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How employee engagement with social programmes (CSR) increase the attraction and retention of talent in the UK companies?

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Executive Summary

Purpose: The current project has aimed to uncover the underlying constructs of employee engagement and specify the ways in which it links with CSR. Based on the connections identified, the research seeks to provide real evidence on how employee participation in CSR affects the overall engagement, attraction and retention of talent in the organisations in the UK.

Methodology: Taking interpretivist stance, the research has utilised the following data-bases: EBSCO, Emerald and ProQuest through the search service – Locate, to obtain access to peer-reviewed journals – ensuring the reliability of the secondary data. Additionally, industrial sources such as Forbes, Deloitte, Aon Hewitt and CIPD etc. were used for gathering data. The data gathered has been analysed with the help of the theories discussed in the literature review, namely: SDT and compared with industrial sources to strengthen reliability of interpretation.

Findings: The research has confirmed that CSR programmes has positive effects on the overall employee engagement. It has been revealed the engagement score of organisation being significantly higher to the country average, of those, who provided greater autonomy to own employees in “steering” the direction of CSR. It has had a positive impact on both recruitment and retention, where the most stand-out CSR activity was volunteering – demonstrating highest engagement and allowing for the development of skills.

Value: The research has contributed towards bridging the gap of knowledge on the relationship between CSR and employee engagement, highlighting how theory meets the practice in the UK – where research on the topic is scarce. Some valuable insights were provided into what are the drives for the adoption of CSR and what effect has it had on organisations surveyed.

KindLink

The project has been carried out while working for the KindLink – a company which aims to solve the issue of transparency and trust in the social impact sector and helping business to make a difference and improve own external and internal branding. The company provides free payroll charge, cloud-based software for charities, and CSR management system for the corporates, allowing them to measure and see the difference their business is making and streamline employee engagement via social impact programme, allowing employees to support what they really care for. At a glance, in 2 years of operations over 450 charities now run on KindLink.



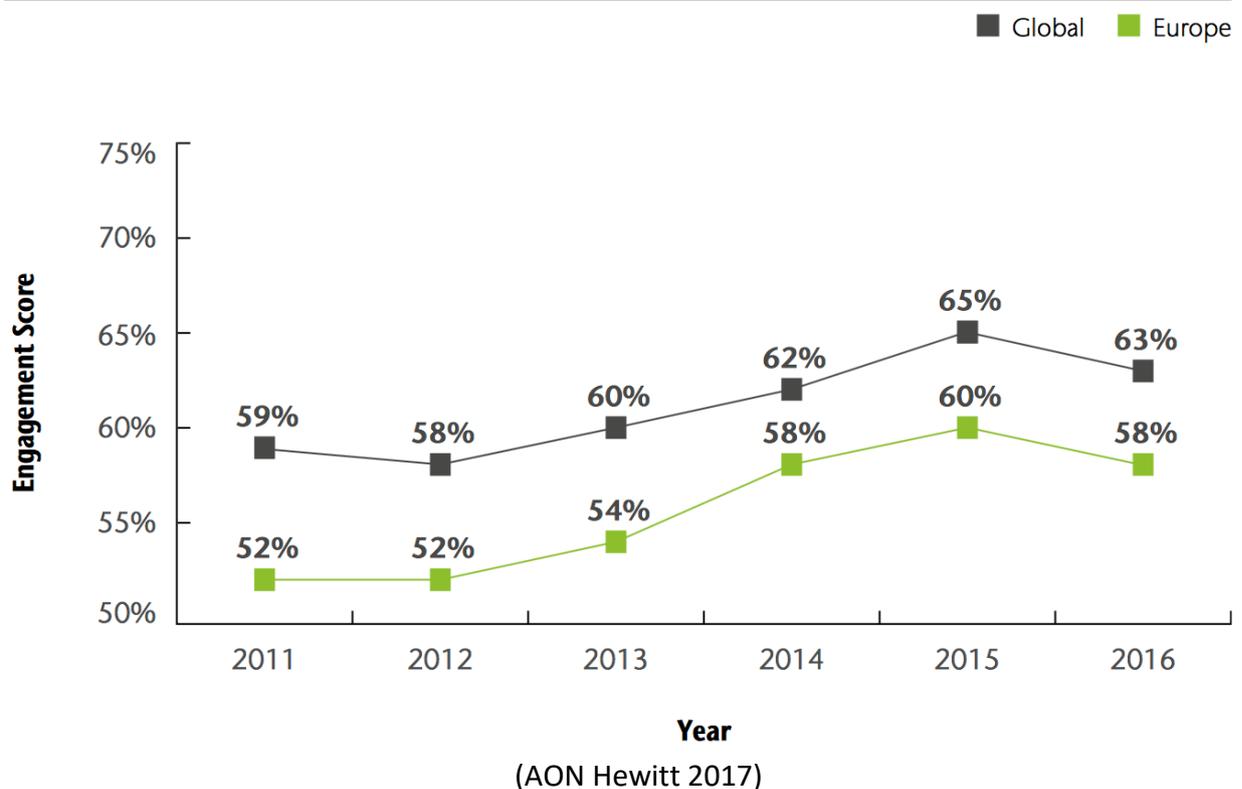
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Introduction

