

Research insight
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Locus of engagement

Understanding what employees connect with at work

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Foreword

The CIPD has supported the Kingston Engagement Consortium since its inception in 2006 and has published two previous reports from the research being carried out with member organisations. This report focuses specifically on the concept of locus of engagement, which was identified during the course of our Shaping the Future programme, investigating the drivers of sustainable organisation performance. We found, not surprisingly, that employee engagement is an important driver of performance but we also discovered that it is important for managers to understand 'what' employees engage with and where in the organisation their focus of engagement is located.

For example, in some organisations we found that employees identify and engage with the business unit and team more strongly than the wider organisation. In others we found strong team identity and engagement with the customer. While all forms of engagement might be associated with higher performance, we found that over-engagement with a particular aspect of work might actually inhibit the individual's willingness to embrace change and hence organisational flexibility and agility.

As a result of this finding we asked the Kingston team to mine the rich quantitative data they have collected over the course of their project to discover if they could find further evidence to support our findings and to further analyse what this means for practice.

We are extremely pleased with the level of support they have found in their data, which provides rich evidence not only that employees engage with a variety of aspects of their work but that these vary in intensity over time and affect organisational performance. While undoubtedly this issue will attract further research, we can conclude that managing engagement has to embrace an understanding of 'what' employees are engaging with and the implications this has both for the organisation and how individuals and teams are managed. This will help to ensure that employees' engagement adds value and that the resulting performance can be translated into organisational success.

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Executive summary

This is the third in a series of reports for the CIPD from the Kingston Engagement Consortium research programme. Formed in 2006, the consortium brings together organisations which are actively implementing engagement management programmes to raise engagement and establish a culture where engagement can flourish.

This report investigates the issue of locus of engagement. Engagement was identified as one of three major drivers of sustainable organisation performance in the CIPD Shaping the Future research programme and understanding what employees engage with was identified as an important influencer of organisational agility and flexibility.

An understanding of engagement is important to effectively manage three areas of employment:

- **social change** – for example, different generations, Generation X to Generation Y, have different expectations of work
- **changing nature of work** – technological change and more emphasis on knowledge work requires greater autonomy and freedom to innovate, which in turn requires a management style which encourages knowledge flow and a focus on output rather than input
- **economic cycle** – fluctuating demand for labour and skills and globalisation are accelerating change and driving organisations to implement more efficient working practices and strive to identify and implement value-adding people management practice.

Employee engagement literature

There has been much written about employee engagement and its definition has been much debated. As a result there have been various policy initiatives to promote the benefits of an engaged workforce, which is largely taken to mean energised employees contributing to better performance all round. However, 'what' employees actually engaged with has as yet received limited attention and hence the issue of locus

of engagement and its importance to performance is a recently discovered aspect of engagement.

Previous research suggests that engagement is *with* something – knowing *what* employees are engaged with has implications for overall engagement and performance. There is evidence in the literature that employees are engaged with a number of different aspects of their work, including:

- tasks, work or the job
- colleagues and work teams
- line managers
- their profession
- the organisation
- clients and customers
- the family.

Drawing on the available literature, locus of engagement is operationally defined as *that particular location in which engagement exists for a person while at work*. There is also evidence to support the notion that employees are engaged with multiple loci simultaneously and that this is not static and varies according to context.

Evidence for locus of engagement in the Kingston Consortium study

Data collected from the companies taking part in the consortium reveal interesting variations in the locus of engagement:

- Highest engagement – with the **job**: variety, autonomy and meaningfulness are important here.
- Engagement with **line manager and colleagues** – high: ability to voice concerns and working with good colleagues are critical factors.
- Engagement with the **organisation** – moderate: being well treated and company reputation were positives, but for some 'the money gets you up'.
- Lowest engagement – with **individuals outside the organisation**: highly dependent on specific jobs.

The Kingston data find that higher engagement with any locus correlates positively with higher task performance and citizenship behaviour.

Conclusions

- Locus of engagement is important and will enable better understanding and management of engagement.
- Employees can be engaged with different loci at different times.
- Locus of engagement affects performance.
- Engagement loci are likely to occur as combinations.
- Engagement with external loci (clients or customers) can present organisations with a challenge to flexibility and agility, or facilitate performance – depending on context.

Implications for practice

- Engagement has specific loci – we need to identify them to manage engagement effectively.
- Engagement can be with different loci simultaneously – we need to find which combinations have most impact on which performance criteria.
- Locus of engagement can vary over time – we need to keep engagement levels under review.
- The impact of engagement with specific loci or combinations of loci on performance is likely to vary with context – we need to understand and manage context.

1 Introduction

Employee engagement continues to be an important topic, capturing the attention of practitioners, consultants and, increasingly, academic researchers. Engagement has been identified as one of the three main drivers of sustainable organisational performance by the CIPD's Shaping the Future research project (CIPD 2011a). It is, moreover, something that managers' actions can make a difference to (CIPD 2011b). The MacLeod Review (MacLeod and Clarke 2009) highlighted how important employee engagement is for both organisational success, productivity and performance, and individual employee well-being, and has led to government sponsorship of an industry-led Employee Engagement Task Force.

This is the third in a series of reports from the Kingston Employee Engagement Consortium team for the CIPD. The consortium was formed in 2006 at Kingston Business School and consists of a range of organisations actively working to understand and drive engagement in their organisations. Working closely with these organisations, the research team are collecting longitudinal data which enables them to explore all aspects of engagement. The development of the consortium followed an initial study for the CIPD (Truss et al 2006) and the subsequent research has since produced two reports for the CIPD. The first (Gatenby et al 2009) presented preliminary results from four case studies analysing their experiences of managing engagement. The second report (Alfes et al 2010) described the main findings of the first two years of the project through a survey and further case studies on engagement. This looked in particular at drivers and outcomes of engagement, and at ways engagement could successfully be implemented.

This report is different from previous ones. Rather than continuing to report on our main project, we seek to address the novel topic of locus of engagement, identified by the CIPD in its Shaping the Future report (CIPD 2011a). In that study, researchers highlighted the fact that employees could apparently be engaged with different levels or loci, such as their line manager, the team or their profession. Furthermore,

they could not only be engaged with loci inside their organisation, but also with ones outside, such as customers and clients. Employees could also be engaged with more than one locus at a time; the locus of engagement was not static. Finally, it appears that while people may exhibit high overall engagement levels, their actual level of engagement with the organisation could be low. If managers do not know what employees are actually engaging with, they will not be able to manage engagement effectively.

In our work at Kingston University we had focused, along with many other researchers and practitioners, on work as the primary locus of engagement. We had defined engagement as *'being positively present during the performance of work by willingly contributing intellectual effort, experiencing positive emotions, and meaningful connections to others'* (Alfes et al 2010, p5). Nevertheless, when we looked at our data we found evidence concerning engagement with other loci.

In this report we explore how locus has been treated in previous engagement literature and draw on the research of the Kingston Employee Engagement Consortium to illustrate what loci employees engage with and how engagement with different loci relates to performance. This is set against the background of current social and economic challenges facing organisations.

Our findings require further verification, but it seems that engagement with the task is likely to be of key importance for performance. However, a focus on task may understate the importance of engagement with the organisation, which may have wider implications for managing employees to ensure best overall outcomes for the organisation. We conclude by discussing some of the implications of our findings for practice.

2 Focusing on engagement to meet current and future challenges

For businesses and organisations, the topic of employee engagement is ultimately of interest if it helps organisations in both the public and private sectors face up to ongoing performance and management challenges. Companies and organisations in Britain are facing a number of challenges to managing and maintaining high performance and sustained competitiveness. This is due to relatively long-term changes and to more recent ongoing ones. Having engaged employees will help organisations meet these challenges, yet they also face a more challenging environment in which to manage and maintain that engagement.

It seems that important changes are taking place in advanced economies like that of the UK, both as regards the work we do and the nature of the people employed. These carry implications for the way work is managed and place a premium on efforts to engage employees. For several decades now we have had talk of the 'knowledge economy' and the growth of knowledge-intensive enterprises. This growth has been necessary for Britain to continue to compete effectively in the world economy. One of the consequences of this growth has been changes in the nature of the UK economy, with some jobs disappearing and others requiring new skills emerging. There is evidence that jobs often depend more than in the past on social connections between workers (they are said to be more socially embedded) and more likely to depend on employee initiative due to the increased uncertainty of the work and dynamism of the economy (Grant and Parker 2009).

