

# UNTAPPING POTENTIAL

*A study of UK workplace engagement*



**4 AND 20 MILLION**

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**Supercharge your company's performance.**

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## EXECUTIVE SUMMARY

This paper details the findings of 4and20million's employee engagement survey, conducted in late 2018 and comprising of employees from all levels of seniority and length of service across a range of office-based occupations, spanning both private and public sector.

While the average employee in our sample scores their satisfaction with work at 7 out of 10, we found wide scope for improvement across the key areas of Leadership, Flexibility & Focus, Purpose, Value, Engagement and Renewal - these areas have all been identified as key to unlocking performance and satisfaction with work.

The need for this research, and to improve the experience of work for employees, is acute. UK productivity growth has been lower than the G7 average since 2007 (better only than Italy), despite full time UK employees working longer than any other EU nation. Just 13% of UK workers feel on top of their work (compared to 42% across Europe, via Totaljobs research) and the OECD estimates that mental health related illness - including an increasing amount of days lost due to stress - costs the UK 4.5% of GDP.

In short, improving the working experience for employees and allowing them to thrive can benefit both individuals and business performance.

The first point to note in the research is that satisfaction with pay had some bearing on overall satisfaction with work, but is not a panacea. We all readily recognise the importance of other factors in our own satisfaction with work, but can be guilty of overplaying the role of pay in the needs and motivations of others.

The strongest area of company performance in our study was leadership, with most employees having a good relationship with their manager. However, one in three claimed not to have agreed clear goals and objectives with their line manager - a crucial requirement for focus, purpose and engagement.

More concerningly, only 42% felt their working environment allowed them to be productive, with 62% claiming to feel regularly distracted from their core work. Despite the increasing availability of flexible working arrangements, the reality remains that most of our working hours are spent at our desks in the office, and companies must do more to make the working environment less disruptive if we are to improve on the 2 hours 53 minutes of productivity the average worker achieves in an eight hour day

(American Bureau of Labor study). This can include creating quiet spaces or times in the day away from emails and meetings to allow for more focused work.

When asked if they were likely to be with their current employer in 12 months, only four in ten said that this was very likely - a potential staff turnover that any company would find challenging. This was linked to low rates of respondents feeling that the company cared about them (50%) and that their work is valued (52%). Investing in people's development, celebrating great work and reinforcing the purpose and importance of individuals' contributions is crucial here, as is taking ownership of the culture and expectations of the organisation, with leaders setting the course. We provide examples within this research, and the ways in which 4and20million can help in these areas are detailed more fully on our website - [www.4and20million.com](http://www.4and20million.com)

These sorts of initiatives can help a company to differentiate itself from its competitors as a great place to work and to develop, thus helping to attract high calibre applicants and improving reputation. In our survey, just 54% of employees felt their company was different to its competitors.

Finally, our research showed a significant need for greater renewal, with a picture emerging of employees regularly working long hours, working through lunch and checking in on emails out of hours. As detailed in the Renewal section, this always-on approach has become normalised, but prevents us from doing our best work, from thinking and reasoning clearly and from being creative. The reality of regular distraction and interruption, a lack of perceived appreciation and insufficient downtime all produce the stress hormone cortisol, which inhibits our capacity for rational thinking, creativity and deep thought. By introducing focused periods of 'deep work' alongside regular short breaks and periods of 'shallow work' (like emails and status meetings), we can maximise productivity, quality of output and mental wellbeing - all things that benefit both individuals and organisations.

We'd love to talk about the themes arising from this research, and how 4and20million can help your business to unleash the power of your people. Please don't hesitate to get in touch with us via the website - [www.4and20million.com](http://www.4and20million.com)

Thanks, and enjoy the read.

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## INTRODUCTION

The 4and20million Compass is a 10 minute, all-staff online survey that is designed to measure the strength of an organisation across the core areas of Leadership, Flexibility & Focus, Purpose, Value, Engagement and Renewal. A broad church of research has shown these areas to be central to employee performance, as measured by productivity, retention, collaboration, lower stress levels, presenteeism and self-reported job satisfaction.

When deployed across a single organisation, the results of the Compass provide a quantified measure for each area - as well as an overall Compass score - to allow continuing tracking over time and identification of the most important areas of focus. 4and20million recommend repeating this research quarterly, and focusing on improving one area in each of the intervening three months.

