

HEALTH WEALTH CAREER

ENGAGING TODAY'S WORKFORCE: INSIGHTS FROM 25 YEARS OF RESEARCH

MAKE TOMORROW, TODAY



INTRODUCTION

Over the past twenty five years, interest in employee engagement has increased dramatically. A Google search of *employee engagement* yields close to 12 million entries. Amazon has over 8,000 employee engagement books. The Engagement Institute recently found that 82% of organizations have a formal employee engagement program and 60% have had a formal program in place for at least five years¹. And, in Mercer's 2017 *Global Talent Trends* study, CEOs identified employee engagement as one of the most critical factors they need to understand to drive performance in their organization². The concept has become so widespread that it now seems to represent more than just a psychological construct. Considering how broadly accepted engagement is as a human capital concept, **one could argue that engagement has become more of a movement than a measurement**, representing a core part of the current management zeitgeist.

At Mercer | Sirota, we've been conducting employee research for over 45 years. Our work has spanned the rise and fall of many talent management theories, concepts, and approaches. When we evaluate the evolution of engagement — from the initial idea to the latest technologies — we find many good ideas and helpful practices that have advanced the field. But we have also noticed that a number of untested assumptions and misconceptions are leading some organizations astray.

In this review, we separate fact from fiction and share what we've learned about engagement through our research with millions of employees working in thousands of organizations around the globe. We'll start by tracing the evolution of the idea over the past 25 years. Then we will present our model of engagement and highlight key learnings from our research. We'll discuss new trends that are emerging and provide recommendations for building a 21st century employee research program in your own organization.

¹See The Engagement Institute <https://www.conference-board.org/subsites/index.cfm?id=15136>

²See <https://www.mercer.com/our-thinking/career/global-talent-hr-trends.html>

THE EVOLUTION OF ENGAGEMENT

The concept of engagement was first introduced in 1990 by William Kahn, an assistant professor of organizational behavior at Boston University's School of Management. Based on his observation that people have a choice about how much they are willing to invest themselves in their work, he defined personal engagement as “the harnessing of organizational members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performance”³. Personal disengagement, on the other hand, is characterized by what he described as a “physical, cognitive, and emotional absence, and passive, incomplete role performances”⁴. In other words, engaged employees *lean in* to their work, while disengaged employees check out.

To determine what causes people to engage in their work, Kahn conducted in-depth interviews with employees in two organizations. He found that people invested themselves in their work when they experienced psychological meaningfulness (a sense of doing worthwhile work that makes a difference); psychological safety (feeling able to be yourself at work without fear of criticism or negative consequences); and availability (a sense of having the physical, emotional, and psychological resources needed to take on a task). These elements, along with Kahn's initial distinction between engagement and disengagement, are still at the core of many current theories of employee engagement.

While Kahn's work established the engagement concept and spurred thinking and research — particularly among academics — it took a decade for employee engagement to gain widespread interest among practitioners. Two publications, both from Gallup, popularized the concept at the turn of the century. In their 1999 book *First, Break All the Rules*, Gallup consultants Marcus Buckingham and Curt Coffman argued that customer loyalty was contingent on employee engagement, and that by using Gallup's Q12 employee engagement questionnaire you could assess the engagement level of your workforce⁵. A few years later, three Gallup researchers — James Harter, Frank Schmidt, and Theodore Hayes — published a seminal research article showing that employee engagement was related to business performance. In their study of over 8,000 business units in more than 36 organizations, they found that business units with more engaged employees had lower levels of turnover and absenteeism and higher levels of productivity and customer satisfaction⁶. This study, along with Buckingham and Coffman's book, generated widespread interest among business leaders and human resources professionals and inspired many organizations to start exploring ways to engage their workforce.

“Engaged employees *lean in* to their work; disengaged employees check out.”

³Kahn, W. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33, 692-724.

⁴Kahn, W. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33, 692-724.

