A STUDY OF EMPLOYEE ENGAGEMENT ANALYSIS AND IMPROVEMENT WITHIN AN ORGANIZATION



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ABSTRACT

Nowadays, it is undeniable that employee engagement matter has become a top priority in every company. The organization which there is high engagement level has high performance and sustainable growth because people are engaged with the company and can contribute dedicatedly. Thus, management team must pay attention to this topic in order to drive company performance successfully.

This research aims to share the analysis process of employee engagement within an organization. I selected ABC company; the international chemical manufacturing as a case study to find out root causes of disengagement and key drivers in order to increase employee engagement level. Moreover, I have proposed how to improve engagement level in long-term which I hope it would be useful to any organization.

The methodology is qualitative research by interviewing three employee engagement specialists of ABC because they can share insight knowledge and information. So, I can collect all data for doing in-depth analysis. Furthermore, I have demonstrated linkages between leadership theories, organization change with employee engagement as well as differentiate employee satisfaction and employee engagement terms. Based on the results, root causes of ABC disengagement are misunderstanding regarding employee engagement and employee satisfaction, lacking of leadership, engagement activities are not reflected to Four Intrinsic Rewards and people in the organization do not realize the importance of employee engagement. Therefore, I have recommended 6 steps to build engagement culture by Rice, Marlow and Masarech (2012) and Change Adopter Types by Rogers (2003) theories to boost up engagement level in the organization sustainably.

KEY WORDS: Employee Engagement/ Employee Satisfaction/ Leadership/ Intrinsic Rewards/ Motivation/ Maslow's Hierarchy

36 pages

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CHAPTER I INTRODUCTION

1.1 Background

In an organization, there are many key factors to drive the company successfully such as product quality, strong company branding, people in the organization etc. In human resources perspective, employee is the most significant driver which company must maintain their engagement and commitment. Robbins and Judge (2015) claims are employee engagement has become an essential issue for most organizations because employees between 17 percent and 29 percent are highly engaged by their work. In additional, it has been proved that the organizations with high engagement level are more successful than the ones with disengaged. According to Robbins and Judge (2015), a study of approximately 8,000 business units in 36 companies found out that units engaged employee in high – moderate levels received higher customer satisfaction level, were more productive, made more profits as well as had low turnover within the business units. Significantly, employee engagement is one of the priorities and the company should improve its level to gain more commitment, loyalty and sustainably drive the business growth in long term.

Currently, I am working as the outsourcing staff of a European chemical manufacturing. As I am the external employee, I would not disclose the company name due to company compliance. Hence, I would call this company as ABC company. In summary, ABC is one of the leading industrial chemical products. They have two businesses in Thailand which are consumer products (B) and industrial products (A). The company has been established in Thailand for 47 years with 550 employees which are based in 3 locations. The head office is located in Bangkok, the plant is in Bangpakong where they produce chemical industrial products while the beauty care plant is in Chonburi. Although, these 2 businesses are belonged to the same company but they are under different legal entities and management teams. A business is divided into 11 sub-business units (SBU) and B business is consisted of 2 units. Each business

unit (BU) has their own country heads and they report directly to the regional managers. Furthermore, these BUs work cross-functional with support function teams which are Human Resources (HR), Supply Chain, Finance and Accounting, Purchasing and Administration team. Due to this organization model, the employees work under each BU independently, thus they might feel they are not "ONE" team and disengaged to the company. For example, each department has team building with their team only which means they create engagement with people in their SBU, no other functions in the company. Moreover, HR normally arrange company activities annually such as company anniversary, townhall meeting, sports day etc. However, there are low participants numbers and does not meet organizer's expectation especially B business which has lowest attendance number from this BU.

According to statements above, I know how the employee engagement is important to the organization and I feel that my current company has lower level than expectations. Therefore, I have selected this topic as a case study.

1.2 Research Objective

The objectives of this research are following:

- 1. To understand how employee engagement level is in this chemical manufacturing company.
- 2. To analyze and find out root causes why employee engagement level in this company is low.
- 3. To propose solutions in order to improve employee engagement within this organization.

1.3 Research Questions

- 1. How is employee engagement level of ABC?
- 2. Why ABC company has low employee engagement level?
- 3. How to increase employee engagement level in my company?

1.4 Problem Statement

Generally, Human Resources Department of this company have major KPIs, for instant; payroll management accuracy, actual recruitment hiring cost vs. budget, time to offer reduction, attrition rate, employee training development, employee satisfaction etc. In particular, employee engagement is one of indirect KPI. Not only it is important to HR team, but it is also company concerning point in order to build people's motivation and loyalty in organization. Additionally, it is impact to company performance because "The Gallup organization conducted research that supports the view that employee engagement is an important factor in organizational success. Their view is that "engaged workers are the lifeblood of their organizations" and to win customers, companies need to win the hearts and minds of their employees" claimed by Peters (2019).

As mentioned in background part, ABC company has moderate – low engagement level especially consumer business (B). Despite of organization structure factor, this topic has not been paid attention adequately by management teams. Obviously, there were low attendees in many company activities because even though head of business units did not join the events. Moreover, leadership teams have misunderstood that employee engagement is responsible by HR. Their perceptions are not their own business to please employees as well as they have not realized how important this issue is. Therefore, this research will emphasize importance of employee engagement as well as finding out pain points and increasing its level consistently.

