IMPACT OF EMPLOYEE ENGAGEMENT IN ORGANIZATION'S PRODUCTIVITY

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ABSTRACT

Employee engagement has emerged as a popular concept in the recent years. It is a vast construct that touches almost all the parts of human resources management aspects we know until now. It is the level of commitment and involvement an employee has towards their organization and its value and beliefs. Employee engagement is a stronger predictor of positive organizational performance clearly showing the two way relationship between employer and employee. It has become a top business priority for senior executives in this rapid cycle economy, business leaders know that having a high performing workforce is essential for growth and survival. They recognize that a highly engaged workforce can increase innovation, productivity and bottom line performance while reducing cost related to living and retention in highly competitive talent markets. The engaged employee is aware of business context and works with the colleagues to improve performance within the job for the benefit of the organization.

Employee engagement is linked to customer satisfaction which is linked to an organization's financial success. Engagement comes when enough of employee care about doing a good job and care about what the organization is trying to achieve and how it goes about doing it. This caring attitude and behavior only comes when employee get satisfaction from the jobs they do and believes the organization supports them and work with an effective HR Manager. Engaged employees are happily involved and experience their work as engrossing and something to which they can devote their full concentration. Hence, engagement is inferred as a positive experience in itself which has positive consequences for the organizations in terms of high commitment, task proficiency, less employee turnover, less absenteeism, higher productivity, and consequently, increased performance of the organization. Employee involvement, commitment, and performance are directly connected to the goals of an organization. Thus Employee engagement initiative has a direct impact on the organization's productivity.

KEYWORDS

Employee Engagement, Involvement, Commitment, Performance, Absenteeism, Productivity.
INTRODUCTION

Employee engagement is a positive attitude held by the employee towards the organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. Employee engagement is not the only term used to describe the positive attitudes and behavior of employees at work. The policy and practice implications of employee engagement are often captured in ‘high involvement work practices’ and ‘high performance working’. Employee Engagement is arguably the most critical metric for organizations in the 21st Century.

Employee engagement is directly influenced by growth of the organization, value addition experienced by employees and employee perception of the organization. HR practitioners believe that the engagement challenge has a lot to do with how employee feels about the about work experience and how he or she is treated in the organization. It has a lot to do with emotions which are fundamentally related to drive bottom line success in a company. The concept of engagement has naturally evolved from past research on high involvement, empowerment, job motivation, organizational commitment and trust. The key factors in engagement are such as alignment of employees toward strategy; enabling employees to have the capability to engage themselves; and creating the sense of engagement. Engagement is about creating opportunities for employees to connect with their colleagues, managers and the wider organization. It is about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job. The distinction between job satisfaction, the well-known construct in management, and engagement contending that employee satisfaction is not the same as employee engagement and since managers cannot rely on employee satisfaction to help retain the best and the brightest, employee engagement becomes a critical concept.

Engagement is about passion and commitment-the willingness to invest oneself and expand one’s discretionary effort to help the employer succeed, which is beyond simple satisfaction with the employment arrangement or basic loyalty to the employer. Employee commitment and OCB are important parts and predictors of employee engagement in that commitment is conceptualized as positive attachment and willingness to exert energy for success of the organization, feeling proud of being a member of that organization and identifying oneself with it and OCB is a behavior observed within the work context that demonstrates itself through taking innovative initiatives proactively seeking opportunities to contribute one’s best and going extra mile beyond employment contract. However, these constructs constitute the bigger construct employee engagement and they cannot independently act as a replacement for engagement. Strong manager-employee relationship is a crucial ingredient in the
employee engagement and retention formula. A manager must do five things to create a highly engaged workforce. They are:

- Align efforts with strategy.
- Empower.
- Promote and encourage teamwork and collaboration.
- Help people grow and develop.
- Provide support and recognition where appropriate.

