ENGAGE FOR SUCCESS

UK EMPLOYEE ENGAGEMENT SURVEY 2025

WHY EMPLOYEE ENGAGEMENT IS CENTRAL TO KEEPING BRITAIN WORKING

Prepared in collaboration with:

ipa
raising performance through workforce engagement

stillae
Putting data to use

NBS Nottingham Business School
Nottingham Trent University

FOREWORD

As the UK continues to face complex economic and workforce challenges, supporting individuals to stay in work and thrive is vital - for individuals, organisations, and the country as a whole.

The figures are stark: the UK remains the only G7 country with a smaller workforce than before the pandemic. There are 9.3 million economically inactive citizens in the UK; nearly three million are economically inactive due to long term health – and 3.7 million people are in employment with work-limiting health conditions. Getting people back to work and helping them remain in employment is therefore central to the government's Get Britain Working initiative and the related Keep Britain Working review led by Sir Charlie Mayfield.

As this latest annual survey of the working population demonstrates, levels of employee engagement in organisations have a direct impact on people's ability to join and remain in the labour market.

It demonstrates how a focus on engagement can support efforts to reduce economic inactivity, improve wellbeing at work, and unlock the potential of individuals, particularly those who have traditionally been on the margins of the labour market, thereby also improving business outcomes.

Improving engagement levels in organisations is a vital lever for improving economic participation – and improving productivity. Engagement is not a 'nice to have'. It is a key enabler of performance, innovation, inclusion, and well-being.

Since 2022, Engage for Success, in collaboration with Nottingham Trent University, has undertaken an annual survey of the UK working population to understand the drivers of employee engagement. As the government continues to shape strategies to *Get Britain Working*, this report offers practical, data-driven insights to enable people to stay in meaningful employment.

Findings from the survey reaffirm that when individuals feel genuinely engaged in their work, they are more motivated, more resilient, and more likely to contribute to organisational and team performance. Crucially, they are more likely to remain in work – not simply out of financial need, but because their work is fulfilling.

In its 3rd year, this annual engagement survey has highlighted those at risk of falling out of the workforce due to poor workplace experiences. Once out of work, disillusionment with work can set in, and the longer they remain out of work, the harder it is for them to reengage.

Individuals with long-term health conditions, neurodivergence, and unmanageable job stress consistently report lower engagement. As a result, they are more likely to see work purely as a financial need, consider leaving their organisation, and experience higher levels of unmanageable job stress.

The findings demonstrate that organisations that actively support their employees can mitigate negative work experiences. When individuals feel supported at work, their engagement levels align with those without these challenges, which is good for all. This support also contributes to more positive perceptions of their work, their employer, and their intentions to stay in employment. By building more inclusive, engaging workplaces, we can help individuals stay in work not only for financial reasons, but also because they feel valued, supported, and fulfilled.

The annual survey also reveals a persistent divide in employee experiences across the UK.

Findings consistently show that when senior leaders and line managers sufficiently prioritise people in their strategic and day-to-day decision-making, employee engagement rises significantly, well above the national average.

In contrast, where this focus is lacking, engagement levels decline sharply. Currently, only two-in-five employees report that *both* their senior leaders and managers prioritise people issues, while another two-in-five say neither do – highlighting a clear opportunity for more consistent and people-focused leadership across organisations.

Findings echo the patterns observed in our initial survey; organisations that prioritised people issues during the pandemic saw smaller declines in engagement and recovered more quickly.

In 2008, David MacLeod and Nita Clarke were commissioned by the then Secretary of State for Business to examine the role of employee engagement in driving organisational performance and employee wellbeing. The report, *Engaging for Success*, identified four key drivers consistently present in high-performing, highly engaged organisations: *Strategic Narrative*, *Engaging Managers*, *Employee Voice*, and *Organisational Integrity* - now widely known as the Four Enablers of Engagement.

Our latest Engage for Success survey shows these enablers remain just as relevant today. Findings demonstrate a clear, positive correlation between their presence and significantly higher levels of employee engagement. Supported by the Engage for Success Engagement Index, these insights provide a practical, evidence-based framework that HR professionals, business leaders and managers, and policymakers can use to support more inclusive employment strategies, reduce economic inactivity, and help ensure people can thrive in work – not simply remain in it.

We hope the evidence presented here will support cross-sector collaboration with a shared focus on improving practices and working cultures, as well as helping to inform policymaking to build a future in which everyone has the opportunity to engage fully in working life.

Peter Cheese	**Nita Clarke OBE**	**David MacLeod OBE**
Chief Executive CIPD Chair Engage for Success Advisory Board	Co-Founder Engage for Success Director Involvement and Participation Association	Co-Founder Engage for Success

EXECUTIVE SUMMARY

Employee engagement is often treated as a 'nice to have' – but the evidence is clear; it is a key driver of performance, wellbeing, and economic resilience. It is not just about keeping people *in* work, it is ensuring that people are thriving, motivated, and meaningfully engaged in their work. Being present at work does not mean you are engaged. This distinction matters - only genuine engagement drives retention, performance, wellbeing, and economic resilience.

Economic inactivity is on the rise, fuelled by long-term health conditions, an ageing working population, youth unemployment, growing workplace stress, and widening mental health concerns. Coupled with ongoing economic, technological, and political disruption, these factors threaten the UK's productivity, labour market participation, and long-term economic resilience.

Based on data from the 2025 Engage for Success (EFS) Annual Survey, this report presents clear evidence that employee engagement and a focus on people issues are not optional; they are essential to economic recovery and long-term workforce sustainability. Findings show **engagement is strongly linked to performance, innovation, retention, and well-being**. Crucially, it also serves as a protective factor – buffering individuals and organisations against periods of stress and economic instability.

After persistent stagnation, the **average UK engagement** has **slightly increased.** However, the data reveals concerning **disparities across the workforce,** with **areas of decline** and a **widening gap** across workforce experiences.

The survey highlights a **striking divide across UK organisations** and the prioritisation of their people. Two-in-five employees work in organisations that embed people issues in decision-making and consistently report more positive attitudes to work, and engagement at **77%**. In contrast, two-in-five employees perceive people issues to be neglected in their organisation, with engagement dropping to **45% and unmanageable job stress five times higher – accompanied by increased presenteeism and a greater intention to leave the organisation.** These conditions directly contribute to poor wellbeing, rising disengagement, and economic inactivity.

Variations are evident across people with long-term health conditions, neurodivergence, and protected characteristics who consistently report **lower engagement, higher unmanageable job stress**, and a stronger **intention to leave their jobs**. Many do not disclose their condition due to fear of discrimination. Among those who do, over a third receive no reasonable adjustments. As a result, engagement levels are **20% lower**, unmanageable job stress is higher, and presenteeism more prominent compared to those without any conditions. However, where reasonable adjustments are in place and support is felt, engagement levels align closely with employees without long-term conditions and neurodivergence – highlighting the power of inclusive practices.

Findings show strong connections between engagement and performance, innovation, retention, and employee wellbeing

The role of **line managers** is crucial. Our data shows that while line managers report higher engagement than non-managers, not all of them have a positive experience at work. One in six report **unmanageable job stress**, and 13% report **bullying and discrimination** –

figures that rise sharply for managers from ethnic minority backgrounds, those who identify as LGBT+, and those with neurodivergence or long-term health conditions. Many feel unable to speak up, citing **fear of repercussions** or a perception that nothing will change.

At the same time, **line managers** are often underprepared, with one-third receiving **no training**, and when training is offered, it is usually after taking on the role. This represents a systematic gap. Given their pivotal position in translating organisational strategy into day-to-day practice, ensuring that managers are engaged, equipped, and supported is vital to building an engaged workforce.

If the UK is to Keep Britain Working, people must be enabled not just to work, but to work well. Disengagement – linked to unmanageable job stress, presenteeism, and poor workplace culture – risks worsening health outcomes and increasing economic inactivity. This requires embedding engagement, inclusion, and wellbeing at the heart of employment strategy – across government policy, organisational leadership, and everyday practice. Engaged people build resilient workplaces, stronger organisations, and a more productive economy.

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ACKNOWLEDGEMENTS

PUBLICATION INFORMATION

1. INTRODUCTION

The UK is beginning to show early signs of recovery across employee engagement levels. After two years of stagnation, **engagement rose by 3%**, reaching an average of 65%. While this improvement is encouraging, engagement remains significantly below pre-pandemic levels, and significant disparities in engagement are evident.

The Engage for Success (EFS) annual survey, now in its third year, provides robust, longitudinal insights into employee engagement across the UK. Survey results consistently show that employees who work in organisations where senior leaders and managers sufficiently **prioritise people issues** - such as wellbeing, communication, support, and development – report significantly higher engagement than the national average.

Engagement is not experienced equally by all employees. Significant **disparities** remain across different groups – particularly among employees with long-term health conditions or neurodivergence, those who identify as LGBT+, and those from lower socio-economic backgrounds. This highlights the urgent need for more inclusive, supportive practices across all sectors of the economy.

Importantly, engagement plays a mitigating role. Even among employees experiencing work-related stress, those with higher levels of engagement reported greater resilience, stronger commitment, and a more positive outlook on their work. In contrast, **low engagement** is strongly linked with **increased presenteeism**, job dissatisfaction, and a greater likelihood of **exiting the workforce**, further exacerbating challenges around economic inactivity.

BACKGROUND TO THE SURVEY

The EFS annual survey is designed to provide independent insights into the experiences of UK employees. Data is collected directly from a representative sample of the UK working population by age, gender, and ethnicity (based on ONS figures). This independent approach ensures that findings reflect the real experiences of employees, rather than being filtered through organisational reporting structures. In 2024, data collection occurred at two time points, July and December, from a total of 4,117 respondents across all sectors, industries, organisational sizes, and regions of the UK.

Collaboration with thought leaders and ongoing consultation with practitioners have helped shape the focus of the EFS annual survey. As a result, the survey explores current emerging issues influencing engagement - including organisational practices, hybrid working, health and wellbeing, bullying and harassment, and leadership. Core questions on attitudes, behaviours, demographics, and socio-economic backgrounds are tracked annually to build a detailed, longitudinal view of trends shaping the UK workforce.

Findings in this survey are based on the EFS Engagement Index[1] – tested against practitioner and academic measures, including the NHS Staff Survey, the Civil Service People Survey, UWES-3, and ISA[2]. Although the annual survey uses the EFS Engagement Index, it is important to note that EFS remains model-agnostic. The EFS Index is used to enable benchmarking and exploration of the data.

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[1] Calculated using 3 questions focusing on advocacy, loyalty, and overall satisfaction. See Appendix for details.
[2] The EFS Engagement Index has a high statistically significant correlation with other engagement measures.

While individual metrics may vary slightly, the real value lies in the narrative behind the data and the context in which it was collected – this is where the most meaningful insights emerge.

FOCUS AND STRUCTURE OF THE REPORT

This report provides an in-depth analysis of employee engagement in the UK, drawing on findings from the 2025 Engage for Success Annual Survey. It examines why engagement matters, the factors shaping it, and the strategic actions required to improve it across sectors.

- **Chapter 2** explores the fundamental **importance of employee engagement**, examining its connection to individual attitudes, **performance**, and wider organisational outcomes.
- **Chapter 3** highlights a **divided engagement** landscape, revealing stark contrasts across sectors, job roles, and demographics, and underscores the need to **prioritise people issues** as a core strategic concern.
- **Chapter 4** focuses on employees with **long-term health conditions and neurodivergence**, identifying an engagement gap and the critical role of organisational support in closing it.
- **Chapter 5** examines the central role of **line managers** in driving engagement, and the pressure line managers face – including unmanageable job stress, bullying and harassment, and the lack of training.
- **Chapter 6** revisits the **Four Enablers of Engagement**, demonstrating their ongoing relevance and measurable impact on organisational outcomes.
- **Chapter 7** explores the role of **workplace policies, practices**, and perceived support – highlighting how action planning, hybrid working, and inclusive cultures influence engagement.
- **Chapter 8** concludes with **evidence-based recommendations** for employers and policymakers to build a more resilient, engaged, and inclusive UK workforce.

