

A

Seminar report

On

## **Employee Engagement**

Submitted in partial fulfillment of the requirement for the award of degree  
Of MBA

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## Preface

I have made this report file on the topic **Employee Engagement**; I have tried my best to elucidate all the relevant detail to the topic to be included in the report. While in the beginning I have tried to give a general view about this topic.

My efforts and wholehearted co-corporation of each and everyone has ended on a successful note. I express my sincere gratitude to .....who assisting me throughout the preparation of this topic. I thank him for providing me the reinforcement, confidence and most importantly the track for the topic whenever I needed it.

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## Acknowledgement

I would like to thank respected Mr..... and Mr. ....for giving me such a wonderful opportunity to expand my knowledge for my own branch and giving me guidelines to present a seminar report. It helped me a lot to realize of what we study for.

Secondly, I would like to thank my parents who patiently helped me as i went through my work and helped to modify and eliminate some of the irrelevant or un-necessary stuffs.

Thirdly, I would like to thank my friends who helped me to make my work more organized and well-stacked till the end.

Next, I would thank Microsoft for developing such a wonderful tool like MS Word. It helped my work a lot to remain error-free.

Last but clearly not the least, I would thank The Almighty for giving me strength to complete my report on time.

## **What is Employee Engagement?**

Employee engagement is a workplace approach designed to ensure that employees are committed to their organisation's goals and values, motivated to contribute to organisational success, and are able at the same time to enhance their own sense of well-being.

***“This is about how we create the conditions in which employees offer more of their capability and potential.” – David Macleod***

There are differences between attitude, behaviour and outcomes in terms of engagement. An employee might feel pride and loyalty (attitude); be a great advocate of their company to clients, or go the extra mile to finish a piece of work (behaviour). Outcomes may include lower accident rates, higher productivity, fewer conflicts, more innovation, lower numbers leaving and reduced sickness rates. But we believe all three – attitudes, behaviours and outcomes – are part of the engagement story. There is a virtuous circle when the pre-conditions of engagement are met when these three aspects of engagement trigger and reinforce one another.

Engaged organisations have strong and authentic values, with clear evidence of trust and fairness based on mutual respect, where two way promises and commitments – between employers and staff – are understood, and are fulfilled.

Although improved performance and productivity is at the heart of engagement, it cannot be achieved by a mechanistic approach which tries to extract discretionary effort by manipulating employees' commitment and emotions. Employees see through such attempts very quickly; they lead instead to cynicism and disillusionment. By contrast, engaged employees freely and willingly give discretionary effort, not as an 'add on', but as an integral part of their daily activity at work.

But is employee engagement something new, or simply old wine (long-standing management approaches) in new (fashionable management-speak) bottles? Is it just the latest management fad? We believe that while it does have clear overlaps with analytical antecedents such as commitment, 'organisational citizenship behaviour', job involvement and job satisfaction, there are also crucial differences.

In particular, engagement is two way: organisations must work to engage the employee, who in turn has a choice about the level of engagement to offer the employer. Each reinforces the other.

An engaged employee experiences a blend of job satisfaction, organisational commitment, job involvement and feelings of empowerment. It is a concept that is greater than the sum of its parts.

Despite there being some debate about the precise meaning of employee engagement there are three things we know about it: it is measurable; it can be correlated with performance; and it

varies from poor to great. Most importantly employers can do a great deal to impact on people's level of engagement. That is what makes it so important, as a tool for business success.

Access the Engaging For Success report (also known as the MacLeod Report) to read more about employee engagement.

## **Beliefs about Employee Engagement**

- Engagement is the primary enabler of successful execution of any business strategy
- Engagement is not a short-term initiative
- Engagement must be driven from the top.
- Engagement is all about right fit.
- No one impacts the state of engagement more than an employee's immediate leader.
- Measuring engagement and demonstrating its business impact is crucial, but it's only a small part of winning the battle.
- Engagement means reaching the heart.

