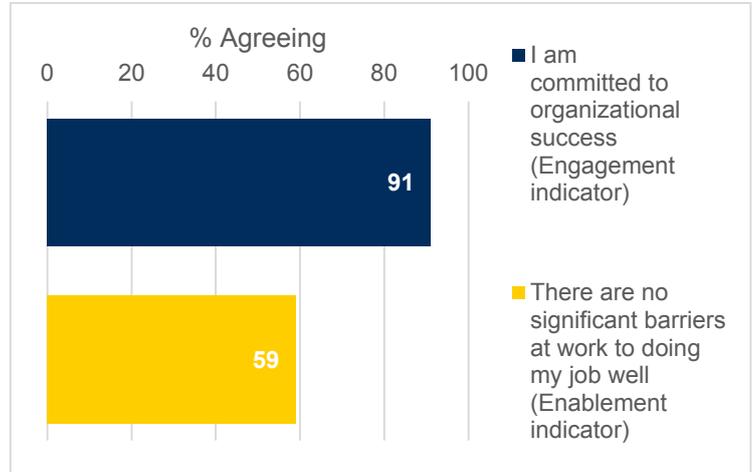
In working with clients across industries, we have identified an increasing number of organizations enjoying high levels of employee engagement yet nonetheless struggling with performance issues. As illustrated in Figure 1, Korn Ferry Hay Group Insight's employee opinion norms indicate that while many employees are energized by goals and objectives and are eager to help their organizations succeed, they themselves often report that they are not optimally productive at work.

These experiences have confirmed for us that engaging employees, while clearly important, is not sufficient to sustain maximum levels of individual and team effectiveness over time. Leaders must not only engage and motivate employees, they must also *enable* them in order to channel their efforts productively and effectively. When organizations demonstrate high levels of employee engagement, there is a pool of motivation available to be leveraged. But this motivation is only potential energy until it is harnessed. Getting the most from motivated employees requires that organizations support them in being successful. Organizations that are exclusively focused on increasing employee engagement are missing a key workplace factor required to produce optimal effectiveness.

Insight defines Engaged Performance as a result achieved by stimulating employees' enthusiasm for their work and directing it toward organizational success. In this paper, we will review existing approaches to conceptualizing employee engagement and employee enablement.

We will then present the results of a multi-company study intended to validate measures of these concepts, and propose a framework for understanding their antecedents and impacts on employee and organizational outcomes.

**FIGURE 1.**  
**TRENDS IN ENGAGEMENT AND ENABLEMENT**



**SOURCE:**

Hay Group Insight employee opinion norms, comprised of data collected from over two million employees representing over 300 organizations globally



## Conceptualizing employee engagement

Researchers commonly view employee engagement as consisting of *commitment* and *discretionary effort*, indicators of enthusiasm for work and for the organization. Different approaches to measuring and understanding organizational commitment have developed over the years, but commitment broadly implies the existence of a “force that binds an individual to an entity or course of action (behavior)” (Meyer & Herscovitch, 2001).

Affective and continuance commitment are the most widely discussed and supported commitment constructs (Meyer, Allen, & Gellatly, 1990; Meyer, Becker, & Vandenberghe, 2004). While both constructs involve attachment to the organization, they impact employee outcomes (e.g., turnover, absenteeism, performance) differently (Luchak & Gellatly, 2007; Meyer et al., 2002; Meyer, Becker, & Vandenberghe, 2004).

*Affective commitment* is a necessary component of employee engagement. It describes the extent to which an employee feels a sense of pride in the organization and is willing to recommend the organization to others as a place of employment. Allen and Meyer (1990) have found that employees high on affective commitment remain with their companies out of desire rather than obligation.

They feel closely related to the organization and emotionally attached to it (Meyer & Allen,

1984). The emotional bond felt by employees also readily translates into high quality service to customers. Subramony, Krause, Norton, and Burns (2008), for instance, found a strong relationship between measures of affective commitment and customer satisfaction.

Employee engagement also involves *continuance commitment*, reflecting the extent to which an employee is aware of the costs of leaving an organization (Meyer & Allen, 1997) and intends to stay with the organization in the future. Theories of continuance commitment can be traced back to Becker’s (1960) “side-bet theory,” where the investments made by employees in an organization (time, effort, persistence, teamwork and cooperation, skill development) are seen as potentially forfeited if they chose to leave the organization.

Side-bet theory is similar to exchange theory wherein organizations offer tangible and intangible rewards to their employees and in return, employees commit to remain with the organization and contribute to its success.

Attrition, particularly in challenging economic times, can drain the life blood of an organization. When a company is squeezed financially and struggling to cope with market changes, it cannot afford to have key people walking out the door. Hay Group (2001) research has found that on average each manager or professional who resigns costs the company the equivalent of 18 months’ salary.

Hourly workers cost about a half-year’s salary. This cost includes



money spent on direct replacement expenses, such as advertising, recruiting, and training. But it does not include the indirect costs associated with turnover, such as lost sales, lower productivity, and customer defections. These latter costs, while harder to quantify, may be even more damaging to companies than the direct costs of attrition.

