

# ROLE OF ICT IN EMPLOYEE ENGAGEMENT AND RETENTION

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## INTRODUCTION:

Human resource management is concerned with the human beings in an organisation, considering them as the physical assets, resources and source of strength and success. To quote Flippo, "Human resource management is the planning, organising, directing and controlling the procurement, development, compensation, integration, maintenance and reproduction of human resources to the end that individual, organisational and societal objectives are accomplished.

Development and compensation are operational functions which contributes towards **Employee retention** whereas Integration and maintenance are those operational functions which contributes towards **Employee Engagement**.

Precisely, **Employee retention** refers to the various policies and practices which let the human resource to stick to an organization for a longer period of time. **Employee engagement** is defined as an emergent and working condition as a positive cognitive, emotional, and behavioural state directed towards organizational outcomes. (William Kahn (1990))

While referring to employee engagement and retention it is important to analyse Human Needs to serve them and direct them towards the organisational objectives. Instead of focusing on psychopathology and what goes wrong with people, Maslow formulated a more positive account of human behaviour which focused on what goes right. He was interested in human potential, and how we fulfil that potential. Maslow posited that human needs are arranged in a hierarchy, from the bottom of the hierarchy upwards, the needs are: physiological, safety, love and belonging, esteem and self-actualization

Unless human needs are understood and efforts are made to serve them employers cannot establish the connect with its human resources to drive them towards common goal. Understanding these needs designing appropriate compensation, job profile and development programme for its employees is function of Employee Retention and integrating these needs with organisational goals and maintaining a system of continuous assessment of different individual needs and arranging a appropriate machinery to serve them is the function of Employee Engagement.

These functions are performed in curtailed and partial way for several years giving prime importance to compensation structure as prime activity of employee retention ignoring that compensation can serve few basic needs of Human Resources and hence can motivate them only to certain level, one's same factor is available in other organisation retention becomes challenging.

Similarly, designing job profile in accordance with employee's skills and ability at the time of recruitment is considered as prime activity of employee engagement ignoring that in competing era integrating changing needs with changing organisation goals should also be part of Employee Engagement.

On the grounds of several barriers needs though understood but not met. Examples of such barriers are:

1. **Demographic Barrier:** In organisations where most of the activities are operated centrally it is reasoned that it's not possible to make the requisite facility or arrangement to understand the needs or to arrange the resources due to locational barrier, different working hours etc.

**Solution:** Information and Communication tools made it possible to communicate easily, effectively and conveniently through chat rooms, video calling, easy and quick document sharing. In fact

revolutionised IT tools enables self-assessment of large number of employees also available with quick and appropriate analysis to support employers.

2. **Financial Barrier:** Its been looked as tax on pocket affair to focus on serving any other needs other than paying compensation.

**Solution:** With several readymade tools offered by Companies in the form of “Employee Assistance Programme” or “Employee Wellness Programme” or any other similar name, these activities can be outsourced to save cost similar to payroll processing outsourced long ago. Not only that retention cost is lower than new hiring and gives more space to plan deeper.

3. **Resource Barrier:** There are many companies with learning and development department with lots of development and training programmes but unfortunately they are restricted to middle level employees, employees at entry level are not introduced to it finding resources to be costly or not available for basic level.

**Solution:** Here again several online training and development courses available through ICT comes to rescue.

An Employee Assistance Program (EAP) is a confidential workplace service that employers pay for. An EAP helps employees deal with work-life stressors, family issues, financial concerns, relationship problems, and even drug or legal concerns. It is often available to both employees and their families to help workers remain productive at work. An EAP helps employers because it makes for happier employees.

Modern EAPs provide a large variety of services designed to support employee wellness. Thirty-three percent of all non-public workplaces in the United States have assistance programs, with larger firms (1,000 employees) being the most likely to have a program (76%). The sectors with the largest prevalence of EAPs are communications, utilities, and transportation (52% of firms), while the lowest prevalence is found in the mining, construction, and service industries (25%).

Hence, ICT plays a very crucial role in revolutionising the process of Employee Engagement and Employee Retention through developed communication techniques, EAP, Web Based Training modules, Online Employee Assessment tools etc.