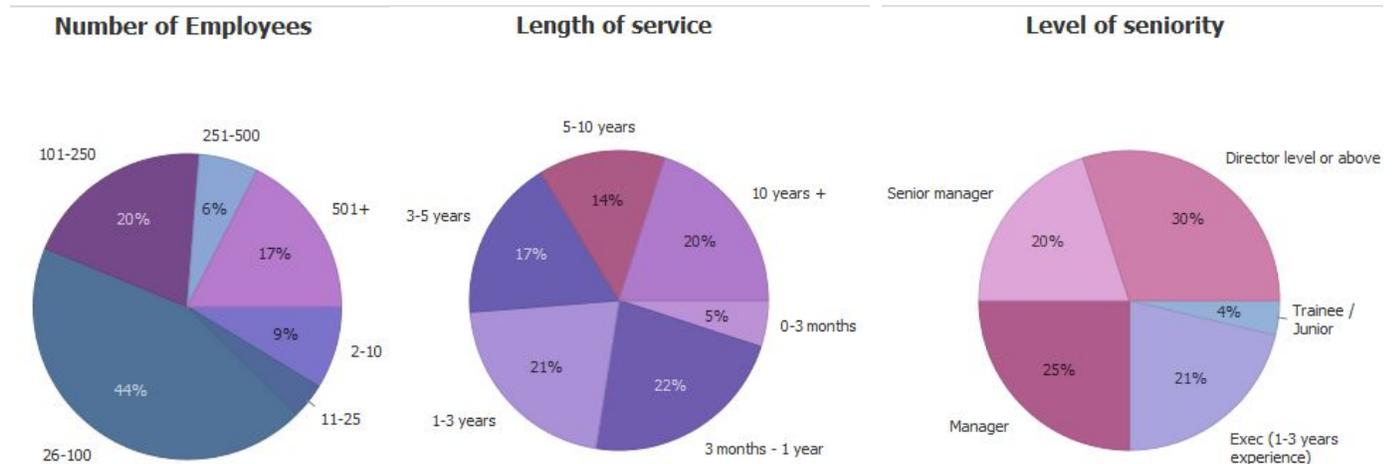
This research paper collates all submissions to our call for responses at the end of 2018. As such, it provides a wider view of benchmark measures across a broad range of companies and industries. As described in the data profile section, this encompasses a good range of employee seniority, length of service, industry and public / private sector workers.

Our total sample size of 110 respondents means this survey is not a statistically accurate portrait of the UK workforce as a whole. It does, however, provide an insightful exploration of the core areas described, and provides a good comparison point when analysing individual companies' responses. We invite you to consider how your own organisation's results may correlate or differ from the sample included in this report, and which of the six core areas might constitute your most important areas of focus for the coming three months.

If you would like to complete the 4and20 Compass survey amongst your own workforce, please get in touch with us via the website - [www.4and20million.com](http://www.4and20million.com).

## DATA PROFILE

This section details the profile of the data sample of this research. It covers company size, length of service, level of seniority, gender and public/private sector.



As the charts above illustrate, the largest proportion of respondents to the research worked in companies with 26-100 employees (44%). This is typical of the size of company who engage with these topics for the first time. Many smaller, growing companies tell us that with a handful of employees, such considerations as workplace culture, role, clarity of purpose and togetherness come naturally, but as growth fuels additional recruitment, these areas require specific focus for the first time. In smaller organisations everyone naturally knows each other well and - because of the limited headcount - has full visibility of the full process of the organisation and their role within it. As companies grow this connection to each other and the 'bigger picture' purpose of the organisation quickly becomes diluted and needs proper attention for the first time.

We were also pleased to receive responses from a good proportion of larger companies too, allowing the findings to be more applicable to organisations with 100+ employees.

As the pie charts illustrate, the data also includes a good spread of both length of service and seniority.

78% of our respondents work in the private sector - just below the current UK proportion of 84%. 52% of respondents were female.

## PAY (THE ELEPHANT IN THE ROOM)

No survey of employees' relationships with work would be complete without addressing views on pay. As Neel Doshi & Lindsay McGregor point out in their book *Primed to Perform*, each of us believes we are motivated by something other than *just* salary (job satisfaction, ethics, pride in performance, making an impact, etc), but often simultaneously believe that everyone *else* is purely motivated by pay. Feeling underpaid can no doubt create frustration and feelings of being undervalued, but this consideration alone is not the only factor at work in determining employees' relationship with their jobs.