⁵Buckingham, M., & Coffman, C. (1999). *First, break all the rules; what great managers do differently*. Simon & Schuster, New York, NY.

⁶Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, 87(2), 268-279.

In the early 2000s, employee engagement became increasingly popular in both the corporate and academic world. Over the course of 10 years, the number of engagement-focused academic publications increased from just a handful in 2000 to over 300 by 2012⁷. Scholars explored various causes and consequences of engagement, discovering that engagement is related to everything from supervisor support to employee well-being (see Hakanen, Bakker, & Schaufeli, 2006⁸ and Hakanen and Schaufeli, 2012⁹). At the same time, practitioners in the field — seeking to replicate the findings of Harter, Schmidt, and Hayes (2002) in their own organizations — discovered more evidence for the link between engagement and performance. For example, after initiating an employee engagement program, Caterpillar reported that performance output increased 70%; customer satisfaction increased 34%; and absenteeism, turnover, and overtime dropped, yielding an \$8.8 million annual savings¹⁰. And JC Penney found that sales volume was 10% higher in highly engaged (top quartile) versus less engaged (bottom quartile) stores¹¹.

Despite a growing body of research, a number of questions remained by the end of the decade. In their 2008 review of the engagement literature, Bill Macey and Ben Schneider opened by stating: “The meaning of employee engagement is ambiguous among both academic researchers and among practitioners who use it in conversations with clients”¹². They then went on to show how employee engagement has been conceptualized, defined, and assessed in a wide variety of ways by various researchers. In part, they said, this is because the engagement concept became so popular so quickly, with a number of competing conceptual frameworks emerging. They concluded by noting that while engagement may provide a competitive advantage, it is not a silver bullet. What is needed, they said, is a clearer definition of the construct, along with a much better understanding of the conditions that foster engagement: “companies that get these conditions right will have accomplished something that competitors will find very difficult to imitate”¹².

⁷Schaufeli, W.B. (2013). What is engagement? In C. Truss, K. Alfes, R. Delbridge, A. Shantz, & E. Soane (Eds.), *Employee Engagement in Theory and Practice*. London: Routledge.

⁸Hakanen, J. J., Bakker, A. B., & Schaufeli, W. B. (2006). Burnout and work engagement among teachers. *Journal of School Psychology*, 43, 495–513.

⁹Hakanen, J. J., & Schaufeli, W. B. (2012). Do burnout and work engagement predict depressive symptoms and life satisfaction? A three-wave seven-year prospective study. *Journal of Affective Disorders* 141, 415–424.

¹⁰Vance, R. J. (2006). *Employee Engagement and Commitment: A guide to understanding, measuring and increasing engagement in your organization*. SHRM Foundation: VA.

¹¹Attridge, M. (2009). Measuring and Managing Employee Work Engagement: A Review of the Research and Business Literature. *Journal of Workplace Behavioral Health*, 24, 4.

¹²Macey, W.H. and Schneider, B. (2008). The meaning of employee engagement. *Industrial and Organizational Psychology*, 1, 3–30.



OUR MODEL OF ENGAGEMENT

At Mercer | Sirota, our mission is to improve employee performance through research. Since 1972, we have helped our clients understand the critical factors that impact the employee experience and determine the extent to which workforces are motivated, committed, effective, and productive. In recent years, much of our work has centered on employee engagement. Influenced by Macey & Schneider, our particular

focus has been on identifying those conditions that foster engagement.

We define employee engagement as the extent to which employees are emotionally, behaviorally, and intellectually invested at work. Engaged employees are captivated by their jobs, committed to their organizations, and eager to contribute their best efforts and brightest ideas on a regular basis.

What fosters engagement? Each year we survey over a million employees from small, medium, and large organizations around the world. Based on a careful analysis of nearly four decades of survey data, we have found that employees have **three critical needs at work:**

1

THE NEED FOR ACHIEVEMENT

The vast majority of employees want to achieve something important and meaningful at work. They want to grow and develop their skills and capabilities, and they want to be rewarded and recognized for their efforts.

