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Drivers of employee engagement in European organisations: a human resource practitioner's perspective²

This article analyses the literature on the various interpretations and drivers of employee engagement and suggests a model of employee engagement that centres on the individual. While recognising the importance of drivers both internal and external to the individual, this article argues that employee engagement rests not with the external factors, ultimately, but with individual attitudes and behaviours. This article also analyses the results of the *European Employee Engagement Survey* and contrasts them against those of the literature review. While the two sets of results show discrepancies as well as similarities, both human resource (HR) practices and the HR practitioners' perceptions alike indicate an increasing preoccupation with employee engagement as a direct contributor to business performance.

It is widely accepted that engaged employees drive outstanding business results (see, for example, Kular et al. 2008; Gallup Organization 2010; Spreitzer and Porath 2012). Consequently, over the years, employee engagement has turned into a 'hot' topic for both scholars and professionals, and a growing body of research has set out to reveal the drivers of engagement. Whilst the academic literature has focused primarily on revealing individual characteristics that may serve as good predictors to engagement, the main interest of practitioners has pointed towards those environmental attributes that organisations may influence in order to increase

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employee engagement and enhance business results. From among the latter, this article highlights and analyses human resource (HR) practices.

This article is divided into five sections. Following this brief introduction, the second section reviews different interpretations of employee engagement. The third section summarises the relevant literature for factors influencing employee engagement. The fourth section introduces the *European Employee Engagement Survey* conducted by one of the authors on behalf of Stamford Global (SG Magyarország Vezetőképző Kft.)³ in 2010 and 2012. The study aimed to monitor changes in certain employment aspects during 2008–10 and 2010–12—employee morale, employee engagement, the organisation’s ability to attract talent, and the organisation’s ability to retain talent. The study focused on employee engagement, but sought to explore wider human resource practices in European organisations. Characteristics such as size, location, and profile of the organisation were also factored in in the analysis of the data. Finally, the fifth section summarises the findings of the *European Employee Engagement Survey*. Although it concludes that particular HR practices constitute significant drivers of employee engagement, further research is required to explicate how these practices come to result in desired outcomes.

Interpretations of employee engagement

In time, employee engagement has been interpreted in various ways, according to various differentiators. Whilst some interpretations focused on the *individual*, others focused on the *organisation*, on the *job*, or on *occupational* aspects (see, for example, Saks 2006). Whilst some focused on *internal* drivers and defined employee engagement as ‘something that the individual brings to the workplace’ (Kular et al. 2008: 10), others focused on *external* drivers and claimed that employee engagement is shaped by environment. Whilst some focused on *attitudinal* aspects of employee engagement, others focused on *behavioural* aspects.

According to Kahn’s (1990: 694) individual-focused interpretation, employee engagement is ‘the harnessing of organisation members’ selves to their work roles: in engagement, people employ and express themselves physically, cognitively and emotionally during role performances’.

Similarly to Kahn (1990), Rothbard (2001) interpreted employee engagement as psychological—not just physical—presence at work, defined by attention and absorption.

³ <http://www.stamfordglobal.com>.

Csikszentmihályi's (1975: 36) individual-focused interpretation of employee engagement used the term 'flow' to describe the 'holistic sensation that people feel when they act with total involvement', close off the environment, and focus with all their senses on the task at hand. Flow is an autotelic experience—'the goal is self-fulfilling, the activity is its own reward' (Pink 2010: 113).

Other scholars interpreted employee engagement as a psychological state, but as the (positive) antithesis of burnout. Maslach and Leiter (1997), for example, defined employee engagement as energy, involvement, and efficacy along the three dimensions represented by exhaustion, cynicism, and ineffectiveness.

Schaufeli and Bakker (2004: 295) interpreted employee engagement as a 'positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption'.

Meyer and Allen's (1991) 'affective commitment' construct referred to the congruence between individual and organisational values and corresponded well with similar interpretations of employee engagement—affectively committed employees identify with and want to belong to their organisations.

Macey and Schneider (2008) identified three forms of employee engagement—trait, state, and behavioural. *Trait* is internal to the individuals and refers to individual dispositions—positive views of life and work, for example, or proactive and autotelic personalities. Psychological *state* refers to feelings of absorption, attachment, energy, enthusiasm, and passion, as well as to a sense of identity with one's work. *Behavioural* refers to performance and reflects effort and observable behaviours that have a 'sense of doing more and/or something different' (Macey and Schneider 2008: 24). As such, behavioural employee engagement can be regarded as a manifestation of antecedent trait and state employee engagement.

Whilst the scholarly interpretations tend to focus on psychological aspects and antecedents of employee engagement, the business and practitioner approaches tend to focus on behavioural aspects and organisational successors of employee engagement such as willingness 'to go the extra mile', discretionary effort, awareness of business goals, higher productivity, desire to stay with the organisation, etc.

For Robinson, Perryman, and Hayday (2004), engaged employees believe in the organisation, want to improve things, understand the overall business context / the 'bigger picture', respect and help their colleagues, are willing to 'go the extra mile', and keep up-to-date with professional developments.

MacLeod and Clarke (2009) believed that—alongside attitudes and behaviours—outcomes (such as lower accident rates, higher productivity, fewer conflicts, more innovation, lower fluctuation, and reduced sickness rates) are also an integral part of the employee engagement definition.

The Gallup Organization (2010: n. pag.) also believed that 'employee engagement is a force that drives performance outcomes'.

For Towers Perrin (2008: n. pag.), employee engagement was ‘employees’ willingness and ability to contribute to company success’, while for the Chartered Institute of Personnel and Development (CIPD 2012: n. pag.) it was ‘a combination of commitment to the organisation and its values and a willingness to help out colleagues (organisational citizenship)’. The Institute for Employment Studies (IES, quoted in Robinson, Perryman, and Hayday 2004: n. pag.) also defined employee engagement as ‘a positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation’.

The *European Employee Engagement Survey* (Kassim 2012; Kassim and Turner 2012) too revealed that European HR professionals focus on the organisational—result-oriented—aspects of employee engagement. The answers to the question ‘How would you define employee engagement?’ were fed into Wordle—a ‘word cloud’ generator programme which jumbles up the words in the uploaded text and gives prominence to words function of their frequency in the source text (see Figure 1, p. 117). Interestingly, unlike the scholarly interpretations of employee engagement, the practitioner interpretations rarely used terms such as passion, energy, enthusiasm, and emotional attachment:

- employee - engagement - willingness - ‘go the extra mile’
- company - work - goals - discretionary effort
- organisation - job - success - motivate
- commitment - people - achievement - etc.

