

Whiteboard

Maximizing Human Capital



Employee Engagement & Corporate Culture Research Study



120 Main Street, Flemington, NJ 08822 • www.whiteboardllc.com • 908.268.7272

RESPECT Model Overview

Whiteboard's RESPECT Model is rooted in the premise that human relationships – both personal and professional – only “work” within the context of respect. The Model posits that employee engagement depends upon the extent to which individuals:

- Respect their **organization** – its Mission, Vision, values, goals, policies and actions. Employees are proud to say, “I work for *this* company.”
- Respect the organization's leaders, especially their direct **supervisor** – believing that he/she is competent, ethical, makes good decisions and treats people fairly.
- Respect their **team members** – believing that they are competent, cooperative, honest, supportive and willing to pull their own weight.
- Respect their **work** – finding it challenging, rewarding, interesting and as having value to both internal and external customers.
- **Feel respected** by the organization, supervisor and fellow team members.

The RESPECT Model identifies seven critical drivers that influence employees' internal assessment of respect and subsequent engagement:

Recognition: Employees feel acknowledged and appreciated for their contributions. Supervisors regularly recognize deserving team members and people are rewarded based on their work performance.

Empowerment: Supervisors provide employees with the tools, resources, training and information to succeed. Employees experience high levels of autonomy and are encouraged to increase their skills and take risks.

Supportive Feedback: Supervisors provide employees with timely, specific feedback in a supportive, sincere and constructive manner. Feedback is delivered for the purpose of reinforcement, and improvement – never to embarrass or punish.

Partnering: Management fosters a sense of partnership and collaboration with employees. Employees view supervisors as mentors and advocates for their development and growth. Team members and departments actively communicate and share information with one another.

Expectations: Supervisors ensure that goals, objectives and business priorities are clearly established and communicated. Employees know precisely the standards by which their performance is evaluated and are held accountable for meeting expectations.

Consideration: Supervisors, managers and team members demonstrate consideration, caring and thoughtfulness toward one another. Supervisors actively seek to understand employees' opinions and concerns and are understanding and supportive when employees experience personal problems.

Trust: Supervisors demonstrate trust and confidence in employees' skills and abilities. Employees trust that their supervisor will “do right” by them. Leaders keep their promises and commitments, and, thus, are trusted by employees.

Employee Engagement

The term “employee engagement” refers to one’s level of psychological and emotional commitment demonstrated behaviorally through increased levels of discretionary effort. Although engagement exists on continuum, employees conceptually fall into one of five categories. (Note: While, employees’ level of engagement can be distinguished by organization, supervisor, team members, work and customers, the following descriptions refer to an overall level of engagement.)

Actively Disengaged: Employees who literally and figuratively create the “messes” in their organization. More than ineffectual, these employees actively detract from organizational productivity and success. They are a toxic influence and should be terminated.

Disengaged: Employees who do not purposely create the messes but take on the attitude: “I didn’t do it and it is not my responsibility.” They are best described as apathetic and want only to be left alone and collect a paycheck. Although they may be doing little harm, they are also doing little good.

Opportunistic: The foremost thought in the minds of these employees is: “What’s in it for me?” They are careful not to draw attention to themselves until an opportunity to “look good” presents itself. They are willing to go above and beyond as long as they get something in return.

Engaged: Consistent contributors, engaged employees do their job and do it well. If asked, they will help others and may take the initiative to participate in special projects that interest them. If they see “messes,” they will clean them up. They believe in the organization and want to do their part to see it succeed.

Actively Engaged: These employees fully understand and support the vision and mission of the organization. They are the difference makers whose contributions lead to improvements, not just maintaining the status quo. They consistently exert high levels of discretionary effort – going above and beyond what is expected to bring additional value to their own and others’ work.

Research Overview

The following findings are based on the results of Whiteboard's Organizational Culture and Employee Engagement Assessment online study conducted in the Fall, 2009. If you have any questions or comments, please feel free to contact me directly at: paulmarciano@whiteboardllc.com.

