



RESEARCH ARTICLE

**TRANSLATING EMPLOYEE ENGAGEMENT INTO BUSINESS
PERFORMANCE: SCOPE AND BARRIERS**

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ABSTRACT

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In past years employee engagement has evolved as fundamental approach in business world. Almost every big or small organization is executing this concept and trying to reap out benefits. This paper aims to substantiate that mere knowledge of the employee engagement as a concept and spending money and efforts in performing the surveys on employees may not give desirable results to the organizations and the results may also vary. The paper is an attempt to study and to conclude the probable reasons behind this. Paper also summarizes and generates few evocations for translating employee engagement into business performance. For achieving the objectives four such organizations, which have implemented employee engagement efforts in their organizations, were chosen and their financial performances were compared from before and after quarterly financial ratio analysis it was observed that in spite of investing in attempts to improve engagement levels of employees, all organizations were not getting benefits or good benefits out of them. To find out probable reasons behind failures or not so successful outcomes of employee engagement, accessible middle and higher level management people were interviewed to gather their opinion about what is going wrong and what can be done to correct and to translate employee engagement into business performances

INTRODUCTION

The modern economy is characterized by global competition, increased job opportunities, emphasis on innovation, continual advancements in technology, and readiness of people to change jobs quickly. While non-human assets and resources and effective strategies are vital, employee behavior at the workplace can be the difference between success and failure of business operations. Studies show that organizations unable to treat employees appropriately

and satisfactorily tend to lose talent. Employee engagement may be an effective solution to the problem of talent loss, and a source of competitive advantage. Engaged employees display greater energy levels and enthusiasm towards job, and are generally fully engrossed in their tasks (Macey and Schneider, 2008; May et al., 2008). Organizations able to incorporate practices and foster environments that enhance employee engagement are more likely

to hold an inimitable advantage over their competitors. Over the last decade, employee engagement as a popular organizational concept has received much attention from, practitioners and academics (Saks, 2006; Bakker and Schaufeli, 2008). Consulting groups also acknowledge and emphasize its importance. Extant literature mentions key outcomes of employee engagement thus: more productive and efficient employees capable of accomplishing tasks satisfactorily and within the stipulated time; increased profits; efficient allocation and utilization of company resources; safer and healthier work environments; lower employee turnover; reduced absenteeism; and an increased willingness to engage in discretionary efforts (Buchanan, 2004; Fleming and Asplund, 2007; Wagner and Harter, 2006). It is not surprising that corporate executives today assign development of an engaged workforce top organizational priority (Ketter, 2008). Employee engagement can also be a deciding factor for organizational effectiveness. Engagement levels can meaningfully influence retention of employees, their output and even their faithfulness towards the organization; engagement is an important connect for gratifying the customers as well. Thus, to gain a competitive edge, organizations are turning to their HR departments for setting the agenda towards intensifying employee engagement and commitment.

Employee engagement is a potent predictor of real organizational performance clearly establishing the importance of the two-way relationship between employer and employee. Companies today strive towards measuring existing levels of employee engagement, and conduct employee engagement programs to raise engagement levels. Despite best intentions, many organizations fail to get maximum return on investment from their employee surveys. Companies spend significant amounts of time, energy and money trying to get to the heart of the engagement question, but most fail to improve, and some even worsen employee engagement. What are they doing wrong?

On the basis of the discussion above, the objectives of the paper can be listed as follows:

1. To examine whether organizations that have invested to measure and further increase engagement levels of employees experience better financial performance.
2. To determine possible reasons behind the failure of efforts and investments towards employee engagement in giving the desired level of benefits.

METHODOLOGY

To achieve the first objective, 5 such organizations operating in India were considered that had conducted surveys to measure existing levels of employee engagement and then made efforts to improve engagement levels. These organizations had worked on employee engagement programs in the year 2013-14 (source). While there are many factors that may influence profits of an organization, the present study focuses on the association shared by organizational profit and employee engagement. To evaluate the influence of employee engagement programs on profit in these organizations, ratio analysis was carried out on 2013 -14 quarterly financial data and 2014-16(till March) data. For achieving the objective Earnings before interest, depreciation, taxes and amortization (EBDITA), Earning After Tax (PAT), Earning Per Share (EPS), Gross Profit Ratio (GPR), Net Profit Ratio (NPR), Return on Equity (ROE) are taken. For achieving the second objective, an extensive research of available secondary data is done to know about what are the antecedents, which facilitate employee engagement within the organization. A semi structured interview was conducted to gather the information from middle and top level management officials about what they had experienced as reason/s behind failure or not so successful results in terms of business in spite of investing money and efforts on employee engagement surveys and activities. The interview comprised of questions for e.g. what are your opinion about employee engagement and its benefits for organization, do you think employee engagement surveys are effective, why and why not? What may make engagement for successfully generating profits for the organization? What do you think are the reasons behind the failure of employee engagement?

