

Employee Engagement vs. Employee Satisfaction

Many people find themselves asking, what is the difference between these two measures?

One response is that Satisfaction is a “one-way street” (what can you do for me), and Engagement is a “two-way street” (what can we do together, in partnership). Engagement is a two-way contract. Engagement is more of a multi-dimensional construct and has greater validity and linkages to business outcomes such as revenues, profitability, growth, attrition etc. (*Abhishek Mittal, 2011*)

In another response to this question, experts define “Employee Satisfaction” as “the extent to which employees are happy and contented, fulfilling **their** desires and needs at work”. “Employee Engagement” is defined as “the degree to which an employee is: involved in and enthusiastic about his or her work; committed to the values of the organization; and, goes beyond the basic responsibilities to drive the business forward”.

An important distinction is that employee satisfaction centers on how employees feel – how satisfied they are with their employment experience. Although a high level of employee satisfaction can sometimes benefit an employer in terms of staff retention, it is determined primarily from a “what’s in it for me” perspective.

In contrast, employee engagement serves both employees and their employers well. Research shows that employees who are fully engaged in their work are likely to have higher morale, exhibit greater loyalty, progress in their careers, and even enjoy a more rewarding personal life. The employer gains significantly through a measurable reduction in turnover and positive employee behaviors that provide a competitive advantage and contribute to organizational success. (*Shelley Trenouth, The People Bank*)

An employee can be satisfied with a job without being engaged in the job. Employee engagement is much more than being content with pay and the ability to leave at 3 pm. That contentedness is merely job satisfaction, and though satisfaction is generally enough to retain employees, it’s not enough to ensure productivity. On the other hand, employee engagement *does* promote increased productivity.

Managers must understand that an engaged employee is an employee who is deeply involved and invested in their work. This occurs when an employee is simultaneously satisfied, effective, and motivated. **Employee satisfaction is not the same as employee engagement, it is only one of the three essential components.**



Organizations with genuinely engaged employees have higher retention, productivity, customer satisfaction, innovation, and quality. They also require less training time, experience less illness, and have fewer accidents.

Employee satisfaction is the minimum entry fee that needs to be met in order for an employee to be fully engaged. (*Laura Sheffield, 2010*)