

## “Employee Engagement”: Constructive Environmental Analysis

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### Abstract:

As the workplace today undergoes constant changes at the hands of its internal and external environmental forces, what has become immensely important to organisations is not just earning profitability but ensuring that the drivers of such profitability are sustained for attaining long term growth and stability. Company productivity and growth are directly driven by the time spent by committed workforce on their jobs. Human resources are the key factors that derive this growth and thus, it is necessary to not only recruit the right individuals on the job but also retain them for a longer period of time. This is where the concept of “Employee engagement” derives its significance. This article reviews the various definitions that have been provided by various academicians on employee engagement since literature lacks on providing a consistent and a universally accepted definition of the same. The methodology used for this paper is literature review based on information available from previous articles, journals, text books on the employee engagement. The descriptive method has been used to explain the factors of employee engagement. The paper also discusses the factors (both external and internal) that form a part of the environment of an engaged employee and throws light on the challenges that may hinder engagement amongst active employees today.

### 1) Introduction

#### 1.1) Defining “Employee Engagement”

The first use of the term engagement occurred in 1990 in Academy of management journal by William A. Kahn. In his work, Kahn suggested that people’s involvement in tasks is dependent on to their psychological state of work. According to him, people employ and express themselves physically, cognitively, emotionally during role performances. Since then the concept has been a great deal of interest to scholars. Falcone believes that to be engaged is to be fully involved and enthusiastic about one’s job. Rather than a momentary state, engagement refers to a continuous and pervasive affective-cognitive state that is not focused on any particular object, event, individual, or behavior.

The second related construct to engagement in organizational behavior is the notion of “flow” advanced by Csikszentmihalyi(1975, 1990). “Flow” is the state in which there is little distinction between the self and environment. Csikzentmihalyi (1975) defines flow as the ‘holistic sensation’ that people feel when they act with total involvement and commitment and assumes no difference between the self and environment. Thus, when individuals are in the state of flow, they have very little control over their actions; it is this state that does not require employees to put in a voluntary and compulsive effort at work. According to Wellins and Concelman (2005) engagement is “a summation of commitment, loyalty, productivity, and ownership. On the other hand, Gaddard(1999) measures the amount of commitment as a function of time spent on the job. The concept of employee engagement can be well distinguished from workaholism as the former is associated with positive vibes at work, positive attitude towards the organisation and co-workers and a good performance(Schaufeli & Bakker, 2003). Workaholism, on the other hand is state in which an employee works excessively and spends long hours at work, though he may not like the same.

He may do so to earn more (overtime directly leads to better wages), may like what he is doing that’s why he spends more time on it, or may be working more out of obligation. In any case, he may or may not be committed to what he does. Organisational commitment also differs from engagement in the sense that an employee’s commitment towards the organization can be understood as his/her feeling of attachment towards the firm while engagement is the extent to which the worker is attached to his work and holistically involved in it(Holbeche & Springett, 2004). Engagement should also be differentiated from job satisfaction. Research reveals that job satisfaction precedes employee engagement (Abraham, 2012) meaning that employees are committed and involved whole heartedly in their work (engagement) only if they feel content and happy with their jobs (job satisfaction). 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.

## 1.2) Importance of Employee engagement

It is important to understand the reason as to why this term has grabbed the limelight of managers and HR in the corporate world, big or small, in such a short span of time. Accounting the reasons for the same, it is seen that a rising number of jobs are becoming skill and knowledge intensive and with automation taking the stage, employees increasingly search meaning into their jobs. According to the Bureau of Labor Statistics, the average worker in America works 8.8 hours every day whereas the same worker in India is working 9 hours a day. But shockingly it was found that most of these employees are not actively involved in their work for all these hours. Rather, another research suggested that they are only productive around 3 hours of the day (Curtin, 2016). The remaining hours are spent in activities other than work and social networking. Engagement can affect employees' attitudes towards work, absence and retention levels and various studies have demonstrated links with productivity, increasingly pointing towards a high degree of correlation with individual, group and organisational performance. This premise was verified by studies conducted by Gallup group which found that a staggering 87% of employees worldwide are not engaged (Brim, 2002 & Crabtree, 2005).

