THE FUTURE OF EMPLOYEE ENGAGEMENT – AN INDIAN PERSPECTIVE

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Abstract: The aim of the current study is to search the prevailing existence of the Employee Engagement practices of the top companies operating in India and to find out the common trends prevalent in the Indian Industry. Employee engagement is a unique concept which shares similarities with the existing concepts. The paper consists of five companies chosen from the GPTW List, 2017. The trends in the prevailing companies shows that nowadays top companies are focusing on new and innovative practices in the field of Employee Engagement in order to gain competitive advantage. Also, it recognises some engagement trends which are commonly prevalent in the Indian Industry.

Keywords: Employee Engagement, Flexitime, GPTW, VUCA.

Paper type: Research paper

INTRODUCTION:

The advent of liberalization and globalization has ushered a big change in the corporate profile of India since 1991. The entry of multinational corporations in India has not only provided a new managerial style but has also compelled the Indian corporate enterprises to opt for new managerial practices. Employee Engagement tends to be one such concept. The concept of Employee Engagement was first used by Kahn (1990). It is a recently emerged concept that is widely used in the academic field and literature (Little & Little, 2006). Engagement refers to a positivity held by the employee towards the organization. An engaged employee is aware of organization & give efforts to improve his performance. Employee Engagement is the engagement of the employee in his work and organization from all dimensions such as emotional, rational and behavioural aspects, with full enthusiasm. Employee engagement is a summation of motivation, satisfaction and effectiveness. Employee engagement concerns the level to which individuals use their cognitive, emotional, and physical resources in an organisation (Kahn, 1990; May et al., 2004). Engaged employees are more energetic and possess an effective and emotional connection with their organisation and their work (Kahn, 1990; Macey and Schneider, 2008). As employees tend to be a strategic business partners in any organisation their engagement has both humanistic and financial incentives. There is an association between employee engagement and increased return on assets, higher earning per employee, higher performance, sales growth, and lower absenteeism (Harter et al., 2002; Salanova et al., 2005; Towers Perrin, 2003). Further, greater engagement is associated with decreased costs, including reduced turnover, lower cost of goods sold, and fewer quality errors (Harter et al., 2002; Schaufeli and Bakker, 2004; Towers Perrin, 2003). Hence we can say that competitive advantage can be gained through the engagement of employees (Macey et al., 2009).

OBJECTIVES OF THE STUDY:

1.   To study about the Evolution of Employee Engagement.
2.   To study the Employee Engagement practices adopted by the best companies operating in India.
3.   To understand the benchmark employee engagement practices being followed by these companies and find out the core areas that are required to be emphasised upon in order to become the industry leaders.

REVIEW OF LITERATURE:

Evolution and various Constructs of Employee Engagement:

The initial traces of the concept can be seen in the work of Kahn (1990), where he defined employee engagement as a psychological construct. Employee engagement is the psychological state of mind that helps an individual in accomplishing his roles/ responsibilities (Wefald & Downey, 2009). Over the period of time various definitions were suggested from different perspectives. Few treated is as a behavioural construct (Masson et.al., 2008; Jones & Harter, 2005) while others called it a multi -dimensional construct (Macey & Schneider,2008; Shuck & Wollard, 2009). With each perspective number of sub dimension of the concept was given by various researchers like vigor, absorption, attention, psychological meaningfulness (Schaufeli et.al., 2002; Rothbard, 2001; Kahn, 1990).

The behavioural construct of employee engagement suggests that it is about going beyond the assigned roles and responsibilities while performing in role task (Masson et.al., 2008). It is about how one works in a full engaged manner. As a multi- dimensional construct employee engagement also includes emotional engagement, social engagement, cognitive engagement, trait engagement etc. (Shuck & Wollard, 2009).

Leiter & Maslach (1998), defined it as an antipode of burnout, according to him it provides an energetic state of involvement that reduces burnout and tends to enhance once self-efficacy.

Is it old wine in new bottle?

This is a very common argument regarding the whole concept. The similarity of the concept with number of other concepts like flow, job involvement, job satisfaction often leads to this big question whether there is something new in this concept or is simply an old wine in a new bottle.

