

Phases and Drivers of Employee Engagement a Conceptual Study

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Employee engagement is a workplace approach resulting in the right conditions for all members of an organisation to give of their best each day, committed to their organisation's goals and values, motivated to contribute to organisational success, with an enhanced sense of their own well-being.

"Employee Engagement is a measurable degree of an employee's positive or negative emotional attachment to their job, colleagues and organization that profoundly influences their willingness to learn and perform at work". Thus engagement is distinctively different from employee satisfaction, motivation and organisational culture. Employee engagement was described in the academic literature by Schmidt et al. (1993). A modernised version of job satisfaction, Schmidt et al.'s influential definition of engagement was "an employee's involvement with, commitment to, and satisfaction with work. Employee engagement is a part of employee retention." This integrates the classic constructs of job satisfaction (Smith et al., 1969), and organizational commitment (Meyer & Allen, 1991). Harter and Schmidt's (2003) most recent meta-analysis can be useful for understanding the impact of engagement.

Employee engagement is the level of commitment, involvement, satisfaction & enthusiasm, an employee has towards their work, 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 by utilizing their natural talents.

According to a study conducted by Hewitt Associates in 2009, the software giant HCL Technologies was ranked as the best Indian employer in that year. The reasons being, creation of a positive work culture and its long term approach in the midst of challenging conditions. The other companies who made to the list of top employers were Hindustan Zinc, Taj Hotels, Resorts and Palaces, Cisco Systems, ITC Welcome Group, Eureka Forbes, LG Electronics India, Domino's Pizza India and Marriott Hotels India.

Infosys in year 2011 plans to have its own radio in establishing a healthy and quick interaction and communication amongst employees. The company also plans to host talk shows where top management would interact with the employees. Besides this, the company also has a social networking portal like Facebook. Named as Bubble, it helps employees connect to their colleagues, seniors, subordinates and top management. Infosys had also created Infosys Television.

The concept of 'employee engagement' (EE) is rapidly gaining popularity, use and importance in the workplace. Research and consultancy firms, led by the high-profile Gallup organization, are focusing their efforts increasingly on surveys of employee engagement that aim to improve levels of engagement. This is because corporate results have reportedly demonstrated a strong link between some conceptualizations of engagement, worker performance and business outcomes

While there is much interest in engagement, there is also much confusion. There is no consistency in definition, and engagement has been operationalised and measured in many diverse ways. Engagement may be a global construct as it appears to be a combination of job satisfaction, organizational commitment and intention to stay. Indeed, some argue that engagement is a multidimensional construct, in that employees could be emotionally, cognitively or physically engaged

However, despite this confusion in the literature, many companies and research firms see engagement as a powerful source of competitive advantage. Corporate results have demonstrated a strong link between some conceptualizations of engagement, worker performance and business outcomes. This is because corporate results have reportedly demonstrated a strong link between some conceptualizations of engagement, worker performance, job satisfaction, employee turnover and business outcomes

Great organizations win business by engaging the complex emotions of employees and customers. EE is 'the psychology of how each employee connects with customers and with the organization, it is 'an instant, and constant, competitive edge.

Gallup defines EE as a significant predictor of desirable organizational outcomes such as customer satisfaction, retention, and profitability some of the management literature defines EE as 'a positive, two-way relationship between employee and their organization' where 'both parties are aware of their own and the other's needs, and support each other to fulfill these needs. Engaged employees and organizations go the extra mile, and both reap mutual benefits.

Phases of Employee Engagement

Employee engagement is a concept that has begun to grab the attention of the corporate world for past few years. When put simply higher levels of employee engagement mean higher profitability of the organisation.

