



Contribution of Employee Engagement in Business Performance with Respect to Service Sector Industry

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Abstract

Organizations have been expanding in an exponential manner. In this scenario all the organization focuses on one thing that is increase the market share in order to be the market leader. For increasing the organizations effectiveness and enhancing productivity we need to have engaged employees. Hence, no organization can develop by ignoring employee engagement. Employee engagement is the positive sign for organizational performance and it clearly showing the strong relationship between employer and employee. An engaged employee puts his best effort into his work in the form of time, brainpower, and energy, above and beyond what is considered adequate. An engaged employee has a desire and commitment to always doing the best job. The job satisfaction, employee commitment and organizational citizenship behaviour factors more impact on positive employee engagement. Due to positive employee engagement with organisation, employees are emotionally attached to their organization and highly involved in their job with a great motivation to achieve organisational success. Many organizations believe that employee engagement is a primary source of competitive advantage and thus have been able to solve challenging organizational problems such as increasing workplace performance, productivity of organisation. Employees are engaged when organizations have healthy work culture and strong communication practices, where they can get platforms to express their views and find out opportunities to grow and develop their potential. Every sector should work towards the development and nurturing of engagement culture. And this can be achieved by a two-way relationship between employee and employer. Therefore, Employee Engagement play vital role in development and growth of the organization.



Paper is a systematic review of the body of literature, presenting the results of research on the context of employee engagement and business performance in concern to service sector industry.

Key Factors:

Employee engagement, Organisational growth, Job satisfaction, Business performance, Organisational Behaviour, Employee commitment.

1. Introduction:

Human Resource managers are opinion that the engagement challenge has a lot to do with how employee feels about their work culture and how they are work in the organization. It has a lot to do with the emotions of an employee who fundamentally connected to the success in organization. There are people who never give their best efforts no matter how hard company rules and line managers try to engage them.

Now days a paradigm shift and it has noticed in the employee-employer relationship. Due to increase in competitiveness, globalization, privatization and business environment, organizations are encountering a challenge to get the best talent and to motivate them in pursuit for success in the business. Now employee thinks that no single job is considered as a lifelong job. And this is proves that the expectations of both employee and employer are changing. Some employees now seek short-term careers in different organizations with the expectation that they will commit for the short-term and move on other jobs that are more satisfying, or simply use experience gained in one role as a stepping stone to another job (Bates, 2004).

Robinson et al. (2004) define 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.”

According to the Gallup the consulting organization, there are different types of people.



Engaged: They want to know the desired expectations for their role so they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward.

Not engaged: Not engaged employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks rather than achieving an outcome. Employees who are not engaged tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.

Actively Disengaged: The actively disengaged employees are the “cave dwellers” They are consistently against virtually everything. They are not just unhappy at work. They are busy acting out their unhappiness. They sow seeds of negativity at every opportunity. Every day, actively disengaged workers undermine what their engaged coworkers accomplish. As workers increasingly rely on each other to generate products and services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning.

2. Objectives of the Study

- To study the Employee Engagement practices in the Indian Service Sector.
- To study the perception of employees with respect to the Employee Engagement practices in the Indian Service Sector.
- To recommend solutions for improvement in the employee engagement practices in the Indian Service Sector.

3. The Ten C's of Employee Engagement

The literature offers several avenues for action; we summarize these as the Ten C's of employee engagement.



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1. Connect: Leaders must show that they value employees.
2. Career: Most people want to do new things in their job.
3. Clarity: Leaders must communicate a clear vision.
4. Convey: Leaders clarify their expectations about employees and provide feedback on their functioning in the organization.
5. Congratulate: Surveys show that, over and over, employees feel that they receive immediate feedback when their performance is poor, or below expectations.
6. Contribute: People want to know that their input matters and that they are contributing to the organizations success in a meaningful way.
7. Control: Employees value control over the flow and pace of their jobs and leaders can create opportunities for employees to exercise this control.
8. Collaborate: Studies show that, when employees work in teams and have the trust and cooperation of their team members, they outperform individuals and teams which lack good relationships.
9. Credibility: Leaders should strive to maintain a company's image.
10. Confidence: Good leaders help create confidence in a company by being exemplars of high ethical and performance standards.

4. Employee Engagement Globally-

Happy employees are better equipped to handle workplace relationships, stress, and change, according to the latest national Gallup Management Journal survey. Companies that understand this, and help employees improve their wellbeing, can boost their productivity.

The GMJ surveyed U.S. employees to probe their perceptions of how happiness and wellbeing affect their job performance. Gallup researchers examined employee responses to see which factors differed most strongly among engaged employees (27% of respondents) and those who were not engaged (59%) or actively disengaged (14%).

The result of Gallup research from this survey shows that supervisors play a crucial role in



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worker wellbeing and engagement. When respondents were asked to respond to the statement "My supervisor focuses on my strengths or positive characteristics," 77% of engaged workers strongly agreed with the statement. Just 23% of not engaged and a scant 4% of actively disengaged workers strongly agreed that their supervisor focused on their strengths or positive characteristics. Interestingly, not one engaged worker disagreed with this statement.

When survey respondents were asked how they would characterize their interactions with their coworkers, 86% of engaged employees said their interactions with coworkers were always positive or mostly positive. The findings for less engaged workers showed significantly different results, 72% of not-engaged workers characterized these interactions as always or mostly positive, compared to just 45% of actively disengaged workers.

These findings indicate that a positive relationship with the supervisor has an important effect on engagement. These findings also suggest that people with higher levels of job engagement enjoy substantially more positive interactions with their coworkers than do their less engaged counterparts.

Employee Engagement Model at Longitude 74 Studio Pvt ltd.