At the same time we have had an important shift in employee expectations, signalled by the debate about Generation X versus Generation Y employees. Generation X employees formed the dominant part of the workforce until recently. Managers understood their expectations and attitudes, and our traditional

methods of managing people and controlling work grew up around them. They are the people on whom the current generation of management textbooks and thinking were based.

Generation Y employees on the other hand have quite different life experiences. In particular they see themselves as technological multi-taskers with entrepreneurial skills and they want jobs that provide training, opportunities for progression, open, empowering bosses, and they do not want to be micromanaged (Broadbridge et al 2007) and seek work that they feel makes them collaborators (Robertson-Smith and Markwick 2009). A study in Australia suggests that Generation Y employees are less engaged than others (Solnet and Kralj 2010). It seems they require managing and motivating in different ways from those we have been accustomed to using.

Overall these changes mean that increasingly employees now demand more initiative on the one hand and, on the other, they have to be given more initiative since their work cannot be managed in traditional ways (Macey et al 2009).

As if these developments are not enough to cope with, in recent years the international economy has been going through turbulent times. In 2008–09 the world economy was in a financial crisis and only came out of the threat of a serious recession towards the end of 2009. Economists, however, continue to be concerned that overall growth is slow and that monetary policies could trigger a double-dip recession in the UK. On the other hand, growth of the Far Eastern economies and southern Africa looks set to continue (Institute of Directors 2011, International Monetary Fund 2011, PwC 2011). These projections, however, were made before the Libyan crisis and the Japanese tsunami.

Large-scale job losses are occurring in the UK as public and private sectors respond to the downturn. CIPD economic advisors' evidence to the Treasury Select Committee, in November 2010, estimated that 1.6 million jobs will be lost by 2015–16 due to austerity measures and factors such as the rise in VAT. While public sector losses are hitting the headlines, the CIPD estimates that the larger proportion of losses will be from the private sector. The Government's expectations that the private sector pick up public sector job losses seem optimistic, according to CIPD research (CIPD 2010a).

Clearly there is a need for renewed efforts to achieve and sustain effective and efficient organisations and sustainable competitive performance. But how? A crucial factor has to be the management of people, ultimately the main source of ideas and wealth. And it is increasingly clear that engaging employees is key to managing people so that they contribute maximally to organisational performance and sustained competitive advantage.

3 What do we mean by engagement and why does it matter?

The terms 'engagement' and 'employee engagement' have been around for some time now. William Kahn is usually credited with first using the term 'engagement' to describe how people might feel about their jobs (Kahn 1990). A few years later, in 1999, Buckingham and Coffman published a book, *First, Break all the Rules*, which introduced the idea of employee engagement to the business consulting world. Since then a great deal has been written about engagement, many consultancies offer engagement measures and a great deal of time and money has been invested by the private and public sectors in promoting employee engagement.

The reasons for the enthusiasm around engagement are not hard to find. Engaged employees are energised employees and Kahn himself linked engagement to performance, suggesting that when people are personally engaged in what they are doing, *'the more stirring are their performances'* (Kahn 1990, p692). At that time this was only a hunch, but recently some evidence has begun to emerge that engaged employees do make a difference to key organisational performance metrics. Macey et al (2009) show that return on assets, profitability and overall shareholder value are higher in a sample of engaged US companies than on average. Other studies by consultants appear to show a similar pattern of financial advantage from having engaged employees (CIPD 2010b).

Financial returns are not the only gains to an organisation from having engaged employees. A recent review of engagement outcomes by the IES noted that engaged employees stay with the organisation, perform better, are advocates for the organisation and enhance profitability and organisational agility (Robertson-Smith and Markwick 2009). Customer perceptions of the company can also be good when employees engage with them (Rafaeli

et al 2008, Salanova et al 2005). Macey et al (2009) conclude that engaged employees are more dedicated to creating value, more consistent in their relations with customers and less likely to leave their company.

It seems there is widespread agreement that engagement is good for organisations and, thanks to the link with employee well-being, individuals. However, when it comes to detailed definitions, there are considerable differences of opinion. The MacLeod report (MacLeod and Clarke 2009) identified more than 50 definitions from a variety of sources – academics, consultants and practitioners – and there remains considerable debate on the subject (Albrecht 2010). Macey et al (2009, pp4–7) suggest that most definitions either emphasise 'psychic energy' – an inner focus – or 'behavioral energy' – an outer focus, with the former feeding into the latter and underpinning the performance that organisations are ultimately interested in.

It can be tempting to see defining engagement as something that largely concerns academics who often worry over details of little relevance to practice. However, definitions of engagement feed through into measures such as the Gallup Workplace Audit (Harter et al 2002), the Utrecht Work Engagement Scale (Schaufeli and Bakker 2004a) and others (Robertson-Smith and Markwick 2009). It is well known, for example, that the Gallup Workplace Audit (Harter et al 2002) combines satisfaction and engagement measures in the same instrument. Macey and Schneider (2008a) suggest that satisfaction is an end-point indicating satiation whereas engagement is usually taken to mean something forward looking and embraces concepts such as potential and willingness to share knowledge and put energy into the job. Mixing satiation with energy in the same measure not only risks having one negate the other, but also prevents meaningful comparisons with other studies where perhaps the

engagement measure focuses on vigour, dedication and absorption (Schaufeli and Salanova 2007) or on *'contributing intellectual effort, experiencing positive emotions and meaningful connections to others'* (Alfes et al 2010, p5). And if engagement is measured in different ways, we cannot make useful comparisons between companies unless we can be certain they use the same measures.

The lack of a clear agreed definition also makes it difficult to identify just what managers and engagement champions should focus on to facilitate and enhance engagement. The Kingston Employee Engagement Consortium's inclusion of *'meaningful connections to others'* (Alfes et al 2010, p5) suggests relations between employees should be an important component of an engagement strategy, while Schaufeli and his colleagues' approach suggests we should focus efforts on the relationship of the individual employee to their work.

Recently a further aspect of engagement has been identified – the locus (or focus) of engagement. This concerns *what* it is that employees are engaged with. The remainder of the report examines the concept further and its link to organisational performance.

4 What are employees engaged with at work?

If we say someone is 'engaged' we naturally imply some kind of relationship. Two people are 'engaged' when they announce their intention to marry and we used to talk about 'engaging' employees, meaning hiring them. Kahn (1990) focused on the relationship between people and the tasks or work they were engaged in. Some authors have argued that engagement should be understood as a two-way relationship between employees and their employer or organisation (Macey et al 2009, Robinson et al 2004). But these remarks are exceptional – in most engagement literature there is silence regarding what it is that employees might be engaged with.

There is also talk of employees becoming 'disengaged', again without specifying what they are not engaging with. If they become distracted by certain aspects of their job or aspects of their life outside work, neglecting other areas, clearly they are very engaged with something but not necessarily with what matters to their manager or employer (or even their work colleagues)! Such a person might be alienated from their work – a problem investigated many years ago by Blauner (1964) – but they are clearly not disengaged in a general sense.

Is the employee who spends a lot of time responding to emails engaged or disengaged? That will depend on just what they are doing during that time – if they are responding in a timely and accurate manner to a lot of emails, their engagement is perhaps to be valued. But if they are agonising over the choice of words as if they want to write a novel, perhaps there is a problem. Rather than thinking of people as being engaged or disengaged, it is helpful to think of them as being engaged all the time – because that makes us ask: what are they engaged with and what are the implications for overall engagement and for performance?

The emergence of 'locus of engagement'

The topic of employees' locus of engagement has been put firmly on the agenda by the CIPD's Shaping the Future project (CIPD 2011a). Practitioners have generally taken it for granted that employees' engagement is with the organisation. In the case studies that formed the heart of that report, CIPD researchers found that employees were often engaged with particular aspects of work and not necessarily with the organisation as a whole.

Employees were engaged on multiple levels, including with the organisation as a whole, with line managers, with the work team, with the job role, the profession, customers, career and self-development, and with service users. They also found that employees could be engaged with more than one locus at a time and that engagement with particular loci seems to vary depending on other conditions at work.

The existence of multiple (or divided) loci of engagement potentially gives rise to some rigidities. Being engaged with a team, for example, might lead to high performance at one time, but at another it might undermine loyalty to the organisation in favour of loyalty to the team and thus hinder overall performance. Engagement with a team could drive local performance, but hinder organisational flexibility and agility, such as when employees in local government perceive a conflict between customer service and efficiency measures. So, for example, in the face of adversity or challenge the team may batten down the hatches and behave in the interests of the team rather than the organisation, which might make it harder to drive change.

