A Study towards Transition of Factors Affecting Employee Engagement

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Abstract- **Employee engagement is continuously demonstrated as something offered by the employee that can benefit the organisation through commitment and dedication, advocacy, discretionary effort, full utilisation of talents, and support of the organization's aims and values. Engaged employees experience a feeling of attachment to their organisation, excelling not only in their work, but in the firm as a whole.**
Different biographical and personality variables can influence engagement levels. Younger employees may be enthusiastic when they initially join a company, but they might rapidly grow disengaged. Individuals who are very extraverted and adaptive find it easier to participate. Engagement is a decision based on what the employee believes is worthwhile to invest in. Engagement levels in an organisation differ with relation to seniority, occupation, and length of service. The more senior a person's position, the more likely he or she will be involved. Chairman, officers, managers and operational workers are the most engaged, while professionals and support staff are least engaged, however, this varies by business.
In the present study, it has been observed that a lot of studies have already been done related to employee engagement and traditional factors affecting employee engagement, however no significant research has been done related to latest factors which affect employee engagement. In this study, the various factors affecting employee engagement with special focus on the latest factors which are gradually gaining popularity in the various organisations have been observed.

Keywords: **Employee Engagement, Traditional factors of employee engagement, Modern factors of employee engagement.**

1. INTRODUCTION

The Academy of Management Journal article "Psychological Conditions of Personal Engagement and Disengagement at Work" (Kahn, 1990) contains the first mention of employee engagement. When people "employ and express themselves physically, cognitively, and emotionally during role performances," according to Kahn, "they are said to be engaged." The 'harnessing of organisation members' selves to their work roles" is engagement. Maslach, Schaufeli, and Leiter (2001) concentrated on the elements that lead to employee burnout at the workplace. Employee engagement is defined by Maslach et al. (2001) as "a persistent positive affective state... characterised by high levels of activation and pleasure." This definition is only theoretical.

The definition of employee engagement given by Harter et al. (2002) is "an individual's involvement and satisfaction with as well as enthusiasm for work." Schaufeli and Bakker (2004) defined employee engagement as "a positive, fulfilling state of mind related to work that is characterised by vigour, dedication, and absorption." Employee engagement, according to Saks (2006), is "a distinctive and unique construct consisting of cognitive, emotional, and behavioural components... associated with individual role performance."

The concept provided by Macey and Schneider (2008) creates a link between the management, organisational behaviour, and psychological sectors and contains three distinct components of employee engagement: psychological state, job qualities, and behavioural engagement. Employees that are emotionally and psychologically invested in their work and in helping their employer succeed are said to be engaged. (2008) Czarnowsky. Employee engagement, according to Hewitt (2012), is the attitude and behaviour that encourages better performance through the virtues of Say, Stay, and Strive.

Employee competency and devotion are essential to the company's success, and this is the main sign of employee engagement. Top management regularly assesses employee performance because management is designed to carry out tasks through personnel. Maximising employee potential based on their abilities and talents is top management's primary objective. A variety of incentive mechanisms are used by management to accomplish this. Achieving effective commercial and corporate performance is increasingly viewed as dependent on employee engagement, with engaged workers acting as the "backbone of good working environments where people are industrious, ethical, and accountable." (Cleland et al., 2008; Levinson, 2007).

Employee engagement has a significant impact on employee attitude, absence rates, and attrition rates. Employee engagement, a success measure indicated by the calibre of the customer experience and the steadfastness of the customers, has been found to be highly connected with the performance of people, groups, and the entire business (Hemsley Fraser, 2008). Baumruk (2006) found that higher levels of involvement are associated with better financial results, higher productivity, lower worker turnover, and greater total shareholder returns. Businesses with the most engaged employees saw a rise in earnings per share of 28% and operating income of 19% year over year, according to Towers Perrin's 2007 research. Businesses may gain from having individuals who are willing to put in more effort and provide superior financial performance (Baumruk, 2006) by creating an environment where employees are engaged in their work.

For a certain employee, three levels of involvement can be determined. He might be engaged and single. The organization's objectives are zealously pursued by motivated workers. Unengaged employees appear to be making a contribution to the

organization's common purpose, but they lack excitement and energy in their work. Employees that are disengaged act out their discontent with their jobs in a visible way. It has also been shown that engagement has three separate components: intellectual engagement, affective engagement (the fulfilment one feels after finishing a task), and social engagement (participation in conversations with others about promoting work-related changes). In this study, transition of factors affecting employee engagement with special focus on the latest factors which are gradually gaining popularity in the various organisations, has been investigated and analysed.

2.   OBJECTIVE OF THE STUDY
The primary objectives of the study are:
- To highlight the traditional factors affecting employee engagement in general.
- To investigate the transition of factors affecting employee engagement from traditional to latest and emerging

3.   REVIEW OF LITERATURE
Academic research by Luthans and Peterson (2002) found employees who are engaged in their organisation and their work are more likely to respond positively to their managers, demonstrate good performance and achieve success. This helps their manager to be more effective and successful, which in turn increases the manager's self-efficacy.