While Table 1 (p. 118) summarises the various interpretations of employee engagement, Figure 2 (p. 118) suggests a model of employee engagement founded on two main pillars—attitudes and behaviours. Attitudinal engagement has three main components—*intrinsic* motivation, attachment to the *organisation*, and *job* involvement. Employee engagement cannot be purely external to individuals—if employees are motivated only by external factors (such as expected rewards, for example), then they are not really engaged. Employee engagement is also an organisational construct—engaged employees identify with organisational values, mission, and goals. Furthermore, a sense of identity with one’s job is also essential in employee engagement—finding meaning in the job itself results in enduring employee engagement. In their interpretations of employee engagement, Kahn (1990), Maslach and Leiter (1997), Rothbard (2001), Schaufeli, Bakker, and Salanova (2006), and many others stopped at attitudes. However, as Macey and Schneider (2008) argued, subsequent behaviours—such as demonstrated discretionary effort, going above and beyond what is expected, and doing something more and / or different, for example—should also be an integral part of the employee engagement definition.

Table 1: Interpretations of employee engagement

Attitudes	Behaviours	Results / outcomes
<ul style="list-style-type: none"> - identification with organisational values, mission, and goals - emotional attachment - passion, enthusiasm, and energy - internal drive / intrinsic motivation - pride in the organisation - willingness to ‘go the extra mile’ 	<ul style="list-style-type: none"> - understanding of the ‘big picture’ - awareness of the business context - keeping up-to-date with professional developments - demonstrated discretionary effort - going ‘above and beyond’ what is expected 	<ul style="list-style-type: none"> - higher productivity - outstanding performance - loyalty - lower turnover - lower accident rates - more innovations - fewer conflicts

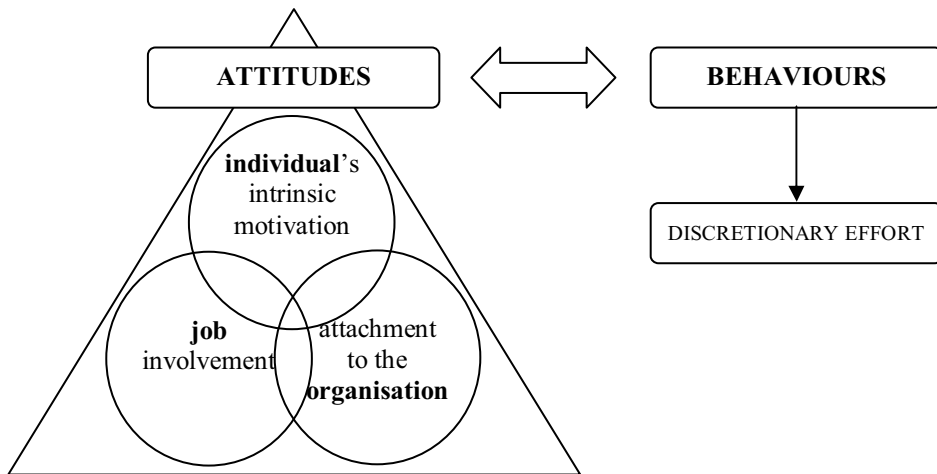


Figure 2: A model of employee engagement

Source: Kassim (2012: 9)

In contrast to this model, Buckingham and Coffman (2005), MacLeod and Clarke (2009), and others included employee performance—measured through results / outcomes—in the employee engagement definition. However, this is not a convincing definition, since employees with the ‘right’ attitudes—manifested through the ‘right’ behaviours—would be considered engaged only if their performance were outstanding. Since this is not always the case, and since high-performing employees are not necessarily engaged employees, the model suggested in this article leaves employee performance out.

Drivers of employee engagement

Some interpretations place the source of employee engagement with the individual (see, for example, Kular et al. 2008), whilst others also emphasise the importance of a supportive environment (see, for example, Ryan and Deci 2000; Robbins, Crino, and Fredendall 2002; Towers Watson 2012).

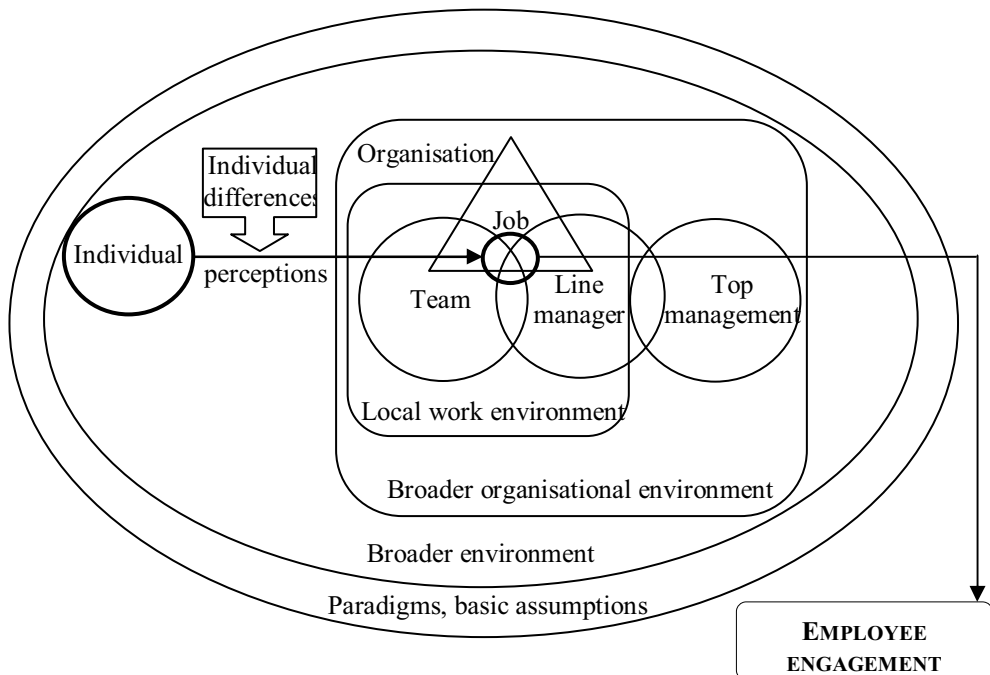


Figure 3: The contextual framework of drivers of employee engagement

Source: Kassim (2012: 14).

Figure 3 (p. 119) illustrates the contextual framework of the internal / individual and external / environmental factors that may play a mediating role in creating and fostering employee engagement. Intervened by the perception process, certain individual attributes contribute to the ‘basic’ positioning of employee engagement, which is influenced by the immediate work environment, the organisational environment, and the broader environment. The relationships with the line manager and colleagues, the complexion of the team, as well as the nature of the job itself may have important effects on employee engagement. Top management’s leadership philosophy and organisational elements—such as mission, goals, values, culture, policies, or HR practices—too may play an important part in facilitating employee engagement. Broader environmental elements—such as political climate, economic and market situation, social trends, or technological aspects—may also have an indirect effect. Finally, basic assumptions and paradigms about the human nature, how people and organisations should be managed, or even what the main objective of an organisation should be (for example, profit maximisation or creating value for the society) may affect all the other components of the employee engagement framework.