'Locus of engagement': what does the literature say?

Some authorities have explicitly ruled out the idea that engagement could have any specific focus. Schaufeli and Bakker, for example, wrote: *'engagement ... is not focused on any particular object, event, individual, or behavior'* (2004a, pp4–5; see also Schaufeli and Salanova 2007). They do not explain why they make this claim. It may be that their emphasis on the psychological aspects of engagement leads them to set aside the question of what the engaged employee is engaged with. Elsewhere Schaufeli and his colleagues have also explicitly promoted the concept of 'work engagement', which implies that for them the locus of engagement is work in general (Schaufeli and Bakker 2004b).

Macey and Schneider (2008b, p78) note that engagement can have *'individual, team, and organizational referents'*, but they did not elaborate. Indeed, the question of 'what' employees are engaged with, the locus of engagement, has not been explicitly addressed in previous academic, consultancy or practitioner research. However, we find a variety of loci (or foci) have been mentioned. Unlike 'work engagement', which denotes engagement with *work* (Schaufeli and Bakker 2010), and similar terms which will be mentioned later in this section, 'employee engagement' does not suggest anything about the locus of engagement. It could, however, be useful to treat it as if it indicates a locus of engagement (that is, employees) since that draws our attention to an important task of managers – engaging with employees, partly in order to encourage their engagement with the organisation (see for example CIPD 2011b).

Schaufeli and Bakker (2010) noted that 'employee engagement' and 'work engagement' are often used interchangeably. They say the term 'work engagement' is better because it indicates that engagement is with work and not, for example, with the organisation. Many others also identify 'work' as the locus of engagement (Alfes et al 2010, CIPD 2011a, Truss et al 2006, Harter et al 2002). Sometimes there is a variation on this idea – 'work roles' are said to be the locus (Kahn 1990, Newman and Harrison 2008). Others identify task (Kahn 1990, Bakker et al 2011)

or job (Maslach et al 2001, Saks 2006) as the locus of engagement. Macey et al (2009, p21) combine these, writing: *'What characterized the engaged employee ... is that their focus is **consistently** directed at their work, and in particular, at their immediate task.'*

'Task' can be understood to refer to a part of a larger whole, the job. Engagement with the task could therefore be quite different from engagement with the job: someone might be highly engaged with some of their tasks (answering emails), but less so with others (filling out important returns), thus introducing variability in engagement *within* the job. Unfortunately there is some ambiguity in the way 'task' has been used in the engagement literature. Kahn initially used task in the sense of a part of a job (Kahn 1990) but later wrote about the importance of employees being engaged with the 'primary task' of an organisation (Kahn 2005), thus somewhat confusingly switching attention from micro to macro levels of locus!

'Job' and 'work' are less well defined, but looking at the engagement literature generally, it seems no one makes clear distinctions between (or defines) 'task', 'work' and 'job' and people often use these words interchangeably. While this does not matter in everyday life, it does when we want to talk precisely about the locus of engagement. For the present we can take 'task', 'work' and 'job' all to refer to the activities that an individual does while being an employee. Thus *what someone does at work in their capacity as an employee* is a key locus of engagement.

However, other things such as team, group, organisation, employer, customer or client of an organisation and family have all been linked to engagement as loci. Bakker et al (2011) refer to collective or 'team engagement' – though it is not clear whether this means 'engagement of the team members with each other' or 'engagement of the team' with work. Blader and Tyler (2009) have proposed a 'group engagement model' which is more clearly about employees being engaged with their group, working on its behalf. A number of authors, both academics and consultants (Saks 2006, Macey et al 2009), see the organisation or the employer (Markos and Sridevi 2010) as an important locus of engagement for employees, as does Kahn (2005).

Consultancy models tend to see engagement as happening at the department and company levels rather than the individual level (Robertson-Smith and Markwick 2009).

All these loci are within or directly concern the organisation an employee works for, but it has also been noted that employees may focus their engagement on external loci. The CIPD's Shaping the Future project found that employees can be engaged with an organisation's customers or clients. Rothbard (2001) noted that employees' engagement can be with both (or either) work and family.

Although different researchers have identified a number of different loci for engagement, generally speaking most appear only to mention one locus (for example Alfes et al 2010). But others envisage engagement with more than one locus, in particular with both the job and the organisation (Saks 2006). Macey and Schneider (2008b) refer to individual, team and organisation as loci.

The CIPD's recent research suggests that over-engagement with multiple loci might be problematic from the organisation's perspective. One of the few people to discuss the issue of multiple engagements (Rothbard 2001) did so mainly from the employee perspective. She noted that multiple engagements can be enriching (engagement in one role enhances engagement elsewhere) or depleting (engagement in one role hinders engagement in another).

Does any of this matter, or is this just another issue of detail that's not very relevant to practice? The CIPD's Shaping the Future study suggests it may be very important for organisational performance. They found that sometimes, where engagement with team and customer was strong, engagement with the organisation overall appeared weak. Engagement that is not organisationally focused can be detrimental to the wider interests of the organisation. High engagement with customers by customer service team members, for example, could hinder the organisation's ability to change the service. Locally focused engagement might detract from more global flexibility and agility. On the other hand, Rafaeli and her colleagues have shown that call centre customer satisfaction is high when employees show 'customer orientation behaviors' (Rafaeli et al 2008, p239, Salanova et al 2005), suggesting when employee engagement with customers is high, this can have a direct positive effect on customer perceptions, which can only be good for the company.

5 What does the Kingston study tell us about locus of engagement?

The organisations in the Kingston Engagement Consortium have been actively pursuing current best practice measures to achieve an engaged workforce for several years and have come together in the consortium to share their experiences and contribute to driving practice through evidence-based research (see the Appendix for more details on the Consortium and the research methods used in the study). To a large extent they have succeeded in their efforts and the levels of engagement are thus higher in these companies than those reported more generally. Nevertheless, data from surveys and interviews with employees reveal interesting variations in the locus of engagement. We have also been able to explore how engagement with different loci is related to performance.

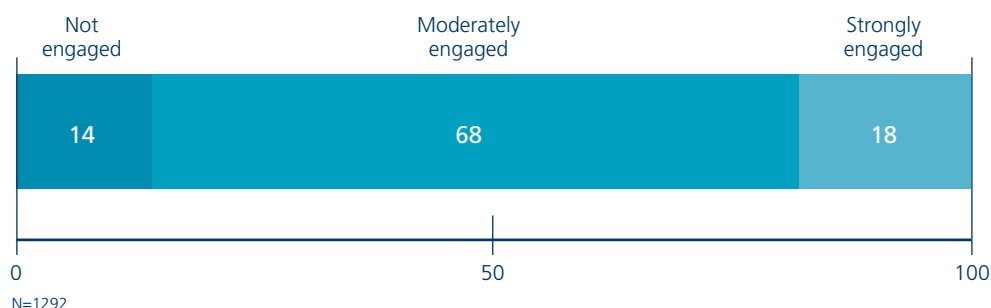
In this section of the report we draw on data from two sources – organisational surveys and interviews. In order to understand what people see themselves as engaged with, in the surveys we asked them to rate the extent to which they are engaged with

their job, other people inside the organisation (line managers and colleagues), with the organisation and with individuals outside the organisation with whom they have a working relationship. The evidence shows that they are engaged with all these loci, in varying degrees, and that these loci are of varying significance for performance. In the interviews we asked a number of questions that provide both direct and indirect evidence about employees' locus of engagement.

Engagement with the job

Engagement with the job was measured with the Kingston Job Engagement Inventory. It measures the extent to which people are emotionally, intellectually and socially connected with their job. Eighteen per cent of people stated that they are strongly engaged with their job. The vast majority, 68%, stated that they are moderately engaged with their job while only 14% of people said that they are not engaged with their job. People in managerial roles are more likely to be engaged with the job than those in non-managerial ones.

Figure 1: Employee engagement with the job (%)



Our interview data show that employees engage with the job where it offers them variety, autonomy and the freedom to perform the role as they wish, at their pace and style:

For me personally, I enjoy the variety. I enjoy being kept busy. I think I would get very bored doing a repetitive job like a call centre; that would just bore me to tears.