Work-life balance, in the opinion of Greenhaus, Collins, and Shaw (2003), refers to an employee's level of commitment and satisfaction with both his professional and personal responsibilities. The three primary elements of work-life balance, according to the study, are time balance, involvement balance, and satisfaction balance. professional-life balance was defined by Greenhaus et al. (2003) as the degree to which a person is equally involved in and satisfied with both his or her professional role and family role.

Hewitt Associates (2004) also identified a relationship between engagement and profitability through higher productivity, sales, customer satisfaction and employee retention

High Performance Work Practices help to attract, develop, and retain employees to an organisation. In the study conducted by Combs, Hall, and Ketchen (2006) found that training, empowerment, and increased employee knowledge, skills, and abilities—all of which are regarded as high-performance work practices—exhibit a substantial link with employees' productivity. High Performance Work Practice provide many opportunities for the employees.

According to Levinson (2007), satisfied staff are more likely to develop devoted clients. Additionally, he contends that workers who enjoy their jobs are more likely to stick with the company. According to Balain and Sparrow (2009), it is oversimplified to assume that once an employee is engaged, the influence on performance is linear and that greater engagement equates to greater performance. This notion is frequently advanced in practitioner literature. They contend that engagement measures merely the symptoms of performance rather than the reasons, and that engagement is too complicated at the individual level to adequately explain much performance.

According to the study by Uddin and Wijidi (2014), although managers feel that salary is the most important element influencing employee performance, employees claim that pay is not their primary motivation. The fundamental reason for this is that unsuitable and unfair payment procedures will demoralise the workforce. Financial rewards seem to be the most influencing factor for the increase in employee performance, but non-financial rewards also play a major role in motivating employees in the present context. Training and development for example, is used to enhance human capital and other non-financial performance outcomes, such as knowledge/skill acquisition and innovation. Career development, job design, working environment, performance management systems, providing required training and empowerment and participation are the non-financial rewards, (Yousaf. et al., 2014).

As per the study conducted by Sougui, Bon and Hassan (2015), a leader is identified as a person with a great vision and with the skills and his commitment he will drive the organization to its success. Also, the study explains that leadership may not be upon the position held by a particular person, but it comes with his qualities. Leaders of different organizations exhibit different leadership styles. According to Stranes, Truhon and McCarthy (2015), in an organization trust comprises three categories. These are Inter-organizational trust, which means how organizations are relying on each other, Intra-organizational trust, meaning the relationships between employees and the managers, interpersonal trust, which is the level of trust between teams inside an organisation.

Chandani et al. (2016) attempted to describe the nature and significance of employee engagement (particularly its effects on staff efficiency and retention), as well as to assess the components essential to its successful implementation. The findings of this study have a significant impact on employee engagement for any organisation, regardless of the nature of its industry, and all of these elements combine to form a solid employee engagement policy. Depending on the reasons outlined in this article, managers should adjust their position and policies to appease their staff. This essay is helpful for people looking for a more in-depth explanation of employee motivation to increase an organization's effectiveness.

4.   RESEARCH METHODOLOGY
The present research is descriptive in nature. Secondary data have been used in the study. Data have been collected from various sources such as research papers, thesis, websites, magazines, newspapers etc. The data have been analysed comparatively on the basis of available and emerging factors affecting employee engagement.

5.   DISCUSSION
5.1: Traditional Factors affecting Employee Engagement
- **Financial Rewards:** The term "financial rewards" refers to a range of monetary benefits, including salary or wages, bonuses, access to transit, pension benefits, health and insurance, and so forth. Employees strive to increase the benefits offered to them. For instance, in addition to their income or wage for their exemplary performance, employees may also receive bonuses.

Financial incentives are among the most popular ways to encourage workers to contribute effectively and efficiently to the achievement of organisational objectives. Thus, financial rewards help to increase employee engagement in an organization.

- **Non-Financial Rewards:** Financial rewards seem to be the most influencing factor for the increase in employee performance, but non-financial rewards also play a major role in motivating employees in the present context. Career development, job design, working environment, performance management systems, providing required training and empowerment and participation are the non-financial rewards. Non-financial rewards are also like a tonic to improve employee engagement in an organisation, as they motivate the employees to perform even better and make them feel more secure and satisfied.

- **High Performance Work Practices:** High Performance Work Practices create positive work attitudes and behaviours in employees towards their work and organization. It was also identified that high-performance work practices when integrated into the organizational normal human resource practices, will generate better performance of the employees. Better performance in turn results in better employee engagement.

