

## Challenging Work as a Driver of Employee Engagement

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### Abstract

often hear the term employee engagement being spoken about in various contexts. We are often told by management experts that engaged employees are a source of sustainable competitive advantage. During earlier periods of organizational theory and practice, it was common for the HR (Human Resources) function to take care of administrative aspects such as payroll and mediate in the industrial disputes between labor and management. Not anymore. With the rise of the services sector and the advent of the knowledge economy, employees are no longer yet another factor of production and instead, they have become the key factor, which makes or breaks the firms. Indeed, one of the icons of the Indian Software Industry, Mr. NR Narayanamurthy has gone as far as to say that employees are the only capital that the software industry has. In this context, it is important to connect the terms employee engagement and its use in the actualization of the concepts introduced in the previous paragraphs. Therefore, this article examines how engaged employees can contribute to not only their careers but also become sources of competitive advantage for the firms.

*Keywords: Employee Engagement, Knowledge Economy, Human Resources*

### 1.0 INTRODUCTION

Organizations have come to realize that in today's constantly changing business scenario, the most valuable resource that needs to be leveraged is human resource. This means not just attracting the crème-de-la-crème and retaining them but keeping them motivated and committed to achieving the organization goals. Though Employee Engagement (EE) as a business buzzword has generated research and steam since the new economy service industries like IT (Information Technology) and ITES (IT enables services) have taken off, the origins of engagement are as old as mankind itself. I shall try and decode and define employee engagement as used and implemented by organizations today by looking at the very origins of engagement practices.

### 2.1 Origin of Employee Engagement

History records that about 2300 years ago, Alexander (356 BC – 323 BC) was able to march ahead and conquer unknown lands by battling for years across continents, miles away from home, because he had an engaged army that was willing to abide by its commander. Alexander is known to have achieved the engaged workforce by ensuring that he spent face time with his men, listening and addressing grievance, ensuring on time payment of salary, dressing like the rest of his army and most importantly by leading from front. More recently, in World War II, Americans funded a lot of money for researching the behaviour of its soldiers to be able to predict their battle readiness. History is dotted with examples of leaders who have led their men by building a psychological commitment between their men and their ideology to achieve greatness. In this psychological contract lies the roots of today's Employee Engagement theories propounded by organizations.

### 2.2 Definition of Employee Engagement

An engaged workforce produces better business results, does not hop jobs and more importantly is an ambassador of the organization at all points of time. This engagement is achieved when people consider their organization respects their work, their work contributes to the organization goals and more importantly their personal aspirations of growth, rewards and pay are met. The Hay Group defines engaged performance as *"a result that is achieved by stimulating employees' enthusiasm for their work and directing it toward organization success. This result can only be achieved when employers offer an implicit contract to their employees that elicits specific positive behaviours aligned with organization's goals..."*

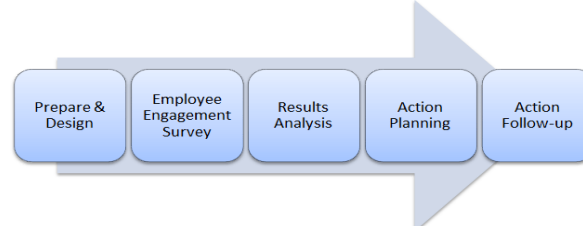
Lanphear defines EE as “the bond employees have with their organization” Lanphear further espouses that “when employees really care about the business, they are more likely to go the extra mile.” The definitions, as seen, focus on employer as well as the employee. Today’s millennial workforce is more informed, connected, willing to work given learning opportunities. Personal growth, opportunities to learn and explore is becoming a primary driver. Equity more than, pay is a driving force. Catering to the changing needs to foster engaged employees is the need of the hour. In conclusion, understanding employee engagement drivers, measuring and enhancing engagement offers promise of better business performance by ambassadors of the organization who work like entrepreneurs and help sustain organization growth through innovation and lower employee turnover.

### 3.0 PROCESS OF EMPLOYEE ENGAGEMENT

This is the hardcore fact that the future business performance and revenues and profitability of an organisation no longer depends upon traditional capital management and investment and portfolio management. But the success of any organisation in this constantly changing world of work depends upon human capital management. The companies who understood this fact long before are the most successful and highly productive organisations of the current times. Those who have just realised it are still struggling to establish a reputation in the industry.

Since the mantra of success of any organisation is the higher involvement, engagement and dedication of employees towards their jobs and their continuous performance to attain more, it is necessary to keep their spirits high, motivate them to perform their best always and generate a breed of satisfied and dedicated employees. Employee Engagement is not a onetime process that can quickly bring results; rather it is an ending process that will go on till the existence of an organisation.