Section I: Demographics

In total, 394 adults (247 females, 147 males) employed by over 100 organizations participated. Participants ranged in age from 22-78 (\bar{x} =41.8). The vast majority of participants, 87%, identified themselves as Caucasian (n=341). As can be see in Table 1, the education level of participants ran the gamut from not having completed high school to completing doctoral level studies.

Table 1: Education Level

Education Level	Number	Percentage
Did Not Graduate H.S.	1	.3
High School/GED	37	9.4
Associate Degree	32	8.1
Bachelor Degree	154	39.1
Masters Degree	122	31.0
Professional Degree	21	5.3
Doctoral Degree	27	6.9

More than one in three participants indicated incomes of \$100,000 or greater. A comprehensive breakdown of income level is shown in Table 2. Nearly 80% of participants (n=314) received a salary, while 11.7% (n=46) were paid hourly and 8.6% (n=34) were paid either partly or entirely by commission.

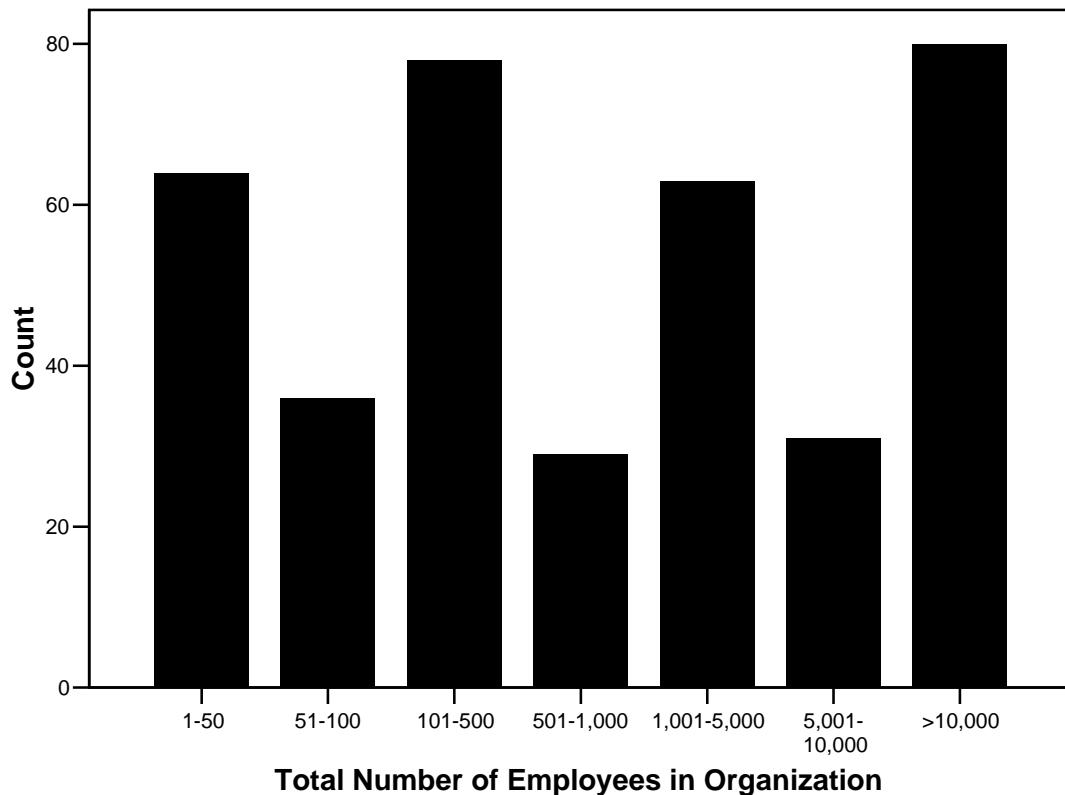
Table 2: Income Level

Income Level	Number	Percentage
Less than \$10,000	7	1.8
\$10,000 to \$24,999	11	2.8
\$25,000 to \$34,999	16	4.1
\$35,000 to \$49,999	44	11.2
\$50,000 to \$74,999	86	21.8
\$75,000 to \$99,999	88	22.3
\$100,000 to \$149,999	84	21.3
\$150,000 or more	58	14.7

Fewer than one-half of the participants were in positions of supervision (43.1%, n=170) and nearly all lived and worked in the United States (95.2%, n=375). Three out of ten participants worked for a publically traded company (n=116) and one out of nine (n=43) worked for non-profit institutions.

