## A CONCEPTUAL STUDY OF THE FACTORS FOSTERING EMPLOYEE ENGAGEMENT AND ITS EFFECTIVE OUTCOMES IN ORGANISATIONS

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#### Abstract

The term employee engagement may found to be a recent concept but it actually evolved thirty years back (i.e. during the period of 80's). The first formal definition for employee engagement is said by W.A Kahn in the year 1990, he says that "the harnessing of organization members to selves their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performance". An employee is considered to be engaged when he puts extra efforts towards his work. Engaged employee are those who have high level of commitment, involvement and passionate towards their organization. These kinds of employees are more productive than the unengaged employees. Employee engagement not only contributes to the organization but, it also helps the employees to improve their self-motivation and effectiveness of their work. Engaged employee enjoy in what they do and they spend most of their time and energy to attain high level of job performance and productivity. Employees who are engaged are considered to be the greatest asset for an organization. When employees have good bonding and connection with their organization this will automatically builds a healthy environment in the organization. These kinds of employees provide the organization unique competitive advantage and this serves as a role model for other organization as well. Overall it helps the organization to enjoy the fruit of success. Thus the organizations are very keen in search for such employees who are really more passionate about their work. This paper focus on to identify various key important factors which influencing employee engagement and to find out the outcomes of engaged workforce.

Keywords: Employee engagement, commitment, performance, productivity.

#### INTRODUCTION

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Nowadays, organizations demands for more productivity and efficiency from employee's side. This is possible only with the help of engaged workforce. They realized the fact that by focusing on employee engagement, they can be more efficient and productive. The initiative effort and improvement which is taken by management cannot be fruitful without the employee's involvement and engagement. Employee's intention to give his/her full effort is very important to create an engaged mindset. Employee engagement is a optimistic behavior which is held by employee on his/her organization and towards his work roles. Engaged employee always shows very high level of commitment and involvement on their work. Engaged employees are characterized by the following behavior- go above and beyond level, provide outstanding results which is more than what the organization expects from them, they invest more effort and energy and ensure that the organization succeeds. The employees who are engaged voluntarily come out of their personal comfort zone and perform the job only for the benefit of their organization. They feel more comfortable at work and they think out of the box. These employees are ready to face challenges, think positive about the future. They found to be more loyal towards the organization and satisfied with their job. Therefore engaged employees are self motivated and dedicated person who derives satisfaction out of their job. Thus employee engagement is all about the 'oomph' factor which is brought by engaged employees to their job.

#### **REVIEW OF LITERATURE**

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The first formal definition of the term employee engagement was given by **W.kahn** (**1990**) as "the harnessing of organization members' selves to their work roles; in engagement people employ and express themselves physically, cognitively and emotionally during role performance"

**N.P. Rothbard** (2001), described engagement as a psychological presence with two key mechanisms, attention and absorption.

**Schaufeli et al. (2002)** defined engagement as 'a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption'. They feel engagement to be 'more persistent and pervasive affective-cognitive state irrespective any particular object, event, Individual, or behavior'. Vigor is characterized by energy, mental resilience, willingness to invest in ones' work, and being persistent during the phase of difficulties.

**Perrin's Global Workforce Study (2003)** uses the definition "employees' willingness and ability to help their company succeed, largely by providing discretionary effort on a sustainable



basis." According to the study, engagement is affected by many factors which involve both emotional and rational factors relating to work and the overall work experience.

**Robinson et al. (2004)** define employee engagement as "a positive attitude held by the employee towards the organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee."

**Frank et al (2004)** remarked (as cited in Hafiz Abdur Rashid, 2011) that Employee engagement is the combination of unique attributes contained by the employees in shape of developing emotional relation with the cerebral commitment to the organization. It is the amounts of optional endeavor demonstrated by employees in a particular profession.

The Harvard Business Review (2004) released the results of a survey carried out by the Corporate Leadership Council (CLC), which involved the compiling of 50,000 employee engagement surveys in more than 59 countries worldwide. One of the main findings from the study was that increased commitment can result in a 57% improvement in discretionary effort displayed by employees.

According to Buchanan (2004), the increased discretionary effort displayed by employees produced on average, a 20% increase in individual performance and an 87% reduction in desire to leave the organization.

**Corporate leadership council (2004),** defined employee engagement as the extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment".

**Development Dimensions International (DDI, 2005)** defined engagement "The extent to which people value, enjoy, and believe in what they do".

**Seijts and crim (2006),** defines employee engagement means a person who is fully involved in, and enthusiastic about, his or her work. Engaged employees care about the future of the company and are willing to invest the discretionary effort to see that organization succeeds.

Gallup organization defines employee engagement as the involvement with and enthusiasm for work. Gallup as cited by **Dernovsek (2008)** likens employee engagement to a positive employees' emotional attachment and employees' commitment.

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**Scott et al (2009),** Compensation professionals appreciate the importance of pay communication as a means for aligning pay programs with the business strategy and the interest employees have in understanding how they were paid.