2

THE NEED FOR CAMARADERIE

We are social beings. Employees enjoy working productively with others while developing healthy interpersonal relationships. How managers interact with their teams is especially important in motivating employees to go above and beyond.

3

THE NEED FOR EQUITY

Employees want to be treated fairly when it comes to pay and benefits, day-to-day treatment, and psychological and physical safety.

We call this our Three Factor Theory of Human Motivation in the Workplace (for a complete description of this model, see our book *The Enthusiastic Employee*¹³). Based on validation studies, we've found that when these three needs are met, employees are highly engaged at work. When they are not met, employees become indifferent, apathetic — even angry. We've also found that these three core needs are common across employee populations, regardless of region, age, gender, or race. In other words, we

consistently find that employees come to work seeking the opportunity to do meaningful work in exchange for a fair deal in a work environment that is respectful, supportive, and friendly. That said, the ways these three foundational needs are met does vary. For example, a fair deal for a new father may mean paternity leave and more work-life balance; for a recent graduate with a lot of school debt, it may mean the promise of a bonus and reward for performance.

¹³Sirota, D., Mischkind, L. A., & Meltzer, M. I. (2005). *The enthusiastic employee: How companies profit by giving workers what they want*. Indianapolis, IN: Wharton School Publishing.

FINDINGS FROM THE FIELD

THE IMPACT OF ENGAGEMENT ON PEOPLE PRACTICES AND ORGANIZATIONAL PERFORMANCE

Is engagement benefiting organizations? After a quarter century of research, investments, and initiatives, this question is an important one to consider. In many organizations, there is a sense that the promise of engagement has not been fully realized. In a recent study we conducted with The Engagement Institute, a community of learning we established with Deloitte and The Conference Board, we found that 90% of HR professionals said their leaders recognize the value of engagement, and eight out of 10 organizations have a formal engagement program. But only 52% of respondents said their organization does a good job turning engagement survey results into action, and only 50% thought their leaders and managers know how to build a culture that fosters engagement.

Based on our work with clients, we do see clear signs that engagement is having a positive impact on management practices, workforce processes, and the employee experience. But we also see a number of engagement approaches and perspectives that are undermining employee motivation and organizational effectiveness. First, the upside: we think the engagement movement has made **three important contributions** to the way organizations manage people and performance:

- **Contribution #1: Engagement has changed the way leaders and managers think about motivation.** At the core of the engagement concept is the importance of intrinsic motivation. For decades, psychologists have understood that for many employees, things like meaning, purpose, and growth are as important as pay, benefits, and bonuses. The engagement movement has helped leaders and managers realize this too. As a result, we've noticed that many leaders and managers now have a more comprehensive understanding of the needs of their people, and they are more adept at using a variety of incentives to bring out the best in their employees.
- **Contribution #2: Engagement has encouraged organizations to pay more attention to employee feedback.** A decade ago, employee surveys were a once-a-year event. Now, many organizations are gathering feedback from their employees on a quarterly, monthly, or even daily basis. The engagement movement has helped many organizations realize they can make better business decisions when they are data-based and informed by employees' perspectives and insights.
- **Contribution #3: Engagement makes a clear business case for treating employees well.** Over the past two decades, a growing body of research indicates that when employees are engaged, they work harder, stay longer, and seek to produce better results for the organization. This research has convinced a number of leaders and managers that focusing on engagement is not just a people priority, but a business priority. As a result, many organizations have implemented innovative people strategies — like flexible work arrangements — designed to boost both morale and performance. More and more leaders and managers are convinced that by engaging their employees they will in turn create a workforce that is more dedicated, hardworking, committed, and effective.

But along with these insights has come some confusion. Based on our observations, some organizations only have a cursory understanding of employee engagement and employee research. As a result, some leaders are making decisions and setting objectives based on faulty assumptions. Others are jumping to the wrong conclusion about how to best manage people, performance, and culture.