The conditions that cause high attrition lead to other often-overlooked problems. For every demotivated worker who leaves, there are others who stay. They may not be able to relocate, or they may feel the pinch of golden handcuffs from accumulated retirement benefits. These are cases of “mental attrition,” the walking wounded of the workforce.

In companies with high turnover, one can assume greater-than-normal numbers of these dissatisfied employees, whose attitudes and behaviors affect the bottom line (Hay Group, 2001).

Researchers have long found that measuring employees’ intention to leave is one of the most accurate means of predicting turnover (Kraut, 1975; Waters, Roach, & Waters, 1976). Studies have revealed significant correlations between continuance commitment measures and actual turnover (Jaros et al., 1993; Meyer et al., 2002). Other studies have shown that employees who actually left their employing organizations reported lower levels of organizational commitment leading up to the time of departure (Sheridan & Abelson, 1983; Farrell & Rusbult, 1981).

*Discretionary effort* refers to added energy employees may feel

motivated to invest in their work to help the organization achieve its goals. While not specified in descriptions of an employee’s job, role, or responsibilities, these behaviors become especially important during challenging situations or in the face of obstacles. Meyer and Herscovitch (2001) found a strong correlation between affective commitment and discretionary effort.

However, discretionary effort is not necessarily an inevitable consequence of commitment. While employees who feel motivated to exert extra effort to get the job done will tend to feel a strong sense of pride and emotional attachment, there may be employees who feel these affects but are unwilling to go the extra mile.

The notion of discretionary effort is rooted in theory and research on organizational citizenship behavior. Organizational citizenship behaviors (OCBs) refer to actions organizations depend on from employees but are in a poor position to formally require.

Examples include offering suggestions for improvement, showing respect for the spirit as well as the letter of rules, and demonstrating concern for organizational property and interests. Refraining from finding fault with other employees or complaining about insignificant issues are also important OCBs (Organ, 1990). Organizational researchers have long recognized that organizations cannot function through purely contractual relationships with employees. Katz (1964), for instance, observed that “an organization which depends



solely upon its blue-prints of prescribed behavior is a very fragile system. Every factory, office, or bureau depends daily on a myriad of acts of cooperation, helpfulness, suggestions, gestures of goodwill, altruism, and other instances of what we might call citizenship behavior.” OCBs are especially important in providing supports for managing unforeseen circumstances that may occur in the business of the organization (Smith, Organ, & Near, 1983).

Some researchers have also turned to theories of prosocial motivation to understand the construct of discretionary effort. Under the right circumstances, employees will be motivated to exert extra effort for the good of others (Thompson & Bunderson, 2003). Grant (2008) found that prosocial motivation in conjunction with intrinsic motivation was associated with enhanced performance and productivity. Intrinsic motivation is most likely to be present when tasks are varied and challenging (Koestner & Losier, 2002) and may be more difficult to maintain when tasks are routinized (Hackman & Oldham, 1976).

Our approach to measuring employee engagement is representative of the various forms and dimensionality of organizational commitment and effort that impact workplace behaviors (e.g., turnover, performance). Given the fluid nature of today’s work climate, organizations are wise to assess employee engagement using a multi-dimensional construct (Cooper-Hakim & Viswesvaran, 2005; Morrow, 1993; Nohria, Groysberg, & Lee, 2008). Some

researchers argue for an antecedent-consequence approach to employee engagement, whereby affective commitment influences continuance commitment and discretionary effort. Using structural equation modeling and confirmatory factor analysis techniques, Insight research demonstrates the antecedent-consequence approach to be less effective when measuring employee engagement, as compared with considering these constructs (affective commitment, continuance commitment, and discretionary effort) to be interdependent (CFI, GFI, AGFI, NFI >.90).



## Conceptualizing employee enablement

Employees may be committed to the organization and willing to exert extra effort, but the extent of such commitment and discretionary effort will best be realized when conditions at work enable employees to perform effectively in their roles (Blumberg & Pringle, 1982). Numerous researchers have recognized the importance of environmental factors and support mechanisms when considering the relationship between motivation, effort, and performance (Cummings & Schwab, 1973; Porter & Lawler, 1968; Gilbreth, 1909; Taylor, 1947; Dachler & Mobley, 1973; Peters & O'Connor, 1980). Work environment factors, along with motivation, play a significant role in employees' ability to perform. When key supports are not present, it is highly unlikely that employees will be operating at maximum levels of performance.

In our view, employee enablement, impacting the ability of engaged individuals and teams to make maximum contributions, has two key components. The first, *optimized roles*, requires that employees are effectively matched to their roles, such that their skills and abilities are put to good use. When deploying talent, leaders need to consider not only the requirements of the job and an employee's ability to meet them, but also the extent to which the job will fully leverage an employee's distinctive competencies and aptitudes. The second, *supportive environment*, involves structuring

work arrangements such that they facilitate, rather than hinder, individual productivity. In an enabling environment, employees have the essential resources required to get the job done (e.g., information, technology, tools and equipment, and financial support). And they are able to focus on their most important accountabilities without having to work around obstacles in the form of non-essential tasks or procedural red tape.