The concept does share common conceptual similarities with older constructs like job satisfaction, involvement, empowerment and organizational commitment (Macey & Schneider, 2008). According to Muanno et.al. (2007), absorption and flow are quiet similar. There is a similarity between engagement and satisfaction (Harter et.al., 2002).

Though the concept appears to be similar but is not same. Employee engagement tends to have new flavours and is a unique concept which share similarities like any other organisational behaviour construct. The difference between employee engagement and other similar looking concepts are clearly defined and well stated in the huge body of existing literature.

Importance of Employee Engagement:

Number of writers suggested that employee engagement is an important and an essential concept for any organisation specially the contemporary organisations which are working in a highly competitive environment. Employee engagement tends to have a positive impact on the individuals attitude, it not only enhances behavioural aspects but also enhances shareholders return (Harter et al., 2002; Richman, 2006). Employee engagement increases organisational performance, reduces absenteeism, boost productivity and helps in retaining the existing employees in an organisation (Bates, 2004; Baumruk, 2004). An engaged employee tends to be more attached to an organisation as compared to a disengaged employee who often search for new opportunities and tends to hop from the existing job if given opportunity. Also, an engaged employee tends to explore more opportunities and future prospects within the organisation and works towards giving financial incentives and high returns to an organisation through his work to go ahead in his career. Unlike disengaged employees who leaves job for career enhancement.

DATA & RESEARCH METHODOLOGY:

Data:

The source of data used for the present study is secondary data, which has been taken from varied sources such as the official websites of Companies, the Annual Reports and/or Business Responsibility Reports of Companies, Research Papers and Magazine Articles.

Research Methodology:

This is an exploratory research. The main source of Data is 'Secondary' and keeping in mind the objectives of the study the methodology is descriptive in nature. To ensure greater accuracy and in depth analysis, the data are confined to secondary sources.

No statistical tools and techniques have been used for the purpose of this study, since it does not focus on establishing relationship between different variables. Rather, through discussions and analytical thinking, the research aims at studying the employee engagement practices that are prevalent in India, with a special focus on the employee engagement practices of the top five companies as per the GPTW List.

The study makes use of the Great Place to Work (GPTW) Survey, 2017 in order to identify the top five companies in India that lead the list. Employee Engagement is one of the major criteria that helps in attracting and retaining the right talent in an organisation and truly makes working at an organisation a worthy experience. Thus, Employee Engagement directly or indirectly enables a workplace to emerge as a great place to work, which makes it necessary to study of the employee engagement practices of India's leading companies as per the GPTW Survey.

LATEST TRENDS IN EMPLOYEE ENGAGEMENT:

The study of employee engagement is nothing new. It has been a growing trend in the present day scenario and most, if not all organisations use some or the other kind of employee engagement practices in their organisations in order to achieve its positive results. But, the real question is that are all organisations able to reap the benefits of their efforts to the extent to which they want. The answer is a definite "NO" which can be seen as there are some companies that excel over others in terms of their engagement policies and the results that they derive. Some companies, in fact have been able to leverage their unique employee engagement practices as a source of core competence. These companies have the ability to do things differently and respond as per the changes in the environment in order to meet the fast changing requirements of the modern day workforce, which exists in this VUCA (Volatile, Uncertain, Complex & Ambiguous) World.

For years, there have been researches aiming at recognising the different determinants of employee engagement. Work Environment, Leadership, Team & Co-worker relationship, Training & Career Development, Compensation, Organisation policies and Workplace well-being are some of the many determinants of employee engagement as recognised by Anitha (2014). Many other researchers too have made their contributions in recognising the different determinants of employee engagement and though the determinants have not evolved much over the years, the way to achieve them has. Each company may have its own way of improving the engagement level of its employees, but the following table seeks to summarise some of the unique practices being adopted by the top five companies of India's GPTW Survey of 2017, which have helped them make it to the top of the list:

Company	Rank (2017)	Rank (2016)	Employee Engagement Practices
Intuit India (IT)	1	10	• The company provides good maternity and paternity leave policy to its employees along with daycare discounts at partnered crèches once the employees are back to work. • Medical insurance of up to Rs 5 lakhs for families of employees at no cost to the employee.