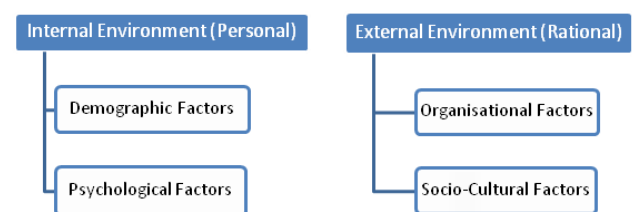
Gallup findings suggested that there are critical links between employee engagement, customer loyalty, business growth and profitability. It found that the top-quartile of the surveyed business units have 12 per cent higher customer advocacy, 18 per cent higher productivity, and 12 per cent higher profitability than bottom-quartile business units, the ranking of these business units was done on the basis of engagement levels among employees. Another study by the SHRM (Society for Human Resource Management) on new global employee engagement in 2006 surveyed 664,000 employees from around the world and found a difference of almost 52% in the yearly performance improvement in terms of operating income between organizations with highly engaged employees and organizations having employees with low engagement scores. These numbers provide significant evidence that employee engagement is pivotal to successful commercial and business performance, where engaged employees are the 'backbone of good working environments where people are industrious, ethical and accountable' (Levinson, 2007a & Cleland, Mitchinson, & Townend, 2008).

It is therefore necessary to study the factors that affect engagement levels amongst employees which we deal with in the next section.

## 1.3) Constituents of "Engagement Environment" of an Employee

In this section we determine the factors in the internal and external environments of an employee that together interact and determine the engagement levels of an employee. As Towers Perrin puts it, "engagement involves both emotional and rational factors relating to work and the overall work experience". The emotional factors affect people's personal satisfaction and the sense of inspiration and affirmation they get from their work and by being part of their organization, for instance, having a sense of accomplishment and recognition from one's own job. In contrast, the rational factors generally relate to the relationship between the individual and their immediate external environment, for instance, the extent of clarity of one's own role in an organization. In the same manner, engagement levels vary with biographical factors such as the age of the person and their gender, as well as more work-related factors such as how new they are to the organisation, their pay, their working hours and the work setting the organization (Balain & Sparrow, 2009).

The factors can be divided as follows:



**Figure 1.1 Factors affecting employee engagement**

**i) Demographic factors:** Employee engagement is directly dependent upon biological factors such as gender, age of a person, disability, marital status of an employee, and income of an employee.

**Gender:** The impact of personal characteristics was studied by Robinson et al's (2007) in a survey conducted in 8 organisations spanning a range of sectors (including a mobile company, a government agency, a part of police, etc.). It was found that women appeared slightly more engaged than men in these organizations.

**Age:** Engagement among employees was lower in the age group of 20-39 years. BlessingWhite's report in 2017 suggested that employees born after 1980 are the least engaged part of the workforce while their older counterparts are much more engaged than them.

**Marital Status:** Researchers argue that married employees tend to have a higher level of engagement than those who are single as they believe that employees have come to a point where they are more settled in both their personal and professional lives which is otherwise a main concern for a distracted workforce.

**Disability:** A disabled employee was observed to be more engaged than one without a disability as suggested by Robinson.

**Income/ Seniority:** Income of a worker and seniority go hand in hand. Senior personnel in an organization are likely to draw a higher compensation than their junior. Hence, research suggests that, generally, the more senior an individual's role within an organisation, the greater the chance of being engaged. (Towers, 2005)

**ii) Psychological factors:** A person's state of mind affects his attention at work, if he is confronting a problem at the domestic front or the professional front; it takes a toll on his presence at work thus affecting his engagement levels. According to May et al, engagement is related to emotional experiences and well-being (May, Gilson, & Harter, 2004). Thus, a happy person is likely to put his hundred per cent work and a disappointed and a gloomy soul is likely to be distracted and lost. The level of availability that an individual has at work is determined by their own personal experience, emotional state of mind, stress levels, adequate leisure time for recovery and participation in activities outside of work. Such participation can divert energy and focus away from work and thus reduces individual investment in the workplace (Kahn, 1990).