Individual factors

According to our model of employee engagement, the individual’s *intrinsic motivation* is a key component of the attitudinal pillar (see Figure 2, p. 118). Intrinsic motivation is an ‘inside generator’ that drives individuals to certain moves and objectives (Herzberg 1987). If purely externally motivated, employees are not really engaged.

The literature suggests that certain individuals are more inclined to engage than others. According to Bakker et al. (2008), positive self-evaluations—such as optimism, self-efficacy, self-esteem, etc.—and feeling able to control destiny and impact on the environment are *personal resources* that predict engagement. Xanthopoulou et al. (2007) found that engaged employees are more *self-efficacious* and *optimistic* and have more organisational *self-esteem*. Robbins, Crino, and Fredendall (2002) as well as others found that employees with high self-esteem are more likely to be open and find meaning in their jobs—an important prerequisite of engagement. Organ and Greene (1974) defined locus of control as the extent to which employees feel able to influence their own lives—an *internal locus of control* involves a strong self-belief in control over the environment, as well as positive perception of opportunities, job involvement, and organisational attachment (Robbins, Crino, and Fredendall 2002). Macey and Schneider (2008) considered *positive affectivity*—an individual’s state of active positivism (Larsen and Diener 1992)—a good predictor of employee engagement. Crant (2000)

associated employee engagement with *proactive personality*, manifested as the tendency to influence one's work environment. Open to new experiences, motivated by challenges, and able to arrive at and maintain the state of flow, *autotelic* employees are also likely to engage (Nakamura and Csíkszentmihályi 2002).

Perceptions mediate the evaluation of information individuals receive and play an important role in employee engagement—according to Luthans (1998: 101), 'perception is a very complex cognitive process that yields a unique picture of the world, a picture that may be quite different from reality'. Various individuals' perception of their environments is highly dependent on factors such as personality, previous experiences, expectations, personal competences, values, needs, priorities, etc. Therefore, employees' subjective perceptions bear more weight in engagement than the objective realities of their work environments (Robbins, Crino, and Fredendall 2002).

Job-related factors

Job involvement is also a key component of attitudinal engagement—for sustainable, high levels of employee engagement, finding meaning and identifying with the job are essential. While Maslach, Schaufeli, and Leiter (2001) argued that *finding meaning* at work is positively linked to employee engagement, Thomas and Velthouse (1990) found that employees attached to their organisations are likely to find work meaningful.

Kahn (1990) suggested that *meaningfulness*, *psychological safety*, and *availability* are three psychological conditions related to employee engagement. This hypothesis was later tested empirically by May, Gilson, and Harter (2004), who found that *job enrichment* and *role fit* are good predictors of meaningfulness. Herzberg (1987: 10) suggested that work should be enriched in ways that '[provide] the opportunity for the employee's psychological growth'. For Buckingham and Coffman (2005), *fit* between job features and individual internal motivation, personality, and competences was an essential precondition for employee engagement. Saks (2006) argued that *job characteristics* are positively related to employee engagement, while Hackman and Oldham's (1980) model identified five such characteristics—*skill variety*, *task identity*, *task significance*, *autonomy*, and *feedback*. Humphrey, Nahrgang, and Morgeson (2007) differentiated among motivational, social, and contextual job characteristics. Motivational characteristics include autonomy, task variety, task significance, feedback, and job complexity. Social characteristics refer to assistance and encouragement from managers and colleagues. Contextual characteristics refer to the physical demands of the job on the employee. Christian, Garza, and Slaughter (2011) found positive correlations between employee engagement and *autonomy*,

task variety, task significance, feedback, problem solving, job complexity, and social support—and negative correlations between employee engagement and physical demands and stressful work conditions. These findings are in line with earlier studies. For example, DeCotiis and Summers (1987) found a relationship between *autonomy* and organisational commitment and Kiss and Szilas (2012) found that higher levels of job control lead to enhanced organisational commitment. Hall, Schneider, and Nygren (1970) as well as others found that *job challenge* and *responsibility* influence employee attachment to employer. Employees who feel *personal importance* and *valued* are also likely to be committed (see, for example, Sheldon 1971; Steers 1977)—feeling *valued* was also emphasised by Maslach, Schaufeli, and Leiter (2001), alongside *sustainable workload*. Pitt-Catsouphes and Matz-Costa (2008) viewed *workplace flexibility* as important.

Organisational factors

While the individual and job-related factors make the subject of much academic literature, the organisational factors receive significantly less attention. In contrast, the practitioner literature emphasises the organisational context of employee engagement—hence, the practitioner ‘orientation’ of this section. While the data collection, analysis, and interpretation may not always meet scientific requirements, the organisational factors cannot be ignored (see, for example, Miller 1977; Ryan and Deci 2000; Robbins, Crino, and Fredendall 2002; Macey and Schneider 2008).

Quality of leadership and management

Both scholars and practitioners alike agree that the quality of leadership and management is crucial to employee engagement. Numerous management practices provide numerous approaches to effective HR management. However, the academic literature has not yet examined in detail the concrete relationships between leadership and employee engagement.

Unsatisfactory employee *relationships with direct supervisors* lead to disengagement, even in organisations with best reputations, most generous remuneration packages, and / or most sophisticated HR systems (Buckingham and Coffman 2005). In contrast, Towers Perrin (2008) found that *senior leaders* have far more impact on employee engagement than direct supervisors.

May, Gilson, and Harter (2004) was one of only a few academic studies of the relationship between *leadership* and employee engagement. It found that *perceived support* from supervisors and *not controlling relations* contribute to perceptions of safety and, ultimately, to employee engagement. Saks (2006) too

found that perceived supervisor support was in a moderate correlation with job and organisational engagement. Andrew and Sofian (2011) also found that leadership was a significant predictor of organisational engagement.

IES found that an organisation's *concern for its employees' wellbeing and health* is a key driver of employee engagement (Robinson, Perryman, and Hayday 2004). For Towers Perrin (2008), this was the most important in a list of ten drivers—*good relationship with supervisor* was also an important employee engagement factor.

For Groysberg and Slind (2012), leadership was about communication—managers who maintain *genuine and honest conversations* with employees are credible and engage their subordinates at higher levels. Drucker (2002) suggested that leaders spend time with their subordinates, get to know them, mentor them, listen to them, and encourage their development in order to foster engagement and higher performance. Saks and Gruman (2011) too underlined the importance of good manager–employee relationships—including good communication—in employee engagement and, ultimately, performance.

Luthans and Peterson (2002) found that *manager's self-efficacy* contributes to employee engagement and performance. Robertson-Smith and Markwick (2009) added *inspiring and encouraging* and *participative management styles* (for example, sharing information, involvement in decision-making, and allowing job autonomy). The international study of the Corporate Leadership Council (2004) concluded that *management honesty, integrity, and commitment* to organisational goals are key drivers of employee engagement. It also highlighted the importance of a *clearly articulated vision* as well as that of employee performance expectations realistically linked with organisational objectives. Caldwell, Chatman, and O'Reilly (1990) found that employees who can clearly articulate the organisational mission and objectives are likely to have a high level of commitment.