Any suggestions for improvement. Etc. The data generated from the interview along with secondary data review was utilized for generating thoughtful insights to make inferences about what may be done to increase return on investment with respect to employee engagement.

LITERATURE REVIEW

Employee engagement

Although practitioners and scholars differ on the best definition and measure of work engagement, (Bakker et al., 2011), engagement may be generally understood (as laid down in the academic sphere) as “a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption” (Schaufeli et al., 2002). Kahn’s (1990, 2010) description of engagement involved harnessing of people’s selves to their work in a way that they fully invested their cognitive, emotional and physical resources in their work roles. Essentially, work engagement is demonstrated as involvement, energy and a concentrated endeavor to achieve organizational goals (Macey and Schneider, 2008; Schaufeli et al., 2002). Engagement is not a fleeting and particular state; rather, it implies a continuous and extensive affective-cognitive state not centered on a particular event, behavior, object, or individual. Vigor refers to high energy levels and mental resilience during work, the will to put in efforts in work, and persistence while facing difficulties also. Dedication means being vigorously engrossed in work and having a sense of enthusiasm, pride, significance, challenge and inspiration. Absorption may be understood as full concentration and happy involvement in work such that time quickly passes and one finds it difficult to detach oneself from work Saks (2006), stated that employee engagement is “a distinct and unique construct consisting of cognitive, emotional, and behavioral components that are associated with individual role performance”

Antecedents of employee Engagement

For improving engagement and, eventually performance, change should be brought about in factors that increase employee and team morale, strengthen commitment to the company, and forge

positive associations between people and their job. Several researchers and consulting companies have recognized various factors that lead to EE. Hewitt (2003) listed ten such factors (Ray Baumruk, 2006): employee relations, total rewards, career opportunities, quality of work life, HR practices & actual work itself, coaching & career support, recognition, accountability, involvement and communication. Bakker et al. (2008) asserted that job and personal resources were key factors related to employee engagement.

Peter Cheese, 2005 emphasized that organizational settings which enhance learning, creating groups, which share knowledge, recognizing and rewarding and effective handling of transformations contributes to increment in engagement level. Woodruffe (2006) mentioned ten ways to engage employees. He particularly emphasized non-financial motivators such as advancement, awarding of due praise, desirable behaviour, autonomy, employer commitment, environment, access to higher management, availability of support, feeling of being trusted, sense of doing valuable tasks, sense of being associated with a noble and trustworthy company, sense of being challenged and respecting work/life balance. B Medlin et.al. (2008) established an association between goal setting, optimism, and engagement and impact on individual employee performance.

Tower Perrin (2008) mentioned 10 crucial leadership capabilities vital to engaging employees: building esteem, communicating effectively, building trust, creating an enjoyable and fulfilling work environment, reinforcing high levels of performance, being flexible in understanding individual needs, developing talent and coaching team members, engaging necessary knowledge, monitoring engagement issues and identifying appropriate team members for the team. Mercer (2007) revealed the following factors that influenced employee engagement: quality and customer focus, benefits, work processes, work and life balance, job security and career growth, immediate manager, communication, teamwork and cooperation, performance management, ethics and integrity,

compensation, leadership and direction, and training and development.

Cook in 2008 claimed that meaningful work, Employee responsibility and autonomy, recognition, Career progression, Clarity of organizational goals, Perceived fairness and Interaction between employees and manager. Scherbaum et al., (2010) emphasizes that Organization's vision, Employee development, internal communication and Top leadership are important factors, which foster level of engagement in organizations.