The following chapters explore key drivers, disparities, and outcomes of employee engagement, supported by national survey data and relevant research.

2. WHY EMPLOYEE ENGAGEMENT MATTERS

Employee engagement is a critical driver of economic performance, workforce sustainability, and employee wellbeing. High engagement is consistently linked to increased productivity, greater innovation, improved health outcomes, and stronger talent retention.

Extensive academic and practitioner research reinforces these findings, identifying employee engagement as a key lever for enhancing individual and organisational performance, productivity, retention, wellbeing, and customer satisfaction (Reward Gateway, 2024; Pass et al., 2023; McKinsey & Company, 2023; ICS, 2023; Pass et al., 2022; CIPD, 2021; ADP, 2020; Bailey et al., 2017; Court-Smith, 2016; Cartwright et al., 2014; Rayton et al., 2012).

Engagement is not only a UK challenge – recent Gallup data indicates a global decline in employee engagement. While they report engagement in the UK remains consistent, it still ranks 30th out of 37 European nations.

Drawing on data from the 2025 EFS Annual Engagement Survey, the following chapter explores the relationship between **employee engagement** and attitudes toward work. It highlights how engaged employees are significantly more likely to find **intrinsic enjoyment** in their roles and less likely to view work as purely a financial necessity. The chapter also presents evidence linking engagement levels to self-rated **individual and organisational performance**, reinforcing the strong connection between engagement and overall productivity.

ENGAGEMENT AND ATTITUDES TO WORK

Employees with higher levels of engagement are significantly less likely to view their job as 'just a way to earn money'. Instead, they find intrinsic satisfaction and meaning in their work, positively contributing to their overall wellbeing.

In contrast, employees with low engagement were more likely to see work as a financial necessity, with little enjoyment or purpose.

Survey data shows that employees in the top quartile of engagement were considerably more likely to disagree with the statement, 'A job is just a way of earning money'. They were also more likely to agree that they would continue to enjoy working even if financial need was removed. This shift

Employee engagement quartiles and attitudes to work

Legend: ■ Bottom quartile ■ Mid-low quartile ■ Mid-high quartile ■ Top-quartile

A job is just a way of earning money, no more:
- Bottom quartile: 58%
- Mid-low quartile: 50%
- Mid-high quartile: 44%
- Top-quartile: 38%

I would enjoy having a paid job even if I did not need money:
- Bottom quartile: 46%
- Mid-low quartile: 56%
- Mid-high quartile: 59%
- Top-quartile: 65%
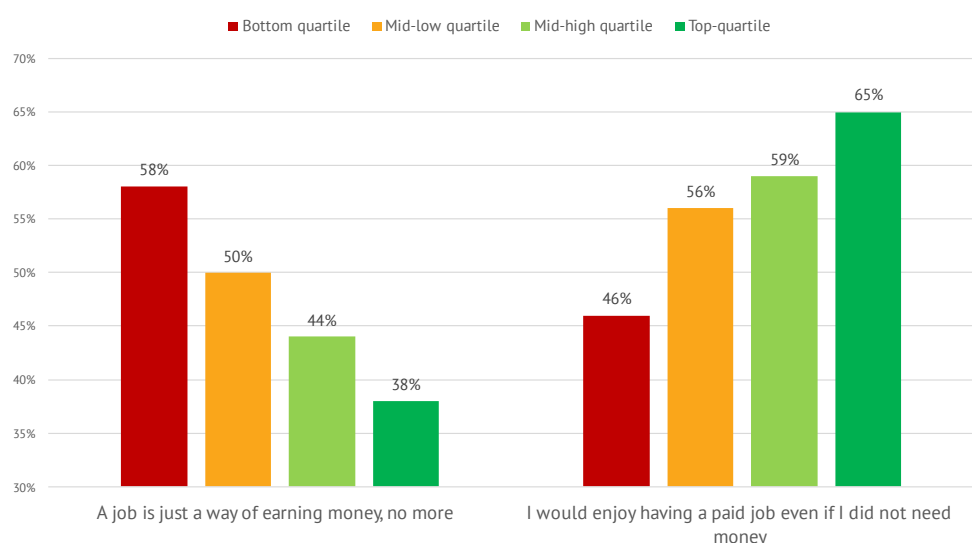
from transactional to meaningful work experience is critical in supporting workforce retention, motivation, and discretionary effort, and highlights the importance of good employment experiences and attitudes towards work.

Employee engagement quartiles and discretionary effort

Legend: Bottom quartile | Mid-low quartile | Mid-high quartile | Top-quartile

	Bottom quartile	Mid-low quartile	Mid-high quartile	Top-quartile
Volunteer to do things not formally required by the job	47%	54%	59%	65%
Help others when their workload increases	70%	74%	76%	82%
Make innovative suggestions to improve the overall quality of my team or department	62%	68%	74%	78%
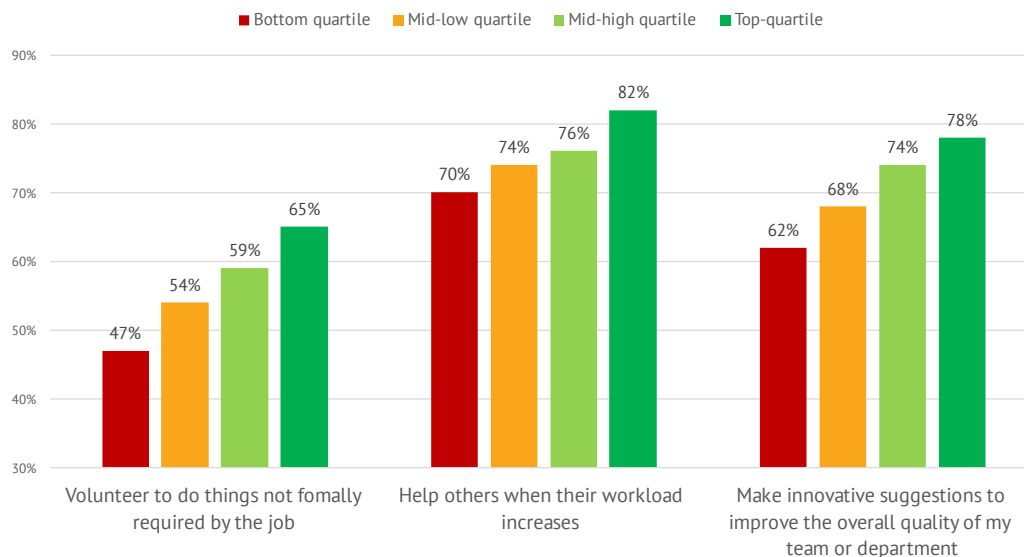
Engaged employees were more willing to go the extra mile – offering discretionary effort during peak demands – and more likely to support colleagues during periods of high workload. They were also more inclined to propose ideas and improvements to drive team and organisational performance.

ENGAGEMENT AND PERFORMANCE
Self-assessment data – using established academic performance measures[3]- supports the association between **engagement and performance** [4]

ENGAGEMENT AND INDIVIDUAL PERFORMANCE
Employees with higher engagement consistently rated their performance more positively across key dimensions, including:

- ▶ Effectiveness in delivering core job responsibilities
- ▶ Adaptability to changes in tasks or working conditions
- ▶ Proactive innovation and improvements

> **Low engagement reduces work to a necessary task – undermining purpose, motivation, and the desire to remain in the workforce**

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[3] Delaney & Huselid (1996) and Griffin et al., (2007)
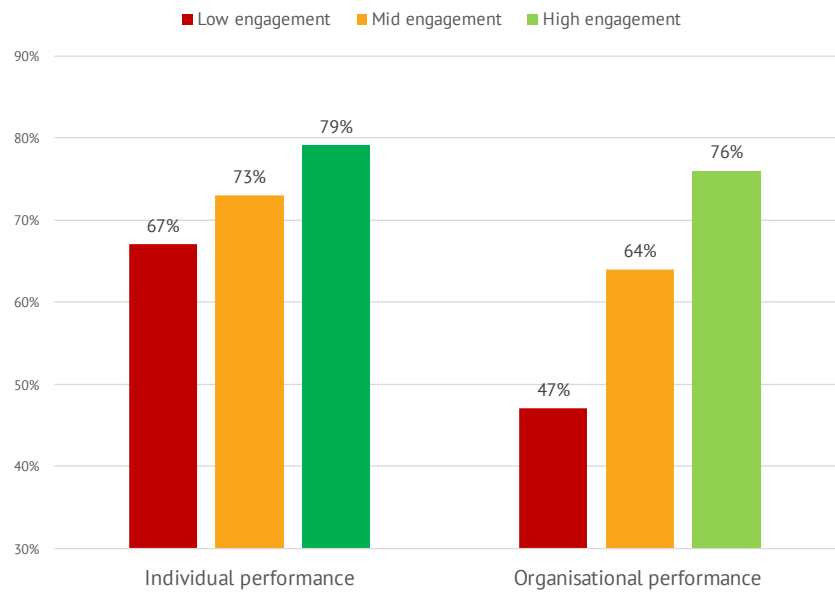[4] Although self-ratings can have limitations compared to objective data, they are a widely recognised method in research and can provide meaningful and robust insights when used with macro-level organisational research (Bakker and Demerouti, 2008; Delaney and Huselid, 1996; Griffin et al., 2007).

Performance ratings varied only slightly across demographic groups. Younger employees (aged 18-34) rated their performance marginally higher than other age groups (+3%), and individuals in the private sector reported higher performance ratings compared to those in the third sector (+8%).

Hybrid working approaches also had an influence - employees working in organisations supporting **hybrid or full-office** working reported **higher individual performance** than those required to return to the office for part of the week.

Engagement and perceptions of performance

- Low engagement
- Mid engagement
- High engagement

Individual performance:
- Low engagement: 67%
- Mid engagement: 73%
- High engagement: 79%

Organisational performance:
- Low engagement: 47%
- Mid engagement: 64%
- High engagement: 76%

ENGAGEMENT AND ORGANISATIONAL PERFORMANCE

Engaged employees were significantly more likely to perceive their organisations as outperforming competitors across a range of critical indicators, including:

- ▶ Innovation and adaptability
- ▶ Product and service quality
- ▶ Customer satisfaction and loyalty
- ▶ Ability to attract and retain talent
- ▶ Leadership effectiveness and employee relations

Perceptions of organisations' performance showed some demographic variation. Younger workers (aged 18-34), those from ethnic minority backgrounds, and those with caring responsibilities rated their organisations' competitive performance more positively.

Sector and organisational size also varied. Private sector employees and those working in small and medium-sized enterprises (SMEs) provided more favourable ratings compared to public, third sector, or larger organisations.

Engagement and perceptions of organisational performance

■ Low engagement ■ Mid engagement ■ High engagement

Category	Low engagement	Mid engagement	High engagement
Quality of products, services or programs	55%	69%	81%
Development of new products, services, or programs	48%	63%	72%
Satisfaction of customers or clients	54%	70%	79%
Ability to attract essential employees	39%	58%	69%
Ability to retain essential employees	35%	59%	73%
Relations among employees in general	51%	68%	78%

Engaged employees deliver better performance, innovate more readily, collaborate more effectively, and remain committed to their organisations.

EMPLOYEE ENGAGEMENT DRIVES INDIVIDUAL AND ORGANISATIONAL PERFORMANCE.

