



**A STUDY ON EFFECTIVE EMPLOYEE ENGAGEMENT FACTORS WITH
SPECIAL REFERENCE TO HASSAN CO-OPERATIVE MILK PRODUCER'S
SOCIETY UNION LIMITED, KARNATAKA.**

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Abstract

Employee engagement is a valuable concept for understanding and improving individual and organizational performance. In the current environment, employee engagement is vital because organizations are demanding more from their workers than ever before. An engaged employee tends to be more self-motivated, reliable and have higher levels of organizational loyalty. The most important driver of engagement is a sense of feeling valued and involved. However, achieving this is no mean feat; hence an empirical study has been undertaken to identify the focus areas to increase the levels of employee engagement. The basic purpose of the study is to find out what variables are significant to create an engaged workforce. The study is exploratory and the data has been collected from an HCMPSUL.

Keywords: Employee engagement.

INTRODUCTION

Employee Engagement is defined as a measurement of an employee's emotional commitment to an organization and the amount of discretionary effort an employee expends on behalf of the organization. Emotional commitment means employees care about their work and their company. When employees are engaged they use discretionary effort. Their effort extends beyond what they "have to do" to what they "want to do".

If you create a company where employees enjoy coming to work and where there's a high level of mutual trust and respect, no one can beat the company. An "engaged employee" is the one who is fully involved in work, and thus will act in a way that furthers their organization's interests.

Employee Engagement is a property of the relationship between an organization and its employees. The employees have not been touched upon Employee Engagement. Employee's goals and expectations are not in sync with the organizational goals and expectations which in turn hinder the growth of the employees and future which would lead to disappointment in their work environment which in turn would affect the industry. This is the reason the study has been done on the individual and organizational factors to find out the views of the employees on Employee Engagement.

STATEMENT OF A PROBLEM

Leaders at all levels face a lot of unprecedented challenges brought by various factors. The factors may be a social factor, demographic factors, economic factors, financial factors, technological factors etc. These factors have created a large amount of business challenges like industry consolidation and disruption, changing customer and consumer demand, availability of talent, changing requirements of the workforce, changing expectations of companies from the workforce. To tackle these changes many business leaders have to set new strategies, but they cannot execute with the support of the people. Engaged employees play a very important role in putting the right behavior to achieve the business result. Populism and more sophisticated technological advances that could make many jobs obsolete and no longer the subject of science fiction. Virtual reality, artificial intelligence, machine learning, driverless cars, drones, and other technologies are competing for jobs and will create trouble in organizations and thus cause the work experience and employee engagement to decline. Making engagement happen is one of the challenges of CEOs, Human Resource Leaders, and leaders of all levels.

LITERATURE REVIEW

Employee engagement has become a hot topic in recent years. Despite this, there remains a paucity of critical academic literature on the subject, and relatively little is known about how

employee engagement can be influenced by management. Although there is a great deal of interest in engagement, there is also a good deal of confusion. At present, there is no consistency in definition, with engagement having been operationalized and measured in many disparate ways.

In a recent study of employees around the globe, 59 percent of those who reported being engaged at work said they are committed to staying with their current company. Only 24 percent of those who consider themselves disengaged reported an intention to stay with their current employer (O’Neal and Gebauer, 2006). In an industry that reports turnover rates between 78 and 95 percent, any reduction in turnover would result in significant cost savings, particularly when you consider that the cost associated with replacing the average employee is about 100 to 200 percent of that employee’s salary (Renk, 2007). Karl Fischer, regional Vice President, Human Resources for Marriott International reported that higher employee engagement at Marriott means 12 percent higher revenue per compensation dollar and a nine percent higher house profit margin. Also, says Fischer, employee engagement means nine percent of their guests are less likely to experience a problem and 11 percent are more likely to return to a Marriott property (AH&LA Human Resources Committee, 2007). Towers Perrin Global Workforce Study (2007) presented that 21% of employees surveyed around the world are engaged in their work while 38% are either disenchanted or disengaged and the remaining 41% are only partially engaged. Watson Wyatt (2008) confirmed that practices widely accepted as achieving higher employee engagement - employee involvement, sharing information and getting feedback – are directly related to a 2.2% increase in shareholder value. Greenberg and Baron’s (2008) research shows, conversely that engaged employees deliver four times more value to the organization than non-engaged employees. Towers Perrin’s research (2009) on employee engagement underpins business Transformation according to this survey conducted for a UK’s largest car fleet (Motability Operations) found that eighty-six percent of its employees are engaged, ninety percent of its employees are positive about customer focus and eighty-one percent of employees are positive about its values. Harter (2002) examined the relationship at the business unit productivity and employee engagement and noticed that the ‘engaged employees’ are satisfied employees which in turn leads to higher productivity. In a study of professional service firms, the Hay Group found that offices engaged employees were up to 43% more productive. Blessing

White concluded in its State of Employee Engagement Report, 2008 that “Engaged employees are not just committed. They are not just passionate or proud. They have a line of sight on their future and the organization’s mission and goals. They are enthused and in gear, using their talents and discretionary effort to make a difference in their employer’s quest for sustainable business success”.

