
**EFFECTIVE TALENT MANAGEMENT THROUGH INNOVATIVE WORK CULTURE AND EMPLOYEE
ENGAGEMENT**

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ABSTRACT

Talent has always been important, and it has increasingly become more critical as most organisations are doing much more complex and knowledge-based work and are operating globally. Performance of talent is critical and affects the profitability of the organisation. Employers are therefore striving to manage and retain their top performers. Employee engagement refers to a key strategic initiative undertaken by the employer that promotes employee commitment, drives performance and accomplishment and involves continuous improvement throughout the year. An engaged employee is an invaluable asset to the company as he is aware of the business context, and works with colleagues to improve performance within the framework of the job for the benefit of the organization.

Innovative work environment is one of the most important contributing factors in nurturing a climate of engagement among the employees. The various components of work culture include making available all the required inputs for the job, proper orientation and training to employees, taking advantage of advancement in technology in the manufacturing process and facilitating employees to adapt to changes that constantly take place in the organization.

The objectives of this study are to understand the key factors influencing employee engagement, to analyze the important aspects that constitute to work culture and to study the impact of culture on engagement. Structured questionnaire was used to collect the views of the employees. ANOVA, and t test was used to interpret the filled in questionnaires. Suggestions and scope for further research will be provided along with the conclusion.

Key Words: Change Management, Drivers of Engagement, Employee Engagement, Work Culture.

Introduction

Employee engagement refers to a key strategic initiative undertaken by the employer that promotes employee commitment, drives performance and accomplishment and involves continuous improvement throughout the year. Engagement is a powerful factor for businesses to succeed as engaged employees are more productive, customer-focused, and profit-generating and employers are more likely to retain them. Engagement depends on the employees who make decisions and choices about their extent or level of engagement at work. Employer's responsibility is to create an environment that helps the employees in making the choices that are beneficial to the business.

Work environment is one of the key components to ensure high engagement levels among the workforce. This is because employees spend a good part of the day at work and it is therefore a basic requirement that the atmosphere at work place gives each employee a feeling of satisfaction and involve him/her in the job. The components included in this study with regard to innovative work include the required inputs for the job, change management and adoption of technology to simplify the production process. A conducive environment will facilitate in building and sustaining a culture of engagement among the employees.

Talent management and talent development particularly in the managerial and technical roles should be the main focus of the HR department. The emphasis on talent management should be to assess the skills the organisation needs to implement its strategy and the plan to recruit, train and retain the talent. Talent has always been important, but it has increasingly become more critical because so many organisations are doing much more complex, knowledge based work and are also operating globally.

Objectives of the study

1. To determine the factors influencing employee engagement.
2. To study the important components of work culture.
3. To understand the impact of innovative work culture on talent retention..

Methodology of study

Primary data was collected using a structured questionnaire which consisted of three parts – the first part included the demographic details of the employees, the second part comprised of statements relating to engagement and the third part included statements relating to the work culture prevalent in organisations. The questionnaire was basically in English and translated into Tamil and Kannada to help the employees understand the statements better. The study was carried out in Chennai and Bangalore among employees working in different types of organisations. Totally 350 questionnaires were distributed and 321 completed form were received which was used for the analysis.

Secondary data was obtained by referring to books and other materials available in the libraries. Additionally published papers were got through online sources. Discussions were held with small groups of employees and also with the HR Managers to find out the specific policies followed in their organisation.

Review of literature

Employee engagement surveys have been based on what Fredrick Taylor, a pioneering industrial engineer, studied on the impact of people's attitude on their productivity in the steel industry. More

than three decades back Gallup and other companies started conducting engagement surveys to determine the level of involvement the employee had towards the organisation and his job. The outcome of these surveys is that employers are striving hard to create a work environment that will lead to an engaged workforce as disengaged employees tend to pull down the performance of the organisation.

Despite the various studies and models of engagement that are available, the percentage of engaged employees is low worldwide. The Gallup organization's research indicates that, "The average working population ratio of engaged to actively disengaged employees is near 2:1. Actively disengaged employees erode an organization's bottom line, while breaking the spirits of colleagues in the process.....". Some reasons for low engagement levels are as follows:

- Some companies are going through transition phase and the leadership and management has not re-engaged people.
- In others the workload is too high and the performance management process does not measure accurately.
- In some organisations the working conditions may not be innovative and therefore does not attract employees.
- Others have a lack of investment in development and talent mobility, making it difficult for high performers to advance.