As it is an established fact that there is a clear link between organisational performance and employee engagement, every organisation seeking sustenance and growth in the ever changing world of work quickly respond to the needs of employees along with designing and implementing a customised process to increase the levels of employee engagement. The following are a few basic steps in this process based on the best industry practices.



1. **Prepare and Design:** The first step in the process is about discovering the specific requirements of your organisation and deciding the priorities. After that a customised design of carrying the whole process can be designed. It is recommended to seek advice of expert management consultant in order to increase the chances of getting it done right at the first attempt.
2. **Employee Engagement Survey:** Design the questions of the employee engagement survey and deploy it with the help of an appropriate media. It can be either in printed form or set online depending upon the comfort level of the employees and your questionnaire evaluation process.
3. **Result Analysis:** It is the most important step in the entire process. It is time when reports are to be analysed to find out what exactly motivates employees to perform their best and what actually disengages them and finally compels them to leave the organisation. The results and information can then be delivered through presentations.
4. **Action Planning:** ‘How to turn the results of the survey in to an action’ is a challenging question that organisations need to deal with the utmost care. Coaching of line managers as well as HR professionals is very important in order to tell them how to take appropriate actions to engage employees. They should also be told about do’s and don’ts so that they can successfully implement the changes.

5. **Action Follow-up:** Action follow up is necessary in order to find out if the action has been taken in the right direction or not and if it is producing the desired results.

With this, communication and project management processes are the backbone of the entire employee engagement process. Communication involves plan follow-up, providing timely information and involvement of each level of organisational hierarchy. The project management process includes careful planning, watchful resource management, vigilant budget control and monitoring the actions.

### 3.1 Benefits of Employee Engagement

History records how Alexander was able to march on and conquer hitherto unknown lands due to his valour and his motivated troops. However, the same history also records, how dissent amongst his troops towards the latter part of his career, cut short his ambitions of supremacy in Asia.

Alexander started hiring more outsiders, laying off his tired troops and more significantly punishing open feedback by his men. His actions, at the latter part of his conquest, were in stark contrast to his initial techniques which had been successful in fostering a sense of belonging among his men. This led to dissent and ultimately dealt a huge blow to Alexander's aspirations. In today's business context, let us look at the cost of a disengaged workforce to better understand the significance of employee engagement.

### 3.2 Cost of Disengaged Workforce

The findings of the Gallup Study of 2008 show that while the engaged employees believe they can contribute to company's growth, the disengaged employee believes otherwise, i.e. his job does not contribute to the organization. This belief of the disengaged employee creates a negative spiral that affects his work, co-workers, customers, productivity, and eventually both happiness of employee and company performance. Some effects are illustrated below:

1. **Effect on Work** - The disengaged employee tries to evade work, struggles to meet deadlines and is reluctant to accept additional responsibility.
2. **Effect on Co-Workers** - The negativity of a disengaged employee, demonstrated either through raves and rants or complete withdrawal from participation, affects the team morale. After all who has not heard of the proverb - one bad apple can spoil the whole bunch.
3. **Effect on Customers** - Every employee, whether an organization likes it or not, becomes its ambassador. And a disengaged employee either by actively de-selling the organization, or by complete apathy towards their work, product, process, organization help create disengaged customers.
4. **Effects on Productivity** - Disengaged employees seldom push themselves to meet organizational goals let alone contribute to innovative practices at workplace. Since, they do not believe that their work contributes to the organization; they evade completing tasks thereby affecting team productivity.
5. **Effect on Company Performance** - In the corporate world, time is money and organizations must innovate to stay relevant. A disengaged workforce by virtue of delayed completion of tasks and inability to improvise and innovate cost the company dollars which ultimately affects bottom line. This has been validated by a Gallup Study whose research showed that costs of disengaged workforce in the United States was upwards of \$300bn annually.
6. **Effect on Personal Life of Employee** - A disengaged employee is seldom able to shake off the lethargy and perform in the current organization or land a job of preference. This leads to pent up frustration which may ultimately affect his personal and family life.

### Benefits of an Engaged Workforce

An engaged workforce forms an emotional connect with the organization that helps them

1. Go the Extra Mile to Achieve Individual and Company Success
2. Innovate at Workplace
3. Attract customers and employees
4. Become Evangelists of the company, its product and processes
5. Infuse energy and positivity at workplace.