Employee engagement is the outcome of personal attributes such as knowledge, skills, abilities, temperament, attitudes and personality, organizational context which includes leadership, physical setting and social setting and HR practices that directly affect the person, process and context components of job performance. Most drivers that are found to lead to employee engagement are non-financial in their nature. Therefore, any organization who has committed leadership can achieve the desired level of engagement with less cost of doing it. This does not mean that managers should ignore the financial aspect of their employees. In fact, performance should be linked with reward. Employee’s knowledge of how well an organization’s assets are being managed has a positive impact on engagement. There is a strong link between productivity and engagement. Employees’ knowledge of an organization’s productivity levels also has positive impact on engagement. Employee Engagement depends on four major conditions in the workplace such as organization’s culture, continuous reinforcement of people focused policies, meaningful metrics and organizational performance.

- Corporate culture helps an organization to connect with the employees, gives them empowerment in decision making process and develops them to shoulder greater responsibilities.
- Continuous reinforcement happens when an organization frames policies which act as facilitator towards accomplishment of goals by the employees and thereby the organization itself.
- Meaningful metrics refers to devising performance measurement criterion in such a way that employees are clear about their goals.
- Organizational performance leads to pride, job satisfaction, trust and a sense of belongingness to the organization.

Employees should have the feeling that they possess the right kind of physical, cognitive and emotional resources to perform their job at optimum level. An organization should also know how to project and communicate the success stories of the organization to the employees. Thus employees are able to relate their individual performances with the success and also understand how their performance has a direct impact on the performance of the organization as a whole. This contributes towards enhanced employee engagement. High engagement leads to higher financial
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performance, higher productivity, higher customer satisfaction and lower manpower turnover.

Employees who are engaged with their job and employer are more productive because they are motivated beyond personal factors. They are more focused and more motivated than their disengaged counterparts. This means they work more efficiently and with the success of the organization in mind.

ADVANTAGES OF EMPLOYEE ENGAGEMENT

1. **Motivates The Individual**

   The first and foremost advantage of employee participation is that it helps in motivating the employees. This is because when the employees are said to participate in important meetings they also feel special and get encouraged for delivering good work in the near future.

2. **Expected Output Is Good**

   The performance of the employees gets affected in a positive manner. The employees start performing better after getting motivated. Motivating employees is also very important because it helps in the growth of employees as well as the organization.

3. **Creative Work Is Delivered**

   The more the participation, more the work delivered is creative. The employees get a broader sense of perspective which also helps in increasing creativity of the employees. That creativity is seen in the work though. When diverse group of employees will be there to participate in a discussion, it is obvious to get creativity in the work as every person would give his or her own idea and that ultimately will distinguish the work from others.
4. **Sense Of Superiority**

The employees like the subordinate ones when getting a chance to engage in important business activities of the company, will feel superior and important. This way the sense of inferiority vanishes and they also gain confidence at the work place. The hesitation of being inferior gets away and the confidence of working in the same work environment retains forever.

5. **Decision Making Becomes Effective**

The outlook of the employees get broadens which helps in effective decision making. The decision making process is not every one’s cup of tea but when the employees are exposed to environment where they get motivated for their participation, the decision making ultimately gets strong. So, the employee participation of engagement of employees in the decision making process becomes strong and effective.

6. **No Extra Employees Would Be Needed**

When the work of superiors is given to others as well, the need of hiring the other or say extra staff gets vanished. The individual gets a chance to prove their potential as they get a good platform to perform. So, in one way it also helps in providing a good platform.

7. **Platform To Prove Potential**

The employees get a solid platform to prove their potential. Otherwise it might be difficult to prove their might because it usually happens that the employees fail to get chances as the same are taken by the other superior ones. So, for this reason too it is important to give subordinates a chance to participate in policy making and so on.

8. **Employees Get Added Value**

The employees when participate in the different decision making processes, they get advantage of added value. Their value increases over the other people in the organization. Their presence is felt and this is what makes them more happy and motivated. Their motivation ultimately helps in providing good outputs.

9. **Increases Their Work Capacity**

It is the motivational things that can help in increasing the capacity of working of the employees. The employees tend to work more as they also become part of the policy making process. The more work ultimately increases their capacity to work and is good for the company in fact.
10. Sense Of Responsibility Increases

The employees feel a great sense of responsibility when they are given responsibility. Responsibility goes along with the authority. So, when they are given responsibility, they automatically feel authority to work which is again a sign of positivist. It is beneficial both for the company as well as the subordinates participating in the decision making process.