Towers Watson study has identified the following three components that focuses on sustainable engagement:

- Engaged: Feeling attached to the company and willing to exert extra effort on its behalf
- Enabled: Having the tools and resources to be successful
- Energized: Working in an environment that supports one's health and well-being.

Using the above three part formulation in its study involving more than 1600 organisations and 32,000 employees from over dozen markets globally it concluded that:

- 40% are highly engaged. Employees who scored high on all three elements of sustainable engagement.
- 19% were unsupported. Employees who are traditionally but lack the enablement and/or energy for sustainable engagement.
- 17% detached. Employees who feel supported and/or energized but lack a sense of traditional engagement.
- 24% disengaged. Employees with less favourable scores for all three aspects of sustainable engagement.

Companies need to identify what are the key drivers of engagement which differ from region to region and person to person as well and engagement is largely about social connections happening at workplace and aligning work experiences with employees' cultural needs. In other words, to sustain a high level of engagement, employers must focus on the key drivers and in response employees' performance and commitment to the job will improve over time.

Having the right engagement practices powered by understanding the drivers most meaningful to employees can work towards creating a more motivated and high performing workforce. Transparency in operations and open communication are the two important factors that will enable employers in retaining their top performers.

Innovative work culture, the second variable in the present study, involves the concept of change management, using creativity and technology in the production process and on how open management is towards suggestions for improvement from the employees. Change management has been debated in many seminars as very often employees are very comfortable with the status quo and are not welcome to change. The resistance from the employees towards change is justifiable as they tend to link it to their ability to perform and in turn link it to job security. Managers have to ensure through proper communication that the change is for the betterment of the employee and sufficient time should be given for the transition process.

The next challenge faced by employers particularly in India is that with the younger generation being exposed to technology, the expectation from them is to use these tools for simplifying their work as well. Managements need to be equipped with the gadgets that will facilitate in improving the quality and producing more products at reasonable rates. Moreover, employers/managements must be open to suggestions for improvement from the employees as they work on the shop floor and will be in a better position to give innovative ideas. This practice is followed in many companies where through brainstorming sessions new ideas are welcomed and the employee get rewarded and recognized if the idea is implemented and is successful as well.

Retaining and rewarding critical talent will be one of the foremost challenges faced by employers. In this era of globalisation where every company has access to the same technology and systems it is the human capital that creates the difference in shaping the future of the organisation. Retention of key talent, those who are the strongest performers, have high potential or are in critical roles is crucial particularly when organisations look forward to capturing aggressive market share. The biggest challenge, therefore, is to develop innovative practices which would disproportionately reward performers, retain them and nurture their talent for the growth of the organisation. Thus ensuring that the employee is also able to grow with the organisation and at the same time his aspirations are fulfilled.

According to Mr. Amit Das, Reliance Communications, HR Head, "HR's role today is no longer limited to a 'facilitative role' or a 'policy administration' role but it has to play the role of a 'business partner' and share the responsibility for overall business results". He is of the opinion that HR has to continuously innovate to stay relevant and offer best solutions in attracting and retaining talent, talent management, leadership development etc.

Data analysis

Demographic details

1. The sample employees included 73.2% male and 26.8% females.
2. Of the employees in the study 40.8% were below 25 years of age, 46.7% were aged between 25 and 40 years, 10.3% were aged between 40 and 50 years and 2.2% were more than 50 years old.
3. Of the employees included in this study, 91.9% worked in the manufacturing sector, 5.9% in the service sector and 2.2% in other sectors.

Analysis of data:

Table 1

Table showing gender and engagement of the employees

Particulars	Mean	F – Value	P Value	Level of Significance
Male	86.85	2.777	0.097	Not significant
Female	85.00			

** Significant at 1% level, * Significant at 5% level

Source : Primary data

There is no significant difference in the perceptions of male and female employees as can be seen from the above table. However, men are slightly more engaged as compared to women based on the mean scores. Both men and women are career oriented and women have entered into areas which were male dominated till recently.

Karen Wilson in her study found that there was no significant difference between the engagement levels among men and women although men recorded higher mean scores. (Male mean 40.5366 and female mean 38.9747).

Blessingwhite survey, engagement levels did not vary greatly in North America and Europe. Significantly, the largest gender gaps on engagement appear in India at 11 points and in China at 9 points. In both the countries men have higher levels of engagement than women.