(Kular, Gatlen, Rees, Soane, & Truss, 2008), *they* found that levels of engagement nationally were low, but that high levels of engagement were associated with a host of positive outcomes for individuals and their employers. (Bhatla, 2011), The article focuses on the need for such employees and how their presence can improve the progress and work efficiency of the organization. Also focuses on the challenges faced by the HR managers to improve employee engagement for an organization’s survival. It also throws light on other aspects of employee engagement like benefits, key indicators and factors influencing employee engagement. It also focuses on the various practices used in private banks. (SWATHI.S, August 2013) The paper deals with the factors which influence employee engagement. The factors like feedback, Rewards, Reorganization, and Leadership, etc. which influence the Employee Engagement. It is found that no single or specific type of factor will be suiting the person or the Industry. So it is very much important that all the factors must be considered in doing the employee engagement. (Sundaray, 2011) This paper focuses on various factors that lead to employee engagement and what should a company do to make the employees engaged. It has been observed that organizations with higher levels of employee engagement outperform their competitors in terms of profitability. Engaged employees give their companies crucial competitive advantages—including higher productivity, customer satisfaction and lower employee turnover. The relationship between employee engagement and organizational outcomes would be stronger if better measures were used. Harvard Business School, HBS conducted a study on a large-scale about disengagement of the employees over 3,000 employees conducted by Anna Nyberg at the Karolinska Institute. He found that these factors could help the employees go engaged in their work, **Foster social connections, Show empathy, Go out of your way to help, Encourage people to talk to you – especially about their problems.**

(Smith & Markwick, 2009), throw light on what engagement is and reveals that it is an important yet complex challenge, and there remains a great deal of scope for discussing the various approaches. (MR, 2009), examine the current state of knowledge about engagement

at work through a review of the literature. This review highlights the four lines of engagement research and focuses on the determinants and consequences of engagement at work. Key findings suggest organizational factors versus individual contributors significantly impact engagement at work. (Susi.S & Jawaharrani.K, 2011)Examine some ofthe literature on Employee engagement, explore work-place culture & work-life balancepolicies & practices followed in industries to promote employee engagement in theirorganizations to increase their employee’s productivity and retain them.Work-life balance is a key driver of employees’ satisfaction.

(Ram & Prabhakar, 2011), investigated the antecedents and consequences of employee engagement in the Jordanian Industry. A snowball sample of 310 respondents from the Jordanian hotel industry was interviewed using the research instrument. The results confirm the relationship between Employee Engagement and Perceived Organizational Support. The effect of Job Characteristics, Intrinsic and Extrinsic Rewards, Perceived Supervisor Support, Perceptions of Procedural Justice, Perceptions of Distributive Justice on Employee Engagement is also confirmed.

PURPOSE OF THE STUDY

Engaged employees have a strong desire to work, feel proud of the organization and also speak positively about it. Such employees show enthusiasm for contributing the organization’s goal. At the time of emergency, if the employees are involved, they feel more responsible and use their skill effectively for themselves as well as organizational development. Employee engagement is found to be a key to organizational success. It enhances both productivity and profitability through actively engaged workers. Engaged employees are more committed to the job and satisfied with the job. Hence examination of employee engagement in an organization will provide ways to improve the growth of the organization and the employees as well.

Identifying the key drivers of employee engagement in organizations will help to create a roadmap for achieving organizational effectiveness. This will help to drive value and optimize resources and contribute to organizational success

METHODOLOGY

The present study was conducted to analyze the extent of employee engagement in HCMPUL (Hassan Co-operative Milk Producers Union Limited), Hassan Karnataka, India. A random sample of 100 employees was drawn from the organization for the study.

- Research Instrument: Structured Questionnaire was designed
- Measurement Scale: A five-point Likert scale is used to gather responses to the questions. To measure the perception of the employees towards company perspectives, the scale developed by Olayiwola (2008) was modified according to the study and 14 statements were framed. Statements were framed on a continuum namely 1 as 'Strongly agree', 2 as 'Agree', 3 as 'Neutral', 4 as 'Disagree' and 5 as 'Strongly disagree' respectively.
- The simple percentage and mean score are calculated.