Here are the **three most common misperceptions** we hear about employee engagement:

- **Misperception #1: The best way to create an engaging work environment is to set a target and hold managers accountable.** With the hopes of creating a consistently positive work environment, some organizations set engagement survey score goals and provide incentives for meeting or exceeding targets. While this practice makes sense in theory, it can lead to a number of dysfunctional behaviors. First, it may cause some managers to focus on temporary pre-survey fixes and superficial morale boosters — like a team lunch — rather than meaningful improvements to the work environment. Second, it may cause leaders to fixate on the engagement results while overlooking results on other survey topics — like customer focus or innovation — that are critical to business success. And third, it can cause organizations to chase a metric or benchmark-based award rather than develop a deep understanding of workplace dynamics.

- **Misperception #2: If our engagement scores are high, we must have a healthy and high-functioning work environment.** Many leaders and managers assume that if engagement scores are favorable and above norm, everything must be going well in their team, unit, or organization. Based on our research, we know that's not always the case. High engagement scores can create a halo effect that prevents leaders, managers, and even employees from exploring organizational issues and identifying opportunities for improvement. We've seen high engagement scores — built up based on years of positive experiences — cause senior leadership teams to overlook acute employee

concerns about trust, candor, and psychological safety. We've seen highly engaged employees become more concerned about maintaining the status quo than helping create necessary organizational change. And we've found that extreme levels of commitment and dedication can make it hard for employees to detach, relax, and recover from the demands of the job. **There can be a downside to having a highly engaged workforce, something we've found few leaders and managers realize.**

- **Misperception #3: If we increase employee engagement levels, performance will automatically improve.** As noted above, there is clear empirical evidence that engagement is related to a number of important business outcomes. At Mercer | Sirota, we've found empirical relationships between engagement and employee turnover, workforce safety, customer service, store level sales, work unit productivity, and company revenue growth. But in a number of the linkage studies we conduct, employee engagement is not the strongest statistical predictor of performance. In fact, there are times when engagement isn't even correlated with performance. When leaders and managers focus too narrowly on a single concept or measure, they lose sight of the various factors that impact organizational performance. Having an engaged workforce can provide a competitive advantage. But unless employees have the tools and resources, training and information, and support and guidance they need to produce great work, their engagement rarely translates into higher levels of performance.



NEW ENGAGEMENT PRACTICES & APPROACHES

The world of work is changing. A number of factors — including volatile markets, scarce talent, skills gaps, globalization, digitization, and demographic shifts — have altered the way we work and the way we think about work. **The loyalty contract is being replaced by the gig economy. Brick and mortar offices have become virtual workplaces. And the forty-hour work week has become an “always on” experience for many employees.** As organizations seek to understand the impact these changes are having on employees, many are searching for innovative new approaches to employee engagement and employee research.

Based on our observations, **three innovations** are particularly promising:

1. PERSONAL ENGAGEMENT

When it comes to employee engagement, a common basic assumption exists. In many organizations, the onus for building and sustaining engagement rests solely on the shoulders of senior leaders, immediate managers, and HR professionals. But at the core of this assumption is a blind spot: **employees have the ability to shape their own attitudes at work.** In fact, in our 2016 study with The Engagement Institute, we found that 96% of employees seek to maintain a high level of engagement at work, 79% regularly seek to find ways to stay engaged at work, and 75% actively take steps to re-engage when they feel their energy is waning. At Mercer | Sirota, we find that few organizations are taking advantage of this natural desire employees have to manage their own motivation at work. Based on our latest exploratory research, employees are more likely to own their own engagement when three things are present. The first is self-knowledge: when employees understand

who they are, what they value in a job, and what they want out of their career, they are more likely to proactively shape their experience at work. Next, employees need a sense of how their personal experience at work compares to that of their colleagues. Typically, engagement surveys are used to provide teams and units with a broad scale overview of workplace dynamics. We have found that when employees receive individual feedback based on their own personal experience, they can identify what makes their job uniquely fulfilling or frustrating. Finally, employees need clear pathways, guidance, resources, and support to manage their personal motivators and de-motivators. We've found that interventions like Job Crafting¹⁴ and access to technology-driven career portals can help. When employees are provided the opportunity to identify their career aspirations, align them with internal opportunities, and define their career trajectories, their level of commitment and engagement increases dramatically.

