ASPECTS OF EMPLOYEE ENGAGEMENT FOR ORGANISATIONAL EFFECTIVENESS

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Abstract

Employee engagement is stronger predictor of positive organisational performance. Engagement is a two-way relationship between employer and employee compared to the three earlier constructs: job satisfaction, employee commitment and organisational citizenship behaviour. Employees who are emotionally engaged are committed to their organisation and highly involvement in their job with a great enthusiasm for the success of their tasks, going extra mile beyond the employment contractual agreement. It is the level of commitment and involvement of an employee towards the organisation and its values. This paper focuses on various theoretical aspects of employee engagement and employee effectiveness in terms of organisational effectiveness and employee retention.

Keywords: Employee engagement, Employee effectiveness, HRD

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Introduction

Employee engagement has emerged as a philosophy and a critical driver of business success in today's competitive business. Further, employee engagement can be a critical factor in organisational success. Employee engagements have the potential to affect significantly on employee retention, productivity and loyalty, and also it is also a key link to customer satisfaction, company reputation and overall stakeholder value. Thus, HR turnaround strategies for employee engagement and commitment to gain a competitive edge over the other organisations. In fact, employees with the highest levels of engagement can perform 20% better than other and 87% are likely to retain in the organisation, which indicates that engagement is linked to over all organisational performance (Corporate Leadership Council, 2004).

Employee engagement practices mainstreamed into management thought over the past decade. It is generally seen as an internal state of being physical, mental and emotional that brings together earlier concepts of work effort, organisational commitment, job satisfaction and 'flow' (or optimal experience). It is a workplace approach designed to ensure that employees are committed to business goals and values, by involving in business activity. It will motivate them to contribute to business success and at the same time improve their sense of well-being.

Employee engagement starts with managers showing a clear and collective commitment to making employee engagement part of business culture. This means sharing information on business plans and performance, making sure to live business values and seeking views and ideas from employees on how to improve business.

Employee Engagement: Literature Review

The concept Employee Engagement is relatively new for HRM and appeared in the literatures for nearly two decades (Rafferty, Maben, West and Robinson, 2005; Melcrum Publishing, 2005; Ellis and Sorensen, 2007). The construct, employee engagement emanates from two concepts that have won academic recognition and have been the subjects of empirical research-Commitment and Organisational Citizen Behaviour (OCB) (Robinson, Perryman and Hayday, 2004; Rafferty et al., 2005). Employee engagement has similarities to and overlaps with the above two concepts. Robinson et al. (2004) state that neither commitment nor Organisational Citizen Behaviour reflects sufficiently two aspects of engagement-its two-

way nature, and the extent to which engaged employees are expected to have an element of business awareness, even though it appears that engagement overlaps with the two concepts. Rafferty et al (2005) also distinguish employee engagement and the two prior concepts- Commitment and Organisational Citizen Behaviour; on the ground that engagement clearly demonstrates that it is a two-way mutual process between the employee and the organisation.

Concept of Employee Engagement

Employee engagement is "a condition of employee, who feels involved, committed, passionate, and empowered and demonstrates those feelings in work behaviour". It is thus the level of commitment and involvement an employee has towards their organisation and its values.

Corporate leadership Council (2004) defined employee engagement as "the extent to which employees commit to something or someone in their organisation, how hard they work and how long they stay as a result of that commitment". It is a desirable condition, where an organisational connotes involvement, commitment, passion, enthusiasm, focused effort, and energy among employees.

In today economic turbulences, organisation started to look into its people asset internal employee so that they can utilize the human asset to sustain the competitiveness in the industry. Employees who are engaged in their work and committed to their organisations give companies crucial competitive advantages including higher productivity and lower employee turnover (Robert, 2006). The ability to attract, engage, develop and retain talent will become increasingly important for gaining competitive advantage. Thus companies are competing for talent people who are having high performance and high competence in workplace (Berger and Berger, 2004).

Objectives of Employee Engagement

An employee must be engaged in his work for maximum output. The employees must be engaged in productive and challenging tasks so that they do not lose their focus and avoid conflicts and unnecessary disputes. Different dimensions, which a work place can offer, are responsible in bringing employee engagement.

Following are the prime objective of employee engagement includes various dimensions:

- Growth opportunities within the organisation
- Work life balance

- Supervisor- subordinate relationship

- Rewards and recognition

- Clear policies and open communication

 - Fair compensation policies

- Adequate training for skill up gradation

 - Role clarity

- Pride in working for the company

Importance of Employee Engagement in the present scenario

Employee engagement has become a critical area which needs focus within organizations for the purpose of retention as a means of avoiding expensive employee replacement costs resulting from staff who voluntarily quit their jobs.

