

A Conceptual Model of Employee Engagement - From the perspective of Manufacturing Industry

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ABSTRACT

The concept of employee loyalty has changed in the 21st century in the backdrop of the modern workforce. Today, employers see loyalty in terms of employees' attitude, behavior and work performance rather than the length of the service that one has rendered. Engendering loyalty from the employees is more crucial in the current knowledge economy where the human talent is the deciding factor in creating market differentiation and competitive advantage. High levels of engagement in global and domestic firms foster customer loyalty, promote retention of talent, and improve organizational performance, enhance productivity and stakeholder value. The Indian economy is currently poised as the third largest economy of the world based on Purchasing Power Parity (PPP) and the sixth on the basis of Gross Domestic Product (GDP). Currently 12% of the country's total workforce and 50% of the total export contributed by manufacturing sector. About 100 million jobs and 25% of India's GDP are expected from manufacturing sector by 2022. This country also diverse in the form of demographic and human capital. That's why it is more important to understand the engagement drivers of employees closely and formulate strategies to create and retain engaged employees. This study tried to capture the all the possible drivers of engagement, required engagement environment, attributes which acts as facilitators of engagement, Signs of engagement and the derived outcomes from the perspective of Indian manufacturing sector.

1. Introduction

It has been observed that an engaged employee is well aware of the business context, who works well with the colleagues to improve performance within the job for the benefit of the organization. The concept of employee loyalty has changed in the 21st century in the backdrop of the modern workforce. Today, employers see loyalty in terms of employees' attitude, behavior and work performance rather than the length of the service that one has rendered. Engendering loyalty from the employees is more crucial in the current knowledge economy where the human talent is the deciding factor in creating market differentiation and competitive advantage. This results in improved employer-employee relationship, talent retention and productivity, the other form of employee engagement. High levels of engagement in global and domestic firms foster customer loyalty, promote retention of talent, and improve organizational performance, enhance productivity and stakeholder value. Engagement is influenced by many factors like workplace culture, organizational communication, managerial styles, trust and respect, leadership, company reputation and many more. Today's generations are different as they give priorities to work-life balance, empowerment to make decisions and access to training and career opportunities compare to only financial benefits. Thus to cope with the expectation of today's generation HR have to redefine their policies and practices to attract and retain right talent.

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Currently 12% of the country's total workforce and 50% of the total export contributed by manufacturing sector. About 100 million jobs and 25% of India's GDP are expected from manufacturing sector by 2022. India is expected to be in best three economic country within next 10-15 years. This country also diverse in the form of demographic and human capital. That's why it is more important to understand the engagement drivers of employees closely and formulate strategies to create and retain engaged employees. The Indian employers have also been trying hard to engage employees in their respective work front. The capacity of an organization to manage its 'employee engagement' is closely linked to its ability to achieve high performance levels and superior business results.

This study deals with the models of employee engagement developed by the previous researchers in brief. With reference to the existing models and manufacturing industries of India, this study proposed a conceptual model of EE, which proposed six attributes of employee engagement cycle i.e. Drivers of engagement, Engagement environment, Engagement facilitators, Signs of engagement and the Derived outcomes. Sub attributes of each segment also identified to facilitate industry experts to link their work set-up and formulate appropriate strategy to generate and retain engagement.

2. Research methodology

Five large scale and six medium scale manufacturing industries of India are selected for this study. All industries selected are core equipment manufacturing sectors which cater to steel, cement, paper, farming, wind and infrastructure

segment. Both primary and secondary data used for this study. Primary data collected through structured interview method from experts of HR, Operations and all functional heads of the selected organizations. Feedback from the experts collected through structured interview method with a timing of almost 45 minute of duration each. Prominent models of employee engagement already published in reputed journals are selected as secondary data.