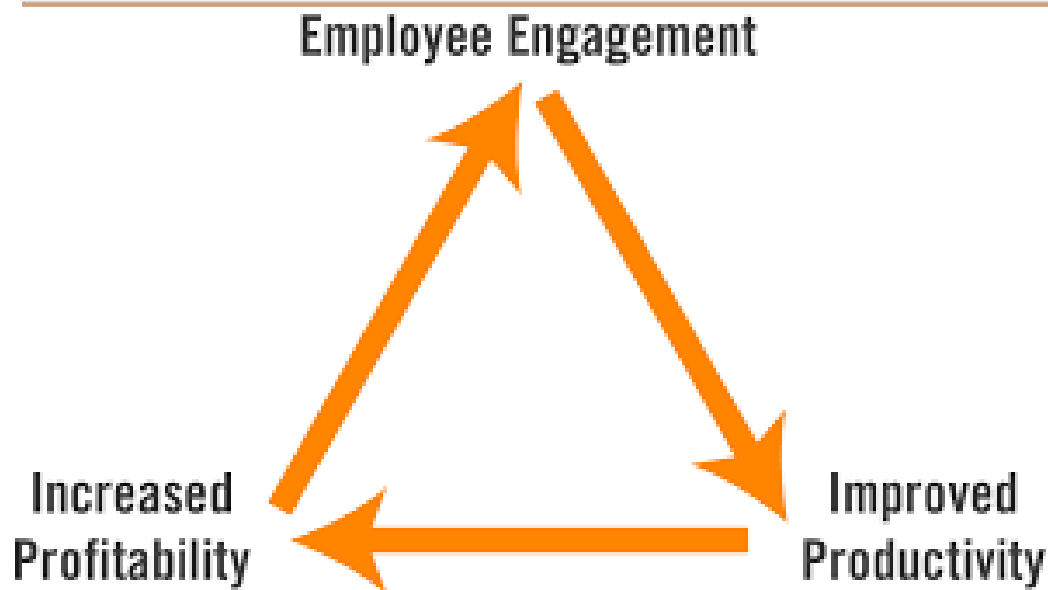
Employee engagement is critical. Highly productive organisations have understood this fact a long ago where mediocre and low performing organisations have just started taking it seriously. It makes sense to engage employees and make them find a meaning in what they do.

Those employees who do not understand what they contribute towards the success of their organisation will not stick to it for long. They would rather consider leaving in a few months or years as and when they are offered a high-paying job.

Employee engagement is a long term process and goes through various phases describing the level of the engagement, involvement, attachment and belongingness between employee and employer. These phases of employee engagement make a continuous cycle that each organisation aiming to achieve increased profitability must undertake.

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 with the organization. Thus it is largely the organization's responsibility to create an environment and culture conducive to this partnership, and a win-win equation.

The opposite of employee engagement is a zombie employee. A zombie employee is a disengaged employee that will stumble around the office, lower morale and cost the company money. More recently employee engagement has become an area of 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.



Andrew J. Wefald (2008), in his study “An Examination of Job Engagement, Transformational Leadership, and Related Psychological Constructs”, he sought to critically examine the concept of engagement as well as provide empirical evidence regarding its place in the nomological network of job attitudes. Both theoretically and empirically, engagement has been linked to personality and leadership variables; however, no research to date has attempted to examine all three concepts together. This research additionally sought to link engagement, personality, and leadership in a theoretically based model. Participants (N=382) at mid-sized financial institution completed a survey comprised of demographic items, attitude measures, a leadership measure, and a personality measure. Results indicated that the Schaufeli and Britt measures of engagement substantially overlap with job satisfaction and affective commitment; however, the Shirom measure (called vigor) is not redundant with job satisfaction or affective commitment. Hypothetical models of engagement, personality, and leadership were not good fits with the data; however, two modified models (one with Schaufeli’s engagement and one with Shirom’s vigor) had marginally acceptable fits. Further, hierarchical regressions indicated a strong connection between engagement and leadership and between engagement and personality.

