

Employee Passion

The New Rules of Engagement

You can't open a training or human resource magazine without hearing about the importance of employee engagement. A myriad of studies, articles, and research papers all support the concept that employee engagement is a critical driver of organizational productivity, profitability, and customer loyalty and conclude that an engaged, motivated, and empowered workforce is far more likely to work at optimal levels than one that is dispassionate, demotivated, and unempowered.



What isn't as clear or agreed upon in the literature are the components that comprise and influence employee engagement. In fact, 10 different studies can sometimes offer 10 differing opinions on the factors that comprise and drive engagement. What also is not present in the literature is an agreed-upon definition for employee engagement.

In 2005, The Ken Blanchard Companies® conducted a comprehensive study to determine what role leaders play in increasing organizational performance, the connections between Strategic and Operational Leadership, Customer Devotion, and Employee Passion, and how these variables linked to Organizational Vitality.

This study, titled The Leadership-Profit Chain, was grounded in a literature review of hundreds of studies and meta-analysis from 1980 through 2005. The study concluded that strategic and operational leadership were the key variables for driving Employee Passion and that Employee Passion, in turn, was a key factor in creating Customer Devotion and Organizational Vitality.

In November 2006, The Ken Blanchard Companies embarked on a new study to explore the concept of Employee Passion more fully. Specifically, the study was designed to:

- Determine what defines the soft measures of Employee Passion
- Determine the factors that comprise a broad general definition of Employee Passion
- Determine whether demographics influence the different items within the factors or the factors themselves
- Create a consistent, reliable measure of the factors that influence Employee Passion

Employee Passion extends beyond the meaning of some of the present research on engagement and includes but is not limited to engagement, motivation, performance, morale, and satisfaction.

Employee Passion—Our Definition

The research conducted in The Leadership-Profit Chain surfaced a collection of terms and concepts in regard to employee engagement, employee motivation, and employee morale.

Our belief was that each of these terms defined separate dimensions that could be linked to a broader concept that had not yet been identified in the literature which we defined as Employee Passion. Further, we determined that there are three distinct components including an *affective* component, which can be assessed, focused on the feelings people have about their organizational life. There is a *cognitive* component, which includes logical mental conclusions about their organizational life. In addition, there is a *behavioral* component assessed on hard data statistics such as turnover, absenteeism, and performance.

So, our earlier concept of Employee Passion, published in The Leadership-Profit Chain, included dimensions of satisfaction, engagement, motivation, and morale.

Original Definition

Employee Passion results from the overall satisfaction with the organization, its policies, procedures, products, and management practices. Hard measures of Employee Passion include retention, absenteeism, tenure, and productivity. Soft measures include employee perceptions of fairness, justice, and trust.

Through our research in The Leadership-Profit Chain, we determined that Employee Passion is dependent on the perceptions individuals have of organizational policies and norms. Our study on Employee Passion measured certain aspects of job satisfaction but focused primarily on certain cognitive aspects of organizational commitment, thus defining and narrowing the variables that were most influential in forming positive emotional states of mind called Employee Passion—emotional perceptions of how people, through these norms, processes, and practices get work accomplished.

This research caused us to broaden our existing definition to the following:

Employee Passion is the positive emotional state of mind resulting from perceptions of worthwhile work, autonomy, collaboration, growth, fairness, recognition, connectedness to colleagues, and connectedness to leader, all of which lead to standards of behavior that include discretionary effort, long-term commitment to the organization, peak performance, low turnover, and increased tenure with the organization.

Study Methodology

Research conducted for The Leadership-Profit Chain included a review of hundreds of studies. Using this as a foundation, we reviewed numerous additional studies that surfaced at least 40 potential elements that seemed to influence our concept of Employee Passion.

Though the terms were obtained from a variety of different sources, logical groupings began to emerge in seven conceptual areas: meaningful work, collaboration, recognition, growth, fairness, autonomy, and connectedness.

Using these seven concepts as a guide, we did a follow-up review to see if there were additional factors that could be included in each grouping. The second review caused us to expand the original 40 items that had been identified in the literature search to a final list of 72 items that were included in our survey.

A survey was designed and sent to 25,000 c-level and mid-level managers as well as frontline individuals from a variety of industries and company sizes around the world. Responses were collected from 2,101 individuals. The survey included 72 items grouped in seven sections and used a six-point Likert scale.

The results of the survey were subjected to an exploratory factor analysis. From this, a total of five items per subscale were retrieved and the data was re-factored and analyzed. Forty-five items were retained with nine different subscales.

