FACTORS INFLUENCING EMPLOYEE ENGAGEMENT PROGRAMME AND ITS EFFECT ON EMPLOYEE RETENTION

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ABSTRACT

This paper throws light on the modern era topic “Employee Engagement”. This is one of the main issues of the organization. This topic is gaining importance in organizations because of the various reasons which may prove to be important for its growth. In this paper the various factors have been studied which have their influence on the employees engagement programs. The study have been done on the 50 respondents of various large and small organization which undertake the employee engagement program. A questionnaire was prepared and primary data was collect the respondents were asked the questions related to the various programmes undertaken by the organisations for HR practices. The various statistical tools were applied to draw the results and find the conclusion.

This study basically focuses on the fact that if any of the factors discussed in this study are neglected then the success of the engagement programmes cannot be achieved. During the research it was found that the factors like demographic factors, the organizations internal environment, the top level management’s interest etc. were the main reasons affecting the engagement programmes. So there is the urgent need to focus on the topic by the organisations. It is the need of the hour that, Organizations should increasingly convert from traditionalism to the contemporary learning and individualized corporations. With growing opportunity and greater flow of information, employees today want to be in the best workplaces handling the best suited responsibilities and enjoy greater autonomy.
INTRODUCTION

Employee engagement illustrates the commitment and energy that employees bring to work and is a key indicator of their involvement and dedication to the organization. Employees who are engaged are more productive, content and more likely to be loyal to an organization. When organizations put sound HR practices in place, they are more likely to discover that employees feel satisfied, safe and will work to their full potential and that means they are more likely to stay put. Employee engagement is probably one of the largest challenges faced by the companies currently. Despite the latest excitement regarding worker engagement, few businesses understand the impact or the way it may drive company outcomes.

IMPORTANCE:

An engagement issue can present itself in various forms – recruitment issues, low work quality, high absenteeism or talent retention. Before you start designing your employee engagement programmes, do you know what motivates your employees to perform their best and stay in their jobs? What areas should you focus on to enhance your engagement in order to retain talents, nurture employees into brand ambassadors, increase productivity and achieve company goals? Finding out the root causes through research interventions such as employee engagement surveys, Culture Values assessments and focus group discussions is the first step in addressing these people related challenges.

Our annual National Employee Engagement Surveys and Industry surveys reveal key factors that influence employee engagement and areas that CEOs, HR experts and practitioners may want to focus on to increase engagement level. The meaning of engagement is the extent to which people value, enjoy and believe in what they do. The engagement depends on the factors like motivation, satisfaction and effectiveness of HR practices in an organisation.

It is the need of the hour that, Organizations should increasingly convert from traditionalism to the contemporary learning and individualized corporations. With growing opportunity and greater flow of information, employees today want to be in the best workplaces.
handling the best suited responsibilities and enjoy greater autonomy. Therefore, engaging the employees to the work as per their competency level must occupy the centre stage not only for the HR department but also for the immediate bosses. The extent that an employee believes in the mission, purpose and values of an organization and demonstrates that commitment through their actions and their attitude towards the employer (both internal & external) will determine the employee satisfaction towards his/her work. Employee engagement is high when the statements and conversations held reflect a natural enthusiasm for the company, its employees and the products or services provided. Employee engagement 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.

EMPLOYEE ENGAGEMENT:

In other words, employee engagement can be described as:

“The degree to which an employee is emotionally bonded to his/her organization and is passionate about the work that really matters”. 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 within the organization. Employee engagement is not just the process of engaging the employee productively.
It also expects the organization to pave the way to ensure that the employees are motivated to put in their best efforts for the wealth maximization. This requires building loyalty which can inject commitment in doing quality work. The mission must be well defined and supported by well set organizational plans and policies for its attainment. The management is also to provide with the set of tools and material that are necessary for performing the task effectively.

**Retention**

Employee Retention refers to the ability of an organization to retain its employees. The Employee Retention is considered as strategy, based on the effort by which organization attempts to retain the employees. Employee Retention involves taking measures to encourage employees to remain in the organization for maximum period.

