

EMPLOYEE ENGAGEMENT

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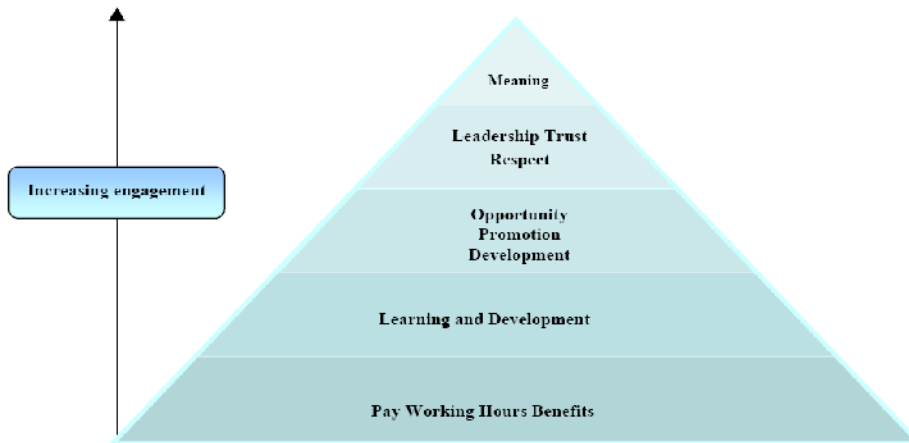
ABSTRACT :

In today's age where companies are losing talent with every passing day, it's not enough to keep employees only happy and satisfied but also imperative to engage them suitably. An engaged employee is someone who is on a mission everyday, which a satisfied employee may not be. Employee engagement in an organisation is associated mainly with job satisfaction, intention to stay and job performance. Companies with a greater number of engaged employees typically have lower operating costs, higher customer satisfaction and higher profits. There is a tangible monetary benefit to companies investing time and resources in fostering higher engagement within their employees. The task of precisely defining employee engagement is still ongoing, but it is most often defined in terms of behaviours exhibited in the workplace. Engaged employees are prepared to go the extra mile in pursuit of workplace excellence. An engaged employee is identifiable by workplace behaviours such as losing track of time as they are so absorbed in the task at hand. Retail industry is one of the fastest growing industries where customer service is the most crucial factor. Unless/until employees are well trained, well groomed and passionate about their job they can't provide proper services to the customers. In other words, we can say that if the people are not engaged in their jobs they won't be able to provide good customer service. With this in view the aim of the research undertaken was to study the extent to which employees are engaged in their jobs with special reference to employees of large sized organised retail sector. An attempt is made to understand how much employees are committed to achieve the organization's objectives and how much the organization respects the personal aspiration and ambitions of its employees.

INTRODUCTION :

Employee's engagement is a step ahead of employee's satisfaction which also helps in retaining the employees in the organization. Many organizations don't take into consideration the engagement part of employees as a result of which the productivity and efficiency of the employees reduces. This, in turn, reduces the organizational competitiveness in the competitive business world. This happens if the employers don't consider that the employee's involvement is a key mantra for business success. On the other hand, a few organisations make efforts to keep employees engaged in their jobs. As a result the organisational effectiveness increases. Employee engagement can be defined as an employee putting forth extra discretionary effort as well as the likelihood of the employee being loyal and remaining with the organization over the long haul. Research shows that engaged employees: perform better, put in extra efforts to complete the job, show a strong level of commitment to the organization and are more motivated and optimistic about their work goals. Employers with engaged employees tend to experience low employee turnover and more impressive business outcomes. Employee engagement is more than just the current HR 'buzzword'; it is essential. For organizations to achieve ultimate objectives, employees must be engaged. Wholly engaged employees exhibit higher self-motivation, confidence to express new ideas, higher productivity, higher levels of customer approval and service quality, reliability, organizational loyalty, less employee turnover, lower absenteeism.

Now-a-days organizations have started focusing on employee engagement and how to make employees more engaged. Employees feel engaged when they find meaning and motivation in their work, receive positive interpersonal support, and operate in an efficient work environment. The concept of engagement is a natural evolution of past research on high-involvement, empowerment, job motivation, organizational commitment and trust. Scholars focus on the perceptions and attitudes of employees about the work environment. In some ways, there are variations on the same fundamental issue. Obviously, all organizations want their employees to be engaged in their work.