“Few organizations are taking advantage of this natural desire employees have to manage their own motivation at work.”

¹⁴See <http://positiveorgs.bus.umich.edu/wp-content/uploads/What-is-Job-Crafting-and-Why-Does-it-Matter1.pdf>

2. PULSE SURVEYS

In today's VUCA (volatile, uncertain, complex, and ambiguous) world¹⁵, there is a growing sense that metrics and measures become outdated quickly. Data-hungry leaders want regular updates on a number of topics, including new workforce challenges, customer complaints, emerging trends, and employee concerns. As a result, many organizations are starting to implement quarterly, monthly, weekly, or even daily pulses of their workforce.

At Mercer | Sirota, we think pulses and continuous listening platforms are critical decision-making tools in today's complex business environment. But we've noticed that some organizations are plunging into the pulsing process with little forethought. Many leaders and managers assume that mere monitoring — administering a regular pulse to a random sample of employees — is enough to sustain or improve employee engagement levels. We've found that the best pulse programs have clearly defined research goals, well designed pulse instruments, carefully considered sampling strategies, and a disciplined approach to sense making and action taking.

Without a clear plan in place, pulses often backfire, producing more data and reports than insights and improvements.

¹⁵Johansen, R. (2009). Leaders make the future: Ten new leadership skills for an uncertain world. San Francisco, CA: Berrett-Koehler Publishers.





3. MACHINE LEARNING & ARTIFICIAL INTELLIGENCE

We're living in the age of big data and digitization. Technological advances are making it easier to gather, integrate, and analyze massive amounts of data on an ongoing basis, which is creating new opportunities for organizations to learn about their employees, their customers, and their work environment. At Mercer | Sirota, we've been utilizing a number of new technologies to help our clients explore data in ways that were not possible a decade ago. For example, we use natural language processing to analyze vast amounts of qualitative data and explore the latent emotions and sentiment contained in written comments and open-ended text. We deploy norms-based algorithms to help leaders and managers identify critical strengths and areas for improvement. We explore how survey data can be combined with powerful platforms like [Mercer Match](#) and [Darwin™](#) to help organizations design jobs, careers, and value propositions that attract and retain top talent. And we combine diagnostic questions with artificial intelligence to host virtual focus groups and online workforce conversations about critical employee engagement and organizational effectiveness topics. By leveraging these technologies, we are able to help our clients develop a deeper understanding of their workforce and identify factors that create positive employee experiences and productive work environments.

Clearly, each of these innovations represents an important step forward. In a few years' time, we expect that personal engagement, continuous listening, and machine learning will become standard components in most organizations' engagement campaigns. But we do not think that any one of these new approaches — or even all three combined — is enough to help organizations manage the people and performance challenges they will face over the next decade. For that, a bigger set of solutions is needed.

WHAT'S NEXT?

