



## Emerging Importance of Employee Engagement in HR

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### Abstract:

*The term employee engagement has gained popularity over the past twenty years. Employee engagement is a vast construct that touches almost all parts of human resource management. The meaning of employee engagement is ambiguous in the organization. Employee engagement makes organizations develop the culture of engagement at work as a priority for organization. It 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. It is a positive attitude held by the employees towards the organization and its values.*

*Employee engagement is very important to enterprises development and helpful for achieving success. It contributes to promote the organization productivity, profits and customer satisfaction, furthermore to reduce turnover and trouble of occurrence. The modern business competition is substantially the competition of human resources. Developing the employee's potential ability well by raising employee engagement is a magic weapon with which a modern business enterprise obtains success. Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer, going extra mile beyond the employment contractual agreement.*

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### 1. Introduction

Employee engagement is a workplace approach designed to ensure that employees are committed to their organization's goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being. An Engaged employee cares their work and about the performance of the company, and feels that their efforts make a difference in the organization. It is an art and science of engaging people in authentic and recognized connections to strategy, roles, performance, organization, community, relationship, customers, development, energy, and well-being as they leverage, sustain, and transform their work connections into results. Employee engagement lies at intersection of maximum contribution for the business and maximum satisfaction for employees. It's a sustainable level of high performance that benefits both the company and the employee. Nowadays Employers are encouraging employee engagement in many ways, including communicating expectations clearly, offering rewards and advancement for excellent work, keeping employees informed about the company's performance, and providing regular feedback.

Today major businesses have their own ways of engaging employees (both new and old). In order to make employee engagement a success, they have to a strong follow up plan. The assumption in the business world is that engagement level predicts the positive intensity and quality of effort the organization can expect from an individual within job confines. Business has also recognized that talent without engagement is poor value. Employee engagement is an idea that helps develop strong

positive attitudes among people towards their work and their organization, and this plays a major role in ensuring that they give their best even when times are tough, surely they need to improve it now more than ever. The distinctive feature of employee engagement as an idea is that it pulls all of these positive job and work attitudes together under one umbrella. So engagement's economic value to the business is, at a minimum, lower direct supervision costs, higher quality and higher revenue per employee; at the maximum, more numerous innovation events, higher customer loyalty, higher return on human capital and steady increase in stock price — but only if correctly defined, measured and managed.

An Improved performance and productivity is at the heart of engagement, it cannot be achieved by a mechanistic approach which tries to extract discretionary effort by manipulating employees' commitment and emotions. Although engagement is made up of many facets, there is one core component that managers and organisations need to grasp and take seriously: employees need to feel that their organisation is genuinely interested in them. Focusing on how to get discretionary effort from people, or how to ensure that they believe in the organisation's mission, must not take priority over demonstrating concern over employees' wellbeing. Therefore engaged employee experiences a blend of job satisfaction, organizational commitment, job involvement and feelings of empowerment. It is a concept that is greater than the sum of its parts.

## 2. Background

Employee engagement has a relatively short historical timeline. Employee engagement is derived from studies of morale or a group's willingness to accomplish organizational objectives which began in the 1920s. Employee engagement is also called worker engagement, is a business management concept. The Gallup Organization conducted studies on employee engagement from the mid to late 1980s and published their results in a very popular book, "First, Break All the Rules" (Ferguson). Gallup feels their research proves that engaged employees are more productive, profitable, customer-focused, safer, and more likely to stay with an organization (Gallup). Gallup's book arguably introduced the concept to the global market. In 1990, W.A. Kahn was one of the first in the field of psychology to discuss employee engagement and related it to the concept of disengagement. Since the early 1990s other consulting firms and research organizations have followed suit doing research and creating their own hypotheses concerning employee engagement.

An "engaged employee" is one who is fully involved in, and enthusiastic about their work, and thus will act in a way that furthers their organization's interests. It is essential to succeed in business, yet few organizations successfully define, measure or manage this leadership model. Employee engagement is the level of commitment and involvement an employee has towards his organization and its values. It is a measureable degree of an employee's positive or negative emotional attachment to their job, colleagues and organization which profoundly influences their willingness to learn & perform at work. It is not a Human Resources initiative that managers are reminded to do once a year. It's a key strategic initiative that drives employee performance, accomplishment, and continuous improvement all year long. It's the outcome from how your organization interacts with people to drive business results.