*Optimized roles* involve leveraging and utilizing employees' skills and abilities and providing them opportunities to do challenging and interesting work. When employees feel that little is being asked of them and expectations are set low, they are unlikely to find meaning in their work. On the other hand, when employees feel the roles they fill are challenging, varied, and their talents are leveraged, they will be more readily able to connect their work to broader purposes (Kahn, 1990; Nohria, Groysberg, & Lee, 2008). Optimizing the roles that individual employees fill draws on person-job fit research focusing on how well matched the employee's characteristics, knowledge, skills, and abilities are to the requirements and responsibilities of their jobs (Singh & Greenhaus, 2004). The match between employee capabilities and job demands has been shown to be associated with enhanced performance and decreased turnover (Kristof-Brown, Zimmerman, & Johnson, 2005).

Designing well defined, doable, and meaningful jobs and career paths is an investment that can help organizations match



individuals to jobs and roles effectively and yield enhanced employee performance. A job may be insufficiently challenging, or it may be too demanding. It may stretch jobholders too thin (and run the risk of snapping them), or it may stretch them correctly, so they grow with the organization. In designing jobs, skills, technical knowledge, management capability, level of responsibility and decision-making should all be considered. When a junior-level job is given too much accountability, someone in the role who is short on experience may become overwhelmed. (Hay Group, 2003). In these circumstances, employees will become hyper focused on attaining adequate levels of performance and avoid discretionary-effort behaviors (Jex, Adams, Bachrach, & Sorenson, 2003). On the other hand, if too little accountability is assigned to someone in a senior role, the person in the role may well grow bored and leave (McCormick, McMullen, & Sperling, 2007).

Along with optimized roles, motivation to perform is also a function of social and environmental workplace factors (Humphrey, Nahrgang, & Morgeson, 2007). *Supportive environment* refers to the conditions of the job or organization that promote or hinder an employee's ability to effectively accomplish his or her work. Researchers have long recognized the lack of attention given to critical work situation factors that can impede employees' abilities to perform effectively (Peters & O'Connor, 1980; Schneider, 1978; Campbell & Pritchard, 1976; Jex, Adams, Bachrach, & Sorenson,

2003). These constraints can affect individuals differently based on expected levels of performance. Notably, high performers may be more affected by constraints. Motivation theory and the results of increasing number of studies (Mathieu, Tannenbaum, and Salas, 1992; Peters et al., 1982; Klein & Kim, 1998; Adkins & Naumann, 2001) suggest that high performing employees can be expected to become most frustrated in constrained work environments, due to their high goal orientation. Moreover, constraints in the work environment may be so pervasive that organizations are unable to differentiate between high and low performers (Peters & O'Connor, 1980).

Environments that support and facilitate success can positively impact business outcomes. Griffin, Neal, and Neale (2000), for instance, have found that performance is not only a function of engagement and motivation but also contextual factors. Further, Martinez- Tur, Peiro, & Ramos (2005) and Salanova, Agut, and Peiro (2005) found links between situational constraints and organizational resources and customer satisfaction in service organizations. When employees felt that the necessary organizational resources were available, workplace barriers diminished and engagement prevailed, which in turn fostered a highly customer-focused work environment.

Problematic constraints in the work environment and a lack of resources can also impact employee well-being, leading to stress, burnout, and, ultimately, withdrawal.



Demerouti et al (2001) define resources as the physical, psychological, social, or organizational aspects of the job that facilitate attainment of work goals, reduce demands, stress, and workload, and provide opportunities for learning and development. When work environments lack these resources, employees cannot effectively meet the requirements of the job, leading to feelings of frustration.

Similarly, Bakker, Demerouti, and Euwena (2005) posit that positive working conditions and social support mechanisms (including teamwork, leadership, and performance feedback) can lessen the chance of work overload and, consequently, increase the chance of effectiveness. A lack of such resources, by contrast, is highly predictive of burnout and low performance. Relationships between co-workers and colleagues can impact the conditions of the work environment and ameliorate the impact of job stress (Humphrey, Nahrgang, & Morgeson, 2007). Effective teamwork provides employees access to co-workers from whom they can seek help and with whom they can share the workload, thereby reducing the stress that employees may face in isolation. In addition, job and role clarity become more apparent as a result of more frequent contact with team members (Biddle, 1979).

## Validation and analytics

While employee enablement and its components, optimized roles and supportive environment, can

have an impact on an employee's level of engagement, it is not the case that employee enablement is a necessary antecedent of engagement. There are times when employees' feelings about their jobs and various organizational support mechanisms may ebb and flow while commitment and discretionary effort are still present. Similarly, conditions that foster high levels of employee enablement may remain constant while an employee's feelings of engagement with the organization may rise or fall. For these reasons, Insight presents a model where *employee engagement* and *employee enablement* are treated as contemporaneous perceptual outcomes (see Figure 2).

A broad study involving 18 organizations was used to test and confirm the validity of the measures of employee engagement and employee enablement. Employing structural equation modeling techniques, confirmatory factor analyses were conducted on data collected from these organizations. All items, except continuance commitment, were measured using 5-point Likert scales (Strongly Agree – Strongly Disagree). Continuance commitment was measured using a custom scale indicating an employee's intent to remain with the organization for specified periods of time (i.e., less than one year, two to three years, three to five years, more than five years).

