The Future of Engagement: Thought Piece Collection

Time to focus on employee voice as a prime antecedent of engagement: Rediscovering the black box

John Purcell

John Purcell is a retired, yet still very active, academic and practitioner. He is now a Visiting Professor at the Bath University School of Management where he had previously been the Professor of Human Resource Management. He has previously held academic positions at Manchester, Oxford and Warwick universities. His prime interests are in strategy and human resource management, employee voice, engagement and participation, and precarious employment. He is a Deputy Chairman of the Central Arbitration Committee and an Acas arbitrator.

In this thought piece, John begins by saying that employee voice is a key driver of engagement, but is currently being neglected. He lays out the case for the importance of voice is so important, and why it should be the future focus of employee engagement. This is not without its challenges, however, as managers often find it hard to genuinely listen to their employees.

Time to focus on employee voice as a prime antecedent of engagement: Rediscovering the black box

The four pillars enabling employee engagement, suggested by David MacLeod and Nita Clarke in their original report in 2009, included **employee voice**. Over the years since then, 'voice' has been largely eclipsed or even ignored. My argument here is that this limits the prospects for generating engagement in the attitudes and behaviours of employees since it is the experience of being able to voice opinions, concerns and ideas, and be listened to, which triggers engagement. It does so more effectively than the more nebulous ideas of 'leadership' and 'integrity', two of the other pillars. When we look at 'engaging managers', the final pillar, we find that a great deal of what the good manager does is linked to employee voice through discussion and collaborative working: voice in action.

Explanations for this neglect of voice only really emerge once we are clear what 'voice' is and what it is not. MacLeod and Clarke defined it like this:

> *'An effective and empowered employee voice - employees' views are sought out; they are listened to and see that their opinions count and make a difference. They speak out and challenge when appropriate. A strong sense of listening and of responsiveness permeates the organisation, enabling effective communication.'*

Here management actively seek employee views which can make a difference to plans and decisions. Even when not asked for their views, employees are empowered to challenge and speak out. This is not just getting employee views through an engagement questionnaire, nor is it the regular briefing group meeting, run by a front line manager for 15 to 30 minutes or so which devotes a little time for questions. It is something more profound about building a culture of participation and involvement. More recently Elaine Farndale and her colleagues (2011) explored the connection between employee voice and organisational commitment, which is closely related to organisational engagement. To them '*the root of employee voice lies in influence being shared among individuals who are hierarchically unequal. In essence voice relates to employees' ability to influence the outcome of organisational decisions by having the opportunity to advance their ideas and have them considered*'. This adds a slight extra twist to the MacLeod and Clarke description of the voice-rich organisation since it specifies 'organisational decisions' of the sort taken by senior managers and executives, often in places remote from the day-to-day work carried out by employees. This means that any effective voice systems have to include senior managers as well as front line managers, while HR staff runs the annual employee survey.

This type of top-level voice comes quite close to the definition of consultation in German works councils where, according to Budd and Zagelmeyer (2010), labour law established '*a right for employees to be informed of planned measures in advance and to have an opportunity to express an opinion prior to implementation*'. Employees in the UK in enterprises with 50 or more employees have this right to ask for business-related consultation under the Information and Consultation of Employees Regulations 2004. Few know about it, but companies can establish consultative committees – union based, non-union or mixed – under the Regulations if they want to, without being asked by employees. Many do not. The Regulations have been 'a damp squib', as my colleague, Mark Hall (2006) put it.

There are, to my mind, three explanations for this lack of interest in voice. First, voice, defined in the way MacLeod and Clarke did, is too challenging for many managers because it is an alternative to managerial unilateralism. Managers do not like being challenged and senior managers find it hard to have to justify their decisions and share their plans with employees, although for those who do it is often seen as a valued activity, especially in managing change. Second, as Helen Francis and Martin Reddington (2012) complain, the active management of employee engagement tends to view employees in a passive role, with engagement something that is driven by the organisation, rather than something that is largely under the control of employees. Engagement, like discretionary behaviour, is given by employees, not something done to them. Finally, the engagement industry, including 'Engage for Success', has a fixation with the outcomes of engagement, admirably summarised by recently Bruce Rayton et al (2012), but little is done to look at why employees are engaged in the first place. What are the antecedents: where does engagement come from and what destroys it? We need yet again to 'unlock the Black Box' as I and colleagues from Bath University did ten years ago in looking for the connection between HR and performance (Purcell et al, 2003).