11. The Employees Are Able To Focus Well

When the employees get more attention and are motivated through various measures, then the employees get happy and are able to focus more on the work. The subordinate employees usually are not motivated or encouraged to do the work as more attention is paid to the superior employees and indeed naturally they gather more attention for even higher authorities. So, for this reason too, it is important to let employees participate in the meetings, seminars and even workshops.

12. Novelty In Ideas

More the ideas, more will be the great output. All the types of ideas are important to the company because more the ideas, more will the company be able to distinguish itself from the market competitors. The subordinate can also have an exemplary idea but can only be bought forward when given a chance. So, if the company wishes to get something new, the engagement of subordinates is also important to get quality work. More the participation, more will be the list of ideas and then the work to implement in a manner will be left.

Disadvantages Of Employee Engagement

1. The Top Policies Are Revealed

Sometimes there are some policies which are not to be discussed by the company to the subordinates. Some things are to be kept in secrecy so in such a case, it is not good to engage the subordinates in to the major discussions or say into the meetings or the workshops and so on.

2. The Difficulty To Match The Iq Level

The meetings in which high officials sit and discuss, it becomes difficult for the members to match the discussion as per the subordinates. So, this way the conversation gets imbalanced and the difficulty level increases to larger extent which is not a positive sign as it not just wastes time but also it waste lot of energy.
3. **Security Is At A Greater Risk**

Sharing the valuable information with high chunk of employees in organization can term into greater risk as the chances of getting information leaked is more. Not just this, it also wastes lot of time and money which is a big disadvantage for the company. Also you never know which employee would spread the word about the important information and this is how the information gets leaked which is not good for the health of a company.

4. **Liberalizing Them**

The subordinates get enough freedom as they are somehow given freedom and authority like superior only. So, the freedom should be given as per the responsibility and the authority of the individual. If the subordinates are given more freedom, there are chances that out of freedom, they might not perform well thinking they are now no longer subordinates as they share equal space like others in the meetings and the seminars. So, for this reason too, it is important not to engage the employees during the discussions.

5. **Making Them Understand The Thing Sometimes Is Very Difficult**

The content to be discussed in the meeting needs to be communicated to the members. It is easy for the company to make the content easily understand the other members who are regular participants of the meetings but it is very difficult to make the subordinates understand the similar thing. It is because of the position as well as the difference in the experience of the employees. So, before making the subordinates participate in the discussions, the members will have to make an extra meeting so as to make the concept clear to them.

6. **Regular Updates Are To Be Given**

For the employees to be participative in the meetings and discussions, it is important for the board of directors to let them know about the context. So, for this reason, it is important to provide updates to the employees or they might act as a dead pan during the meetings. Also the meetings would not be interactive enough which means the discussion goes in vain.

7. **Providing Them Training**

The subordinates are not always part of the meetings and the discussions, as at times it is difficult to make them understand the concept on which the discussion is to be done. It is possible to make the employees understand the concept one time but for every time it is not possible. So, for that the subordinates need proper training and only then engaging them to the important discussions will be fruitful.
8. **EXPENSIVE PROCEDURE FOR THE COMPANY**

Providing training to the subordinates can be an expensive procedure. The training involves proper involvement of money as the preparation of setup is required and also making invitations to invite the employees at the event and all that is needed for providing training to the subordinates. So, it shakes the budget of the company if the extras are invited for the events.

9. **THE MESSAGE TURNS INTO RUMOR VERY FAST**

The message given in the meeting to the employees turn into a rumor very fast as the discussion on the topic turns into grapevine communication. The grapevine communication is the one in which the message spreads like the branches of the grapevine and goes in almost every direction. The message goes in varied directions and even the relevant message turns into the rumor which is not good neither for the company nor for the staff as the wrong message spreads.

10. **CHAOS AND UNCERTAINTY INCREASES**

As the traditional authority of management reduces, the uncertainty and chaos increases. This is because the level of difficulty increases in recognizing the difficulty level between the management and the employees. The company always has designated leaders to engage during the meetings and however it is not essential to get the subordinates to do the same thing. So, for this reason too, it is a disadvantage to engage the employees during the meetings and the vital discussions.