ENGAGED EMPLOYEES ARE MORE LIKELY TO HIGHLY RATE THEIR ORGANISATION COMPARED TO ITS COMPETITORS FOR INNOVATION, PRODUCT AND SERVICE QUALITY, TALENT ATTRACTING AND RETENTION, AND WORKPLACE CULTURE.

ENGAGEMENT SHAPES HOW EMPLOYEES EXPERIENCE THEIR WORK, COLLABORATE WITH OTHERS, AND CONTRIBUTE BEYOND CORE RESPONSIBILITIES.

3. ENGAGEMENT IN THE UK: A DIVIDED LANDSCAPE

Data collected from a representative sample of the UK working population indicates a positive shift following a period of stagnation. Engagement levels remained stable at 62% in both 2022 and 2023. However, the 2024 data[5] shows a statistically significant 3% point **increase**, bringing overall **engagement to 65%**.

While this improvement is encouraging, engagement levels remain significantly below pre-pandemic levels. Self-reported engagement, captured through respondents' ratings of their engagement with their job, team/colleagues, line manager, and organisation, reinforces this finding[6].

Data collected in 2022 asked respondents to reflect on their engagement both before and during the COVID-19 pandemic. As previously reported in the EFS 2022 annual report, engagement dropped sharply during the pandemic and has struggled to fully recover.

EFS Employee Engagement Index
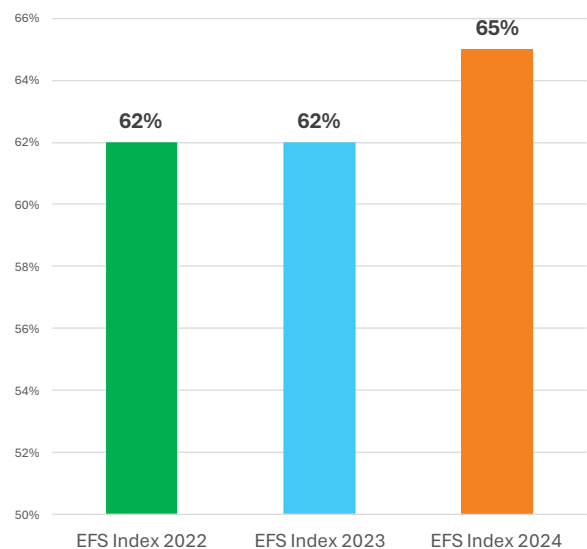
Employee perceptions of engagement with job, team, line manager, and organisation

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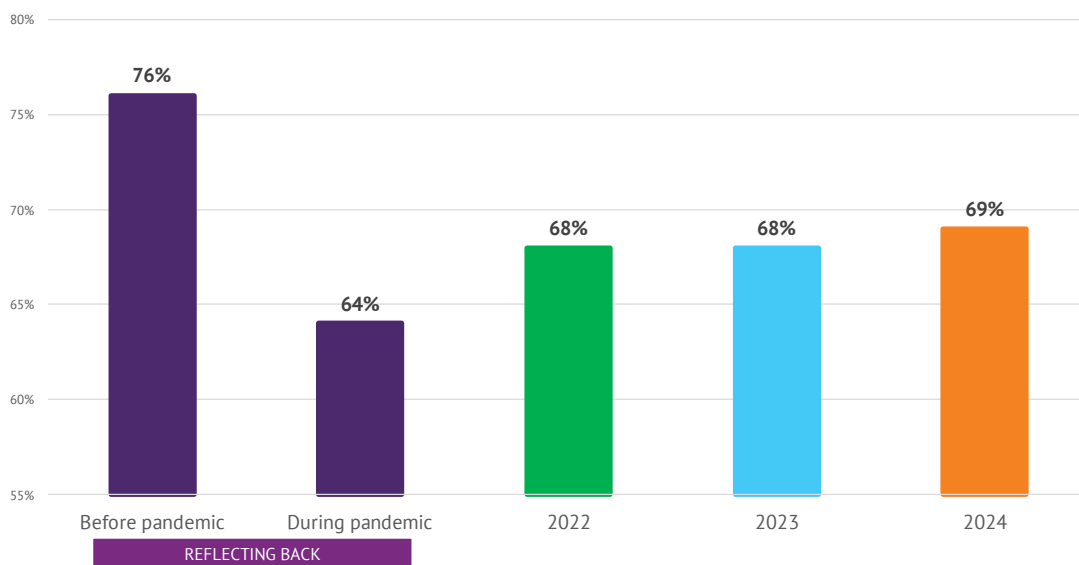
[5] Collected in July and December, and consistent at both time points
[6] Self-reported engagement scores align closely with the EFS Engagement Index, providing validation of scores and offering insight into national pre-pandemic engagement trends.

THE ENGAGEMENT DIVIDE

Since 2019, members of the annual survey project team have hosted strategic discussions with leading UK and international experts to examine the evolving landscape of employee engagement. A consistent theme emerged across these conversations: the critical need for organisations to prioritise people issues as a central strategic focus.

One sentiment was repeatedly voiced - when it comes to valuing people, "you either get it, or you don't". Although there was a sense that progress was b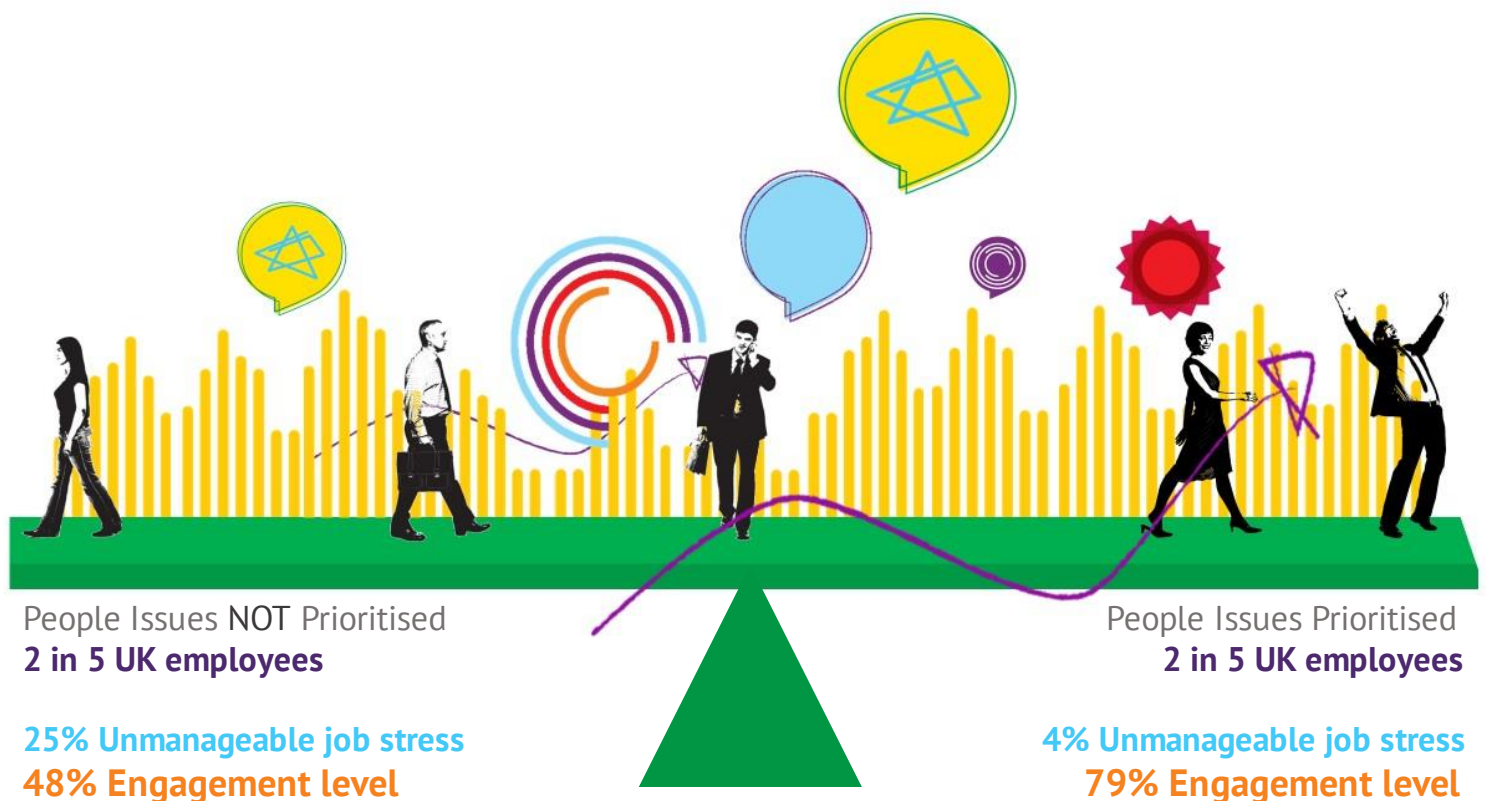eing made, people issues and employee engagement had yet to become fully embedded within the day-to-day operational 'drumbeat' of organisations. To support this, the CIPD reports that only 10% of FTSE100 companies include employee engagement in their bonus metrics, with only a third of CEO bonuses using employee measures in performance-related pay plans, compared to 100% using financial metrics (CIPD, 2020).

The EFS annual survey explored the link between the prioritisation of people issues and engagement levels. The findings are clear - **organisations that prioritise their people** have **significantly higher engagement** and lower levels of unmanageable job stress compared to those that do not.

However, there is a stark **divide across UK organisations** when it comes to prioritising the people issues.

- ▶ **Two in five** employees report working in organisations where neither senior leaders nor line managers sufficiently prioritise people issues
- ▶ **Two in five** employees work in organisations where both leadership and management actively prioritise these issues
- ▶ The remaining one in five report mixed experiences – either leaders or managers, but not both sufficiently prioritise the people issues

People Issues NOT Prioritised
2 in 5 UK employees

People Issues Prioritised
2 in 5 UK employees

25% Unmanageable job stress
48% Engagement level

4% Unmanageable job stress
79% Engagement level

The **impact is evident:**

- ▶ Employees whose senior leaders and line managers both **prioritise people issues** report engagement levels **14% points higher** than the national average
- ▶ This contrasts with employees who perceive neither their line managers nor senior leaders prioritise people issues reporting engagement levels **17% points lower** than the national average
- ▶ There is a **32% gap in engagement** levels between these two groups

Employees with long-term health conditions were notably less likely to report that people issues were prioritised, highlighting further inequalities in workplace experiences.

These findings echo previous survey data from the 2023 and 2022 EFS annual reports. Findings showed that organisations prioritising their people during the COVID-19 pandemic saw a smaller decline in engagement and rebounded quicker. In contrast, organisations that neglected people issues experienced steeper engagement declines and have struggled to recover.

When leaders prioritise people, engagement becomes a competitive advantage

WHY PRIORITISING PEOPLE ISSUES MATTERS

Employees in organisations where **people issues are prioritised** consistently report more positive workplace experiences and attitudes towards work. They are significantly more likely to:

- ▶ Strong **intention to stay** with their organisation
- ▶ Greater willingness to support colleagues
- ▶ Higher levels of **discretionary effort** and idea generation
- ▶ Higher psychological safety
- ▶ Greater trust in ethical leadership
- ▶ Feeling genuinely cared for by their employer and colleagues
- ▶ More positive perceptions of learning and development support
- ▶ Lower distraction from financial concerns
- ▶ Reduced levels of presenteeism

In contrast, inconsistent or poor people management practices contribute to disengagement, health deterioration, reduced productivity, and negatively impact attitudes to work.