### 4.0 ELEMENTS OF EMPLOYEE ENGAGEMENT

The term employee engagement has been defined by various researchers. A commonly agreed upon definition would be physical, psychological or emotional involvement of the employee while at work. Four things are important when we talk about employee engagement; commitment, motivation, loyalty and trust. Their level determines the quality of engagement of an employee. Each one is briefly discussed in the coming paragraphs.

1. **Commitment:** Commitment means the degree to which individuals associate themselves with the job, the responsibilities and the organisational objectives. Engaged employees are those who are fascinated by their work and committed to face every challenge to attain their goals. They are dependable and highly productive and therefore, are accountable for what they do.
2. **Motivation:** Up till recently it was believed that the biggest motivation is achievement. The reverse is also true, which means achievement results in more motivation. If employees put in their 100 percent efforts to take their organisation to the next level, this attained status motivates them more than anything. Proper rewards and recognitions can further motivate them to achieve more and more for their organisation. Motivation and achievement go hand in hand and act as the burning fuels for the success of any organisation.
3. **Loyalty:** Employees who are actively engaged in their work show more loyalty towards the organisation. The best part is that they need less focus and attention of managers to perform their task as they themselves feel accountable for their job responsibilities and results attained. However, it doesn't take much time for actively engaged employees to turn into disengaged employees if the organisation doesn't have a well established reward system. Recognition is a basic necessity of individuals to remain steered up towards their job.
4. **Trust:** High levels of employee engagement can be fostered only when trust prevails in the organisation from both the sides. As they share strong emotional bond with the organisation, the latter should also show trust in their abilities. Employees must be given autonomy to perform their tasks their way. They should not be restricted to a specific rules and regulations and therefore, should be motivated to experiment to perform their task in a different and innovative manner.



All these elements play a vital role in determining the fate of an organisation. Besides this, two-way communication to discuss challenges, potential consequences, vision and values and organisation's

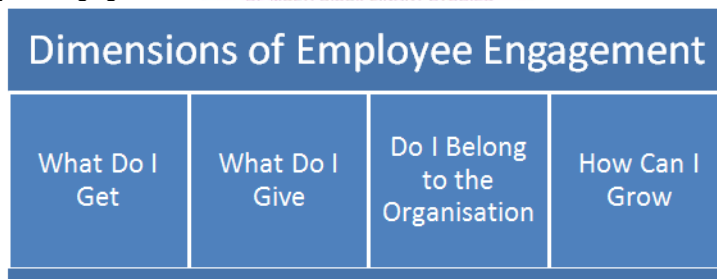
future should be established. In fact, communication is the backbone of any organisation without which it can't survive for long. Having an open conversation with employees can solve the problems that they are facing in executing their job. Apart from this, organisational culture, a well-established and duly followed reward system including compensation, benefits, stock exchange options and recognition and personal growth and satisfaction of employees are also important factors in improving the levels of employee engagement.

#### 4.1 Dimensions of Employee Engagement

The only thing that makes highly productive organisations stand apart from rest of the companies is the quality of the employees and the level of their commitment towards their work. The vice versa, the trust that an organisation shows in their employees and efforts that it makes to keep them focussed, motivated and satisfied, also is one of the many variables that distinguish between highly reputed workplaces and those that are not up to the mark. Organisations cannot achieve their goals just by defining their mission statement nor can they foster a high performing work culture until they take substantial steps. They need people to get the jobs done and that too with excellence.

For fulfilling all their goals, organisations require actively engaged employees. Employee engagement happens only in those organisations which treat their people as their biggest assets and take care of their basic necessities and other psychological needs. Workplaces that meet all these conditions of employee engagement grow much faster and sustain much longer than those who fail to meet them. There are different dimensions of employee engagement that make productive organisations stand apart from the rest and determine their destiny. Things like what employees get in exchange for the efforts they put to perform the delegated tasks, if employees are able to perform their best, if they are treated as an important asset or just a means to perform the job and how they can grow if they stick to their organisation are of great importance. Actually these are emotional elements revealing the basic employee needs. They would like to contribute only when their efforts are recognised and awarded. Not only this, all they can also drive them to be more efficient while delivering their jobs.

#### Dimensions of Employee Engagement



**What Do I Get:** Employee engagement to an extent depends upon what people get in exchange for performing the job? This includes basic compensation, benefits, organisational culture and working environment. These are basic elements that motivate them to join the organisation and perform the given task with complete dedication.

**What Do I Give:** As it is a two-way process, setting clear expectations plays an important role? This helps employees to understand what exactly they are expected to give the organisation. This includes defining their job responsibilities that they need to fulfil and tasks that they need to perform. The human resource team and immediate supervisors or managers need to tell them clearly what they are expected to do. It creates more meaningful relationships among seniors and subordinates and workgroups.