*Overall, 56% of our respondents agreed that they felt they were paid fairly. 28% disagreed, with the remaining 16% answering 'Not Sure'*

Private sector employees were more likely to be satisfied with their pay (61% answering 'Yes' and 23% answering 'No', compared to 38% 'Yes' and 44% 'No' for Public sector employees).

Predictably, salary satisfaction also increased in line with seniority - from 29% amongst those with 1-3 years experience up to 71% for those at Director level or above.

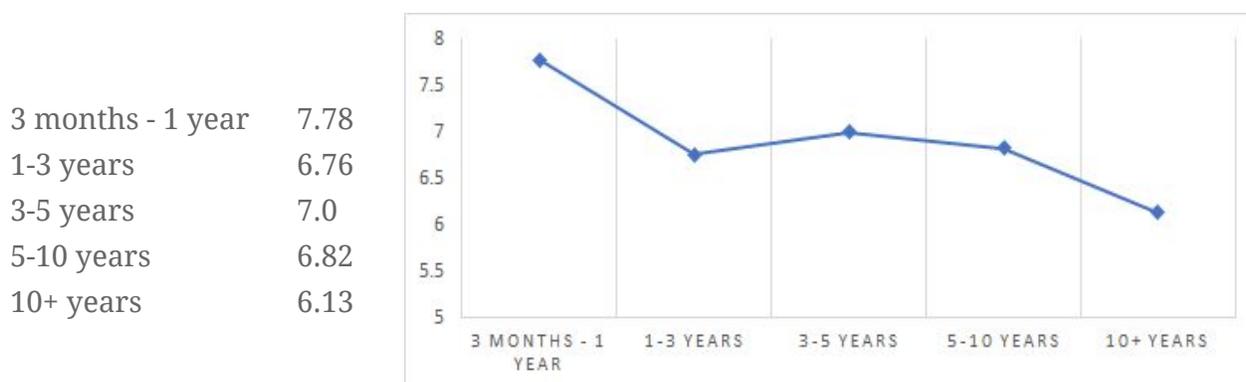
Those respondents who believed they are paid fairly averaged 7.33 when asked to score their overall satisfaction with work out of 10. Those who answered that they were not paid fairly averaged 6.32. While this clearly indicates a gap, the similarity of the two scores also indicates the significant role of other factors beyond pay in determining job satisfaction.

We will go on to investigate these other factors more fully in the remainder of this paper.

## SATISFACTION IN NUMBERS

The 4and20million Compass survey starts with a blunt and obvious question: Overall, how satisfied do you feel with work? This is scored from 1-10.

The overall average for this question was 7.0. As described above, those who believed they are paid fairly scored their satisfaction slightly higher at 7.33. Contrary to the pay comparisons however, the public sector respondents in our survey reported higher satisfaction at 7.31, compared to 6.92 for private sector employees. Women were more satisfied than men (7.26 vs 6.75), and - surprisingly - satisfaction scores tended to fall with length of tenure:



