

A Study on Employee Engagement - India Infoline

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ABSTRACT

Employee engagement has emerged as a popular organizational concept in recent years. It is the level of commitment and involvement an employee has towards their organization and its values and beliefs. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization culture. Employee engagement initiative has a direct impact on the organization's productivity. All organizations want their employees to be engaged in their work. Employee engagement is linked to customer satisfaction which is linked to an organization's financial success. Engagement comes about when enough people care about doing a good job and care about what the organization is trying to achieve and how it goes about doing it. This caring attitude and behavior only comes about when people get satisfaction from the jobs they do believe that the organization supports them and work with an effective HR manager. In this paper a literature review from various research findings and corporate practices are employed using a descriptive study technique. It projects the impact of employee engagement on organization's productivity. It also presents the factors influencing the employee engagement and organizational outcomes.

1. INTRODUCTION

It is the need of the hour that, Organizations should increasingly convert from traditionalism to the contemporary learning and individualized corporations. With growing opportunity and greater flow of information, employees today want to be in the best workplaces handling the best suited responsibilities and enjoy greater autonomy. Therefore, engaging the employees to the work as per their competency level must occupy the centre stage not only for the HR department but also for the immediate bosses.

The extent that an employee believes in the mission, purpose and values of an organization and demonstrates that commitment through their actions and their attitude towards the employer (both internal & external) will determine the employee satisfaction towards his/her work. Employee engagement is high when the statements and conversations held reflect a natural enthusiasm for the company, its employees and the products or services provided. Employee engagement is the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.

1.1- Meaning of Employee Engagement:

In other words, employee engagement can be described as:

“The degree to which an employee is emotionally bonded to his/her organisation and is

passionate about the work that really matters”. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. Thus Employee engagement is a barometer that determines the association of a person within the organization.

Engagement can also be defined as “the extent to which people enjoy and believe in what they do and feel valued for doing it.”

Engagement is important for managers to cultivate given that disengagement or alienation is central to the problem of workers’ lack of commitment and motivation. Meaningless work is often associated with apathy and detachment from one’s work. In such conditions, individuals are thought to be estranged from their selves. Other Research using a different resource of engagement (involvement and enthusiasm) has linked it to such variables as employee turnover, customer satisfaction – loyalty, safety and to a lesser degree, productivity and profitability criteria.

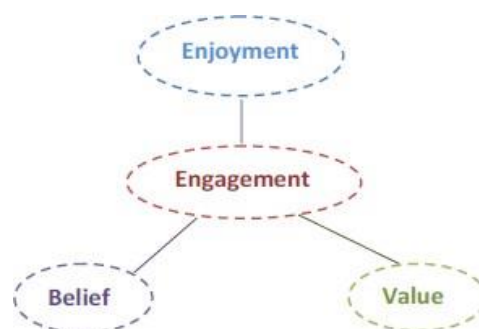


Fig 1.1: Variables of Engagement

Objectives of the study:

- The study aims to understand how employee engagement helps in increasing productivity, profit, recruitment, retention, efficiency and quality of work delivered.
- To measure employees activities alignment with company strategy.
- Studying the approaches of employees engaged to increase the productivity of the organization.

Scope of the study

- The scope of this study may even have a broader range keeping in view that employees’ in different organizations have the same basic needs which needs to be met in order for them to become productive for their organization.
- The study focuses on the initiatives taken up by the different organizations for engaging employees. The study is conducted to know the extent to which different organizations are initiating employee engagement programs.
- The scope of the study is limited to the software and service organizations only. An Endeavour has been made to carry out study of the initiatives prevailing in these industries.

Need for Study

Human resource executives in India continue to struggle with talent management issues, particularly retention. The quest to find the best way to retain employees has taken HR pundits through concepts such as employee review, employee satisfaction and employee delight. The latest idea is “Employee Engagement”, a concept that holds, that, it is the degree to which an employee is emotionally bonded to his organization and passionate about his work that really matters. Engagement is about motivating employees to do their best. An engaged employee gives his company his hundred percent. The quality of output and competitive advantage of a

company depends upon the quality of its people. It has been proved that there is an intrinsic link between employee engagement, customer loyalty and profitability.