Employee engagement has a direct impact on the Employee's productivity. Understandably, the most productive employees are those that are not only committed and loyal; But also but also those whose outputs are healthy and gratifying both for themselves as well as for the organization they work for. Obviously, these are the employees who can be called 'engaged'. A successful employee engagement initiative helps create a community at the workplace, not just a workforce. When employees are effectively and positively engaged with their organization, they form an emotional connection with the company. This affects their attitude towards both their colleagues and the company's clients, which leads to improve customer satisfaction and service levels.

### 3. The Concept of Engagement

Employee engagement means an employee feels emotional connections towards his or her employment organization, which tends to influence his or her behaviours and level of effort in work related activities. The more engagement an employee has with his or her company, the more effort they put forth. Employee engagement also involves the nature of the job itself - if the employee feels mentally stimulated; the trust and communication between employees and management; ability of an employee to see how their own work contributes to the overall company performance; the opportunity of growth within the organization; and the level of pride an employee has about working or being associated with the company.

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.

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.

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."

From a management perspective, engagement is the process of leading people by enabling them to want to do whatever is necessary to ensure the continuous high performance and success of the business. From the employees' perspective, engagement is their attitudinal and emotional state developed from experiences perceived to be controlled by management. Therefore Employee engagement management is an alternative to commanding and controlling what specific work should be done, when, at what speed and with what kind of attitude.

### 4. Models of Employee Engagement

Employee engagement is the emotional commitment the employee has to the organization and its goals. This emotional commitment means engaged employees actually care about their work and their company. They don't work just for a pay check, or just for the next promotion, but work on behalf of the organization's goals. There are four models in the employee engagement for a successful organization. They are as follows:

1. Employee Motivation
2. Employee Trust
3. Employee Loyalty
4. Employee Commitment

Fig. 1



#### 1. Employee Motivation

Motivation is the most powerful emotion that employees bring to work. Employee motivation describes an employee's intrinsic enthusiasm about and drives to accomplish work. Every employee is motivated about something in his or her life. Employee motivation is an important tool for the engagement of the employee in the work. Engagement is about motivating employees to go the extra mile in the workplace. It is about encouraging employees to have a passion for their work, and

identifying the organization as more than a place to earn money. A recent Harvard Business Review article explained that "employees are motivated by jobs that challenge them and enable them to grow and learn, and they are demoralized by those that seem to be monotonous or to lead to a dead end."

## **2. Employee Trust**

Building trust through effective communications is an absolute essential. Employees need to trust that their managers have the capability to make the organization successful. Trust is a two-way street. Managers must also show that they, in turn, trust employees to help drive organizational success. They must make employees valued partners in a common enterprise. Employees want not only to know what the bigger picture is, but also to feel that they are a part of that picture. Deepening trust among members of the team is a first step toward deepening trust throughout the organization. Through a process of self-discovery and team discovery, leaders collectively can establish the mutual understanding essential to achieving alignment around the engagement issue.

## **3. Employee Loyalty**

Loyalty is an important tool in the employee engagement. For engaged employees, loyalty goes beyond just staying for a pay check or other benefits accompany employment with the organization. They exceed what is required and expected of them by the organization because they want to, not because they have to. Engaged employees are enthusiastic about their work and their company. Their enthusiasm is contagious. It rubs off on other employees, and on customers.

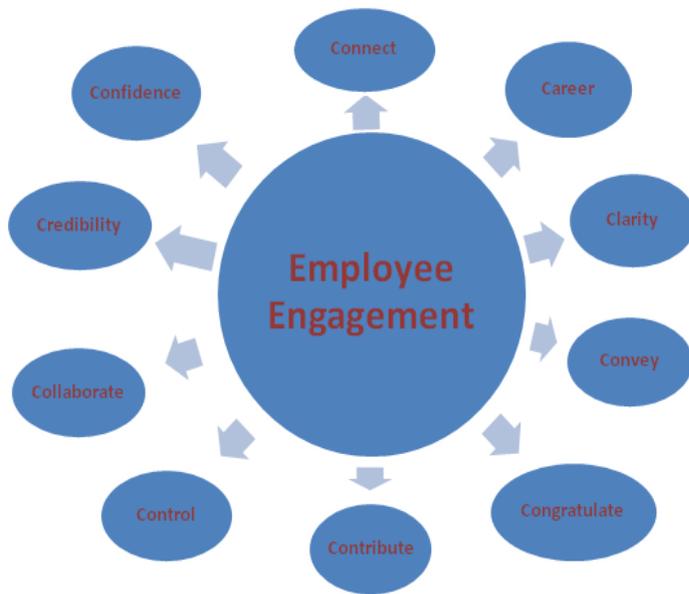
Employee promoters power strong business performance because they provide better experiences for customers, approach the job with energy—which enhances productivity—and come up with creative and innovative ideas for product, process and service improvements. Creating and sustaining employee engagement can increase employee loyalty and also help to retain workers. Therefore, Managers have good reason to want to earn the enthusiastic loyalty of their employees.