Outcomes of employee engagement

Saks (2006) found engagement to be negatively related with employee intentions to quit, and positively associated with organizational commitment. The findings conformed with those of Harter et al. (2002), Schaufeli and Bakker (2004), Xanthopoulou et al. (2007), Salanova et al. 2005, Bakker et al. 2007, Hakanen et al. 2006, Hallberg et al. (2007), and emphasized that employee engagement was possibly a key factor in organizational performance and success due to its ability to influence employee retention, loyalty and productivity. Employee engagement has also been associated with customer satisfaction, organizational reputation and overall stakeholder value. Further, it has been known to positively affect organizational performance indicators such as: productivity (Harter et al., 2002; Salanova et al, 2003; Schaufeli, et al., 2002), profit (Harter et al., 2002; Salanova et al., 2003; Schaufeli et al., 2002; Markos and Sridevi, 2010), customer satisfaction (Harter et al., 2002; Towers Perrin, 2003; Heintzman and Marson, 2005), employee turnover (Harter et al., 2002; Schaufeli and Bakker, 2004; Hallberg and Schaufeli, 2006) and safety (Harter et al., 2002).

Several positive outcomes have been associated with employee engagement, such as adaptively, in-role and extra-role performance, proactively, creativity (Rothbard&Patil, 2011), performance (Salanova, Agut, &Peiro, 2005), burnout, health-related problems for employees (Hallberg&Schaufeli, 2006; Koyuncu et al., 2006), and career satisfaction (Koyuncu et al., 2006). Empirical findings give

evidence in favour of the association between engagement and organizational outcomes including guest satisfaction (Rothbard&Patil, 2011). Engaged employees have been found to be more open to work opportunities while being more optimistic and confident (Cropanzano& Wright, 2001). Engaged employees usually speak positively about the organization and recommend company services and products (Baumruk 2004). Highly engaged workers are able to enhance customer satisfaction by serving clients better. Engagement further leads to increased profits and productivity, and reduced turnover of labour(Harter et al. 2002; Towers Perrin 2003). Engaged workers are more productive because they possess the capability to generate their own resources (Xanthopoulou, Bakker, Demerouti, and Schaufeli, 2007). Employee engagement has also been correlated with creativity and innovation (Krueger and Killham 2007).

Previous studies have proved a conclusive relationship between engagement and profitability through higher productivity, sales, customer satisfaction, and business growth and employee retention. Further, crucial links among employee engagement, customer loyalty, business growth and profitability have been established (Gallup Organisation 2004, Hewitt Associates LLC, 2005, Towers Perrin, 2007).

Effects of employee engagement program implementation

For seeing the effect of implementing employee engagement programs, randomly five organizations Axis Bank Ltd., Larsen and Toubro Ltd., Maruti Suzuki India Ltd., Tata Power Company Ltd. and Hindustan Uniliver Ltd. were picked among 23 companies which are using and practicing employee engagement (SrinivasAkansha, Ramchandran K. and Suresh A., 2014) and their financial performance analysis is done on the basis of EBDITA, PAT, EPS, GPR, NPR and ROE. For doing the analysis the data was taken from moneycontrol.com, the results of the ratio analysis are compiled in table no.1

Quarter	June '13	Sept. '13	Dec. '13	March '14	June '14	Sept. '14	Dec. '14	March '15	June '15	Sept. '15	Dec. '15	March '16	June '16
Axis Bank Ltd.													
EBDITA	2844	2750	2615	3248	2896	3162	3315	4013	4092	3628	3985	4399	4469
PAT	1409	1362	1604	1842	1667	2437	2807	2181	1978	1916	2175	2154	1556
EPS	30	29	34	39	35	7	8	9	8	8	9	9	7
GPR	39%	39%	38%	40%	40%	41%	40%	39%	41%	41%	41%	42%	41%
NPR	39%	36%	34%	41%	35%	37%	37%	41%	41%	36%	39%	40%	40%
ROE	3	3	3	4	4	3	4	5	4	4	5	5	3
Larsen and Toubro Ltd.													
EBDITA	1544	1851	2122	3396	1575	1945	2191	3060	1528	1500	1619	3930	1447
PAT	756	978	1241	2723	894	1042	1060	2061	701	1188	883	2539	547
EPS	8	11	13	29	10	11	11	22	8	13	9	27	6
GPR	84%	81%	83%	77%	90%	86%	82%	86%	61%	50%	80%	85%	36%
NPR	6%	7%	9%	14%	9%	8%	7%	11%	7%	9%	6%	12%	5%
ROE	6	5	7	15	5	6	6	11	4	6	5	14	3
Maruti Suzuki India Ltd.													
EBDITA	1370	1422	1472	1654	1625	1714	1722	2484	2361	2406	2202	2471	2699
PAT	632	670	681	800	762	863	802	1284	1193	1226	1019	1134	1486
EPS	21	22	23	26	25	29	27	43	39	41	34	38	49
GPR	29%	31%	29%	27%	29%	29%	31%	33%	33%	34%	32%	35%	33%
NPR	6%	7%	6%	7%	7%	7%	7%	10%	9%	9%	7%	8%	10%
ROE	4	4	5	5	5	6	5	9	8	8	7	8	10
Tata Power Company Ltd.													
EBDITA	922	649	702	673	770	753	782	833	887	1038	933	738	754
PAT	357	262	251	84	256	306	235	213	242	278	199	52	147
GPR	49%	49%	66%	67%	49%	58%	55%	71%	74%	76%	79%	88%	74%
NPR	14%	12%	12%	5%	12%	16%	12%	11%	12%	13%	10%	3%	10%
EPS	1	1	1	0	1	1	1	1	1	1	1	1	1
Hindustan Unilever Ltd.													
EBDITA	1262	1236	1369	1228	1519	1440	1452	1417	1615	1496	1570	1572	1743
PAT	1019	914	1062	872	1057	988	1252	1018	1059	962	971	1114	1174
EPS	5	4	5	4	5	5	6	5	5	4	4	5	5
GPR	49%	50%	49%	47%	48%	48%	51%	50%	52%	51%	53%	52%	51%
NPR	15%	13%	15%	12%	14%	13%	16%	13%	13%	12%	12%	14%	14%
ROE	5	4	5	4	5	5	6	5	5	4	4	5	5
EBDITA	1262	1236	1369	1228	1519	1440	1452	1417	1615	1496	1570	1572	1743