**iii) Organisational Factors:** Clarity of roles and objectives of an employee, effective communication with superiors and co-workers- studies reveal that relationships with managers were the biggest influences on the satisfaction and commitment of employees followed by the relationships with colleagues (IRS, 2004) and organisational climate are only some of the drivers of engagement. Other organizational factors include:

**Meaningful work:** Kahn's proposition that 'organisations that build a culture of "meaningfulness" are more likely to have engaged employees' was verified by Lockwood (Lockwood, 2007).

**Job Security and safety:** Employees increasingly seek safety and security into their jobs, lack of which definitely results in a disengaged workforce.

**Work-life balance:** Employee empowerment and adequate leisure time after working hours have become pre-requisites nowadays for an employee to choose an organization as his/her place of work. A firm seen as a catalyst with both the characteristics would motivate the employee to work for it and would report greater engagement on the part of employees (Melcrum, 2007).

**iv) Socio-cultural Factors:** How the social surroundings of an employee and the community to which one belongs mediate one's level of engagement is a concept still unexplored but previous researches have proved that they do influence the involvement of oneself in one's own work (Schein, 1970 & 1987). A culture that promotes values like recognition, rewards, care, safety, empowerment, etc. are likely to be acknowledged by employees and foster engagement.

#### **1.4) Challenges to Employee Engagement**

The last section of this paper deals with the challenges that hinder active engagement levels at work. Recent trends in the environment, both internal and external have a major bearing on the kind of motivation a worker brings at work and the commitment he puts into his job. These trends include rising automation, outsourcing of activities (includes core activities also now), a volatile economic climate, demand for constant change, huge technological innovations like Big data and Cloud, increasing empowerment opportunities, etc. which are making their way into the huge and complex world of an organization. With rising automation and technological innovation, jobs have become complex and demanding (on account of skills and knowledge) which takes a toll on employee's interest and motivation at work. Though such a challenge can be easily overcome by providing proper training to the workers and making them ready and adaptable to such changes. But what areas such training programs should focus on is not clear and requires further study.

Line managers and the HR department's support are also crucial in this regard. Though HR has the tools and skills to assist but only line managers can manage and engage their people (Johnson, 2004). As a sub driver to engagement they potentially have the maximum impact on employee engagement levels (Hayday, Hooker, & Robinson, 2007). Proper training needs to be imparted to the line managers so they can effectively implement these tools upon their workforce and enhance the potential capabilities. But it is still unclear as to how the managers can do this and to what extent can they help their subordinates calls for further research into this area. Organisations at the same time need to achieve alignment between individual and corporate goals, linking the two has a psychological impact on the employee achieve them and thus, build and sustain engagement amongst them. But this approach calls for knowing and understanding the varied needs of different workers which requires open communication between superiors and subordinates. Therefore, with continuous encouragement and development opportunities on the part of organization for its employees and constantly catering to their well-being needs, employee engagement is sought to improve significantly all over the world.

### **1.5) Limitations of the Study:**

The major limitation of this study is that it is based on secondary data and only deals with qualitative data. But this has been considered important to understand the gaps in the current literature with regard to this concept and understand the scope for further study.

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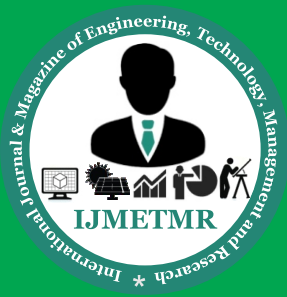
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