For Hartog and Belschak (2012: 36), '[e]thical leadership is a value-driven form of leadership that affects the self-concept and beliefs of followers'—the ability to authentically express these values to be internalised by followers affects employee engagement.

Relations with colleagues

Employees may contribute to organisations as individuals or as team members. Either way, they need to interact with colleagues constantly, the quality and dynamics of interaction influencing their engagement levels.

Social support—defined as assistance and encouragement received from colleagues and managers—is positively related to employee engagement (see, for example, Bakker and Demerouti 2007). May, Gilson, and Harter (2004) too found that relationships with colleagues play an important role in job meaningfulness and

contribute to feelings of psychological safety. Both meaningfulness and safety are in a significant relationship with employee engagement. Perceived support from colleagues was found a significant predictor of job and organisational engagement by Andrew and Sofian (2011) too, and Kiss and Szilas (2012) also found a link with emotional attachment to the organisation. In addition, Robertson-Smith and Markwick (2009) concluded that *trust and mutual respect* between subordinates and supervisors are an important enabler of employee engagement.

Following the *norms within a work group* also influences the feeling of psychological safety and impacts on employee engagement (May, Gilson, and Harter 2004).

According to Ryan and Deci (2000), people have three basic human needs—autonomy, relatedness, and competence. Supportive colleagues and an inspiring team atmosphere contribute to the perceived satisfaction of relatedness needs—to engage their employees, companies need to rebuild themselves as *communities* (Mintzberg 2009).

Interestingly, with the exception of the Gallup Organization (2010), supportive colleagues do not figure among the key engagement drivers of research and consulting institutions (see, for example, Corporate Leadership Council 2004; IES in Robinson, Perryman, and Hayday 2004; Towers Perrin 2008; CIPD 2011).

The broader organisational environment

The broader organisational environment serves as a framework for the local work environment (see Figure 3, p. 119), with various—direct or indirect— influences on employee engagement.

Mone et al. (2011) identified five main activities of *performance management* that may enhance employee engagement—(1) setting clear performance and developmental goals, (2) providing constant feedback and recognition, (3) supporting personal and professional development, (4) conducting regular performance reviews, and (5) building a climate of trust and empowerment.

Employees need to know what is expected of them and, crucially, understand what the main organisational objectives are and how they translate into individual objectives. Robertson-Smith and Markwick (2009) supported the importance of *clear goals*, therefore, while Mone et al. (2011) argued for the need to set individual performance and developmental goals in collaboration with the employee. To facilitate personal growth and organisational effectiveness (Kerr and Landouer 2004), goals need to be challenging, but not unachievable (Karoliny and Poór 2010). For Towers Perrin (2008), setting high individual standards was a key driver of employee engagement, provided that the standards are not set so high as to result in burnout and disengagement.

The literature on HR management practices emphasises the importance of *constant feedback*—clear, specific, objective, and constructive—in order to contribute to both personal development and high individual performance (see, for example, Koncz 2004; Karoliny and Poór 2010; Fehér 2011). Szeicz (1996) highlighted the importance of performance management systems, appropriately designed for constant constructive feedback as the basis for trust between employees and organisation. However, Mone et al. (2011: 207) raised fundamental concerns over general constructive feedback—‘What remains unclear, however, is the exact relationship between constructive feedback and employee engagement.’

Self-actualisation is a high-order need of the human beings (see, for example, Maslow in Luthans 1998 or Komor 2011; Herzberg 1987), and fostering personal and professional *growth* and *development* contributes to employee engagement. Andrew and Sofian (2011) found that opportunities for employee development were a significant predictor of job engagement, but—interestingly—not of organisational engagement. Towers Perrin (2008) too found that opportunities for skill and capability improvement, as well as career advancement opportunities, are key drivers of employee engagement. Encouraging innovative thinking also contributes to employee engagement (Corporate Leadership Council 2004; Towers Perrin 2008).

Structural and psychological empowerments are often associated with employee engagement (see, for example, Macey et al. 2009; Mone et al. 2011). *Structural empowerment* consists of supportive work conditions that allow employees access to necessary information and resources and learning and development opportunities—it gives employees the power to mobilise resources and enables them to work meaningfully (Kanter 1993). *Psychological empowerment* consists of employees’ perception of and reaction to structural empowerment (Kimura 2011)—the more positive the perceptions and reactions, the higher the psychological empowerment and the more likely the employee engagement (Spreitzer 1996; Laschinger et al. 2001).

According to our model (see Figure 2, p. 118), identification with organisational mission and core values are integral to employee engagement. Values guide individual judgments, attitudes, and actions (Rokeach 1973; Chatman 1991). The core values at the heart of organisational cultures (see, for example, Heidrich 2001; Szeicz 2008; Bakacsi 2010) determine the attitudes and behaviours of employees. *Person–Organisation (P–O) fit* reflects the congruence between organisational and individual patterns of values (Bretz and Judge 1994) and the extent to which individually unique personality, competences, needs, and values are in tune with the organisational culture. According to Kimura (2011), the P–O fit has a significant relationship with employee engagement, but moderate effect.

The opportunities for employees to voice their opinions and ideas and the extent to which these are listened to are a key driver of employee engagement (IES in

Robinson, Perryman, and Hayday 2004). Effective *two-way communication* between management and employees contributes to employees feeling valued and involved (Allen 1992; Robbins, Crino, and Fredendall 2002) and promotes a sense of purpose (Conger and Kanungo 1988)—both important prerequisites for employee engagement (Corporate Leadership Council 2004; Towers Perrin 2008). Participation and information sharing as well as a culture of trust and recognition are key elements in developing an engaged and high-performing workforce (Malzenicky 2007a; 2007b). However, Andrew and Sofian (2011) found no significant relationships between communication, on the one hand, and job and organisational engagement, on the other.

Research does not support the common wisdom assumption that *competitive remuneration* plays an important role in employee engagement. For example, Towers Perrin (2008) found that competitive salaries are the most important drivers in attracting employees, but are ineffective at both retaining employees and enhancing employee engagement. International research by the Gallup Organization (in Buckingham and Coffman 2005) also concluded that salary plays no role in employee engagement—Pink (2010) claimed that monetary rewards can even destroy individual intrinsic motivation.

The broader environment

Since the broader environment has an effect on organisations, it may also have an (indirect) effect on employee engagement. For decades now, the ‘*PEST factors*’ (see, for example, Csath 2004)—political-legal climate, economic circumstances, social trends, and technological advancements—have been serving as a framework for strategy development and action planning for organisations of all sizes. Surely, with such a significant effect on the strategic thinking of senior executives, these factors must shape the local work environments of employees.