OCCUPATIONAL DEMANDS, AUTONOMY, AND ENGAGEMENT

Survey data shows employee engagement levels vary significantly by socio-economic background, income, and occupational role.

Respondents with managerial responsibilities reported engagement levels 5% points higher than those without managerial duties. A finding consistent across previous annual surveys.
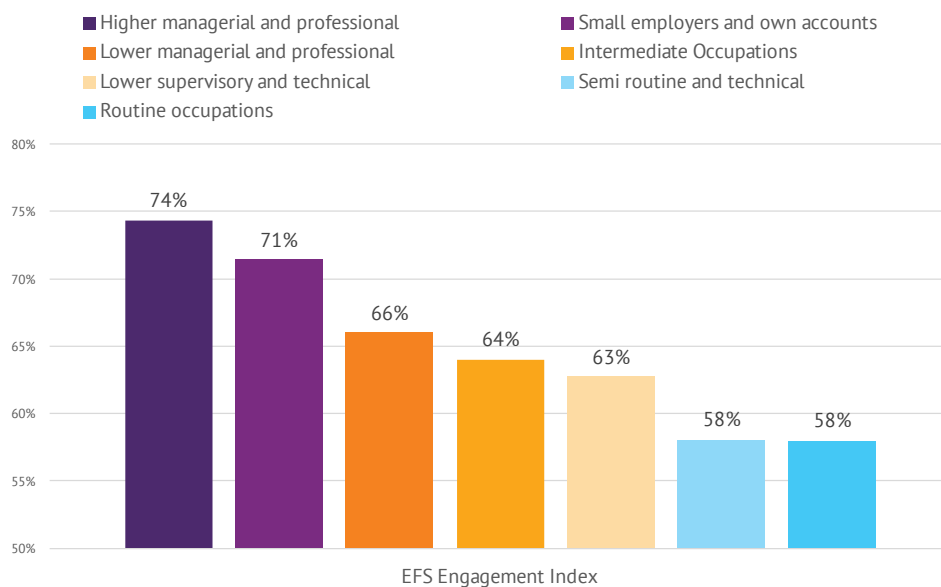
Engagement also increased with higher income levels. Respondents earning over £100,000 per year reported 16% higher engagement than those earning less than £20,000 per year.

These findings were mirrored when comparing engagement across the National Statistics Socio-Economic Classification (NS-SEC) – a widely used measure of employment relations and occupational conditions in the UK.

- ▶ Data shows a **16% point** difference in engagement levels between employees in higher managerial and professional roles and those in routine and semi-routine occupations

An analysis of occupational roles reveals a clear pattern - engagement levels are highest in roles offering greater autonomy, control, and job security, and decline in occupations where these factors are more limited.

Engagement levels and Socio-Economic Groups (NS-SEC)

- ■ Higher managerial and professional
- ■ Small employers and own accounts
- ■ Lower managerial and professional
- ■ Intermediate Occupations
- ■ Lower supervisory and technical
- ■ Semi routine and technical
- ■ Routine occupations

74% 71% 66% 64% 63% 58% 58%

EFS Engagement Index

Further analysis of job design factors highlighted the importance of **autonomy and decision-making** influence:

- ▶ Respondents who somewhat agreed that their job required them to work hard reported **27% higher** engagement than those who disagreed
- ▶ Respondents who felt management gave them **autonomy** over how they organised their daily work had **24% higher engagement** compared to those with no perceived autonomy
- ▶ Those who felt able to choose or **change the pace** of their work reported **28% higher** engagement
- ▶ Respondents who believed management allowed them to **influence** policy decisions within their organisation had **32% higher engagement** compared to those who felt excluded from decision-making processes

The data shows that greater autonomy, influence, and recognition within occupational roles are associated with significantly higher engagement levels. Yet, concerningly, recent research indicates that individual task discretion is in decline (Gallie et al., 2025)

SECTOR AND DEMOGRAPHIC VARIATIONS

Engagement levels in 2024 are relatively consistent across public, private, and third sectors, with minimal variations by organisational size or geographical region. However, differences are evident at the individual demographic level:

- Respondents with long-term health conditions and those with neurodivergence reported significantly lower levels of engagement.
- Variations in engagement were also evident across differing socio-economic backgrounds
- Respondents aged 35-54 reported engagement levels 4% higher than other age groups
- Those with caring responsibilities (for children or adults) reported engagement levels 3% higher than those without caring responsibilities
- Consistent with findings from the 2023 EFS annual report, those identifying as LGBT+ reported lower levels of engagement due to negative work experiences

A STRATEGIC PRIORITY, NOT A SOFT ISSUE

The data highlights that prioritising people issues is a strategic necessity for organizational performance, employee wellbeing, and national economic resilience.

There is a concerning lack of consistency in people management practices across the UK. This inconsistency is having a material (and potentially detrimental) effect on the quality of work experiences, organisational performance, and overall employee wellbeing.

If government and organisational leaders are to strengthen the UK's labour market resilience and productivity, prioritising people issues must not be viewed as a 'soft' issue. Instead, they should be given the same strategic priority as traditional 'hard' business concerns. Only by doing so can organisations unlock effective leadership, drive sustainable performance, and build long-term organisational success.

WHERE PEOPLE ARE VALUED, ENGAGEMENT AND WELLBEING THRIVE.

EMPLOYEES IN ORGANISATIONS THAT DO NOT PRIORITISE THEIR PEOPLE ARE MORE LIKELY TO DISENGAGE, EXPERIENCE UNMANAGEABLE JOB STRESS, AND CONSIDER LEAVING.

PEOPLE ISSUES MUST BE TREATED AS A CORE LEADERSHIP AND MANAGEMENT RESPONSIBILITY, NOT A SECONDARY CONCERN.

4. THE IMPACT OF WELLBEING ON EMPLOYEE SUSTAINABILITY

Prioritising people issues significantly impacts employee wellbeing. Survey results show unmanageable job stress is **five times higher** in organisations that do not prioritise their people, reinforcing a systematic risk to organisational health and sustainability.

Levels of unmanageable job stress were relatively consistent across organisational size and geographical region.

Engagement levels and unmanageable job stress by sector

■ EFS Engagement Index ■ Unmanageable Job Stress
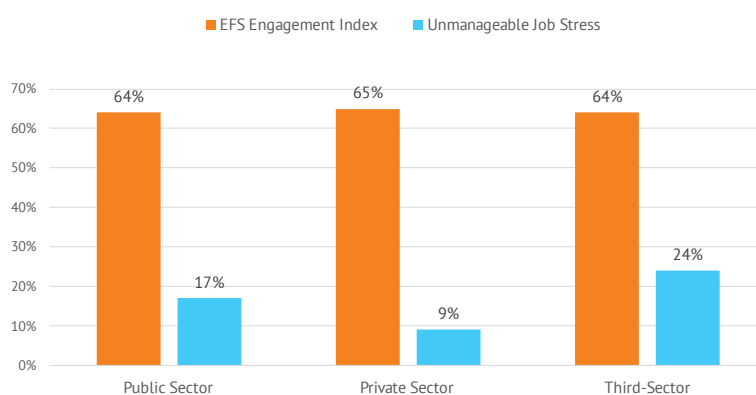
However, variations in unmanageable job stress varied according to organisational sector.

Unmanageable job stress in the third sector was **two and a half times higher** than in the private sector.

Public sector levels of unmanageable job stress were **twice** those reported in the private sector.

COST OF UNMANAGEABLE JOB STRESS

Work-related stress, as defined by the World Health Organisation, occurs when workplace demands and pressures exceed an employee's coping ability. Although a degree of workplace stress can be motivational (BHSF, 2025)[i], unmanageable job stress severely impacts wellbeing and productivity, leading to higher presenteeism and turnover costs.

Stress-related productivity loss is significant:

- ▶ UK employers lose an estimated 16 productive days per employee per year (Cardoso & McHayle, 2024)
- ▶ Mental health-related turnover alone is estimated to cost UK employers £8.6 billion per year (Deloitte, 2020)
- ▶ Presenteeism - employees who continue to work whilst ill – is a major 'hidden cost' to businesses, estimated at £25 billion in lost productivity, approximately five times more than the cost of sick days (O'Halloran & Thomas, 2024)
- ▶ Globally, WHO (2024) estimates that 12 billion working days are lost annually to depression and anxiety, costing the global economy $1 trillion in lost productivity

When unmanageable job stress persists, employees are more likely to exit the workforce entirely, contributing to growing economic inactivity and additional social and financial costs to employers and society. The estimated cost to UK businesses of mental health-related turnover is an annual £ 8.6 billion (Deloitte, 2020).

UNMANAGEABLE JOB STRESS AND EMPLOYEE EXPERIENCE

One in ten survey respondents reported experiencing **unmanageable job stress**. This had a substantial impact on their attitudes towards work:

Low engagement is closely linked to higher levels of unmanageable job stress and presenteeism – undermining employee wellbeing and reducing the desire to stay in work

- Employees with unmanageable job stress were significantly more likely to view work as "just a way to earn money" rather than as a meaningful or fulfilling activity
- They were less likely to express a desire to continue working if financial need were removed, indicating a loss of intrinsic motivation
- Unmanageable job stress **diminished discretionary effort** – employees experiencing stress were less likely to go beyond core duties or offer support to colleagues during periods of high pressure

Findings suggest that a lack of organisational and managerial support was impacting individuals experiencing unmanageable job stress:

- Employees with unmanageable job stress were 27% less likely to feel supported by their manager
- They were 23% less likely to believe their organisation seeks employee views, and 24% less likely to trust that leadership would act on unethical behaviour

Importantly, organisations failing to prioritise people issues created conditions where **presenteeism** thrived. Employees with unmanageable job stress were **34%** more likely to attend work while unwell, reducing personal wellbeing and overall team productivity.

Overall, employees with **unmanageable job stress** showed **26% lower engagement** levels in comparison to those without.

BULLYING, DISCRIMINATION, AND ENGAGEMENT

Survey findings also highlighted the relationship between negative workplace cultures and employee engagement:

- **One in ten** employees reported experiencing **bullying, discrimination,** or both
- Employees with **low engagement** were **seven times** more likely to report experiencing discrimination and almost **five times** more likely to report experiencing bullying compared to highly engaged employees

Impact of bullying and discrimination on engagement levels

Bullying and discrimination had a direct impact on engagement levels. For those not experiencing bullying or discrimination, engagement was at 70%. Engagement **dropped by 27%** for those experiencing both bullying and discrimination.
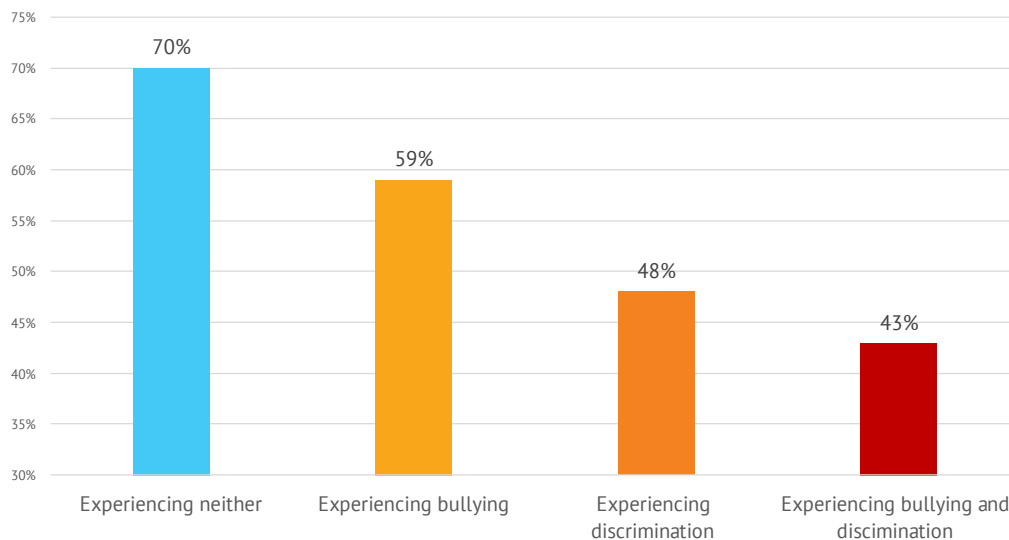
These findings further demonstrate that positive workplace cultures, underpinned by strong leadership and managerial support for people issues, are essential to employee engagement.

