A STUDY OF EMPLOYEE ENGAGEMENT MODELS TO BUILD NEW BUSINESS APPROACHES

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ABSTRACT:
Objectives: The objective of this paper is to discuss the significance of the employee engagement in the organization through various models of employee engagement proposed by researchers and consulting firms. And also discuss various factors/drivers that keep the employees motivated and engaged.

Methods/Statistical Analysis: For this study, researchers have used review method. For the process of review around twelve academic research papers and reports of research firms in the area of employee engagement have been reviewed.

Findings/ Suggestions: The study suggests that the organizations should take care of their employees and provide an atmosphere where they should feel valued and involved in the work. An engaging environment will lead to better performance of the employee as an individual as well as the organization as a whole.

Application: This paper will be of value to anyone seeking better understanding in employee engagement to improve organisational performance.

Keywords: Employee engagement, Employee engagement models, Drivers of employee engagement.

I. INTRODUCTION:
A key component of any organization is its employees. The employees are critical to the viability and the competitiveness of the organization. Out of several resources available to the organizations, management of human resource, in general, and keeping the employees engaged in the work place, in particular, has become the most sensitive aspect that plays a crucial role in the success or failure of the business today. Engaged employees are invaluable assets to an organization. High levels of employee engagement in domestic and global firms promote retention of talent, foster customer loyalty, and improve organizational performance and stakeholder value.

Dealing with employee engagement is nothing but handling successfully the complex feelings, emotions and psychological state of minds of the employees. While engaged employees have a positive attitude and self-commitment to deliver better outcomes for the success of the organization; an imbalance in the ‘effort-reward’ or ‘work-life’ would essentially generate higher stress among the employees that may result burnout and further staff-turnover in the organization.

William Kahn in 1990’s conceptualized employee engagement as the “harnessing of organizational members’ selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances.”
Further, Maslach & Leiter (1997) stated that “Engagement, as an opposite of burnout, is characterized by energy, involvement, and efficacy. Engaged employees have a sense of energetic and effective connection with their work activities and they see themselves as able to deal completely with the demands of their job.”

Rothbard (2001) explained it as the “psychological” presence including attention, or cognitive availability of the employee spending time in thinking about a role and his intensity of focus on the role. It refers to a positive, fulfilling, work-related state of mind that is characterized by a personal involvement with enthusiasm, vigor, dedication, and absorption (Schaufeli, Salanova, González-Romá & Bakker (2002)). Engagement, essentially, is a two-way relationship between the employer and the employees, where the employees are positively, emotionally and intellectually committed to their organization and its success, largely by providing sustainable discretionary effort (Tower-Perrin, 2003; Hewitt Associates, 2004; Robinson et al., 2004). On this context Mercer (2007) expressed it as a state of mind in which employees feel a vested interest in the company’s success and are both willing and motivated to perform to levels that exceed the stated job requirements. It is the result of how employees feel about the work experience – the organization, its leaders, the work and the work environment. They must feel positive emotions toward their work to be personally meaningful, consider their work-load to be manageable, and have hope about the future of their work (Nelson and Simmons, 2003).

Highly engaged employees feel and react in ways that shows greater levels of commitment towards their company. They pay the full degree of their knowledge and abilities to help an organization succeed and even encouraging others to do so as well. They recognize with the company’s mission, values and products, and establish a real linking to the work they do, along with a sense of pride in doing it well.

There are different kinds of engagement like

a. Intellectually engaged employees who are constantly improving the company with creative ideas and maintaining a positive view of both the company itself, and their relationship with it.

b. Emotionally engaged employees are who are proud and enthusiastic and passionate about the company.

c. Behaviourally engaged employees who are willing to go above and beyond for the company, their customers, and their team members while advocating on behalf of company and remaining loyal.

II. EMPLOYEE ENGAGEMENT MODELS

The below mentioned models have been taken for understanding the basic concept of engagement and has helped in creating further interest in the topic which led to the outcome of this study.

