Antecedents and Consequences of Employee Engagement: A Literature review

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Abstract: **An organization always focuses on getting success day by day. And employees are the major resources of it. Manpower is now no longer taken as resources , but the capital or asset to the company . Therefore it is only possible to gain success if it is having its employees engaged to the company. This study focuses on various aspects of employee engagement. A descriptive study is carried on to find out the key drivers to engagement and also some outcomes of the concept were found out and accordingly a model is proposed. Results demonstrate that Reward System , Job enrichment , Effective leadership ,Scope of advancement & self-development, Employment security, Self-managed team & decision making authority are the primary factors that brings commitment towards the organization. The consequences can be briefed as increased productivity , profitability and improved employee turnover. The company where employee are engaged and satisfied, gains a good perception and attention in the market.**

Keywords: **benefits, engagement, job satisfaction, productivity**

I. INTRODUCTION

In this competitive edge, employee engagement is the most emerging issue that is dragging its attention towards succession of an organization. It has been realized that organization with highly engaged employees picks the key to earn more revenue as compared to the ones with disengaged employees (Gerard H. Seijts and Dan Crim , 2006). Gone those days when retention of talent was an important key source to achieve success, the era now demands fully engaging the talent and capturing their minds at every step of work lives. Further it may be said that Employee engagement not only results into higher productivity, talent retention and increased loyalty but also it can bring customer satisfaction and company reputation (Nancy R. Lockwood, 2007). A book by Buckingham & Coffman named ' First Break All The Rules' in 1999 brought focus on employee engagement for the first time in corporate world(Sundaram Priyadarshinie & Radhika Bhutani , 2013). As Jack and Suzy Welch suggest: "Employee engagement first goes without saying that no company, small or large, can win over the long run without energized employees who believe in the mission and understand how to achieve it" (J.Welch& S.Welch (2006). In other words, it can be said that employee engagement is kind of something that people expect from an organization when they start their new job. Again the organization they desire to

work in should be proactive and innovative so that they can be focused, passionate and want to be a part of it(Walk, T. (2012).According to May, Gilson, and Harter (2004), the term engagement can be summarized as the performance that employee show in their job and what kind of behaviour and emotions they pertain to(Melanie Kacho Clifford). From the many more definitions of engagement it can also be understood that when an employee starts enjoying his job , gains satisfaction and pride for his employer , and perceives that his employer give value to his performance ,then we can confirm employee engagement is there in the organization. The greater he will be engaged to his job ,the better his on-the-job performance(Vance, R. J. (2006). Again employee engagement has mainly 3 major components and they are as: Cognitive, Emotional and Behavioural. While Cognitive component concerns with the employees belief towards organization, its work environment and the leaders , Emotional aspect says what they feel about the above three factors and if they have positive or a negative attitude towards the organization and the leaders there in . Finally Behavioural aspect of employee consist of the effort they bring towards their job may be in the form of over time, using their brain and effort to give cent percent to their job (Alison M. Konrad, 2006).Johnson and Johnson itself encourages employee engagement by giving real time feedback to its team about their involvement to the individual business units in achieving quarterly goals (States, 2008; Shuck, B. Michael, 2010). It would not be wrong to say that the engagement comes within the employees as and when they gain some attention in their workplace. In a study on BPO sector, it was found that potentials employees engage themselves when they get a clear depiction of 'work as fun' and 'workplace as yet another campus' (S. Dwivedi & S. Kaushik (2014)). From Gallup's report 'State of the American workplace' in 2013 , it was found that 50% of employees are merely committed to the organization while 20% of them act in a counterproductive ways like negatively influencing their co-employees , absenteeism and giving very poor service to their customers to drive them away(W.C. Kim , Renee Mauborgne ; 2014).An engaged employee always shows proactive response towards the threats and challenges , behave in more persistent ways , increases his expansion at work and is more ready to adapt the changes (William H. Macey, Benjamin Schneider, Karen M. Barbera, and Scott A. Young; 2009) Therefore now-a-days

organizations use a lot numbers of drivers or key forces that bring engagement within the employee , may be those are monetary benefits or non-monetary ones. Our study gives a conceptual idea about the drivers that have the major role in employee engagement.