			• Employees are encouraged to spent 10% of their time, called the unstructured time to chase their dreams (Rediff.com, 2015). • The company focuses on promoting diversity. It is one of the select few companies in the country that has been vocal about LGBT rights and inclusivity at workplace through its Pride Network (Economictimes.inidatimes.com, 2017). • It allows women technologists to make a comeback after a career break and even encourage other employees to start new projects outside office (Scoopwhoop.com, 2016). • The company offers facilities like work from home, flexitime etc. and has extreme focus on employee well-being and work-life balance.
American Express India (Financial Services & Insurance)	2	2	• The company has a good reward and recognition policy which facilitates the creation of a winning culture. *'Reward Blue'* is a recognition plan that enables leaders and employees to recognise each other and reward great work & effort (Rediff.com, 2015). • *Global Rotation Program (GRP):* Launched in 2002, the program offers fresh MBA graduates and seasoned managers with an opportunity to work in other markets and develop global skills. • The company cares for employees' health through its healthy living program and offers flexible work timings under the *'Blue Work' program* (Rediff.com, 2015). • *Reach Out:* A unique gender diversity initiative launched in 2014, provides a development platform for women leaders to 'Share, Network & Learn' from leaders and peers across four other leading companies (Rediff.com, 2015). • Several fun-filled activities are organised on regular basis to drive and inculcate a culture of gratitude & appreciation for each other at workplace.
Google India Pvt. Ltd. (IT)	3	1	• Google goes above and beyond to provide its employees a welcoming work environment and believes in creating an informal and playful culture, wherein all employees are given the freedom to work in their own playful time. Google therefore, nurtures creativity to the fullest and focuses on innovation rather that instant perfection. • It offers recreational facilities like gym, meditation centres and gaming areas. • Provides preventive health check-up for spouses of employees. • *'Ggrow' Program:* It is a one-stop career development platform that helps Googlers engage in development opportunities and resources, manage feedback and take action accordingly (Economictimes.inidatimes.com, 2014). • Flexible work schedules, outdoor and indoor games, massage parlours and sleeping pods are some other facilities offered by the company (Scoopwhoop.com, 2016). • The company also hosts an annual 'bring your children to work' day. Also, the new employees can bring in their parents

			to work on a designated day (Rediff.com, 2015).
Lemon Tree Hotels Ltd. (Hospitality)	4	9	• *Mainstreaming 'Opportunity Deprived Indians'*: The company seeks to hire people belonging to Economically/Socially (EcoSoc) weaker segment of the society. Also, 10% of the company's employees are specially abled, thereby contributing towards the creation of an inclusive workplace. Moreover, managers are expected to know sign language or else, are given special training to learn it (Lemontreehotels.com) • The company has an excellent reward & recognition policy in place. • The company offers wealth creation opportunities to its employees through employee stock option plan. • Allows the free use of the hotel's amenities and facilities to employees over a certain pay band. • Extreme focus on career development with a fully dedicated L&D Team providing customised training processes that are world class as well as benchmarked across industries (Lemontreehotels.com).
SAP Labs India Pvt. Ltd. (IT)	5	7	• The company follows a bottom-up approach to management allowing employees to act as the chief designers for the company's policies. Policies like in-hose childcare centre, sabbatical, work from home, reward & recognition policy etc. were the brainchild of employees with HR playing a facilitator's role. • The company encourages diversity at workplace through its various initiatives like extensive maternity leave policy, '*Run Mummier', SAPlings in-house crèche, Business Women Network* etc. (Rediff.com, 2015). • *'In the Spotlight' Program:* This program allows managers to become the HR Head for a day and learn the complexities of a senior leadership role (Peoplematters.in, 2012) • SAP has 33 interest groups, each catering to specific activities like drama, music, art, dance etc. to help employees pursue an interest of their choice (Rediff.com, 2015). • The company offers flexible work timings, work from home and even allows employees to work on part time basis (for a maximum period of four months).