## **4. Employee Commitment**

Employee engagement describes the level of commitment that employees have toward the organization. Employees on all levels of the organization are willing to exert that extra effort to ensure that their job is performed to the best level possible. Employee commitment is not just too short-term goals, but to the long term success of the organization. Employees who are engaged in their work and committed to their organizations give organizations crucial competitive advantages—including higher productivity and lower employee turnover. Organizations of all sizes and types have invested substantially in policies and practices that foster engagement and commitment in their workforces.

Therefore, Employee engagement is the art and science of engaging people in authentic and recognized connections to strategy, roles, performance, organization, community, relationship, customers, development, energy, and well-being as we leverage, sustain, and transform our work connections into results. It lies at intersection of maximum contribution for the business and maximum satisfaction for employees and it's a sustainable level of high performance that benefits both the company and the employee. Employee engagement is an idea that helps develop strong positive attitudes among people towards their work and their organization, and this plays a major role in ensuring that they give their best even when times are tough, surely they need to improve it now more than ever.

**Fig. 2. The ‘TEN C’S of Engagement’**



The ‘ten C’s of engagement’- steps that the management may take to enhance the level of engagement of the employees. These may be enumerated as follows:

#### **4.1 Connect**

The extent to which management conveys that it cares for and values the employees. Leaders must show that they value employees. Employee engagement is a direct reflection of how employees feel about their relationship with the boss.

#### **4.2 Career**

The management provides to the workers work that is ‘challenging and meaningful’ and fostering one’s career growth. A promising/meaningful career will reduce

high turnover. Employers should meet with their employees at least quarterly to discuss career development. Manager should provide challenging and meaningful work with opportunities for career advancement. Most people want to do new things in their job.

#### **4.3 Clarity**

The extent to which the goals, rules and the organizational operations are transparent and understood by the employee. Managers must communicate a clear vision. Success in life and organizations is, to a great extent, determined by how clear individuals are about their goals and what they really want to achieve. In sum, employees need to understand what the organization’s goals are, why they are important, and how the goals can best be attained.

#### **4.4 Convey**

The extent to which the management communicates goals and provides feedback. Managers clarify their expectations about employees and provide feedback on their functioning in the organization.

#### **4.5 Congratulate**

The extent to which good performance brings praise and recognition. Exceptional leaders give recognition, and they do so a lot; they coach and convey.

#### **4.6 Contribute**

The extent to which one’s contribution to the ‘success and future’ of the company is understood. People want to know that their input matters and that they are contributing to the organization’s success in a meaningful way. In sum, good leaders help people see and feel how they are contributing to the organization’s success and future.

#### **4.7 Control**

The management allows the worker to participate in decision making and drive initiatives. Employees’ value control over the flow and pace of their jobs and leaders can create opportunities for employees to exercise this control. A feeling of “being in on things,” and of being given opportunities to participate in decision making often reduces stress; it also creates trust and a culture where people want to take ownership of problems and their solutions.

#### **4.8 Collaborate**

The extent to which the organization upholds team work over pursuance of self-interests. When employees work in teams and have the trust and cooperation of their team members, they outperform individuals and teams which lack good relationships. Great leaders are team builders; they create an environment that fosters trust and collaboration.

#### **4.9 Credibility**

The extent to which the management demonstrates transparency and high ethical standards. Leaders should strive to maintain a company's reputation and demonstrate high ethical standards.

#### **4.10 Confidence**

The extent to which the organization demonstrates high ethical and performance standards, creating a sense of positive identification among the employees. Good leaders help create confidence in a company by being exemplars of high ethical and performance standards.

Therefore, the ten factors are significant predictors for employee engagement, i.e. perceived status of the organization on these factors would determine the extent to which the employees of the organization feel engaged.

### **5. Conclusion**

Employee engagement describes an employee work environment in which employees are motivated, excited, thoroughly involved and engrossed in their work and contribution, and willing to offer their discretionary energy to accomplish work goals. It is an essential element of organizational health and is the goal of strategic initiatives designed to improve employee attitudes and retention through leadership, co-workers, job/career satisfaction, and a high performing organization. In short, the employees are your biggest investment and should bring the greatest reward. Yet even today, in too many organizations, employees are viewed as an asset to be managed rather than as individuals who can create the next innovation for success. Long-term engagement starts with good communication between employer and employees as well as among co-workers, fostering a positive working environment.

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