Good Human Resource Management [H.R.M] practices in the area of compensation, reward, career development, supervisor’s support, and culture and work environment can help to improve retention. Other factors as said by Stein, Beck and Clark, which influence employee retention are work environment, supervisor’s support, organization image, employee value match, remuneration, reward, recognition, employee career development etc.

Some other factors are confidence in the organization and leadership, room for employees to grow, a fair exchange between organization and employee, an environment for success and authority, work environment and organization-employee value match.

**Commitment**

Commitment can be define as both a willingness to persist in a course of action and reluctance to change plans, often owing to a sense of obligation to stay the course. People are simultaneously committed to multiple entities such as economic, educational, famital, political and religious institution. They also commit themselves to the specific individual including their spouses, children, parents and siblings as well as to their employers, co-workers, supervisors and customers. Commitment has emotional component i.e. positive feeling or experience towards an entity or individual to whom they have made commitment.
Motivation

Employee Engagement can be described as an employee work environment in which employees are motivated, excited, thoroughly involved and engrossed in their work, contribution and willing to offer their energy to accomplish work goals.

Employee motivation is a counting challenge at work. Particularly in work environment that don’t emphasis employee satisfaction as a part of an embraced and supported overall business but recognize as the power of dreaming and what employee want to accomplish in his/her life.

Every organization today should have retention policies such as better remunerations, working environment, welfare, health, safety policies to reduce the attrition rate. There should be some motivational program so that employee feel committed and motivated which in turn not only improves the production but at the same time improves the organization’s image. This research basically aims to study the employee’s level of retention, commitment and motivation through Employee Engagement programs in southern Rajasthan

LITERATURE REVIEW

Employee engagement is a complex, broad construct that subsumes many well researched ideas such as commitment, satisfaction, loyalty and extra role behavior. An engaged employee extends themselves to meet the organization’s needs, takes initiative, reinforces and supports the organization’s culture and values, stays focused and vigilant, and believes he/she can make a difference (Macey, 2006). In practice, organizations typically define engagement as being a part of the organization, having pride and loyalty in the company, being committed, and going “above and beyond the call of duty”.

The reviews done on the subject are as follows:

• **Robinson 2004** states that neither commitment nor organizational citizen behavior reflect sufficiently two aspect of engagement is two way nature and the extent to which engaged employee are expected to have an element of Business awareness, even though it appears that engagements overlaps with commitment and organizational citizen behavior.

• **Simon L. Albrecht in “Handbook of Employee Engagement”** provides many new insight and areas for future research combining excellence balance of academic perspective and application. It talks of Organizational Behavior, development and Organizational Psychology.

• **Dale Carnegie in book “50 Employee Engagement Ideas and Tips”** Dale Carnegie Training released a research study that identifies the main drivers of employee engagement. The study findings provides a benchmark for employee engagement ideas to impact their teams. It identifies 50 employee engagement ideas that help organization and leaders build a culture of engagement.

• **Ahmad Puad Matsome and Benjamin Balbuence** in article “Motivational factor of employee retention and engagement in organizations shows some of the motivational factor which leads to engagement.

• **Kahn 1990** defined 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 organization, 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 organization and its leaders. The physical aspect of employee engagement concerns the physical energies exerted by individuals to accomplish their roles.

• **[Kahn 1990]**, engagement means to be psychologically as well as physically present when occupying and performing an organizational role. Engaged employees work with passion and feel a profound connection to their company. They drive innovation and move the organization forward (Gallup, 2004). In contrast to this, not-engaged employees are sleepwalking their workday, putting time but not energy or passion into
their work. They don’t have productive relationships with their managers or with their coworkers. Actively disengaged employees aren’t just unhappy at work; they are busy acting out their unhappiness. Every day, these workers undermine what their engaged coworkers accomplish.

- **Baumruk, 2004; Richman, 2006; and Shaw, 2005** or the amount of discretionary effort exhibited by employees in their job (Frank et al. 2004).

- **Development Dimensions International (DDI, 2005)** defined engagement “The extent to which people value, enjoy, and believe in what they do”. It also states that its measure is similar to employee satisfaction and loyalty. A leader, according to DDI, must do five things to create a highly engaged workforce. They are: align efforts with strategy; empower people; promote and encourage team work and collaboration; help people grow and develop; and provide support and recognition where appropriate.