The *worldwide economic crisis* has had a huge impact on organisations, forcing them into strict cost cutting, downsizing, and significant layoffs—in turn, these measures may have affected employee engagement. Indeed, 2008–10 witnessed the largest decline in global employee engagement in 15 years (Aon Hewitt Consulting 2011). The Kenexa High Performance Institute (2012) studied 28 countries and found a significant drop in overall employee engagement between 2009 and 2011—although the reasons were not examined, we may assume that the economic downturn did play a part in this decline.

Numerous studies have investigated HR practices and have revealed *country-specific* and *region-specific* patterns—see, for example, the Cranfield Network on International Human Resource Management (CRANET) research in Farkas, Karoliny, and Poór (2009); Poór (2009); Karoliny, Farkas, and Poór (2010); and Kohont and Poór (2011). History and culture may also affect a country’s HR

practices (see, for example, Poór 2009), leading to the assumption that employee engagement may vary by countries and regions.

Increasingly dynamic information technology (IT) solutions have had major and diverse impacts across the world, including the realignment of the *social behaviour* of new generations, investigated among numerous others by Howe and Strauss (2007). Krajcsák (2012) predicted the conquest of virtual work—for example, remote work, video meetings, web conferencing, hologram presentations, virtual learning, etc.—and suggested that the work arrangements of the future need to be flexible and adapt to the opportunities offered by technological innovations. It can only be assumed that the generational workforces of the future will differ significantly and will impact employee engagement in yet unexpected ways.

Paradigms

Finally, paradigms too are important drivers of employee engagement. Kuhn (1970: 43) defined paradigms as ‘universally recognized scientific achievements that, for a time, provide model problems and solutions for a community of researchers’, while Schein (1978) gave a great summary of the four main paradigms of human nature. From the rational-economic view of humans (see, for example, McGregor’s Theory X), through the concept of humans as social beings (see, for example, Mayo), to the approach of humans as searching for self-actualisation (see, for example, Argyris, Maslow, Herzberg, and McGregor’s Theory Y), Schein (1978) suggested that humans need to be viewed as complex beings, variously motivated function of circumstances. In time, various paradigms for human nature have influenced the ways organisations approach and manage their employees.

Recognising and analysing the paradigms that are currently shaping the way organisations manage their employees is fraught with difficulties. The world we live and work in has been changing at a rapid pace—current beliefs about the human nature may be outdated and a significant revolution in approach may be needed to engage the employees of the future. Studies of drivers of employee engagement also need to take into account the paradigms that enable analysis and interpretation, since revealing possible future directions for approaches to human beings may be beneficial.

Drivers of employee engagement—a summary

Table 2 (p. 128) provides a summary of drivers of employee engagement. The analysis in this section has focused on factors that were specifically examined in the literature in relation to employee engagement. However, there may be numerous other factors—emotional intelligence, competences, values, personal

interests, gender, age, generation, tenure at the organisation, role conflicts, perceived fairness, work–life balance, organisational involvement in social responsibility, organisational reputation, and brand name, to name just a few.

Table 2: Summary of drivers of employee engagement

INDIVIDUAL FACTORS		
	<ul style="list-style-type: none"> - intrinsic motivation - internal locus of control - positive affectivity - proactive personality - autotelic personality 	<ul style="list-style-type: none"> - psychological empowerment - personal resources (for example, optimism, self-efficacy, and self-esteem) - individual perceptions
JOB-RELATED FACTORS		
	<ul style="list-style-type: none"> - meaningful job - person–job fit, task identity - job challenge - skill variety - task significance, job perceived to be valued 	<ul style="list-style-type: none"> - job complexity - autonomy - responsibility - sustainable workload - workplace flexibility
ORGANISATIONAL FACTORS		
<i>Quality of leadership and management</i>	<ul style="list-style-type: none"> - sincere management concern and interest in employee wellbeing - genuine and honest communication - management honesty, integrity and engagement 	<ul style="list-style-type: none"> - management ability to articulate clear vision and objectives - managerial self-efficacy - perceived support - not controlling relations - good relationship with manager
<i>Relations with colleagues</i>	<ul style="list-style-type: none"> - social support (perceived assistance and encouragement) 	<ul style="list-style-type: none"> - trust and mutual respect - work group norms
<i>Broader organisational environment</i>	<ul style="list-style-type: none"> - quality of performance management system - clear performance and developmental goals - regular performance reviews - personal and professional developmental opportunities 	<ul style="list-style-type: none"> - constant feedback - structural empowerment conditions (access to information and resources, involvement, and autonomy) - person–organisation fit - two-way communication
BROADER ENVIRONMENTAL FACTORS		
	<ul style="list-style-type: none"> - political-legal climate - economic circumstances - social trends 	<ul style="list-style-type: none"> - technological advancements - region, country - generational differences
PARADIGMS AS INFLUENCING FACTORS		
	<ul style="list-style-type: none"> - basic assumptions and views about the human nature 	

European HR practices

The literature on drivers of employee engagement suggests links between HR practices and employment aspects such as employee engagement. To analyse such possible links, this section of the article presents the results of research based on a European-wide survey.

Table 3: Breakdown of research participants by function for the years 2010 and 2012 (in percentages)

Function	2010	2012
HR vice president	7	7
HR director	40	39
HR manager	40	26
HR business partner	6	17
HR executive	6	12
Total*	100	100

* Percentages may not total 100 due to rounding.

Source: Kassim (2012: 45).

The *European Employee Engagement Survey* was conducted by one of the authors on behalf of Stamford Global in 2010 and 2012. Participation from the European HR professionals on the company's client base was sought by email and participation from the European members of the Stamford Global HCM⁴ Excellence Network⁵ through the LinkedIn discussion forum. An online survey tool (SurveyMonkey®⁶) was used to allow questionnaires to be completed and submitted online—149 in 2010 and 127 in 2012. The study aimed to analyse:

- changes in 2008–10 and 2010–12 in the European HR professionals' perceptions of the business context;
- changes in 2008–10 and 2010–12 in the European HR professionals' perceptions of four employment aspects—employee morale, employee

⁴ Human capital management.

⁵ http://www.linkedin.com/groups/HCM-Excellence-HR-Professionals-Network-1850502?trk=myg_ugrp_ovr.

⁶ <http://www.surveymonkey.com>.

- engagement, the organisation's ability to attract talent, and the organisation's ability to retain talent;
- the importance of employee engagement in European organisations;
 - the management of employee engagement in European organisations;
 - HR practices in European organisations;
 - the effects of HR practices on the four employment aspects;
- and
- the effects of employee engagement practices on the four employment aspects.
- The majority of research participants (80 per cent in 2010 and 65 per cent in 2012) were HR directors and HR managers (see Table 3, p. 129).