In the current competitive environment, the enterprises are challenged to compete for the talent of today and tomorrow and finding new ways to engage own workforce benefiting from the [perks it brings](#). The recent industrial data suggests that employee engagement in Europe has seen a considerable decline:

Employee Engagement: Europe vs The World



Moreover, combining this with the that younger employees, particularly millennials, are looking for purpose (The Millennial Impact Report 2017) and have a far shorter tenure for employment than any other generation, with only 36.6% staying at the job for 11 months or less (Alton 2017), resulting in increasing turnover rates, as employers are failing to address their needs. The cost implications of that are significant: it costs \$20 - 30 thousand to replace the employee, (Merhar 2016) and on the other side of coin: rising turnover could also affect the morale of your current employees, leading to a decrease in productivity (Alton 2017).

Such trends put employers into the difficult position, as they struggle to engage, attract and retain a talented workforce - which not only threatens vitally important to the health of organisation metrics such as sales, but also the overall level of productivity. It therefore presents the challenge to organisations to look out for newer ways to develop, maintain and retain an engaged workforce. According to respectable academic and industrial sources CSR could provide the organizations with an opportunity to catch on this trend of declining engagement and retention levels, which on its turn could be of assistance in capturing the hearts and minds of employees and customers, reducing turnover intentions and improving firm performance (Mc Kinsey 2009; Hansen et. al. 2011; CIPD 2015; Deloitte 2016).

Even though there are numerous sources which support the positive relationship between CSR and employee engagement, there is a gap in understanding of the foundations of employee engagement and therefore its meaning, which reveals another gap: the data on how employee engagement is connected to the CSR. Additionally, the industrial and academic evidence on how CSR activities affect the attraction and retention of employees, especially in the UK - is limited. Therefore, this research intends to contribute towards bridging this gap, with the main question to be the following:

How employee engagement with social programmes (CSR) increase the attraction and retention of talent in the UK companies?

The objectives of the study are:

- Evaluate the perspectives on employee engagement and propose a definition
- Determine the ways in which CSR can be an antecedent to employee engagement
- Critically evaluate the extent to which CSR is an effective workforce-engagement tool in the UK companies
- Examine, how participation of employees in CSR affects the attraction and retention of talent in the UK organisations;

Literature Review

The topic of employee engagement has been in the focus of management over the last decade (CIPD, 2017). One possible explanation of that, are the outcomes of engaged employees - desired by organisations. When employees are engaged they will be more productive, profitable, and less likely to be absent, and more likely to work harder for their companies, generating greater consumer satisfaction and therefore greater revenue (Ferreira *et.al.* 2014).

Despite the growing attention and popularity towards the topic and the availability of multiple differential approaches and definitions, there is an apparent lack of understanding of the constructs of employee engagement. As pointed out by Ferreira *et.al.* (2014) employee engagement is sometimes mistaken with involvement and commitment, which highlights that the understanding of the meaning of the phenomena is underdeveloped and unclear (Valentine *et.al.*, 2015). On its turn, it poses a significant challenge for practitioners, in finding ways to facilitate engagement in employees (Bakker *et.al.* 2012).

Defining employee engagement

As pointed out by Valentin *et.al.* (2015), the literature attempting to define employee engagement, has been ambiguous due to the multitude of definitions available and the complexity of determining which of the approaches has been followed. However, for the purpose of this paper, it is vitally important to devise a clear and unifying definition of employee engagement. Khan (1990), being among the first to publish the early theoretical frameworks for employee engagement, have suggested a definition:

"...personal engagement is the simultaneous employment and expression of a person's "preferred self" in task behaviours that promote connections to work and to others, personal presence, and active full role performance." Based on the need-satisfaction approach, it was considered as a "foundational definition" for the construct of employee engagement (Shuck, 2011; Valentin *et.al.* (2015); CIPD (2017); Ferreira *et.al.* (2014)).

Macey *et.al.* (2009), from the perspective of multi-dimensional approach have defined the phenomena as:

"an individual's sense of purpose and focused energy, evident to others in the display of personal initiative, adaptability, effort, and persistence directed toward organizational goals" which is characterised as *"purpose and focused energy directed towards achieving organisational objectives"*.

As summarised by Valentine *et.al.* (2015) Such definitions allow us to outline two main characteristics identified by the literature about employee engagement:

1. a positive and energized work-related motivational state;
2. a willingness to contribute to work role an organisational success

To further enhance the understanding of the constructs of employee engagement, Valentine *et al.* (2015) have provided a systematic overview of scholarly work on employee engagement, determining the perspectives, outcomes of the definitions proposed.