1.5 Research Scope

This research will be conducted by qualitative methodology with selected interviewees from Human Resources Department. Three members are Country HR Manager, HR Generalist and HR Business Partner (HRBP) who are main responsible persons directly with employee engagement activities.

1.6 Expected Benefits

As per research's objectives above, the expectations are to analyze employee engagement level and discover factors of the problems together with recommendations will be provided for employee engagement level improvement. After this research is completed, there might be more indirect benefit to ABC company as follows;

- Gain attentions from all stakeholders
- Improve employee performance level
- Improve employee relationship and communication
- Enhance employee loyalty to the organization
- Change employee and management team's perspective to HR department
- Create happy workplace
- Increase company outcomes in long term

CHAPTER II LITERATURE REVIEW

This chapter aims to describe employee engagement definitions and related theories of this topic will be discussed to clarify problem statements and recommend proper solutions to the company.

2.1 Employee Engagement Definition

There are variety of employee engagement meanings. Many researchers have defined similarly perspectives which I would recommend well-known researchers in three terms.

Gallup; the global consulting firm defines "engaged employees as those who are involved in, enthusiastic about and committed to their work and workplace". Base on their research related this topic over 50 years, they claim that engaged employees produce better business performance than disengagement. Furthermore, almost 85% of employees worldwide have low engagement level while companies do not realize the importance of it.

Correspondingly, Tanwar (2017) explains clearly that engagement of employee is a relationship between staff and the company. Another meaning is defined that how employees perceive about the company and all stakeholders whom they have interaction. Moreover, engaged employees are proud of company's branding and performance including their job responsibilities.

Similarly, the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances is described by Kahn (1990) as the definition of engagement.

2.2 Employee Engagement VS. Employee Satisfaction

ACTION	HIGH	High satisfaction/low engagement	High satisfaction/high engagement	
SATISFACTION	TOW	Low satisfaction/low engagement	High engagement/low satisfaction	
		LOW	HIGH	
	ENGAGEMENT			

Figure 2.1 Satisfaction and engagement scenarios by Peters (2019)

Regardless, most of people are confused between Employee Engagement and Employee Satisfaction. They are NOT the same meanings. Peters (2019) has explained that Engagement is about emotional commitment to all stakeholders and come as a reaction to intangible factors at work, whereas Employee Satisfaction is more on employee's rational assessment of the tangible workplace issues. To clarify, please see the figure 2.1 as below.

2.2.1 High satisfaction/low engagement – for example, Carol is working in a top five FMCG global company. The office is located in downtown which is closed to shopping mall and metro line. Company's facilities also are modern and convenient. She gets high salary and 4-5 months performance bonus. However, she does not love her job and is not happy with her boss. So, she is looking for a new opportunity now. Why? Because those are the tangible factors which make her satisfied. Happiness and loves are feelings as it is intangible factor. Thus, this scenario is clarified that Carol is satisfied to work here but disengaged with the company.

2.2.2 Low satisfaction/high engagement – on the contrary, Sally loves the challenging and solving the problem. She feels comfortable to work with her supervisors and people here with good environment. The company is also famous in this industry which she is proud to work here. Nevertheless, this company gives salary lower than market rate and the office is very far from her place. Therefore, Sally will be head-

hunted easily by a new company which offers higher salary. This means Sally is engaged with the job and company but she is dissatisfied by tangible benefits.

2.2.3 Low satisfaction/low engagement – this is the worst scenario for the company and employee. This person feels demotivated and might hate everything in this company. In this case, all stakeholders might not be impressed to deal with this person.

2.2.4 High satisfaction/high engagement – it is the best scenario for all stakeholders. This person loves all things about the company.

To point out, engagement is not the same of satisfaction. Many people misunderstand and can cause to solve engagement problem incorrectly such as implementing insurance benefit, upgrading laptop model or renovating the office etc. These solutions can increase satisfaction level but not engagement level. Hence, we must try in proper ways. Nevertheless, I will emphasize only "Engagement" term because it is high priority.

Diagnosis		Key Drivers		Recommendation		
Maslow's Hierarchy of Needs	Engagement vs. Satisfaction	Transformational Leadership	Paradigm of Leadership	Four Intrinsic Rewards	Building Culture of Engagement in 6 steps	Change Adopter Types
Physiological Safety Social Self-esteem Self-actualization	High satisfaction/low engagement Low satisfaction/high engagement Low satisfaction/low engagement High satisfaction/high engagement	Inspirational Motivation Idealized Influence Intellectual Stimulation Individualized Consideration	Classical Transactional Visionary Organic	Sense of choice Sense of competence Sense of meaningfulness Sense of progress	Build commitment Create engagement champion Equip people Align practice Measure progress Take action	Innovators Early adopters or leader Majority Laggards

Figure 2.2 Analysis Framework

2.3 Relevant Theory

This part will be discussing related theories which are linked to engagement analysis in order to identify root causes of disengagement. Then, I would propose solutions for increase engagement level and explain benefits of this improvement which has high impact to the organization. I would reframe related theories as figure 2.2 below in order to demonstrate research analysis process from diagnose stage for identifying problem and key drivers until recommendation stage. These theories will be discussed to link or compare with information from interview sessions and observation.