When employees are effectively and positively engaged with their organization they form an emotional connection with the company. This impacts their attitude towards the company's clients, and thereby improves customer satisfaction and service levels.

2. RESEARCH METHODOLOGY RESEARCH DESIGN

“A research design is the arrangement of conditions for collection and analysis data in a manner that aims to combine relevance to the researcher purpose with economy in procedure”.

It constitutes the blueprint for the collection, measurement and analysis of data. As such the design includes an outline of what the researcher will do from writing the hypothesis and its operational implication to the final analysis of data.

Types of Data Collected

➤ Primary Data

Questionnaires are prepared and personal interview was conducted. Most of the questions are consist of multiple choices. The structured interview method was undertaken. The interview was conducted in English. Proper care was taken to frame the interview schedule in such a manner it should be easily understood in view of educational level of the employees. Generally 25 questions are prepared and asked to the employees of the IIFL.

➤ Secondary Data

Secondary data was collected from Internets, various books, Journals, and Company Records. Questionnaire Construction

Questionnaires were constructed based on the following types

- Open ended questions
- Close ended questions
- Multiple choice questions

Defining the Populations

The Population or Universe can be Finite or infinite. The population is said to be finite if it consist of a fixed number of elements so that it is possible to enumerate it in its totality. So In this projects consist of finite population.

Sampling Plan

A sampling plan is a definite design for obtaining a sample from the sampling frame. It refers to the technique or the procedure the researcher would adopt in selecting some sampling units from which inferences about the population is drawn. Sampling design is determined before any data are collected.

Selective Sampling technique was adopted. In this method the researcher select those units of the population in the sample, which appear convenient to him or the management of the organization where he is conducting research.

Sample Size

Nearly 100 samples are taken in IIFL .,

Limitations-

- Limited duration for the study.
- Findings of the project work depend only on the opinions of the respondents.
- Availability of employers- employers cannot be disturbed during working hours.
- Employee Engagement is a long term continuous and strategic managerial and

Operational strategy which involves many issues. Hence the researcher confined only to analyze various factors which directly influence the employee engagement process within the duration of the project scheduled.

- The findings of this report cannot be generalized to the industry as a whole.
- Some of the employers might not have expressed their ideas and feelings truly.

Categories of Employee Engagement

- **Engaged**--"Engaged" employees are builders. They want to know the desired expectations for their role so they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward
- **Not Engaged**---Not-engaged employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks vs. achieving an outcome. Employees who are not- engaged tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.
- **Actively Disengaged**--The "actively disengaged" employees are the "cave dwellers." They're "Consistently against Virtually Everything." They sow seeds of negativity at every opportunity. Everyday, actively disengaged workers undermine what their engaged coworkers accomplish. As workers increasingly rely on each other to generate products and services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning.

Employee Engagement

Employee engagement is a concept that is generally viewed as managing discretionary effort, that is, when employees have choices, they will act in a way that furthers their organization's interests. An engaged employee is 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. Engaged employees feel a strong emotional bond to the organization that employs them.

Factors Affecting Employee Engagement:

- Employee perceptions of job importance.
- Employee clarity of job expectations. "If expectations are not clear and basic materials and equipment not provided, negative emotions such as boredom or resentment may result, and the employee may then become focused on surviving more than thinking about how he can help the organization succeed."
- Career advancement/improvement opportunities. "Plant supervisors and

managers indicated that many plant improvements were being made outside the suggestion system, where employees initiated changes in order to reap the bonuses generated by the subsequent cost savings."

□ Regular feedback and dialogue with superiors. "Feedback is the key to giving employees a sense of where they're going, but many organizations are remarkably bad at giving it. "What I really wanted to hear was 'Thanks. You did a good job.' But all my boss did was hand me a check."

□ Quality of working relationships with peers, superiors, and subordinates. "...if employees' relationship with their managers is fractured, then no amount of perks will persuade the employees to

□ perform at top levels. Employee engagement is a direct reflection of how employees feel about their relationship with the boss."

□ Perceptions of the ethos and values of the organization.