Mone and London (2010), defined employee engagement as "a condition of employee who feels involved, committed, passionate, empowered and demonstrates those feelings in work behavior"

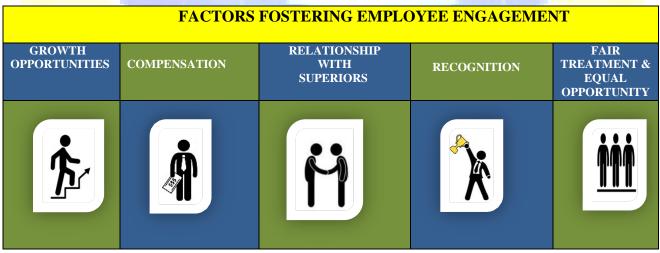
### **OBJECTIVES**

- > To identify the various key important factors which fostering employee engagement.
- To find out the outcomes of engaged workforce
- To propose employee engagement model

## FACTORS FOSTERING EMPLOYEE ENGAGEMENT

There are some important factors which lead to employee engagement. These factors considered to be common for all type of organization and sectors. These factors create of sense of feeling valued and involve employees of the organization. The various factors which are influencing are depicted as follows:

## Figure 1: FACTORS FOSTERING EMPLOYEE ENGAGEMENT



#### Source: Author

The various factors which are influencing are explained as follows:

## 1. GROWTH OPPORTUNITIES

Organization having employee engagement at higher level provide employees with opportunities to build and develop their ability, capability to learn new skills, to gain new knowledge. Thus



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opportunity for growth and development not only help the organization to have an engaged workforce it also helps employee to expand their knowledge level, their skills and ability. Thus employer and employee are mutually benefited. By providing more opportunities for growth and development organization can improve employee satisfaction and quality of work experience thus it automatically leads to high level of employee engagement.

#### 2. COMPENSATION

Compensation is considered to be a very important factor which is very essential to attract, retain and engage employees. It is necessary for organization to provide employees with fair compensation that makes employees to go extra mile and they put discretionary effort into their work. An employee who gets right compensation is likely to stay/stick with the organization for a longer period of time. Thus fair compensation makes employees to feel motivated to work, contribute their energy, creativity and passion.

#### **3. RELATIONSHIP WITH SUPERIORS**

Another important contributor to employee engagement is creating a good relationship with superiors. Employees give more value for relationship. Maintaining a good relationship which actually enhances the employee to perform his job better, improve productivity and job satisfaction. The employee relationship with immediate superior is directly connected to success and growth. Positive relationship with employees helps to know their employees strength and their weakness. This makes easier for superiors to handle employees. Hence creating a good relationship makes employees to feel safe, supportive, and encouraging this makes them to perform their job in better manner.

#### 4. EMPLOYEE RECOGNITION

Engagement level of employees gets double when employees are consistently recognized for their work. Employees react positively when they receive appreciation and when they feel valued. Recognition is very essential to have an engaged workforce. Recognition of employees for their work brings positive outcomes to the organization. Recognition and appreciation reveals that employees are valued and their inputs and hard work are paid off positively at the end.

#### 5. FAIR TREATMENT & EQUAL OPPORTUNITY

Equal opportunity provides equality in the workplace. If the superiors provide equal opportunity for growth and advancement to all employees the level of engagement would be high. If the

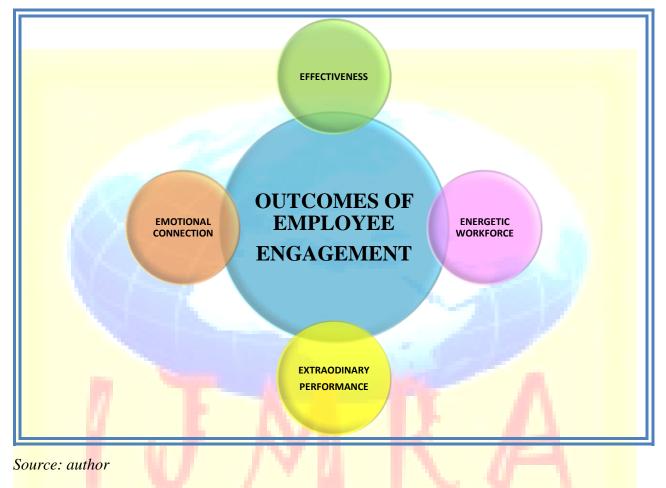
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employees are treated well by the organization then employees in return gift the organization with high productivity, profitability, good quality work, lower turnover.

Thus the more employees gets, the more organization will grow.

## Figure 2: FOUR E'S OF EMPLOYEE ENGAGEMENT OUTCOMES



Employee engagement is a key ingredient of individual and organization success. Employee engagement promotes positive outcomes among the employees which are explained as follows:

#### 1. EFFECTIVENESS

When the employees are engaged and connected with the organization it increases the effectiveness of the organization. Engaged employees of the organization are more loyal towards their work. The high level of involvement in their work and their positive attitude which leads to enhanced level of performance. The high cost of employee engagement will results in greater organization effectiveness.

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#### 2. ENERGETIC WORKFORCE

Engaged employees feel more passionate, show more positive attitude it impulses an energetic workforce. Energetic workforce makes people cheerful, to be more spontaneous, and it spreads energy throughout the organization thus it is very helpful for the organization to strive growth and success.

#### 3. EMOTIONAL CONNECTION

Emotional connection is another important positive outcome that is derived out of high engagement level. Emotional attachment with the organization makes employees to stay and strive hard for the organization. Hence it lowers the attrition rate. It makes employee act as a brand ambassador for the organization.

#### 4. EXTRAORDINARY PERFORMANCE

Organization produces an extraordinary performance when the organization has engaged workforce. Engaged employees always shows three important things which actually increases performance of organization i.e. they stay, strive, and say about the organization.

Thus these are the four outcomes which are resulted out of high level of employee engagement.

#### **CONCLUSION**

Employees are considered to be the greatest asset of every organization. Organization should thus properly recognize and make employees to feel engaged. This paper mainly focuses on the various factors which are influencing employee engagement and their effective outcomes. Engaged employees give their organization a unique competitive advantage – it includes productivity, lower attrition and profitability. Proper attention on engagement strategies will benefit the organization with increase in performance, build engaged and energetic workforce.

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