Source: Penna (2007)

Fig. 1 Hierarchy of Engagement

Employee Engagement at Each Level

Employee segmentation is an important method to utilize when evaluating employee engagement at each level. For instance, the factors that engage the most productive employees in an organization may not be the same as the factors that engage the least productive employees. Those employees who receive the highest rankings on their performance reviews may tend to express higher levels of job satisfaction when they are presented with challenging opportunities that allow them to grow and learn. Those that receive the lowest rankings might be more focused on issues surrounding work/life balance and job security.

Employee Satisfaction Does Not Equal Engagement

While organizations may be aware "through the grapevine" that employees are unsatisfied, it's the reasons for the dissatisfaction that elude them. While employee satisfaction is important, it's not the end game — it is only one piece of employee engagement. Satisfaction is imperative in that, for those individuals who are top performers, satisfaction may be derived from their achievement orientation, their ambition, or their sense of responsibility. On the other hand, the attempt to satisfy an under-performer who will only be content with a lightened workload may not be a

worthy cause. The focus is on ensuring that individuals who have been identified as top performers and with high potentials are engaged in the organization. As stated, employee engagement incorporates employee satisfaction, but also includes the essential elements of pride, commitment and loyalty in the organization. Engaged employees aren't concerned with meeting the minimum requirements to complete a task, they are focused on what they can do for betterment of the company. Essentially, they take ownership in the company despite whether or not they actually own a share or stock.

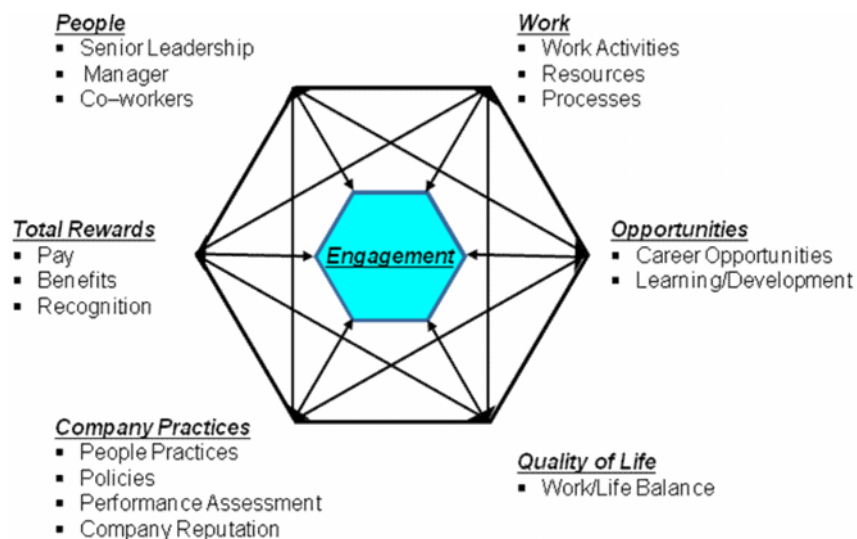


Fig. 2 Factors related to Engagement

REVIEW OF LITERATURE:

According to Harter, James K. 'Journal of Applied Psychology', Vol87(2), Apr 2002, based on 7,939 business units in 36 companies, the study used meta-analysis to examine the relationship at the business-unit level between employee satisfaction-engagement and the business-unit outcomes of customer satisfaction, productivity, profit, employee turnover and accidents. The relationships were found between unit-level employee satisfaction-engagement and these business-unit outcomes large enough to have substantial practical value.

The Gallup organization coined the term “employee engagement” after conducting thousands of surveys and performing research on the reasons people like or dislike their jobs.

Workers are “engaged” if they like their jobs, receive recognition & praise and feel important. According to 2004 survey, Gallup states that 55% of all employees are unengaged, 19% are actively disengaged and only 26% are engaged. Organizations are running at less than 30% of their human potential! Only 20% of employees get the chance to do what they do best at work every day.

According to W.H. Macey, Industrial and Organizational Psychology, 2008, the meaning of employee engagement is ambiguous among both academic researchers and among practitioners who use it in conversations with clients. The term is used at different times to refer to psychological states, traits, and behaviours as well as their antecedents and outcomes. Drawing on diverse relevant literatures, one offers a series of propositions about (a) psychological state engagement; (b) behavioural engagement; and (c) trait engagement. It concludes with thoughts about the measurement of the 3 facets of engagement and potential antecedents, especially measurement via employee surveys.