The analysis reflects that EBDITA growth is good and increasing quarter by quarter for all the companies, which indicates that there are fewer pressures on margins. The Axis Bank continued to show a healthy growth in both business and earnings, with the EBDITA of Rs.4469 crores for the quarter ended Jun'16. The EBDITA of Larsen and Tourbo Ltd. from continuing operations was Rs. 1447 crores for the Qtr. Jun'16 under review as against Rs. 1,544 crore for the Qtr Jun'13. Same way PAT is also increasing excepting Tata Power Company Ltd. and Hindustan Unilever Ltd., which is good for the companies. The PAT was high Rs.2539 Crores for the Jun'16 as compare to other Qtrs. of Larsen and Toubro Ltd. The Hindustan Unilever's Profit After Tax (PAT) decrease from Rs. 1019 crores in Jun'13 to Rs. 971 crores in Dec'15 then increase in Mar'16 and Jun'16. There is no consistent growth in Earning per Share excepting Tata Power Company Ltd. and Hindustan Unilever Ltd. During the year 2013-14 in Axis Bank, the Basic Earnings Per Share (EPS) was Rs.39 in last quarter whereas Rs. 9 in Mar'16 due to change in Face value from Rs.10 to 2. As increasing in EPS, The performance of share for each Quarter in good condition as described above table. GPR and NPR in Axis bank are parallel, for rest four companies NP is very low as compare with GPR. The Larsen and toubro Ltd having a good average GPR is 80% in during FY 2013-14 and 2014-15 but at 36% in QTR ended Jun'16 ROE are a part of the owners' equity, increasing in shareholder's fund as Follows in increasing in Retained Earning. In Maruti Suzuki Ltd. ROE at 4% in QTR ended Jun'13 and 10% in Jun'16. There is a room for improvement in operating margin ratio and EBIT margin ratio. Axis Bank Ltd's position is good as compared to other companies.

It can be seen that after implementation of employee engagement programs organizations are showing variations in their financial performances for exploring why few organizations are able to exploit employee engagement to fullest and why others

are not, a structured interview survey was done to get an insight that by doing and stopping what kind of things scope of employee engagement towards increasing profitability can be enhanced.

What is stopping the desirable results and what should be done?

Compilation of interview results revealed that almost every respondent is agreeing that engagement is crucially important but due to lack of focus and insufficient knowledge of implementation the concept for increasing efficiency is generally lacking.