The data were collected in 2006 and 2007 and involved 116,968 employees worldwide. Respondents from 47 different countries are represented in the sample: Albania, Argentina,

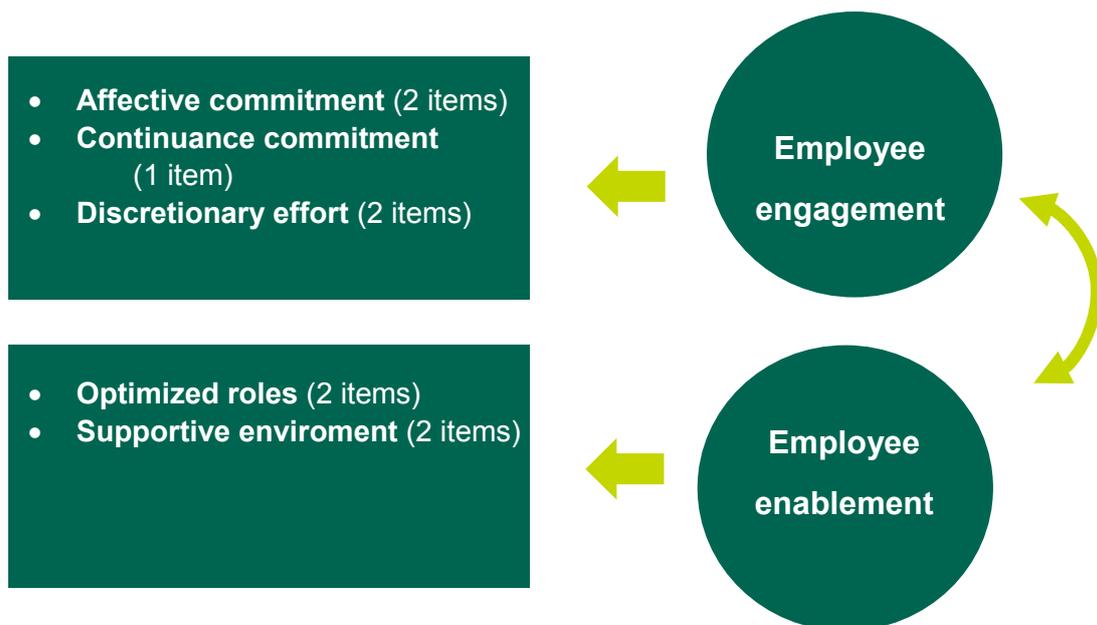


Australia, Austria, Belgium, Brazil, Canada, China, Czech Republic, Denmark, Ecuador, Egypt/Sudan, Finland, France, Germany, Greece, Hungary, India, Ireland, Israel, Italy, Japan, Kenya, Korea, Malaysia, Malta, Mauritania-Sangoese, Mexico, Netherlands, New Zealand, Norway, Pakistan, Philippines, Poland, Portugal, Romania, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, and the USA. The respondents also represent a variety of industries/sectors, including Financial Services, Fast-Moving Consumer Goods, Insurance, Manufacturing, Not for Profit, Pharmaceuticals, Professional Services, Retail, and Telecommunications.

each of the 18 companies. The purpose of this type of test is to determine the extent to which an *a priori* theoretical model is appropriately reflected in the data.

In other words, the test determines if a theoretical model tells a meaningful story about respondents' true perceptions. Overall, results of these tests indicate the validity of a contemporaneous model of engagement and enablement as measured by their respective items.

**Figure 2. Measuring engagement and enablement**



The model depicted in Figure 2 was tested for data-model fit for



A variety of fit tests are available, but results of four tests were examined: CFI, GFI, NFI, AGFI. Data from all but three companies exceeded the generally accepted minimum test threshold (>.90) for CFI, GFI, and NFI-tests (Byrne, 2001), although even in these three cases the values were approaching the threshold. The threshold for the AGFI test, a more conservative test, was met for eight of the organizations. On average, factor loadings for the engagement items ranged from 0.55 to 0.72, and factor loadings for the enablement items ranged from 0.42 to 0.77.

Cronbach-alpha reliability coefficients were also examined to determine the reliabilities of the measures of both engagement and enablement (see Table 1). The majority exceed thresholds for strong levels of reliability. In cases where weaker levels of reliability were observed, the subcomponents of enablement were measured with single-item indicators.

**Table 1. Employee engagement and employee enablement measure reliabilities**

<b>Cronbach-alpha</b>	<b>Employee engagement</b>	<b>Employee enablement</b>
>0.80	11 companies	5 companies
0.70-0.79	7 companies	7 companies
<0.70	0 companies	6 companies



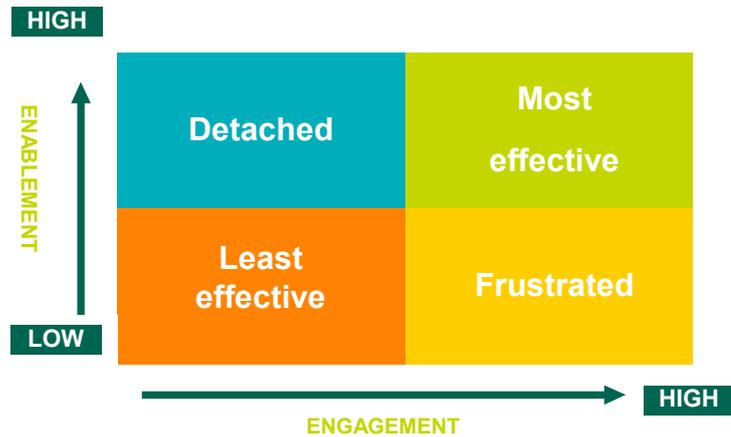
## Understanding effectiveness levels

Although Figure 2 suggests that engagement and enablement are related, they do not always go hand in hand. Exploratory k-means cluster analyses (SPSS, 1990) involving data from the above 18 companies, regularly identified four distinct clusters depicted in Figure 3.

