

Employers' perceptions of employee engagement may differ from reality

The mismatch may be due to a lack of worker sentiment surveys in recent years, according to a Gallagher report.

Published Oct. 16, 2023

By Carolyn Crist



According to the Gallagher report, only 4 in 10 employers provide their employees with support in developing and pursuing a career path. *filadendron via Getty Images*

Listen to the article 4 min

More than half of employers agree (49%) or strongly agree (9%) that their employees are highly engaged, which may not match up with reality, according to Gallagher's 2023 Career Wellbeing Report.

For instance, about 38% of employers increased the importance of career well-being at their organizations this year, marking a 5-point year-over-year increase. However, career well-being was the least emphasized well-being initiative in 2023, falling behind employees' emotional (74%), financial (49%) and physical (47%) well-being.

“When employers provide their employees with clearly defined career trajectories, their workforces are more engaged, retention rates climb and, most importantly, business outcomes improve,” William Ziebell, CEO of Gallagher's employee benefits and HR consulting division, said in a statement.

According to the report, only 4 in 10 employers provide their employees with support in developing and pursuing a career path. “That means there’s significant room for improvement,” Ziebell said.

Using data and insights from 4,030 U.S. organizations, the report indicated that only 51% of employers have conducted an in-depth employee engagement survey during the past two years. This could mean half of employers don’t have accurate perceptions of employees’ feelings.

Pulse surveys — or abbreviated questionnaires, which became more prevalent during the pandemic as employee needs, wants and concerns shifted quickly — may provide an incomplete picture of a complex variable such as employee engagement, according to the report. Employers may need to use annual surveys to better understand organizational strengths and weaknesses.

For example, nearly every employer (93%) said their organization takes a deliberate approach with internal communication, but only 23% said they’ve implemented a comprehensive internal communications strategy. Employee engagement is often tied to communication from leadership, according to the report, particularly related to business strategies and people priorities.

In addition, about half of employers (53%) rated their employees’ understanding of compensation and benefits as excellent or good, which provides another avenue for improvement in communication. About 74% said they increased their emphasis on communicating about compensation and benefits this year. This can help employees to worry less and be more productive, according to the report, especially in an uncertain economy.

Listening to employees, connecting with them and communicating effectively can help improve the downward trend in employee engagement. Meaningful conversations around goals, customer service, well-being and recognition can be particularly helpful, according to a Gallup report.

Regular weekly conversations among workers and managers can also bring attention to the concerns expressed by the 58% of workers who have indicated an interest in making a career change this year. Employees named flexibility, a healthy working environment and being valued as top priorities, according to the FlexJobs report, as compared to the benefits and stability highlighted in last year’s survey.