

# A Study On Employee Engagement: Role of Employee Engagement In Organizational Effectiveness

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## Abstract

Organizational effectiveness is very essential for attaining success in any business. The significant shift in the global economy has made the organizations to find innovative ways to address the new technological development. In the rapid cycle of economy, the organization knows that having high performing workforce is necessary for their growth and survival. Research has consistently shown that employee engagement is powerfully linked to a range of organizational success factors. Engagement is willingness and ability of the employee to give their best to the organizational success. Every employee need to feel engaged with the job they do, colleagues they work with and with their organization. The employee engagement is a key business driver for organizational effectiveness.

**Keywords:** Commitment, Engagement, Employee performance, work-life balance, organizational performance

## 1. Introduction

Employee engagement is now recognized as a critical issue for every organization. Even though many organizations acknowledge that, they have little knowledge about the importance required for their employees. The long term strength of the organization is their workforce. The key factors that impact employee engagement are: relationship with immediate superior, belief in senior leadership and pride in working for the organization. Various research studies have revealed that engagement is a more complex and can be directed by employee in many ways. The challenge for the organization is not just retaining talented people but engage them, capturing their minds and hearts at their work. The employee engagement is defined as the extent to which employees commit to their organization, how hard they work, how long they stay as a result of commitment. Employees, with highest level of commitment, are less likely to leave the organization. This indicates that the engagement is linked to the organizational effectiveness.

## 2. Significance of Engagement

Employee engagement is a work related state of mind. This can be characterized by vigor, dedication and absorption. Engagement is also strongly influenced by organizational characteristics such as integrity, communication and culture of innovation. The employee emotional commitment to the job and company is key factor for engagement. In addition, work-life balance is become important for engagement and affects retention. Engagement is going to the heart of work place relationship between employer and employee. Engagement can be a key to unlocking productivity. Engaged employees have a sense of personal attachment to their work and organization. They are motivated and able to give their best to the organization. The improved productivity and performance of an organization is at the heart of engagement. This cannot be achieved by a mechanistic approach but by employee commitment and emotions.

## 3. Recent Trends in Employee Engagement

Today the society and the industry are witnessing a unprecedented change in the global market place. Many companies are competing for talent work force. In the competitive world, the ability of organizations to attract, engage, develop and retain a talent becoming a high task activity. There is an increased demand for work-life balance of employees and positive relationship between employer and employee. This necessitated organizations to understand the needs of employees and to find the ways and means to meet those needs. At the same time the organizations has to develop talents at all levels of organization. In turn, the workforce must understand the importance of the organizational success. To impart new essential skills to new entrant workforce, organizations have started to provide pre-learning opportunities such as

internship, summer camps etc. during their college study itself. It is the trend that prevailing at present. The continued acceleration of change, places greater emphasis on the organizations to develop effective employee engagement strategies for present and future workforce.

#### 4. Allegiance to Organization

The main factor that influences employee commitment is the manager- employee relationship. The manager creates the connection between employee and organization. This relationship is often the deal breaker in relation to employee retention. A recent study shows that employee who trust their managers appear to have more pride in the organization .They are more likely to feel, they are applying their individual talent for the effectiveness of the organization in addition to their own advancement. Promoting employee engagement, managers should – have responsibility of success and failures, show commitment to diversity, help to find solution, demonstrate honesty and integrity and respect and care for employees.

Human resource practices in an organization make the difference between effective engagement and valuable human capital joining the competition. Employees are found to be more committed to the organization when they are managed with progressive human resource practices. Promoting employee commitment, including coaching the managers to be effective people managers, is a significant factor in employee engagement in an organization.

#### 5. Engagement and Organizational Effectiveness

Engaged employees are more loyal to the organization. They work harder and go extra mile for their organization. Employee engagement can be considered as cognitive, emotional and behavioral. Cognitive engagement refers to the employees beliefs about the company, its superiors and the work place cultures. The emotional aspect is how employee feel about the organization and the people involved in it. The amount of work put forth by an employee in their work is reflected by his behavior. Employees who are highly involved in their work processes are more engaged. The high involvement in work practices and positive attitudes of employees leads to enhanced performance. It is an important factor and link between engagement and organizational effectiveness. The organization utilizing high performance work system had significantly higher labor productivity than their competitors, thus having competitive advantage. Employee health is a critical factor in employee engagement which reflects in productivity. Conditions that support health and

psychological well being have say in organizational success. Many researches also show that customer loyalty is closely related to employee engagement. There are studies that emphasis a positive relationship between availability of recourses and employee engagement. When an employee feel more engaged in their work leads to a better service to customers which in turn results in customer loyalty and improved organizational effectiveness.

The figure 1 depicts how the employee engagement and work life balance influences the organizational effectiveness.

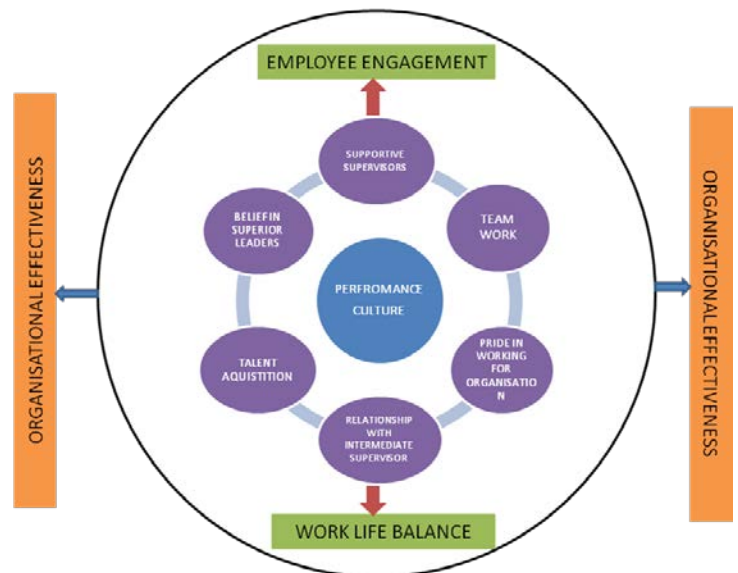


Fig. 1 Organizational Effectiveness and Employee Engagement

#### 4. Conclusions

The degree of engagement determines people’s productivity and their willingness stay with organization. Many research studies highlight that employee relationship with organizational strategy and goals, acknowledgement for doing good work and culture of learning and development, promote high level of engagement. The cost of higher employee engagement will be result in greater organizational effectiveness. It is employee engagement drives effectiveness in an organization by improving retention, customer loyalty, productivity, safety and ultimately, profitability. Engaged employees care about their organization and work to contribute towards its success. They are likely to work better, faster and more

safely. In present world of economic uncertainty, engaging employee is a critical factor to ensure organization effectiveness and productivity.

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