

8. Employee Engagement - A Wakeup Call for Indian Companies

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Abstract

Employee Engagement has become as an important challenging task for the organisations in the recent few years. Almost all the industries have given proper space to Employee Engagement. Employee Engagement is the level of commitment and involvement an employee has towards their organizations and its values. Engaged workers stand apart from their not-engaged and actively disengaged counterparts because of the discretionary effort they consistently bring to their roles. These employees willingly go the extra mile, work with passion, and feel a profound connection to their company. They are the people who will drive innovation and move your business forward. Gallup's most recent global research finds only 13% of employees worldwide are engaged at work. According to the latest State of the American Workplace report, just 33% of employed residents in the United States are engaged at work. This study makes an attempt to understand the employment engagement practices adopted by Indian companies and the Multinationals across the globe.

Introduction

Employee engagement is all about creating a positive feel among employees towards organizational goals. It is a tool to make employees feel involved in their organization's success and development. According to Scarlett, "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." An engaged workforce who possess the necessary skills, knowledge and expertise is crucial for any organization who wants to achieve high levels of business success. It is only an 'engaged' employee who is intellectually and emotionally bound with the organization, feels passionately about its goals and is committed towards its values. Engaged workers stand apart from their not-

engaged and actively disengaged counterparts because of the discretionary effort they consistently bring to their roles.

The Importance of Engaged Employees

Today, employee engagement and loyalty are more vital than ever before to an organization's success and competitive advantage. Gone are the days when a young person starting out in his or her career joined a company and stayed until retirement – in today's business environment there are no guarantees. Experts predict the current turnover rate may rise to 65%. With recruiting costs running approximately 1.5 times annual salary, the ability to engage and retain valuable employees has a significant impact on an organization's bottom line. The question for management is how to ensure that the supervisors interact with individuals to generate an engaged workforce.

Literature Review

Kahn (1990:694) defines employee engagement as “the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. The cognitive aspect of employee engagement concerns employees' beliefs about the organisation, its leaders and working conditions. The emotional aspect concerns how employees feel about each of those three factors and whether they have positive or negative attitudes toward the organisation and its leaders. Mohanka, (2004) emphasized that forward thinking companies recognize that they must take a holistic view in managing and motivating their employee talent as an end-to-end process, from the initial recruitment, through initial recruitment, through performance review, developments, incentivisation, measurement, feedback.

Mahendru and Sharma, (2006) emphasized that a successful organization is built with its employees contribution – a contribution that will not effective unless its employee are engaged in strategic decision making and other initiatives Sahu Gangadhar & Sahoo Chandan Kumar (February 2009) says that Employee Engagement (EE) is a pivotal mechanism for nurturing a high performance culture to drive the organization towards success. EE is about building a truly great relationship with the workforce. Employee is one of the key assets of an organisation

Employee Engagement Strategies and Best Practices

Employee engagement strategies are a must for any organization today. Most of the businesses that excel in their employee engagement strategies and best practices outperform their

competitors in terms of profitability and productivity. Certain best practices are to be followed so as to ensure employee engagement in your organisation.

1. Select the right people

It is necessary to have your recruitment and selection strategies in place. Before the face-to-face interview with the candidate, thorough screening should be done. So that in right people can be selected who from the very beginning have similar vision and passion for the organization, thus proving your employee engagement strategy right!

2.Appreciate the efforts of your people

Every company needs to show appreciation for the good work done by the employees. Recognition is one of the top three motivators; various studies have proved that organizations that recognize the employees' efforts are most likely to have less attrition. Saying "thank you" doesn't really cost anything to a company. A simple humane gesture can engage the employees in the organization to perform better.

3. Invest in your people

Employees are valuable assets of. An organization that gives priority to its employees is most likely to perform better. Invest in your people, organize training (internal and external) like better communication skills, how to work better in a group etc. to facilitate enthusiasm and better understanding amongst the employees.

4. Make the job enjoyable

One of the best employee engagement strategies is to generate interest among employees in whatever they do. If your employees don't show interest in the work they do and are just performing the activity as a ritual, there are lesser chances that they will be engaged in the work they do. It's a good practice to make your employees' job a little more enjoyable.

5. Improved Communication

Communication is found to be one of the major obstacles in employee engagement. In an organization if an employee feels, they can't communicate freely or ask questions openly there is a possibility of decreased engagement levels, which in turn hinders the growth of an organization.

Case Studies of Employee Engagement Best Practices Adopted By Various Indian and Mnc's

1) Larsen and Turbo Ltd-

The employee engagement practice followed by the Larsen and turbo ltd is different. The company believes in providing flexible timings for its employees, engaging in career planning and employee development plan, outdoor training for understanding the management practices etc. Additional incentive, sponsor for higher education, training for corporate ethics and personality development are some of the additional programs conducted under employee engagement. .Outdoor training is conducted in order to reduce the workplace stress among employees of the company.. One Friday of the month employee related program is conducted to award the high performer in the company. L&T also celebrates the employee's birthday, family day, will host of cultural and sports activities to encourage employees.