II. LITERATURE REVIEW

There is a lot number of research done on employee engagement and so many drivers were found out that actually have a great impact on engagement. The definitions of employee engagement vary greatly according to the organizations. Here are some definitions that our research highlights:

Employee engagement can be defined as ," the extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment"(Nancy R. Lockwood,2007).

As per Kahn(1990) , personal engagement as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances"(Saks, Alan M,2006).

Robinson et al. (2004) defines employee engagement as "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."(S.M. Kompaso & M. S. Sridevi (2010).

Employee engagement refers to the involvement and satisfaction of individuals in an organization as well as their enthusiasm for their job (J. K. Harter, F. L. Schmidt &T. L. Hayes (2002).

Employee Engagement is defined (Corporate Leadership Council, 2004:3) as the "positive emotional connection to an employee's work, thus affective, normative and continuance

Commitment" and "a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work". (Zambia, M. Rica Viljoen.)

Viljoen (2008) defined Engagement as "Engagement, the systemic result of the interplay between the individual potential, group potential and organizational potential in the context of the specific industry or national culture". (Zambia, M. Rica Viljoen.)

III. DRIVERS TO EMPLOYEE ENGAGEMENT

Various studies were done on the drivers that affect the engagement of employees and some of them were mentioned in this study.

Many researchers studied deeply into the matter and found out the most emerging antecedents that draw the attention of the managers to engage the talent employees in an organization.

The following table identifies the drivers mentioned by some of the researchers.

Sl. No	Drivers to employee engagement	Author	Year of Publication
1	**K**ind of Work **A**mount of Work **P**hysical Work Conditions **S**upervision **F**inancial Reward	Melanie Kacho Clifford	2010
2	**J**ob Characteristics **P**erceived organizational support **P**erceived supervisor support **R**ewards and recognition **P**rocedural justice **D**istributive justice	A. M. Saks	2006
3	**J**ob enrichment **W**ork Role fit **C**o-workers relation **S**upervisor relation **C**o-worker norm **S**elf-consciousness **R**esources **O**utside activities	May, Gilson & Harter	2004
4	**J**ob enrichment **R**ecruitment by extolling attractive job features **E**ffective employee selection **T**raining and development **S**trategic compensation **E**ffective performance management	Robert J. Vance	2006
5	Job Content Compensation of financial benefits Work/Life balance Top- Management employee relation Scope of advancement and career growth Team Orientation Welfare facilities Union Management relation	Rama J Joshi & J.S. Sodhi	2011
6	**B**enefits and Pay **O**pportunities for self development **O**ptions for promotion in	Penna research report	2007

	position **E**ffective leadership Style **S**hared sense of meaning at work		
7	**S**enior management's interest in employees 'well-being. **C**hallenging work **D**ecision-making authority **C**areer advancement opportunities **C**lear vision from senior management about future success.	Towers Perrin Talent Report Gary Dessler	2003 1999
8	**S**elective Hiring **E**xtensive training **S**haring information **E**mployment security **R**eduction of status difference **S**elf managed team and decentralisation as basic element of organization design	Jeffrey Pfeffer and John F. Veiga	1999
9	**P**ower to make decision important to their performance **P**roper information system **K**nowledge or enhancing employees skills and ability **R**eward syetem	Alison M. Konrad	2006
10	**C**ompensation and benefits **P**erformance management **J**ob content **L**earning and development	Sharma, Gitanjali and, Sharma,	2010
11	**I**nspiring leader **M**anager who recognize employees& emphasize quality& improvement **E**xciting work & opportunity to grow **Organization**s demonstrating genuine responsibilities to their employee	J .W. Jonshon	2000
12	**J**ob Content **I**nterpersonal Relations **C**areer Opportunities **O**bjectivity **B**enefits **P**ay	Baldev R Sharma Sombhala Ningthoujam	2014
13	**W**ork Role Fit **C**o worker relation **S**upervisor relation	S. Rothmann & S. Jr. Rothmann	2010

	Resources **F**acilitative norms **S**elf-consciousness		

(Table No. 1   Source: Author)

From Table No. 1 and reviewing above mentioned authors , I have found out some common key driving factors that have put greater impact upon employee engagement . They are summarized as :

1. Reward System
2. Job enrichment
3. Effective leadership
4. Scope of advancement & self-development
5. Employment security
6. Self-managed team & decision making authority

According to G. J. Hotz(2015) **reward system** has an active participation in employee engagement and over the years it is not mere some financial benefits that is to be given to employee but some other non- monetary benefits are also given in order to motivate them for higher performance, higher engagement and commitment.(Hotz, G. J. (2015)). According to the report given by Alison M. Konrad(2006) , Semler's Brazilian manufacturing firm distributed its 23% of after tax profit among the employees and hence employees gave extra effort to meet their target and learn multiple tasks and also awaited to know the effect of their effort in the next year financial statement.