1. Institute of Employment Studies (IES):

IES conducted an attitude survey in 2003 in 14 organizations with more than 10,000 employees. They developed a diagnostic tool using a regression model, to identify the most influential inputs to employee engagement.
This study indicates that experience of, and opinion about, various aspects of work life are strongly correlated with engagement levels. Some of the strongest drivers were involvement in decision-making, opportunities employees have to develop their jobs, organisation’s concern for employees’ health and well-being and the extent to which employees feel, they able to voice their ideas, and managers listen to these views, and value employees’ contributions.

As a result of their survey, IES has provided the general lessons for organizations. Accordingly the presence of these building blocks raises the engagement levels of employees: a development focus, two-way communication, good quality line management, effective internal co-operation, commitment to employee well-being and clear, accessible HR policies and practices, to which managers at all levels are committed.

2. International Survey Research Approach

International Survey Research’s (ISR) (2003) approach to measuring employee engagement, focuses on three interrelated components namely cognitive (think), affective (feel) and behavioural (act). They studied engagement using survey data from 3,60,000 and more employees from 41 companies all over the world. Through their study, they have found a significant correlation between highly engaged employees and corporate financial performance.

According to ISR, cognitive (think) occurs- when an individual agrees with the mission, values and goals of the organisation, resulting in a sense of belongingness. The affective (feel) occurs- when employees feel a sense of pride in their association to the organization. This element is closely correlated with organizational loyalty.
The last and most critical element is the behavioural (act) element. It depicts the actions, the individual within the organisation will display, thus reinforcing their beliefs and feelings. These three components should be measured so that the organization can design relevant and effective interventions to improve the levels of engagement within the organization.

3. Job Demands-Resources (JD-R) model:
This model (Bakker et al., 2003b; c; Demerouti et al., 2001a, b) lies on the assumption that every occupation may have its own risk factors that can be categorized into two general categories- i) job demands and ii) job resources, thus constituting an overarching model which may be applied to various occupational settings. Job demands refer to those psychological, social, physical, or organizational aspects of the job that require sustained psychological (cognitive and emotional) and/or physical effort or skills and are therefore associated with certain psychological and/or physiological costs. Job resources refer to those, psychological, social, physical or organizational aspects of the job that are either/or: a. Stimulate personal growth, learning, and development b. Functional in achieving work goals c. Reduce job demands and the associated physiological and psychological costs.
The development of job strain and motivation results from two different underlying psychological processes namely a. health impairment process and b. motivational process.

In the health impairment process, poorly designed jobs or chronic job demands create exhaustion of employees' mental and physical resources leading to the depletion of energy and to health problems. Through the motivational process, job resources may play either an intrinsic or an extrinsic motivational role by exerting their motivating potential and leading to high work engagement, excellent performance, and low cynicism.

4. Aon Hewitt’s Engagement Model

Aon Hewitt defines engagement in very specific behavioural terms- as the state of emotional and intellectual involvement that motivates employees to do their best work. Employees are engaged when they i) Say - speak positively about the organization to co-workers, potential employees and customers ii) Stay - have an intense desire to be a member of the organization and iii) Strive - exert extra effort and are dedicated to doing the very best job possible to contribute to the organization's business success.

![AON Hewitt Model of Employee Engagement](image)

Figure 4: AON Hewitt Model of Employee Engagement

This employee engagement model has been tested and validated by over 15 years of research on millions of employees across a variety of companies and industries, and across Asia Pacific, Europe, Latin America, and North America. The model is supported by years of research in the area of organizational psychology.
Their research has shown that there are typically six major categories (and 22 organizational antecedents), known as “Engagement Drivers”—factors that can potentially drive an individual’s engagement, as shown in the diagram below.

![AON Hewitt Model of Employee Engagement](image)

**Figure 5: AON Hewitt Model of Employee Engagement**

This model also shows how business will also be benefited as shown in the last column and is explained below: a) Increased wellness, retention and talent thereby reduction in absenteeism. b) Therefore the safety and operational productivity increases. c) If internal customer is cared by the company then the external customers will be taken care by them. This results in retention of prospective customers, their satisfaction, and thereby, the net profits. d) As a result of these the revenues, operational income and shareholders returns increases.