Table 4: Breakdown of research participants by country / region for the years 2010 and 2012 (in percentages)

Country / region	2010	2012
Austria, Germany, and Switzerland	3	7
Baltics (Estonia, Latvia, and Lithuania)	4	4
Benelux (Belgium, Luxemburg, and the Netherlands)	0	3
Central and Eastern Europe (CEE) (Albania, Bosnia-Herzegovina, Bulgaria, the Czech Republic, Hungary, Kosovo, Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia, and Slovenia)	50	41
Commonwealth of Independent States (CIS) (Belarus, Russia, and Ukraine)	2	9
France	1	1
Mediterranean (Andorra, Croatia, Cyprus, Greece, Italy, Malta, Monaco, Portugal, Spain, and Turkey)	4	13
Scandinavia (Denmark, Finland, Iceland, Norway, and Sweden)	2	11
UK and Ireland	35	11
Total*	100	100

* Percentages may not total 100 due to rounding.

Source: Kassim (2012: 45).

Central and Eastern Europe (CEE) contributed 50 per cent of research participants in 2010 and 41 per cent in 2012 (see Table 4). In 2010, a significant

number of research participants (35 per cent) were from the UK and Ireland—in 2012, there was a more balanced distribution of research participants from European countries outside CEE.

The research participants represented a large variety of industries (see Table 5). Financial services (11 per cent) and fast moving consumer goods (10 per cent) were the most represented in 2010, while professional services (13 per cent), manufacturing (11 per cent), and IT (10 per cent) were the most represented in 2012.

Table 5: Breakdown of research participants by industry for the years 2010 and 2012 (in percentages)

Industry	2010	2012
Agriculture, hunting, and forestry	1	0
Automotives	3	7
Aviation	1	1
Chemicals	2	1
Constructions	1	1
Education	1	1
Fast moving consumer goods	10	8
Financial services	11	6
Government	4	3
Hospitality	2	2
Information technology (IT)	7	10
Manufacturing	9	11
Media	3	2
Mining	0	0
Oil and gas	3	5
Pharmaceuticals and healthcare	5	7
Professional services	5	13
Real estate	3	0
Telecommunications	9	5
Transport and logistics	5	1
Utilities	1	3
Wholesale and retail trade	4	3
Other	7	13
Total*	100	100

* Percentages may not total 100 due to rounding.

Source: Kassim (2012: 46)

In 2010, 70 per cent of the represented organisations had less than 2,500 employees—in 2012, 62 per cent of the represented organisations had more than 5,000 employees, while the ratio of micro-, small- and medium-sized enterprises was 19 per cent (see Table 6).

Almost all responding European HR professionals—98 per cent in 2010 and 100 per cent in 2012—agreed that employee engagement affects business performance (see Table 13, p. 141). Moreover, employee engagement was a ‘top priority’ or, at the least, ‘very important’ for 79 per cent of the European HR professionals in 2010 and 81 per cent of the European HR professionals in 2012. In both years, roughly two-thirds of respondents—65 per cent in 2010 and 68 per cent in 2012—reported to have a ‘clearly defined employee engagement strategy’ or a ‘somewhat defined employee engagement strategy’. Moreover, in 2012, 72 per cent of respondents linked employee engagement strategies to business results. It seems widely accepted that investments in HR practices contribute to employee engagement and—possibly—to profitability. Nevertheless, being able to measure any such returns on investments is essential (Ulrich and Smallwood 2005), and these findings seem to suggest a move in this direction.

Table 6: Breakdown of research participants (in percentages) by size of the represented organisation (in number of employees) for the years 2010 and 2012

Size of the represented organisation	2010	2012
0–249	25	19
250–999	30	6
1,000–2,499	15	5
2,500–4,999	9	7
5,000–14,999	7	13
15,000–24,999	3	10
at least 25,000	9	39
Total*	100	100

* Percentages may not total 100 due to rounding.

Source: Kassim (2012: 46).

Measuring employment aspects

There were dramatic changes in the overall business environment, at the time of the research, due to the global economic crisis and the slow recovery period that

followed in its aftermath. To investigate their potential effect on the four employment aspects, the research participants were asked the following questions relative to 2008–10 and 2010–12 respectively:

- How has employee morale changed in your organisation?
- How has the engagement level of your employees changed?
- How has your ability to attract talent changed?
- How has your ability to retain talent changed?

While the original variables were measured on a five-point Likert scale, principal component analyses (PCAs) can be conducted only on variables measured on a ratio scale or alternatively dichotomous variables (Sajtos and Mitev 2007; Székelyi and Barna 2008). Consequently, the answers were recoded as dichotomous variables—‘significantly worse’ and ‘somewhat worse’ were coded as ‘0’ and ‘remained the same’, ‘somewhat better’, and ‘significantly better’ were coded as ‘1’.

Table 7: The Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett’s test of sphericity for the years 2010 and 2012

The Kaiser-Meyer-Olkin measure and Bartlett’s test		2010	2012
Kaiser-Meyer-Olkin measure		.581	.700
Bartlett’s test	Approx. Chi-Square	101.006	172.276
	df	3	6
	Sig.	.000	.000

Source: Kassim (2012: 57).

Since the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was above the required 0.5 limit (Sajtos and Mitev 2007; Székelyi and Barna 2008) for both 2010 and 2012, the new principal components are appropriate representations of the original variables (see Table 7). This was confirmed by Bartlett’s test of sphericity—the level of significance was below the required 0.05 limit (Sajtos and Mitev 2007; Székelyi and Barna 2008) for both years. Henceforth, the constructed principal components will be referred to as *‘Employment Aspects’*.

Only three employment aspects were included in 2010—the organisation’s ability to retain talent, employee morale, and employee engagement (see Table 8, p. 134). The organisation’s ability to attract talent was added in 2012 and showed a somewhat different pattern than the other three aspects. A notable proportion of respondents perceived their organisations’ ability to retain talent as either ‘somewhat better’ or ‘significantly better’ than before—this may have been explained by the economic downturn characterised by high levels of uncertainty and people less willing to leave organisations for uncertain futures elsewhere. At

the same time, the economic downturn forced numerous organisations to lay off large numbers of employees, allowing other organisations to attract more talents than before—hence, the respondents perceived their organisations’ ability to attract talent as ‘somewhat better’ or ‘significantly better’ than before, while rating their organisations’ ability to retain talent as ‘somewhat worse’ or ‘significantly worse’.

Table 8: The component matrices for the years 2010 and 2012 (one component extracted with the principal component analysis extraction method)

Component Matrix 2010		Component Matrix 2012	
Talent retention	.636	Talent attraction	.747
Employee morale	.859	Talent retention	.806
Employee engagement	.901	Employee morale	.895
		Employee engagement	.805

Source: Kassim (2012: 58).