So the reward system of an organization should be much efficient and effective as to achieve organization goal as well as retaining and engaging its employee. As per the study done by Scott(2010) he concluded that organizations encouraging managers to improve quality of leadership and to pertain incentive programmes that include intangible rewards according to the performance , can promote more engagement as compared to the one who do not. (Scott, Dow, and T. McMullen, 2010).

Job enrichment can be understood as a management concept to motivate employees by redesigning the job and making it more challenging so that redundancy or repetitive tasks can be avoided.(Frederick Herzberg , 1986).Job enrichment helps organization achieve their goal with a higher quality of production and also promote the interest of employees by providing them a more meaningful and challenging work experience.Thus it decreases absenteeism , motivates employee and engage and retain the quality talents(Hackman , 1975).

According to Carasco-Saul, Kim, and Kim (in press),transformational **leadership** leads to employee engagement by promoting the behaviours of their followers such as increasing their optimism, responsibility, meaningfulness and innovative behaviour and also the

different styles of leadership i.e. authentic, charismatic and ethnic, leads to an upward slope of role clarification, organization culture, empowerment , psychological ownership which encourages employee engagement.

On a study of 51 sales executive in a private organization ,Sharma & Raina(2010) concluded that **career opportunity** is a very crucial predictor of employee engagement. If the employees get a wider chance to develop their skills and add some extra points in their career in an organization then that may keep them engaged in the workplace. According to a study on military personnel, it was found that career opportunities like promotion which brings new challenging tasks ,new responsibilities and greater prestige leads an employee to showcase his talent and hence he is eager to be engaged to the workplace (R.K. Jaiswal, S. Dash, J.K. Sharma, A. Mishra, S Kar.(2015).

Job Security in this era became a biggest issue in almost every organization. As cost cutting in terms of retrenching employees has became a primary concern for most of the organization in order to earn a higher profit. In a research done by Marius W. Stander, Sebastiaan Rothmann (2010) they concluded that affective job insecurity or fear of losing their current job have a statistically significant negative inclination towards engagement.

As per the research done by Rothmann & Rothmann (2010) ,including role clarity, good relationship with supervisor and a healthy organization climate, **participation in decision making** process of the organization has a positive effect on employee engagement. According to Driscoll(1978) employees are more satisfied to their work if they are given participation in decision making.