Table 2

Table showing gender and work culture of the employees

Particulars	Mean	F – Value	P Value	Level of Significance
Male	80.90	0.12	0.729	Not significant
Female	80.43			

** Significant at 1% level, * Significant at 5% level

Source : Primary data

Here again, the general principles governing the job remain the same and there is no significant difference between the male and female employees. Women easily adapt themselves to any job environment and will be willing to do even difficult tasks as can be seen from the mean scores which is only marginally higher for men. Managements can go a step further and offer special privileges for women employees like extending their maternity leave and allow flexible working hours post-delivery.

Table 3

Table showing age and engagement of the respondents

Particulars	Mean	F – Value	P Value	Level of Significance
Less than 25 years	84.45	4.021	0.008	Not Significant
25 – 40 years	87.50			
40 – 50 years	87.32			
More than 50 years	93.06			

** Significant at 1% level, * Significant at 5% level

Source : Primary data

The above table reveals that with the advancement of age the employees' perception towards the organisation shows a positive and higher level of engagement and there is no significant difference in their engagement level based on the age of the employees. Increase in age accompanied by respect and regard among co-workers, comfort factor both in the job and work environment-possible reasons to remain in the existing job.

Robinson D., Perryman S., Hayday S., study demonstrated that engagement levels decline as employees get older-until they reach the oldest group (60 plus), where levels suddenly rise, and show that the oldest group to be the most engaged of all.

Table 4

Table showing age and work culture of the respondents

Particulars	Mean	F – Value	P Value	Level of Significance
Less than 25 years	79.35	1.24	0.295	Not Significant
25 – 40 years	81.85			
40 – 50 years	80.87			
More than 50 years	84.08			

** Significant at 1% level, * Significant at 5% level

Source : Primary data

The above table shows that there is no significant difference between the age and work culture of the employees. The mean scores indicate that employees who are more than 50 years have adapted better to the environment. A possible reason could be that will be in a position to mentor and train the new and younger employees in the organisation.

Table 5

Table showing type of industry and engagement of the employees

Particulars	Mean	F – Value	P Value	Level of Significance
Manufacturing	86.48	0.534	0.587	Not significant
Service	85.56			
Any other	83.06			

** Significant at 1% level, * Significant at 5% level

Source : Primary data

The above table reveals that there is no significant difference in the engagement level of employees working in the different sectors. Employees in the manufacturing sector are more engaged and this could help the organisation as the products manufactured would meet the customer requirements and the service sector employees will find it more convenient to service these products as there will be fewer complaints from the customers.

Table 6

Table showing type of industry and work culture of the employees

Particulars	Mean	F – Value	P Value	Level of Significance
Manufacturing	80.87	0.388	0.679	Not significant
Service	78.65			
Any other	82.45			

** Significant at 1% level, * Significant at 5% level

Source : Primary data

There is no significant difference between the sectors with regard to adapting to the work culture prevalent in the organisation. The manufacturing department must be provided with the required equipment and other inputs needed to manufacture the product. Similarly, the service department should have stock of the spare parts so that they can attend to customer complaints immediately. Both the departments should work in a complementary manner to ensure maximum customer satisfaction.

Conclusion and suggestions

Innovative work culture has a strong impact on the level of employee engagement as top performers are constantly on the lookout for challenges in the job and do not prefer to break the monotony of doing the same task. Therefore it is up to the manager/leader and the top management to satisfy the needs of these employees to retain and attract more talent. These employees will be the brand ambassadors for the company and it will be convenient to recruit the best performers in the industry.

Rotational assignments and career planning could be adopted to attract and retain the talent. Job rotation is an effective way of exposing the employee to the different functions in the organisation and he can decide on the most challenging or risky task to perform. Career planning is another initiative to manage talent and the leader should have one-to-one meeting with each employee and plan for the future openings in the organisation which would be of interest to the employee.

From the perspective of the employer, employing an engaged workforce would be the ultimate objective and sustaining engagement will result in improved customer satisfaction leading to better performance and growth and higher returns to the shareholders. To promote engagement, open two ways communication and acknowledgement of achievement are necessary as employees will feel involved and respected in the organisation. This combined with accountability and responsibility will give the employees a feeling of being a part of the company and will attribute their career growth to the growth of the company. They will be more passionate about the job and will be willing to put in the extra effort without being told to do so. Disengagement, on the other hand is dangerous to the company as such employees pull down the morale of the engaged employees and the employer will incur heavy expenses in retaining such non-performers.

Engagement is a two way process and will not be successful unless the employee is ready to take the first step in being involved in the job and at the same time is supported by the initiatives of the leader and top management. Constant changes in the work environment are required to simplify the production process or performing the task.

Further research can be done by considering more factors influencing work culture and covering a larger geographic area to understand the perceptions of the employees on engagement levels in their organisation.

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