THE FUTURE OF EMPLOYEE ENGAGEMENT & EMPLOYEE RESEARCH

Based on our latest research, many organizations are experiencing a number of disruptive forces. In Mercer's 2017 Global Talent Trends report, we found that the **world of work is changing in four fundamental ways:**

- First, **new organizational capabilities are required to succeed in today's dynamic business environment.** After years of striving for stability and survival in the wake of the Great Recession, many organizations are now turning their attention to growth and expansion. Additionally, bold change efforts are underway in many organizations. The leaders at these companies are focused on driving innovation, improving efficiency, increasing agility, and building deeper relationships with customers.
- Second, **new expectations about rewards, compensation, and careers are being established.** As top talent becomes increasingly scarce, employees have more power to choose the deal — the health, wealth, and career offerings — they want, which is causing organizations to search for new ways to attract and retain the best and the brightest.
- Third, **new career aspirations are emerging.** Today, an increasing number of employees are not just looking for a place to work, but rather are seeking a job that works for them — a job they can personalize and craft in a way that allows them to bring their full self to work and an even better version of themselves home. The desire to thrive at work — to have a job that is enriching, energizing, and enlivening — is becoming more widespread and pronounced across industries, regions, and employee populations.
- And finally, **leaders and managers are desperately seeking data that leads to insights.** Amidst an abundance of internal and external changes, decision makers are looking for information that is accurate, current, and actionable about their customers, their competitors, and their employees. This quest for insight is causing many organizations to rethink the way they conduct organizational research.

“An increasing number of employees are not just looking for a place to work, but rather are seeking a job that works for them ... that allows them to bring their full self to work and an even better version of themselves home.”

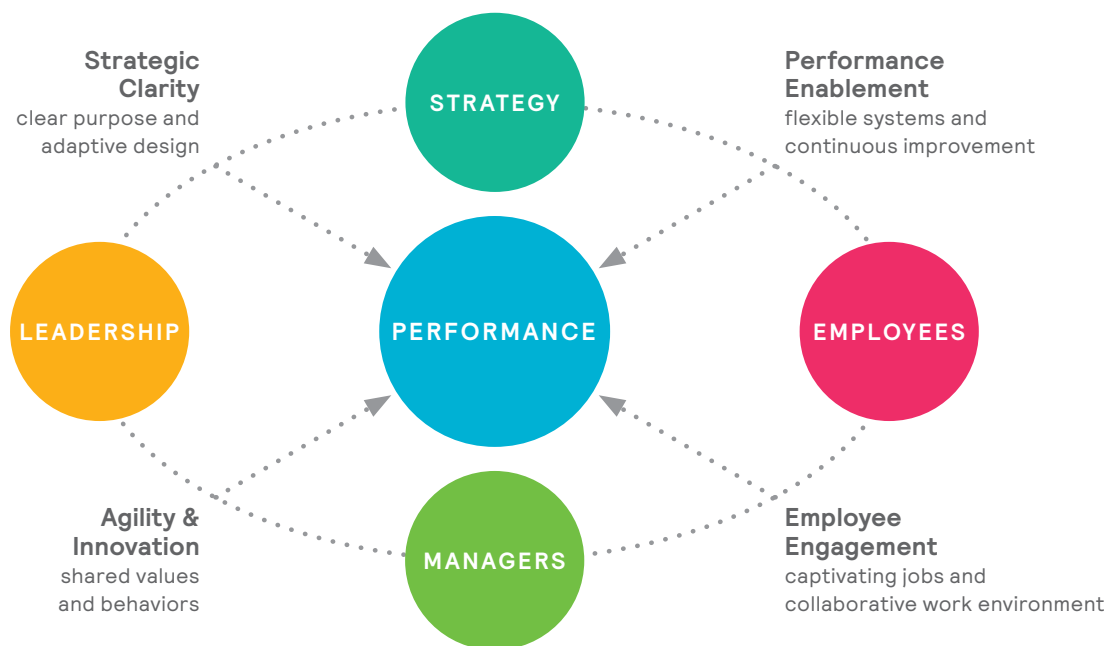
At Mercer | Sirota, we think these trends are significant. In fact, we think they require a paradigm shift in the way organizations think about employee motivation, performance, and research. If your leaders and managers are obsessed with response rates, fixated on the best way to measure engagement, or fantasizing that pulse surveys will solve all workforce woes, they are focusing on the wrong things. Instead, we think **organizations should be focused on four critical business issues:**