The four clusters yielded the following patterns:

1) most effective – well above average on both engagement and enablement; 2) frustrated – above average on engagement, below average on enablement; 3) detached – below average on engagement, above average on enablement; and 4) least effective – well below average on both engagement and enablement. The cell labeled “most effective” in Figure 3 refers to those employees who are both highly engaged and highly enabled. In these ideal instances, where motivation to contribute is matched with strong ability to be successful, employees are likely to be high achievers. Unfortunately, however, we also regularly find a set of employees lacking on both dimensions. Where both engagement and organizational supports are missing, employees are understandably likely to struggle in their job roles (the cell labeled “least effective”). The real power of the framework comes in calling attention to the off-diagonal cells in Figure 3. “Frustrated” employees who fall in the bottom

Figure 3. The Effectiveness Profile



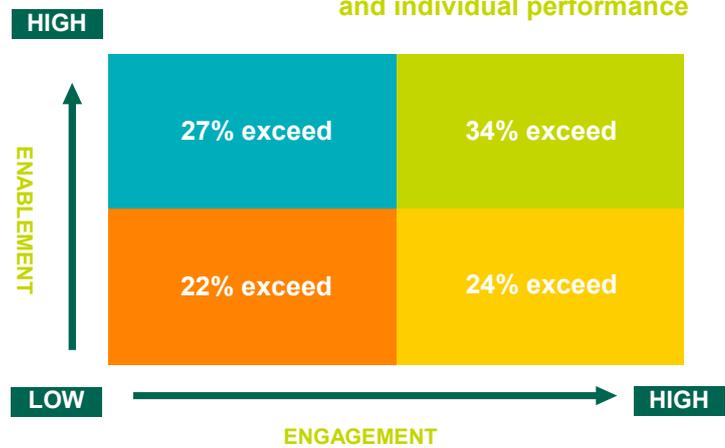
right corner of the table represent a sizeable number of people who are aligned with the direction of the organization and enthusiastic about making a difference but are nonetheless held back by roles that do not suit them or work environments that get in their way. These employees represent a lost opportunity for organizations. From a motivational perspective, organizational leaders have these employees where they want them. But when it comes to getting the most from these employees in terms of productivity, organizations are not leveraging their full potential. Britt and his colleagues (2006) note similar patterns in their research. Engaged employees who face substantial barriers to success can be expected to demonstrate frustration, resulting in diminished performance. Frustrated employees are unlikely to persist over the long term in that state. Where strong motivation to succeed is not paired with similar



levels of enablement, one of three things is likely to happen. Some engaged employees may certainly, through force of effort, find ways to break through the barriers presented by low levels of role optimization and the lack of a supportive environment and succeed in upgrading the supportiveness of their work arrangements to match their motivational levels. Other frustrated employees may find equilibrium by reducing their motivation to match their limited opportunities to succeed. That is, some engaged employees, weary of beating their heads against a wall, may simply decide that giving their best effort is not worth their time and stop trying, drifting over time toward the “least effective” cell in our two-by-two table. Still other frustrated employees can be expected to vote with their feet and leave in search of greener pastures where their strong motivation to succeed can be matched with more supportive working conditions, leading to an unfortunate brain drain of an organization’s best and brightest talent (Britt, 2003; Britt, Casro, & Adler, 2005).

Finally, in most organizations we find a sizable percentage of the population that falls into the “detached” group. These employees are in roles that suit them reasonably well, and they find themselves in work environments that are broadly supportive. But for various reasons, their levels of engagement with organizational objectives and task requirements are insufficient to make them optimally effective.

Figure 4. The Effectiveness Profile and individual performance



A case-study example, drawn from a major health insurer, makes clear that *both* engagement and enablement are required to promote high levels of individual effectiveness. In this organization, we were able to relate employee opinion data to individual performance, as assessed through performance appraisals. Figure 4 highlights, for each of the cells in our two-by-two table reflecting differing levels of engagement and enablement, the percentages of employees rated as exceeding performance expectations.