Table 9: Total variance explained for the years 2010 and 2012 (principal component analysis extraction method)

Total variance explained 2010						
Component	Initial eigenvalues			Extraction sums of squared loadings		
	Total	Percentage of variance	Cumulative percentage	Total	Percentage of variance	Cumulative percentage
1	1.954	65.128	65.128	1.954	65.128	65.128
2	.763	25.427	90.556	n/a	n/a	n/a
3	.283	9.444	100.00	n/a	n/a	n/a
Total variance explained 2012						
Component	Initial eigenvalues			Extraction sums of squared loadings		
	Total	Percentage of variance	Cumulative percentage	Total	Percentage of variance	Cumulative percentage
1	2.658	66.438	66.438	2.658	66.438	66.438
2	.757	18.937	85.375	n/a	n/a	n/a
3	.390	9.743	95.118	n/a	n/a	n/a
4	.195	4.882	100.00	n/a	n/a	n/a

Source: Kassim (2012: 58).

The ‘Employment Aspects 2010’ principal component included 65.1 per cent of information content of the original variables—the ‘Employment Aspects 2012’ principal component included 66.4 per cent of information content of the original variables (see Table 9, p. 134).

Table 10: HR practices indicated as being used on a regular basis for the years 2010 and 2012 (in percentages)

HR practices	2010	2012
Regular performance reviews	89	89
Training and development programmes	87	85
Leadership development programmes	66	77
Employee engagement surveys	59	62
Behavioural interviews part of the recruitment process	59	62
Succession planning	61	60
Identification of talent pool	55	59
Flexible work arrangements	n/a	58
Coaching	62	58
On-boarding / induction programmes	71	57
360-degree evaluation	49	57
Employer branding	39	53
Talent management programmes	n/a	52
Overall competency model	49	51
Employee satisfaction surveys	63	50
Career planning	50	47
Competitive remuneration	55	45
Mentoring	n/a	43
Social media	n/a	43
Management trainee programmes	47	37
Assessment centres (AC) involved in the recruitment process	37	36
Participation in ‘best employer’ surveys	29	34
Work–life balance programmes	28	34
Corporate social responsibility (CSR) programmes	36	33
Development centres (DC)	25	23
Individually customised incentives	17	22
Individualised job design	20	17
Interim managers	n/a	11
Participation in ‘family-friendly employer’ surveys	7	8

Source: Kassim (2012: 49).

An 'Employment Aspects' score was generated and assigned to each respondent, in both years. The higher the score, the higher the increase in employee morale and engagement and the higher the increase in the organisation's ability to retain and (in 2012) attract talent.

Measuring HR practices

The research participants were asked to indicate the HR practices used on a regular basis in their organisations (see Table 10, p. 135).

HR practices were operationalised by standardising them based on frequencies of occurrence—more frequent HR practices were taken into account with lower weights and less frequent HR practices with higher weights. Each organisation was assigned an '*HR Practices Index*', developed by summing up the standardised values of each HR practice indicated as being used on a regular basis within the organisation. Hence, the higher the 'HR Practices Index', the more numerous and varied the HR practices used on a regular basis, and the more progressive the organisation.

The relationship between 'Employment Aspects' and the 'HR Practices Index'

The literature agrees that advanced HR practices influence positively the four employment aspects—employee morale, employee engagement, the organisation's ability to attract talent, and the organisation's ability to retain talent (see, for example, Koncz 2004; Karoliny and Poór 2010; Fehér 2011; Komor 2011).

A correlation analysis conducted between the created variables of the 'Employment Aspects' principal component and the 'HR Practices Index' found correlations significant at the 0.05 level (see Table 11, p. 137). However, with Pearson correlation coefficients of only 0.225 in 2010 and 0.220 in 2012, the strengths of the relationships were weak (Sajtos and Mitev 2007; Székelyi and Barna 2008).

Since 'Employment Aspects' and the 'HR Practices Index' are positively related, in the focus sample of European organisations and based on the research participants' perceptions, the more numerous and varied the HR practices, the higher the positive effects on employee morale and engagement could have been anticipated as well as the higher the positive effects on the organisation's ability to retain and (in 2012) attract talent.

This suggests that investments in developing various HR practices may contribute to positive changes in 'Employment Aspects'. However, since the relationship between 'Employment Aspects' and the 'HR Practices Index' was significant, but the strength of the correlation was weak, the operation of certain

HR practices may not necessarily lead to high ‘Employment Aspects’—the ways in which certain HR practices are applied may also have a notable effect on ‘Employment Aspects’. For instance, lack of managerial skill in providing clear, objective, and constructive feedback to subordinates may result in employee disengagement, despite cutting-edge performance management systems.

Table 11: Correlations between ‘Employment Aspects’ and the ‘HR Practices Index’ for the years 2010 and 2012

Correlations							
2010		PC Employment Aspects 2010	Stand HR Practices Index 2010	2012		PC Employment Aspects 2012	Stand HR Practices Index 2012
PC Employment Aspects 2010	Pearson correlation	1	.225*	PC Employment Aspects 2012	Pearson correlation	1	.220*
	Sig. (two-tailed)	n/a	.013		Sig. (two-tailed)	n/a	.032
	N	120	120		N	95	95
Stand HR Practices Index 2010	Pearson correlation	.225*	1	Stand HR Practices Index 2012	Pearson correlation	.220*	1
	Sig. (two-tailed)	.013	n/a		Sig. (two-tailed)	.032	n/a
	N	120	149		N	95	127

* Correlation is significant at the 0.05 level (two-tailed).

Source: Kassim (2012: 59).

Further analyses

Further analyses of variance were conducted in SPSS Statistics (see Table 12, page 139)⁷ and revealed the following:

⁷ A significance value (Sig.) below 0.05 indicates a significant relationship between two factors, but says nothing of the strength of the relationship. If the relationship is significant, then Eta Squared shows the percentage of variance in the heterogeneity of the dependent factor—‘Employment Aspects’ or the ‘HR Practices Index’—explained by the independent factor (the response to the question, that is) (Sajtos and Mitev 2007; Székelyi and Barna 2008).

1. The size of the organisation did not influence ‘Employment Aspects’, but had a significant effect on the variety and nature of HR practices used on a regular basis by organisations. However, although the smallest organisations had the lowest ‘HR Practices Indexes’ and the largest organisations the highest, the relationship was not linear. Higher numbers of employees did not guarantee higher ‘HR Practices Indexes’.
 2. The region of the organisation was related neither to ‘Employment Aspects’ nor to the ‘HR Practices Index’—although some international studies have identified regional differences in employee engagement (see, for example, Kenexa High Performance Institute 2012), while others have identified HR practices unique to Hungary and CEE (see, for example, the CRANET research in Farkas, Karoliny, and Poór 2009; Poór 2009; Karoliny, Farkas, and Poór 2010; Kohont and Poór 2011).
 3. The HR professionals’ perceptions of changes in the business context were positively related to ‘Employment Aspects’, with ‘business context’ explaining approximately one quarter of the variance in the heterogeneity of ‘Employment Aspects’ in both years. The mean calculations of each response category indicated that the better the business context was perceived, the more positive the change in employment aspects was perceived.
 4. The importance of employee engagement within the organisation was positively related to ‘Employment Aspects’.
 5. Having a clearly defined employee engagement strategy was positively related to ‘Employment Aspects’.
 6. Measuring employee engagement was positively related to ‘Employment Aspects’.
 7. Conducting employee surveys was not related to ‘Employment Aspects’.
 8. Sharing survey results with the employees was not related to ‘Employment Aspects’.
 9. Involvement of employees in the development of action plans following employee surveys was not related to ‘Employment Aspects’.
- Of these, 7, 8, and 9 contradict claims that providing opportunities for employees to voice their opinions or give feedback, maintaining honest communication with them, and involving them in decision-making contribute to employee engagement (see, for example, Koncz 2004; Karoliny and Poór 2010; Fehér 2011). However, these findings were not based only on HR practitioners’ perceptions, but also (indirectly) on the quality of their HR practices—the employees may or may not have been asked the right survey questions, they may or may not have perceived the results as sincere and straightforward, or they may or may not have been provided with the opportunity to contribute to action plan development in truly meaningful ways.