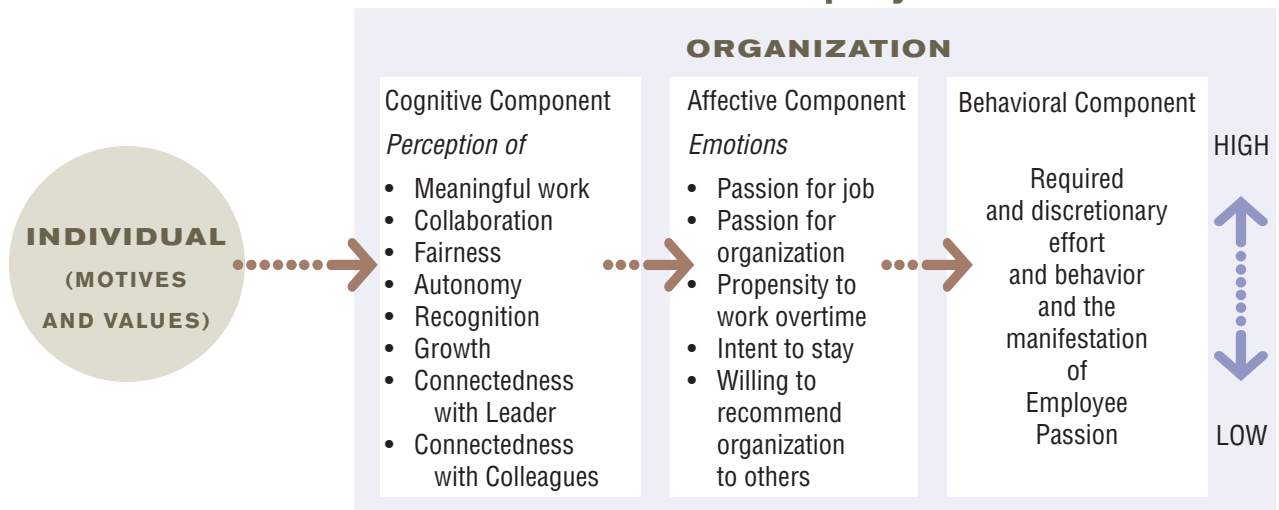
An analysis of the survey results showed that our original identification of seven main concepts that contributed to Employee Passion was incomplete. Through the factor analysis and stepwise regression, it was further determined that a number of items nested in the original Connectedness subscale were found to split into two factors to make eight subscales.

After further scrutiny of the wording of these items it was determined that the Connectedness subscale contained two different factors, the first being “Connectedness with the Leader” (sub-factor seven) and a second being “Connectedness with Colleagues” (new sub-factor eight). It was then determined that items in the Connectedness category would be used to separate the construct of Connectedness into two factors: relationship connected with the leader and relationship connected with colleagues.

Eight Key Factors Influencing Employee Passion

- **Meaningful Work**—Employees perceive the organization’s larger purpose through products or services produced, consider their work to be worthwhile, and are proud of their individual actions and contributions that help the organization serve its customer.
- **Collaboration**—Employees perceive an organizational environment and culture that enhances collaboration, cooperation, and encouragement between all organizational members.
- **Fairness**—Employees perceive an environment where pay, benefits, resources and workload are fair and balanced and equitable, people treat each other with respect, and leaders act in an ethical manner.
- **Autonomy**—Employees perceive an environment where people have the tools, training, support, and authority to make decisions.
- **Recognition**—Employees perceive an environment where they are praised, recognized, and appreciated by colleagues and their leader for their accomplishments, where they receive monetary compensation for those accomplishments, and where they are contributing to positive relationships with others.
- **Growth**—Employees perceive an environment where people have opportunities to learn, grow professionally, and develop skills that lead to advancement and career growth.
- **Connectedness with Leader**—Employees perceive an environment where they trust their leader and where the leader makes an effort to form an interpersonal connection with them.
- **Connectedness with Colleagues**—Employees perceive an environment where they trust their colleagues and where their colleagues make an effort to form an interpersonal connection with them.

A Model for Employee Passion



Exploring the Eight Factors Influencing Employee Passion

Meaningful Work

Meaningful Work relates to an organization where people feel that their work is worthwhile and is connected to both the organization and a larger purpose. When doing Meaningful Work, individuals understand how their work adds value and believe that their organization helps its customers through its products and services.

Ultimately, employees need to understand where they are going in relation to the vision, to buy into the culture, to know what the company stands for, and to understand how to connect their work to the strategic imperatives.