As depicted in Figure 1, participants came from organizations of all size.

Figure 1: Organizational Size



Section II: Employee Engagement Scale

The Whiteboard Employee Engagement Scale (WEES) was developed with particular attention paid to construct validity, i.e., choosing items that measure engagement and not the causes or correlates of engagement. The WEES includes nine statements rated on a five-point Likert scale from “Strongly Disagree” to “Strongly Agree.” The items are as follows:

1. I feel connected to the mission, vision, values and goals of this organization.
2. Time passes very quickly during the day at work.
3. If I could go back in time, I would decide to take my current job.
4. If a job came open in my department, I would recommend it to a friend.
5. I am often bored at work.
6. I am proud to say that I work for this organization.
7. What I do at work makes a difference to the overall success of this organization.
8. My mind often wanders while I am at work.
9. I work just as hard for this organization as I would if I worked for myself.

For statistical purposes, the Likert scale was transformed into a five-point numerical scale with “Strongly Disagree” = 1 and “Strongly Agree” = 5. Questions #5 and #8 were reverse-scored. Chronbach’s Alpha of the nine-item scale was .85 and indicated strong internal reliability. An overall summary score was calculated with a theoretical range of 9-45 and observed range of 14-45 with a mean score of 34.1 and standard deviation of 6.8.

Participants were divided into five groups. Raw score groupings and distribution are shown on Table 3.

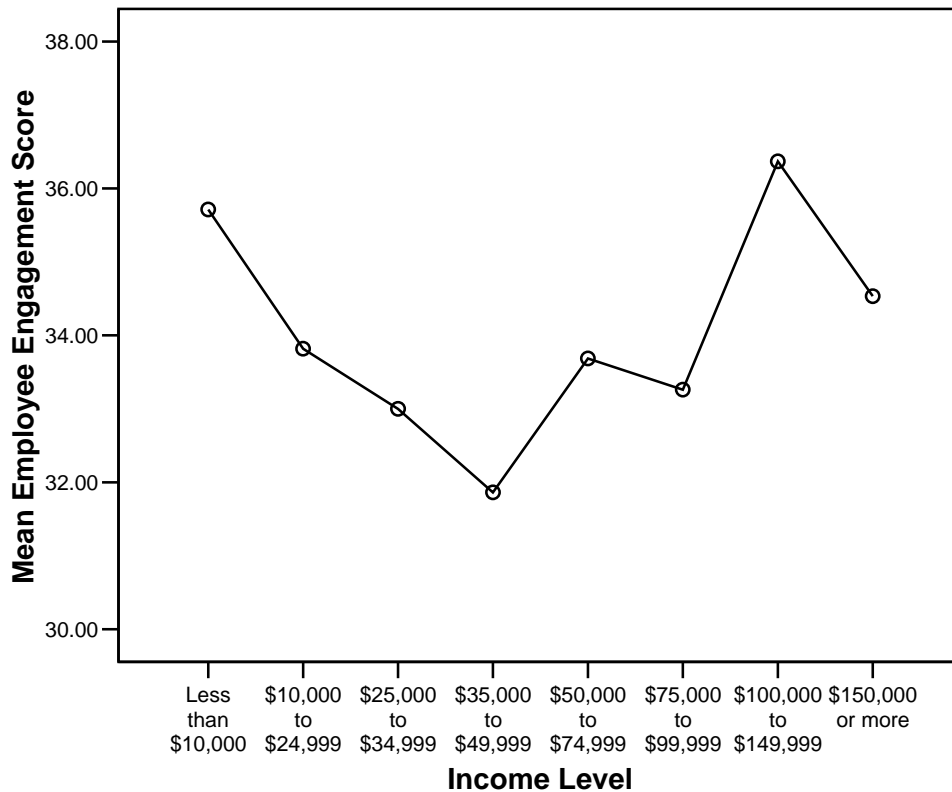
<u>Table 3: Employee Engagement Categories & Distribution</u>		
Engagement Category	Raw Scale Range	Population
Actively Disengaged	9-17*	1.3%
Disengaged	18-24	4.8%
Opportunistic	25-31	20.1%
Engaged	32-38	42.4%
Actively Engaged	39-45	31.5%

*Note: Given the inability to evenly distribute the 37 possible points across 5 categories, it was decided to include the 2 extraneous points in the lowest category given the observed distribution and absence of any scores lower than 14. All other groups include a seven point range.