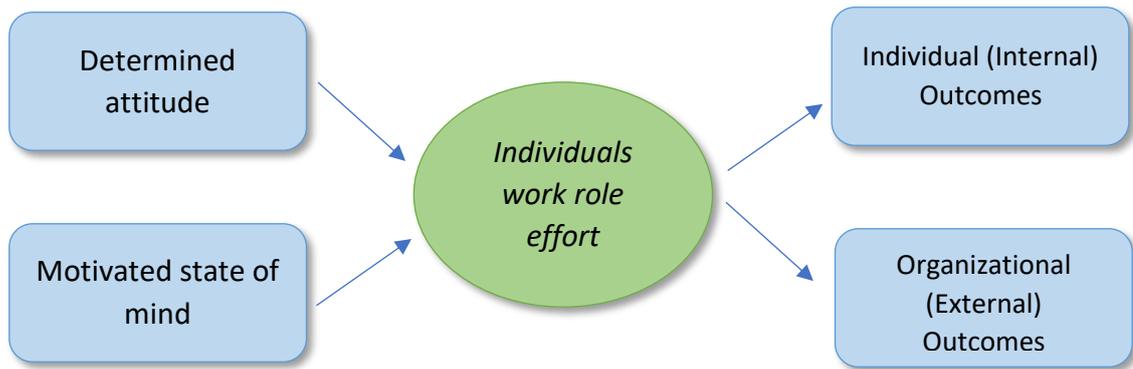
(Valentine *et al.* 2015)

Evolutionary timeline of the characteristics of employee engagement crossing all lenses of employee engagement

Scholar, year	Theoretical lens	Key characteristics	Outcomes/desired results	
			Internal	External
Bakker <i>et al.</i> (2011)	Unclear	Positive attitude and high activity levels Enthusiasm and high association with their job	Positive attitude Enthusiasm	High activity level
Albrecht (2010)	Unclear	A positive, energized work-related motivational state	Enthusiasm	Invest-focused effort toward organizational goals
Zigarmi <i>et al.</i> (2009)	Employee work passion Approach	A genuine willingness to contribute to work role and organizational success An individual's persistent, emotionally positive, meaning-based, state of well-being stemming from reoccurring cognitive and affective appraisals of various job and organizational situations that result in consistent, constructive work intentions and behaviors	Energy Emotionally positive Meaning-based State of well-being	Consistent Constructive work intentions and behaviors
Shuck and Wollard (2009)	Need-satisfaction approach	An individual's cognitive, emotional and behavioral state	Focused on organizational outcomes	None specified
Macey <i>et al.</i> (2009)	Unclear	An individual sense of purpose and focuses energy	Initiative Adaptability Effort	Persistence toward organizational goals
Saks (2006)	Multidimensional approach	Cognitive, emotional, and behavioral components associated with individual role performances	Active emotions	Role performance
Schaufeli <i>et al.</i> (2002)	Anti-thesis of burnout approach	Positive fulfilling, work-related state of mind. Characterized by: vigor, dedication, absorption	Need satisfying abilities Willingness to invest effort Dedication Being fully concentrated and deeply engrossed in ones work	None Specified
Harter <i>et al.</i> (2002)	Satisfaction-engagement approach	The individuals involvement, satisfaction, enthusiasm for work	Employee satisfaction	Customer satisfaction Productivity Profit Employee turnover Accidents High levels of activation
Maslach <i>et al.</i> (2001)	Anti-thesis of burnout approach	High levels of activation and pleasure	Pleasure	High levels of activation
Kahn (1990)	Need-satisfaction approach	Expression of a person's "preferred self" in task behaviors	Promote connections to self and others	Active, full role performance

Upon examination of the evolutionary timeline, the characteristics of the mentioned phenomena have developed from Kahn's (1990) "expression of a person's preferred self" to Maslach *et al.* (2001) "having high levels of satisfaction" and after, having work-related "state of mind", expressed as vigour, dedication, and absorption (Schaufeli *et al.*, 2002; Ferreira *et al.*, 2014); then evolving to sense of focused energy, characterized by initiative adaptability, effort and persistence (Macey *et al.*, 2009). Further evolving into a "cognitive and emotional behavioural states" directed toward the needed organisational outcomes (Shuck & Wollard, 2009), followed by "positive and energized work-related motivational state" (Albrecht, 2010), then finally leading toward having a positive attitude and high "levels of activity" while being highly enthusiastic and experiencing work-relatedness (Bakker *et al.*, 2011).

In contrast to all of the scholars cited Bhattacharya *et al.* (2008) have argued that employee engagement could be characterised by its *internal* and *external* outcomes. Valentine *et al.* (2015) have argued that internal outcomes are of a "paramount" importance as they refer to the benefits an individual will enjoy through a more engaged frame of thinking and behaving, which are directly linked to intrinsic motivation. Nonetheless, internal outcomes relate to employee's "frame" of thinking and external outcomes - related to behaviours.