1. WHAT DRIVES PERFORMANCE IN YOUR ORGANIZATION?

In recent years, we’ve noticed that the performance process has been oversimplified in many organizations. Leaders and managers have been told that if they want a highly productive team, they should ensure their employees are highly engaged. Based on our research, it’s not that simple. While engagement can have a positive impact on business outcomes, we have found that three other factors are necessary for sustainable levels of organizational performance. First, strategic clarity is critical; if employees are unclear where their team, unit, or organization is headed, they have a hard time contributing. Second, employees need to be enabled to perform; without the right tools, training, and team, engagement has little impact on performance. And finally, in today’s

disruptive environment, organizations need to be agile and adaptive. When work environments stifle innovation and preserve the status quo, organizations quickly fall behind. These three elements – Strategic Clarity, Performance Enablement, Agility & Innovation – plus Engagement represent the cornerstones of our Dynamic Alignment model, which serves as the foundation for our analytical work. Using this model, we can help our clients use their survey results to predict fluctuations in everything from customer service, store sales, and team productivity to employee safety and turnover. We have found that this model provides leaders and managers with a much more comprehensive understanding of the organizational impediments and performance barriers that get in the way of employees doing their best work.

DYNAMIC ALIGNMENT MODEL



2. IS YOUR EMPLOYEE VALUE PROPOSITION WORKING?

Attracting and retaining top talent has never been easy. But in today's increasingly competitive labor market, with a workforce that is more global and diverse than ever, many organizations are realizing they need to reconsider their employee value proposition. In the 20th century, things were relatively straightforward: employers provided pay, benefits, and secure jobs in exchange for a lifetime of commitment from employees. But today, expectations have changed. Employees want more than fair pay, good benefits, and steady work. Our latest research shows that a growing number of **employees are seeking jobs that provide a deep sense of meaning, purpose, and impact**. They want careers that allow them to grow, develop, and expand their capabilities. And they want to work in organizations that provide flexible work arrangements and help them manage their personal health, financial wellness, and overall well-being. At Mercer | Sirota, we help our clients understand the critical needs of their workforce. Through a series of assessments, ranging from job-fit surveys to conjoint studies and benefits utilization analysis, we help our clients identify the unique needs of their employees. Then, based on data, we help our clients design and deliver robust employee value propositions that meet the health, wealth, and career needs of their workforce and enrich the lives of their employees.



3. WHAT CRITICAL EVENTS SHAPE THE EMPLOYEE EXPERIENCE IN YOUR ORGANIZATION?

Getting engagement right requires more than just a compelling employee value proposition and an efficient work environment. We have found that day-to-day experiences — both inside and outside the office — can have a significant impact on the extent to which employees are motivated and productive at work. Unfortunately, we've also found that few organizations have a process for systematically identifying and managing these moments that matter for employees. At Mercer | Sirota, we conduct employee lifecycle research to help our clients develop a comprehensive understanding of their employees' experiences at work. By integrating and analyzing disparate pieces of data across an employee's career — from their first day at work to their last — we can help our clients identify the events that impact employee engagement, commitment, and performance. We also partner with Mercer Workforce Analytics consultants to conduct internal labor market analyses, using HRIS data to evaluate the way employees navigate their way through various career paths within the organization. And we are developing a series of personal diagnostics — combining self-assessments with psychometric and workplace behavior data — to help leaders, managers, and employees monitor their own experience at work, evaluate their personal engagement levels, identify and address frustrations, and prevent against toxic stress and burnout.

