



Engagement Trends Over Time

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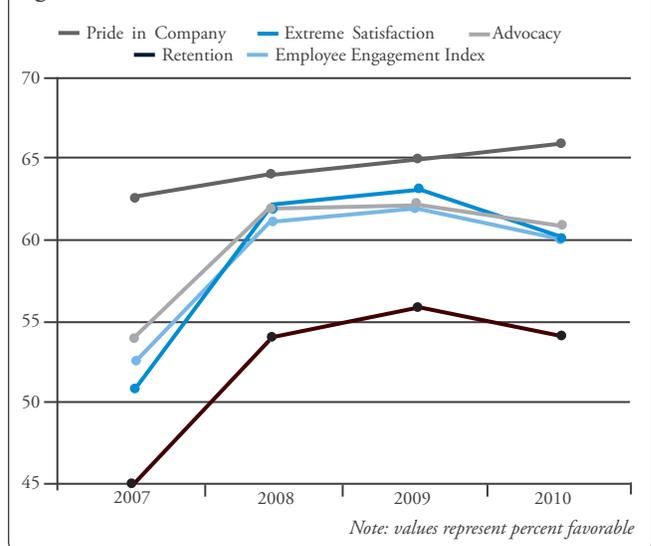
Employee engagement is a popular topic, because organizations have begun to realize how important it is to organizational outcomes¹. To help organizations use employee engagement to improve, Kenexa created the Employee Engagement Index (EEI). This article presents a summary of Kenexa's data showing engagement trends over time, breaking it down by country, industry and job type, to help organizations put the data to use.

Employee engagement is defined as “the extent to which employees are motivated to contribute to organizational success. It involves how willing an employee is to apply discretionary effort to accomplishing tasks important to the achievement of organizational goals.” Employee engagement is measured by asking employees how closely they agree with the following four items:

- I am proud to tell people I work for my organization.
- Overall, I am extremely satisfied with my organization as a place to work.
- I would recommend this place to others as a good place to work.
- I rarely think about looking for a new job with another organization.

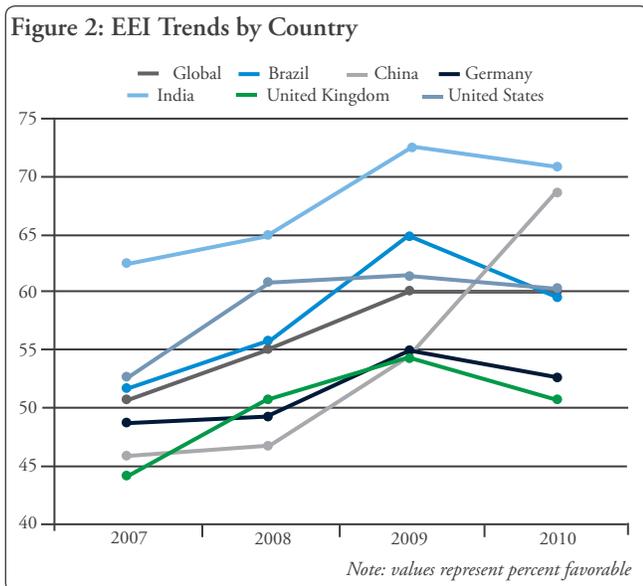
Employee responses are gathered as part of Kenexa's WorkTrends™ survey, which is administered annually or bi-annually. This survey is used to populate Kenexa's normative database and used for research efforts within the Kenexa Research Institute (KRI). Survey respondents are screened for full-time employment (more than 30 hours per week) and organization size (more than 100 staff members). Respondents represent a broad array of industries and job types.

Figure 1: U.S. EEI Trends Over Time



EEI trends over time as analyzed by Kenexa are presented in Figure 1. They are characterized by a downward curvilinear trend. Specifically, EEI increased substantially from 2007 to 2009, though the increase from 2008 to 2009 was much smaller than the increase from 2007 to 2008. This upward pattern changed in 2010, when EEI returned to 2008 levels. In other words, the upward EEI trend reached a plateau in 2009 and then began a slight decline in 2010. It is interesting that pride in the organization, one component of the EEI, maintained an upward linear trend, while all other EEI items exhibited the observed downward curvilinear trend.