Andrew J. Wefald and Ronald G. Downey (2009), he investigated the factor structure of W. B. Schaufeli et al.’s measure of engagement and academic engagement’s relation to academic satisfaction and found the Employee Engagement and Job Satisfaction to be highly related constructs. The Previous researchers found a 3-factor structure of engagement that comprises vigor, dedication, and absorption. The authors administered to a sample of university students a

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Categories of employee engagement

There are three different type of people in organization based on their level of commitment, involvement & satisfaction.

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 work with passion and they drive innovation and move their organization forward by performing at high levels.

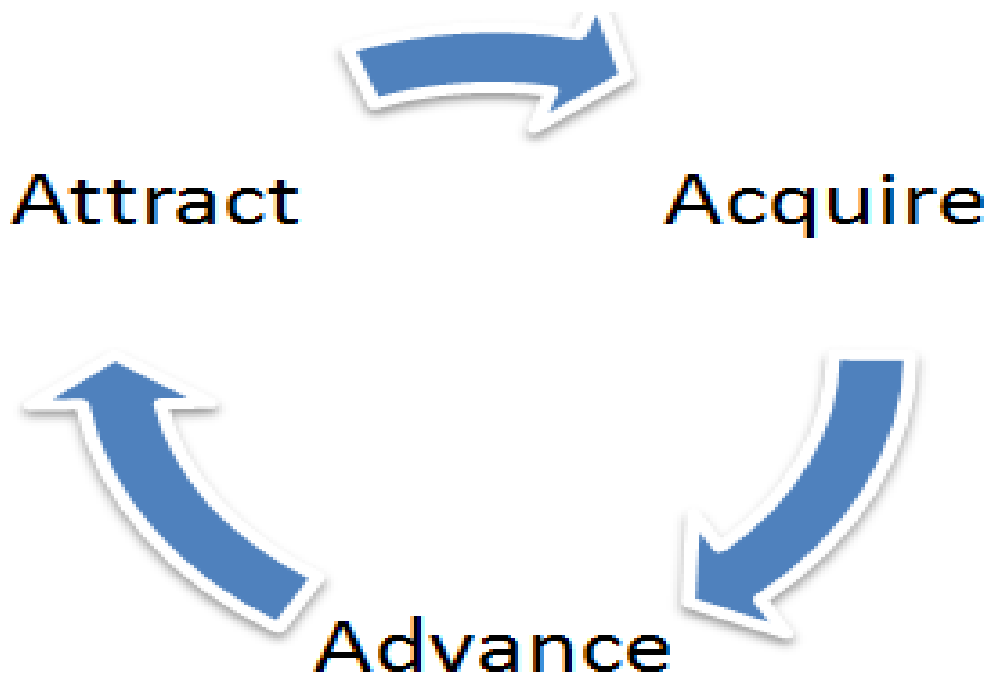
Not engaged--"not-engaged" employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks versus achieving an outcome.

Actively disengaged--the "actively disengaged" employees are the "cave dwellers."

They're "consistently against virtually everything." they're not just unhappy at work;

They're busy acting out their unhappiness. They sow seeds of negativity at every Opportunity.

Phases of Employee Engagement



1. **Attract**

The first phase of the employee engagement cycle is attracting the best talent from the industry. This phase involves creating a positive impression about the work culture and employee career as a potential employer. It is all about carefully creating an authentic, genuine and crafted image as an employer. This is although an indirect yet the first impression that attracts a big pool of candidates to apply for the job vacancies in an organisation. The first phase is the most important phase of the employee engagement cycle.

Another aspect spreading the reputation of an organisation is its employees. They are not only the employees but also are regarded as internal customers. Their job and career satisfaction speaks about their workplace. Therefore, they should not be taken for granted. Besides attracting the talent from the outside, it is important to keep the existing employees attracted towards the organisation.

2. **Acquire**

The acquire image involves more than one thing. It includes (1) the way the potential candidates are interacted while advertising a position; (2) keeping the promises that were made while hiring them and (3) providing the new joiners a right kind of work culture.