## LITERATURE REVIEW:

**Employee Retention** refers to the capability of the organisation to retain its employees in the organisation for the long period of time and helps in enabling low staff turnover. To retain talented and skilled employees, organisation needs to Plan, Organise and Develop the necessary required retention programs. Retention programs helps the organisation in specifying the areas that needs to be improved and consistently helps in motivating the employees.

Employee Retention has become a serious concern for the organisation. As always, the talented and the skilled employees engage themselves in searching for better opportunities available for them, which satisfies their requirements in terms of remuneration, shifts, travelling, recognition and also their prosperity growth in organisation. Therefore, it is the responsibility of the organisation and HR management team to search for the reasons, whenever talented employees quit.

## NEED AND IMPORTANCE OF RETENTION:

1. Recruiting a prospective employee from the various applicants is not a easy process, as the selection process involves preliminary interviews, testing, etc. So, Retention of the employees is necessary.
2. The training costs, time and money invested on employees becomes waste, when a trained employee quits the organisation suddenly.

3. It is understood that when an employee leaves the present organisation, that he is joining in the rivalry company.
4. Potential, Best and Creative performers of the organisation should be retained. If they quit, the organisation cannot achieve the success and withstand the competition in the market.

Therefore, Employee retention plays a very important and vital role in successful performance of the organisation.

## Employee Engagement

**Employee Engagement** has a very prominent role in achieving the success and withstand the competition in the entire market. Employee Engagement describes the relationship between the organisation and its employees. Engaged employee always strive for achieving the goals of the organisation and tries to keep up the pride, reputation of the organisation.

An "engaged employee" is defined as one who is fully absorbed by and enthusiastic about their work and so takes positive action to further the organisation reputation and interests. An engaged employee has a positive attitude towards the organization and its values. (Wikipedia)

Employee engagement was initially conceptualized by Kahn (1990) as "the harnessing of organisation members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances".

Schaufeli et al. (2002) defined engagement "as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption".

### Maslow's Hierarchy of Needs:

Maslow posited that human needs are arranged in a hierarchy, from the bottom of the hierarchy upwards, the needs are: physiological, safety, love and belonging, esteem and self-actualization. Needs lower down in the hierarchy must be satisfied before individuals can attend to needs higher up. Every person is capable and has the desire to move up the hierarchy toward a level of self-actualization. Unfortunately, progress is often disrupted by a failure to meet lower level needs. Life experiences, including personal and occupational, may cause an individual to fluctuate between levels of the hierarchy.

"It is quite true that man lives by bread alone — when there is no bread. But what happens to man's desires when there is plenty of bread and when his belly is chronically filled?

At once other (and "higher") needs emerge and these, rather than physiological hungers, dominate the organism. And when these in turn are satisfied, again new (and still "higher") needs emerge and so on. This is what we mean by saying that the basic human needs are organized into a hierarchy of relative prepotency" (Maslow, 1943,) Maslow continued to refine his theory based on the concept of a hierarchy of needs over several decades (Maslow, 1943, 1962, 1987). Regarding the structure of his hierarchy, Maslow (1987) proposed that the order in the hierarchy "is not nearly as rigid" (p. 68) as he may have implied in his earlier description. Maslow noted that the order of needs might be flexible based on external circumstances or individual differences. For example, he notes that for some individuals, the need for self-esteem is more important than the need for love. For others, the need for creative fulfilment may supersede even the most basic needs. Maslow (1987) also pointed out that most behaviour is multi-motivated and noted that "any behaviour tends to be determined by several or all of the basic needs simultaneously rather than by only one of them" (p. 71).

### ICT Tools for Employees Retention:

**1. Virtual training opportunities:** Employees must be provided with the online training modules or through any technological advancements, instead of sending them to the old brick and mortar training methods. Employees seeking opportunities to learn new skills and wants to participate in professional initiatives will take the benefit of online modules.

**2. Effective performance appraisal:** A robust performance appraisal system can take goals that managers and employees have set together and track them. so workers and their supervisors can talk about it during performance appraisals. Managers can also use this time to help and guide employees through the paths they need to move to reach their aspirations and meet company goals.

**3. Feedback and pulse survey:** Many HR technology solutions allow managers to distribute short and regular surveys to get feedback from employees and discover ways the organization can better help serve them. One of the highest morale killers for any employee is the feeling that their opinions do not matter. This is why it is essential for managers to not only digitally collect their communications, but also act upon it.