72% of respondents said that time and again organizations are confusing activity with effectiveness, which results in misplaced and eventually misused resources, instead of assessing if the EE initiatives are really creating impact on outcomes of business it is considered more important to get a high score in engagement surveys. If in succeeding quarters organization is getting hike in results of EE then usually it is assumed that they are developing and heading there way correctly and resume the same. Regardless of whether the companies are getting any indication about these hiked EE survey results are converted into their staff's performance and ultimately the end results. 81%-surveyed officials believe that most of the organizations wrongly forget that employee engagement is not an end, rather, a means to achieving business goals. Generally in organizations for increasing the level of engagement lots of indoor and outdoor recreational activities are organized and while doing so most of the time its not been coordinated with the concerned individuals. Often its seen that surveys of engagements are being done resulting into numerous power point, graphs and their presentations only and many times discussion on this subject increases the expectation levels of employees. They think management is listening to them and taking their opinion hence for a while they feel highly engaged. There are times however, when tedious questionnaires and insignificant or unproductive.

91% of interviewed officials had a belief that people engage people; employees feel engaged due to

their liking for their work, and for the people they work amongst. It is noteworthy that generally in organizations, employee engagement activities include paid picnics, no uniforms on Fridays and award for the best performing employee every month while the real triggers of engagement are concepts like career growth, work recognition, faith and better communication. Parties might make people happy for the time being, but it is the lasting change in their daily and weekly work experience that would make them sense an emotional connection with the organization. Perks are great only if they are serving a larger purpose, what people really want and need is how they learn and grow. 89% officials highlighted that if the management, on a regular basis, does not pay heed to employee sentiments (expressed through surveys) then engagement levels may get very low. One of the important opinions was that the majority of disengaged employees don't care about responding to surveys, and lower response rates render the data invalid or not credible, as the smaller sample does not represent the workforce. Also, more time consumption in handing over the survey results to employees gives them more time to make bad speculations about the outcomes of the analysis and situation turns worst if results are not at all provided to them. There also have been cases where data were used to punish employees; when other workers witness such instances, they become all the more reluctant to provide true information.

It is also reported by 67% of respondents that employee engagement is an individual experience, i.e. different individuals from different organizations, branches, locations and even departments may experience differing levels of engagement because engagement is individually driven and organization-wide combined ensues can not illustrate precisely. Furthermore, such information usually is not helpful in identifying the unique combination of needs, driving forces and deactivators influencing levels of employee engagement and performance. These factors need to be addressed so that engagement levels of individual employees may be increased. Moreover when the data results are not specifically

accounted to any leader, no body takes the responsibility of poor results.

57% officials said that many times when the unfavorable data is presented to the management they show a very cold attitude towards it, often more time is spent on cosmetic issues rather than addressing deeper cultural factors of disengagement that warrant major changes in the organization. This may include long-term processes such as influencing employee behavior in addition to changing policies or conducting programs. It is a huge task when you break it down into the pervasive behavioral changes in the workplace on the part of management, employees, procedures, in fact everything in the organization. It is seen often that though the employers takes steps which are advantageous for employees but if they assume that those are efforts to take extra toil from them at same salary then employee's generally show insurgent and opposing behavior and also get demotivated towards showing performance because they think that they are being manipulated. 78% respondents feel that its important that company has extra money to spend on training, so employees can learn new skills, and develop their career and additionally there must be enough staff so that employees do not feel overworked. Another important revealed fact was that the engaged employees did improve business results subsequently, which makes the stocks more desirable but this effect will only happen over the long term. It takes time to increase engagement and it takes more time to see whether or if that improvement improves business results but this much of focus and continuity in efforts are lacking.

It is agreed by 80% of the interviewed officials that reason behind variations in transforming employee engagement efforts into business persists in the approach of management. Most of the times it is seen that management is not surprised to know the analysis of result and causes behind it because they already know those but keep on disregarding the issues. Sometimes they are surprised to see the results but decide to ignore but those organizations where management choose to move beyond only conducting and analyzing the surveys to make

cultural changes are the one who are transforming them and converting their efforts of increasing employee engagement into profits.

When asked what must be done for procuring supreme benefits out of employee engagement, the compilation of views reveals that it is required to do the surveys for assessing situations within the organization, which every organization is doing but to make the results fruitful the survey must be simple and comprehensive. Many of the respondents believe that every time a census approach, posing the same questions to everyone and working on aggregated results for the entire organization does not work. Sometimes individual attention is the only solution and the data must not take months to analyze. At the same time when an organization seeks opinion from its employees, the employees also expect that action would be taken on the basis of the information provided and to be actionable, the data must be specific and relevant. It is imperative to understand that the objective of a good survey is not to punish, rather, draw focus to areas such that perception of employees is changed and stronger employer-employee relations forged.