## **Components of Employee Engagement**

Everyone's looking for the recipe for employee engagement. How do you get motivated workers? To start, think about the six components to Employee Engagement listed below:

### **1. FIT**

Is the employee a FIT with the organization—its culture? Is the purpose of the organization meaningful to the employee? Are the values of the organization in harmony with the employee's values?

Is the employee a FIT with the job? Does the employee feel one's work is significant and is the best use of one's abilities?

### **2. TRUST**

Do you have a trusting workplace where people feel their leaders have integrity—they're honest and fair? Do employees respect their leaders?

### **3. CARING**

Does work feel like family? Is collaboration/teamwork encouraged? Do employees have friends at work?

### **4. COMMUNICATION**

Do you have ongoing, open, two-way communication? Do employees feel like leaders/managers listen to them? Is information freely shared?

### **5. ACHIEVEMENT**

Does the organization support individual development? Do employees have challenging assignments? Does the workplace encourage achievement and mastery?

### **6. OWNERSHIP**

Do employees have autonomy? Do they feel involved? Do they participate in decision making? Is work flexible?

When employee's human needs are met, they are more engaged.

## **Need for Employee Engagement**

Having a disengaged, unmotivated team is a manager's worst nightmare. Unfortunately, the most recent statistics on global employee engagement seem to confirm that many employers are living that nightmare.

Only 13 percent of employees across the globe are engaged at work, according to Gallup's latest 142-country report on workplace engagement. That amounts to only about one in eight employees or 180 million employees who are actually committed to their jobs. Most employees, about 63 percent, are simply not engaged at all, Gallup reports.

Fortunately, leaders grappling with a disengaged team are not helpless. Research shows that key predictors of how engaged employees are include whether they feel they're doing meaningful work, can communicate openly, and above all, have a supportive leader. Armed with this knowledge, leaders can employ certain strategies and tactics to improve employee engagement.

## **Specific needs**

Forum Corporation has found that managers usually have the most significant impact on engagement. The best way to fuel engagement is to identify which engagement needs or profiles suit which employees. One size does not fit all in terms of employee engagement, and by pinpointing specific needs to focus on for each employee, keeping employees engaged is much simpler.

Out of these five factors that contribute to engagement, employees generally have one dominant need, determined by their individual personalities, goals, and past experiences.

**Belonging.** One way that leaders can ensure employees are engaged is to ensure that they are thinking, "I belong here." An employee who feels as though she is part of her workplace's community and has an emotional connection to her organization will be more engaged at work. Ways to ensure that everyone on the team feels a sense of belonging include not holding meetings from which certain staffers are routinely excluded, and regularly soliciting ideas from everyone on the team, not just the select few "stars."

**Enjoyment.** For many employees, engagement means having a little fun at the office once in a while. Creating a positive work environment that includes fun ways for employees to interact will go a long way in engaging employees. Whether this means having an occasional birthday or

holiday celebration in the office, or a more formal annual retreat, employees will have something to look forward to other than the (let's face it, occasionally monotonous) daily grind.

**Alignment.** It's important for leaders to acknowledge that their team's efforts are supporting a greater mission or purpose at work. Let employees know specifically how their work is aligned with the organization's mission.

**Recognition.** Another key component of engagement is employee recognition. Most employees want to be recognized by their managers for their hard work. Leaders who fail to implement reward systems do their employees and their companies a disservice. Whether it's a sizable annual reward or some smaller form of recognition, such as a simple note of thanks, managers should not underestimate the importance of acknowledging employees' successes.

**Advancement.** Offering plenty of opportunities for employees to build their skills should be a priority for leaders looking to increase engagement. After all, talented employees don't want to stagnate professionally—they want to develop their skills, advance, and thrive. Companies can offer advancement opportunities in a variety of ways, from promotions to in-house training, to college-level courses that the company funds.