**Do I Belong to the Organisation:** Social association is the most basic requirement for anyone? Even employees would like to stay with the organisation that treats them as their integral part and not just the means to get the job done. 'My opinions Count' gives them satisfaction and motivates them to put their best to meet organisational goals.

**How Can I Grow:** Continuous growth including promotions, salary hikes and rewards and recognition are most essential tools to retain employees in the organisation? New challenges and

opportunities to learn keep them motivated towards their work life and encourage them to give their best even during crisis.

## 5.0 CNCLUSION

As mentioned earlier, for a long time, HR experts believed that pay was the only motivator for employees and hence, as long as they are paid well, they would perform the work to the satisfaction of the managers. However, in recent decades, the emphasis has shifted to what motivates employees and whether pay is the only motivator. Extensive studies done in this regard reveal that as humans, we are motivated by external rewards such as pay and benefits but at the same time, we are also *driven from within* which means that change and motivation arise from inside the individual in addition to being driven by external forces.

Therefore, the current generation of management experts is of the opinion that for this internal motivation or what is known in jargon as intrinsic motivation to actualize, the employee must be able to connect his or her needs for challenges to the kind of work that is being given to them. This is the key aspects as research has shown that once the employee's pay and perks are to his or her liking, the other ways that he or she looks for is how interesting and challenging the work is.

## 5.1 Maslow's Hierarchy of Needs and Employee Engagement

Indeed, the above points have their basis in behavioral theories as well as can be seen from the famous Maslow's Hierarchy of Needs theory. Abraham Maslow was one of the pioneering management experts of the 20th century and his theory is used extensively to determine what motivates individuals. According to this theory, the base needs for all of us are food, clothing, and shelter. Therefore, this stage is the starting point for all of us as we embark on our careers. At this stage, we need the money to satisfy these basic necessities and we strive towards fulfilling them. The next stage is when we build a family and a network of friends and well-wishers who share in our successes and our sorrows as well. At this stage, the need to have familial relationships dominates our consciousness and hence, we strive to fulfill the aspirations as well as needs of our families and ourselves.

The third stage is when we aspire for recognition and fulfillment wherein the kind of work that we do and the kind of recognition that we get for such work is what matters. This is where the employees often tend to find that challenging work is rewarding and more so, when they are recognized for their contributions. This ties into the topic for this article which is that employees tend to favor challenging work once the basic needs are satisfied and once they have a decent bank balance or have built a home and married and what is known in informal language as having settled down in life.

At this stage, it is no longer enough for employers to increase the pay packages and expect the employee to do the same work over and over again. Instead, the need for status, achievement, and power are the key imperatives for the individual who now wants work that is stimulating, exciting, and fulfilling. The final stage is when individuals are no longer concerned with their own lives but seek to make a difference to the world. for instance, Bill Gates who has now shed his career and responsibilities and instead, focusing on charitable work as well as fulfilling the role of a social messiah is an example of how this stage called *self-actualization* by Maslow plays out.

## 5.2 Engaged Employees and Fulfilling Careers

As can be seen from the points made so far, once employees reach a state where they find that challenging work and fulfilling work is more important than pay and perks, they tend to find jobs that cater to these aspects. It is no wonder that many middle level executives often quit big companies and launch startups or join other companies in the senior management positions because one, for pay, and more importantly the other reason is that they have reached a stage where their need for fulfillment is more. It is also the case that many junior employees and especially those fresh out of college or in their twenties favor startups and other companies for the kind of work that is being offered rather than solely for pay and benefits. This is a clear indication to the current generation of HR experts that pay and benefits are not the only motivators. This is the reason why many companies identify employees' early on as high potentials and fast trackers wherein they are monitored and mentored for higher responsibilities because the HR managers and the line managers see the potential in these employees as well as the innate need

for fulfillment that these employees have. The reason for such preferential treatment is that when two employees at the same level are compared, it is often found that those in the category mentioned earlier tend to add more value to the company than the latter.

### 5.3 Conclusion

By this time, it would have been clear that to create engaged employees, HR managers and the senior management must devise ways to tap into the innate potential of employees and their need for challenging work. This is the reason why many appraisal forms in companies tend to have points for innovation and invention as these are attributes that those employees who can motivate themselves from within have which the others do not. In conclusion, when we as individuals seek challenges, we are bringing to *the fore the hero within all of us* and hence, providing challenging work is the best way to create an engaged workforce.

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