What I like most, and I've always said the same thing, is the variation. I like the fact that we're involved in so many different things as part of the business and part of support services. We are not just one department; we're involved with every department and everything that they do... There are so many different challenges day to day... You don't quite know what you're going to get when you come into work and I think that's a massive thing. I have to say that I wouldn't necessarily enjoy a job where I knew what I was going to be doing on a daily basis; that's just not me.

For me, that's the single best thing, the variety and freedom of the role and the fact that you can be doing different things every day.

We know that the meaning of the job to the individual, particularly the ability to see what they do as part of a larger picture, is an important part of keeping employees engaged. This was also reflected in how they talked about their jobs:

The biggest satisfaction for me is when you see a finished product... You can see something. It's a tangible asset and you know that all those late days, late hours, weekend meetings to try and get stuff done was worth it at the end of the day.

I enjoy achieving things in the construction industry. I can go through London and say that I worked on that and was part of that, it's satisfying and tangible. You feel as though you're achieving something.

... I ... want ... to give something back to society somehow which is actually what I see myself doing in my current job.

Employees also reflected positively on the opportunities they have to voice their opinions about their jobs – they feel they are listened to by their managers. Some of our interviewees worked in facilities management – managing things such as office moves, building maintenance and the like for a third party client. So these people had their own managers within the company that employed them and had important relationships with people in the company whose facilities they managed. Being listened to by the service client was also important to them:

We are always trying to [suggest new ways of doing things] and I think the guys here would say the same. If anybody comes up with something, should we do this or should we do that, we'll say yes, let's see if it works, let's do a business case and look at it. See how much it's going to cost obviously and then we can more than happily present it to the client. I don't think there's any fear that 'oh you can't do it like that because we've always done it like this'. I think we're quite open to suggestions.

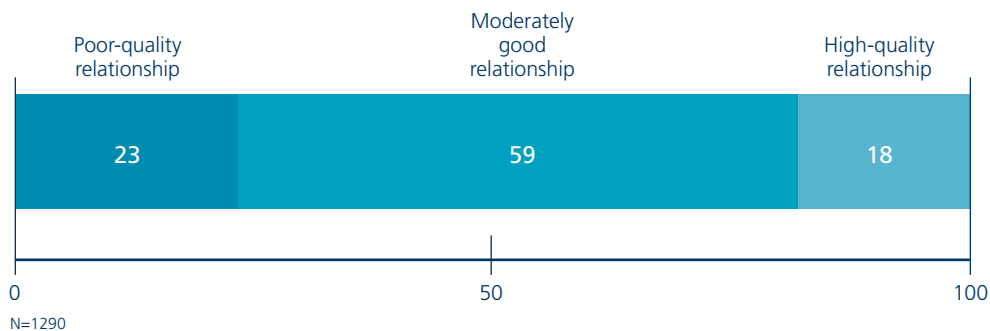
I'm quite lucky I think. Communication is pretty open. There's not a real massive structured way to do it. We have breakfast meetings once a week, where the client will be at the breakfast meetings. I'll be at the breakfast meetings, my boss will be at the breakfast meeting. Sometimes there's a service provider as well, and we all get together, someone says we need to do this, everyone says ok. Everyone is fully aware and information is shared. So I would say communication is good, communication is open. There's not a hard and fast you can't speak to me because it's got to go through the chain of command. That's quite an old-fashioned way anyway really.

I know if I need my director ... to come down, or to speak to me, he will be there, he will offer good advice ... he is available to answer questions.

Engagement with people in the company

Previous research has identified that people can be engaged with their team or group. We did not ask questions in the surveys that could provide direct evidence of engagement with these loci, but we do have evidence to indicate the level of engagement with line managers and with work colleagues. We

Figure 2: Engagement with line managers (%)



would expect engagement with line managers and/or colleagues to correlate with engagement with the work group since an individual's primary work group includes their line manager and colleagues.

Engagement with line manager

In the surveys we measured engagement with line manager in terms of the quality of the relationship a person feels they have with their line manager. The scale, developed by Graen and Uhl-Bien (1995), asks people to rate the extent to which they trust, have confidence in and appreciate their line manager. Overall figures are positive, as we would expect from this group of companies. Eighteen per cent of people feel that they have a high-quality relationship with their line manager, 59% have a moderately good relationship with their line manager and 23% reported having a poor-quality relationship with their line manager. Managerial employees' engagement levels with their line managers were significantly higher than those of non-managerial employees.

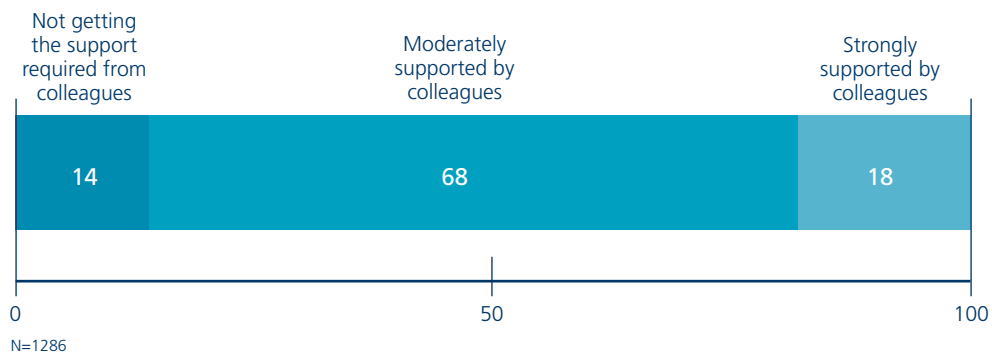
However, the interview data revealed the subtleties of the line manager relationship. On the one hand there is a feeling of engagement with the line manager, while on the other there are indications that this is something that has to be worked at – perhaps indicating some of the difficulties line managers may have in shifting from a traditional to a more engaged role. These complexities could perhaps account for why nearly 25% of the survey respondents felt they have a poor relationship with their line managers as the survey is only a snapshot, while in the interviews, people can give a more nuanced account of their experiences.

I'm engaged personally, professionally and relationally with my line manager... I am as engaged as I could be, I think.

...things are obviously expected of me in terms of my manager and what she says, time lines, I've got to do things. She's very supportive. If I went to her and said 'this project is taking a lot longer than I thought, for whatever reason' – we'd have a discussion about it. Sometimes it might be her saying 'well, the client wants it on Friday' so that's how it is – and we've all got to deal with that, but most of the time, she's very good and gives me all of the resources and time that I need to get things done. She's very good at letting me handle the more awkward situations and saying do it your way, which is good.

When I used to work with my line manager, I felt that to a degree I was micro-managed and that I wasn't really being seen for what I could offer on the table. I like to be given a challenge and to be thrown into a situation where I have to sort things out myself. It's being given that much space and having the trust from your peers, particularly people that are higher than you, to actually be able to go out and do it yourself. I do have now, but it took a while to get there and I feel that it could have happened a bit earlier.

Figure 3: Engagement with colleagues (%)



Engagement with colleagues

In the surveys we asked people to rate the extent to which they have close relationships with their work colleagues and whether they have the chance to get to know others on the job. The scale was drawn from the Work Design Questionnaire (WDQ) developed by Morgeson and Humphrey (2006). Eighteen per cent of individuals feel strongly supported by their colleagues at work, 68% of people feel moderately supported by others and 14% feel that they do not get the support they want from others. They feel more engaged (though not by much) with colleagues than with line managers. As with engagement with line managers, this was higher amongst managerial than non-managerial employees.

Interview data shed more light on the role good working relations with colleagues can play in driving engagement. Many interviewees commented that having good relationships with colleagues contributed to their feeling positively about their job and organisation:

So what is more important to me, the people I work with or the job that I'm doing? Equally I suppose. I like my job, I like the work, I think it's interesting but I also like the people I work with and the team I work with and enjoy coming to work.

I think at the end of the day, it's the people that you work with and I work with great people. If there was maybe one person I didn't get on with, it would be a massive deal to me. I suppose that would be the only thing that would really make me think twice about working for the company.