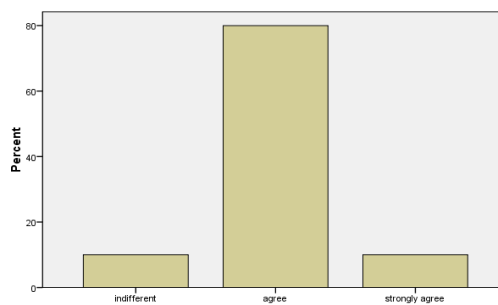
□ Effective Internal Employee Communications - which convey a clear description of "what's going on". "If you accept that employees want to be involved in what they are doing then this trend is clear (from small businesses to large global organizations). The effect of poor internal communications is seen as its most destructive in global organizations which suffer from employee annexation - where the head office in one country is buoyant (since they are closest to the action, know what is going on, and are heavily engaged) but its annexes (who are furthest away from the action and know little about what is happening) are dis-engaged. In the worst case, employee annexation can be very destructive when the head office attributes the annex's low engagement to its poor performance... when its poor performance is really due to its poor communications.

3. DATA ANALYSIS AND INTERPRETATION

1. Does your work group plan together and coordinate its efforts?

	Frequency	Percent	Valid Percent	Cumulative Percent
Indifferent	1	10.0	10.0	10.0
Agree	8	80.0	80.0	90.0
strongly agree	1	10.0	10.0	100.0
Total	10	100.0	100.0	

Does your work group plan together and coordinate its efforts?

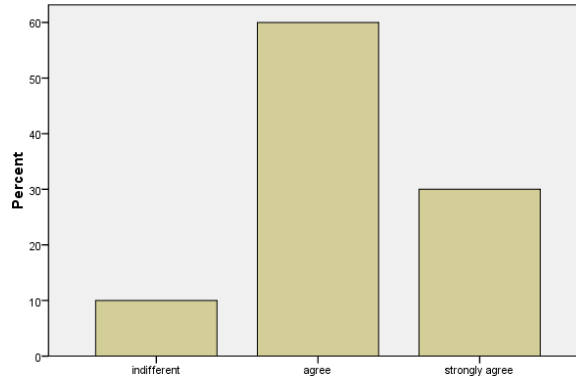


Does your work group plan together and coordinate its efforts?

INFERENCE: From the above findings of the question, the inference that can be drawn is that most of the employees think or consider that there is planning and coordination among the various workgroup of the organization. 80% of the total sample agree that there is planning and coordination among the various workgroups in an organization.

2 Does your work group make good decisions and solve problems well?

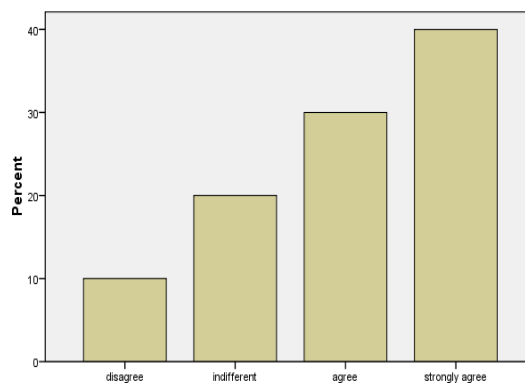
	Frequency	Percent	Valid Percent	Cumulative Percent
Indifferent	1	10.0	10.0	10.0
Agree	6	60.0	60.0	70.0
strongly agree	3	30.0	30.0	100.0
Total	10	100.0	100.0	



INFERENCE: The inference drawn is that a majority of the employees feel that their workgroup makes good decisions and solves problems well. but there is no one who is against this statement.

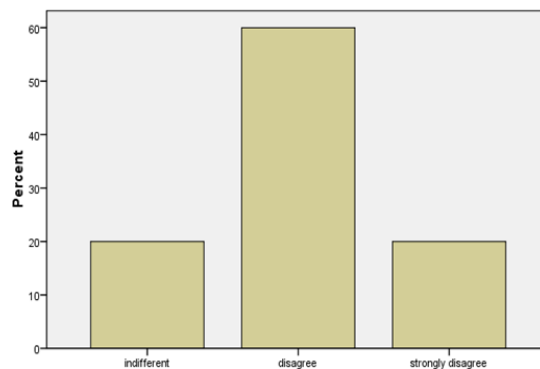
3 Is information about important events and situations shared within your workgroup?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Disagree	1	10.0	10.0	10.0
Indifferent	2	20.0	20.0	30.0
Agree	3	30.0	30.0	60.0
strongly agree	4	40.0	40.0	100.0
Total	10	100.0	100.0	