RESEARCH METHODOLOGY:

To determine the level of engagement of the respondents regarding their job, research has been conducted and the data has been obtained from employees of organised large sized retail sector of Mumbai. An attempt is made to obtain the primary data from 105 respondents by random sampling method, belonging to 10 different organizations, where in general, the respondents from junior level are known as trainee CRE (Customer Relationship Executive), senior CRE, Cashier and from senior level are known as DM (Departmental Manager), Head Cashier, ASM (Assistance Store Manager) & SM (Store Manager). Their qualification ranged from S.S.C. to Post Graduation. The experience of these respondents ranged from 0yrs – 7yrs. The data is obtained based on parameters: Commitment and involvement level of employees, behaviour of the employee in the organisation, relationship with peers and supervisors, career development opportunities, job satisfaction, fair treatment,

access to resources, communication level, working environment, recognition, dedication to their jobs, health care benefits and welfare and preference to stay with the company. To determine the strong areas leading to engagement in employees and the weak areas that need to be worked upon, these parameters were divided into categories like Job, Co-workers, Superiors, Department and Company related. Each of these categories consisted of 3 to 8 questions each. The major findings based on observations, interview and tabulated data throwing light on 'satisfaction and retention' are given in this paper.

ANALYSIS & INTERPRETATION OF DATA

- 1) **Job related** factors analysed were availability of resources to perform the job, imparting right skills & competencies, work load, effective use of talent & abilities, criticality of job for the company and pay scale.

Results obtained

- Most of the employees are satisfied with their job.
- Some employees are neutral about their current job and need to be motivated.

- 2) **Co-Workers** related factors analysed were helpfulness, sharing ideas and information, enjoying the work, effective use of talent, keeping relationship outside the work.

Results obtained

- Employees are highly engaged with their co-workers which help them enjoy their work.
- Engagement with co-workers highly motivates employees to perform well in the stores.

- 3) **Senior** related factors analysed were conveying the exact expectations about performance, friendly relationship with subordinates, regular feedback, career guidance, recognition & praise, healthy communication, accountability of ideas & opinions and caring for the employees.

It was observed that people leave because of what their managers do or don't do. It is seen that managers who respect and value employee's competency, pay attention to their aspirations, assure challenging work, value the quality of work life and provide chances for learning have loyal and engaged employees. Therefore, managers and team leaders play an active and vital role in employee engagement.

Results obtained

- Though most of them feels that they are given proper guidance by their supervisors, there is a gap, 'something amiss'.
 - Some of the employees are dissatisfied with their seniors, hence need to be addressed.
- 4) **Department** related factors analysed were satisfaction about the service provided to customers, provision of sufficient authority to perform the assigned job, safe and clean work environment and inter-departmental relationships.

Results obtained

- Organised large scale retailers provide safe and clean working environment to employees.
- Individuals are given freedom to make decision and work effectively
- However, some employees think that that there should be more inter-departmental relationship.

Companies should concentrate on leadership and brand building as people prefer to be associated with a brand. Respect for the job should be created. The employees should feel proud to be a part of the company. Organizations successful in engaging employees clearly pass on their goals and achievements. Conducting regular meetings and updating employees, especially new entrants, about the company's status and achievements is a must. They should be exposed to the best values the company has. If employees are informed about regular happenings in the company, they will be confident about the future and not try to look for better options.

5)

6) **Employer / Company** related factors analysed were company image, consultation before taking decision about an employee, fair promotions, opportunity to learn & grow within the company and emotional bonding with the employer.

Results obtained

- Most of the employees feel that there is a great opportunity to learn and grow in the company.
- The employees feel that they are given fair promotions on the basis of their performance and competencies.
- However, some of them are neutral towards the questions related to company.

Given below is the graphical presentation of the result of various factors considered to measure the employee engagement:

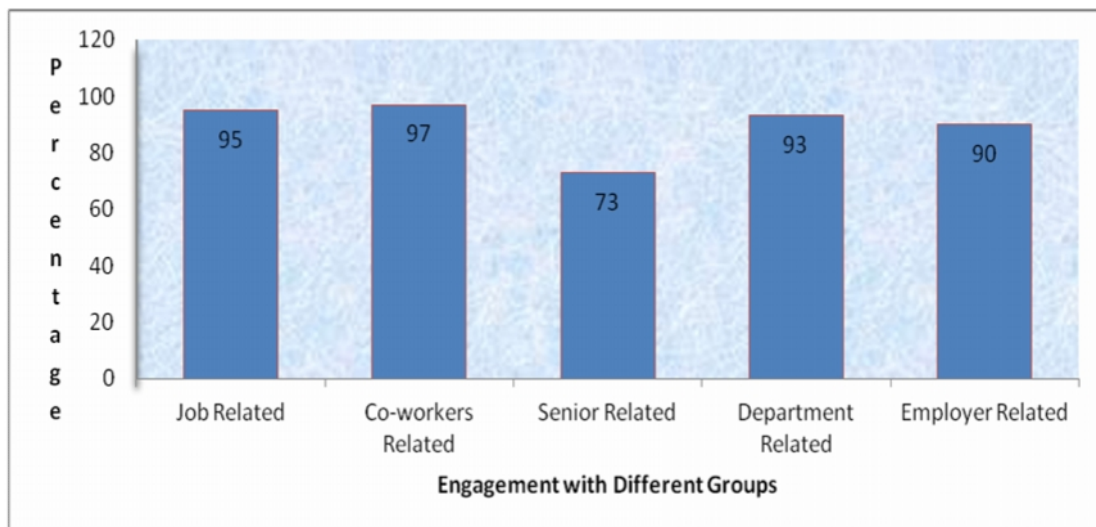


Fig. 3 Measurement of Employee Engagement

As can be observed from the above, ‘senior related’ factor depicts low satisfaction and engagement. Most of the employees feel that there is a great opportunity to learn and grow in the retail sector and hence they are willing to work

with the organization. However, the most important factor which can affect their thinking is the payment they are getting, especially staff level management.

FINDINGS:

- Employees get equal opportunities and fair treatment in the organisation.
- Interaction level between subordinates and superiors is not quite good, supervisors do not spend time with their most valuable asset i.e. their subordinates; though they are willing to help and guide them.
- Most of the employees are quite happy with the management.
- Some of the employees are not clear about the values of the company.
- Some of the employees are physically engaged in their jobs. They are not cognitively and emotionally engaged.
- Organisation respects the personal aspirations and ambitions of the employees.
- Employees tend to concentrate on tasks rather than goals and outcomes. Some of them are hardly aware about their company and their role in it.
- Employees lack in self-motivation. They are not passionate about their jobs.
- Employees prefer to stay with the employers, which is a positive sign. However, there is a lack of advocacy from the employees about employers and their products and services.
- Some of the employees are not career oriented.

SUGGESTIONS AND RECOMMENDATIONS:

Creating a Motivating Environment:

Leaders who create motivating environments are likely to keep their team members together for a longer period of time. Retention does not necessarily have to come through fun events such as parties, celebrations, team outings etc. They can also come through serious events e.g. providing training relating to quality and career opportunities etc. Employees look forward to these events and are likely to remain more engaged.

Team dynamics:

Team leaders are close to their team members. While they need to ensure smooth

functioning of their teams by implementing management decisions, they also need to educate their managers about the ground realities. Providing coaching, everyone wants to be successful in his or her current job. However, not everyone knows how. Therefore, one of the key responsibilities will be providing coaching that is intended to improve the performance of employees. Managers often tend to escape this role by just coaching their employees. However, coaching is followed by monitoring performance and providing feedback on the same.

Delegation:

Many team leaders and managers feel that they are the only people who can do a particular task or job. Therefore, they do not delegate their jobs as much as they should. Delegation is a great way to develop competencies.

Extra Responsibility:

Giving extra responsibility to employees is another way to get them engaged with the company. However, just giving the extra responsibility does not help. The manager must spend good time teaching the employees of how to manage responsibilities given to them so that they don't feel overburdened.

Focus on future career:

Employees are always concerned about their future career. A manager should focus on showing employees his career ladder. If an employee sees that his current job offers a path towards their future career aspirations, then they are likely to stay longer in the company. Therefore, managers should play the role of career counsellors as well.

- The organisation should conduct regular training and development programs, which allows employees to enhance their skill and know-how.
- Employees should be constantly motivated through consistent reward system and fair remuneration.
- Instead of individual goals and targets, employees should be given group tasks and goals.

- Proper induction program and regular presentations regarding the organisation's policies, culture and vision are required.
- In order to break the monotony of their work and to help them build and nurture a relationship with the organisation and co-workers, the employers should conduct regular management games and make a point to celebrate employees' birthdays, anniversaries etc.
- Employees should be involved in new ventures of the organisation from the initial stage to make them feel as an integral part of the company.

Employee satisfaction is the manifest in the level of engagement that employees have in their work. In other words, employee engagement is the ultimate expression of employee commitment, loyalty, morale and overall employee satisfaction. Therefore, organizations need to focus on employee engagement.

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