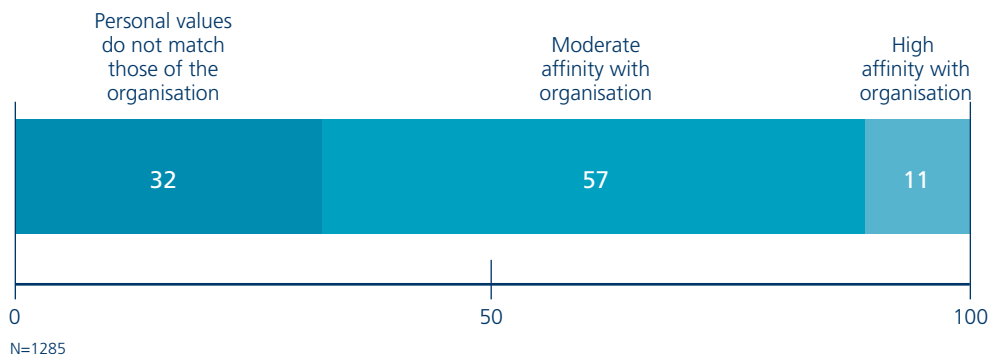
Some of the interviewees worked in a facilities management company. We have already seen that they valued being listened to by people in the company they were managing facilities for. So it is not surprising that we found their perspectives on work colleagues extended to people on the client side as well as those with whom they work on a daily basis (or perhaps because they do work with them regularly):

I do actually quite like working with people. Although it's facilities and property, it's a people game. It's all about people and interaction with people, and whether that's staff or ... the client. It's not the building, it's about the occupants. It's very people-focused, very interactive.

Engagement with the organisation

The extent to which a person feels that their personal values are aligned with the organisation's values was used in the survey as a proxy to measure engagement with the organisation. The measure was taken from Saks and Ashforth's (2002) person–organisation fit scale. Our findings show that 11% of people feel a close affinity with their organisation, 57% feel a moderate amount of engagement towards their organisation, while 32% do not feel that their values match the values of their organisation. This is not surprising as, compared with the job and work colleagues, 'the organisation' is psychologically further away from most people. Our data showed that managers tended to have significantly higher levels of engagement with the organisation than non-managers.

Figure 4: Engagement with the organisation (%)



Employees' engagement with the organisation was evidenced in different ways within the interviews. For example, the vast majority of those interviewed would recommend the organisation to a friend (organisational advocacy):

[If someone I knew asked about working here] I would absolutely suggest going for it. Actually, one of the mail room guys who [we] were potentially going to lose, I managed ... to sell the [company] thing to him as well, that there's opportunities to move and progress.

[The employer] is one of the best private sector employers I've ever worked for. They are a professional organisation that is well run, well managed, have a vision, have goals. Knows where it wants to go, but not at the expense of treating staff on the debit side. Staff are an asset. The only way you can do it is if you actually engage with your staff and motivate your staff and keep them happy, because it's the staff that delivers it... They've got a good reputation, they pay well, they have an expectation. They buy the best and pay the best.

Many participants would not leave their organisation if offered a similar job elsewhere:

I'm very happy where I am. It's a job I like. I like working here. I like the people I work with. I like the company I work for. I think I'm reasonably well paid for what I do. I've got such a level of happiness at work; I've got no need to think about much else really.

I'm prepared to back the rest of my working life with them if they're happy to do the same with me.

However, for some employees, it was the site and all that implies that was important rather than the organisation as a whole:

It is site-specific. I just love working here. If [my employer] sent me to another site, I don't know if I'd like it as much... I'm comfortable with the people, I know the people... It's a lovely site and we're spoilt absolutely rotten. We've got an on-site gym, on-site catering; free vend teas and coffees all day.

And others took a more traditional, instrumental approach – it's just a job:

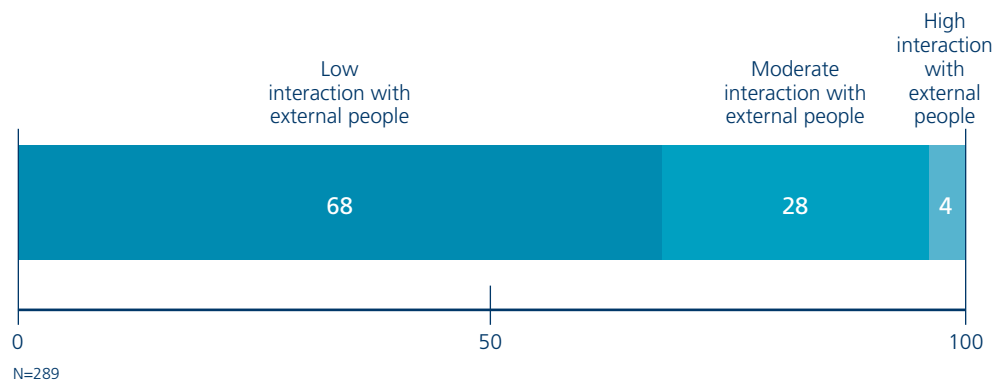
I'm not totally tied to [the employer]. There are pros here but if the pros somewhere else outweigh the pros here...

I wouldn't do what I'm doing now if the money wasn't in place, because that gets you up at 6am on a Tuesday morning and you're feeling like crap and just want to stay in bed. The money gets you up.

When asked what factors they would consider in their decision to leave for the same position elsewhere, these included a variety of tangible and psychological rewards:

For more money, for a good project and for good work colleagues.

Figure 5: Engagement with individuals outside the organisation (%)



It would depend on what they're offering [and] what sort of business it was, what they were doing and whether I found it just as interesting.

For me, I would say the biggest thing that would have to come into it would be what the company is like. What impression I would get of them. I think I am the sort of person where I would leave if I wasn't happy with my work.

In terms of loci of engagement, a wide range is reflected here. The job itself is important for some people – it should be 'interesting', 'a good project' – and this seemed more important than the organisation. We have seen above that 'interesting' work itself can involve a number of engagement loci – the actual work, colleagues, clients or customers, and the end product. The organisation ('what the company is like') is also mentioned here but it's not clear whether that means it's the actual company that engages them (in the sense of being an employer of choice) or what the company can offer – in terms of interesting work, good colleagues and the like.

Engagement with individuals outside the organisation

Finally, we wanted to get some idea about whether or not employees were engaged to any extent with people outside the employing organisation, such as clients, customers or even suppliers. In the survey we could only measure this approximately by asking people how often they come into contact with others who do not work for their employing organisation.

We used the WDQ to measure this. Only 4% of our sample spend a great deal of time interacting with others outside their organisation; 28% of people spend a moderate amount of time, whereas the vast majority of people, 68%, spend little to no time interacting with others outside the organisation. These figures are not surprising given the nature of most jobs in organisations, nor is the finding that managers had higher levels of engagement with individuals outside the organisation than non-managers, again most likely a reflection of their jobs.

However, it is likely that these overall figures conceal important differences within organisations, as was evident from our interviews where we found richer evidence about the 'external' locus of engagement. Some of our information came from construction project managers and some from facilities management operations. These kinds of working relationship require employees to become embedded in the client's culture and often working on the client's site. It was clear that the nature of the relationship between the client and the employees in the facilities management company influenced their locus of engagement. Our interview data provided quite a rich source of information on this aspect of engagement.

One group of facilities management staff, many of whom had previously been outsourced by the client of their current employer, were clearly still strongly engaged with the client:

The client is exceptional, absolutely exceptional. She would organise quiz evenings ... we have a ball. She gives us a Christmas party every year, where we can all relax and get together and have a bit of fun. She does team-building courses, where she takes you out for the day and you go shooting or go-karting ... stay in a hotel.

It's hard when you've been working for a company, like I started with [the previous service provider]. Regardless of who provides facilities and who you are working for at the time, it's hard to get that loyalty away from [the client]. You still have loyalties ... and because there isn't as much interaction from head office, it's hard to shift your loyalties. I know at the end of the day that [my employer] are the ones that pay your salary, they're the ones that employ you. It's still difficult and I suppose if you were to ask 50–60% of the team here, they would probably say that their loyalties still lie with [the client].

Perhaps the fact that many of these employees had worked for the client, or carried out facilities management for them, before being taken over by their current employer goes some way to explaining the feelings of engagement with the client expressed here.

While some employees (particularly those with line management responsibilities) were very clear about their organisational loyalty ('[My employer] pays my salary so I work for [my employer and loyalty is to [my employer]]'), construction project managers are often based on the client's site and report to the client as well if not more often than to their employer. This can cause some tensions in terms of people's organisational identity and their sense of belongingness. Some participants felt that they worked for, or were more engaged with, the client, or the product, than with their employer:

We obviously work on site with [the client]. Sometimes you feel that you are working more for [the client] than you are for [your employer]...

