Employee Engagement: A Strategic Tool to Enhance Performance

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Abstract
Out of all the resources available, human resource is the most crucial to enable an organization to compete and excel in the current competitive marketplace. Employees play a crucial role in managing the organizational effectiveness and portray the real picture of an organization’s environment and culture. Efficiency and productivity of employees has become vital for businesses to run sustainably in this modern business era. Workforce engagement in this demanding situation is of critical significance. Engagement may be described as a two way process between employees and an organization. It is a strategy to enhance the productivity and performance of an employee; it is also a process to ensure the commitment, motivation and contribution of an employee towards achieving the organization’s goals and values; needless to add, it also goes with enhancing their own wellbeing. Various studies show that engagement enhances not only the non-financial performance (i.e. customer satisfaction, services proficiency, employees’ attendance and retention etc.) but also the financial performance (i.e. profit) of an organization. Engagement is also about the responsibility of each and every employee to enhance group dynamics, team building, cultural democracy and a learning environment. The organization must work to develop engagement of employees which encourages and motivates them to develop positive attitudes and behaviours which in turn will enable them to increase their performance to meet the objectives of an organization.

Keywords: Job Involvement, Employee Engagement, Inclusive human resources management, Performance, Competitive Advantage

Introduction
The changing scenario in the world economy in the last few decades has placed special emphasis on the need for enhanced performance of employees. This new challenging environment has resulted in organizational restructures and changes in the nature and structure of work. With the IT revolution, the work life balance of employees has been affected overall, as it now enables them to work round the clock. These changes have impelled employees to work harder and longer to survive in the current competitive scenario. According to the Tower Watson 2012 Global Workforce study, employees the world over are feeling the impact of the pressure of ‘performing’ at any cost. Employees have their future and this leads to their
disinterest in the work, absenteeism, lesser productivity, and a stressful life. The employees' psychological well being has been negatively affected due to lack of proper policy from management, lack of a good work environment, communication gap between the management and employees etc.

The workforce comprises of four types of employees as far as employee engagement is concerned i.e. highly engaged (totally engaged), moderately engaged (nearly engaged), passive (nearly engaged, also nearly disengaged), actively disengaged (totally disengaged). The engagement of employee includes social, intellectual and emotional engagement in the work and work environment at large. These are the different dimensions through which shape of mentality, improvement in work satisfaction, perception and commitment etc. can be measured.

**Fig. 1. Dimensions of Employee engagement**

Source: Acas policy discussion paper, January 2010

In the process of engaging employees, management needs to take a proper assessment of attitude, behaviour and outcomes and address their concerns attentively. More of their capability and potential can be nurtured through a two way communication process to motivate them towards their work. The organizations need to execute specific engagement plans and create an inclusive environment to inculcate higher confidence level and enthusiasm to learn and innovate for successful job roles. The various parameters of assessing engagement can be: level of job satisfaction, commitment, involvement, emotional attachment and feelings of empowerment.

**Objectives and Importance of the Study**

The objective of this study is to understand the benefits of employee engagement as far as personal, professional development is concerned and how employee engagement creates a win-win situation for the companies in terms of better performance. As human resource is the most important differentiating factor for an organization, the study would be of importance in the process of creating synergy in the internal and external environment of organizations.

**Literature Review**

There are various dimensions in the
process of engagement. Kahn (1990) says engagement is simply the psychological and physical presence of the individual while performing the role. This refers to the emotional involvement of a person in the work assigned to him. Researchers show the link between engagement and performance. Aon Hewitt Consultancy, in its study called “Future of Engagement 2014” says, “One disengaged employee equals −$1000 in profit annually on average. A highly engaged workforce is up to 78% more productive and 40% more profitable.” Practices with a strong focus on human resources’ wellbeing have established a vital impact on the productivity, satisfaction and financial performance at large. Engagement should be viewed as an important strategy involving all the levels of organization (Frank et al 2004). Proper communications, continuous and consistent encouragement (Truss et al 2006) are keys to establish good relations with employees and enhance their satisfaction level and belief in the organization’s decision making process. Various factors can be taken into consideration to influence the employees (“Models of Drivers of Employee Engagement”, Robinson et al 2004). This paper has been written to understand the employees’ engagement and how this enables performance with an inclusive human resources management approach. Employee engagement is not just about employee satisfaction. Employee satisfaction refers to personal development goals, success etc. whereas employee engagement talks about mutual commitment and development for both the employee and the organization.

**Enabling Engagement**

Engagement strategy for employees in an organization should comprise different parameters. In order to enhance the satisfaction level of employees and motivate them towards the work, management needs to consider various focus areas which not only lead towards a better knowhow of issues in the organization but also provide strategic solutions through participation. Proper assessment of these drivers would give a clearer picture of employees’ worry and anxiety. Robinson (2004) says that the key influencing factors of overall satisfaction of an employee are job satisfaction, feeling valued at work, proper communication and training and development etc. Apart from these core factors several other factors like work environment, culture, promotion, respect etc. also influence the employee’s satisfaction and his feeling of being valued at the workplace. The model for influencing factors for employee engagement can be exhibited as under.