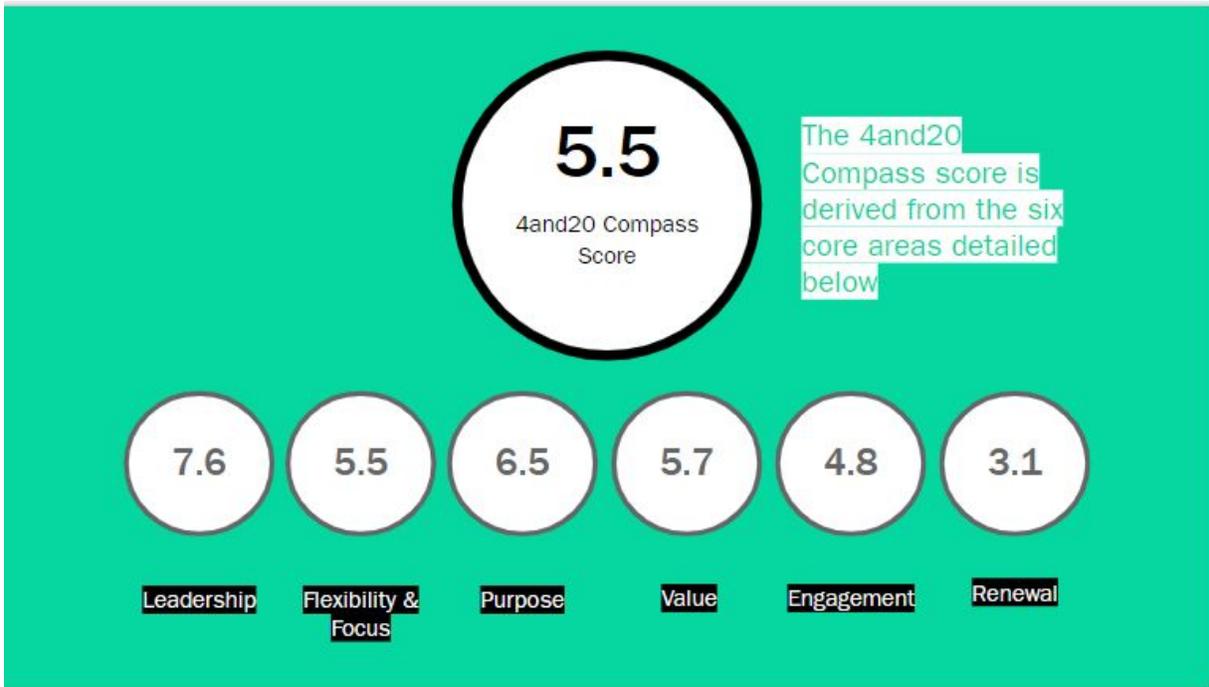
We've called this a blunt question because it is much like taking your temperature with a thermometer - it can tell you if things are generally OK or not, but doesn't tell you why, or how it might be improved. For this, we need a smarter metric.

**This is where the 4and20million Compass score comes in - our diagnostic measure of the strength of each area of the company in supporting employee satisfaction.**

At the top level, the overall 4and20million Compass score also provides a single number (0-10) that combines six aspects of Leadership, Flexibility & Focus, Purpose, Value, Engagement and Renewal into one single figure. But this can then be broken down into its constituent parts, with single number scores (0-10) for each of the six areas, meaning we can identify what is dragging down or holding up the overall score. This is a much more useful metric, and helps to identify priority areas of focus and the relative strength of each area.

*The overall 4and20million Compass score from this study was 5.4.*

The image overleaf details how this overall score breaks down by area:



The strongest area of performance in our survey was Leadership, scoring 7.6 overall. Purpose was also above the overall score (6.5 vs 5.5 overall). The total was pegged back by lower scores for Renewal (3.1), Engagement (4.8), Flexibility & Focus (5.5) and Value (5.7).

The following sections will detail the reasons behind the scores in each area, and will highlight where improvements can be made.

## LEADERSHIP (score: 7.6)

As the overall leadership score of 7.6 suggests, respondents were mostly content with their relationships with their managers, though there remains room for improvement.

78% agreed they had a good relationship with their line manager. While only 7% explicitly disagreed, we believe that an answer of “Maybe” (15%) shouldn’t be a strong enough aspiration. So - as with the other questions in this section - we derive a leadership score solely from the affirmative answers.

A slightly lower 68% agreed that their line managers agree clear goals and objectives, with a larger 16% disagreeing.

*This means that almost 1 in 3 respondents did not strongly feel that their line managers were delivering this central pillar of leadership - agreeing clear goals and objectives.*

Without clear goals, our achievement at work becomes less clear cut. We have less opportunity to feel a sense of completion, of knowing we’ve achieved what has been set out for us. Our day to day efforts can become an unending treadmill, rather than a succession of small, medium and large achievements. At 4and20million, we advocate a weekly 10 minute check-in to update on current objectives, appraise progress and address any barriers. This ensures complete clarity on expectation, achievement and prioritisation. If this seems a step too far, a more fundamental target should be that all employees have clear goals and objectives at all times.

Finally, 73% of our sample felt that their line manager has their best interests at heart, with 10% disagreeing. While we hope that a higher proportion of managers than this really do have their team’s best interests at heart, we often see cases of people being promoted into leadership roles without sufficient training in the skills of people management. While some are reluctant leaders, many are willing but mistakenly adopt either a micromanaging or standoff-ish approach, neither of which foster beneficial relationships in the long run. Our Brilliant Leaders training addresses this by equipping leaders with the perspective, understanding and skills to be great leaders who motivate and enable their people.