3. Review of Engagement Models

From the birth of the concept of employee engagement, many researchers and many organizations formulated models of employee engagement depending upon the research outcomes. Some of the prominent and worldwide adopted models are discussed below:

Gallup model of employee engagement

As per Gallup organization, are three basic categories exist in engagement, which are as actively disengaged, engaged and not engaged. The first category of employees who always dissatisfied and they spread unhappiness in the organization are called actively disengaged. They are the disease centers in the company and spread the negative words which provoke other employees to leave the organization. However, they are the ones who do not leave the organization rather stay the long and try to remove other perceived competitors to get the top or next level in the job. The second category of employee are called engaged employees, who can be identified with words like innovation, passion, commitment. They are committed to their work, give innovative ideas, connected to the company and are passionate towards their job. They not only contribute new innovative idea but have the capabilities to turn them into reality. These employees are very optimistic in their outlook and they contribute to create a positive culture. They are proactive, can anticipate the future market conditions and stay prepared well in advance for the same. The third type of employees is called not engaged employees those who almost fifty percent present in organizations. They are only instruction follower, they do only what is said to be done. They only put time but no passion. They are not at all proactive always wait for superior for the instructions.

In a research conducted by Gallup (2015), it was found out that 17.2% of the people working in the organizations are actively disengaged, 32 % are engaged and almost 50.8% are not engaged. Although these statistics cannot be generalized, they hold true for majority of the cases and there may be deviation of 5% in both the upper and lower limits for each category.

Zinger model of employee engagement

This model is named after Canadian based management consultant David Zinger. In this model he throws lights on various aspect of employee engagement, dedication and involvement. This model provides twelve different drivers for enhancing employee engagement level. The suggested drivers are (1) Achieve results by proper plan and execution (2) Craft strategies considering both organization and employee requirement (3) Enliven roles by removing the boredom factor from the work (4) Excel at work by rewarding for the hard work which create a self-esteem among employee (5) Get connected

or remain connected with organization as well as employee (6) Be authentic by responding genuinely when addressing the problem of employee and do justice (7) Live recognition (8) creating fully engaged employee with a clear mindset that employees are their greatest assets (9) Serving customers by creating a culture and tradition (10) Develop personally by upgradation of skill according to the requirement and (12) Attain happiness with satisfied and happy employees.

Hewitt model of employee engagement

Human resources firm Aon Hewitt offers an engagement model that offers sustainability in employee engagement. This model suggests engagement factors fall under the following 6 basic categories i.e. Work, People, Opportunities, Compensation, Procedures, Quality of Life. Across the six dimensions, there are ample openings to include sustainability and encourage all employees to engage in their daily work and lives. From rewards to opportunities, quality-of-life issues to company practices, sustainability is a natural fit for all, no matter what each individual's position and responsibilities within the organization. The Employee Engagement Survey also measures employee satisfaction in each of the drivers of employee engagement. Most of all, the results of the survey can express impact of these factors on the overall engagement (so called Impact Analysis). Companies can focus on the areas with the highest potential for improvement and not necessarily on the area with the lowest satisfaction.

X model of employee engagement

Employee engagement and leadership development consultancy Blessing White recently developed a model called X model of employee engagement. They define full engagement as the intersection point of maximum contribution for the organization and maximum satisfaction of the individual. The challenge is to develop employees to work towards achieving organizational goals by contributing to their best, while keeping the point of supporting individual for his personal career building. They point out two separate 'strategies' that intersect to form the 'X model'. (1) The organization pursuing its definition of success, as a whole: In order for an organization to achieve success, it calls for individuals to work together in order to performing at their highest level. Increased employee engagement means increased contribution toward achieving the organization's goals. (2) Individuals who are pursuing their own definitions of success: each employee has their own goals in terms of their career aspirations, ethos, and need of work-life balance. It's the individuals who all are looking for work that works for them and satisfies them personally.

BURKE / EEI model of employee engagement

As per the Burke or EEI model of engagement employee engagement represents the strength of the overall relationship between employees and their work. This model identifies 6 attributes through extensive survey and application of qualitative and quantitative assessment methods. The salient features of this model are (1) the engagement level of employees rises with the deepness of relationship with each of these six identified engagement attributes. The stronger the relationship, the more is the engagement level of the employee with their organization as a whole. (2) Engagement is not just satisfaction or commitment; it is much more than that. It incorporates both

along with work relationships with current and future context. High level of engagement should be regarded as a pioneer to top performance.