**Fig. 2. Drivers of Employee Engagement**

![Diagram of Drivers of Employee Engagement]


Over and above a proper policy for human resources management to drive the engagement through different engagement-influencing factors, management itself plays a crucial role in engaging employees.
To attract and retain good and committed staff, management must have an inclusive and participatory approach and leadership qualities to address the concerns of employees and satisfy them in a timely manner. Management should integrate and support employee growth for their career enhancement and handle grievances ethically. An inclusive and satisfied workforce leads to an efficient and productive environment for survival in the long run. Management needs to have the right capabilities to manage the employees in a nourishing manner. These include respectful, responsible, proactive, participative, sociable and empathetic behaviour towards employees.

**Fig. 3. Management competencies to enhance employee engagement**

Source: CIPD, Managing for sustainable employee engagement, developing a behavioral framework

**Global Employee Engagement Scenario**

Globally, organizations have started considering employee engagement a crucial factor in enhancing performance and gaining a competitive edge. According to Aon Hewitt’s report on global employee engagement, there is a positive trend in engaging employees worldwide and around 60% of employees are engaged. The table below shows employee engagement globally and regionally. Actually the engagement has been fluctuating substantially in the last five years for different regions. The improvement in engagement scores in Europe and Latin America has been strongest.
Table 1: Global Trends in Employee Engagement (%)

<table>
<thead>
<tr>
<th>Region/Year</th>
<th>08</th>
<th>09</th>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>57</td>
<td>60</td>
<td>56</td>
<td>58</td>
<td>60</td>
</tr>
<tr>
<td>Latin</td>
<td>71</td>
<td>71</td>
<td>72</td>
<td>71</td>
<td>74</td>
</tr>
<tr>
<td>North</td>
<td>63</td>
<td>67</td>
<td>64</td>
<td>64</td>
<td>63</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>56</td>
<td>59</td>
<td>55</td>
<td>58</td>
<td>58</td>
</tr>
<tr>
<td>Europe</td>
<td>52</td>
<td>55</td>
<td>51</td>
<td>52</td>
<td>57</td>
</tr>
</tbody>
</table>

Source: 2013 Trends in Global Employee Engagement, Aon Hewitt

The study also says that worldwide the dissatisfaction and disengagement has been increasing due to competition, pressure, work-life imbalance and other factors. Four out of ten employees are not engaged today. The table below shows the level of engagement of employees globally and region wise. As per the statistics on engagement level, North America leads in the level of engagement and it has highly engaged and also the highest disengaged workforce. Latin America has highest level of engagement among their employees and lowest level of disengaged. Asia pacific has the least highly engaged workforce.

Table 2: Global trend in employees' level of engagement

<table>
<thead>
<tr>
<th>Region/Engagement level</th>
<th>Highly Engaged</th>
<th>Moderately Engaged</th>
<th>Passive</th>
<th>Actively Disengaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>20%</td>
<td>40%</td>
<td>23%</td>
<td>17%</td>
</tr>
<tr>
<td>Latin</td>
<td>33%</td>
<td>41%</td>
<td>17%</td>
<td>10%</td>
</tr>
<tr>
<td>North</td>
<td>24%</td>
<td>39%</td>
<td>20%</td>
<td>17%</td>
</tr>
<tr>
<td>Asia</td>
<td>16%</td>
<td>42%</td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td>Europe</td>
<td>18%</td>
<td>39%</td>
<td>25%</td>
<td>19%</td>
</tr>
</tbody>
</table>

Source: 2013 Trends in Global Employee Engagement, Aon Hewitt

Study on Engagement

As J.W. Marriott, founder of Marriot Hotels once said, “If you take care of your people, they will take care of your customers and your business will take care of itself.” The employees basically are branding tools for an organization in simple terms and they are the real face of the organization. The involvement and engagement of employees can really do wonders for the growth of organization. The more satisfied and engaged the employees are the better would be services and the customers’ satisfaction. A small study on employees’ engagement has been done to understand the issue in more detail. The plan of study is simple: collection of data from primary and secondary sources and analysis on the basis of same.

i. Primary data Source: A Questionnaire has been used to collect the primary data (Annexure I). The collection method has been through mail, direct approach and phone.

ii. Secondary data Source: Various reports, Journals, Articles and Websites etc. have been used to get the information.

The study is exploratory and descriptive in nature. The survey has been conducted in New Delhi area and the respondents are professionals working in various leading organizations. The sample consists of 100 people. Various factors influencing their engagement have been taken into consideration while framing the questionnaire. The findings of the survey are exhibited in Annexure II.