(Source of Rankings: Greatplacetowork.in)

EMPLOYEE ENGAGEMENT – AREAS OF STRATEGIC IMPORTANCE:

Technology: In the present day scenario, the use of technology has become pervasive and there is hardly any field which remains untouched from it. The use of technological tools has facilitated companies to come out with new and innovative employee engagement practices. Companies make use of the intranet as an effective tool for communication and recognition. Also, many companies have employed Emotion Monitoring Devices (EMDs), Mood Barometers and Early Watch System (EWS) in order to keep a close watch on the emotions and mood of their employees and take corrective action in order to improve them.

Flexibility: Flexitime, work from home and other facilities in order to provide employees to work as per their convenience have been on a rise. All companies discussed above as well as many other companies offer such facilities and in fact these facilities are seen as a basic part of the extravagant employee engagement facilities being offered by the company. Work from home allows employees to work from any place of their convenience and is offered at most places except from those where the physical presence of employees is inevitable. Flexitime on the other hand, allows employees to enter and exit the workplace as per their own convenience.

Recreational Facilities: The present day employers offer great recreational facilities to their employees because they believe in creating a perfect balance between work and play. Recreational facilities allow employees to take a break from their stressful work and to get a much needed respite from it. This break is extremely important for employees and allows them to think and perform better when they get back to work. The employees are being offered with a whole range of recreational facilities including gyms, meditation areas, gaming rooms, sleeping pods etc.

Innovation & Creativity: In this VUCA World, where change is the only constant, it becomes very necessary for organisations to nurture a culture of innovation at workplace. Many companies in order to promote this culture provide some portion of the day to their employees wherein they don't have to work in their regular jobs, but can indulge in something innovative, or follow their interest. Also, companies nowadays are promoting the concept of 'Intrapreneurship' through intra-organisation competitions and allowing their employees to follow their passion in the field of research. The best organisations encourage their employees to develop new products and come up with new ideas without the fear of being criticised for failure.

Diversity: Diversity is truly being acknowledged at many organisations and is one of the important areas contributing to employee engagement. A diverse and inclusive workplace is hard to achieve and therefore, companies are putting in great efforts towards it, through better welfare policies for women employees and increasing awareness about the LGBT Community through open discussions and programmes. An inclusive workplace allows all employees to have a great sense of belongingness with the company and thereby contributes in building up mutual trust and confidence.

CONCLUSION:

- It can be seen that IT sector is a leading industry in terms of the employee engagement practices. Their practices in India have set a benchmark for others. Even if we cover a wider list of companies, seven out of the top ten companies belong to the IT Sector.

- Employee Engagement is the key to success and an immense source of competitive advantage in the present day scenario. It is an ever changing field with companies coming up with new practices on daily basis in order to be the industry leaders and to attract & retain the best talent.

- The field of employee engagement needs to be studied closely in order to find out the core areas that one must concentrate upon while designing an effective employee engagement policy. The use of technology, offering flexibility & recreational facilities, and creating a culture of innovation and inclusiveness are seen as important areas for companies excelling in this field. However, this list is not an exhaustive one, since the concept of employee engagement is quite wide.

- Employee Engagement is a holistic concept and in order to achieve the right results a company cannot focus on obtaining the benefits of engagement in terms of better employee performance, or productivity or efficiency. Rather, in order to make the concept work, employee engagement should be seen as a process and the focus should entirely be on employee welfare, fun and happiness. Thus, the concept must be applied very selflessly in order to obtain the right results.

LIMITATIONS & SCOPE FOR FUTURE RESEARCH:

- The study focuses only on the top five companies as per the GPTW Survey, which set the benchmark for other companies. Thus, a more comprehensive study can be done, covering a larger number of companies.

- The study focuses on the Indian list of companies and their engagement initiatives prevalent in India. Also the study does not make an attempt to compare and distinguish the practices of Indian Companies with that of the MNCs operating in India. Therefore, a larger study can be conducted keeping these aspects into mind.

- The study does not make any industry specific differentiation between choosing the companies. Though it can be seen that 7 out of India's top 10 companies to work for belong to the IT Sector. Thus, a more comprehensive study will help to identify not only the best companies but also the best industry to work for.

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