- **Robinson et al. (2004)** defined engagement similar to the established constructs such as ‘organizational commitment’ and ‘organizational citizenship behavior’ (OCB). It is a positive attitude held by the employee towards the organization and its values. An engaged employee is aware of the business context and works with colleagues to improve performance within the job for the benefit of the organization.

- **According to Maslach et al. 2001**, six areas of work-life lead to either burnout or engagement: workload, control, rewards and recognition, community and social support, perceived fairness and values. They argue that job engagement is associated with a sustainable workload, feelings of choice and control, appropriate recognition and reward, a supportive work community, fairness and justice, and meaningful and valued work. Like burnout, engagement is expected to mediate the link between these six work-life factors and various work outcomes.

- **Corporate leadership Council 2004** defined employee engagement as “the extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment”.
Erickson, It is a desirable condition, where an organizational connotes involvement, commitment, passion, enthusiasm, focused effort, and energy among employees. So it has both attitudinal and behavioral components.

Hewitt, 2005 Engagement is the measure of an employee’s emotional and intellectual commitment to their organization and its success. It is an outcome of employees’ organizational experiences that are characterized by behaviors that are grouped in to three categories: say, stay and strive.

Seijts and Crim 2006 employee engagement means a person who is fully involved in, and enthusiastic about, his or her work. Engaged employees care about the future of the company and are willing to invest the discretionary effort to see that the organization succeeds.

Brown (2006) viewed engagement as a progressive combination of satisfaction, motivation, commitment and advocacy resulting from employees’ movement up the engagement pyramid. Employee engagement can be considered as cognitive, emotional and behavioral. Cognitive engagement refers to employees’ beliefs about the company, its leaders and the workplace culture. The emotional aspect is how employees feel.

K. A. and Wakefield, M. 2008; As a matter of course, the hard issues such as time, staff and financial requirements would automatically be considered by the implementation team during the re-organization, however the softer issues such as the culture, leadership and motivation might not be given the same priority.

OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

1. To study the factors affecting employees engagement programs.
2. To study the effectiveness of engagement programs on retention of employees in the organization
RESEARCH METHODOLOGY

The research was conducted in various organisations of service sectors like banking and insurance. The questionnaire was designed and the questions were asked by the respondents about the engagement programmes. The various factors which influence the engagement programmes were put up in the questionnaire were as under:
Commitment, effective communication, working conditions, HR practices, health and safety measures, social security, wages and salary, incentives, fringe benefits, interest of top level, relation of employees with the top level management, delegation and participation.

SAMPLE:

The 50 respondents working in the banking and insurance sectors were asked to fill the questionnaire. In this sample the employees working in the organization at various levels were taken into consideration. The response was satisfactory and nearly all the queries were attended in an positive manner.

DATA COLLECTION:

A questionnaire was designed which was divided into two sections A and B. Section A consist of 10 questions related to the personal information or demographic factors and section B consist of 15 questions related to the study, it consist of the options agree, disagree and the factors rating from 1 to the common factor and 10 to the least common factor.

DATA ANALYSIS AND INTERPRETATION:

According to the data collected the results drawn were as follows:

1. The respondents were asked the questions on the most common factor influencing the engagement programmes. The respondents gave the highest rank 1 to HR practices which affect the engagement programmes the most and least common factor ranked was delegation from among the 13 total factors influencing engagement programmes.

2. The next most common factors were working conditions ranked 2, and 3 rank was given to wages and salary. At 4 the factor relation between employees and top managers were ranked.
3. The factors such as health and safety, social security, participation, interest of top managers were given the low ranks, as according to the respondents these were the least influencing factors in the engagement programs.

4. 80% of the respondents agree to the question that the engagement programme is the main tool of retaining the employees in the organization.

5. 10% of the respondent considers that employee engagement programme has nothing to do with retention.

6. 10% of respondents don’t know about the engagement programmes in an organization.