ENGAGEMENT REDUCES WORKPLACE STRESS AND PRESENTEEISM

While unmanageable job stress has detrimental impacts, engagement can mitigate some of its effects.

Employees experiencing unmanageable job stress but reporting high engagement were:

- Almost twice as likely to say their organisation sought their view
- More likely to feel supported by their manager and to trust organisational integrity
- More willing to exert discretionary effort, assist colleagues, and propose improvements
- Less likely to attend work while ill compared to employees with low engagement and unmanageable job stress

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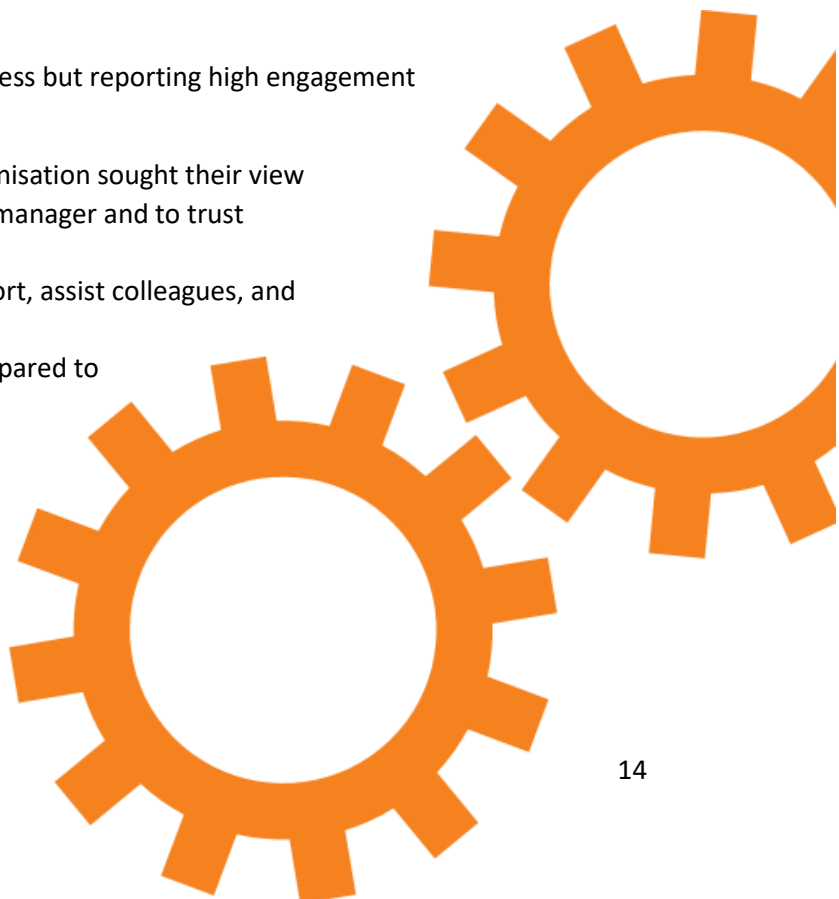
Engagement mitigates unmanageable job stress

■ Unmanageable job stress and LOW engagement   ■ Unmanageable job stress and HIGH engagement

Category	LOW engagement	HIGH engagement
Manager support	37%	65%
Organisation seeks employee views	29%	56%
Believe unethical behaviour will be addressed	36%	60%
Work just to earn money	58%	44%
Enjoy job without need for money	43%	53%
Willing offer discretionary effort	47%	58%
Willing help others	70%	76%
Worked while ill	91%	79%

Highly engaged employees retained a stronger sense of purpose, found greater meaning in their work, and demonstrated more resilience even under stressful conditions.

While some stress may be unavoidable due to business demands, organisations that proactively prioritise people issues and foster engagement create protective environments, reducing the negative impact of stress and strengthening workforce sustainability.

THE COST OF UNMANAGEABLE JOB STRESS AND PRESENTEEISM IS SIGNIFICANT, IMPACTING ENGAGEMENT, PRODUCTIVITY, WORKFORCE RESILIENCE, AND PERFORMANCE.

ONE IN TEN EMPLOYEES EXPERIENCES BULLYING, DISCRIMINATION, OR BOTH, SIGNIFICANTLY IMPACTING ENGAGEMENT.

ENGAGEMENT CAN MITIGATE THE NEGATIVE IMPACT OF JOB STRESS, ENSURING EMPLOYEES AND ORGANISATIONS ARE MORE RESILIENT DURING TIMES OF ECONOMIC UNCERTAINTY.

5. HEALTH CONDITIONS AND THE ENGAGEMENT GAP

Employees with long-term physical and/or mental health conditions and those with neurodivergence face distinct challenges in the workplace. These challenges significantly impact employee engagement, wellbeing, and retention without appropriate support.

LONG-TERM HEALTH CONDITIONS, NEURODIVERGENCE, AND EMPLOYEE ENGAGEMENT LEVELS

One in four survey respondents reported having a long-term physical and/or mental health condition.

- Employees with health conditions reported engagement levels **8% points lower** than those without
- They were also more likely to experience **unmanageable job stress**, higher levels of **presenteeism**, and a greater intention to **leave** their organisation.

13% of respondents identified as having a diagnosed or suspected **neurodivergent** condition.

- Respondents who identified as neurodivergent reported engagement levels 7% lower than those who did not
- They were more likely to experience **unmanageable job stress** and **presenteeism**

These findings emphasise the importance of inclusive workplace practices to sustain employee wellbeing and workforce participation. They also contribute to the wider policy debate around economic inactivity, where long-term health conditions are a growing barrier to employment.

ORGANISATIONAL SUPPORT AS A CRITICAL DRIVER OF ENGAGEMENT

While overall engagement was lower among employees with health conditions or neurodivergence, the impact varied significantly depending on disclosure and organisational response.

44% of employees with either a long-term health condition or neurodivergence **had not disclosed** it to their employer.

- Respondents choosing not to disclose for **personal reasons** had an **8%** point lower level of engagement
- Respondents choosing not to disclose due to **fear of discrimination** reported a **13%** point lower level of engagement

Among those who did choose to disclose their health condition or neurodivergence to their employer, **one in five** did not receive any **reasonable adjustments**. As a result, engagement was **20%** points lower compared to those without health conditions or neurodivergence.

Supporting disclosure and inclusion is essential to closing the engagement gap

Lack of adjustments was associated with:

- ▶ **Three times** higher levels of **unmanageable job stress**
- ▶ Increased likelihood of considering resignation
- ▶ Lower discretionary effort, peer support, and innovation contributions

Disclosure and support for long-term health conditions or neurodivergence on engagement levels
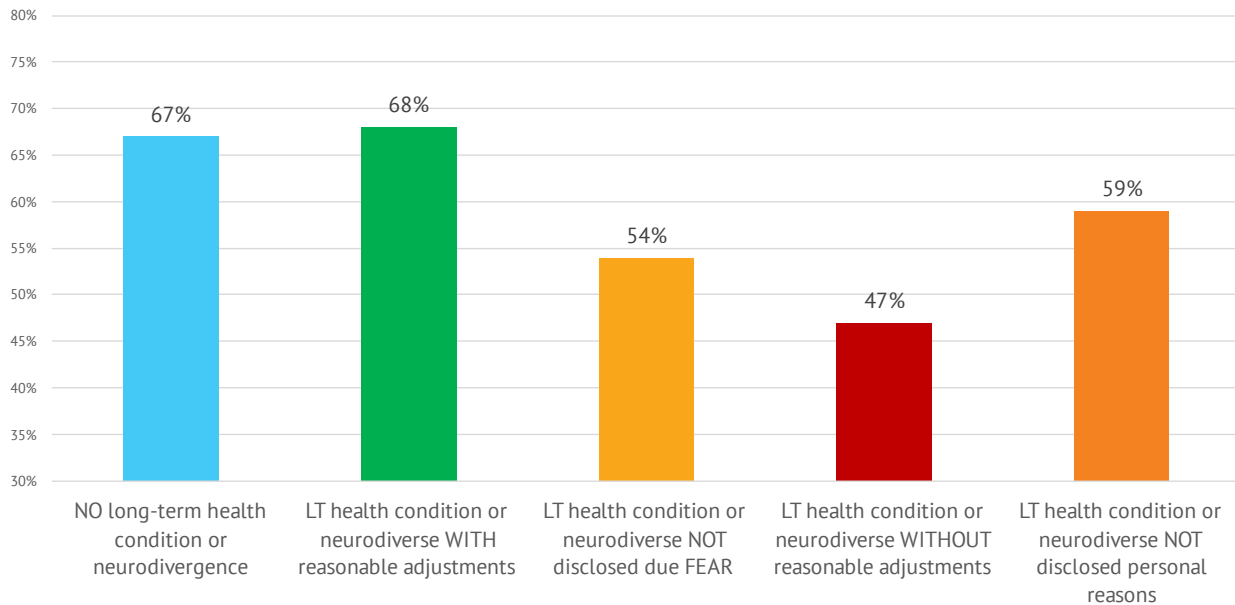
Where reasonable adjustments were provided, engagement levels are comparable to those without conditions. Employees who received **reasonable adjustments** were **19%** more likely to intend to stay with their organisation over the next three years. They were also more willing to:

- ▶ Offer discretionary effort
- ▶ Support colleagues
- ▶ Propose productivity improvements
- ▶ Trust organisational leadership to address ethical practices

In contrast, the absence of reasonable adjustments or a workplace culture that enabled disclosure reduced engagement, discretionary effort, and trust in organisational integrity. These findings are consistent with academic research in this area, highlighting how supportive environments for disclosure significantly improve engagement, satisfaction, and retention (Lyubykh et al., 2025).

Despite a legal duty under the Equality Act (2010) and available guidance on encouraging reasonable adjustments, significant gaps remain. Employees often prefer to keep health conditions private, reflecting concerns about negative consequences and a lack of visible organisational inclusivity. As a result, engagement levels, wellbeing, and retention are impacted.