(Kahn 1990; Ryan and Deci 2000; Valentine *et.al.* 2015)

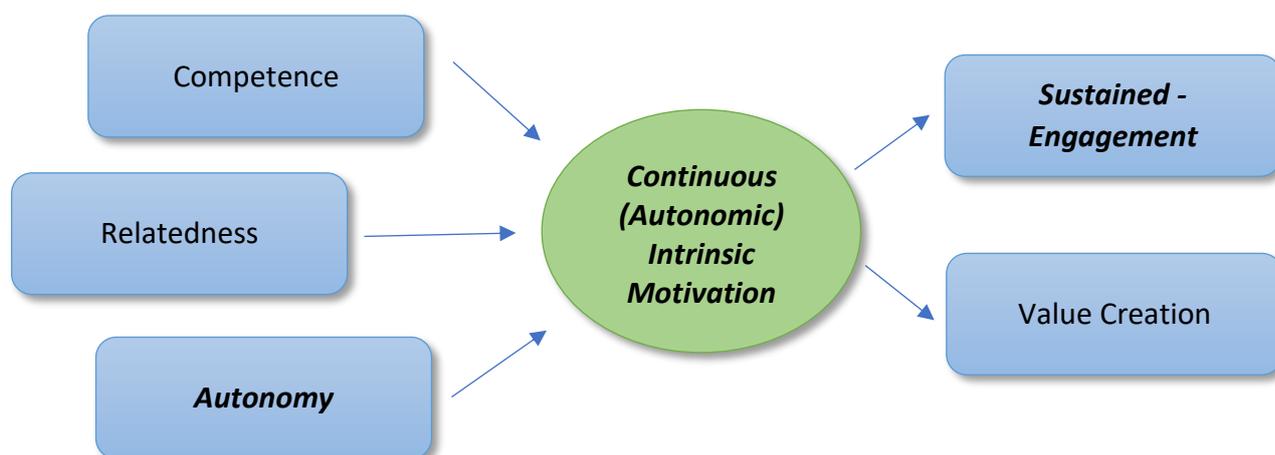
From the considerations above, the employee engagement could be defined as: “*Having both determined attitude and motivated state of mind toward an individual’s work role - resulting in individual (internal) - and organisational (external) - related positive outcomes*” which is an adaptation of Valentine’s *et.al.* (2015) proposed definition, because it covers multiple aspects to the construct of the employee engagement.

Self-Determination Theory, Motivation & Autonomy

Self-determination Theory (STD) by Ryan and Deci (1985) - “explains that the experience of employee engagement requires the satisfaction of basic psychological needs such as competence, autonomy, and relatedness”

As summarised by Valentin *et.al.* (2015), competency allows employees to create opportunities to take risks and enhance their skills. Autonomy provides employees with the opportunity to choose which desires & interests of their own to pursue, thereby, increasing their autonomy. And the last components, relatedness refers to the opportunity for employees to make connections with others in organisation and feel respected and trusted. All three combined create a basis for intrinsic, or as it commonly referred in the literature, autonomous motivation, leading to a sustained engagement and therefore value creation for both employer and employee. In this context, intrinsic motivation is defined as an “energising force that includes action, and these actions have roots in persona needs and values and are sustained by commitment (Collier & Esteban, 2007).

Scoping further into the constructs of motivation, it is generally perceived via intrinsic and extrinsic paradigms, which are at the foundation of SDT (Valentin *et. al.*, 2015). Extrinsic motivation, according to Meyer & Gagne (2008), refers to the “rationale of influential reasons” whereas intrinsic refers to the “drive” for passion, enjoyment and interest. However, according to Moneta (2010), extrinsic and intrinsic motivational states of mind can rapidly change, which therefore puts question mark on the claims that the mentioned types of motivation could be sustained. Valentine *et.al.* (2015) have contradicted the claim, arguing that motivation, especially intrinsic (autonomous), leads to higher levels of engagement and “does not require reinforcements” for maintenance, which goes in the wake of SDT. The author argues further, that it leads to sustained engagement, which requires little reinforcements from HRD and therefore could be continuous.



The illustration above, adapts Ryan and Deci (2000) SDT, and highlights the path of how autonomous (intrinsic motivation) could lead to sustained engagement.

In the current context, autonomy refers to the state of being “self-initiating”. Developing on that claim, Phillippe and Vallerand (2008) explained autonomy as the ability to make own individual choices without the constraint of others, which is crucial in personal development. Adding to that, Valentine *et.al.* (2015) have suggested that autonomy initiated via CSR will enable one to internalise and determine own behaviour when performing work-activities, leading to positive outcomes. Furthermore, the author has argued, that self-initiating and self-regulated employees, who are provided with the opportunity to make their own choices - creates the basis for autonomy and positive, sustained level of their engagement.

CSR as an “antecedent of employee engagement”

Upon examining the existing academic literature, there seems to be a consensus on the meaning of the topic of Corporate Social Responsibility (CSR). The commonly agreed definition of CSR is: “a voluntary approach of engaging organisation’s policies and practices that are aimed to create a positive social and environmental changes aimed at different stakeholders” (EU Commission (2006); Ferreira *et.al.* (2014); Valentine *et.al.* (2015); Chaudhary (2017)) It is a way that corporations can integrate social responsibility with everyday business for the purpose of eliciting change within their communities and is a powerful tool to establish a positive public image. There has been growing evidence that CSR has been an effective tool in the efforts of attracting and retaining employees (Bhattacharya *et al.*, 2008; Mirvis, 2012) and can boost organizational identification and commitment among employees.