4. IS YOUR EMPLOYEE RESEARCH IMPROVING BUSINESS RESULTS?

All too often, we find that organizations do not evaluate the effectiveness of their employee research efforts. Some look to their survey response rates as an indication of success. Others assume that if engagement scores are improving, then their research program is working. We've found these are not the best measurements of success. Over fifty years ago, Donald Kirkpatrick¹⁶ developed a simple four-step model for evaluating the effectiveness of training. At the pinnacle of this model, beyond determining if participants enjoyed the training, learned new information, and changed their behavior, is Kirkpatrick's ultimate question: how did the training impact business results? We think HR leaders should be asking the same question of their employee research efforts. Is your employee research program reducing actual turnover, improving customer service, increasing productivity, or preventing accidents? Answering these kinds of questions requires the integration and analysis of multiple data streams — everything from personality and psychometric data to employee attitudes, HRIS information, and performance measures. This focus on business results, we think, must become the new baseline for employee research. **When organizations fail to integrate their employee and performance data, they limit their learning and miss out on critical business insights.** With that in mind, we have designed our latest employee research platform to deploy agile assessments, integrate and analyze multiple data sources using advanced analytics, and provide evidence-based insights for stakeholders and decision makers throughout the organization.

¹⁶Kirkpatrick, D. L. (1994). Evaluating training programs: the four levels. San Francisco: Berrett-Koehler.





By focusing on these four questions, we think organizations will be best positioned to create a healthy, engaging, and effective work environment where employees thrive. These questions extend the conversation beyond any single metric or measure and cause leaders, managers, and HR business partners to think beyond a survey or a pulse check. With this broadened perspective in mind, relatively simplistic questions (e.g., did my engagement scores improve or decline since last quarter?) are replaced by more strategic concerns (e.g., what events may be causing my team's recent downturn in employee engagement and customer satisfaction?). And because organizations are complex adaptive systems – constantly changing and evolving in response to internal and external dynamics – we encourage our clients to return to these questions on a regular basis to identify new issues, emerging concerns, enduring strengths, and novel solutions.

“Return to these questions on a regular basis to identify new issues, emerging concerns, enduring strengths, and novel solutions.”

CONCLUSION

We have learned a lot about employee engagement over the past 25 years. Kahn's initial idea has inspired almost three decades of investigations, investments, and interventions. As a result, many leaders and managers now have a better understanding of the motivational needs of their employees, and many organizations now have work environments that are more empowering, people-focused, and sensitive to the needs of employees. For this reason, we think that the engagement concept has made a positive contribution to the practice of leadership and talent management.

But in many organizations, there is a growing concern that employee engagement campaigns are not living up to their promise. For some leaders and managers, compelling insights are hard to glean from their engagement survey results. Engagement-building recommendations seem impractical and out of touch with the real frustrations that employees are experiencing on a daily basis. And the bottom-line impact of engagement programs and trainings seems murky and theoretical.

At Mercer | Sirota, we think it is time for HR decision makers to reevaluate their employee engagement efforts. **If your organization is chasing metrics, conducting quarterly pulses, or launching continuous listening campaigns without a clear set of research and business objectives, you are probably generating a lot of data and reports, but little insight or impact.** Instead of following the herd, we recommend building a comprehensive employee research program that allows you to (a) identify personal and organizational factors that impact performance; (b) evaluate the strengths and weaknesses of your employee value proposition, and (c) develop a deeper understanding of the employee experience. Organizations that focus on optimizing their employees' performance, rewards, and experiences will be best prepared to meet the challenges of the day.

ABOUT MERCER

Mercer delivers advice and technology-driven solutions that help organizations meet the health, wealth, and career needs of a changing workforce. Mercer's more than 22,000 employees are based in 43 countries and the firm operates in over 130 countries. Mercer is a wholly owned subsidiary of [Marsh & McLennan Companies](#) (NYSE: MMC), the leading global professional services firm in the areas of risk, strategy, and people. With more than 60,000 colleagues and annual revenue over \$13 billion, through its market-leading companies including [Marsh](#), [Guy Carpenter](#) and [Oliver Wyman](#), Marsh & McLennan helps clients navigate an increasingly dynamic and complex environment. For more information, visit www.mercer.com. Follow Mercer on Twitter [@Mercer](#).

Copyright 2017 Mercer. All rights reserved.