HR practitioners believe that the engagement challenge has a lot to do with how employee feels about the work experience and how he or she is treated in the organisation. Promoting engagement among the employees is done by leveraging the three sources of influence for chance; that is leaders, employees as well as organisational strategies and systems. Organisations must be willing to tap into the workers' commitment, passion and their identification with the company. Employee engagement as a static rather than a dynamic problem, measuring engagement as a point- in-time level. Such static views do not account for past experience and future expectations that may influence an employee's engagement.

Aspects of Employee Engagement

Following are the key drivers critical to employee engagement as:

- Trust & integrity – managers should communicate well and go by their words.

- Nature of the job – employees should find their job challenging enough to motivate themselves.

- Line of sight between employee performance and company performance – employee should have clear understanding as to how they contribute to the company's performance.

- Career growth opportunities – employees should have clear career path and growth.

- Pride about the company – employees should feel esteemed by being associated with the organisation.

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- Co-workers / team members – relationship with colleagues significantly increase employee engagement level.
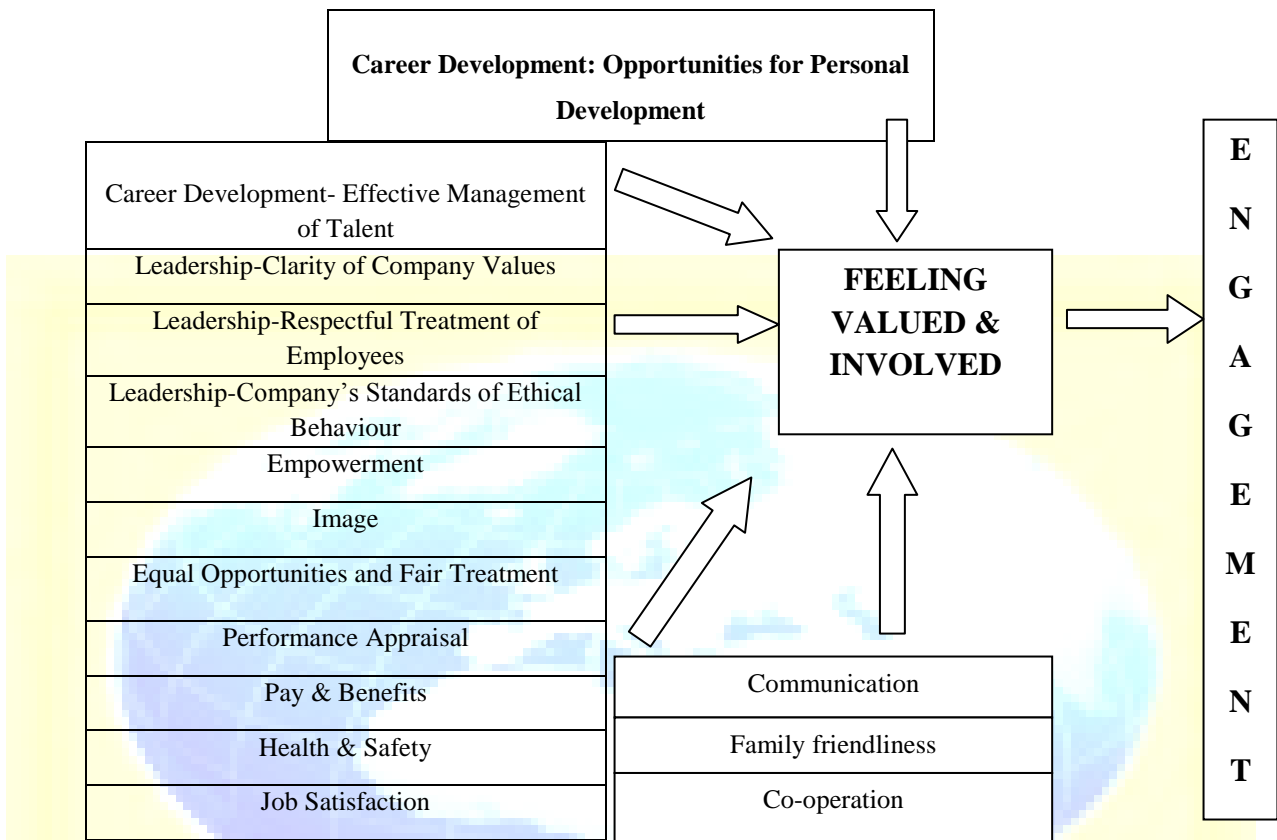

Figure 1. (Critical drivers of Employee Engagement)

Source: Kumar (2012)

Employee Engagement Strategies

In order to have engaged employees in any organisation, managers need to look following points.

A. **Start it on day one:** Effective recruitment and orientation programs are the first building blocks to be laid on the first day of the new employee. Managers should be careful in pooling out the potential talent of the new employee through effective recruitment. After the hiring decision is made, the manager has to ensure role-talent fit when placing an employee in a certain position and exert all managerial efforts needed to retain that talent in the organisation.