Collaboration

Collaboration hinges on creating an environment that is motivating and inspiring and where people work together to help one another succeed. A key trait of high performing organizations is shared power and high involvement where participation, collaboration, and teamwork are the way of life. A corporate culture that encourages sharing and team spirit is essential to creating Collaboration. In addition, it is important for colleagues and leaders to support one another on tasks and to express appreciation for one another's ideas.

Fairness

The concept of Fairness as reviewed in the literature can encompass many things including an environment where pay, benefits, and workload are fair and balanced and equitable and in which people treat each other with respect and leaders act in an ethical manner. While we recognize that the concept of Fairness includes distributive, procedural, and interactive components, our study focused primarily on the distribute component.

Our research in The Leadership-Profit Chain showed that employees need to perceive that leadership and the organization as a whole are treating both them and the customer fairly and justly. In fact, the research showed that the number one reason that employees leave an organization is when they perceive that justness and fairness are not present in the organization.

Autonomy

Autonomy involves creating an environment where management style is collaborative and participative, allowing people to feel empowered to make decisions about their work and tasks, in control of their work, and in their ability to achieve their goals. We defined Autonomy as providing the tools, training, support, and authority to individuals to allow them to make decisions.

People need to have input and influence over how their tasks are performed and they need to feel that they have the ability and information necessary to make decisions about their work. Additionally, clear guidelines must be in place to allow individuals to succeed in regard to making decisions about their tasks.

Components of Meaningful Work

- An organization that offers a quality product or service to its customers
- Understanding how one's work adds value to the organization and creates positive results
- An organization that is focused on a purpose other than making money and does meaningful work

Components of Collaboration

- An organizational culture that encourages sharing, interdependence, and team spirit
- An environment where coworkers and leaders express appreciation for each other's ideas and support each other on projects and tasks
- An environment that supports and encourages positive and cooperative relationships with others in the organization

Components of Fairness

- Benefits, resources, and workloads are fair and balanced across the organization
- Consistent application of decisions, policies, and procedures
- Compensation based on performance and industry averages

Components of Autonomy

- The ability to choose how tasks are performed
- Having the information and authority needed to make decisions about one's work
- Being trusted to do one's job without interference
- Knowing the boundaries and limits in regard to decision-making authority

Components of Recognition

- Verbal, written, or monetary recognition from colleagues and leader for one's accomplishments
- Contributing to positive relationships with people
- Being promoted based on performance and accomplishments

Components of Growth

- A manager who assists with future career planning
- The ability to learn from coworkers to enhance one's current job
- Opportunities to grow and improve one's current job
- Opportunities to discuss future development needs and interests with one's leader
- Opportunities to chart one's future career path in the organization

Components of Connectedness with Leader

- Sharing personal information
- Making an effort to build rapport
- Taking a personal and professional interest in one's direct reports
- Acting with integrity

Components of Connectedness with Colleagues

- Sharing personal information
- Making an effort to build rapport
- Taking a personal and professional interest
- Trust and integrity

Recognition

Most people appreciate being praised and appreciated, or otherwise recognized for their achievements. Most individuals value being recognized for their accomplishments by team members and their leader. Individuals also value monetary recognition as well as verbal and written recognition and they can find intrinsic recognition in the fact that they are doing work that improves relationships with people.

Growth

Having opportunities to learn and grow professionally and develop skills that lead to advancement in one's career are core to the concept of Growth. Having a manager and organizational systems that provide these opportunities as well as being in an environment or department where colleagues can learn from one another, or coach each other are important dimensions that support individual Growth. In addition, individuals need to feel that they are part of the process in terms of career planning.

Our research indicates that the items most strongly correlated with the concept of Growth include having a manager who assists with future career planning, the ability to learn from coworkers to enhance one's current job, having opportunities to grow and improve, and having the ability to influence one's own career path.

Connectedness with Leader

Having a solid relationship with one's leader and colleagues that is based on integrity and trust is a key component in creating Employee Passion. People need leaders who share information and make an effort to build rapport. A leader who takes an interest in his or her employees and shares personal information is more likely to establish and maintain connectedness with direct reports than one who does not.

As stated earlier, we tested items relating to Connectedness to Leader and Connectedness to Colleagues together to determine which group influenced the issue of Connectedness. The factor analysis revealed that the data correlated to two clusters, one connected to leader and the other connected to colleagues, and that the two sets of questions needed to be separated to create a new item, which we titled Connectedness with Colleagues.

Connectedness with Colleagues

Just as a solid relationship with one's leader impacts Employee Passion, so too does a strong relationship with colleagues and coworkers. People want to have a personal connection with their coworkers in addition to a professional work relationship. People want to care about others, and they want others to care about them. There is a human need to connect.