5. **Blessing White’s Engagement model**
The Blessing White’s engagement model focuses on an individual’s – a) contribution to the company’s success and b) personal satisfaction in the role. 
The Blessing White’s research team believes that aligning employees’ values, goals, and aspirations with those of the organization is the best method for achieving the sustainable employee engagement required for an organization to reach its goals. 
Through their research BlessingWhite has developed a X-model of employee engagement. The index used to determine an employee’s level of engagement contains items that reflect contribution and satisfaction on two axes.
Their engagement model helps in identifying 5 distinct employee segments by plotting the survey population on two axes. Full engagement represents an alignment of maximum job satisfaction (“I like my work and do it well”) with maximum job contribution (“I help achieve the goals of my organization”).
### Figure 6: Blessingwhite Engagement Model

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<th>Level</th>
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<tr>
<td>A</td>
<td><strong>The Engaged:</strong>&lt;br&gt;High contribution &amp; high satisfaction&lt;br&gt;These employees are at “the apex” where personal and organizational interests align. They contribute fully to the success of the organization and find great satisfaction in their work. They are known for their discretionary effort and commitment. When recruiters call, they cordially cut the conversation short. Organizations need to keep them engaged, because they can transition over time to any of the three adjacent segments, a move that would likely impact workforce morale and the bottom line.</td>
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<tr>
<td>B</td>
<td><strong>Almost Engaged:</strong>&lt;br&gt;Medium to high contribution &amp; satisfaction&lt;br&gt;A critical group, these employees are among the high performers and are reasonably satisfied with their job. They may not have consistent “great days at work,” but they know what those days look like. Organizations should invest in them for two reasons: They are highly employable and more likely to be lured away; they have the shortest distance to travel to reach full engagement, promising the biggest payoff.</td>
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| C     | **Honeymooners & Hamsters:**<br>Medium to high satisfaction but low contribution<br>Honeymooners are new to the organization or their role — and happy to be there. They have yet to find their stride and clearly understand how they can best contribute. It should be a priority to move them out of this temporary holding area to full alignment and productivity. Hamsters may be working hard, but are in effect “spinning their wheels,”
### Deloitte Model of Engagement:

As written by John Bersin, in his article - Becoming Irresistible: A new model for employee engagement, Deloitte Review Issue 16, “The employee-work contract has changed, compelling business leaders to build organizations that engage employees as sensitive, passionate, creative contributors.” Radical changes have taken place in the workplace. Employee are operating in transparent job markets, flattened organizations, and young employees creating the need for rapid job rotation, accelerated leadership and continuous feedback. Work environments have become highly complex thus, altering the engagement equation.

John Bersin conducted two years of research and discussions with hundreds of companies, and uncovered five major elements—and 20 underlying strategies—that can work together to help make organizations “irresistible.” These 20 factors fit together into a whole system of engagement in an organization, which is held together through culture.

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<tr>
<td>Crash &amp; Burners</td>
<td>Disillusioned and potentially exhausted, employees are top producers</td>
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<td>D</td>
<td>Medium to high contribution but low satisfaction</td>
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<tr>
<td>The Disengaged</td>
<td>Low to medium contribution &amp; satisfaction</td>
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<tr>
<td>E</td>
<td>Most Disengaged employees didn’t start out as bad apples. They still may not be</td>
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1. **Make Work Meaningful:**
The first and perhaps most important element of employee engagement is right people for the right job or job-person fit. Organizations need to make sure that jobs are meaningful, people have the tools and autonomy to succeed. Research also shows that meaningful work takes place in small teams. Small teams feel empowered, they make decisions faster, and the people get to know each other and can lend a hand when one of the teammates needs help.

2. **Foster Great Management:** The second important element is “management”. The word management is used in this model—not leadership—to refer to the daily, weekly, and monthly activity managers use to guide, support, and align their people. Specifically, high-performing managers typically create simple goals that create alignment, clarity and job satisfaction. These goals need to be revisited regularly.