When an organisation advertises a position, interested candidates apply. The way their applications are created, the reaction of the organisation and the manner in which they are approached speak a lot about the image and work culture of an organisation.

Hiring the best talent not only serves the purpose. During their honeymoon or initial period with the organisation, the company must try to keep all the promises that were made during the selection process.

Besides this, they should feel happy and satisfied when their expectations are tested against the reality. Providing the right kind of culture also plays an important role in keeping them engaged.

The whole idea is to prepare them to perform their best by giving them challenging tasks right from the beginning. It's like developing a habit or culture right from the time they decide to work with the organisation.

3. **Advance**

Continuous moving the talent is the last but an unending phase. It not only involves promoting the employees to a higher designation along with salary increments but also growing them in other tangible and intangible ways. Job rotation can help them grow in experience, responsibility and belongingness but only when it is done right. Advancing the employees in every aspect, be it monetary or non-monetary, is the key to retain people and develop their overall personality.

Importance and advantages of Engaged employees

A highly engaged employee will consistently deliver beyond expectations in the workplace. Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute to bottom line business success. They will normally perform better and are more motivated. There is a significant link between employee engagement and profitability. 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. It builds passion, commitment and alignment with the organization's strategies and goals. Increases employees' trust in the organization. Creates a sense of loyalty in a competitive environment. A high-energy working environment. Boosts business growth. Makes the employees effective brand ambassadors for the company. Highly engaged employee will consistently deliver beyond expectations. Thus employee engagement is critical to any organization that seeks to retain valued employees. The Watson Wyatt consulting companies has been proved that there is an intrinsic link between employee engagement, customer loyalty, and profitability. As organizations globalize and become more dependent on technology in a virtual working environment, there is a greater need to connect and engage with employees to provide them with an organizational 'identity.' These are all good things that prove that engaging and involving employees make good business sense and building shareholder value.

In contrast organizations with least engaged employees are much more likely to have high employee turnover, low customer loyalty, less productivity and earnings. Negative workplace relationships may be a big part of why so many employees are not engaged with their jobs.

Employee engagement also affects the mindset of people. Engaged employees believe that they can make a difference in the organizations they work for. Confidence in the knowledge, skills, and abilities that people possess – in both themselves and others – is a powerful predictor of behavior and subsequent performance. Thus, consider some of the results of the Towers Perrin survey cited earlier:



Drivers of Engagement

While it is possible to measure engagement itself through employee surveys, this does not assist in identifying areas for improvement within organizations. There are a range of factors, known as drivers that are thought to increase overall engagement. By managing the drivers, an organization can effectively manage engagement levels of its employees. Drivers such as communication, performance clarity and feedback, organizational culture, rewards and recognition, relationships with managers and peers, career development opportunities and knowledge of the organization’s goals and vision are some of the factors that facilitate employee engagement. Employee Engagement has transcended from being the latest business buzzword to being recognized by organizations as a tool that positively influences business performance. This linkage between organization performance and employee engagement was researched by ISR in 2006 by means of world-wide survey.

The ISR study reveals that companies with high engagement scores saw an increase of more than 25% in EPS (Earnings per Share), while companies with low engagement scores saw a decrease of 11% in EPS. The results confirm the belief of many that engagement positively influences business performance.

Hence, it is vital for companies to understand what “causes” employee engagement if they want to influence the “effect” i.e. Employee Engagement. By understanding these drivers and leveraging them, organizations can try and manage engagement levels of their employees.

So what drives employee engagement? Several theories have been propounded that focus on the rational and emotional aspects of engagement. Some even focus on the tangible and intangible aspects of engagement. Mercer's 'What's Working' studies reveal that engagement drivers differ by geography, by industry and even by time.

While there is no one panacea for leveraging employee engagement, there are some broad drivers which are presented below:

* **Employee perceptions of job importance** - "...an employee's attitude toward the job's importance and the company had the greatest impact on loyalty and customer service than all other employee factors combined.