INFERENCE: The findings of this question show us that information in the organization is shared in the organization to an extent. 40% strongly agree. 30% agree, and there is also a

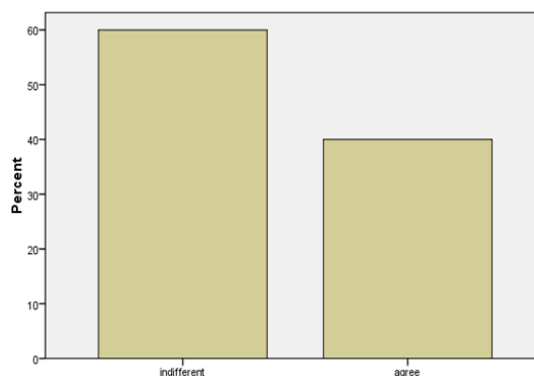
4 Does your workgroup feel responsible for meeting its objectives successfully?



INFERENCE: The inference that can be drawn is that the workgroup does not feel responsible about achieving its objectives successfully, but there is also a combined chunk of employees(40%), who think that the workgroupsdo feel responsible to meet the objectives successfully.

5 Is your workgroup able to respond to unusual work demands placed upon it?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	indifferent	6	60.0	60.0	60.0
	Agree	4	40.0	40.0	100.0
	Total	10	100.0	100.0	



INFERENCE: the inference is that, if unusual demands are placed upon the workgroup, the group is either unsuccessful or any type of unusual demand is not placed on it.

FINDINGS

- From the above findings of the question, the inference that can be drawn is that most of the employees think or consider that there is planning and coordination among the various workgroup of the organization. 80% of the total sample agrees that there is planning and coordination among the various workgroups in an organization.
- The inference drawn is that a majority of the employees feel that their workgroup makes good decisions and solves problems well. but there is no one who is against this statement.
- The findings of this question show us that information in the organization is shared in the organization to an extent. 40% strongly agree. 30% agree, and there is also a major part(30%) of the employees who disagree or are indifferent.
- The inference that can be drawn is that the workgroup does not feel responsible about

achieving its objectives successfully, but there is also a combined chunk of employees (40%), who think that the workgroups do not feel responsible to meet the objectives successfully.

- The inference is that, if unusual demands are placed upon the workgroup, the group is either unsuccessful or any type of unusual demand is not placed on it.
- The answer to this question came as a mixed response. Same proportion of individuals agreed strongly and were indifferent about it. But, the difference between those who agree and disagree is only 10%, which shows that there is distrust among individuals in the workgroups.
- Majority of the people in the organization are satisfied with the persons in their workgroups. But 1/3rd of the employees are indifferent towards this.
- Most of the employees (80%), are satisfied with their bosses.
- All the employees are satisfied with their jobs. There is no employee who is dissatisfied.
- A majority of the employees (90%), are satisfied with the organization. Only 10% are indifferent and there is no one who is dissatisfied.

Suggestions

- The managers should be made aware of the situation and deliberate attempts to be made to change the engagement levels.
- Special sessions programs can be conducted to for the employees to make them aware of the impact of employee engagement.
- The HR policies have to be modified to suit both the contractual as well as permanent employees.

4. CONCLUSION

Employee Engagement is the buzz word term for employee communication. It is a positive attitude held by the employees towards the organization and its values. It is gaining popularity, use and importance in the workplace and impacts organizations in many ways. Employee engagement emphasizes the importance of employee communication on the success of a business. An organization should thus recognize employees, more than any other variable, as powerful contributors to a company's competitive position. Therefore employee engagement should be a continuous process of learning, improvement, measurement and action. We would hence conclude that raising and maintaining employee engagement lies in the hands of an organization and requires a perfect blend of time, effort, commitment and investment to craft a successful endeavor. Research indicates that by better understanding engagement, new strategies could be developed that would increase levels of employee engagement, thereby possibly decreasing the costly negative effects of burnout for employees in the human services field.

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