I think the best part of my job is the delivery of a product or a delivery of my client's requirements to his satisfaction, or better. The negatives far outweigh it on a daily basis, but if you can keep that goal at the forefront of your mind, then that sort of drives you through.

There are definite times [where] it's very easy to get sucked in and 'go native' ... where they put [the client's] interests above [my employer's] interests ... That's the real challenge when you do secondments ... as opposed to buying a professional service. I sit in here, I've got a [client] business card, [client] computer, [client] clothes that I have to wear when I go on site. I'm badged as [the client].

But perhaps being engaged with the client is not too much of a problem when people see themselves as engaged with both at the same time:

[Being based on a client's site but employed by another company] has been an issue. Who's your boss? It's two people in effect but I know where my salary comes from.

I enjoy the variety, the ability to be able to think independently and to act independently for and on behalf of my client as a consultant on behalf of [my employer].

Summary

What are people engaged with? The results of our analyses show that people tend to be engaged with elements of their work environment which they encounter frequently, namely, their job and their immediate colleagues, including their line manager. We found that approximately 20% of individuals are highly engaged with their job, manager and colleagues, whereas about 10% of people are highly engaged with elements that do not feature in the day-to-day lives of most employees, such as the values of the organisation and people outside the organisation.

One of the most important issues for organisations is performance, so we drew on the survey data to explore how engagement with these different loci related to performance.

6 How does the locus of engagement impact on performance?

Knowing what drives and inhibits performance is a key priority for managers today. In this section we examine the relationships between different loci of engagement and three facets of performance. We also compare the strengths of the relationships between each locus of engagement and each facet.

For many people 'performance' is the successful accomplishment of duties and responsibilities associated with a given job. This aspect of performance, namely, *task performance*, is crucial for the success of any organisation, given that it contributes to the organisation's technical core. However, it is useful to take a broader perspective on performance, extending it to include the enactment of citizenship behaviours and the absence of deviant ones.

Citizenship behaviours contribute to the organisation by fostering a social environment that is conducive to the accomplishment of work. Citizenship behaviours go beyond the basic requirements of the job; they are discretionary and they facilitate organisational functioning. They include behaviours such as helping other colleagues on work-related tasks, filling in for a colleague who is ill and speaking positively about the organisation to outsiders – behaviours that reflect the 'going the extra mile' characteristic of engaged employees.

Deviant behaviours, on the other hand, negatively affect the organisation and threaten its well-being. Deviant behaviours include stealing, damaging the company's property, arriving late at work, taking unauthorised breaks or neglecting to follow line managers' instructions. It is an important component of performance for managers to recognise, given that deviance costs the economy billions every year, and research suggests that deviant behaviours are on the rise.

Levels of task performance, citizenship performance and deviant behaviours

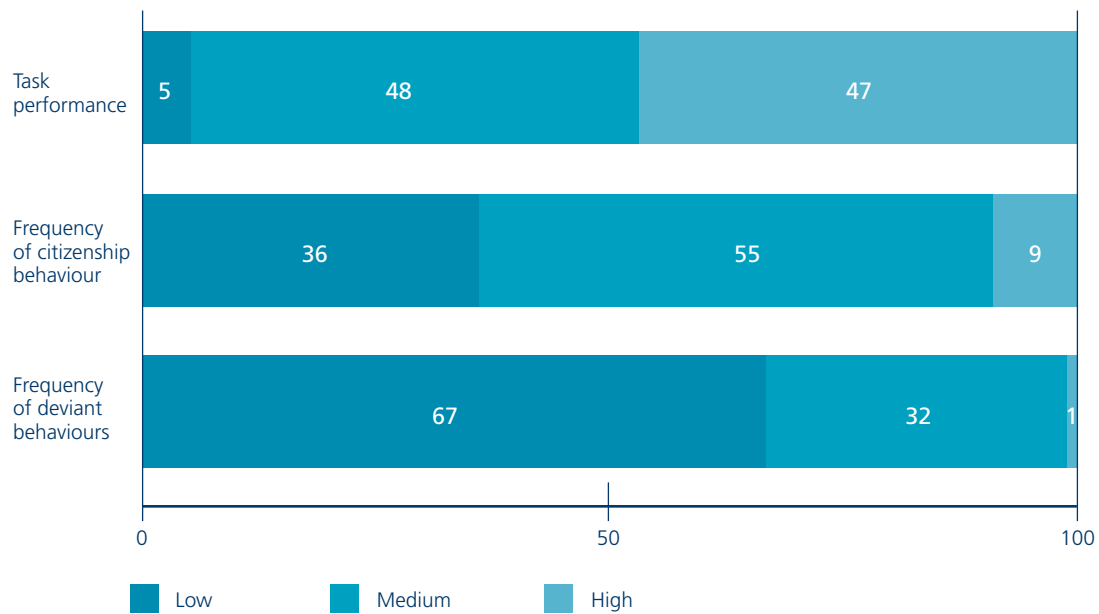
We asked people to rate their own task performance and the frequency with which they enact citizenship and deviant behaviours. Ideally, we would obtain direct measures of these facets of performance or ask people's managers, colleagues or clients to rate them. However, this is not possible in a survey of this nature. We would therefore expect that task performance and citizenship behaviours are probably overstated and deviant behaviours understated. Bearing this limitation in mind, this data provides an indicator of employees' understanding of their own performance, in comparison with that of their colleagues, which is useful in this context.

In the survey, we first asked people the extent to which they perform their tasks effectively. Forty-eight per cent of people feel that they carry out their tasks effectively and an encouraging 47% of people feel that their task performance is excellent. Only 5% of people said that their task performance is low. There are no statistically significant differences between managers and other employees.

Next we asked the frequency with which people are willing to 'go the extra mile' or enact citizenship behaviours. Thirty-six per cent of people enact citizenship behaviours infrequently, 55% of people enact citizenship behaviours about once or twice a month and 9% enact them weekly. Managers' levels of citizenship behaviours were significantly higher than those of non-managers.

We also asked people to rate the frequency with which they display deviant behaviours at work. Encouragingly, only 1% of people stated that they enacted deviant behaviours frequently, 32% of people stated that they engage in these behaviours once or twice a month, and the majority of respondents, 67%, very rarely carry out acts that are harmful to

Figure 6: Performance (%)



N between 325 and 1293

the organisation. There are no differences between managers and non-managers. Figure 6 summarises these findings.

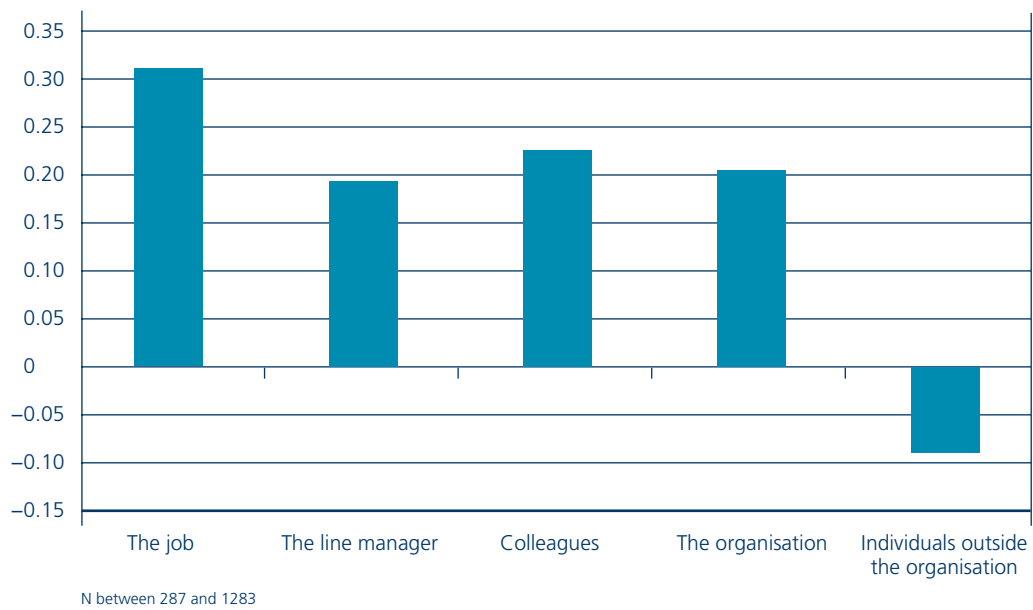
In order to investigate the relative importance of the different loci of engagement to performance, we conducted a series of correlations. In doing so, we show the relative significance and strength of the relationships among the loci of engagement and task performance, citizenship and deviant behaviours.