CSR can take many forms of corporate citizenship programs and social initiatives, as well as internal initiatives. Valentine *et.al.* (2015) have suggested that an employee’s choice in initiative (own autonomy) can create positive internal motivation. However, as pointed out by Ferreira *et.al.*, (2014), the effectiveness of CSR is predominantly dependent on the employee’s “responsiveness, motivation and commitment to those initiatives”. Nonetheless, going in the wake of SDT, Deci and Ryan (1985) have argued that internal motivation does not require reinforcements for its maintenance, thereby creating a state of continuum of previously mentioned motivation or engagement. Meaning, autonomous motivation and commitment may be maintained by engaged employees with CSR.

From the discussion above, it could be concluded that facilitating and developing the autonomous motivation should be among the priorities of a company. According to Valentine *et.al.* (2015), CSR initiatives are among the facilitators to development of spoken motivation. The author argues, that CSR initiatives can “put forth a picture of social responsibility” creating a positive public image, which on its turn would encourage employees to feel greater connection to the organisation and its corporate goals. Supporting this notion, Mirvis (2012) have stated that such commitment is conducive to work passion, a “higher-order” form of motivation (Zigarmi *et.al.* 2009), because of greater connection of employees to their organisation.

Approach to the Project

Research Philosophy

Upon analysing the existing literature, a substantial amount of research is taken from the perspective of “positivism” (Ferreira *et.al.* 2014 & Others). However, all of the “foundational” research on the topics of employee engagement and CSR (Kahn 1990; Bakker *et.al.* 2011; and recent Valentine *et.al.* 2015) was performed with the usage of different research philosophy - namely: interpretivism, which did not include any empirical collection data, but is regarded by multiple sources (e.g. CIPD (2017)) as credible. Such trend could be observed in the CSR field as well. The current study seeks to provide qualitatively different insights for the adoption CSR into the day-to-day HR practice. Therefore, it has been decided to choose Interpretivism as the base philosophy. The underlying reasons for that, is that the study aims to investigate the phenomena in its natural habitat: the effects of CSR on employee engagement and *attraction of new recruits*. Additionally, according to Saunders and Lewis (2012), interpretivism is relevant to the management research because business situations are unique and represent “social actors” coming together to create a social phenomenon, which in our case is - employee engagement with CSR, which goes in the wake with the nature of the study.

Induction vs Deduction

There are two widely recognised research approaches: induction and deduction (Saunders & Lewis 2012). The first, suggests a “bottom-up” approach to the development of the theory - moving from the analysis of specific observations or data already collected, to broader generalisations and theories on the phenomena. In the context of the current research, according to Moore *et.al.* (2009), such approach would theoretically allow to establish a better pattern between the variables in the phenomena, which would likely to result in a formulation of a better hypothesis. Accounting for the given time-frame, gathering of relevant data and theories is constrained and therefore may result in a reduction of quality and therefore validity of the research. Therefore, deduction (i.e. clarifying theory at the beginning of the study (Saunders & Lewis 2012) has been chosen as a research design. One reason to support this choice is that it is tangent to the exploratory study (i.e. research that aims to assess topic in the new light, seek new insights and ask qualitatively new questions (Saunders & Lewis 2012), which is the type of the design the current research is following. Additionally, as the design follows methodological approach, this allows to compensate for the lack of time and strengthen the reliability of the research.

Findings & Discussion

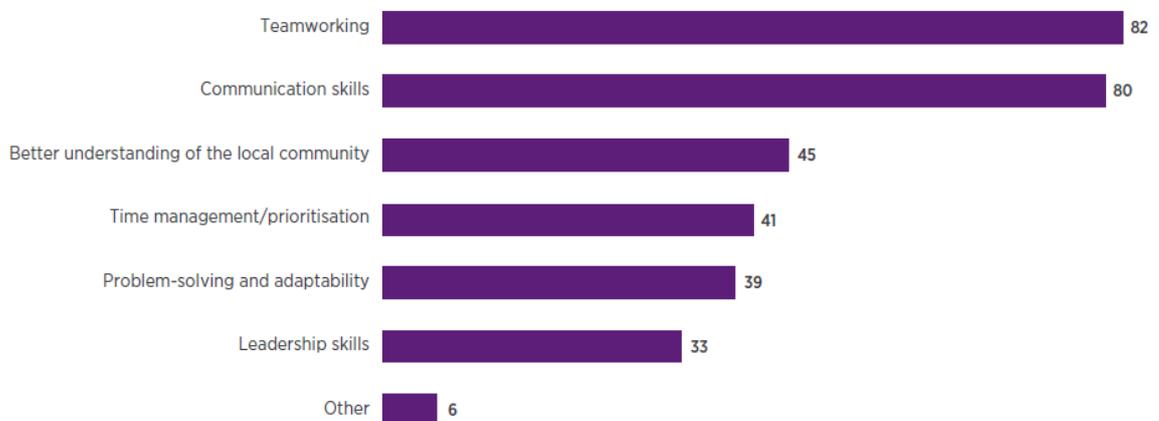
The majority of interviewees (5/7) have stated that their CSR programmes are aiming either to “deliver greater employee engagement” while only two participants expressed their goals to be oriented on a “public image”. Notably, the responses go in the wake of Mirvis’ (2012) three perceptions of corporates on CSR, discussed in the literature review, pointing at the usage of the CSR as tool for recruitment and stimulation of pro-company behaviours, as all of the participants have confirmed the significance of CSR to the successful performance of their companies.