As can be seen in this figure, where both engagement and enablement are lacking (the cell in the bottom left corner), 22 percent of employees are rated as exceeding performance expectations. Notably, if we hold enablement constant and low and increase engagement only (the bottom right cell), the increase in superior performance ratings is minimal (from 22 percent to 24 percent). Likewise, if we hold engagement constant and low and increase enablement alone (the top left cell), we see only a modest

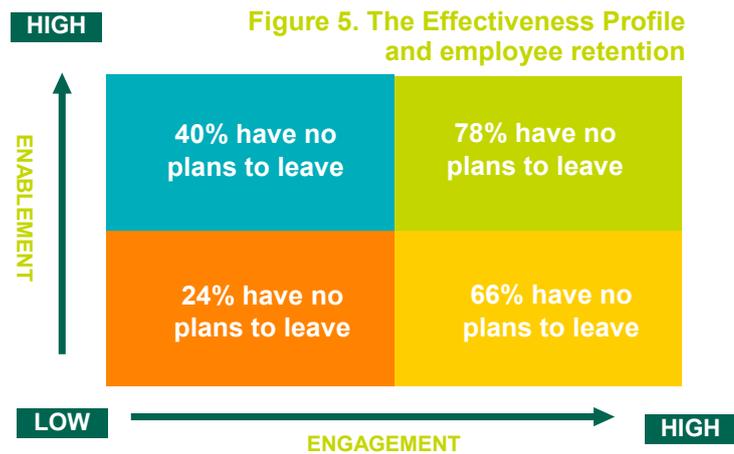


increase in superior performance levels (from 22 percent to 27 percent). However, when *both* engagement and enablement improve (the top right cell), the percentage of employees exceeding performance expectations increases by 1.5 times (from 22 percent to 34 percent).

We see a similar pattern if, using the same case example, we shift our focus to another key outcome—retention of talent. Figure 5 illustrates the percentages of high-performing employees (i.e., those exceeding performance expectations) intending to remain with the organization for the long term (i.e., five years or until retirement) in the different engagement/enablement conditions.

Where engagement and enablement are both lacking, just 24 percent of high-performing employees indicate that they have no plans to leave the organization in the next five years. Enhancing either engagement (the bottom right cell) or enablement (the top left cell) alone results in more favorable retention outcomes for high-performing employees.

However, the most dramatic retention gains are achieved when both motivation and ability to contribute among high performers are enhanced. In this case, the percentage of high-performing employees willing to commit to the organization for the long term increases three-fold over the low engagement/low enablement condition (78 percent versus 24 percent).



For a leading financial services firm, we related employee engagement and employee enablement levels to actual employee departures in the 12 months following an employee opinion survey. Notably, while engagement and enablement were both strong predictors of turnover in the first two quarters, enablement was a much more important determinant of attrition in the third and fourth quarters. These results confirm the importance of enablement in sustaining performance over time. An organization may be able to succeed by the force of will of motivated employees in the short term, but over the long haul adequate support is necessary to avoid burnout.

What's the bottom line? Both employee engagement and enablement impact business results. That's true at the individual level, as we've seen, through the impact on employee performance and retention. But it's also true at the organizational level, in terms of financial performance.

Consider an example from one of the largest food retailers in the UK. In the context of an employee opinion survey recently conducted



for this organization, levels of employee engagement and employee enablement across approximately 100 of the largest stores were linked with store-level measures of fiscal year revenue and cost against target.

favorable financial outcomes. What's more, the strength of the relationships was nearly identical, confirming the need for store managers to attend to both motivating and supporting employees.

**Figure 6. Engagement, enablement, and financial performance**



\*Statistically significant correlation  $p \leq .10$ . All other correlations significant  $p \leq .05$ .

## Factors affecting employee engagement and enablement

Factor analyses were conducted on the data sets from each of the 18 companies involved in the validation study. Exploratory factor analysis was employed for larger data samples able to support this type of analysis, and confirmatory factor analysis was employed for smaller data samples.<sup>1</sup>

Questions selected for inclusion in the surveys were found to correlate with engagement and enablement in previous research. The factor analyses consistently yielded fourteen factors (see Figure 7) exceeding eigen values of one (Tabachnik & Fidell, 1996) and fit indices of .90.

The results (see Figure 6) confirmed that employee engagement and enablement were both associated with more

Various forms of regression analysis were used (stepwise multiple regression, path analysis, hierarchical linear modeling),