**4. Gathering as much of information as possible:** Employee retention plans need to start the moment a candidate accepts the offer. Many employee engagement software programs allow HR managers to collect and manage employee information. This data gathering process should not only include contact information, but having new employees fill in a digital survey about their goals, aspirations, desired training, and even hobbies can give managers an idea of how to help them move forward in their position with the company. Having all these details enables HR and managerial staff to engage employees to prevent the desire to leave.

**5. Better facilitate communication:** One of the most annoying things for an employee is not receiving regular and clear communication about their duties during the day. Programs like Slack and Skype for Business can eliminate this by allowing managers to quickly and effectively chat with their employees. This technology reduces the need for multiple emails to be sent back-and-forth and the chance that workers miss out on relevant information from managers. Having an efficient way of communicating shows workers they do not have to deal with the pressures of having to read their managers' minds.

#### **ICT Tools for Employee Engagement:**

**1. Allow personal tools at work place:** If the employees are given freedom to bring their own personal tools at work place, they will engage themselves in performing better for the success of the organisation. Even for the long run improvement, these things should be considered.

**2. Mobile learning: HR** Departments identified that “Employees can operate their mobile phone anywhere at any time”. With this, if the employees are given tasks or work to be performed, as it is inevitable, they are much happier to do the work using mobile. If they are unaware or finds difficulty, they try to learn on their mobile.

**3. Encourage collaborative work:** Now-a-days people can access the internet anywhere at any time. So, with the help of available innovative technology, we can easily access or use the collaboration tools and professional social media. Therefore, using online techniques and communication tools employee can be engaged in an organisation by providing them the more and better communication networks via the file sharing, project management tools between the workers.

**4. Use Gamification:** Employees have a natural desire to compete with their co-workers and if there's a fun, measurable way of doing so and we can notice employees joking and comparing with another. It's not a case of 'just getting it done'. It is all about to keep up with their co-workers and its fun. Therefore, Gamification makes practical day-to-day activities more compelling, using it appropriately can boost participation rates in e-learning courses.

#### **EAP:**

Employee Assisted Program includes benefits for personal growth and a happier life wherein absence of same may lead to poor work performance and affect productivity.

The Employee Assistance Program provides a wide range of resources relating to Employee Counselling that help individuals deal with diverse concerns that they may be experiencing either at work or in their personal lives.

Employee Assisted Program or EAP is a part of HR policy adopted by some companies for the welfare of their employees that helps them manage day to day as well as chronic stress. A recent study conducted by Optum (2016) found that 46% of the workforce in India is facing some or other form of stress. Eliminating the stress related to a job may not be possible however steps can be taken to manage it.

Professional & confidential counselling services under the EAP Program help individuals find work life balance, manage stress & their emotions more effectively, enhance marriages, work out parenting concerns, equip individuals to cope better with loss and grief, empower people to make decisions, motivates them to achieve goals, deal with addictions including alcohol & substance abuse, & most importantly learn new skills and achieve goals of growth and self development.

Top few Companies that provides EAP services are ACI Specialty Benefits, Alliance Work Partners, BHS, Cascade Centers, Cleveland Clinic Wellness, ComPsych, CuraLinc Healthcare, Optum

### **RESEARCH GAP:**

Although a lot of literature can be found in employee engagement strategies adopted by the organisations, yet the main focus of these studies has primarily been on factors or main drivers of employee engagement. None of these studies have investigated the relationship between employee engagement, employee retention and satisfying employee's need using information and communication technology.

When organisations are operating in globalised economy in the highly competitive environment; it is important to note that they need to differentiate themselves from each other for longevity. For which employee retention is very crucial. Organisations needs to have employees who are passionate about their work and strive to take their organisation to greater heights. Such work force can be obtained only if employees are engaged to obtain tri dimensional benefits of productivity, increased efficiency and sustainability. In current scenario the employee engagement is focused on only productivity and as a result there is weak relationship of organisations with their work force. Thus, leading to lower consciousness and integrity in employees, tantamount to increased fraudulent and corrupt acts. Not only this growing rate of unemployment on one side and varying incremental rate of attrition on other side reflects that there is gap in Human Resource Management system across different sectors and organisations.