When the participants were asked on which CSR activities carried out by their organisations, volunteering and fundraising confidently dominated the conversation in the majority of interviews. However, when the respondents were asked to identify the most important activity for their organisation - the greatest attention was given to volunteering:

“...we are mostly focused on volunteering – as it is the most popular type of activity offered within the campaigns which we are carrying out...”, “...volunteering...gets the highest engagement...”

Such trend is not surprising and is supported by the industrial sources such as CIPD, due to the benefits brought to organisations and individuals by volunteering. As the graph below illustrates, HR experts believe that volunteering allows their employees, as well as the potential candidates to significantly improve the top three employability skills: Teamworking, Communication and Better understanding of the local community:

Figure 1: Skills demonstrated by candidates with voluntary experience (%)



Base: All HR professionals who consider candidates with voluntary work to demonstrate more employability skills (n=329)

(CIPD 2015)

Additionally, 2016 Deloitte Impact Survey of over 2,500 professionals has revealed that over 80% of respondents found volunteering to help their talent to advance their communication skills and plays the key role in developing “strong character” of their employees

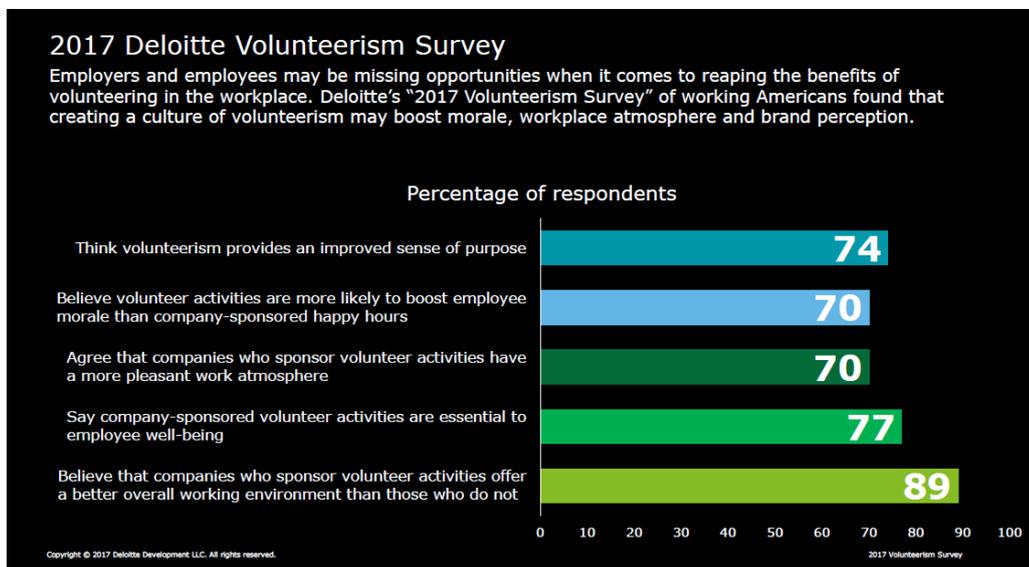
Further, participants have shared the following information:

“...those who are involved in volunteering – have a higher engagement... around 15% higher to those who are not involved...”

“...It helps them to raise self-awareness, which is a genuine feedback I have received from the participants of those campaigns. It’s a great chance to socialise with colleagues and get to know them a bit better, contributing positively to the areas of decision-making, communication and conflict resolution...”

Apart from being another reason to why volunteering is generally regarded to be more important than other activities, it highlights the potential research area: which types of CSR activities lead to higher employee engagement?

On top of the primary findings, the 2017 Deloitte “Volunteerism Survey” have discovered that volunteering has a positive effect on the “workplace atmosphere”, “brand perception” and most importantly – “morale” which are integral to sustained employee engagement (CIPD, 2017; Deloitte, 2017)



(Deloitte, 2017)

The interviews have highlighted common engagement tool: volunteering allowance for the employees from as little as “...12 hours...annually” to as many as “...4 days for volunteering, annually.” The next popular way of engagement, is “...lead by example” where senior management of an organisation is actively involved and encourages everyone else to participate in CSR. The interviewees have shared, that this way of engagement:

“...became one of the most important engagement channels, especially for the new, especially younger recruits...” and *“is actually the most effective way to inspire and engage others”.*

Such findings are fully supported by Keys *et.al.* (2017), and specialists from McKinsey (2009) who have argued, that “lead by example” is among the most important engagement facilitators, the consistent implementation of which brings the benefits of higher employee engagement and therefore retention. The report by AON Hewitt (2017) supports both research findings and academic perspective, stating that the effectiveness and involvement of senior leadership is a top factor affecting employee engagement.