Various factors exhibit a significant impact on the engagement of employees. The study shows that the love quotient towards working has been low and more than 75% respondents don’t love working for the organisations they are in. Almost 55% of the respondents feel that they don’t have a safe environment and their productivity is also not improving. Most of the respondents, more than 50% are not
satisfied with the professional development opportunities available. More than two third of the respondents are dissatisfied with the career advancement opportunities available. Around 64% respondents feel that they are not able to utilize their skills in the job. More than 85% of the respondents say that they are undercompensated. The cooperation of the management is also not good and the enthusiasm of the employees normally has been getting down over the time. Although the employees have the ability to work for long hours, they do not feel like going to work or enjoy working. More than 80% of the respondents do not enjoy working. More than 85% of the respondents do not keep working with the goal of the organization. As per the study employees are not able to associate themselves with any significance and purpose of their working. Thus the enthusiasm towards work has been very low among the respondents. They normally do not get praised by peers and management on performing well. Most of the respondents favour changes imposed if any, which can also be a significant factor since they are not included in the decision making process.

Conclusion
As we said earlier, employee engagement is the most critical factor in the process of enhancing the business performance. An engaged employee is someone who understands the role in the business strategy, has a strong emotional connection and commitment for the organization, is more involved and strives for success and learning new things and is also a good team person etc. Engagement improves employees’ and organizations’ competitiveness and the combination of management and employees can do wonders for the organization. Despite several traditional factors of improving role engagement viz. salary hike, opportunities, training, improving work environment etc. management must always check employee engagement level from time to time and try to integrate with them to gain information and knowledge about their grievances. Appreciation, respect or value at work and a personal touch of management would surely motivate employees to engage with full commitment. Employees should be given opportunities and training to hone their skills and improve their performance. Open communication, networking with employees, recognition of their efforts, rewards, opportunities, talent management, empowerment and feedback enhances the belief of an employee to stay in the organization. Employees learn and enhance their skills through various opportunities available and improve their performance accordingly without a sense of threat. Inclusion of their opinion in the decision making process also helps in motivating them towards working with the goal of the organization. Employees basically are the real representatives and brand bearers of any organization. Their strength and belief in the organization do create value for the organization.

References
1. Acas policy discussion paper, January 2010; Available at http://www.acas.org.uk/CHttpHandler.ashx?id=2672&p=0


Annexure I

Questionnaire on measurement of employees’ engagement at work place

Name:
Age:

Please provide your responses on the following using responses 1=Yes, 2=No

Part: A

1. I love the work I am in.
2. I have a safe and happy work environment.
3. My efficiency in the current work environment has been improving.
4. I am satisfied with the professional development offered by my organization.
5. I am pleased to have career advancement opportunities available to me in the organization.
6. I am satisfied with the opportunities available in the organization to utilize my skills and talents.
7. I am satisfied with the compensation I get.
8. The level of cooperation of my management is good at the time of work stress.
9. I have become less enthusiastic about my job over time.

Please provide your responses on the following using the scale as 1=Never, 2=Rarely, 3=Sometimes, 4=Always

10. I feel like going to work every morning.
11. I enjoy working.
12. I can work for a very long no. of hours.
13. I keep working with the goal of my organization.
14. I feel that my work is full of significance and purpose.
15. I feel enthusiastic about my work.
16. I feel very happy when I work.
17. I feel proud of my work.
18. I forget everything else while working.
19. I work with full focus.
20. After finishing my work, I feel tired.
21. I see the value of my work.
22. I feel involved in the work I do.
23. I get praised from my peers and management for my work.
24. Employees in my organization take the initiative to help the others whenever there is a need.
25. Employees in my organization willingly accepts the change if any.
Annexure II (Findings)

Part A

<table>
<thead>
<tr>
<th>Love the work (% of responses)</th>
<th>Safe and happy work environment (% of responses)</th>
<th>Efficiency in the work is improving (% of responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="chart1.png" alt="Chart" /></td>
<td><img src="chart2.png" alt="Chart" /></td>
<td><img src="chart3.png" alt="Chart" /></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Satisfied with professional Development offered (% of responses)</th>
<th>Pleased to have career advancement opportunities available (% of responses)</th>
<th>Satisfied with opportunities available in the organisation to utilise my skills and talent (% of responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="chart4.png" alt="Chart" /></td>
<td><img src="chart5.png" alt="Chart" /></td>
<td><img src="chart6.png" alt="Chart" /></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level of cooperation of the management is good (% of responses)</th>
<th>Satisfied with the compensation (% of responses)</th>
<th>Became less enthusiastic about the job overtime (% of responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="chart7.png" alt="Chart" /></td>
<td><img src="chart8.png" alt="Chart" /></td>
<td><img src="chart9.png" alt="Chart" /></td>
</tr>
</tbody>
</table>

Part B

<table>
<thead>
<tr>
<th>Feel like going to work every morning (% of responses)</th>
<th>Enjoy working (% of responses)</th>
<th>Ability to work long no. of hours (% of responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="chart10.png" alt="Chart" /></td>
<td><img src="chart11.png" alt="Chart" /></td>
<td><img src="chart12.png" alt="Chart" /></td>
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