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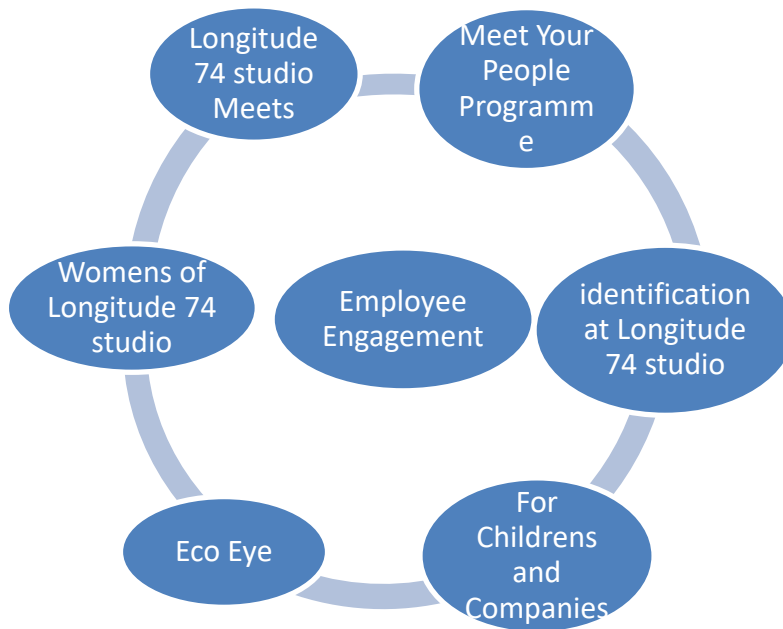
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Factors Influencing Employee Engagement at service sector industry:

Researcher observes following things as follows,

Selection criteria: Recruitment procedure should basis of potentiality of that employee.

Designing of job: whether this job work is comfortable for employee or not. The job design basis on skill set required of employee, authorities, responsibilities for that job.

Leadership: “Well beginning is half Done”, always main leader who is responsible for the any problem arises in the organization. Leader should be decision maker to satisfy engaged employee.

Trustworthy: Employees involved in organizational decision so employee feels that secure in organization/company. When organization take care of employee then employee also take care of organization.

Training: Provide training as per the job difficulties and employee’s requirement. So it gives satisfactory and confident level high.



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Performance Management Strategy: Performance management strategy involves that the set the *vision and aims* of the particular job. That oriented task should be assign to employee and take care of that employee so employee can easily achieve the task and find optimum solutions regarding questions are arrived in that.

Compensation Management: Compensation and incentives are depends upon the employee performance. We categorized three types Engaged, Not Engaged, Highly disengaged in that where to fit that employee. Any compensation regarding issues should solve at higher authority level.

8. **Safety management:** Working employee, feel that their job is secure, provide security to them. And check satisfactory levels of that employee.

9. **Satisfaction and Communication Management:** Communication management in organization should good and satisfactory levels.

5. Organizational Outcomes through Employee Engagement at Service Sector Industry:

Employee engagement is influencing factor for organizational outcomes,

Productivity rises: Employee is engaged and gives well performance at their work place.

Improved Quality: Engaged employee gives quality service to the organization and indirectly improves the company profit as well as the productivity.

Customer Loyalty Management: Customer is happy for their service and product. Trained and engaged employee gives their best output.

Motivation spectrum: Motivated employee is key for any successful company. Motivation achieved through engagement practices in organization.

6. Research Design:

Research paper focused on employees from service based industry. The name of company is Longitude74 Studio Private Limited and the target is to know the level of employee engagement in the organization and its impact on organizational performance. Researchers were drawn 35 employees from total 55 employees for survey. Questionnaire included 28 questions, which focused mainly on the various factors of employee engagement and its relation with business performance. The secondary data has collected through literature and information available in previous research papers. Also researchers were collect secondary information from published



data of company. The analysis of secondary data was done to gain insight of the employee engagement and business performance in selected company.

Study mainly focused on following parameters.

1. Employee willingness and their association with organization.
2. Cooperation between the teams and departments.
3. Fair treatment by the management.
4. Efforts and commitments being valued.
5. Work environment encouraging trust and understanding.
6. Quality driven organization.
7. Work life balance.
8. Fair and consistent policies and procedures.

Critical factors influencing on employee engagement and business performance have been divided into 4 major factors:

1. Job satisfaction
2. Job involvement
3. Organizational Commitment
4. Perceived organizational support

7. Findings

1. 57.14% of the employees say that employee engagement is strongly affect on business performance of organization.
2. 54.28% of the employees have a long association with the organization, which means that organizational commitment and organizational support, is one of the major factors contributing to employee engagement.
3. 54.28% of the employees agree that their efforts and commitment are being valued in the organization which infers that perceived organizational motivation is an important factor of employee engagement.



8. Conclusion:

It has been found that employee engagement in organization is an important tool to improve business performance of organization. The job satisfaction, job involvement, organizational commitment and organizational support are the more critical factors which directly impact on business performance. Organization should enhance two-way communication, ensure that employees have all the resources they need to do their job, give appropriate training to increase their knowledge and skill, establish reward mechanisms in which good job is rewarded with various financial and non-financial incentives, build a distinctive corporate culture that encourages hard work.

9. Suggestions:

The researchers are drawn following suggestions for selected service sector organization.

1. Constructive feedback on performance, fair compensation based on work done, open door policy & work life balance are the parameters on which the organization needs to focus for strong employee engagement in the organization.
2. The employees must be motivated from time to time and also proper rewards and recognitions must be provided for good work.
3. There should be certain steps taken to remove the communication gap between departments and subordinates in the organization. There should be more frequent get-togethers or the work should be designed in such a way that the employees in various departments meet more often.
4. Emphasis should be laid to organize various seminars and class room training on Job Satisfaction.

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