- **Leadership:** Leadership is the ability of one person to influence the behaviour and the work of another person or a group of people. Leadership is how a particular leader motivates his followers to achieve not only the goals of the organization but also their achievements. Leaders of different organizations exhibit different leadership styles. Some of these leadership styles are transformational leadership, transactional leadership, autocratic leadership, democratic leadership, and participative leadership. Good leaders help in enhancement of employee engagement by motivating their followers to work in a more efficient and effective manner.

- **Trust:** Trust is characterised as a reciprocal relationship between two or more actors in an   organisational setting. Competence, compassion, and integrity are the three key elements that Mayer, Davis, and Schoorman (1995) found to have the greatest impact on a person's ability to earn one's confidence. Three categories make up trust in an organisation. The ties between employees and managers within an organisation are referred to as intra-organizational trust, while the trust between teams within an organisation is referred to as interpersonal trust. More the trust in an organisation, better is the employee engagement. Trust results in better performance, not only by employees but also by the whole of organisation.

- **Work Life Balance:** Work life balance consists of work-family life balance, balancing personal lifestyle along balancing the obligations related to work while maintaining good health and leisure time. Gassman- Pines (2013), has identified that with the traditional division of work between men and women, women have to face more difficulties and issues concerning work life balance as they are engaged more in domestic labour as well. As per Timms et al. (2015), employee engagement is highly affected through the personal life of an employee and vice versa. If there is an optimum work life balance, employees will feel happy and stress-free. They will also remain healthy and will be able to meet their personal obligations.

5.2: Latest and Emerging Factors affecting Employee Engagement: Transition of Factors

- **People-first culture:** We are anticipating the emergence of the "culture-first decade" in 2023. Employee engagement, which appeared exhilarating at the beginning of the previous decade, is now a clear corporate objective. Elevating corporate culture is urgently necessary to avoid losing top employees. Businesses such as Hilton, Salesforce, and American Express are laying the groundwork for others to embrace initiatives to reimagine organisational culture. Only when every person, from the top down, feels cared for and appreciated by the people organisation, can a people-first culture truly take root. Every organisation has to go down this road.

- **More prominence to work-life harmony:** The majority of job duties don't physically require people to be at work every day. And the younger employees are fully utilising it. Positive workplace practises like work-from-home alternatives, flexible office hours, and remote working possibilities only serve to support this claim. In actuality, this trend in employee involvement is relatively cost-efficient yet quite effective. It's a route that businesses should adopt. 75% of employees reported higher productivity at home. They reported that there are fewer office politics (65%), diversions (74%), and commute-related stressors. (FlexJob)

- **Cloud-Technology will continue to reign:** According to a PricewaterhouseCoopers (PwC) report from 2018, 75% of the organisations examined currently have at least one HR process in the cloud. Every aspect of human resource management has already embraced technology. Platforms for employee benefits, tools for employee appreciation, performance management tools, and survey tools have all included technology. It has made it simpler for organisations to provide better results more quickly. These tools benefit both businesses and employees, which is a win-win situation. The best strategy to engage employees remotely in the present generation—the digital nomad generation—is by utilising HR technology. Due to their effectiveness and use, cloud products have already established themselves. There will be a massive influx of businesses entering this market.

- **Influx of AI and ML:** Recently, we have observed effective and cutting-edge HR products advancing into the people management space. As ML and AI become increasingly prevalent in the workplace, the trend will only grow. With a positive return on investment, many tech-forward businesses have already begun implementing AI and ML in a variety of work processes. So far, they've had good results. The use of AI in the workplace is enhancing effective communication and individualised actions. Using data, HR departments may make more reasoned decisions. Additionally, the data is assisting managers in comprehending the factors that affect worker productivity.

- **Redefining 'HUMAN' in HR:** In order to create a motivated workforce, technology will play a bigger role. Digital technology is advancing at an astonishing rate. However, compassion, esteem, and approval are still things that people naturally crave. In the digital age, emphasising the "Human" component of HR will be crucial. The most important components of any firm today are technology and emotional intelligence. And bringing them together would do wonders for the corporate environment. Millennial workers are looking for a stronger sense of affiliation with their company. They seek a sense of worth and acceptance. The most fulfilling careers can be had in organisations with strong corporate cultures and caring executives. Therefore, embrace technology wholeheartedly while maintaining the requirement for empathetic leaders to build stronger human relationships with them.

- **Diversity and inclusion in the workplace:** Together, people from many regions, ethnic groups, cultural traditions, and social systems provide fresh and original ideas. They provide new viewpoints on issues and more approaches to problem-solving. The combined outcome provides a much-needed global perspective on the current situation. A more innovative, creative, and engaged workforce is produced when an organisation has a diversified, fair, and equitable culture. However, inclusion without diversity is equivalent to an Indian dish without salt. The puzzle just has one piece, which is representation. The unifying principle that will hold all the components together is inclusion. Only when companies are successful in giving all of their employees a sense of belonging can diversity be sustained.