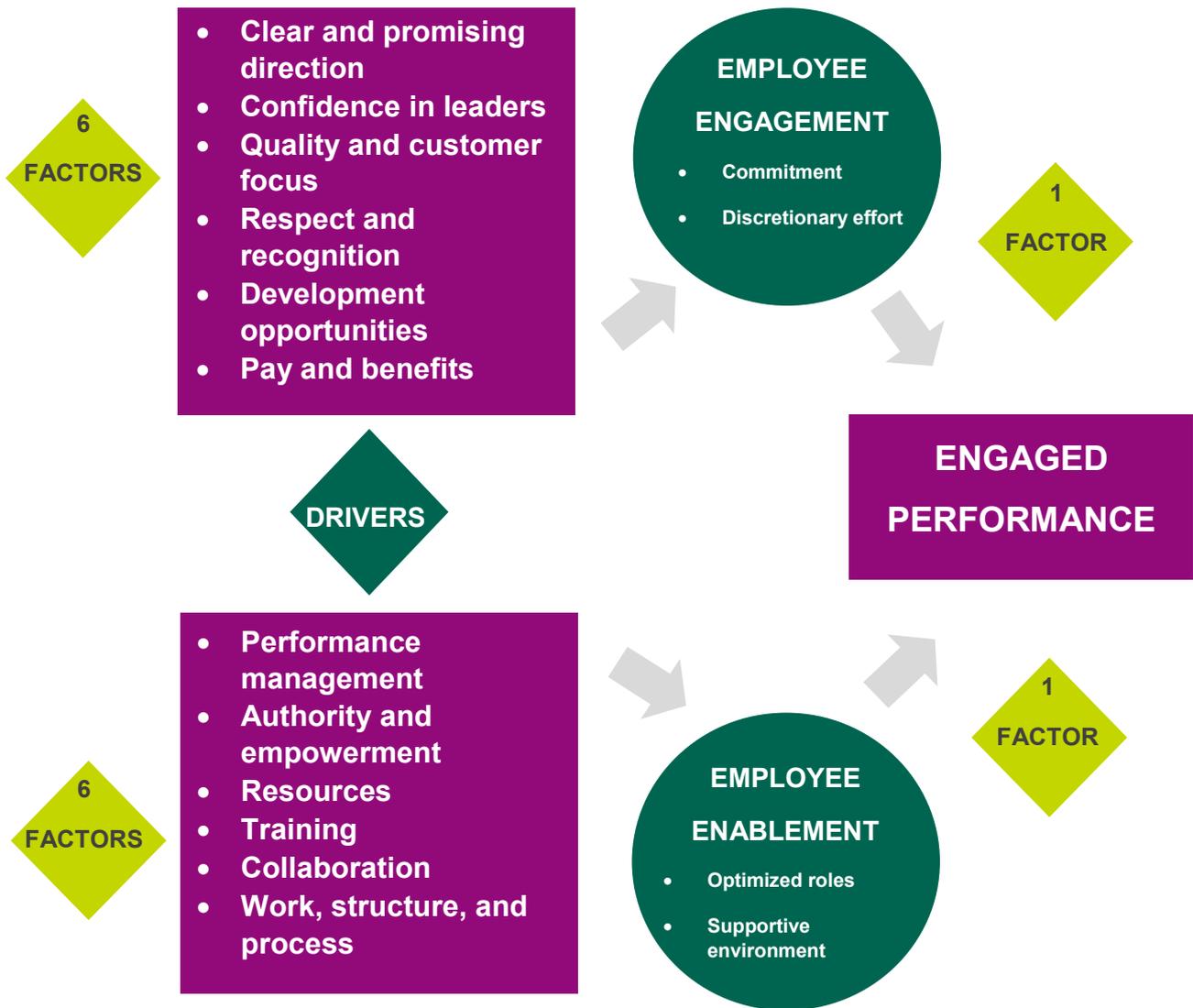
<sup>1</sup> Employee opinion surveys for these eighteen companies were tailored to each company's specific goals and objectives. As a result, the specific survey measures differed from one company to another, with the exception of the

engagement and enablement outcomes. There was, however, a great deal of overlap in questions and underlying concepts the questionnaires were designed to address.



depending on dataset parameters, to determine the perceptions of the work environment most predictive of an employee's self-reported engagement and enablement for each of the 18 companies. Figure 7 depicts a framework of employee effectiveness that not only incorporates the measures of engagement and enablement but also the most common predictors of these two attitudinal outcomes, which ultimately impact an employee's ability to contribute effectively to the success of the organization. While the 18 data sets yielded other factors not included in Figure 7 (e.g. diversity, ethics, job security), the 12 predictors indicated were each statistically significant ( $p \leq .05$ ), and contributed a substantial variance explained in the dependent variable. Each set of six predictors was not exclusively predictive of engagement or enablement, but the frequency with which the factor predicted the two outcomes was considered. For example, while in some cases *development opportunities* was a significant predictor of enablement, it was a more frequent predictor of engagement.

These research findings suggest that employee engagement and employee enablement are distinct outcomes that are influenced by different factors. Accordingly, leaders seeking to improve the effectiveness of their teams need to determine whether performance issues are the result of a lack of engagement, a lack of enablement, or both. Action implications will differ depending on the answer.



## Predictors of employee engagement and employee enablement

The predictors of employee engagement and employee enablement suggested in Figure 7 are consistent with past research and theory. While an extensive review of the relevant literatures is beyond the scope of this paper,

descriptions of each of the predictors and selected connections to past work follow.

**Figure 7. Predicting engagement, enablement**



## PREDICTORS OF EMPLOYEE ENGAGEMENT

### 1. Clear and promising direction.

Ensuring that the practical implications of organizational directions are clear to employees is essential to effective execution. However, connecting employees with the big picture is equally important from a motivational perspective. In their work, most employees are looking for an opportunity to contribute to something larger than themselves, a chance to make a difference. Appealing to this sense of purpose is critical to promoting high levels of employee engagement. (See for example Kotter & Heskett, 1992; Nanus; 1992)

### 2. Confidence in leaders.

If faith in the direction of the organization is critical for fostering high levels of employee engagement, so too is ensuring that employees have confidence that senior leaders are capable of executing on strategic objectives. Today's employees recognize that their prospects for continued employment, career development, and advancement are dependent on their companies' health and stability. They cannot be expected to bind their futures to those of their employers unless they are confident that their companies are well managed and well positioned for success. (See for example Bossidy & Charan, 2002; Yukl, 1989)

### 3. Quality and customer focus.

Being focused on its customers, delivering high quality products and services, and being innovative in developing new offerings is critical to building employee confidence in the direction and future market position of the organization. Moreover, for employees in customer-facing roles, there is no greater dissatisfier than the sense that the organization doesn't "get it" when it comes to what customers require. After all, these employees are on the front lines in dealing with customers and are the direct recipients of any negative customer feedback (See for example Vandenberghe et al., 2007; Koys, 2001).