The six components derived from the survey are (1) Company - Sense of loyalty, pride in working as well as willingness to advocate for the company. (2) Manager – Manager should build conducive working environment and strong effective work relationship with employees. (3) Work Group/Team - mutual commitment to quality and good work relationships with team members. (4) Job – sense of job accomplishment, job satisfaction, enjoyment in performing work and enthusiasm in coming to work. (5) Career – employees seeing potential for their career development and career building opportunities beyond the current job. (6) Customers- Having an effective customer relationship feeling appreciated when customer is satisfied.

Talent Keeper model of employee engagement

According to this model Employee Engagement is employees’ willingness and ability to contribute to organizational success, especially their willingness to give continuous effort, going beyond the expectation to make an organization more successful. Employee Engagement is a strategic initiative to not only improve employee attitudes but also the key to talent retention through building leadership, creating job satisfaction, and a high performing organization. The sign of increase in levels of employee engagement are expressed through employee commitment, satisfied and loyal customers, excellent performing workforce who in turn results in a productive and profitable organization. The model illustrates the four drivers i.e., credible leadership, supportive co-workers, job & carrier satisfaction and high performing organization are the creator of employee engagement. The outcomes suggested by this study by implementing the above mentioned four drivers are committed employees, high performing work force, productive and profitable organization and satisfied and loyal customer.

Boston model of employee engagement

The main belief of this study is that in order to increase in the level of employee engagement, focus should be on creating a culture for engagement. Culture it is a practice rather an attitude and ethos of any organization. Once the culture is created engagement become the part of it does not have to recreate afterwards. According to this model two-way communication ,trust in leadership, career development employee understand their role in success and shared decision making are the five important drivers for creating a culture of engagement. Each driver must be decoded into the infrastructure and practices of the organizations for better result. The driver mentioned by this study are two way feedback, trust in leadership, career development , employees understand their role in success , shared decision making, three tools , coaching program for new hire , career conversations and large group meetings.

People Profit model / CARE model of employee engagement

As defined by people profit model engagement is a psychological state: A sense of involvement, commitment, belonging and the like”. This is an integrated model that looks at employee engagement as a whole and not just at a few parts of it. The People Profit model of employee engagement incorporates three distinct components of engagement: Thinking, Feeling, and Acting.

The first section of the model comprises the Drivers. There are two basic categories of drivers. Work and Workplace Variables: These are the factors inherent in the work and the work-environment. Employees have certain needs and expectations at the workplace – expectations of fairness, need for achievement and need for positive social interaction at work. Work and workplace variables such as fair employment practices, equitable rewards, work-life balance, utilization of skills, praise and recognition, growth opportunities, social environment, relationship with colleagues, just to name a few, meet the needs and expectations in varying degrees. The extent to which these factors meet the needs and expectations, that people from work and the workplace, influences the level of engagement in an organization. Individual variables: Research shows that certain individual characteristics such as self-confidence, a positive attitude towards life and work and similar traits make some people more likely to have higher levels of engagement. People who are high on these traits are more likely to have higher levels of engagement under similar work and workplace conditions.

The second section of the People Profit model describes the engagement phenomenon itself. As mentioned earlier, there are three distinct components of engagement. Cognitive engagement (thought): Employees think positively and have positive perception of the company. Affective engagement (feeling): Passion, pride and other positive emotions about the work and the workplace. Response (action): Employees work with intense involvement, go beyond the call of duty and show infectious enthusiasm. This is the behavioral component of engagement. The three components cognitive, affective and response complete the engagement picture and give the People Profit model its name – the CARE Model.

The final section of the CARE Model is the consequences or in simpler words the upshot of engagement. On the individual plane, the outcomes include better performance – both in role and beyond-the-role performance. This simply means that highly engaged people meet and exceed expectations. On the organizational plane, the outcomes include higher sales, higher revenue, higher customer satisfaction and other indices of organizational success.

The summary and key points of the various models have been displayed in Table 1.