Loci of engagement and task performance

First we examined the extent to which the loci of engagement were related to task performance. Our results show that individuals who are engaged with

their job report the highest level of task performance. Figure 7 shows that the relationships among engagement with the organisation, line manager and colleagues are all positively related to task performance, but to a lower degree than engagement with one's job. There is an insignificant, albeit negative, relationship between interaction with individuals outside the organisation and task performance. Given that this relationship is insignificant, this data suggests there is no relationship between the extent to which people interact with others outside the organisation and task performance. (However, our measure of external engagement is far from perfect, and this finding may not hold in some contexts.)

Figure 7: Correlation of loci of engagement and task performance



Loci of engagement and citizenship performance

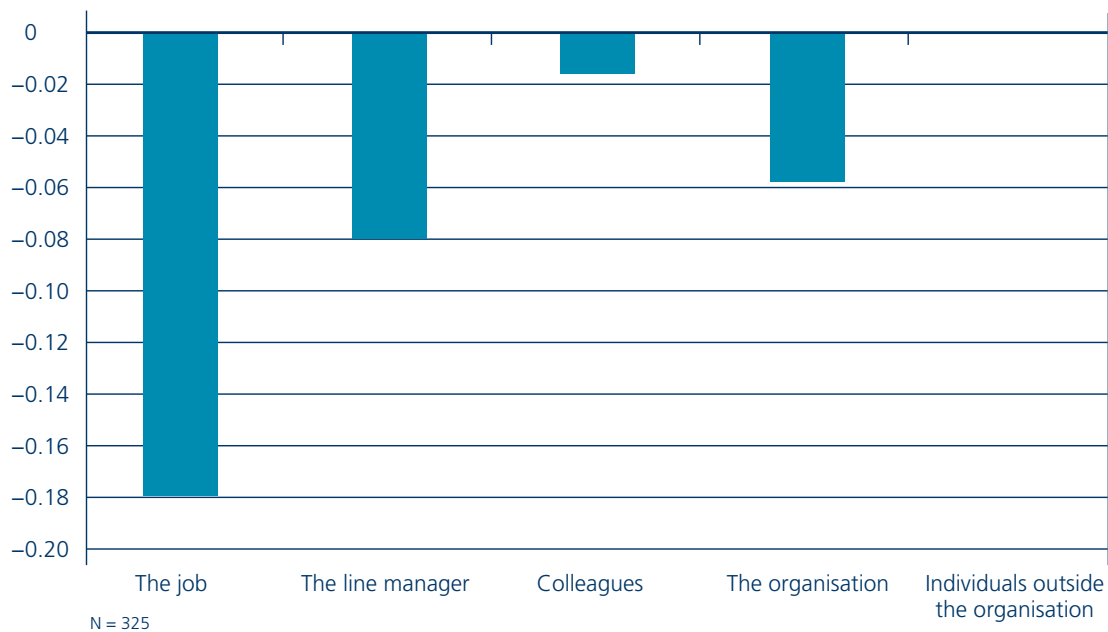
Here we focused on the relative strength of each of the loci of engagement and the extent to which people enact citizenship behaviours at work, including helping others in need and advocating the organisation to

outsiders. Again, we find that the strongest and most significant association with citizenship behaviours is engagement with the job. The remaining loci are all weaker but still show a positive association with citizenship behaviours.

Figure 8: Correlation of loci of engagement and citizenship behaviours



Figure 9: Correlation of loci of engagement and deviant behaviours



Loci of engagement and deviant behaviours

Finally, we examined the relative strength of association between the different loci of engagement and the frequency with which individuals engage in behaviours that detract from the overall effectiveness of the organisation. Although the significance of our results are relatively weak, not surprisingly, all are negative; in other words, all loci of engagement are negatively related to deviant behaviours. Hence a person who is strongly engaged enacts less deviant behaviour. Once again, engagement with the job has the strongest negative relationship with deviant behaviours, followed by engagement with the organisation and a person's line manager. The extent to which people are engaged with their colleagues or with those outside the organisation does not impact the extent to which individuals behave in ways that are counterproductive to the organisation's goals.

Summary

Clearly, people engage with different elements of their work environment. In general, the more a person is engaged with any facet of their work life, the higher their task performance and the more they enact citizenship behaviours and refrain from enacting deviant behaviours. However, the results of our analysis suggest that the most important factor that leads to higher performance is engagement with one's job. Engagement with the job was most strongly associated with higher task performance, citizenship behaviours and lower levels of deviance. Organisations, therefore, should focus on job engagement as a first priority in their quest to increase performance.

7 Conclusions and implications for practice

As outlined in the introduction, organisations currently face a number of challenges stemming from the ongoing economic difficulties following the recent financial crisis and subsequent squeeze on public sector expenditure, which is also likely to impact strongly on private sector organisations. The economic difficulties come on top of longer social trends influencing management of the employment relationship. Two features stand out here. The first is the Generation X to Generation Y shift, which is affecting employees' expectations. Exactly how these relate to engagement levels or loci remains to be investigated. Second, types of work that cannot be managed as effectively in traditional ways but that require giving greater autonomy to employees and expecting greater initiative and innovative behaviour from them, appear to be on the increase.

The changes in employee expectations and nature of work have placed a premium on engaging employees towards sustained organisational performance, a trend that has been gathering pace in the UK in recent years. The CIPD's Shaping the Future report identified employee engagement as one of the three main drivers of sustainable organisational performance. There is also extensive research indicating that engaged employees perform better, are advocates for the organisation and enhance profitability and organisational agility. It seems likely that engagement of employees will be crucial to organisations facing the economic challenges ahead while maintaining organisational functioning.

The topic of employee engagement has been firmly on the agenda for managers, employees, consultants and academics for the last ten years or more. During this time our understanding of the potential benefits, in particular, of employee engagement have increased. Despite this, there remains some ambiguity as to just what engagement means, which in turn impacts on

policy recommendations. Furthermore, it is evident from the CIPD's Shaping the Future project that an important aspect of engagement had been largely overlooked – the locus of engagement.

The CIPD's report identified that employees could be engaged with different levels or loci within the organisation, such as their line manager, the team or their profession and with ones outside, such as customers and clients; that there could be more than one locus at a time; and that the locus of engagement was not static. The report also suggested that while people may exhibit high overall engagement levels, their actual level of engagement with the organisation could be low and if managers do not know what employees are actually engaging with they will not be able to manage engagement effectively.

Our report extends the understanding of the locus of engagement offered by the Shaping the Future report. In the first part of this report, we offered a review of how locus of engagement has been treated in existing literature. In the second part, we reported on the results of a preliminary investigation of locus of engagement drawing on data from our research in companies belonging to the Employee Engagement Consortium. All these organisations are highly committed to promoting engagement and have been actively doing so for a number of years.

While the locus of engagement has not been explicitly addressed in previous research, there are references to individual, team, organisational, customer or client and family as what employees' engagement can be focused on. In most studies the focal point appears to be the employee's engagement with the work or job, with very few studies examining engagement with other individuals or groups within or outside the organisation, or the organisation itself. A number of authors see the organisation or the employer as critical for performance,

with consultancy models tending to view engagement as happening at the department and company levels rather than at the individual or task level.

Drawing on the findings of the Shaping the Future report, we operationally define locus of engagement as *that particular location in which engagement exists for a person while at work*. Our investigation of the existence of different loci of engagement via in-depth interviews revealed that people's loci of engagement include the job itself, other people inside the organisation (line managers and colleagues), the organisation and individuals outside the organisation with whom they had working relationships. Our survey results confirm our hypotheses that the multiple or different loci of engagement can vary in strength. For the majority of people the organisation appears to be a less important locus of engagement than the job. While most of the participants felt moderate levels of locus of engagement with their line manager, according to our survey, the interview results revealed perceptions that line managers tend to be reluctant to transit from a traditional to a more engaged role.

In many instances loci of engagement that were described as related to work colleagues extended to people on the client side as well. The interviews also indicated that jobs that required employees to become entrenched in a culture outside the organisation catalysed a locus of engagement that lay outside the organisation and this caused some tensions in terms of people's organisational identity and in some instances their sense of belonging. On the whole, those who are in managerial positions experience higher linkages between their loci of engagement and the different facets of performance than others.