Limitations of the *European Employee Engagement Survey*

The *European Employee Engagement Survey* has provided interesting insights into the relationships between certain employment aspects and HR practices—in particular, employee engagement practices.

Table 12: Analyses of variance for the years 2010 and 2012

Features of the organisation	‘Employment Aspects’				‘HR Practices Index’			
	2010		2012		2010		2012	
	Sig.	Eta Squared	Sig.	Eta Squared	Sig.	Eta Squared	Sig.	Eta Squared
Size of the organisation	0.966	n/a	0.883	n/a	0.000	0.166	0.000	0.222
Region	0.652	n/a	0.713	n/a	0.122		0.198	
Business context	0.000	0.267	0.000	0.259	n/a	n/a	n/a	n/a
Importance of employee engagement	0.023	0.062	0.001	0.177	n/a	n/a	n/a	n/a
Having a defined engagement strategy	0.000	0.144	0.008	0.144	n/a	n/a	n/a	n/a
Measurement of engagement	0.029	0.059	0.031	0.095	n/a	n/a	n/a	n/a
Conducting employee surveys	0.346	n/a	0.734	n/a	n/a	n/a	n/a	n/a
Sharing results of surveys	0.771	n/a	0.753	n/a	n/a	n/a	n/a	n/a
Employee involvement in follow-ups	0.560	n/a	0.235	n/a	n/a	n/a	n/a	n/a

Source: Kassim (2012: 60).

However, due to the exiguous number of respondents, the sample cannot be considered representative. Moreover, the structure of the sample does not reflect the real regional and industrial distribution of European organisations. Therefore, the conclusions are true for the organisations as represented by the HR professionals who took part in this survey, but cannot be generalised for the whole European region. Further research needs to investigate these findings in more depth.

The data collected by the *European Employee Engagement Survey* were not objective, but subject to HR professionals' perceptions. Perceptions are highly dependent on numerous factors related to the responding individual (Komor and Mihály 2011) that were not examined in this article. (For example, Human Synergistics International (2006) found that top managements and HR managers are likely to perceive organisational cultures more positively than employees.) Therefore, the reliability of the data may be questionable.

Because the questions were constructed to reveal changes over two two-year periods, the data thus collected reflected positions relative to the previous situations of the respondent organisations, without allowing for inter-organisational comparisons from absolute perspectives.

Finally, although it summarises in one single value the numerous variety of HR practices used by an organisation on a regular basis, the 'HR Practices Index' does not provide any information about the quality of the HR practices. The difference between employee engagement and employee disengagement, for example, may lie not so much as with sophisticated HR systems as with basic HR skills.

Summary and conclusions

Table 13 (p. 141) summarises the research findings. Employee engagement was a widely recognised concept among the European HR professionals participating in this survey. Almost all of the respondents viewed employee engagement as a key driver of business results. Employee engagement was a 'top priority' or 'very important' with the majority of represented organisations—therefore, not surprisingly, a notable proportion of respondents reported to have developed a 'clearly defined' or 'somewhat defined' employee engagement strategy. Moreover, in 2012, most of these strategies were linked directly to business results.

A significant, but weak, relationship was found between 'Employment Aspects' and the 'HR Practices Index', suggesting that investments in developing various HR practices contribute to positive, but moderate, changes in certain employment aspects—employee morale, employee engagement, the organisation's ability to attract talent, and the organisation's ability to retain talent.

Research results also revealed that participating HR professionals' perceptions of the business contexts of their organisations were positively related to 'Employment Aspects'.

Table 13: Summary of research findings for the years 2010 and 2012

Survey questions (in percentages)	2010	2012
Employee engagement has a positive and direct effect on business results	98	100
Employee engagement is a 'top priority' or 'very important'	79	81
There exists a 'clearly' or 'somewhat defined' employee engagement strategy	65	68
The employee engagement strategy is linked to business results	n/a	72
'Employment Aspects' is related to the 'HR Practices Index'	$r = 22.5$	$r = 22$
Dependent factors	'Employment Aspects'	'HR Practices Index'
Independent factors		
Size of the organisation	not related	related
Region	not related	not related
Business context	positively related	n/a
Importance of employee engagement	positively related	n/a
Existence of a defined employee engagement strategy	positively related	n/a
Employee engagement is measured	positively related	n/a
Employee surveys are conducted	not related	n/a
Survey results are shared with employees	not related	n/a
Employees are involved in follow-ups	not related	n/a

Measuring employee engagement was found positively related to 'Employment Aspects'. However, conducting employee surveys, sharing survey results with the employees, and involving employees in follow-up action plan development were not found to be in a significant relationship with 'Employment Aspects'. Such

contradictions may be explained by the quality of HR practices, and require further research.

Employee engagement is gaining increasing attention both among European HR professionals as well as in the practitioner and academic literatures. The aim of this article was to present a comprehensive summary of various employee engagement interpretations and introduce our own conceptualisation of the employee engagement construct. Furthermore, the article intended to provide a structured framework for summarising those factors that may play an important role in improving employee engagement. Since HR practices were identified as an employee engagement driver, this article rolled out a research investigating the variety of HR practices used across Europe and analysed their relationships with certain employment aspects—employee morale, employee engagement, the organisation’s ability to attract talent, and the organisation’s ability to retain talent.

Employee engagement was viewed as a key driver of business performance across research participants, who expressed growing efforts in measuring employee engagement, developing clearly defined employee engagement strategies, and directly linking them to business results. The more various and progressive the HR practices, the higher the increases in employee morale, employee engagement, the organisation’s ability to attract talent, and the organisation’s ability to retain talent that could have been anticipated based on the respondents’ perceptions. However, this relationship was found to be weak, suggesting that the quality of HR practices may also have a notable effect on the measured employment aspects—revealing the relationship between the quality of HR practices and employee engagement would benefit highly from further research.

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