A. Employee Engagement Scores and Demographic Findings

1. **Gender:** There were no differences in engagement based on gender (men=34.4, women=34.0).
2. **Ethnicity:** Caucasians reported significantly higher scores in engagement than minority participants [34.5 vs. 31.6; $t(392)=2.89$, $p<.01$].
3. **Tenure:** There was a small but statistically significant positive correlation between level of engagement and tenure ($r=.18$, $p<.001$).
4. **Age:** Age was significantly correlated with engagement suggesting that older employees are more highly engaged than younger employees ($r=.29$, $p<.001$).
5. **Supervisory Status:** Those in supervision reported significantly higher engagement scores than those not in supervisory positions [$\bar{x}=36.1$ vs. $\bar{x}=32.6$; $t(392) = 5.32$, $p<.001$].
6. **For-Profit vs. Non-Profit Organizations:** Those working in non-profit organizations reported significantly higher levels of engagement ($\bar{x}=37.6$) than those working in for-profit organizations ($\bar{x}=33.1$), [$t(305)=4.04$, $p<.001$].
7. **Income Level:** A oneway ANOVA indicated significant differences in engagement among people at different income levels $F(7, 386)=2.51$, $p<.05$. Figure 2 reveals the largest discrepancy between those who earn \$35,000-\$49,000 and those who earn \$100,000-\$149,999.

Figure 2: Employee Engagement by Income Level



B. Engagement Relationships Distinguished

Although largely ignored in extant research, employees clearly experience different levels of engagement toward their overall organization, supervisor, and co-workers. Employees' level of engagement is also likely influenced by the extent to which they believe that their supervisors and co-workers are engaged. In an attempt to begin addressing the paucity of research in these areas, an exploratory set of questions were generated and tested. Please note, single item scales are notably unreliable and, along with the findings, should be viewed as preliminary and probative.

The concept of engagement was explained to participants as follows: "The following questions deal with the concept of **engagement** which refers to one's feelings of commitment, dedication and loyalty." Participants were then asked to individually rate their current level of engagement to their organization, supervisor, and co-workers, as well as, the extent to which they believed that their supervisor and team members were engaged. Response choices ranged from "Highly Disengaged" to "Highly Engaged." As before, the responses were transformed into a five-point numerical scale.

As the correlations in Table 4 indicate, participants can clearly distinguish their level of engagement between their overall organization, supervisor and co-workers. The WEES aggregate score was most strongly correlated with level of engagement to organization and lends congruent validity to the RESPECT Model instrument and process. Discriminant validity is suggested by the low correlation between perceived engagement of team members and supervisor ($r=.18$). There is a strong positive correlation ($r=.49$) between one's engagement with team members and the extent to which one believes that team members are engaged to the work of the team. Taken together, these findings suggest that researchers should pay close attention to these distinctions and sources of influence and not co-mingle such items into a single scale.

Table 4: Correlations between Employee Engagement and Single Engagement Questions

	What is your current level of engagement to your organization?	What is your current level of engagement to your supervisor?	What is your current level of engagement to your co-workers/ team members?	Overall, how engaged do you believe your supervisor is to the organization?	Overall, how engaged do you believe your team members are to the work of the team?
Employee Engagement Score	.65	.44	.38	.35	.39
What is your current level of engagement to your organization?		.53	.42	.34	.31
What is your current level of engagement to your supervisor?			.32	.51	.23
What is your current level of engagement to your co-workers/ team members?				.18	.49
Overall, how engaged do you believe your supervisor is to the organization?					.32

Section III: The RESPECT Model

The RESPECT Model Corporate Culture Survey (RESPECT-CCS) is composed of 40 items scored on a six-point Likert scale from “Strongly Disagree” to “Strongly Agree” with no neutral response option. Each of the seven RESPECT Drivers (Recognition, Empowerment, Supportive Feedback, Partnering, Expectations, Consideration, Trust) are operationalized with five items. The remaining five items compose an overall respect score based on the Circle of Respect.