B. **Start it from the top**: Employee engagement requires leadership commitment through establishing clear mission, vision and values. Unless the people at the top believe in it, own it, pass it down to managers and employees, and enhance their leadership.

C. **Enhance employee engagement through two-way communication:** Managers should promote two-way communication. Clear and consistent communication of what is expected of them paves the way for engaged workforce.

D. **Give satisfactory opportunities for development and advancement**: Encourage independent thinking through giving them more job autonomy so that employees will have a chance to make their own freedom of choosing their own best way of doing their job so long as they are producing the expected result.

E. **Ensure that employees have everything they need to do their jobs**: Managers are expected to make sure that employees have all the resources such as physical or material, financial and information resources in order to effectively do their job.

Give employee's appropriate training: Encouraging employees to update themselves in enhansing their knowledge and skills through giving appropriate trainings. Generally it is understood that when employees get to know more about their job, their confidence increases there by being able to work without much supervision from their immediate managers which in turn builds their self-efficacy and commitment.

- **Have strong feedback system**: Every Company should develop a performance management system which holds managers and employees accountable for the level of engagement they have shown. Conducting regular survey of employee engagement level helps make out factors that make employees engaged.

- **Incentives have a part to play**: Managers should work out both financial and non-financial benefits for employees who show more engagement in their jobs. Several management theories have indicated that when employees get more pay, recognition and praise, they tend to exert more effort into their job.

- **Build a distinctive corporate culture**: Companies should promote a strong work culture in which the goals and values of managers are aligned across all work sections. Companies that build a culture of mutual respect by keeping success stories alive will not only keep their existing employees engaged but also they baptize the new incoming employees with this contagious spirit of work culture.

Employee engagement for organisational effectiveness

 Employee engagement can make the difference between effective engagement and valuable human capital joining the competition. There is an impact of HR practices and Employee engagement on the profitability of business units found a close relationship between HR practices, operating expenses and firm performance. In addition, employees were found to be more committed to the organization when managed with progressive HR practices. There is big HR's role in promoting employee commitment including coaching managers to be effective people managers is a significant factor in employee engagement.

 Employee Engagement Practices in IT/ITES sector in India

HCL: HCL takes prides in its "campus organization". HCL gets young minds fresh from the campuses and groom them so that they attain leadership positions within the organization. The catching up exercise for such youth lacking experience is done by training and development arm of HCL Info Systems. The training in HCLI is identified based on the individual, organizational and customer needs. They have strict parameters for measuring performance, as performance in HCLI is measured on a daily basis and recorded in their systems. HCL was one of the first in India to talk about Employees Stock Option Plans (ESOPs), which they braced in 1988 and by 2005 all employees were covered under the scheme.

Ajuba Solutions India Pvt Ltd: ASIL has pioneered and succeeded with the concept of "loyalty interviews" (as opposed to traditional exit interview) to find out what is it that makes its employees engaged with their firm. This feedback from loyal employees is taken as a reflection on the leadership style and is seen to work as a great motivator.

RMSI is a Noida based company which provides high-end Geographic Information System (GIS), modelling and analytical services. Mutual Admiration (MAD) is an event where employee is given green cardboard leaving on which they scribble messages of appreciation and pin them onto the MAD tree in the cafeteria. The leaves are a way of reaching out to colleagues and teams who have mattered. And at the end of the week, the foliage gets thick. Surely, the employees like being around each other.

Lenova India: has a work environment built in a manner that employees get the opportunities to reinvigorate themselves. The company has a fun initiative club and simple initiatives like nominating employee of the month and celebrating their birthdays which tend to boost employee morale.

IT/ITES sector *Employee engagement programmes*:

- Campus organisation- Engagement of young at all the levels

- Integrated Training and Development strategies

- Customised Career paths for young achievers

- Measurement of performance on a daily basis and recorded in their systems

- Talent retention through Employees Stock Option Plans (ESOPs),

Conclusion

Employee engagement develops positive attitude among the employees towards the organisational development. Consequently, there are many pathways to foster engagement, with no one 'kit' that fits all organisations. Most of the studies demonstrate that feeling valued by management, two-way communication between management and employees, management's interest in employees' well-being and giving more opportunities for employees to grow are the top drivers of employee engagement. While each company may define employee engagement differently, ultimately, the key to effective engagement will be rooted in the flexibility of approach most appropriate for each individual firm. Engaged employees can help organisation achieve its mission, execute its strategy and generate important business results. Therefore, employee engagement should be a continuous process of learning, improvement, measurement and action. Thus, it needs to better understand how different employees are affected by different factors of engagement and focus on those in order to achieve the strategic outcomes as well as to improve overall development of organisational towards sustainability effectiveness.

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