**RESEARCH METHODOLOGY**

A study to identify several factors/Variables/actions to justify customer exceptions, in order to improve company's product reachability trend in the present market. Business research investigating a specific problem for the purpose of finding solution. The research is handled in this study to make projection of various factors, and to determine the relationship between two or more variables.

**RESEARCH METHODS**

It denotes methods or techniques which are used by the research while performing research operation. Research methods can be put in three groups:

1. Collection of data.

2. Applications of statistical techniques.

3. Evaluating the accuracy of the results obtained.
RESEARCH DESIGN

The present study falls under the category of descriptive studies; on the nature of the problem is to determine the relationship among the different variables the major strength of the survey research has it wide scope and ability to collect the details information from a sample of large population.

SAMPLING DESIGN

Simple random sampling method was adopted to conduct this survey. Simple random sampling where the samples are selected at random and it means that every in that group has equal chance to represent the group.

STATISTICAL TOOL

The statistical tool use to analysis is "Correlation". Correlation is a statistical tool which studies the relationship between 2 variables. Correlation analysis involves various methods and techniques used for studying and measuring the extent of the relationship between two variables.

Here on variables should be dependent and other should be independent.

The analyzing factors are 1) Organization's Productivity 2) Employee Engagement.

Organization Productivity should be analyzed as the form of independent factors and we have the core dependent factors is “Employee Engagement”.

In the hypothesis setting, the dependent variable is kept stable where as other independent variable are compared respectively with the dependent variable.

- There is a relationship between the Employee Satisfaction is directly proportional to Organization's Growth.
- The relationship between the Retention and Recruitment is directly proportional to the Organization's Growth.
- The relationship between the Profitability is directly proportional to Organization's Growth.
- The relationship between Motivations is directly proportional to the Organization's Growth.
- The relationship between Innovations is directly proportional to the Organization's Growth.
A MODEL OF IMPACT OF EMPLOYEE ENGAGEMENT IN ORGANIZATION'S SUCCESS

**Employee Satisfaction (0.75)**

**Retention & Recruitment (0.67)**

**Profitability (0.96)**

**Motivation (0.98)**

**Innovation (0.92)**

**Employee Engagement**

**Organization’s Productivity**

**Employee Satisfaction**

Research indicates that if employees are engaged with the company their job satisfaction levels increase. Employees that are engaged and satisfied are very invested in the success of the business and have a high level of commitment and loyalty.
Satisfied employees play a key role in your organization, as ambassadors of the company. They promote and support the company’s mission, strategy and brand.

**MOTIVATION**

Engaged employees are often top performers, those committed to ‘going the extra mile’ to achieve business success. As an employee becomes more engaged their absenteeism lowers and their motivation increases leading to increased productivity. What this means is that the more engaged the employee is the more efficient and driven to succeed they become.

**RETENTION & RECRUITMENT**

Retaining good employees is key to the success of every business. Employees who are engaged significantly lower the risk of turnover for the company. As engaged employees are more invested in the success of the company they also become more loyal. Simply put, when employees are satisfied and engaged they are far more likely to stay with the organization. Coupled with retention, businesses that have a highly engaged workforce have an increased ability to attract new, qualified employees.

**INNOVATION**

There is a close relationship between innovation and employee engagement. Engaged employees perform at a higher level and bring passion and interest to their job, which often leads to innovation in the workplace. As highly engaged employees feel they have a real stake in the organization, they strive to efficiently create new products, services and processes. Collaboration in the workplace amongst engaged employees and top management also leads to overall organizational productivity.

**PROFITABILITY**

Companies with more engaged employees tend to have higher profitability rates. When employees are engaged they become more productive and efficient, positively affecting the company’s bottom line. The equation makes perfect sense. The more engaged your employees are the more efficient and productive they become, lowering operating costs and increasing the profit margin.

**CONCLUSION**

Employee Engagement is a powerful concept that organization can utilize to improve organization's productivity. An "Engaged Employee" is one who is fully involved in and enthusiastic about his or her work and so will act in ways that improves their organization's productivity. Thus employee engagement is important to the competitiveness of any organization, particularly in the current business environment.
Employee's are one of the powerful weapon that can be utilized to improve the organization's performance that is called Organization's Productivity”.  

REFERENCES