Table 1: Summary of various models of employee engagement

Sl. No.	Organization	Method /Model design concept	Dogmas	Factors / findings
1	The Gallup organization	Employee engagement survey through 12 questions.	Categories of Engagement	1. Actively Disengaged 2. Engaged 3. Not Engaged

2	Zinger model of employee engagement	Model that takes in to account the various aspects of employee involvement, dedication and the level of engagement	12 drivers a Manager should follow and implement	<ol style="list-style-type: none"> 1. Achieve Results 2. Craft Strategies 3. Enliven Roles 4. Excel at Work 5. Get Connected 6. Be Authentic 7. Live Recognition 8. Fully Engage 9. Identify with Organization 10. Serve Customers 11. Develop Personally 12. Attain Happiness
3	Hewitt model of employee engagement	Employee satisfaction and its impact on engagement	Work, People, Opportunities, Compensation, Procedures, Quality of Life.	<ol style="list-style-type: none"> 1. Work Analysis 2. Sense of Accomplishment 3. Autonomy 4. Resources 5. Processes 6. Senior Leadership 7. Direct Manager 8. Co-workers 9. Valuing People 10. Career Opportunities 11. Training & Development 12. Pay and benefits 13. Recognition 14. Managing performance 15. Company Reputation 16. Brand 17. Alignment of Work Life Balance 18. Physical Work Environment.
4	X model of employee engagement	2 way benefit through employee engagement	Full engagement as the crossing of maximum contribution for the organization and maximum satisfaction for the individual	<ol style="list-style-type: none"> 1. Organization need individuals to work as team and performing at their best. 2. Rise in level of employee engagement indicates increased in level of contribution toward achieving the organization's goals 3. Individuals have their own priorities and goals in terms of their career building, values, and work-life needs
5	BURKE / EEI model of employee engagement	6 engagement attributes through extensive survey and application of qualitative and quantitative assessment methods	Organizational performance linked with the degree of association of employee's with each of the six engagement attributes	<ol style="list-style-type: none"> 1. Company 2. Manager 3. Job 4. Team 5. Career 6. Customers
6	Talent Keeper model of employee engagement	Inputs for employee engagement and its outcomes	Employee Engagement can contribute to the organizational success beyond expectations	<ol style="list-style-type: none"> 1. Credible Leadership 2. Supportive Co-workers 3. Job & Career Satisfaction 4. High Performing Organizations 5. Committed Employees 6. High Performing Workforce 7. Productive & Profitable Organization 8. Satisfied and Loyal Customers.
7	Boston model of employee engagement	Boston consultancy group developed a model that lay down the roadmap to increase employee engagement	culture of engagement	<ol style="list-style-type: none"> 1. Two-way feed-back 2. Trust in leadership 3. Career development 4. Employees understand their role in success 5. Shared decision making 6. Coaching program for new hires 7. Career