* **Employee clarity of job expectations** - "If expectations are not clear and basic materials and equipment are 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** - "'Inspiration and values' is the most important of the six drivers in our Engaged Performance model. Inspirational leadership is the ultimate perk. In its absence, [it] is unlikely to engage employees."

* **Work/Job Role** - Employees must see a link between their role and the larger organization goal. Understanding this linkage provides an intrinsic motivation and increased engagement. Most employees will come to work on time without possessing a sense of belonging and will try and complete assigned tasks even without possessing that sense achievement on completion of task.

However, an employee that sees a clear linkage on how his/her role contributes to the organization will go the extra mile and help create organization wealth.

* **Work Environment/Organization Culture** - The bond between an employee and the organization is cemented when the employee identifies with the culture of the organization. An employee is engaged and motivated to stretch beyond the call of duty if he/she finds the work environment enabling and supportive.

* **Rewards and Recognition** - The bottom line is that people work to earn which helps fulfil ambitions. Equitable pay coupled with rewards and recognition programs enhances motivation and leads to commitment and engagement.

* **Learning and Training Opportunities** - As Lawyer (2006) put it - "People Enjoy Learning." This is especially true in the case of today's millennial workforce that constantly looks at enhancing knowledge and skill. Skill and Knowledge enhancement is not just important for the employees but providing a learning culture is essential for organizations to remain relevant in the constantly changing business landscape.

* **Performance Management** - An effective performance management system contributes positively to employee engagement. Goal setting lies at the root of any performance management system. Clearly articulated goals, a fair and just means to judge performance and timely, rational feedback are critical elements in creating a bond between the employee and his/her organization.

* **Leadership** - It is a well recorded fact that most resignations happen because the employee is not satisfied with his/her 'boss.' An organization that spends time and effort in grooming leaders who are aligned to its goals, culture and people invests well. New age industries have a young and dynamic workforce that looks for autonomy in decision making, increased responsibility and accountabilities.

* **Other Factors** - Clear and open communication, quality of interaction with peers, collaboration, organization policy, organization performance are all contributing factors to employee engagement.

The highly productive and the most reputed companies across the world have understood the fact that it was employee engagement that made them stand apart from all other companies. **Different companies had taken different initiatives to enhance the level of engagement among employees**

towards their jobs and the organisation. Some offer custom-made incentives while some stick to provide extra facilities like crèche for kids, schools for children of employees, pick and drop, provision of food, movie tickets and many other things.

Each company has its own reasons to establish a specific type of reward-motivation programme depending upon their financial status, region in which they are operating and level which they function at and the backgrounds of the employees. In the year 2015, an annual study conducted by the research arm of Kenexa, a leading global HR solution provider, revealed that Indian giants rank highest as compared to their peers in other countries when it comes to employee engagement and effective leadership.

When compared on the national level, India with 71 percent employee engagement ratio secured the topmost rank while Japan was at the lowest position with 38 percent ratio. This was a surprising fact as it is believed that Indian companies have miles to cover in order to achieve what global companies have done already. Factors that made India stand apart from rest of the countries were employee recognition, emphasis of improvement of quality, show of genuine responsibility of organisation towards employees and opportunities to grow.

The research conducted by Kenexa included India, US, UK, Brazil, Australia, Canada, Denmark, China, France, Finland, Germany, Japan, Spain, Russia, Sweden, The Netherlands, Switzerland, Italy, Mexico and Gulf countries. The most surprising fact is that the Indian companies took creative and unique initiatives to enhance the level of engagement and involvement of their employees.

Indian giants like Mahindra & Mahindra, Mercer, KPMG and Wipro offer democracy to choose their wages and perks depending upon their lifestyles. It is done to decrease as well as prevent dissatisfaction amongst employees. It has worked out very well and companies are successful in drawing and retaining the best talent. The trend began in these IT giants can now be seen in FMCG, banking and other industries.

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