   In addition, a coaching culture, which happens to be the second factor, is also found to be a practice that is highly correlated with business performance, employee engagement, and overall retention. Organizations with high levels of employee engagement invest heavily in management development and ensure that new leaders are given ample support, which is the third factor. The fourth factor is performance management. Companies must take this process worth investing and simplify the annual performance review.

3. **Establish a Flexible, Humane, Inclusive Workforce:** The third element of an irresistible organization is the need to build a flexible, humane, and inclusive workplace.

   With the changing nature of work today, if employees have to engage with their organizations, they should be given a flexible and supportive work environment. In
addition to perks, benefits and employee wellness programs, research also shows that open, flexible workspaces can have a major impact on engagement.

Third factor under this element is the need for continuous and ongoing recognition. Researchers have found that poor recognition cultures show high voluntary turnover. Thus it can be stated that, the key to effectiveness, is to create a social environment where recognition flows from peer to peer and employees feel valued.

Fourth factor states that, highly engaged workplaces are typically inclusive and diverse. And this inclusion usually comes from the top. Leaders occupying top positions should attempt to overcome their unconscious biases and make every effort to listen to their subordinates. They should create an open forum for discussion, and promote people of varied backgrounds (age, race, gender, nationality) who embrace listening and inclusive values.

4. **Create ample opportunities for growth.**

Most research on engagement has shown that learning opportunities, professional development and progression in career are among the top drivers of employee satisfaction. Though building opportunities for growth is a complex and systemic challenge, organizations must design formal and informal developmental opportunities, that allow people learn on the job, and take up developmental assignments.

Organizations should also support and honor facilitated talent mobility which happens to be the second factor. It means organizations must support internal mobility, giving employees the freedom to try something new and move from a role where they are highly productive to one where they may be a trainee again.

Finally, organizations should foster a learning culture and make sure that learning, development and mobility should be rewarded. Leaders can be helpful in creation of such cultures and they should also be rewarded for developing people, moving them into the most effective roles, and keeping retention high. Giving employee lots of opportunities to grow and advance impacts their intention to stay and perform.

5. **Establish vision, purpose, and transparency in leadership.**

Leadership is the final and perhaps the most important element of this model. Four leadership practices have been found to have direct impact on employee engagement. The first practice is to develop and communicate a strong sense of purpose. The “mission-driven” companies surveyed for this research have shown 30% higher levels of innovation and 40% higher levels of retention. Also these companies tend to be first or second in their market segment.

The second important factor is transparency. In fact, new research shows that among Millennials, transparency among leadership rates among the most important drivers of company loyalty. Third, leaders should continually invest in people. Their research on “high-impact organizations,” conducted in 2005, 2008, and 2011, found that investing in people matters in good times and in bad. Finally, this research shows that leaders should continually focus on inspiration. Through their words, communications, and actions, it is often the top executives who ultimately engage everyone in the organization.
III. CONCLUSION:
From the examination of various models explained above, several propositions/practical implications have also come to light that firmly state the significance of engagement as a corporate practice. These models also emphasize different considerations or drivers of engagement that would keep the employees engaged, motivated and inspired resulting in reduced turnover and positive outcomes for the business.

The HR managers and the organizational leadership together must develop a complete understanding and approach of how various factors like company practices, work environment, reward system, learning opportunities etc., are all interrelated. Practically every management policy and practice impacts employee engagement. So, when organizations are focusing on innovation, growth, and performance they must simultaneously retrospect the impact of each strategy on individual employee. there is another core component that managers and organizations need to grasp and take seriously that their employees need to feel that their organization is genuinely interested in them.

To conclude, we can say that ‘Engagement’ basically describes the conditions under which people work. It reflects the positive physical, emotional and intellectual connection of an employee with his/her work. It is normative, affective and continuance commitment of an employee that inspires one to go beyond the call of duty to meet organizational requirements or objectives.

REFERENCES:

9. IES Survey report available at www.employee-studies.co.uk