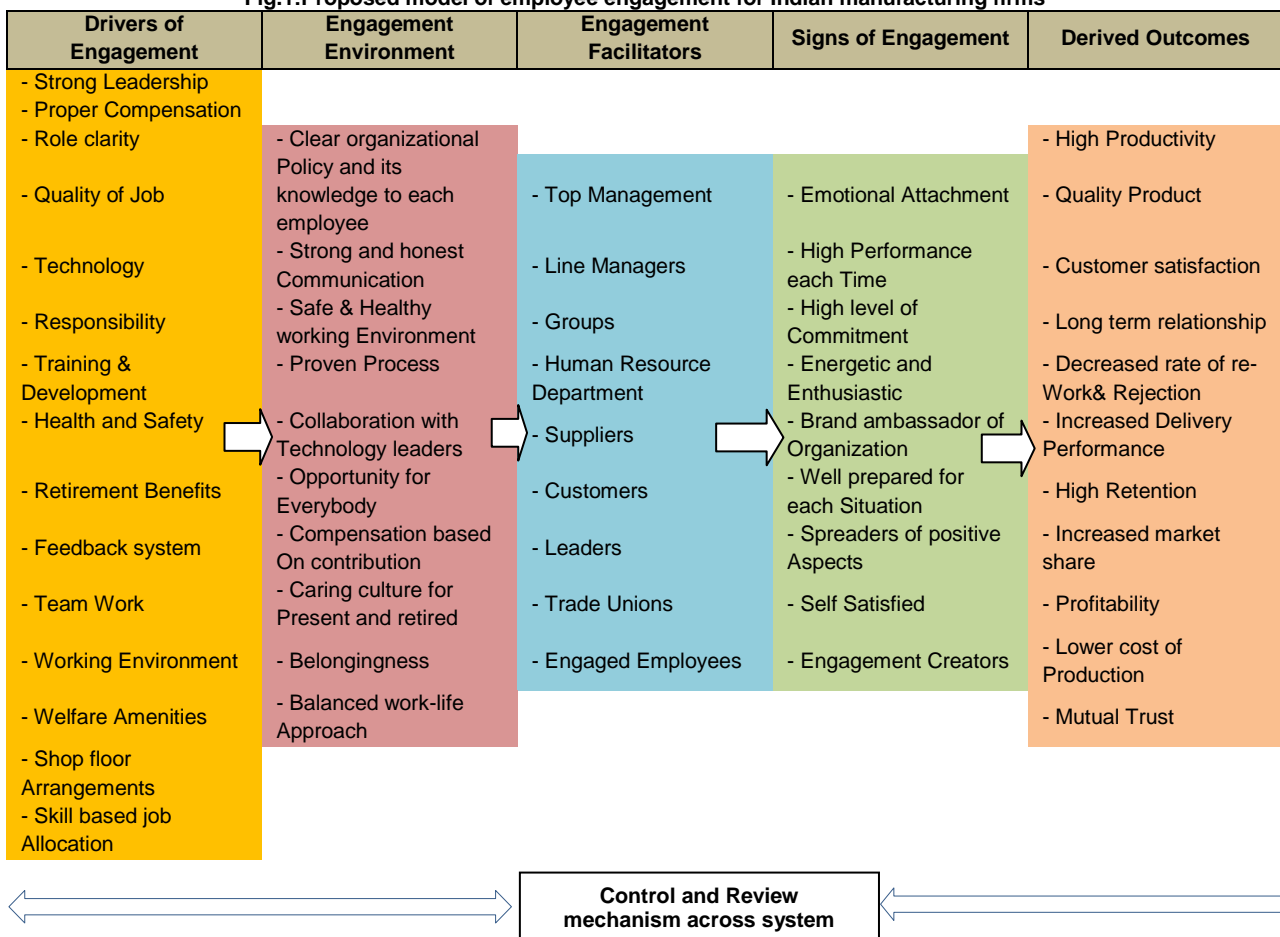
				8. Conversations 9. Large group meetings
8	People profit model / CARE model of employee engagement	People profit model engagement is a psychological state	Work and Workplace Variables with Individual variables.	1. Expectations from work 2. Positive self esteem 3. Positive believe 4. Sense of pride 5. Passion of work and passion at work 6. Inspire others 7. Organizational effectiveness.

4. Proposed EE model with action plan

Engagement is an attitude. It is a thinking process of an employee towards one organization and a whole hearted contribution from his/her side for the fulfillment of the goals of the organization. That is the reason why every organization must formulate their own engagement model; implement the same to get the organizational benefits.

A model considered suitable for employee engagement in the kind of firms included in the study has been developed by us which may be considered for adoption and implementation by the manufacturing firms in India. This proposed model has been given in Fig.1. The model has five segments in it. They are the Drivers of engagement, Engagement environment, Engagement facilitators, Signs of engagement and the Derived outcomes

Fig.1:Proposed model of employee engagement for Indian manufacturing firms



The details of each of the segments are explained below:

Drivers of engagement

Factors or a specific aspect of a workplace which motivates an employee to perform his best without any fear or force is called the drivers of engagement. These factors may vary from workplace to workplace or for the very nature of business which some of them being common to all. Specifically, drivers of engagement suitable for Indian manufacturing firms are strong leadership, proper compensation, role clarity, quality of job,

technology, responsibility at workplace, training and development, health and safety, retirement benefits, feedback system, team work, working environment, welfare amenities, shop floor arrangements and skilled based job allocation.