BUILDING INCLUSIVE WORKPLACES

Developing organisational cultures where discussions about health needs and reasonable adjustments are normalised is essential. Senior leaders who actively support people issues, reinforced by line managers and team members, are critical to ensuring employees with health conditions or neurodivergence can achieve the same levels of engagement, contribution, and well-being as others. In the absence of meaningful cultural and practical support, organisations face growing disengagement, worsening wellbeing, elevated turnover, and a significant loss of talent.
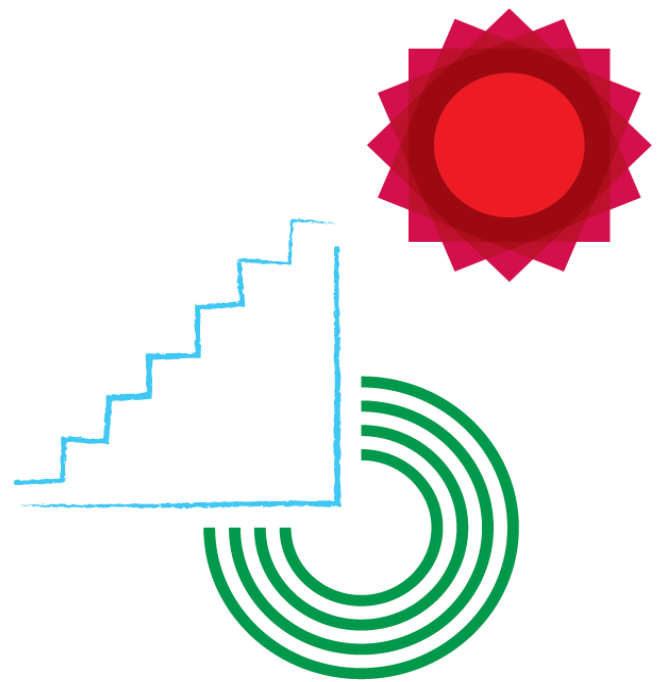
EMPLOYEES WITH LONG-TERM HEALTH CONDITIONS AND NEURODIVERGENCE ARE MORE LIKELY TO EXPERIENCE UNMANAGEABLE JOB STRESS, HIGHER RATES OF PRESENTEEISM, LOWER LEVELS OF ENGAGEMENT, AND A GREATER INTENTION TO LEAVE THEIR ORGANISATION.

INCLUSIVE WORKPLACE PRACTICES AND THE PROVISION OF REASONABLE ADJUSTMENTS ARE CRITICAL TO BRIDGING THE ENGAGEMENT GAP.

ORGANISATIONS MUST BUILD CULTURES THAT ACTIVELY ENCOURAGE DISCLOSURE AND PROVIDE CONSISTENT SUPPORT THROUGH REASONABLE ADJUSTMENTS, FOSTERING PSYCHOLOGICALLY SAFE AND INCLUSIVE WORKPLACES.

6. EMPOWERING LINE MANAGERS TO ENGAGE TEAMS

Line managers are critical in shaping employee engagement (Gallup 2025; Pass et al., 2022; Pass et al., 2023). They play a dual role – fostering engagement across their teams, while their own engagement levels directly influence how effectively they lead.

Findings from the previous EFS annual survey revealed a strong relationship between employee engagement and the engagement levels of their line manager. Supporting, developing, and engaging those in management roles is essential to improving organisational performance and sustaining high levels of employee engagement.

LINE MANAGER ENGAGEMENT AND THE IMPACT OF TRAINING

Analysis of the 2025 annual survey reveals notable **variations in engagement** between those with and without managerial responsibilities. While line managers consistently report higher engagement than non-managers[7] many face significant challenges.

No variations in manager engagement levels were evident across age, gender, or sexuality, but variations were seen across ethnicity, caring responsibilities, type of employment contract, and organisational sector:

- Managers from ethnically diverse groups and those with personal caring responsibilities (for children or adults) reported higher engagement
- Full-time managers had higher engagement than part-time managers
- Managers in the third sector reported the lowest engagement levels compared to other sectors

The CMI found that 82% of managers did not receive any formal training. Termed 'accidental managers', as a result, they felt underprepared and overwhelmed by management responsibilities (CMI, 2024).

The 2023 EFS annual survey found similar findings, highlighting the **positive impact of training**. Those who had received **training** reported:

- **9% higher** levels of **engagement**
- 11% higher belief that their **work was important**
- 9% higher belief in **meaningful** work
- 11% higher **confidence** in their management skills

However, only **one-third** of respondents stated that their organisations mandated management training, and **one-third** were offered **no training**. Those who did receive training did so after assuming the role, rather than as part of preparation. Managers in larger organisations were more likely to receive structured training.

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[7] See 2022 and 2023 EFS Annual Survey Reports

UNMANAGEABLE JOB STRESS, BULLYING, AND HARASSMENT OF LINE MANAGERS

Although line managers reported higher levels of engagement, they also experienced concerning patterns of **unmanageable job stress**, **discrimination**, and **bullying**, particularly among those with protected characteristics or long-term health conditions.

Findings suggest that line managers are experiencing significant challenges at work, which is harming their experiences of work:

- ▶ **16%** of line managers reported unmanageable job stress, compared to **10%** of non-managers
- ▶ Two-thirds of managers reported facing **unreasonable deadlines**
- ▶ The majority of managers felt that their opinions were **ignored**
- ▶ Two-thirds of managers believed they were instructed to act beneath their level of competence
- ▶ Half of the managers said they had **remained silent** about work-related concerns due to fear of negative consequences
- ▶ Two-thirds of managers felt nothing would change even if they did speak up
- ▶ Over half had experienced excessive monitoring

As previously reported in chapter five, respondents who experienced unmanageable job stress were more likely to view their job as 'just for the money' and less likely to find enjoyment in work. They were also less willing to 'go the extra mile' or support others during busy times. Engagement levels of those with unmanageable job stress were also 26% points lower than those without.

Incidents of **bullying** and **discrimination** were experienced by **13% of managers** and were more commonly reported in the public and third sector, and small to medium-sized organisations. The likelihood of experiencing bullying and discrimination was also higher among underrepresented or vulnerable groups:

When line managers lack the tools and motivation to lead, engagement declines. Supporting them and building their capability to foster engagement must be a strategic priority

- ▶ 21% of managers with a long-term health condition or neurodivergence experienced bullying or discrimination, compared to 11% without
- ▶ 20% of ethnic minority managers experienced bullying or discrimination compared to 12% of white managers
- ▶ 20% of managers who identified as LGBT reported incidents, compared to 12% of heterosexual managers

As noted, respondents who experienced bullying and harassment had **27%** lower levels of engagement.

LINE MANAGERS AS DRIVERS OF ENGAGEMENT

Line managers are not just operational supervisors; they create a positive employee experience (Young, 2024). Employees with high engagement levels consistently reported that their line manager:

- Supported their performance
- Set clear expectations and meaningful feedback
- Encouraged and invested in their development
- Treated employees fairly and equitably

However, many are promoted based on technical expertise or tenure rather than people management skills. Despite their pivotal role, fewer than half of managers are held **accountable** for engagement outcomes:

- Only **one-third** have employee engagement included in their **performance appraisal**
- Only **one-third** develop **action plans** with their teams in response to engagement survey results

While HR and Engagement Teams are often responsible for engagement survey scores, accountability lies with the line manager who impacts day-to-day experiences (Pass et al., 2018). In the absence of clear accountability, even well-intentioned and motivated line managers may prioritise immediate operational demands over longer-term engagement efforts - especially when under pressure.

Without the right structures and expectations in place, sustaining team engagement can be viewed as secondary rather than integral to the role. Competing priorities and growing workloads often leave little time for effective people management, leading many managers to either neglect these responsibilities or squeeze them in at the expense of their health (Bajorek, 2020). Time to lead and engage teams must be formally built into managers' roles and responsibilities.

LINE MANAGERS ARE CRUCIAL DRIVERS OF ENGAGEMENT BUT ARE RARELY ACCOUNTABLE FOR THE ENGAGEMENT OF THEIR TEAM.

MANAGERS REPORT HIGHER ENGAGEMENT THAN NON-MANAGERS, BUT ALSO HIGHER LEVELS OF UNMANAGEABLE JOB STRESS.

WHEN MANAGERS RECEIVE TRAINING AND SUPPORT, THEY HAVE HIGHER LEVELS OF ENGAGEMENT AND GREATER CONFIDENCE IN THEIR MANAGEMENT SKILLS.

7. THE FOUR ENABLERS OF ENGAGEMENT: FOUNDATIONS FOR A RESILIENT WORKFORCE

The Four Enablers of Engagement were established in the **MacLeod Report (2009)**, following extensive case study research.

STRATEGIC NARRATIVE
Visible, empowering leadership providing a strong strategic narrative about the organisation, where it's come from and where it's going.

ENGAGING MANAGERS
Engaging managers who focus their people and give them scope, treat their people as individuals and coach and stretch their people.

EMPLOYEE VOICE
Employee voice throughout the organisation, for reinforcing and challenging views, between functions and externally. Employees are seen not as the problem, rather as central to the solution, to be involved, listened to, and invited to contribute their experience, expertise and ideas.

ORGANISATIONAL INTEGRITY
Organisational integrity – the values on the wall are reflected in day-to-day behaviours. There is no 'say-do' gap. Promises made and promises kept, or an explanation given as to why not.

A key aim of the 2025 EFS annual survey was to test and validate the relevance of the four enablers in today's engagement context. A series of survey questions was developed, drawing from established measures, a detailed review of the original report, and extensive conversations with the co-authors of the *Engaging for Success* report, David MacLeod OBE and Nita Clarke OBE.

Analysis showed that all questions relating to the four enablers correlated strongly with the EFS Engagement Index and with established external measures of engagement, including the NHS Staff Survey, Civil Service People Survey, and the UWES-3.

> **Employees with high engagement consistently scored high across the 4 enablers – strategic narrative, engaging managers, employee voice, and organisational integrity**

Respondents in the top quartile of engagement levels scored highly on each of the four enablers.

Engagement level quartiles and the 4 enablers of engagement

Legend: ■ Bottom quartile ■ Mid-low quartile ■ Mid-high quartile ■ Top-quartile

Enabler	Bottom quartile	Mid-low quartile	Mid-high quartile	Top-quartile
Strategic Narrative	41%	63%	73%	85%
Engaging Managers	42%	62%	73%	81%
Employee Voice	41%	60%	72%	84%
Organisational Integrity	41%	63%	73%	86%
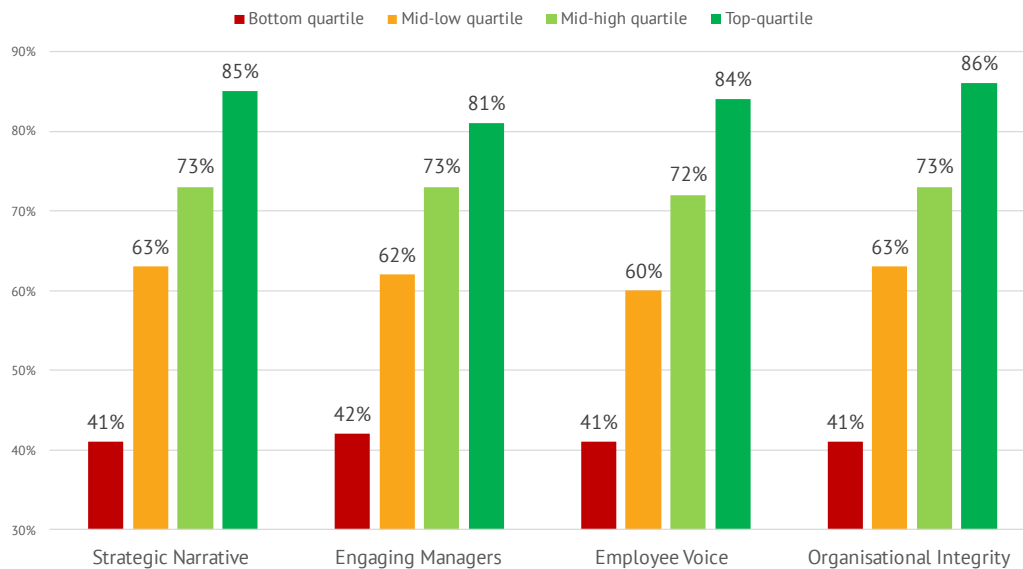
Following the analysis, one question representing each enabler was selected based on two criteria:

▶ Strength of correlation with engagement measures
▶ Practical usability for organisations wishing to use the four enablers

Each question (see below), individually and collectively, correlates strongly with all benchmark engagement indices.