## **Types of Employees based on Level of Engagement**

An organisation is a collection of individuals who come together and work towards the realisation of a common objective. Larger the number of people working together, larger is the size of the organisation and vice-versa. However, for an organisation to flourish it is important for the employees to operate at their full potential, which unfortunately is not the case in most of the organisations.

Not all employees in the organisation work utilising their full potential. There may be many reasons responsible for the same. They may not associate with the goal of the company, they may have problem with their team, the boss or the subordinate or it may be a general problem of attitude. This fact necessitated the classification of the people into three categories - engaged, not engaged and actively disengaged.

**Although there are other classifications also, but this one is based upon the level of commitment or engagement of employees. A brief description about the three is given below:**

- **Actively Disengaged:** This is the first category of people who are unhappy and they spread unhappiness in the organisation. They are the disease centres in the company and spread the negative word, provoking and convincing people to leave their jobs. However they are the ones who stay the longest and removing the perceived people competition is their thought of getting to the top or next level in the job.
- **Engaged:** The second category of people are those who can be identified with words like passion, alignment and innovation; which means that they are passionate, connected to the company and are innovative. They contribute new ideas and turn ideas into reality. These employees are positive in their outlook and they spread positivity. They are proactive; can anticipate the future market conditions and prepare well in advance.
- **Not Engaged:** The third type of employees is the large majority present in organisations almost 50% in number. These do what is told only and they like only one instruction at a time. They put in time but not energy and passion. They may be either positive or negative in their outlook and opinion about the organisation. They are not proactive and fail to anticipate what might be required next or what the next step is? They wait for instruction from their superiors.

In a research conducted by Gallup, it was found out that 16% of the people working in organisations are actively disengaged, 28% are engaged and almost 56% are not engaged. Although these statistics cannot be generalised, but they hold true for majority of the cases and there may be deviation of 5% here and there for each category and not more.

The research therefore points out that people who are engaged are more efficient and deliver results optimally. They have a better understanding of the business, more client focussed and committed to make it big with the organisation they work for.

Within an organisation the percentage of people in these three brackets can help determine the health of the company. For example, greater percentage of actively disengaged employees connotes into even greater losses in productivity, erosion of employee morale and reduction in the bottom line.

## **Advantages and Disadvantages**

### **Advantages**

- While Hewitt Associates, has just released new data showing the strongest link yet between engaged employees and business success.
- Their analysis of 1,500 companies over a four-year period showed that companies with higher engagement levels had markedly higher total shareholder return.

### **Disadvantages**

- Expensive.
- Returns are not immediate.
- Time consuming.
- Chances of error.
- Lots of analysis.
- Too much responsibility.

## **Conclusion**

Employee engagement is attracting a great deal of interest from employers across numerous sectors. In some respects it is a very old aspiration – the desire by employers to find ways to increase employee motivation and to win more commitment to the job and the organisation. In some ways it is ‘new’ in that the context within which engagement is being sought is different. One aspect of this difference is the greater penalty to be paid if workers are less engaged than the employees of competitors, given the state of international competition and the raising of the bar on efficiency standards. A second aspect is that the whole nature of the meaning of work and the ground rules for employment relations have shifted and there is an open space concerning the character of the relationship to work and to organisation which employers sense can be filled with more sophisticated approaches.

But there is reason to worry about the lack of rigor that has, to date, often characterised much work in employee engagement. If we continue to refer to ‘engagement’ without understanding the potential negative consequences, the core requirements of success, and the processes through which it must be implemented, and if we cannot agree even to a clear definition of what people are supposed to be engaged in doing differently at work (the engaged ‘in what’ question), then engagement may just be one more ‘HR thing’ that is only here for a short time. On a positive note, there is now a wider array of measurement techniques with which to assess trends in engagement and an associated array of approaches to effect some change. Thus, aspiration can more feasibly be translated into action.

## REFERENCES

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