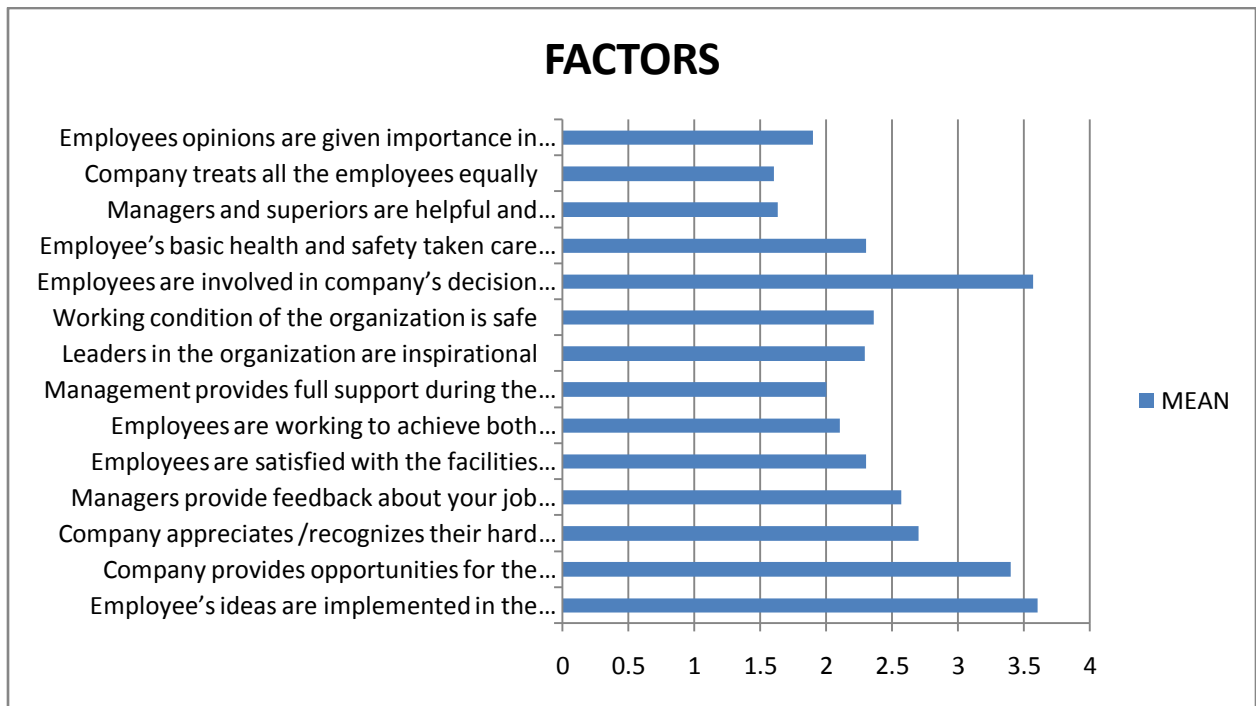
RESULTS AND DISCUSSION

EMPLOYEE ENGAGEMENT FACTORS

Factors	Mean Score
Employee's ideas are implemented in the organization	3.6
Company provides opportunities for the employees to learn and grow	3.4
Company appreciates /recognizes their hard work	2.7
Managers provide feedback about your job performance	2.57
Employees are satisfied with the facilities provided by the company	2.3
Employees are working to achieve both individual and organizational goals	2.1
Management provides full support during the training period	2
Leaders in the organization are inspirational	2.29
Working condition of the organization is safe	2.36
Employees are involved in company's decision- making process	3.57
Employee's basic health and safety taken care of by the management	2.3
Managers and superiors are helpful and supportive	1.63
Company treats all the employees equally	1.6
Employees opinions are given importance in the organization	1.9
Grand mean	2.451429

From the above Table 1, the analysis of Likert scale measurement of the attitude of respondents towards different factors indicates an overall favorable response because the total score is 2.451429. A comparison of the Likert score of all the factors indicate that; factors such as Employee’s ideas are implemented in the organization has the highest influence on employee engagement. After these the next factors that have an influence on Employees are involved in the company’s decision-making process followed by Company provides opportunities for the employees to learn and grow, Company appreciates/recognizes their hard work Managers provide feedback about your job performance.

CHART: 1 SHOWING THE MEAN SCORE OF THE RESPONDENTS ON VARIOUS EMPLOYEE ENGAGEMENTFACTORS.



CONCLUSION

Acquiring a skilled workforce is just not enough in today's changing economy like ours; instead, a lot needs to be done to retain, involve and make them committed to the organization and its goals. Thus, engagement is a state where an individual is not only intellectually committed but has great emotional attachment with his/her job that goes above

and beyond the call of duty to further the interest of the company.

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