2) Tata Consultancy Services (TCS)

Was ranked first in the list of 'The Best Companies to Work for' in India in a survey conducted by Business Today, a highly acclaimed business magazine. This noteworthy achievement could be attributed to the company's tireless endeavour in implementing a variety of employee engagement programmes which helped them attain the lowest attrition rate in the Indian IT sector. Some of the oldest employee engagement programmes at the company were a) **Maitree** (which means friendship)- started to support the spouses of the TCS employees who often had to settle in other countries outside India in a totally new environment and culture. b)**Proactive Employee Engagement Programme (PEEP)**,- focused on one-on-one interactions between junior and senior employees c) **PROPEL** launched in early 2000s- promoted the culture of Share-Care-Grow.

3) Alstom India Pvt Ltd

Introduced many new activities to promote employee engagement in the company. Like, Sports and cultural events to reduce the stress level of the employees, annual family day out for the employees, sponsoring for higher education of employees, half yearly performance appraisal of employees. Apart from these things, the company is also concentrating to frame improvement plans for employees who perform less, overall employee development and career planning.

4) Tech Mahindra Ltd:

Tech Mahindra limited encourages the employees by taking them for team outings, like trips, CSR activities etc. The company also celebrates various festivals inside the organization like Diwali, Christmas, and Dandiya once in a year. It also celebrates employee's birthday, family day etc. To encourage employees, quarterly and annual rewards and recognitions are given to the employees. Some awards given by the company are Best support group of the year, five year association award, Ten year fellowship award, star performer, rising star, best manager, best team award, pat on back, valuable team player, cookies (spot award for small and significant contribution by the employees).

5) Lupin: Learning Doesn't Ever Stop Here

Lupin runs a parallel education system in the company for its 12,000 employees. High-potential employees across roles and levels have access to education to reskill themselves. For area managers, the company has an e-MBA programme in a tie-up with SP Jain Institute of Management and Research, and for the regional sales manager level, it has tied up with Narsee Monjee Institute of Management Studies. For R&D employees, the company has tied up with BITS Pilani. Employees pay 10% of the programme fee.: "The employer is the custodian of the employee's technical and educational growth," says Divakar Kaza, president, HR. The added advantage of this practice is zero attrition. Employee's gain is that they get to stay relevant in the ever-evolving job market.

6) RPG Enterprises: Employees Reach 24×7 Trainer at the Click of a Mouse

The RPG Virtual Gurukul is an anytime-anywhere learning tool, designed to support employees' development through online learning. "We have bought a large number of licences of courses in modular form. Employees can log in to their area of interest for free," explains Arvind Agrawal, president, corporate development and HR. There are over a 100 courses, ranging from technical topics to business skills development. "There is a pattern of 20-30 typical development needs, each of which has a training module, which could range from two days to two weeks. These have been developed in collaboration with leading institutes like IIM Ahmedabad and Bangalore," says Agrawal. Top talent is also sent for programmes at Harvard, Wharton, London School of Economics and the like.

7) GMR Hydro India Pvt Ltd-

The company is working lot to engage employee effectively with the organization. To make the employees involved and engaged with the company, they organize various cultural and sports events. As a part of engagement programs, the company used to celebrate the birthdays of employees, provides free lunch and breakfast coupons also. The Company also provides balance scorecards to the employees, help employees to know what exactly the job expects from him or her. Job satisfaction survey is done annually to know the needs of the employees and satisfy them in best possible manner

8) Intel Corporation-

Intel, an innovative high-tech company, undertook a comprehensive review of its engagement programs to understand the company's strengths and opportunities to improve the employee engagement. Intel hired BSR to do a benchmarking of leading engagement practices. Several new initiatives were propelled based on the following three primary strategies.

➤ Raising awareness

Intel believed that awareness among employees about company's CSR practices would increase the employees' pride and loyalty Hence it was decided to develop a platform to support communications from CSR to employees and to inform them about the company's strategies and activities.

➤ Expanding Opportunities

For Involvement: Intel established several programs to engage employees in meeting the company's CSR goals. The teams give employees from all parts of the business an opportunity to learn about environmental issues, keep current on Intel's practices, and identify opportunities to support the company's goals.

➤ Setting Goal and Aligning Incentives:

Intel believed that setting goals for engagement and giving incentives to the employees could provide motivation for engagement. Another strategy implemented by Intel is calculating employees' annual bonus according to the sustainability results.

Conclusion:

The study revealed that an engaged employees tend to develop an obligation to reciprocate favourably to their organization for the job resources provided, hence developing a strong commitment to their organization. An organization should thus recognize employees,

more than any other variable, as powerful contributors to a company's competitive position. If employees truly are a company's best asset, then leaders and managers should make caring for them a priority. Organizations have a valuable opportunity to transform their employees' work experiences into ones that are fulfilling and motivating and that allow workers to bring their best to work every day.

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