As pointed out by Ferreira *et.al.* (2014) the effectiveness of CSR would largely depend upon “responsiveness, motivation and commitment to those initiatives”. Previously discussed methods of engagement have demonstrated that there is strong predisposition toward commitment to CSR as the result identified high support from the top management:

“...our senior management is very active in promotion of the activities as well as participating in them...”

which is central in the process of developing continuous, internal motivation (Valentine *et.al.* 2014). Additionally, when asked to specify how the activities are conducted - the interviewees have highlighted:

“...our employees receive full autonomy to choose which charity or project or cause our company is going to support...” and *“...voting for the ones (CSR activities) that they want to see in the future, and even initiate them...”*

Which could be interpretively to the concept of autonomy, discussed in the literature review. Going in the wake of SDT by Ryan and Deci (2000) autonomy allows individuals to enter the “self-initiating” state of mind reinforcing intrinsic motivation and continuous engagement, which should result in higher, overall engagement level.

Further findings support the above claims. The information on the employee engagement score of sample’s organisations has been summarised:

- *“...it is currently at the level of 73%... last year it was at 66%...”*
- *“...rated at the level of 72%, which is an enormous increase from just 65% a year ago...”*
- *“overall employee engagement has increased...”*

The responses demonstrate a considerably higher engagement scores in the organisations which are active on CSR activities are higher than the UK average: 62% (Aon Hewitt, 2017). Furthermore, a noticeable trend which could be observed, is that a number of respondents told the interviewer that the engagement score in their organisations has increased. In the context of the sample: both medium and large organisations revealing that there is a positive effect of CSR on engagement regardless of the scale of the organisation.

In attempt to evaluate the effectiveness of CSR as a work-engagement tool in the UK companies, participants were asked to explain the causes to their engagement score. The responses were the following:

- | | |
|--|---|
| <ul style="list-style-type: none"> • <i>"...an important role is allocated to our CSR and HR to unite own efforts..."</i> • <i>"...renewed... HR management system, but also... our CSR... helped to unite our company and engage people..."</i> • <i>"...benefited our company in all dimensions, especially – increasing the overall employee engagement..."</i> • <i>"...most of the credit goes to the... HR functioning..."</i> | <p>The question sought to uncover participant's perception on the extent to which employee engagement score is directly linked to CSR. Although the responses highlight the importance of other factors before CSR, yet, it is recognised as a direct contributor: which is why previously discussed SDT model of engagement may practically help the managers to better understand the relationship between CSR and employee engagement, thus enhancing the value of this study.</p> |
|--|---|

The overall response manner indicates that all participants recognise the positive relationship between CSR and engagement, which is evident by the data quoted above. To further support the claim, participants were asked to share the effects on vitally important to any organisation metrics of employee attraction and retention. The responses were the following:

Responses on Retention Rate

Responses on Attraction/Recruitment

- | | |
|---|---|
| <ul style="list-style-type: none"> • <i>"...it has improved, especially for the new recruits..."</i> • <i>"...our turnover rate has fallen from 20% to just 6%..."</i> • <i>"...dramatically helped us to reduce our drop-out rate among new employees from 11% to 5%!..."</i> • <i>"...satisfaction of those involved in CSR, last year – was 18% higher... had a clear, positive impact on retention..."</i> • <i>"...the drop rate has actually reduced from 14% annually, to just 6.5%..."</i> | <ul style="list-style-type: none"> • <i>"I can say there is a positive effect... creating... value added career opportunity..."</i> • <i>"...managed to attract quite a few people just because we were killing it on the aspects of CSR..."</i> • <i>"...our CSR allows us to be in a far better position than our competitors when it comes to recruitment..."</i> • <i>"...have got a lot of referrals from our employees..."</i> • <i>"...there was an extremely positive impact...attraction of graduates..."</i> |
|---|---|

6 out of 7 respondents have indicated a positive relationship between CSR and the metrics of retention and attraction of talent, revealing growing retention rates (reductions in turnover), satisfaction and attraction of talent, which therefore indicates positive relationship between CSR and employee engagement. In contrast to the rest of responses, only one participant has referred to weaker connection between the constructs having no noticeable impact on recruitment. Nonetheless, considering the rest of the responses it could be stated that there is strong, recognised relationship between the mentioned constructs, indicating that the organisations which engage employees into their CSR programme have a better retention and attraction rates.