For statistical purposes, the Likert scale was transformed into a six-point numerical scale with “Strongly Disagree” = 1 and “Strongly Agree” = 6. Scores ranged between 5 and 30 for each scale with higher scores suggesting higher levels of respect shown on each driver. For example, a score of 27 on the Recognition scale would mean that the participant felt highly respected in terms of being recognized and acknowledged for his/her contributions. Means, standard deviations and Chronbach's alpha for each driver are presented in Table 5.

Table 5: Descriptive & Reliability Statistics for RESPECT Model Drivers

Driver	Mean	Standard Deviation	Chronbach's alpha
Recognition	19.5	6.0	.88
Empowerment	20.9	4.9	.77
Supportive Feedback	20.8	5.5	.84
Partnering	20.7	5.6	.85
Expectations	20.8	5.4	.83
Consideration	20.5	5.4	.83
Trust	21.6	5.9	.87

As discussed earlier in the section on engagement, employees are assumed to have different levels of respect toward their organization, supervisor, team members, work and the extent to which they feel respected by the organization. Scores ranged from 1-6, with lower scores indicating lower levels of respect. Again, single item scales should be viewed with great caution and results as fodder for future investigations.

Table 6: Descriptive Statistics for Circle of Respect Targets

Respect Target Statement	Mean	Standard Deviation
I respect this organization	4.6	1.4
I respect my supervisor	4.8	1.4
I respect my team members	5.0	1.0
I respect the work that I do and view it as meaningful	5.1	1.1
I am treated with respect by my supervisor and this organization	4.6	1.4

At the individual item level, findings suggest that participants experience relatively high levels of respect, particularly in the area of their work and respect for team members. Table 7 shows the significant correlation between an employee's respect for his/her organization and the experience of being respected by the organization. This strong bi-directional relationship also exists between the degree to which one respects his/her supervisor and his/her experience of being respected.

Table 7: Correlations among Circle of Respect Targets

	I respect my supervisor	I respect my team members	I respect the work that I do and view it as meaningful	I am treated with respect by my supervisor and this organization
I respect this organization	.54	.45	.44	.65
I respect my supervisor		.30	.24	.62
I respect my team members			.29	.40
I respect the work that I do and view it as meaningful				.33

A total composite respect score based on these five items was calculated and yielded a mean of 24.1, SD=4.7, and Chronbach's alpha=.79. Table 8 displays the relations among the RESPECT Drivers and composite respect score. It is perhaps no surprise that Trust is so highly linked to overall respect; without a foundation of trust, feelings of respect would seem difficult if not impossible.

Table 8: Correlations among RESPECT Drivers and Composite Respect Score

	Empowerment	Supportive Feedback	Partnering	Expectations	Consideration	Trust	Overall Respect
Recognition	.80	.71	.81	.73	.85	.85	.80
Empowerment		.72	.82	.72	.79	.82	.78
Supportive Feedback			.79	.78	.69	.69	.73
Partnering				.77	.84	.85	.84
Expectations					.69	.72	.74
Consideration						.89	.81
Trust							.88

Section IV: Employee Engagement and the RESPECT Model

The RESPECT Model posits that employee engagement is driven by the extent to which one experiences respect across the seven drivers and Circle of Respect. To test this hypothesis, a regression analysis was performed. In order to control for the impact of demographic variables which might more parsimoniously explain differences in employees' level of engagement, tenure, age, gender, education level and income were entered as a block on step one, followed by the seven drivers and composite respect score entered as a block on step two. The addition of the composite respect scores increased the fit of the model tremendously. Whereas only 9% of variability in employee engagement was explained based on income, gender, age, education, and tenure, fully 61% of variability in engagement was explained through the addition of the RESPECT composite ($d R^2 = 52\%$, $F(8, 379) = 62.48$, $p < .001$).