Keeping this in view a study has been undertaken applying Maslow's Theory of Motivation to understand the different needs of different employees irrespective of type of organisation they are employed with. Through this study, an attempt has been made to understand how with the aid of information and communication technology different needs can be catered and barriers in effective employee engagement can overcome to increase the employee retention span.

### **OBJECTIVES OF THE STUDY:**

Keeping in mind the review of past studies the present study was undertaken with the following objectives:

- To study the effect of different types of Human Needs on Employee Engagement and Employee Retention Policies
- To suggest measures for enhancement of ICT based tools in Employee Engagement and Employee Retention with a emphasis on benefits of Employee Assistance Programme.

### **RESEARCH METHODOLOGY:**

#### **Sample size :**

Study was conducted among the employees working in different sectors. In order to get the required information, a well designed questionnaire was prepared and administered among respondents. Data was collected from 80 respondents from various employees. Out of 85 respondents, 69 responses were taken into consideration based on judgement and convenience sampling and remaining 11 responses were

rejected due to missing data. Questionnaire focuses on the level of ICT being used in the organisation, the EAP (Employee Assistance Program). The data, thus collected have been analysed.

### **Development of the Survey Instrument:**

Survey was made even more interactive by developing “Personal Interviews” with HR management team, which served as the best instrument in taking the reviews.

### **RESULTS AND DISCUSSION:**

1. Organisations are not able to provide the requirements that are needed by the employees. So, they need to focus on the retention programs that are needed to be developed. According to the survey conducted, 32% of the respondents are leaving the organisation because of the ‘Better opportunities available for them’ and also De- motivation is one of the reason which needs to be taken care of which accounted for 7.7%, as it reflects the image of the organisation.
2. Many of the organisations are still practising the traditional methods of imparting training rather than adopting to the technological advancement. Even, if the organisation has adopted online method of training, as per the survey they could not utilise it to the fullest possible extent which needs to be addressed according to EAP.
3. ICT has gained a paramount importance in the current scenario as many of the organisations are insisting employees to have a mandatory courses based on ICT which helps the employees to get recognised in the organisation and engaged themselves in the organisation for a long period of time,
4. To retain the employees in the organisation, they have adopted Learning and Development (L&D) facility majority by considering online modules techniques which is being provided to both technical and non-technical subjects.
5. Even employees in the organisation to get higher promotions, rewards, job security they are planning to get trained in different zones of technological aspects which satisfies the organisational objectives.
6. Many of the organisations have a recreational activities and pantry facilities (Basic needs) which are satisfying the requirements of the employees and which also helps in retaining and engaging them in the work place. Organisations are also maintaining EAP.
7. According our survey, Many of the employees stated, that “they require an independent counselling services which helps them in stress management, emotional support, self development, etc., If such independent counselling services are developed and maintained, it helps the organisation in retaining and engaging the employees.

### **CONCLUSIONS AND IMPLICATIONS:**

The study was undertaken to determine whether formal or informal initiatives practised by different organisations in different sectors have any relationship with employee engagement factors (viz: vigour, absorption and dedication) and employee retention span, also to what extent there is involvement of ICT in such initiatives.

The study found that the ICT gained paramount impact in current scenario on employee engagement activities by-

- making available many web based online trainings to employees to build up new skills or update knowledge
- arranging online self-assessment tools
- by making lot of content for reading available on various topics to employees to guide how to deal with health challenges, interpersonal challenges and psychological challenges.

However there is a lack of sense of belongingness between employer and employee due to lack of human interventions and connectivity. Programmes like Employee Assistance Programme which comes with personal counselling in virtual mode through usage of ICT and allows not only employees but also their relatives to take support and guidance from experts viz; psychologists, legal experts, medical experts will

bring more connectivity and sense of belongingness from the organisations in the employees and in turn to organisation from employees will not only increase productivity because of happy employees but also increase retention span of employees due to increased emotional satisfaction driving towards serving self-fulfilment needs. Self-fulfilment as motivational factor will increase consciousness and integrity in Human Resource reducing attrition and corrupt and fraudulent acts. Employee Assisted Program – EAP although gaining popularity but still is not a rampant practice as compared to covering an employee for physical fitness. Most of the organizations would focus only on Physical Health benefits. If they happen to fall sick, meet an injury or accident, the expenses of recovery and healing is taken care of. It is a great pre-emptive measure to express care for their employees and in the times of need would have them covered under a blanket of safety and relief.

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