## FLEXIBILITY & FOCUS (score: 5.5)

'Flexible working' - understood as employees having some flexibility in either the hours or location of work - has been a fast growing trend in recent years. This is reflected in our study, with 80% saying their employer offers some flexible working options.

So why a low score of 5.5 in this area?

The reality of flexible working is that most of our work is still done between 9 and 5 in the office at our desks. We do not advocate radical change to this arrangement. Being in the same space as our colleagues is vital to developing a strong, high performing team; in fostering collaboration and in providing the social glue that is needed when tackling a tough problem together.

With this in mind, opportunities for flexibility and focus *within* the working environment become important.

*When asked “Does your working environment generally allow you to work at your most productive?” only 42% of our survey answered Yes.*

Moreover, 62% agreed “I regularly feel distracted or interrupted from my core priority work”. These figures paint a picture of unproductive working environments where distraction and interruption are frequent.

As outlined above, we don't believe the answer here is for everyone to avoid the office and their colleagues. Instead, creating times and spaces for focus within the office environment can allow focus and collaboration to co-exist. Examples of this are quiet spaces, shorter, more focused meetings and the use of out of office replies to create windows of time away from emails across the day (for example, 'I'm away from my email until 11am, call me on this number if your message is more urgent').

Given that the average employee is engaged in productive work for less than three hours per day, there is much room for improvement here. 4and20million provide a two day residential course, 'Driven from Distraction', which tackles this issue and provides delegates with practical solutions to get more from their work time, thus boosting productivity and reducing hours spent at work.

## PURPOSE (score: 6.5)

An encouraging 96% of our respondents had at least some idea of their company's values and expectations, with 71% having a good idea. Furthermore, 79% agreed it was clear how their work impacts the success of the company.

*This clear connection between an individual's work and the success of the company is vital in developing a sense of value and contribution - it gives the mundane a meaning.*

Despite this connection largely being in place, only 54% of our survey agreed that they generally felt a sense of purpose at work, with a further 39% responding 'somewhat' to this question.

This goes back to leadership, and the irregularity of clear goals and objectives for 1 in 3 workers. It also highlights that even with a connection to the bigger picture in place, it can be easy to 'coast' and lose focus if companies don't take time to nurture and renew employees' sense of purpose in their work.

Strategies here can include making sure good work is celebrated and ensuring the connection between each individual's contribution and the wider success of the business is regularly reinforced. In larger companies, we often find that individuals at more junior levels don't always get to see the final completed project they are contributing to, whether a big presentation, large project or formal document. Sharing this bigger picture - and allowing contributors to see where their work contributed - can demystify this and allow some degree of ownership and pride over the fuller project.

The final question in the Purpose section is whether your company is different to its competitors in any way. Only 54% answered 'Yes' here, with a further 29% saying 'Maybe'. While true differentiation in function may be more difficult, companies can be differentiated by their culture - whether as great places for personal development and training, brilliant team culture, inspiring leaders, great execution and delivery, generating fantastic results or simply being a great place to work. These concepts are not as ethereal and quixotic as they may seem - 4and20million help businesses to create the structure, leadership skills and working culture to stand out in both reputation and performance - our website details how we can help ([www.4and20million.com](http://www.4and20million.com)).

## VALUE (score: 5.7)

Despite over 70% of our survey feeling that their line manager had their best interests at heart, this feeling does not extend to the company as a whole.

Only 50% agreed that they felt the company cared about them as a person (again, the 36% that answered 'Maybe' here is still a cause for concern).

A similar 52% agreed that the work they do is valued.

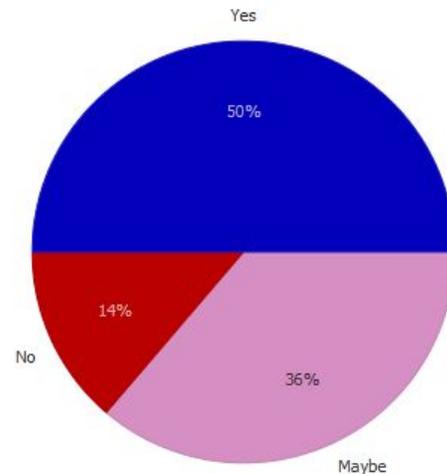
These figures were slightly lower in the public sector, but the difference was small. The results were discouraging across the range of seniority and length of service.

