

# Spotlight on Leadership and Engagement in the Construction Industry

“

Unlock engagement by practising leadership that frees rather than controls your people

Terry Grouk

Chair of Engagement and Leadership TAG, Engage for Success



## Background to the Research

The state of Employee Engagement in the UK remains low, with only around a third of workers reported as being highly engaged, and productivity continues to lag nearly 20% behind that of other G7 countries, even with recent increases. Increased economic uncertainty means improving engagement, and associated productivity gains, is a vital activity to support the wellbeing of both our people and our economy.

The UK Government of 2008 commissioned the original report on Employee Engagement, Engaging for Success. Successive governments and UK industry have supported the Engage for Success movement, co-founded by David Macleod and Nita Clarke with numerous organisations in the Public, Private and Third Sectors using the Four Enablers of Engagement. Engage for Success is a voluntary movement promoting employee engagement as a better way to work.

The Construction Industry Training Board (CITB) is the Industry Training Board and a partner in the Sector Skills Council for the construction industry in England, Scotland and Wales. It works with the industry to encourage training for a safe, professional and fully qualified workforce.

The Leadership and Engagement Thought and Action Group (TAG), part of the E4S movement, which includes a number of other TAGs to help further the concept of Engagement recently focused on the construction industry and undertook a project sponsored by CITB. This Spotlight Publication summarises that research.

## Research Highlights

Key factors associated with high levels of engagement were identified as:

- Extent to which **leadership was distributed**.
- How well team **boundaries were managed**.
- How well managers provided **direction** to their teams

## Methodology

A survey was conducted within two large UK-based construction companies and was completed by 814 managers and employees. The survey identified 12 factors that were likely to be linked to engagement within the organisations. Definitions of each of the 12 factors were provided and engagement was assessed as the outcome variable, being described as the extent to which respondents to the survey felt that they are:

- Bursting with energy
- Strong and energetic
- Enthusiastic about their work, inspired and proud
- Willing to go beyond what is expected of them
- Feel like going to work in the morning

## Research Findings and Links to the Distributed Leadership in SMEs Research

The three factors from this research that were found to correlate most highly with engagement are:

Extent to which leadership was distributed. This referred to the distribution of decision making responsibility across leadership roles, the level of contribution to the strategic direction and business planning process of the organisation, involvement in two-way communication and how emerging leaders are supported by the company

How well boundaries were managed. This referred to the extent to which managers protect their team from external factors and events, help teams communicate with each other, act as advocates on behalf of their team to other in the organisation and helps resolve conflict between teams.

Provision of team direction – This referred as the extent to which managers ensure that a team has clear performance goals and clear direction and ensures there is understanding of where the team is going.

The first, distributed/shared leadership behaviour seem to work in conjunction with at least two other commonly correlated leadership factors: A manager's ability to manage the boundaries of a team and to provide direction to the team. This first result connecting distributed leadership with engagement supports research already conducted by the CITB which additionally revealed that:

- Most SME business planning is done centrally and that CEOs and MDs are 'afraid to let go'.
- Most construction SMEs have good structures in place to enable the involvement of a broader range of staff in business planning. These organisations foster two-way communication that helps to engage staff in discussion about strategy.
- There was a mixture in views about leadership, where good leaders were seen on site, some new leaders lacked communication, decision-making and people management skills which limited their contribution to business performance.
- Where employers have implemented forms of distributed or shared leadership it has been generally found to have a positive impact on performance, most notably because of better use of staff knowledge and skills, improved staff motivation, retention and a better work organisation.

## Conclusions

When organisations and managers have the skill and subsequently are seen to show distributed/shared leadership behaviour this appears to be an important aspect in creating engagement in the organisations from the construction industry surveyed for this report. This relationship, however, does not work in isolation and thus is not the sole factor related to improved levels of engagement.

## Recommendations for the Construction Industry

Engagement and distributed leadership should be seen by the sector as a key ingredient in retaining and developing a workforce which recognises inter-professional/craft workers who are ubiquitously involved at various stages of a project, who are best positioned to drive productivity measures and generate sustained performance improvements. The CITB research identified the main components of distributed leadership:

- as the processes of enabling employees to collaborate,
- sharing of knowledge,
- contributions to strategic decision-making.

The extent to which these can be practised will depend on the skill and motivation of managers to show distributed leadership behaviour and the organisation's structural and cultural circumstances. Distributed leadership strategies employed need to be consistent with the organisations operational and business requirements. Combined analysis of both research outcomes enabled the following recommendations for the type of leadership development needed to support higher levels of engaging in construction organisations:

- Search out best practice in shared/distributed leadership.
- Once best practice has been found it should be recognised and rewarded as part of the ongoing performance management systems in organisations.
- Highlight particular individuals who are 'distributing leaders' and hold them as role models.
- Run workshops to discuss and debate issues of what distributed leadership means in practice.
- Provide training in delegation and co-creation around business planning, maintaining team boundaries and team direction.
- Provide guidance on developing 'leadership' as well as 'leaders' to develop a community of practice based on social and relational processes.
- Encourage senior managers to role model and endorse distributed leadership.

- Focus on leadership development as building capacity in anticipation of unforeseen challenges rather than the development of particular skill sets.
- Structure and formalise communication between leaders and staff with the aim of developing a climate of dialogue.
- Support newly emerging leaders in developing their communication, decision-making, people management skills, as well as their ability to maintain team boundaries and team direction.
- Encourage recognition in the industry that leadership learning and development is a process of co-participation and not about just the development of individual leaders, but the shared leadership capacity of organisations.

## References

Bolden, R (2011). **Distributed leadership in organisations: A review of theory and research** International Journal of Management Reviews

Clarke, L., McGuire, C. and Wall, C (2012). **The development of Building Labour in Britain in the Twentieth Century: is it distinct from elsewhere in Europe?** Routledge

Construction Industry Training Board (2016) **The Impact of Distributed Leadership on Productivity in Construction SMEs** Bircham Newton:CITB

Cope, J., Kempster, S., and Parry, K (2011). **Exploring Distributed Leadership In The Small Business Context** International Journal of Management Reviews

Edwards, G (2015). **Leadership as Community** Edward Elgar

Iles, P., and Preece, D (2006). **Developing leaders or developing leadership?** Leadership

Morgeson, F. P., DeRue, D. S., & Karam, E. P (2010). **Leadership In Teams: A Functional Approach to Understanding Leadership Structures and Processes** Journal of Management

Ross, L., Rix, M and Gold, J (2005). **Learning distributed leadership: Part 2** Industrial and Commercial Training

Schaufeli, W.B. & Bakker, A.B (2003). **Utrecht Work Engagement Scale: Preliminary Manual** Occupational Health Psychology Unit

Thorpe, R., Gold, J and Lawler, J (2011). **Locating Distributed Leadership** International Journal of Management Reviews

Thorpe, R., Gold, J., Anderson, L., Burgoyne, J., Wilkinson, D., and Malby, B (2008). **Towards 'Leaderful' Communities In The North Of England: Stories From The Northern Leadership Academy** Oak Tree Press

This report has been produced with the collaborative support of:

