



EMPLOYEE ENGAGEMENT: THE KEY SUCCESS FACTOR

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Abstract:

An organization's success and profitability depends upon the performance of its employees. Business leaders know that a high-performing workforce is essential for the achievement of strategic business goals. Therefore, it is important that the employees are fully committed towards the organization's goals and are motivated to give their best efforts for achievement of these goals.

Today, the companies have to survive the cut-throat competition and beat their competitors. Therefore, the physical and mental well-being of the employees becomes an important aspect which the HR managers need to focus on. The concept of employee engagement in the organizations is gaining importance.

Employee engagement can be a deciding factor for an organization's success in today's competitive world. . High levels of employee engagement promote retention of talent, foster a sense of belongingness, improve organizational performance and increase the stakeholder value. Engaged employees are attached to the organization, enthusiastic about their work and take efforts beyond the employment contract. Thus, engaged employees can be seen as powerful source of competitive advantage.

This paper provides a conceptual framework on employee engagement. Various drivers of employee engagement are discussed. The difficulties in measuring employee engagement are also analyzed. The paper also throws light on various strategies to be adopted for effective engagement.

Keywords:

Employee engagement, Human resource, Job commitment, Job satisfaction.

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1. INTRODUCTION

Can an organization achieve its goals and objectives if its employees are not fully committed towards their work? Will an organization be able to increase its productivity if the people working are not as productive as they could be? Is it possible for the company to even achieve operational efficiency when the employees are simply "going through motions" and are not mentally engaged in their work?



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Today, most of the organizations are trying to explore such questions in order to find out the impact of “engaged workforce” on organizational performance. It is important for the firms to know that when the employees check-in, are they just physically present doing the work assigned to them or are they also mentally and emotionally committed towards their work and the organization. Firms need to ensure that employees are truly committed and engaged.

With rapid globalization and cut-throat competition prevailing in the dynamic business environment it becomes important for the firms to adopt strategies for survival and growth. The employees become strategic partners of the organization in successfully implementing such strategies. As a result management is now shifting its focus on creating more efficient and productive workforce. Management’s eye is on employee engagement and retention.

Employee engagement is an essential driver of successful performance .Any initiatives and strategies formulated by the top management will not bear its fruits without the willful engagement and involvement of the employees. Human resource is responsible for the efficient exploitation of other resources such as natural, physical and financial resources in an organization. People in the organization are the competitive differentiators that make the business firm leaders in the competitive world.HR managers are realizing this fact and are also stressing upon high levels of engagement. However, many organizations find it difficult to define, measure and manage this HR concept.

2. LITERATURE REVIEW

[2] gave a conceptual framework on employee engagement by constructing an engagement matrix with two characteristics –knowing what to do at work and wanting to do work at work.

[10] reviewed 140 articles in order to synthesize and conceptualize a working definition of employee engagement. Their research uncovered areas for inconsistent definitions and interpretations and an understanding on how the concept of employee engagement evolved.

[1] in their research provided a clear delineation between academic and organizational view of engagement.

[13] proposed a conceptual model that focused on the correlation between work life balance and other variables such as employee engagement, emotional consonance/dissonance and turnover intention.

[9] distinguished employee engagement with related concepts like employee commitment, organizational citizenship behavior and job satisfaction as it reflects a two way exchange of effort between employee and employer.

[6] provided a career engagement model to be used by career counselors and employers to strategically enhance employee engagement through supporting career development.

[11] in their research enumerated specific limitations in the concept of work engagement and provided an independent construct by reconceptualizing it.



3. OBJECTIVES OF THE STUDY

1. To provide an understanding of the concept of employee engagement.
2. To discuss various drivers of employee engagement.
3. To provide various strategies to be adopted for effective employee engagement.
4. To analyze various difficulties in engaging employees.

4. CONCEPT

Employee Engagement is a positive concept which is popularly used by the companies and consultants today. Satisfied, highly-motivated and loyal employees form the basis of a competitive company. The concept of employee engagement is relatively a new one which is being highly marketed by the HR managers and the HR consulting firms. There is also a growing level of interest of the academicians in this concept.

The concept of Employee engagement appeared in the literatures for nearly two decades. The first published use of the term employee engagement was in the Academy of Management Journal article "Psychological Conditions of Personal Engagement and Disengagement at Work" (W. Kahn, 1990) and since then many definitions of employee engagement were found in literature. William Kahn defined employee engagement as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances." Kahn (1990).

In "A Historical Perspective of Employee Engagement: An Emerging Definition", Michael Bradley Shuck and Karen K. Wollard studied the evolution of the term Employee Engagement and synthesized a possible consensus definition of employee engagement.

Shuck and Wollard reviewed 140 articles that mentioned employee engagement and observed four areas of consistency or inconsistency:

1. Engagement is a personal decision, not an organizational decision as implied by some definitions.
2. While early definitions treated engagement as an atomic concept, later definitions divided it into three basic concepts: emotional, behavioral and cognitive engagement.
3. Employee engagement has "no physical properties, but is manifested and often measured behaviorally". Different definitions look at behavior as the employee's basic job performance or extended effort or the success of the employer.
4. Employee engagement is about the behaviors that meet or exceed organizational goals.

Synthesizing the reviewed definitions, Shuck and Wollard define employee engagement in an emergent and working condition as a positive cognitive, emotional, and behavioral state directed toward organizational outcomes.



Some definitions were also given by the research organizations which are as follows:

In the 1990s, Gallup's groundbreaking research identified the most important factor in helping companies grow which was employee engagement and developed its influential Q¹² survey that included 12 actionable workplace elements that link to sales growth. According to Gallup organization, when employees are engaged, they are passionate, creative, and entrepreneurial, and their enthusiasm fuels growth. These employees are emotionally connected to the mission and purpose of their work. When employees are not engaged, they are indifferent toward their jobs or worse, outright hate their work, supervisor, and organization and they will destroy a work unit and a business.

A 2005 Towers Perrin study of 86,000 employees working full time for large and midsize companies in 16 countries across four continents was conducted which revealed that only 14% of all employees worldwide are fully engaged on their job. Employee engagement was defined as employees' willingness and ability to give sustained discretionary effort to help their company succeed.

Another enduring definition was given by Utrecht University group of occupational psychologists. It measures work engagement, which has three elements:

- vigor (energy, resilience and effort)
- dedication (for example, enthusiasm, inspiration and pride)
- Absorption (concentration and being engrossed in one's work).

It focuses on a specific physical and psychological state of being. However, it misses another aspect of being aware of business context and understanding the line of sight between one's job role and the purpose and objectives of the organization.

The definition forwarded by Institute of Employment Studies gives a clear insight that employee engagement is the result of two-way relationship between employer and employee pointing out that there are things to be done by both sides.

Chartered Institute of Personnel and Development (CIPD) has defined employee engagement as "being positively present during the performance of work by willingly contributing intellectual effort, experiencing positive emotions and meaningful connections to other". This definition gives three dimensions to employee engagement:

- Intellectual engagement – thinking hard about the job and how to do it better
- Affective engagement – feeling positively about doing a good job
- Social engagement – actively taking opportunities to discuss work-related improvements with others at work.



Thus employee engagement simply measures the employees' attitude towards his job and his organization as well as his behavior that is directed towards achievement of his individual goals and the organizational goals.

Attitudes in engagement					
Job satisfaction	Intention to stay	Commitment	Effort	Proactivity	Proficiency

The attitudes reflect how a person feels about his job and organization and how passionate he is towards his job. This passion and willingness to take an extra mile beyond the contract of employment to help employer/organization achieve the predetermined desired level of success and performance is employee engagement.

5. DRIVERS OF EMPLOYEE ENGAGEMENT

Employee engagement has been transcended from being a new HR concept to being adopted by the business firms as a tool to gain competitive advantage. Employees work as strategic partners in the organization for the achievement of the goals and strategic plans of the managers. It is vital for the company to analyze the drivers of employee engagement. Managers can leverage the high engagement levels of the employees in the organization which is a key success factor for organizational high performance and success.

Many researchers have listed down drivers of employee engagement and many theories have been propounded focusing on rational and emotional aspects of engagement of the employees in the organization.

Some of the broad drivers of employee engagement are listed below:

1. Personal attributes of the employees

Employee engagement is an outcome of employees' traits and characteristics such as his knowledge, skills, abilities, personality, temperament, values etc. An employee's knowledge, skill and abilities will determine how capable and competent he is to perform the tasks assigned to him. Personality, perceptions and beliefs of the person shall determine his frame of reference that will influence his view of world. A person shall be passionate, committed, enthusiastic and creative in his work depending upon his personal characteristics.

2. Strategic Goal Alignment

Strategic goal alignment ensures that every employee in the organization knows how his work supports and contributes to the short term and long term goals of the organization. Understanding



this linkage between organizational and individual goals provide intrinsic motivation and greater engagement. Employees have to ensure that they meet their individual goals that are strategically aligned with the organizational goals. Employees are effectively sharing the responsibility to achieve organizational goals by working in line with where the business is going and how is it going there.

3. Meaningfulness at work

Employees need to feel that the role, tasks, duties and the responsibilities assigned to them are worthwhile. Employees' level of engagement will depend upon his feeling of being valuable for the organization and also being equally valued by the organization. Meaningfulness at work cannot be created unless employees feel that their work is important and they are able to give and receive something valuable while they are working.

4. Work culture

The culture of an organization can have a powerful impact on its employees. A positive culture can create loyalty, trust and passion among the employees giving them a sense of belongingness with the firm and creating enthusiasm and productivity. A person- organization fit is important for the employees to take an extra mile for the employer's success. A work culture /environment which are supportive and enabling shall help the individual to go beyond his call of duty.

5. Effective Communication

Communication is the key for linking employees' role in the organization with the vision of the leaders. Communication is a two-way process which is important for building a culture of transparency in the organization. Communication with superiors, subordinates and peers help people express themselves physically, cognitively, and emotionally during role performances and fully engross themselves in work.

6. Effective Leadership

For better business success and a stronger bottom-line business performance, it is important that the employees in the organization are inspired and engaged. Transformational leadership is a critical element for building confidence, motivating employees and creating a culture of high engagement. Trust in leader and support from leader can foster genuine commitment of the employees to handle organization's challenges effectively and going in the right direction for achievement of predetermined goals.

7. Autonomy

Employees should be given some degree of autonomy in their work so that they are able to space themselves in a better way and also get an opportunity to voice their views and ideas by taking their own decisions. Autonomy shall increase the morale of the employees and make them feel valuable and responsible. The balance of autonomy with guidance from leader will draw out maximum potential of the employee and promoting innovation at workplace.



8. Growth opportunities

Business world changes at a fast pace making the acquired skills obsolete. Employees feel disengaged when they are not able to work efficiently with obsolete skills. Training and development opportunities ensure that employees can learn new skills, feel confident and find new ways to contribute towards organization's success. Also, employees need opportunities for advancement and growth to feel that they are not stuck in some dead-end job as this could be a reason for their disengagement.

9. Recognition and Rewards

It is important to recognize and reward the contributions of the employees in a timely and sincere manner to increase their morale, commitment and engagement. Recognition does not necessarily mean salary reviews or bonuses. It is about letting the employee know that they are understood and valued.

10. Fair and adequate compensation

The bottom line is that employees work to earn a living. Ensuring equity and adequacy in compensation is important because if employees feel that they are not being given the right compensation for their sweat, employees are reluctant to work efficiently and just go through motions at work.

6. STRATEGIES OF EMPLOYEE ENGAGEMENT

Measuring employee engagement is important but what is most important that organization formulates and implements the strategies for effective engagement of the employees in order to initiate companywide transformation for achieving competitive advantage and sustainable growth.

Some of the strategies for engaging employees are as follows-

1. Use the right employee engagement surveys

Right insights at the right time about the workforce are the basis for formulating and implementing engagement strategies. It is critical to assess employees' opinions of their own engagement, as well as their perceptions of colleagues' behaviors. Furthermore it's important to assess the conditions of engagement to diagnose areas for further improvement. When the companies use surveys to know about the views and opinions of its employees, employees expect action to follow. However, many companies fail to ask the right kind of questions to properly assess the employee engagement. The survey must be relevant, specific and actionable identifying areas of improvement, assessing the impact of initiatives, monitoring problem area and comparing results over time.

2. Engagement starts on day one

Companies spend considerable amount of time, money and effort on their recruitment and selection process and the talent acquisition activities of the firm shall go waste if effective



engagement is not the next step. Employee engagement should start on day one. The on -boarding and induction programs should provide a clear insight into the companies vision, mission, values, policies, procedures, work culture and the tasks, responsibilities and duties that he is expected to perform in his job. He should be give realistic job expectation and job satisfaction to reduce his orientation time and role conflict that may arise in future. Effective engagement requires the company to connect, inform and empower the new hires from day one to leverage their potential and ensure retention.

3. Engagement starts from the top

An old adage “employees join great companies, but quit bad bosses” is true. Employee engagement requires a commitment from the entire organization which starts at the top. People at the top have to believe in the mission, vision and values of the organization and pass it on to other employees through effective leadership .Engagement cannot be driven if the manager is cutting corners, taking long lunches, or spreading negative sentiment as their employees will also follow suit. Employee engagement requires managers to lead by example. Transformational leadership allows employees to gain confidence, feel motivated and transform themselves into a better individual which is important for high level of employee engagement.

4. Ensure Clarity and effective communication at workplace

Clear and consistent communication paves the way for employee engagement. Communication should be a two-way process. Managers should communicate to employees about what is expected from them and also allow them to share their ideas and participate in decision making. Involving the employees will make them feel that their inputs are respected and valued. Effective communication shall improve employee relations and ensure interpersonal and interdepartmental cooperation that leads to the road of success.

5. Ensure employees are well-trained

Employees should be given necessary training so that they are able to update their skills and knowledge and be able to give their full commitment. Training boosts the confidence of the employees as they possess the necessary skills to perform the tasks assigned to them. This will also reduce the need for supervision and provide autonomy to employees who in turns build self-efficacy and commitment towards work. Not having the necessary skills and tools to be successful can be de-motivating, stressful and frustrating leading to disengagement.

6. Provide opportunities for advancement

Employees feel disengaged when they feel their job is a dead-lock with no opportunities for growth and development. Employees should be encouraged to have independent thinking by giving them some degree of job autonomy. Leaders should provide the employees with challenging and meaningful work with opportunities for career advancement but at the same time instill confidence in employees to achieve them.



7. Have a strong feedback mechanism

Companies should develop a strong feedback to ensure that the strategies adopted for engaging employees have been effective or not. Feedback shall help to identify the areas where improvement is required and to develop action-oriented plans that are specific, measurable, and accountable and time- bound. Performance management systems can be used to hold employees accountable for the level of their engagement and reward those employees who were highly engaged.

8. Recognition and rewards have a role to play

Monetary and non-monetary incentives should be used to reward the engaged employees. This will help to differentiate between the employees who work physically and the ones who give their heart and soul to it. It also gives signals to employees that similar efforts will also be rewarded. Employees would feel happy, satisfied and motivated to keep up such good efforts at work.

7. DIFFICULTIES IN EMPLOYEE ENGAGEMENT

It has been often said that measuring engagement is like eating an elephant because it is a big job and difficult to know where to start from. Many managers who feel enthusiastic about the concept and programs have little focus on the difficulties in engaging employees.

There is no universal definition of employee engagement. There are literally a dozen of definitions for employee engagement that agree and disagree on many points. If something cannot be clearly defined by the organization, it becomes difficult to measure it. Engagement surveys are used to get the information on various aspects such as performance, satisfaction, happiness, morale, trust, commitment, sensitivity, emotional characteristics and many more. Many of these factors can be overlapping or irrelevant.

Also, almost all surveys are anonymous in order to ensure honesty and this anonymity creates a problem as the managers do not know who they have to target.

Another major problem is that the employees and the managers do not actually understand what engagement is all about as it consists of psychological states and can be confusing at times. Employees may be giving scores in surveys without clearly understanding it and such ambiguous scores cannot lead to effective engagement activities.

Also, there is diverse workforce in the organization with different attitudes, expectations and loyalty towards their work and organization. Same engagement efforts may not have equal impact on the employees.

It is to be understood that engagement may lead to productivity but it is not productivity itself. An employee may be fully engaged, undertaking sincere efforts and using his full potential but



without proper resources, commitment, leadership and supportive work culture, no amount of engagement can lead to optimal efficiency and high productivity. Engagement can be intangible and understanding it and measurement of the emotional states and behaviors of employees is difficult.

Also, huge amount of resources, time, effort and money may be spent for gathering, analyzing, interpreting and presenting the results from the engagement surveys followed by formulation and implementation of the strategies for engagement. However, it may be possible that the benefits do not outweigh the costs and the return on investment is low because of the ambiguity that is attached with measurement of engagement.

Therefore, by knowing the potential problems with engagement, HR managers can give little more attention and care while collecting and analyzing engagement data and then using it to formulate and implement engagement strategies in the organization.

8. CONCLUSIONS

The foundation of every successful business is its engaged employees. The business environment is dynamic in nature. Therefore, it becomes mandatory for managers and employees to adapt to the changes in environment and for that employees need to be engaged. When employees are engaged in their work, they are aligned with the organizational objectives, passionate about their work and striving to achieve important workplace milestones and objectives. Engaged employees are not just physically seen working but they are working harder giving their heart and soul to their work.

Employee engagement is intrinsically linked to organizational success and a tool for achieving competitive advantage. It is because human resource exploits and manages all other resources of the organization. Thus, for higher performance, engagement of the employees is a key factor.

The paper analyzed various drivers for employee engagement along with various strategies to be adopted for effective engagement. It can be concluded that both financial and non-financial factors have a role to play for effective engagement. On one hand where personal attributes of employees like the knowledge, skill, abilities, personality affect his engagement, other organizational factors like supportive work culture, physical settings, communication, and leadership also are determinants of employee engagement. Employees need to be provided with satisfactory level of autonomy and growth opportunities to keep them engaged. Reward and recognition boost the morale of the employees by making them feel valued and appreciated.

The paper also discussed various difficulties in employee engagement as employee engagement is a psychological state of employees and different employees feel different levels of engagement which cannot be improved with same strategies for all. Moreover, anonymity in engagement surveys makes it difficult to target the highly disengaged employees. HR managers by knowing



potential problems in engagement can give more attention and care while collecting data, formulating and implementing engagement strategies.

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