Our sample suggests there is much to do for companies to demonstrate that they value and care about their people. This need spans a number of the areas in this research, including offering flexibility, opportunities for renewal, great leadership and clear purpose, as well as fundamentals like strong pastoral care and learning and development opportunities.

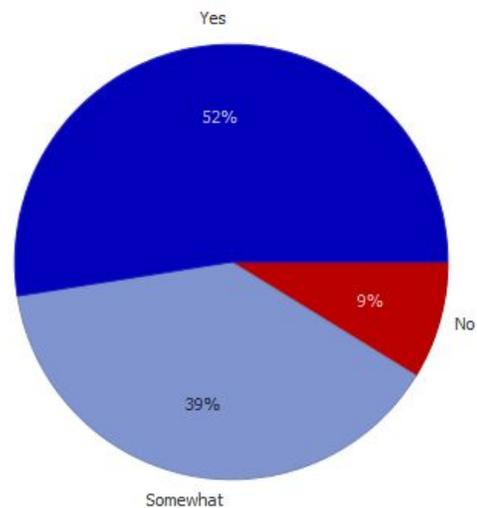
We saw some increase in these measures amongst those respondents who felt they were fairly paid - 56% feeling the company cared about them and 64% feeling valued.

*While these are increases, the figures remain low enough to illustrate that pay increases alone are not a silver bullet for these concerns.*

### Do you feel the company cares about you as a person?



### Do you usually feel the work you do is valued?



## ENGAGEMENT (score: 4.8)

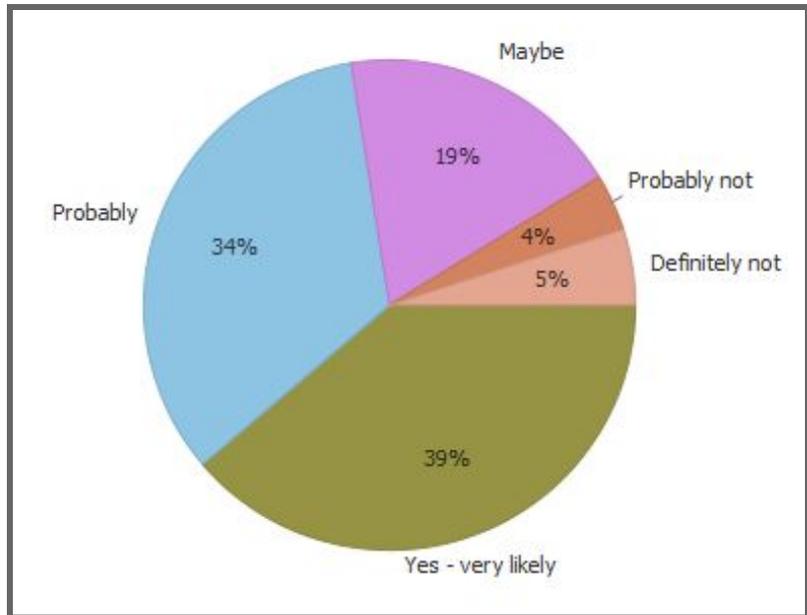
### Pie chart: Do you think you'll be with your current employer in 12 months time?

The split of answers to this question show nearly 3 in 10 employees to be open to leaving in the next year, and only 4 in 10 definitely committed to their current employer.

Nearly half our respondents answered that they would or might consider a similar role at a competitor for the same salary - a question that reveals it is the specifics of the company, not salary or the fundamental nature of the role, that causes this willingness to move on.

This encourages us to look to the day to day experience of work for the sources of disengagement. In addition to the purpose and leadership considerations already outlined, a big part of our enthusiasm for continuing to work for the same organisation is the social glue formed through our relationships with colleagues. We typically spend more time with our colleagues than our families, and as such, feeling personally connected is an important part of our work experience.

Three in five of us feel we have a good working relationship with our colleagues, though only 57% would describe any of their colleagues as close friends. The most opportune time for conversation and relationship building at work is often during breaks, particularly lunch. However, 60% of our respondents reported that they regularly eat lunch alone, with more than half regularly working through lunch. This isolation removes a great opportunity for the relationship building that creates social cohesion. We've read of companies installing long lunch tables to encourage people to sit together and moving water fountains to central areas to maximise social interactions - these sorts of initiatives should be viewed as welcome opportunities to create stronger bonds between colleagues, rather than interruptions to the working day.