We also examined the linkages between the different loci of engagement and three facets of performance – successful accomplishment of duties and responsibilities associated with a given job (task performance), discretionary behaviours that facilitated organisational functioning (citizenship behaviours) and negative behaviours that threatened organisational well-being (deviant behaviours). The fact that we found variations in the relationship between different loci and performance, substantiates the importance of locus of engagement for performance in particular.

Locus of engagement with the job was the most significant predictor of task performance and citizenship behaviours. Engagement with the organisation, line manager and colleagues were also all positively associated to task performance and citizenship behaviours. Our interview data revealed that the locus of engagement with the job is enhanced under certain conditions. These included the experience of variety, autonomy and the freedom to work in terms of pace and style; meaningfulness of the job, particularly in terms of being able to see what one does at work as part of a larger picture; and, not least, voice – when people feel that they can express their opinion on aspects related to the execution of the job. With regard to deviant behaviour at work our survey indicated that a person who is strongly engaged, regardless of their loci of engagement, is less likely to behave in a way that threatens organisational well-being.

While we can clearly say that locus of engagement appears to be important for practice, we need to interpret these results carefully. Although we can investigate the relations between different loci of engagement and different aspects of performance separately, in reality they are interconnected in complex ways that we do not understand yet. Doing a job is not actually separable from relations with colleagues or line managers. Where a job involves a product or service for external clients, as in facilities management or construction project management, relations with people outside the organisation are also an integral part of the job. Just because correlations of performance and engagement with individuals outside the organisation appear low, that does not mean that in certain circumstances they are not important. On the other hand 'the organisation' does appear psychologically somewhat more distant and less engaging for employees.

It seems clear that context is important for understanding the relationship between locus of engagement and performance. In the Shaping the Future project (CIPD 2011a) the CIPD found evidence that engagement with clients or customers could inhibit organisational flexibility. In our research, however, we concluded that the engagement of people with clients was very beneficial to the

employing organisations in terms of ensuring high-quality service delivery. A crucial difference between the two situations would appear to be that in the case of the local government authority studied in the Shaping the Future project, resource constraints meant the authority had to change the nature of the service delivered. In this context, the employees' engagement with clients posed a challenge to the local authority. In the situations reported here for the first time, no changes were happening. This would suggest that where services are delivered to an external client or customer, employee engagement with delivery, and the client, can be beneficial to the client and the employing organisation, provided the latter does not wish or need to reduce some aspect of the service. However, in conditions of resource constraint, such as what local authorities currently face, their employees' engagement with service delivery and with clients may pose a challenge to their managers.

To conclude, our research confirms the existence of different loci of engagement and variations in the intensity of its influence on individual employee performance. Our findings on the relationship between the various loci of engagement and facets of performance substantiate the importance of understanding the locus of engagement in an employee and its linkage to performance. There is scope for more research including both a detailed conceptual review on the locus of engagement and, in particular, empirical research that looks in more detail at patterns of engagement with different loci and at the consequences of different patterns for organisational performance, and organisational and employee well-being. We offer our definition of locus of engagement where we define locus of engagement as that particular location in which engagement exists in a person while at work, as a first step to this process.

Implications for practice

Engagement specialists and managers need to take locus of engagement into account when assessing the situation in their organisations and when planning interventions to promote engagement. Currently the evidence base for making informed decisions about the impact of locus of engagement is inadequate because we have overlooked this aspect of engagement. However, we know that individuals

are likely to be engaged with a combination of loci at the same time, in differing degrees, and that engaging loci change over time. But we do not know how such combinations of or temporal variations in loci affect performance. Despite these important limitations, from this report and the Shaping the Future study we can draw four important implications for practice:

1 *Engagement is with something – it's important to find out what.*

First, it is clear that engagement does have a specific locus. It is therefore not helpful to talk of 'engagement' as if no locus was involved. Practitioners need to identify which locus is involved in any situation. It seems useful to distinguish task (or job or work), work colleagues (perhaps teams), line managers and the organisation as loci internal to an organisation. It may also be useful to explore whether there is engagement with tasks (meaning the parts of a job) and what Kahn (2005) called organisational task (which may be different from engagement with the organisation). In addition, identification of external loci might be important – these include customers or clients of the organisation (who are implicated in the product or service, and thus the tasks, of individual employees) and, for example, family.

2 *Engagement can be with many loci – what's the balance of levels of engagement?*

Second, engagement can be with different loci at the same time (and thus loci have effects in combination). It may be that, for example, high engagement with the task (job or work) balances out low(er) engagement with the organisation and contributes to high performance. We need to explore the relationship of different combinations of loci and relate those to performance before we can provide clear guidance for practice.

3 *Engagement varies over time – what is it now?*

Third, an employee's locus of engagement is not static. This implies that it varies with some aspect of context – but as yet we do not know which contextual aspects have which effects. But this does imply that levels of engagement with different loci need to be kept under review.

One aspect of context that does seem important is the state of resources in relation to the product or service the organisation delivers, at least where external loci of engagement are concerned. Local government authority employees' client-centred locus of engagement seems to have posed challenges to the authority, largely in a context where service levels were being redefined in response to financial constraints. On the other hand, the engagement of employees with clients in facilities and project management contexts seems not to have been problematic and indeed to have been beneficial to the employing company.

Context may also be crucial when it comes to assessing the relevance of engagement with the organisation (which appears low on all counts in the studies presented here). If engagement with the job is high and the job is not being changed in a way that employees perceive negatively, the level of engagement with the organisation may not matter for performance. If, on the other hand, engagement is with a job that has to be radically changed in some respect, employee engagement with the job might hinder organisational flexibility and agility. In this context, high engagement with the organisation might assist organisations in managing transitions more easily while maintaining performance and productivity.

4 The link of locus of engagement to performance depends on context.

These considerations lead to our fourth and final implication for practice. Namely, the consequences for performance of any locus, or combination of loci of engagement, are likely to vary with the extent to which any locus is being changed in some way that affects it as a locus of, and for, engagement. Effective management of engagement needs attention to the contexts in which engagement is happening, as well as the consequences for engagement of changes in any particular locus of engagement.

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Appendix

Methodology

The Kingston Employee Engagement Consortium was formed at Kingston Business School in 2006, with support from the CIPD. Ten companies joined together in the Consortium in its initial phase. Initial interim results from this phase of work were published in 2009 (Gatenby et al 2009) with the final report in 2010 (Alfes et al 2010). A second phase of work began in 2010 and is due to end in 2012. This focuses on exploring the manifestations of engagement, on refining a measurement of engagement and on measuring changes in engagement during this phase of the project within each participating company.

Currently the Consortium comprises seven companies ranging from multinational manufacturing and project management companies to large public sector organisations. The research is all based in their UK operations. The identity of the participating organisations is confidential, but they are well-known names operating in a wide range of sectors including construction, project management, facilities management, public services provision, plastics manufacturing, waste management, retailing, banking, local government, and energy supply and distribution. They have all had employee engagement programmes and projects running for between two and eight years and all consider themselves to be leaders in promoting employee engagement.

We are very grateful to the companies, and their employees, for allowing us to collect this data, which we are sure will prove of value in informing future practice in employee engagement.

Survey questionnaire

The survey data for this report was drawn primarily from three of the companies, operating in manufacturing, waste disposal, project management and facilities management.

For each organisation, an online or paper version of the questionnaire, created by the Kingston Business School team, was distributed among staff in each organisation by a local contact. Employees were encouraged to participate in the survey within two weeks. The items from the questionnaire were all taken from published academic articles. This allowed us to be more confident in the validity of our measures. The only exception is the measure of job engagement, which was measured using the Kingston Job Engagement Inventory. This was developed by the research team and validated through a pilot study involving 200 respondents.

Interviews

Interviews conducted in the manufacturing and project and facilities management sectors have been used to amplify the survey data.

Interview studies of employee engagement are rare. We drew on previous work by the Kingston team, and the work of Kahn (1990) to devise questions that tapped people's experiences of work, focusing on relations with line managers and colleagues, autonomy and control at work, and feelings about the work. Data was collected by in-depth face-to-face interviewing, which allowed us to probe and clarify answers.

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The report has been written by Dr Stephen Gourlay, Dr Kerstin Alfes, Dr Elaine Bull, Dr Sunitha Narendran, Dr Georgy Petrov and Dr Amanda Shantz.

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