Improved manufacturing technologies makes ease of production and increases the quality of product, reduces product life cycle and ultimately enhance satisfaction of the customer. Working condition plays a major role in productivity as well as motivating factor. The desired noise level, temperature, vibration directly affects the health and rate of

productivity. Welfare amenities like housing facility near works, health center or medical facility, schooling or education facility to employee's children help in creating engagement and productivity. In manufacturing firms, occupational health hazard has become a major issue for the employees. With increase in the cost of health care, all manufacturing sector employees expect that healthcare facility for them and their families should be taken care obey the employer. As almost all employees in manufacturing sectors tune to one set of work, it becomes difficult to get a job in their locality after retirement. So, the employees of the manufacturing sector expect better return on superannuation.

Engagement environment

Drivers alone cannot create engagement. The drivers need an environment which is conducive to create engagement level of employees. The desired environmental factors required in manufacturing sector are found to be clear organizational policy and its knowledge to each employee, a strong and honest communication procedure, and opportunity for everybody, compensation based on contribution, caring culture for present and retired employees, belongingness and balanced work-life approach. Apart from the common environment factors required for creating engagement, this study has also found factors like safe and healthy working condition, proven process of manufacturing, collaboration with technology, leaders for manufacturing specific products as contributors to engagement. One of the major reasons behind this could be that employees want to take credit for creating world class products with proven process which will create their global presence and will be in the focus of customers.

Engagement facilitators

Engagement drivers and environment creates the pool of energy and a platform for employees to perform. To provide them a meaningful direction and to sustain their energy level, proper facilitators are required. Practically our working stake holders can have impact on engagement. This study found that the top management, line managers, groups, human resource department, suppliers, customer, trade unions and engaged employees can work as engagement facilitators.

Signs of engagement

With the combined effect of engagement drivers, environment and facilitators signs of employee engagement emerge. The typical signs of engagement are emotional attachment, high performance each time, high level of commitment, energetic and enthusiastic, brand ambassador of organization, well prepared for each situation, spreaders of positive aspects, self-satisfied and engagement creators.

Derived outcomes

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The aim of all the four segments mentioned above is to get or see the desired benefit of employee engagement. In a manufacturing setup the derived benefits out of employee engagement are high productivity, quality product, customer satisfaction, long term relationship, decreased rate of re-work and rejection, increased delivery performance, high retention, increased market share, profitability, lower cost of production and mutual trust.

5. Conclusion

Employee engagement (EE) has been described as a mutual relationship between employee and their organization where both of them are aware each other's needs, and support each other to fulfill these needs. Engagement means 'being physically and /or mentally present, and supporting the goals of the organization. Engagement with the work means one is enjoying his work and doing it sincerely as he is doing for own. The conceptual development and various models of employee engagement have been discussed in detail here which provided meaningful insight to move forward and to frame a suitable framework for employee engagement in manufacturing segment of India. The different models of employee engagement discussed here are The Gallup Organisational Model, Zinger Model, Hewitt Model, X Model, BURKE / EEI Model, Talent Keeper Model, Boston Model and People Profit Model. The prominent drivers of employee engagement found are clear goals, effective leadership, honest communication, compensation and benefits, training and development. Some the common barriers to employee engagement noticed are- line managers not being equipped with the relevant skills, organizational complexity, improper communication, not fitting of right person at right place, lack of support from top management, ineffective leadership. In order to remove these barriers, organizations must consider three subjects which are flawed management styles, contagious attitude and the power of inertia.

India and its demographic composition is completely different from rest of the world. The percentage of young generation, workable workforce, current government and its focus on manufacturing sector calls for a special attention. The ambitious target set for manufacturing sector surely calls for increased employee engagement level and organizational attachment. Through this study we have tried to capture the all the possible drivers of engagement, required engagement environment, attributes which acts as facilitators of engagement, Signs of engagement and the derived outcomes. This we can call the cycle of engagement.

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