One of the earliest black box types of analysis of engagement was provided in 2004 by Dilys Robinson and her colleagues. From their research they identified 'the key driver' of engagement as 'a sense of feeling valued and involved'. This came from involvement in decision-making; the extent to which employees feel able to voice their views, and managers valuing employees' contribution; the opportunities employees have to develop their jobs (*ie* voice in job design and development); and the extent to which the organisation is concerned for employees' health and well-being (and this means listening and responding). Recent results from the 2011 WERS huge national survey (Dix, 2013) show the connection between involvement and engagement. Around two-fifths of employees were satisfied with the amount of involvement they had in decision taking. Of those that were satisfied 85 per cent of them felt proud to work for their organisation. This is one of the standard tests for engagement and commitment. However, of those who were dissatisfied with their level of involvement in decision making, only around one-third were proud of their organisation. These differences are not trivial.

The best explanation for the link between employee attitudes and behaviour, and positive contributions to the job and the organisation, comes from social exchange theory with its identification of reciprocity as a form of social exchange. The key to this is employee perceptions of the organisational support they receive from management. One of the lead authorities on engagement in the USA, Saks, concluded in 2006 that perceptions of organisational support were the only significant predictors of both job and organisational engagement. While we can look for policy and practice actions which generate feelings of organisational support like those identified by Robinson et al and cited above, the underlying causes come from employee perceptions of fairness, justice and trust in management. Fairness is created not just by consistent, bias-free, and ethical procedures, but by allowing employees to express an opinion. What is really interesting is that even if employees think their opinions will not influence a decision, the fact that their opinions were asked is enough for perceptions of fairness to grow and persist. This is sometimes referred to as procedural justice, ensuring that decision-making, especially in employment and job related matters, is explained and understood with an opportunity to contribute, and seen to be fair. These days this is linked to interpersonal justice related to how decisions are communicated and explained by line managers in a way which treats employees with respect. This strongly shapes people's reactions to their personal experience and those of their colleagues.

At Bath University we did an analysis of the factors most strongly associated with organisational commitment, using the 2004 WERS data (Purcell et al, 2009). The results are interesting since they can be interpreted as a list of the classic building blocks of engagement. In descending rank order the seven strongest factors were:

1. employee trust in management

2. satisfaction with work and the job

3. involvement in decision-making at work

4. climate of relationships between management and employees

5. satisfaction with pay

6. job challenge

7. sense of achievement from work.

The most important, most influential factor, which applied to all types of employees, was trust in management. None of the other factors were quite so universal in their link to commitment for all occupational groups.

There are obvious policy conclusions. First, as is increasingly being recognised, line managers are the critical players in providing trust-worthy leadership, encouraging employee voice and allowing for meaningful involvement in job and team decisions. It looks, too, as though these managers are getting better. Not only is there clear evidence of the use of a wide range of communication methods reaching a level with over four-fifth of workplaces using briefing groups, work force meetings and other channels like social media, but positive employee judgements of their line manager are growing. In 2011 just under three-fifths of employees in the WERS survey agreed that their managers 'are sincere in attempting to understand their views'. As we have seen, far fewer were content with their involvement in decision-making. Ever since the Black Box research in 2003 I have argued that the key group of employees in generating commitment and engagement, and through these to performance, are line managers, what Dilys Robinson and Sue Hayday (2009) call 'the engaging manager'.

The problem is senior managers, and this is the second obvious policy area. Line managers can go so far but they are not responsible for high level, strategic decisions and cannot provide convincing explanations at briefing groups if they are as much in the dark as their team members. It is very clear that there is a low level of trust in senior managers, in the decisions they make, the way change is managed and in the opportunity provided for employees to contribute their views. This lack of trust and involvement in decision taking is consistently shown in CIPD (2011), NHS (2011) and Civil Service employee surveys (Bach and Kessler, 2012). The recently published fifth European Working Conditions Survey (Eurofound, 2013) showed that across the whole of the EU, most of the workforce is in organisations that provide very limited opportunities for employees to participate in decision-making. This is where another type of organisational justice comes into play. Informational justice, as it is called, relates to how perceptions of justice are shaped by accounts and explanations by organisational authorities about reasons why certain procedures were chosen and why outcomes were distributed in a certain way. Studies of consultation in staff councils, which we have recently completed, show that the employee contribution to the decision-making process is most often focused on the implementation of strategic policies rather than on the decision itself. Once explanations are provided and knowledge that alternatives were considered, the debate is focused on how to proceed, and it is here that managers often identify the key contribution made by employees.

