

## **Questioning the claim that only 32% of employees are engaged: lies, damn lies, & statistics**

Steven T. Hunt, Ph.D.

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A common assertion found in many human resource (HR) presentations and articles is that most employees are disengaged from work. This claim is typically used to justify investment in Human Capital Management (HCM) solutions. And it often references a statistic that only 32% of US employees are engaged. While I believe companies should invest resources in improving employee engagement, the data scientist in me recoils every time I see this 32% engagement number because it is a highly questionable statistic.

### **Where did this number come from?**

The claim that only 32% of employees are engaged can be traced to a 2016 article called the [Worldwide Engagement Crisis](#). This article does not clarify how the statistic was determined other than saying “engaged employees are involved in, enthusiastic about and committed to their work and workplace. [Workers are categorized] as “engaged” based on their responses to key workplace elements. Results are based on telephone interviews with approximately 1,500 national adults who are employed for an employer”.

The article was written by a well-known, reputable survey company. So why question the “32% engagement” claim? The cynical reason is because this company sells solutions designed to increase employee engagement. One way to sell a solution is to convince people they have a problem. One could argue it is in the company's interest to generate statistics that suggest we have an engagement crisis that needs to be addressed. The empirical reason is because other well-known, reputable survey companies estimate average employee engagement to be around 66%, which is far higher than 32%[\[1\]](#).

### **Lies, damn lies, and statistics**

The 2018 Conference for the Society for Industrial-Organizational Psychology ([SIOP](#)) included a panel session called “Engagement Mythbusters” that examined this claim that most employees are disengaged. The session featured data scientists who studied employee engagement at several organizations including CEB/Gartner, Predictive Index, Microsoft, Intel, Glint, IBM Kenexa, Genesee Survey and the Mayflower Group. All the panelists were major players in the field of employee engagement surveys.

The panel suggested statistics showing most employees are disengaged are probably based on a very narrow classification of engagement. Engagement is typically measured with rating questions such as “on a five-point scale where 1 is strongly disagree and 5 is strongly agree, how do you rate the following statement: my company is a great place to work?” An employee's engagement is based on how they rate statements about the meaningfulness and value of their work. But it is up to the person analyzing the data to decide at what point an employee is actually considered to be “engaged”. Most companies classify employees as engaged if they respond positively to statements about engagement even if they do not always give the highest rating (e.g., 4s and 5s on a five-point scale). Using this definition of engagement, the panelists found that about 66% of employees are engaged. This was based on analysis of five independent engagement surveys representing data from several million employees across a range of industries and companies. The panelists noted that average engagement does drop below 30%

if employees are only considered to be engaged if they give the highest possible ratings (e.g., 5s on a five-point scale).

If being an engaged employee means feeling committed to your organization and enjoying your job, but not necessarily loving everything about work, then about 66% of employees are engaged. If being an engaged employee is limited to people who are extremely positive and enthusiastic about every aspect of work, then the number of engaged employees drops below 30%. I suspect many of us are engaged based on the first definition, not but not the second. Furthermore, there is research showing potential downsides to [employees being extremely engaged](#). Employees who are overly passionate about their jobs can be excessively sensitive to work problems as result of having unrealistic expectations about what their company can and should do to fulfill its mission and values.

### **Your data may not reflect my reality**

Another potential issue with the 32% engagement statistic is it is based on sampling the general public. The article does not indicate what jobs were used to calculate this statistic, but it is likely many of the employees work in small company environments that are very different from those found in large organizations. Companies that employ hundreds or thousands of employees have dedicated HR functions focused on creating safe work environments, reasonable employment expectations, and rewarding jobs. Managers in these companies are given at least some basic level of guidance and oversight to ensure they treat employees in an appropriate manner. Larger companies also tend to [provide better pay and benefits](#) than very small companies. The work experience of employees in large companies is likely to be quite different from employees who work in small companies that have no dedicated HR function, few well-established managerial guidelines, and smaller compensation budgets. The low engagement levels found in this study could be a result of sampling employees who work in small companies that do not typically conduct engagement surveys.

There are problems with trying to interpret average employee engagement statistics based on combining data from people who work in radically different job conditions. Should we expect similar levels of engagement from an engineer with years of experience working in a global company for \$200,000 per year and a dishwasher who has worked for 6 weeks in a temporary job at a local family run restaurant for \$10 an hour? What sort of insight do we get from comparing engagement levels of computer programmers with engagement levels of parking lot attendants? It would be misleading to draw inferences about any single company's likely engagement levels based on this 32% statistic given the diverse data sample it came from.

### **A convenient myth**

Sharing a statistic that says only 32% of employees are engaged implies that all businesses are likely to have similarly low engagement levels that could be improved with better HCM practices. Since this statistic bolsters the argument for better HCM, many HCM professionals have embraced it rather than question its validity. It is a convenient myth that justifies the value of HCM solutions. The problem is the 32% statistic is not an accurate estimate of the actual employee engagement levels found in most companies. Since it does not reflect the experiences business leaders are having in their own organizations, business leaders are likely to question its accuracy even if they do not openly say so. One can argue about the ethics of using statistics to sell solutions without verifying their accuracy. But moral issues aside, using statistics like this damages the field of HR as a whole. [HR does not have a strong reputation among business leaders as being a rigorous, analytical field](#). When HR vendors and practitioners share statistics that inaccurately represent the true state of the workforce, it undermines the credibility of our profession. HR needs to be more data oriented. And a key part of being data oriented is ensuring the statistics we use are accurate and appropriately presented.

Rejecting the statistic that only 32% of employees are engaged does not imply companies should not be concerned about engagement. A more accurate number suggests about 65% of employees are engaged. That means around a third of the workforce disengaged. That is a lot of underutilized headcount. And levels of engagement are far lower for employees in many jobs and organizations. However, the best way to spur companies to take action to improve engagement does not involve showing statistics from the internet. What it involves is taking time to understand and accurately describe the unique engagement challenges affecting the specific companies we serve. And then [demonstrating how our solutions and expertise can help companies overcome these challenges](#).

[1] Mastrangelo, P. M., Barnett, G., Fink, A., Jolton, J. A., & Weiner, S. (2018). Engagement mythbusters: challenging the credibility of five common claims. 33rd Annual Conference of the Society for Industrial and Organizational Psychology, Chicago, Illinois.