Table-1: ENGAGEMENT PROGRAMMES INFLUENCE RETENTION OF EMPLOYEES

<table>
<thead>
<tr>
<th>Response</th>
<th>No. of Employee</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>40</td>
<td>80%</td>
</tr>
<tr>
<td>Disagree</td>
<td>5</td>
<td>10%</td>
</tr>
<tr>
<td>Don't Know</td>
<td>5</td>
<td>10%</td>
</tr>
</tbody>
</table>
### Table-2

**FACTORS INFLUENCING EMPLOYEE ENGAGEMENT PROGRAMME**

<table>
<thead>
<tr>
<th>Factors</th>
<th>No. of Employees</th>
<th>%</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working conditions</td>
<td>42</td>
<td>84</td>
<td>2</td>
</tr>
<tr>
<td>HR Practices</td>
<td>48</td>
<td>96</td>
<td>1</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>26</td>
<td>52</td>
<td>9</td>
</tr>
<tr>
<td>Social Security</td>
<td>31</td>
<td>62</td>
<td>6</td>
</tr>
<tr>
<td>Wages &amp; Salary</td>
<td>39</td>
<td>78</td>
<td>3</td>
</tr>
<tr>
<td>Incentives</td>
<td>25</td>
<td>50</td>
<td>10</td>
</tr>
<tr>
<td>Fringes Benefits</td>
<td>24</td>
<td>48</td>
<td>11</td>
</tr>
<tr>
<td>Interest of Top Level Management</td>
<td>20</td>
<td>40</td>
<td>12</td>
</tr>
<tr>
<td>Relation between employee and Top level managers</td>
<td>35</td>
<td>70</td>
<td>4</td>
</tr>
<tr>
<td>Delegation</td>
<td>19</td>
<td>38</td>
<td>13</td>
</tr>
<tr>
<td>Participation</td>
<td>29</td>
<td>58</td>
<td>7</td>
</tr>
<tr>
<td>Communication</td>
<td>32</td>
<td>64</td>
<td>5</td>
</tr>
<tr>
<td>Commitment</td>
<td>28</td>
<td>56</td>
<td>8</td>
</tr>
</tbody>
</table>
FINDINGS:
According to the analysis it was found that the factors influencing the engagement programmes are different in every organisation. It was due to the reason that in every organisation the factors
vary because of the organisation structure, organizational climate, and its work culture. The results also depend on the personal ideology of the respondent and, their beliefs, however it will be more appropriate to say that the study has given the perspective differences among the employees of the service sector. According to the study it was also found that the HR practices are the main factor influencing the engagement programmes. The study shows that the employees are more satisfied if the employers pay more attention towards their human resource and treat them as assets not as liability. The study also help us to know the least common factors like delegation, incentives, participation etc. which have least effect on engagement programme.

According to the data collected it was found that the engagement programmes have the lasting effect on the retention of the employees in the organisation. As these practices help to build loyalty among the employees, motivated them, and they feel committed towards the organisation. The employees are satisfied with the organisation if the employers give due attention on their engagement programmes. Many of the organisation have taken a big step towards this practice with have resulted in the growth of those.

CONCLUSION

After the study being conducted and results being drawn it is concluded that the employee engagement programme is the main area of focus in today's scenario however many of the organizations are still not aware of these programmers in developing country like India as compared to the other developed countries.

The conclusion of the study are:

1. The factors influencing the employee engagement programmes are many of them and it varies according to the structure of the organisation.
2. The most common factors is the HR practices in any of the organisation undertaking engagement programme.
3. The least common factor is the delegation, from among the factors which influence the engagement programme.
4. The organisation, if want to, make a loyal and committed work force needs to concentrate on these activities.

5. The satisfaction and motivation could only be achieved if the employers try to pay attention on the needs and wants of the employees through engagement programmes.

6. The success of the organisation depends upon the success of employee engagement programme undertaken by them.

LIMITATIONS OF THE STUDY:

However, the above study also has some limitations which are as follows:

1. The respondents who were questioned were not aware of all the factors responsible for success of engagement programme.

2. Some of the respondents were not able to answer the question asked due to the unawareness of the facts.

3. The study does not covers the whole lot of employees, as it was the random survey.

4. The sample taken was random, so the results can vary person by person.
REFERENCES