Inevitably, the involvement of employees with senior managers in contributing to decision-making involves the creation of social institutions. The most obvious means is through consultative committees since, in all but small companies, employees will need to select representatives. It is not possible for all employees to take part. These staff councils can be union-based (and unions are at long last showing interest in them) or they can be directly-elected representatives in non-union firms, or, as is quite often the case, a mixture of union and non-union people. My colleague, Mark Hall, and I have recently shown in our book *Consultation at Work: Regulation and Practice* (OUP, 2012) how this can best be done and have identified the supporting conditions required for consultation to be successful. At present collective consultation is profoundly unfashionable. Some firms are experimenting with focus groups and other

forms of employee representation. The key requirement is to achieve dialogue where there is a genuine exchange of views.

The clear evidence is that where there is both active line manager action to promote voice and involvement, alongside effective top level consultative arrangements involving senior managers, with good connections between the two, the outcomes in terms of commitment and engagement are better than where there is only one of these forms of employee voice (Purcell and Geogiades, 2007). Building these and making them work is the best future agenda for employee engagement. This is also where government can make a contribution to fostering employee engagement, something that has been notably absent up to now, by revising the Regulations for Information and Consultation to make them much more effective, and in campaigning to persuade employers to adopt them. The Engage for Success movement needs to become much more assertive in pushing for employee voice.

References

Bach S, Kessler I (2012), *The Modernisation of the Public Services and Employee Relations*, Basingstoke: Palgrave Macmillan

Budd J, Zagelmeyer S (2010), 'Public policy and employee participation' in, Wilkinson A, Golan P, Marchington M, Lewin D (Eds.), *The Oxford Handbook of Participation in Organisations*, Oxford: Oxford University Press, pp. 476-503

CIPD (2011), *Employee Outlook 2011*, London: CIPD

Eurofound (2013), *Fifth European Working Conditions Survey*, Dublin: European Foundation for the Improvement of Living and Working Conditions

Dix G (2013), *Presentation of WERS 2011 data*, IRRU-ACAS seminar, 15 February

Farndale E, Van Ruiten J, Kelliher C, Hope-Hailey V (2011), 'The influence of perceived employee voice on organisational commitment: an exchange perspective', *Human Resource Management*, Vol. 50(1), pp. 113-29

Francis H, Reddington M (2012), 'Employer branding and organisational effectiveness', in Francis H, Holbeche L, Reddington M (Eds.), *People and Organisational Development: A new Agenda for Organisational Effectiveness*, London: CIPD, pp. 260-85

Hall M, Purcell J (2012), *Consultation at Work: Regulation and Practice*, Oxford: Oxford University Press

Hall M (2006), 'A cool response to the ICE Regulations? Employer and trade union approaches to the new legal framework for information and consultation', *Industrial Relations Journal*, Vol. 37 (5), pp. 456-472

MacLeod D, Clarke N (2009), *Engaging for Success: Enhancing Performance through Employee Engagement*, A report to Government. London: Department for Business, Innovation and Skills

NHS (2011), *Staff Survey*, at (http://www.nhsstaffsurveys.com/cms/)

Purcell J, Kinnie N, Swart J, Rayton B, Hutchinson S (2009), *People Management and Performance*, London: Routledge

Purcell J, Geogiades K (2007), 'Why should employees bother with worker voice?', in Freeman R, Boxall P, Hayes P (Eds.), *What Workers Say: Employee Voice in the Anglo-American Workplace*, Ithaca, NY: ILR press, pp. 181-97

Purcell J, Kinnie N, Hutchinson S, Rayton B, Swart N (2003), *Understanding the People and Performance Link: Unlocking the Black Box*, Research Report, London: CIPD

Rayton B, Dodge T, D'Analeze G (2012), 'The Evidence: Employee Engagement Task Force, Nailing the Evidence Work Group', *Engage For Success*

Robinson D, Perryman S, Hayday S (2004), *The Drivers of Employee Engagement*, IES Report 408, Brighton: Institute for Employment Studies

Robinson D, Hayday S (2009), *The Engaging Manager*, IES Research Report 470, Brighton: Institute for Employment Studies

Saks A (2006), 'Antecedents and consequences of engagement', *Journal of Managerial Psychology*, Vol. 21(7), pp. 600-619

This paper forms one in a collection of thought pieces by the Engage for Success special interest group on 'The future of employee engagement'. A white paper on the same theme is being published separately. The full collection is available (as will be the white paper) at: www.engageforsuccess.org/futures The route to employee engagement is a worthwhile slog