Strategic Narrative
'Leaders in my organisation provide a coherent, compelling story about its vision, values, and goals'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

Engaging Managers
'My manager supports me to perform at my best'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

Voice
'My organisation actively seeks the views and ideas of employees, whenever possible'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

Integrity
'The values of my organisation are reflected in the day -to-day behaviours'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

For organisations wishing to benchmark the four enablers of engagement, the current UK average is:

- ▶ Strategic Narrative: 58%
- ▶ Engaging Managers: 72%
- ▶ Employee Voice: 61%
- ▶ Organisational Integrity: 66%

How to measure the four enablers of engagement and the questions used can be reviewed in Appendix 2.

IMPACT OF THE FOUR ENABLERS ON ORGANISATIONAL OUTCOMES

Respondents who scored highly across all four enablers were:

- ▶ More likely to consider their work as meaningful
- ▶ More likely to understand how their work contributed to their organisation's goals
- ▶ More likely to report having the resources needed to perform their role effectively
- ▶ More likely to state that their teams developed action plans in response to engagement survey results

These findings reinforce the ongoing relevance and critical importance of the Four Enablers.

THE FOUR ENABLERS OF ENGAGEMENT – STRATEGIC NARRATIVE, ENGAGING MANAGERS, EMPLOYEE VOICE, AND ORGANISATIONAL INTEGRITY WERE ESTABLISHED IN THE MACLEOD REPORT (2009).

THE 2025 EFS ANNUAL SURVEY TESTED THE FOUR ENABLERS AND FOUND A CLEAR CORRELATION WITH ENGAGEMENT.

INDIVIDUALS SCORING HIGH ON EACH ENABLER REPORTED HIGHER ENGAGEMENT AND PERFORMANCE.

8. THE ROLE OF POLICIES, PRACTICES, AND PERCEIVED SUPPORT IN DRIVING ENGAGEMENT

Across all EFS annual surveys, the presence of bundles of supportive policies and practices consistently had a positive impact on employee engagement levels. Offering options and variety was key. Organisations that provided a range of resources, even if not all were used, demonstrated greater perceived support and achieved higher engagement.

In the 2022 survey report, organisations were categorised based on the extent of their activity in shaping the employee experience.

Four classifications were used:

- ▷ **Passive:** Organisations providing only minimal support for employee development, involvement, engagement, and wellbeing
- ▷ **Modest (Level 1):** Organisations demonstrating some efforts to engage and support employees, but with limited consistency or breadth
- ▷ **Active (Level 2):** Organisations taking deliberate steps across multiple areas to develop, involve, support, and engage employees
- ▷ **Highly Active (Level 3):** Organisations consistently strive to provide a broad range of practices and resources aimed at developing, involving, supporting, and meaningfully engaging employees at all levels

Findings showed that during the pandemic, **passive** organisations offering minimal support for employee experience saw an **11% decline in engagement levels**. In contrast, **highly active** organisations, which proactively supported, involved, and engaged employees, saw only a **1% decline**.

Data collected in 2023 and 2024 reinforce this model, demonstrating that organisational actions have a measurable impact on employee engagement.

Engagement is consistently higher in organisations where multiple, coordinated engagement practices are embedded into everyday management

Number of practices and impact on engagement levels

Legend: Passive, Modest, Active, Highly Active

Category	Passive	Modest	Active	Highly Active
Wellbeing resources	55%	63%	68%	73%
Employee Voice	53%	57%	60%	68%
Learning and Development	47%	58%	67%	72%
Social Activities	52%	60%	71%	77%
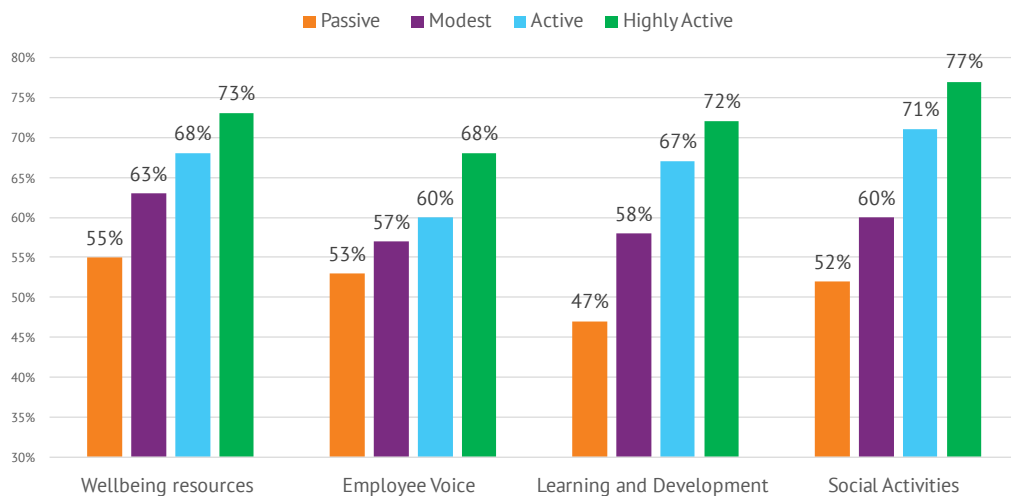
Data from 2023 annual survey

Importantly, many practices were low-cost or resource-light, such as:

- ▶ Signposting free training resources
- ▶ Organising social activities
- ▶ Providing access to health and wellbeing support and resources
- ▶ Creating opportunities for employee voice

The impact was driven by the availability of practices, not necessarily their uptake. For example, online counselling support positively influenced engagement during the pandemic, even though many employees reported not using the service. This finding highlights the importance of perceived organisational support—knowing support is available when needed builds trust and strengthens engagement, regardless of actual usage.

For more details around specific practices examined, variations in engagement around frequency of use, and their overall impact on engagement, see the Engage for Success 2022 and 2023 annual survey reports (Pass et al., 2022; Pass et al., 2023).

ACTION PLANNING AND ITS IMPACT ON ENGAGEMENT

Organisations frequently focus their engagement strategies on a single annual survey. While the survey may generate reports and recommendations, limited action typically follows between survey cycles. The gap between measurement and meaningful change is largely driven by a lack of accountability, dedicated resources and time, undermining the potential impact of engagement initiatives.

Action plans are key to embedding engagement programmes and activities. However, **action plans** are infrequently used. Only 11% of respondents reported that their team always completed action plans after engagement surveys, and **19%** of respondents stated that their team **never** completed action plans.

Action plans and their impact on engagement levels

Never: 50%
Sometimes: 56%
About half the time: 63%
Most of the time: 73%
Always: 83%
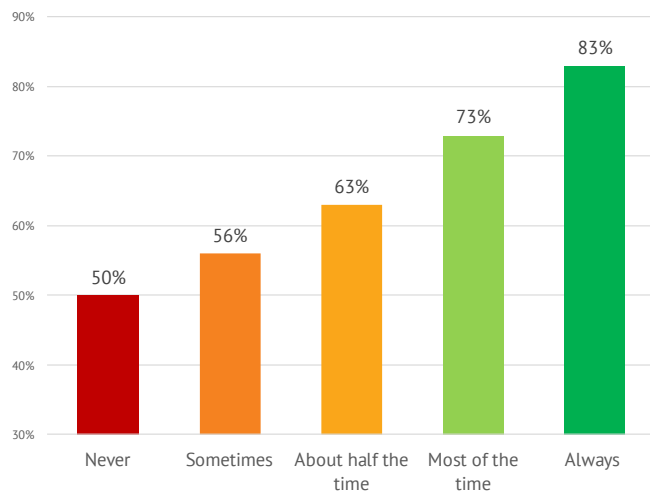
Team action plans have a positive impact on engagement levels. There is a **33% difference in engagement levels** between respondents who stated that their team never develops action plans in response to survey results and those who do.

Engagement with action planning varied across groups.

Respondents with higher personal income, on full-time contracts, or in managerial roles were more likely to complete action plans. In contrast, respondents from SMEs, those identifying as LGBT, and individuals over 55 years were less likely to report that their teams completed action plans in response to survey results.

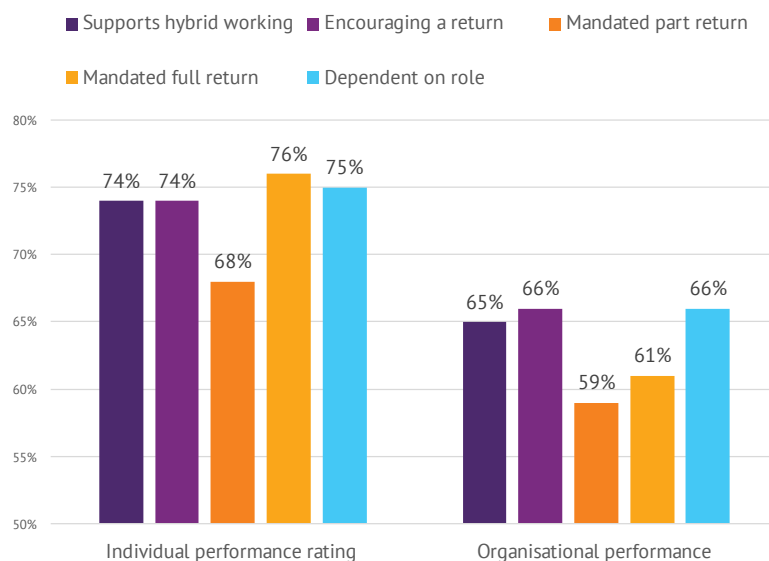## HYBRID WORKING AND EMPLOYEE ENGAGEMENT

Since 2022, the EFS annual survey has explored the impact of hybrid working on employee engagement. While findings from the 2024 survey show shifts in the degree of support around hybrid working, its impact on engagement levels remains consistent.

Between 2023 and 2024, there was a **16% decrease** in organisations actively supporting hybrid working. However, this decrease did not correspond to a significant increase in organisations mandating full-time return to the workplace. Instead, more respondents reported increases in working arrangements assessed according to the role.

Findings consistently show a strong link between hybrid working and employee engagement:

- ▶ Employees in organisations supporting **hybrid** working reported **12% higher engagement** compared to those in organisations mandating a full return to the office

Individual performance and hybrid working

Legend: Supports hybrid working | Encouraging a return | Mandated part return | Mandated full return | Dependent on role

Individual performance rating:
- Supports hybrid working: 74%
- Encouraging a return: 74%
- Mandated part return: 68%
- Mandated full return: 76%
- Dependent on role: 75%

Organisational performance:
- Supports hybrid working: 65%
- Encouraging a return: 66%
- Mandated part return: 59%
- Mandated full return: 61%
- Dependent on role: 66%

- Employees in organisations supporting hybrid working were more likely to rate their organisation's performance positively compared to competitors

Some sector differences were evident:

- Public sector organisations were the most likely to mandate a full return to the workplace and the least likely to support hybrid working, consistent with 2023 findings
- SMEs, particularly those with fewer than 50 employees, were less likely to support hybrid working compared to larger organisations

Additional employees in hybrid supportive organisations reported:

- Higher levels of organisational commitment, advocacy, and job satisfaction
- Greater belief that senior leaders and line managers prioritised people issues in decision-making
- Higher scores across all four enablers of engagement

Employees with long-term health conditions and those who identified as neurodivergent also showed significantly higher engagement levels when working for organisations that supported hybrid working.

Notably, there was no difference in engagement between employees whose organisations mandated a return to the place of work and those that 'encouraged' it – indicating that from the employee's perspective, the distinction makes little perceived difference.

Interestingly, the lowest engagement levels were observed among employees in organisations that mandated a part-time return to the workplace, suggesting that inconsistent or unclear approaches to hybrid working may have a negative impact on engagement.