- **Gender equality, women empowerment and women safety in the workplace:** The place and function of women in society have drastically changed during the last several decades. Women's literacy rates have surged. They make up a major portion of the workforce and are earning more degrees than men. Despite these great advancements, there are still numerous obstacles that women must overcome, such as pregnancy discrimination, sexual harassment, salary inequality, and a lack of security. The list continues. These problems are so pervasive that many women view them as social standards. Mental disorders and personal difficulties are brought on by these obstacles. It also restricts their ability to advance professionally. Thankfully, social media has shifted recently due to movements like #Metoo and #TimesUp. Finally, women are speaking out against the unfair treatment they have experienced at work. By sharing their experiences, they are taking a stand.

- **Employees as brand ambassadors:** In this generation, the role of employees in business branding is substantially greater. Both impact and how corporations approach branding have seen a significant transformation as a result of technology. Organisations that embrace employee branding turn their staff members into brand advocates and boost output.

A few considerations must be made if we want to have a successful employee branding campaign. We should inform our staff of the company's values. A tale that our staff are unaware of cannot be told. To do this, we follow some formal procedures, such as conducting brand training. Recruitment is a further concern that we should have. It can be quite challenging to turn misfit personnel into effective brand ambassadors. Employee involvement is last but undoubtedly the most crucial component. It won't get us very far to promote your corporate culture. Make sure to set goals, interact with staff, and execute a successful employee branding programme.

- **Ample opportunities for career growth:** Nowadays, more than anything, workers want to advance their careers. They seek employment in positions that advance their personal and professional development. Through the progression of each work role they take on, they want to gradually mould their careers. The Gen Xers and Gen Zers currently employed would never think about moving to a place with sluggish growth. Organisations must create a culture that encourages learning, development, and advancement in order to keep these employees. Businesses ought to make more investments in mentoring programmes that are effective and in learning and development initiatives. Moreover, development should be evident and consistent within the organisation. You ought to make promotions and rewards practises routine, prompt, and equitable.

- **Prioritizing mental health in the workplace:** One of the major problems in the workplace today is poor mental health. Every year, it results in a loss of more than 70 million working days. Fatigue, difficulty sleeping, aches and pains, anxiety, and weight gain are the top five signs of stress. One of the majority of people who have mental problems are desk-bound workers. They frequently overlook their mental health because they are so preoccupied with the corporate rat race. Surveys and case studies have regularly produced shocking results about workers' mental health. The good news is that it carried with it a breeze of awareness and change. Nowadays, people are more conscious of and concerned about maintaining their mental health. The support of mental health at work can be uniquely facilitated by employers and managers. The objective need to be to deal with the problem, raise awareness, pinpoint the stress-inducing variables, and take the required actions to foster a healthier workplace.

- **Interesting and challenging work:** Working on interesting and challenging projects is one of the best and most effective ways to motivate staff. Even while they might keep working even in the absence of engaging employment, your staff won't give their all to it. In the case of GenX and GenZ workers, this behaviour is common. They are problem-solvers by nature since they are critical thinkers and challenge seekers. Therefore, every organisation needs to recognise the employee engagement trend of producing fascinating and difficult tasks. Here, employers and managers can play a unique role. Setting goals, accepting ideas, and using an effective performance management system are a few strategies for doing this. In addition to retaining workers over the long term, this will draw in the best talent.

- **Millennial and Gen-Z friendly employee benefits:** Already, millennial make up the majority of the labour force. Within the next year, they will make up half of the workforce, and by 2030, they will make up three fourths. And Gen Zers, who will be much more difficult to impress and keep, will come after them. A watch with ten years of service or a turkey during the holidays won't work any longer. The velocity of change in the talent acquisition system is astounding. Economic stability is now a reality, and the number of businesses is rising. Now, businesses are vying with one another for the greatest talent. The work description, as well as the perks and advantages provided by the employer, are crucial. The job package is particularly important to Millennial and Gen Z. They favour distinctive, individualised, and considerate staff perks. They adore having a variety of options. To give employees more control over their benefits, most businesses now use point-based incentive systems to gift and recognise them. Additionally, businesses offer incentives that appeal to millennial, such as flavoured popcorn and granola packs, napping areas, free breakfast, paid holidays, paid fitness memberships, vacation days, and so forth.

6. CONCLUSION

On the basis of foregoing paragraph, we can conclude that there are so many factors that influence employee engagement including both traditional as well as latest and emerging factors. Although both types of factors will be used side-by-side in the future, latest and emerging factors are gaining rapid popularity day-by-day and will be able to influence employee engagement more comprehensively in the coming years. New technologies are going to make a significant impact on the whole concept of employee engagement and will also facilitate the usage of the traditional concepts in a better way.

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