## RENEWAL (score: 3.1)

The final area of our study is also the lowest scoring.

We've already seen that more than half of respondents say they regularly work through lunch (56%), and only 15% say they regularly take breaks (other than lunch) across the day. Once the working day is done, 65% say they regularly check emails etc. outside of work hours out of habit (ie, not just when there is a particular and pressing need).

This reinforces a picture of a busy workforce working solidly through the day and of work spilling over into evenings (and possibly weekends) thereafter.

This picture probably doesn't sound controversial, or even particularly concerning. Indeed, even with the above in mind and the finding that 42% say they 'usually do significantly more' than their contracted hours each week, a large majority feel they have an acceptable work/life balance (79%).

**As a society, we've come to accept long hours and the creep of work into our social lives as the norm. The evidence, however, paints a different picture of a productive workplace.**

As a starting point, the average German worker is 27% more productive than the average Brit, despite working fewer hours. As the Independent neatly summarised - "the average German worker could go home early on Thursday afternoon and still have produced as much as the average Brit who toiled all the way through Friday."

Productivity comes not from longer hours, but from maximising productivity during the working day - working better, not longer. As reported earlier in this paper, the average employee is productive for under three hours per day (American Bureau of Labor research), leaving plenty of scope for both increased output and shorter hours.

In order to be more productive, we need to create focused bursts of concentrated work, rather than the frequently interrupted and distracted reality revealed in this research. We also need to acknowledge the limits of our focus, with research suggesting a maximum focused span of 90 minutes before a break is needed. Recent phenomena like the Pomodoro technique (20 mins work, 5 mins break) and alternatives have brought this way of working into focus, as have productivity apps that block distractions like social media for a set period of time to create opportunities for focused work.

The pay off for this focused way of working is improved productivity (and therefore, greater opportunity for feelings of completion and satisfaction, as well as a job well done) and reduced hours (so more time with friends and family and increased recuperation and downtime, creating a virtuous circle that allows more high quality bursts of focus).

Like all new initiatives or changes to working practices, adopting a practice of focused periods of work interspersed with brief breaks throughout the day needs to be led by senior leaders - unless they are seen to practice this way of working, employees will not feel empowered to do so.

Small changes like limiting internal meeting durations where possible, discouraging email between, say, 7pm and 7am and creating (and using) quiet working areas in the office all allow for better time management and prioritisation between independent work, group work and downtime. It's also important that downtime is seen as vital to recharging and allowing the subconscious to mull over challenges and ideas, rather than wasted hours that could be better spent consciously working.

Creating these opportunities for focused, single-tasking work enables employees to make significant progress on major tasks in shorter time than our current multitasking, disruption-prone working day allows. This can help address the finding that only 13% of British workers feel 'on top of their work' (versus a European average of 42%, according to research from Total Jobs).

## CONCLUSION

The findings from this research suggest a mixed picture of the engagement and satisfaction of UK employees.

While all areas measured showed room for improvement, it is in renewal and engagement that we saw the lowest scores. As addressed in the executive summary, this can make work look like a potentially isolating and frustrating endeavor, an idea supported by the rising figures of stress and mental health related absence. To quote just a couple of these figures, 24% of employees surveyed by Totaljobs claimed to feel more stressed than 12 months ago, and the OECD estimates that 127 million hours are lost each year due to mental health related illness.

This trend is not irreversible however. Not only can employers make their workplaces and practices less isolating and stressful, doing so comes with the additional benefit of improving productivity, quality of work, employee engagement and retention - in short, there are both moral and financial benefits to addressing these issues with the way we currently work.

In addition to compiling this research, 4and20million provide services to address the issues discussed in this paper. We offer training and consultancy services to enable companies to unleash the power of their people, benefitting both individuals and organisations. If you'd like to discuss any element of this research, or how we can work with you to supercharge your workforce, please get in touch via [www.4and20million.com](http://www.4and20million.com)

Thanks for your interest in this research.

Dan, Josie and Alex

**4and20million**



We're all capable of so much more

**At 4and20million we help companies unleash the full potential of their greatest asset - their people**

The biggest investment for most companies is the costs of their employees.  
We help maximise the return on this investment

We help companies create the elements that allow human beings to perform brilliantly

We blend workplace science, psychology and research to create workplaces where people can truly thrive

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