IV. OUTCOMES OF EMPLOYEE ENGAGEMENT

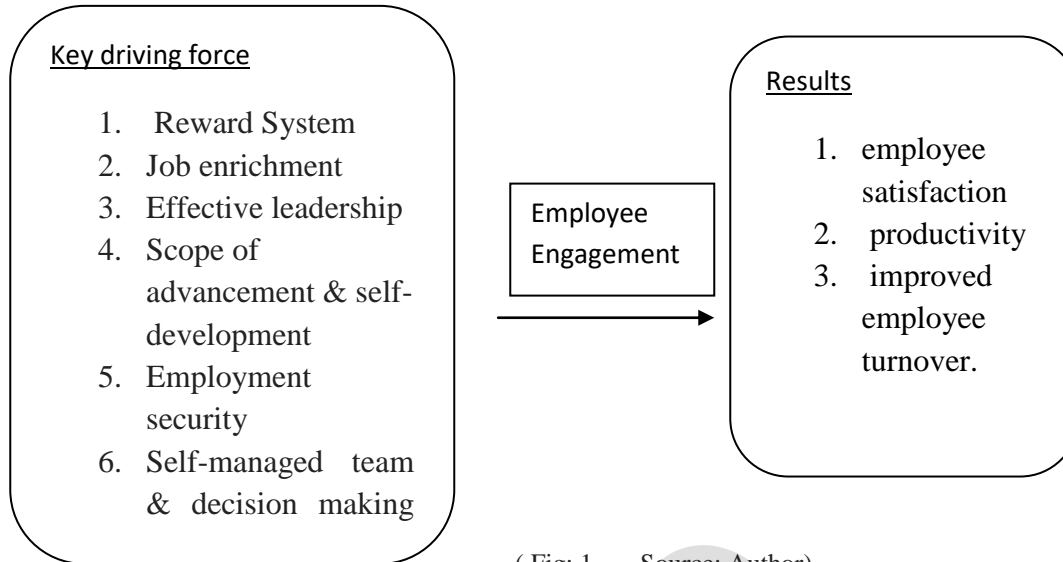| Sl No	Outcomes of employee engagement	Author	Year of publication
1	Customer satisfaction and loyalty Productivity Profitability	J.K.Harter, F.L. Schmidt,& C. L. Keyes M.E. Echols	2003 2005
2	Individual outcomes as self-efficacy, self control , health and well being, less turnover, less absenteeism, positive attitude. Organizational outcomes as productivity, profitability, labour	Neha Gupta Vandana Sharma	2015
	turnover, maximum utilization of resources, employer reputation, customer loyalty.		
3	Increased productivity, brand equity, customer satisfaction and loyalty, increased shareholder's value	William,Benjamin, Karen and Scott	2012
4	Health Turnover intention	W.B. Schaufeli, & A.B. Bakker,	2004
5	Increased productivity Lower absenteeism Healthier and happier workforce	J Ferrer	2006
6	Innovative Behaviour	T Slatten	2011

(Table NO.- 2   Source: Author)

From Table-2, we can come to a conclusion that a healthy employee engagement in an organization always brings employee satisfaction, productivity and improves employee turnover.

An idea was developed in 1930s and 1940s from the result of Hawthorne Experiment conducted in Western Electric Company by Elton Mayo that "Happy workers are Productive workers"(S Robbins,2013).Engaged employee always leads to better productivity in an organization. Furthermore here **productivity** does not solely means to increase in production but it also refers to smart working of people and hence increasing innovative practices in company. In a study it was found that when employees are given recognition for their hardwork , they got more engaged towards their task and gave better productivity to the firm(F. Catteeuw,2007). Again it also brings an environment of increased innovative behaviour of the employee(T. Slatten,2011).

Along with productivity , an engaged employee is always **satisfied** to his work and to his company when he feels his importance in that firm. Engaged People always have a positive emotion for the company where they can get an environment of friendship, care or love, joy , opportuinity to know each other and discuss their progress and grow (J.K. Harter ,2003).

It is always taken to note that engaged employee always feels his importance in his workplace and always ready to present in the organization. From a research , it was found that an employee's age , his time span in company , the content of the job he is in , satisfaction level to the company and his commitment towards his job plays a major role in affecting **employee turnover**(W.H.Mobley , 1979).

Hence we can brief the above concept in **a propose**

Key driving force

1. Reward System
2. Job enrichment
3. Effective leadership
4. Scope of advancement & self-development
5. Employment security
6. Self-managed team & decision making

Employee Engagement

Results

1. employee satisfaction
2. productivity
3. improved employee turnover.

(Fig: 1   Source: Author)

V. LIMITATION TO PROPOSED MODEL

There are some limitations to the proposed model. Sometimes organization provide all such facilities and benefits to the employee to get them engaged to the concerned. That may create pressure or stress to the employee to reach their target.In this case employees are bound to be engaged to company but are not self-satisfied. This can have an adverse effect on organization productivity. Self - managed team and decision making can also bring a negative growth to the company. Proper research is also required to validate the above mentioned factors.

VI. CONCLUSION

Employee engagement is a most emerging issue now-a-days. Companies are trying hard to retain the talent pool so that the ultimate goal can be achieved. Moreover as the competition between companies is a common phenomenon in current era , so engaging employee is playing a very vital role to keep pace in this track. Employee engagement benefits both organization as well as the employee. In one hand employee gets attention from manager, satisfaction , motivation to grow his innovative and productive behaviour , healthy environment where he gets opportunity to improve his skill , on the other and companies get more efficienct employees , profitability , less turnover and hence more productivity. A model is proposed in this paper focusing on the key drivers that can bring employee engagement and the possible outcomes thereof. Further studies can be done on these factors to prove its reliability , validity and practical implications

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