A Scale to Measure the Affect of Employee Passion

Our survey also included five questions designed to measure the *affect* or positive emotional state of mind of the respondents. These questions, shown below, were correlated to the eight factors tested in regard to Employee Passion. We found that all eight factors must be present to influence individuals' commitment to the organization, their commitment and passion about their current job, their intent to stay with the organization, and their intent to recommend the organization to others.

We also found that the concept of Meaningful Work was most closely linked to an individual's commitment, enthusiasm, and passion for the job and the organization, and the desire to work overtime.

Additional Findings

Our research also attempted to determine to what extent these factors were present in the minds of our survey population. The kurtosis or skewness of the curve for each item implies a certain amount of positive perceptions in regard to the factors we tested. The factors that represent Employee Passion are present to some extent in the minds of our survey population as evidenced by the average item means for all subscales falling between 4.73 and 3.63 on a six-point scale. Based on the average item means, the factor that appeared to be most present in the minds of our survey population is Meaningful Work, followed by Autonomy. The factor that appears to be least present is Growth.

One hypothesis to explain this finding could be that creating a sense of Meaningful Work happens via the organization's culture and that this is easier to create than the separate and uniquely customized growth and career paths for hundreds or thousands of individuals. Another hypothesis could be that growth is not a common focus.

While an informal ranking of the eight Employee Passion factors did emerge as follows: Meaningful Work, Autonomy, Connectedness with Colleagues, Connectedness with Leader, Collaboration, Recognition, Fairness, and Growth, the differences between the means was

not enough to establish a ranking that was significant. This led us to believe that *all of the eight factors must be present in order for true Employee Passion to be present in an organization.* However, we did conclude that there is a significant difference in the highest and lowest scoring factors and that the highest scoring factor, Meaningful Work, was more commonly present in organizations than the lowest scoring factor, Growth. Our sample included 950 females and 1,150 males. We ran an ANOVA to test for gender bias in the responses, which showed no difference in the responses for any of the subscales.

Toward the end of our research process, two final steps were taken. First, the data was divided into two groups: those who scored highly on the five Employee Passion questions and those who did not. The "scored high" group contained 325 respondents and the "scored low" group contained 350 respondents. The data was subjected to a stepwise regression, and we found that the group that scored highly on the five Employee Passion questions also perceived that the eight Employee Passion factors were highly present in their organizations. The group that scored low on the five Employee Passion questions did not perceive that the eight Employee Passion factors were as highly present in their organization.

Second, having completed two passes of an EFA (exploratory factor analysis) we then subjected the factors to a CFA (confirmatory factor analysis) which confirmed the results from the EFA.

Conclusions

Employee Passion is the positive emotional state of mind resulting from perceptions of worthwhile work, autonomy, collaboration, growth, fairness, recognition, connectedness to colleagues, and connectedness to leader, all of which lead to standards of behavior that include discretionary effort, long-term commitment to the organization, peak performance, low turnover, and increased tenure with the organization.

Employee passion is a concept that extends beyond the meaning of some of the present research on employee engagement. It includes but is not limited to satisfaction, morale, and performance. Employee Passion arises from a combination of hard and soft measures that include satisfaction, engagement, motivation, and willingness to exert discretionary effort. It is a complex end state, dependent on, and achieved through, a balance of the eight critical success factors, which include

- Meaningful Work
- Collaboration
- Fairness
- Autonomy
- Recognition
- Growth
- Connectedness with Leader
- Connectedness with Colleagues

Employee Passion is a positive emotional state of mind, which drives desired attitudes and behavior including a willingness to apply discretionary effort, long-term commitment to the organization, peak performance, and job satisfaction.

Organizations must provide meaningful work, autonomy, and opportunities for growth, encourage collaboration and recognition, and address the concept of fairness in order to maximize Employee Passion. When Employee Passion is maximized, it in turn leads to devoted customers, which results in sustainable growth, profits, and higher stock value.

About The Ken Blanchard Companies*

The Ken Blanchard Companies® is one of the world's leading training and development experts. We create lasting behavioral change that has measurable impact on the organizations we work with. We provide training that makes a difference.

Our programs are based on behavioral models that add a situational context to the training experience, so individuals learn to be more productive in real-world scenarios and make the shift from learning to doing more quickly and effectively.

As the innovator of the most widely used leadership development system in the world, Situational Leadership® II, we provide groundbreaking thinking and a memorable learner experience. We begin with a collaborative diagnostic process identifying your unique needs and business issues, then develop an appropriate leadership strategy.

To learn more, visit www.kenblanchard.com.