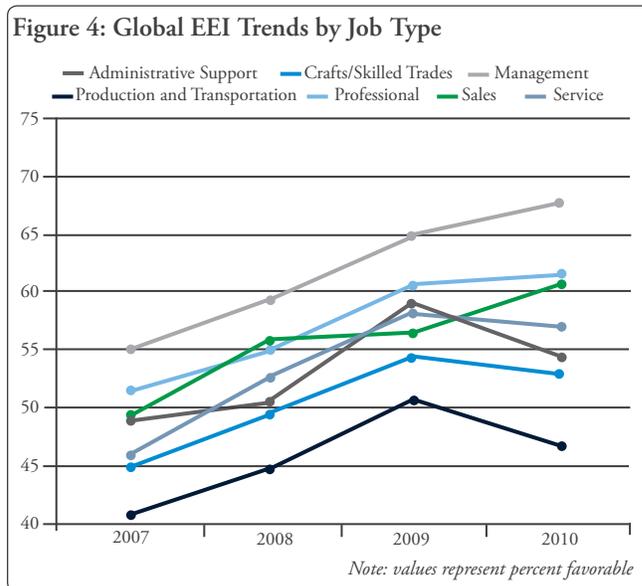
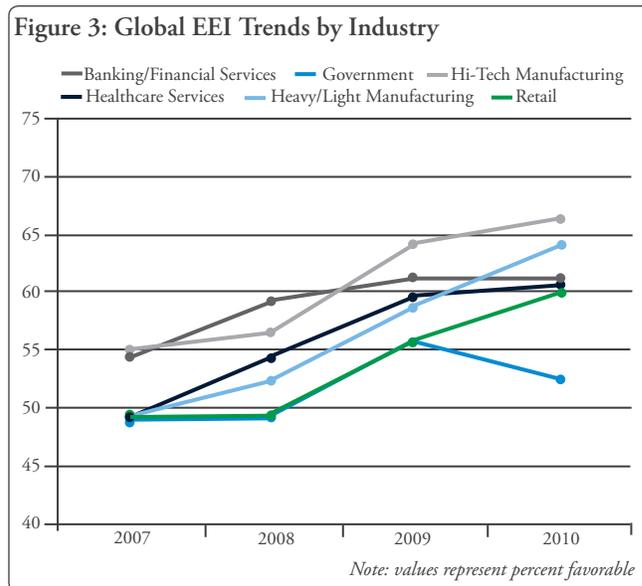
¹Kenexa (2009). *Driving success through performance excellence and employee engagement: A 2010 Kenexa® Research Institute WorkTrends™ report*. Wayne, PA.



In addition to the U.S., EEI data was collected from five other countries throughout 2007, 2008, 2009 and 2010. The countries included Brazil, China, Germany, India and the United Kingdom (see Figure 2). One thing is evident: EEI score levels differ from country to country as evidenced by the trend lines' vertical shift up or down. However, also evident is a robust trend over time across countries, as evidenced by the trend lines' similar shape regardless of level. In other words, while EEI scores might have differed from country to country, the pattern of scores over time is fairly consistent across countries. In fact, almost every country exhibits a similar downward curvilinear trend from 2009 to 2010. China is a notable exception, with an upward curvilinear trend that shows a substantial increase from 2009 to 2010.

Trends over time by industry were more complex. Using the global data, four patterns were observed (see Figure 3). First, respondents working in the public sector exhibited no change from 2007 to 2008, a substantial spike in 2009 and a smaller decline in 2010. Second, those in retail exhibited no change from 2007 to 2008, and then an increase in 2008 that has continued through 2010. Third, a steadily increasing trend occurred in healthcare services, heavy and light manufacturing and hi-tech manufacturing industries. Lastly, the banking/financial services industry exhibited an increase from 2007 through 2009, with no change from 2009 to 2010.

Two distinct trend patterns were observed across job types (see Figure 4). An upward linear trend was found for management,



professional and sales job types. However, a downward curvilinear trend was found for production and transportation, service, crafts/skilled trades and administrative support job types.

To facilitate interpretation of recent EEI trends, we can compare these results with a more in-depth investigation of engagement over time conducted by KRI, which capitalized on the rich historical perspective afforded by the WorkTrends dataset.

Looking over the past 20 years of data related to the construct of engagement, it appears that recent EEI trends indicate more of a return to average levels, than what appears to be a spike to higher-than-average levels.

This more in-depth investigation tested a number of competing hypotheses about what has driven recent EEI trends. The conclusion was that both historical, period-related events and generational shifts in the workforce contributed to a small degree to changes in engagement.

Interestingly enough, the data suggest economic climate changes alone do not explain these changes in engagement. On the other hand, historical events such as socio-political changes (e.g., the first African-American President of the United States) or technological advances (e.g., the announcement of the iPhone® mobile phone) might be related to recent period-related engagement changes, though these potential explanations are speculative and were not tested empirically. Further, recent increases in engagement might be partially explained by the fact that less-engaged Baby Boomers have left the workforce and more-engaged Millennials have joined the workforce².

Due to the unique characteristics of the WorkTrends dataset, we can see that recent changes in engagement are, in part, independent of specific organizational practices. To take advantage of this knowledge, organizational leaders and HR professionals should compare their company's engagement levels to the normative levels shown in this summary, as well as to previous levels within their company. This will help organizations interpret their own organizations' engagement trends by determining the extent to which engagement changes are due to specific practices within their organization.

About Kenexa

Kenexa provides business solutions for human resources. We help global organizations multiply business success by identifying the best individuals for every job and fostering optimal work environments for every organization. For more than 20 years, Kenexa has studied human behavior and team dynamics in the workplace, and has developed the software solutions, business processes and expert consulting that help organizations impact positive business outcomes through HR. Kenexa is the only company that offers a comprehensive suite of unified products and services that support the entire employee lifecycle from pre-hire to exit.

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²Kenexa (2010). *Engagement trends over time: A 2010 Kenexa® Research Institute WorkTrends™ report*. Wayne, P.A.