In the process of interviewing sample, it has been discovered that CSR plays a positive role in attracting younger recruits, particularly - millennials. Participants have indicated their CSR program have helped them to attract and engage more younger employees. Again, notable

attention here was given to volunteering, highlighting the area of potential research, as **70% of millennials in the UK have volunteered at least 1 hour** (Feldmann *et.al.* 2015). These findings are fully supported by industrial sources e.g. [2016 Cone Communications Millennial Employee Engagement Study](#) have pointed out the following:

- **75% say they would take a pay cut to work for a responsible company**
- **83% would be more loyal to a company that helps them contribute to social and environmental**
- **88% say their job is more fulfilling when they are provided opportunities to make a positive impact**
- **76% consider a company's social and environmental commitments when deciding where to work**
- **64% won't take a job from a company that doesn't have strong CSR practices**

On top of that, Millennial Survey by Deloitte (2017) which states that 76% of millennials recognise business as the “force of positive change”, finding further, that involving millennials into social causes boosts their sense of empowerment - resulting in a higher level of loyalty and engagement. The industrial data quoted, explains the growing retention and attraction rates of CSR-active companies.

Additionally, participants were asked to reason as of what would stop employees to engage with CSR, and later provide the suggestions to what would make them engage. The quotes of respondents summarised:

<i>What stops employees to participate in CSR activities?</i>	<i>What would make employees more engaged with your CSR?</i>
<ul style="list-style-type: none"> • <i>“Employees are less willing to participate in CSR activities directly</i> • <i>“...banal lack of time...”</i> • <i>“...narrow scope of opportunities...”</i> • <i>“...It usually comes down to the choice and types of the options available...”</i> • <i>“...some of the charities simply do not report back to us on the use of the money we have donated...and as our employees do not really see that they are making a difference... clarity of the events, is often quite mismatched...”</i> 	<ul style="list-style-type: none"> • <i>“Having even greater spectrum of the events, making the opportunities more accessible...”</i> • <i>“...should add an element of competitiveness ...”</i> • <i>“...giving employees greater freedom in terms of choice and initiative...”</i> • <i>“Effective communication tools...”</i> • <i>“...enlarging the scope of the opportunities...”</i> • <i>“...greater number of suitable opportunities would help enormously...”</i>

The lack of time and limited range of opportunities/campaigns was most commonly cited as the dominant reason for stopping employees to participate in CSR, which is supported by CIPD (2015) survey, stating that **65% of employees desire to have a greater choice of volunteering & philanthropy opportunities**. Even though volunteering was the most popular type of CSR activity, it could be observed from both pain and suggestion points, that respondents were suggesting that having greater spectrum of activities would boost the engagement with CSR. From this, the question arises - which is the most effective type of activity for the employee engagement, and weather it is more effective alone or in the combination. It therefore highlights another area of research, the answers to which would allow CSR & HR managers to better manage the resources for their CSR programme.

Conclusions

The research has attempted to contribute toward bridging the gap in understanding of the fundamental constructs of employee engagement, proposing a definition: *“Having both determined attitude and motivated state of mind toward an individual’s work role - resulting in individual (internal) - and organisational (external) - related positive outcomes”* unifying multiple approaches used in the previous studies, with the aim to help the practitioners to have a comprehensive view on the phenomena.

With the assistance of SDT, it has been identified, that the way to achieve sustained engagement - is to foster intrinsic motivation in employees. The tool which is perfectly positioned to facilitate the organisations to foster sustained motivation and commitment of employees to workplace - is CSR. It has been discovered that CSR initiatives could become an antecedent to sustained engagement, serving as a stimulant to SDT-autonomous or, as it commonly named, intrinsic motivation - ultimately resulting in positive external and internal outcomes. On top of that, it has been discovered that the commonly accepted goals for CSR such as “Creating better public image for consumers & potential recruits” or “Caring for the environment” (Forbes 2017), is becoming complemented with the “Employee Development” – as the findings section has revealed.

Furthermore, the findings section of the study has revealed an extensive support for the notion that CSR is an effective contributor to employee engagement, as the information gathered from the interviews as well as industrial sources, suggests that those organisations with active CSR program - have a considerably higher level of engagement to the country (UK) average, as well as having impressive attraction and retention rates – as talked in the previous section.

Lastly, as discussed in the section before, certain responses have referred to importance and popularity of CSR to young generation, particularly millennials. Accounting for the facts that this generation is demonstrating increasing engagement with philanthropic causes (Millennial Impact Report 2017) and by 2025 millennials will account for 75% of the global workforce (Peretz 2017), maps out the trend that sooner than later - having effective CSR program would become essential element of competitive advantage. Consequently, it is recommended to the companies to invest into CSR, as it would allow them to attract the talent of tomorrow, along with the considerable [list of benefits](#).

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Appendix

Key themes for the Interview

1. What are the goals for CSR of your organisation?
2. Which CSR activities are you carrying out?
3. In your opinion, which ones are the most important for you and why?
 - 3a. How these activities are carried out?
4. How do you currently engage your employees in CSR?
 - 4a. How do you make them participate in your CSR activities?
 - 4b. What stops them to engage?
5. Which CSR activities have the highest engagement?
6. How do you communicate the CSR opportunities to your employees?
7. What impact have your CSR activities had on your retention rate?
 - 7a. Can you quantify it?
8. What impact have your CSR activities had on your recruitment process?
9. What is your employee engagement score and why?
10. What do you think would make your employees more engaged with your CSR?