Global Headquarters

125 State Place
Escondido, CA 92029 USA
From anywhere: +1 760 489-5005
Within the US: 800 728-6000
Fax: 760 489-8407

For a list of our offices worldwide, visit www.kenblanchard.com

About the Researchers

Dr. Drea Zigarmi is coauthor of *Achieve Leadership Genius* in 2007, *The Leader Within* in 2005, and codeveloper of a number of The Ken Blanchard Companies' products, including Situational Leadership® II and the widely used Leader Behavior Analysis instruments.

Dobie Houson is Director of Marketing Research for The Ken Blanchard Companies and is responsible for competitive, market, and customer intelligence.

David Witt is a Marketing Manager and Researcher for The Office of the Future, The Ken Blanchard Companies' think tank and R&D division.

Bibliography

- 2006/2007 WorkUSA® Survey Report: Debunking the Myths of Employee Engagement. Available online at: www.watsonwyatt.com
- Blanchard, S., Essary, V., and Zigarmi, D. *The Leadership Profit Chain*, 2005
- Bruce, A., & Pepitone, J., *Motivating Employees*, 1999, McGraw Hill, New York, NY.
- Coffman, C. & Gonzalez-Molina, G., *Follow this Path: How the World's Greatest Organizations Drive Growth by Unleashing Human Potential*, 2002, Warner Books, New York, NY
- Colquitt, J.A., Conlon, D.E., Wesson, C., Porter, C., and Ng, K.Y., "Justice at the Millennium: A Meta-Analytic Review of 25 Years of Organizational Justice Research," *Journal of Applied Psychology*, Vol. 86, No. 3 (2002):425-445.
- Deci, E. *Why We Do What We Do*. New York, Putnam, 1995
- DecisionWise, Inc., *Engagement, Motivation, Satisfaction, and Effectiveness: What does it all mean?* www.decwise.com, 2006
- Eby, L. T., D. M. Freeman, M. C. Rush, and C. E. Lance. 1999. "Motivational Bases of Affective Organisational Commitment: A Partial Test of Integrative Theoretical Model." *Journal of Occupational and Organisational Psychology*. 72: 463-483.
- Fournies, F. *Why Employees Don't Do What They Are Supposed to Do and What to Do About It*, New York, McGraw-Hill, 1999.
- Gibbons, J., *Employee Engagement: A review of current research and its implications*. The Conference Board www.conference-board.org, 2006
- Herman, R., *Keeping Good People: Strategies for Solving the #1 Problem Facing Business Today*, 1999, Oakhill Press, Winchester, VA.
- James L. A. and L. R. James. 1989. "Integrating Work Environment Perceptions: Explorations into the Measurement of Meaning." *Journal of Applied Psychology*. 74: 739-751.
- Kohn, A. *Punished by Rewards*. New York: Houghton Mifflin, 1993.
- Lawler, E. *The Ultimate Advantage: Creating the high-involvement organization*. San Francisco, CA. Jossey-Bass, 1992
- Marketing Innovators International, *The Effects of Employee Satisfaction on Company Financial Performance*, www.marketinginnovators.com, 2005
- Maister, D., *Practice What You Preach*, 2001, The Free Press, New York, NY
- Mowday, R. T., L. M. Porter, and R. M Steers. *Employee-Organisation Linkages*. (New York, NY: Academic Press, 1981.)
- Pfeffer, J., *The Human Equation: Building profits by putting people first*. Boston, MA Harvard Business School Press, 1998
- Salanova, M., S. Agut, and J. M. Peiro. 2005. "Linking Organizational Resources and Work Engagement to Employee Performance and Customer Loyalty: The Mediation of Service Climate." *Journal of Applied Psychology*. 90(6): 1217-1227.
- Sardo, S., *What Keeps Employees Engaged with Their Workplace*, www.aimvic.com.au 2006
- Schmit, M. J., and S. P. Allscheid. 1995. "Employee Attitudes and Customer Satisfaction: Making Theoretical and Empirical Connections." *Personnel Psychology*.
- Sirota, D., Mischkind, L. & Meltzer, M. *Stop Demotivating Your Employees*. Harvard Management Update, January 2006
- Sirota, D., Mischkind, L., & Meltzer, M., *The Enthusiastic Employee*, 2005, Pearson Education, Inc., Upper Saddle River, NJ
- Tett, R. P., and J. P. Meyer. 1993. "Job Satisfaction, Organizational Commitment, Turnover Intention, and Turnover: Path Analyses Based on Meta-Analytic Findings." *Personnel Psychology*.
- Thomas, K., *Intrinsic Motivation at Work: Building Energy and Commitment*, 2000, Berrett-Koehler, San Francisco, CA