ORGANISATIONS THAT SUPPORT AND DEVELOP THEIR EMPLOYEES THROUGH BUNDLES OF POLICIES AND PRACTICES – SUCH AS WELLBEING, DEVELOPMENT, RECOGNITION, COMMUNICATION, AND SOCIAL ACTIVITIES – REPORT SIGNIFICANTLY HIGHER ENGAGEMENT.

ACTION PLANS DEVELOPED AT TEAM LEVEL IN RESPONSE TO SURVEY RESULTS SIGNIFICANTLY IMPACT ENGAGEMENT LEVELS.

EMPLOYEES IN ORGANISATIONS THAT SUPPORTED HYBRID WORKING REPORT HIGHER ENGAGEMENT LEVELS.

9. RECOMMENDATIONS

Drawing on insights from the 2025 EFS Annual Survey, the following recommendations set out practical, evidence-based actions for employers, policymakers, and organisational leaders to strengthen employee engagement and address the key challenges identified in this report.

Prioritising people issues as a strategic imperative

- People issues – including engagement, wellbeing, and inclusion – must be treated as fundamental business priorities, not secondary HR concerns
- Government and business leaders must elevate people issues to the same level of strategic importance as financial, operational, and regulatory priorities
- Organisations should formally integrate people priorities into leadership accountability frameworks, ensuring that people-related outcomes are measured, monitored, and tied to performance evaluations and strategic planning

Employee engagement needs to be a workforce priority

- Recognition of employee engagement as a key lever in improving labour market resilience, reducing economic inactivity, and driving productivity growth
- Organisations should embed engagement as a core part of their leadership and operational strategies, linking it to organisational success
- Engagement should be treated as an ongoing process, not a once-a-year activity. The annual survey should serve as a checkpoint – supporting continuous engagement efforts throughout the year

Strengthen Line Manager capability and accountability

- Organisations must equip managers with skills to lead, engage, and support their teams.
- Engagement outcomes should be part of manager appraisal and reward structures
- Ensure new managers receive training before stepping into the role, not only afterwards.
- Line managers must be given dedicated time within their workload to effectively manage and support their teams.
- Managing people needs to be recognised as a core responsibility

Support for employees with health conditions and neurodivergence

- Organisations must foster psychologically safe environments where disclosure is encouraged, stigma reduced – recognising that perceived support is as critical as actual use
- Ensure reasonable adjustments are proactively discussed and easily accessible.
- Train managers to recognise and respond appropriately to non-disclosure or hidden needs
- Build a culture of empathy and awareness

Act on employee feedback

- Organisations must not only collect engagement data but also act on it
- Ensure that managers and teams co-create localised plans based on survey findings

- Require clear accountability for responding to feedback and reporting progress to employees
- Use feedback as a strategic insight tool

Apply an intersectional approach to engagement

- Organisations must recognise the engagement challenges faced by differing groups of employees.
- Analyse engagement data to examine different employee experiences to help identify areas of engagement need
- Invest in improving autonomy, decision-making influence, and support for all levels.
- Include employee network groups in the design of engagement strategies to ensure diverse voices shape solutions

Prioritise mental health and reduce presenteeism

- Both the government and organisations need to address mental health stigma at work and provide incentives to prioritise wellbeing.
- Create policies that support employee wellbeing and psychologically safe environments
- Review policies to prevent presenteeism and support recovery.
- Encourage open conversations about mental health and model this from senior leadership

Building a resilient, productive workforce requires government and employers to view engagement and people issues not as a 'soft' issue, but a strategic essential for national economic success. A proactive approach, embedding good people practices at every level, is critical to securing Britain's workforce sustainability and future growth. Failure to prioritise people issues risks deepening workforce disengagement, exacerbating economic inactivity, and undermining national productivity.

For more information and to access a range of practical tools, case studies, podcasts, and expert advice, visit the Engage for Success website: www.engageforsuccess.org

RESEARCH TEAM

DR SARAH PASS (CO-PROJECT LEAD)

Nottingham Business School (NTU) and EFS Advisory Board Member

JAMES COURT-SMITH (CO-PROJECT LEAD)

Stillae Ltd and EFS Advisory Board Member

NITA CLARKE OBE

Involvement and Participation Association (IPA) and EFS co-founder and Advisory Board Member

DAVID MACLEOD OBE

EFS co-founder and Advisory Board Member

DR YU-LING LUI-SMITH

Nottingham Business School (NTU)

SERBAN POPESCU

Stillae Ltd

For information related to this report and to the Engage for Success Annual Engagement survey, contact Dr Sarah Pass at sarah.pass@ntu.ac.uk

Anonymised survey data and associated documentation are available upon request from the NTU Data Archive for research purposes, at https://doi.org/10.17631/rd-2023-0002-ddat

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APPENDIX 1: HOW TO CALCULATE THE EFS ENGAGEMENT INDEX

The Engage for Success (EFS) Engagement Index was established in 2022 to provide a straightforward and consistent measure of employee engagement across the UK workforce. Designed as a national benchmark, the index helps identify engagement metrics to examine areas of best practice and those of concern.

While not intended to replace existing organisational models or methodologies, the EFS Index offers an accessible approach for organisations seeking to begin measuring engagement and a useful benchmarking tool for those already collecting engagement data.

There is currently no standardised, accessible method that allows for consistent, cross-sector benchmarking. The EFS Engagement Index fills this gap by offering a simple, comparable measure that captures essential aspects of engagement across the workforce.
The Index is based on three key questions:

EFS Employee Engagement Index

| Overall Satisfaction | Overall, how satisfied are you with your organisation as a place to work?
5-point scale from Very Dissatisfied (1) to Very Satisfied (5) |
| Loyalty | I plan to be working for my organisation three years from now
5-point scale from Strongly Disagree (1) to Strongly Agree (5) |
| Advocacy | I would recommend my organisation as a great place to work
5-point scale from Strongly Disagree (1) to Strongly Agree (5) |

**Simple average across the 3 questions
Converted to % to make it more intuitive
Used as a benchmark**

Combined, these provide a simple, robust engagement score, enabling detailed exploration of patterns and differences across sectors, demographics, and organisational contexts.

The EFS Index has been tested against established practitioner and academic measures, including the NHS Staff Survey, Civil Service People Survey, UWES-3, and ISA, and consistently shows a strong correlation. This cross-validation confirms that insights drawn from the EFS annual survey are robust across multiple engagement measurement frameworks.

The following example shows how to calculate the EFS Engagement Index

$$\frac{\text{Satisfaction\%} + \text{Loyalty\%} + \text{Advocacy\%}}{3} = \text{EFS ENGAGEMENT INDEX \%}$$

For example:
- 68% (overall satisfaction) + 55% (loyalty) + 63% (advocacy) = 186.
- Divided by 3 to get an average across all three questions = 62%

This gives an Employee Engagement Index of 62%.

Alternatively, the mean scores can be averaged first, with the result then converted to a percentage.

APPENDIX 2: HOW TO CALCULATE THE FOUR ENABLERS OF ENGAGEMENT

Measuring the four enablers of engagement follows the same process as using the EFS Engagement Index.

Calculate the average score from each question on the 5-point scale.

Convert each question into a percentage (see Appendix 3).

Strategic Narrative
'Leaders in my organisation provide a coherent, compelling story about its vision, values, and goals'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

Engaging Managers
'My manager supports me to perform at my best'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

Voice
'My organisation actively seeks the views and ideas of employees, whenever possible'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

Integrity
'The values of my organisation are reflected in the day -to-day behaviours'
5-point scale from Strongly Disagree (1) to Strongly Agree (5)

APPENDIX 3: HOW TO CONVERT YOUR MEAN (AVERAGE) SCORE INTO A PERCENTAGE

HOW TO CONVERT YOUR MEAN SCORE INTO A PERCENTAGE

Discussing a percentage can often be more intuitive than using a mean score. It is also easier to compare. To convert your mean score into a percentage, requires a straightforward equation. There are several online resources that will explain the theory behind how to do this, but just shows you how.

If using a rating scale of 1-5, your mean (average) score will be a number between this range - for example, 4.20. To convert this figure, you need to minus the number by 1 (3.20), then divide that number by 4 (0.80). Finally, multiply the number by 100 to change it into a percentage (80%).

Fig 13.1 shows the different scale points and the equivalent percentage. For example, your mean score of 4.00 would be reported as 75%.
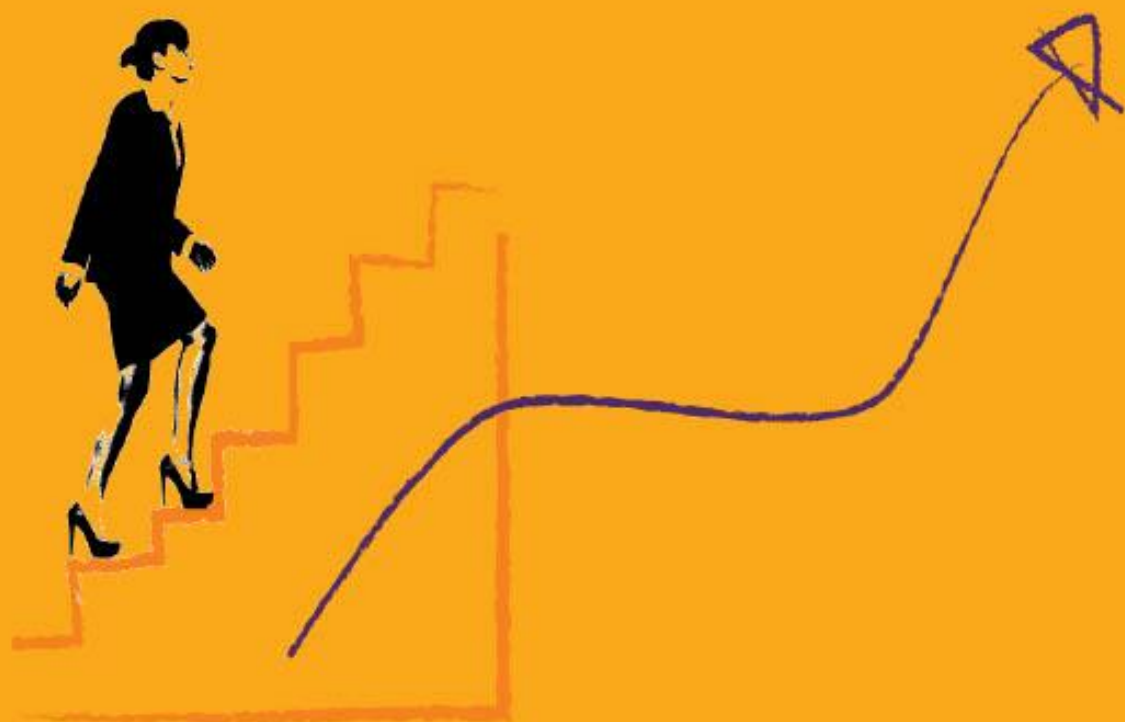
FIG 13.1 EXAMPLE: MEAN SCORE AS A PERCENTAGE FIGURE

	STRONGLY DISAGREE	**DISAGREE**	**NEITHER**	**AGREE**	**STRONGLY AGREE**
Scale#	1	2	3	4	5
	Minimum possible		Mid-point		Maximum possible
MEAN	1.00	2.00	3.00	4.00	5.00
%	=0%	=25%	=50%	=75%	=100%

To convert mean scores (using a scale of 1-5) into a percentages, use the following equation:
For example: A mean score of 4.20 converts to a percentage as follows:

The above example is for a 1-5 point scale. If using a 7-point scale (e.g. 1 to 7), the equation is (Mean – 1), then divided by 6. Then convert this figure into a percentage by multiplying by 100. There is nothing to remove in step 1) for scales beginning at zero such as with eNPS. To convert a mean score that used such a 0-10 scale into percentages, the equation is: mean divided by 10 (displayed as %).