### 4. Respect and recognition.

Employee engagement involves striking a distinctive employment bargain with employees. Organizations invest in creating the conditions that make work more meaningful and rewarding for employees. And employees, in return, pour discretionary effort into their work and superior performance. Employees cannot be expected to take a personal interest in organizational objectives unless organizations make a reciprocal commitment to employees as more than factors of production. Instead, it is critical that organizations demonstrate a basic respect for employees as



individuals (See for example Bowen, Gilliland, & Folger, 1999; Herzberg, Mausner, & Snyderman, 1959; Jensen, McMullen, & Stark, 2007; Lind & Tyler, 1988).

investments in the organization (See for example Harris & Fink, 1994; Jensen, McMullen, & Stark, 2007; Lawler, 1990).

## **5. Development opportunities.**

Employees are increasingly aware that they are responsible for managing their own careers and that their futures depend on continuous elevation of their skills. If employees are not expanding their capabilities, they risk compromising their employability—within their current organizations or elsewhere. Accordingly, opportunities for growth and development are among the most consistent predictors of employee engagement (See for example Callanan & Greenhaus, 1999; Gutteridge, Liebowitz, & Shore, 1993).

## **6. Pay and benefits.**

With today's organizations operating increasingly lean, employees are being asked to do more with less. In high workload environments, employees are generally sensitized to compensation issues. Acutely aware of all that they are contributing, employees are inclined to pressure their organizations to balance rewards and contributions. In this context, it is more important than ever that organizations ensure that compensation systems are perceived to recognize employee efforts adequately. Clarifying the equity of pay systems both internally and externally is critical to building employees' confidence that they are receiving an appropriate return on their



## PREDICTORS OF EMPLOYEE ENABLEMENT

### 1. Performance management.

Clarity regarding personal goals and priorities enables performance by allowing employees to focus their efforts on essential, value-added tasks. Likewise, by continually “raising the bar,” ongoing monitoring and feedback regarding performance helps ensure that employee capabilities are optimally developed and used (See for example Cascio, 2005; Jensen, McMullen & Stark, 2007; Latham & Locke, 1979).

### 2. Authority and empowerment.

Where employees have appropriate autonomy and discretion, they are better able to structure their work arrangements to promote personal effectiveness. By managing how they work, employees are more likely to find opportunities to leverage their skills and abilities fully in their job roles (See for example Bakker et al., 2003; Spreitzer, 1996; Thomas & Velthouse, 1990).

### 3. Resources.

A supportive environment requires that employees have the information and resources (e.g., tools, equipment, supplies) required to do their jobs effectively. Moreover, where employees are being asked to work hard they understandably want to feel that they are working “smart” as well (See for example Hackman, 1987).

### 4. Training.

In a supportive environment, employees are provided with job-related training to ensure they have the knowledge and skills necessary to carry out key tasks and to deal effectively with internal and external customers. Appropriate training, which can turn potential into productivity, is also essential to ensure that organizations get the most from the abilities of their employees (See for example Arthur, Bennett, Edens, & Bell, 2003; Kraiger & Ford, 2007).

### 5. Collaboration

Effective working relationships support employees in delivering their best work. Collaboration within and across teams can also provide connections and exposure that can help employees identify and pursue internal career development opportunities that support optimum contributions (See for example Hackman, 1987; Jex & Britt, 2008).

### 6. Work, structure, and process

At a minimal level, employees need to feel that the organization is not introducing barriers to getting their jobs done. And, ideally, they should have the sense that the organization is doing all it can to promote their success. Operating efficiency concerns are particularly important in high-workload environments (See for example Adler, 1999; Liker & Morgan, 2006).



## CONCLUSION

For organizations seeking to maximize individual and team contributions, engagement alone is not enough. From a productivity standpoint, the commitment and discretionary effort offered by engaged employees can easily be squandered if leaders are not careful to position employees in roles that fully leverage their potential and to provide them with the workplace supports they need to carry out their responsibilities.

Insight's Engaged Performance Framework focuses attention on the importance of assessing both employee engagement and employee enablement. Across a multitude of studies, we have confirmed that these outcomes are unique and influenced by different factors in the work environment. Drivers of engagement are most closely associated with the organization's ability to establish a clear and promising direction and to instill confidence in all levels of leadership, whereas drivers of enablement coincide with employees' job responsibilities and daily work experience (i.e. managerial planning, organizing, and a sense of empowerment). By properly distinguishing the key aspects of the work environment that impact employees' engagement versus those that provide support, organizations

are much better equipped to focus energy and resources in areas that will have the greatest impact on employee performance.

Consideration of the dual notions of engagement and enablement is essential to bolster and strengthen the valuable exchange that occurs between employees and the organization. When engaged employees are supported and matched to the appropriate roles, they can be expected to put forth greater effort and excel, which, in turn, positions the company well for increased success. Organizations need to build both employee engagement and enablement into their performance management systems, their operating practices and their leadership and management development programs to increase employee performance and business success.



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