It was highlighted by the interviewed people that companies must widen their perspective of the term “engagement”, adopting specific practices that increase engagement levels, and making line leaders more accountable. Thus, employee engagement should not be limited to a mere HR programme, rather, it must become a core business strategy and a strong of all policies, procedures, systems and structures as well.

When asked what are the engagement strategies their organization is using answers were that majority of the strategies aimed at improving employee engagement concentrate on reinforcing the association between employees and business. Some common strategies used are: emphasizing professional development opportunities; developing inspirational leadership; linking employee performance to corporate goals; and listening to employee input. But few of the respondents also said that if these strategies are to succeed, workers must

have desire to get engaged and also carry a want of becoming important and performing team player. The presence of old negative attitudes, behaviors, and conflicts hinder the process of re-engagement so it is significant to wipe out the old beliefs and opinions that made employees disengaged and then introduce the new policies and practices to enhance levels engagement.

One of the major opinions was that the organizations would reap supreme benefits if leaders will align engagement efforts with expected performances and for this it becomes necessary for the organizations to wisely assess the required talents before selecting the leaders. Real change takes place when leaders of the organization take initiative. Organizations would earn utmost from engagement program if the frontrunners integrate employee engagement with performance expectations. Scientific selection of managers (either internally or externally) would significantly increase the chances of employee engagement. Organizations must consider that role of every leader is exclusive and has separate functions which calls for distinct set of potentials

Moving ahead it was also emphasized that organizations must train leaders to play an actionable part in developing engagement tactics along with their subordinates. Leaders should be further held accountable and their progress monitored to make sure that they consistently concentrate on engaging employees. To this end, engagement goals must be set that make daily experiences of employees meaningful and enmesh employee engagement in business strategy. Leaders and managers must strive towards identifying barriers to engagement with the help of employees to bring about positive change. As per the respondents workers are in a good position to give suggestions to enhance functioning, inventions and the workplace experiences as they are well acquainted with the organization’s procedures, systems, work teams, products and customers. It is essential for leaders to get engaged first, should listen to the subordinates while heartedly, should do continuous efforts to increase their strengths and

keep on developing approaches for increasing their engagement levels.

Another forceful belief given by the interviewed official was that it is must for the organizations to select employees carefully and afterwards providing them significant and well designed jobs and gearing them up along with required level of autonomy to do their job as well as it is crucial to have simple and clear goals which are well defined, written and shared freely so that everyone will feel more contended, and hence will give better outputs. Goals must be integrated with employee's growth and be revisited and revised after discussing with workers. The interview data also revealed that if goals are clear, achievable, regularly updated, well directed and if employees have positivity then for sure engagement levels will increase. Further things may become tremendous if backed by investing in development and creating growth prospects for employees along with showing considerate behavior.

Other suggestions were, organizations may focus on strategies like idea collection schemes and slack time scheduling by giving employees liberty to utilize that free time to take care of their domestic requirements so that a work-life balance can be made and hence they may give more attention to their work. It was also expressed that better environment for team work, stimulating and inspiring work, required power to take decisions and positive interest shown by higher officials are great facilitators of employee engagement

CONCLUSION

The mere knowledge of engagement scores of a particular segment of an organization is meaningless unless action is taken towards improving them. This involves understanding and acknowledging the importance and benefits of conducting employee engagement surveys. Organizations often fail to act on such surveys, or view human resource initiatives as having little relevance to the rest of the organization. While the HR department may administer the surveys, it is important that the leadership shows willingness to take action after the survey results are clear. Granted, taking appropriate

and effective action warrants strong and well-established employee engagement philosophy and strategy in the organization. Engagement strategies should consider not only what the organisation can do for employees, but also how individuals can be made responsible for their own engagement at work.

Engagement must be part of the organizational philosophy, and not limited to measuring engagement levels once annually. Engagement must be treated as an organizational element that is constantly monitored and managed across the diverse range of organizational channels and employee groups. Further, it should enable action and be linked to business outcomes. Organizations need engaged employees who have the "Capabilities" to do their job, and proper "Direction" to apply their efforts and abilities. High levels of engagement, capabilities, and proper direction bring along opportunities to perform better. Leaders can play a crucial role in this by acting as linking pin between employees and employee engagement efforts of the organization.

The paper can be a useful source for organizations and academics to understand what employee engagement is, and why it is important for business in terms of its outcomes. The study also gives a deeper understanding of the several factors that influence employee engagement, which would enable focusing on such factors to increase engagement levels.

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