2.3.1 Motivation Concept: Robbins and Judge (2015) defines term of motivation is the processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal. In fact, there are various types of motivations have been studied by many researchers. There are two motivation theories; "Maslow's Hierarchy of Needs" and "Intrinsic and Extrinsic Motivation" and will be focused and explained how it is linked each other.

Maslow's Hierarchy of Needs model in figure 2.3 below is used to analyze root causes of engagement level in this research. This will help to categorize problems, so we can give recommendations properly. Daft and Marcic (2013) explains Maslow's Hierarchy of Needs theory that *Physiological* needs are mostly physical needs such as food, water, shelter, clothes and medicines. In the organization, these needs mean facilities as air-condition, uniform, health insurance, base salary which employee can survive. *Safety* needs mean human feels safe in both physical and emotional environment which includes freedom from threats or violence in society. In term of job is company stability, job security, welfare and benefits. *Social or Belongingness* needs mean family, friend, society or community which in the workplace reflect needs for department or business units, supervisors, colleagues, customers etc. Needs of Selfesteem is related to desire for a positive self-image in order to gain trust, recognition, attention from external while internal can be considered as success, pride, autonomy etc.

Maslow's Hierarchy of Needs



Figure 2.3 Maslow's Hierarchy of Needs

To fulfill these needs, the company can give staff recognition or increasing job responsibilities. Lastly, Self-actualization needs is self-achievement which is the top of need category. The company should provide training and development for career growth within the organization or assign challenging projects,

The Four Intrinsic Rewards

	Opportunity rewards	Accomplishment rewards
From task activities	Sense of choice	Sense of competence
From task purpose	Sense of meaningfulness	Sense of progress

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Figure 2.4 The Four Intrinsic Rewards

Intrinsic and Extrinsic Motivation – generally, we can classify motivation into two types. Firstly, Intrinsic motivation is driven by satisfying internal rewards, for example; belonging, love, autonomy, learning, mastery, curiosity and so on. On the other hand, Extrinsic is individual influenced from outside factors such as rewards, promotion, incentive, punishment, money, competition etc. However, Intrinsic motivation will be mainly focused in this research because it is the key driver of employee engagement mentioned by Thomas (2009).

According to Thomas (2009), there are **Four Intrinsic Rewards** which can enhance employee engagement within the organization. This theory will be introduced to diagnose why ABC employees are disengaged from company activities. Moreover, this instrument will be demonstrated how Intrinsic Rewards impact to engagement level. Thus, we can create reward systems accordingly. As can be seen in figure above, there are four elements of intrinsic rewards. To explain, first element is *Sense of Meaningfulness* which is the opportunity you feel is worth to carry out or put your effort in order to complete the mission. Hence, you feel you are valuable and have passion to do it. The next element is *Sense of choice* which means the opportunity you decide to do things that make sense to you and you can perform it in the right way. In the other meaning, you have full authority, ownership or independence to accomplish your task. Thirdly, a *Sense of competence* is success story which you utilize full capability and feel proud that you are doing good job. Last intrinsic reward is *Sense of progress*. In detail, it is the accomplishment is being achieved and you feel it is moving forward. You feel excited seeing the progress in a journey until you reach goal.

2.3.2 Transformational Leader can be described as the leaders who inspire, act as role models, and intellectually stimulate, develop, or mentor their followers, hence having a profonde and extraordinary effect on them, Robbins and Judge (2015). This theory will be used to guide leaders for improving engagement level. The characteristic of Transformational Leader is explained as below.

Inspirational Motivation (IM) – leader create ideal vision in order to inspire people in the organization. Then, he or she interpret in a simple way and lead to achieve goal.

Idealized Influence (II) – Be a role model to gain respect and trustworthy from followers.

Intellectual Stimulation (IS) – Demonstrate the problems to followers for better understanding and cultivate growth mindset.

Individualized Consideration (IC) – Pay attention and coach employees individually.

2.3.3 Paradigm of Leadership base on Kantabutra's handout (2020), it is consisted of four leadership styles as following.

Classical Paradigm – is a type of leader who thinks vision is not necessary to followers and the followers just follow because they are forced to do with fear and/or respect. No negotiation for benefits and this type is difficult to find a successor.

Transactional Paradigm – it is similar to Classical that vision is not necessary and may unclear. Followers obey because they get some benefits and have some level of power to negotiate for what they desire.

Visionary Paradigm – can be described that leader is the center who shares vision, mission and goal to all followers and they follow because the leader inspires them. Followers are eager to contribute according to leader's vision or big picture not because of short-term benefits or incentives only, they focus on long-term.

Organic Paradigm – it is a group of leaders who have multi-tasking skills. Moreover, vision can be differentiated by each leader and become to the culture. There is no follower because leaders may reveal or be formally appointed and make consensus decision. Importantly, they share the same values and processes. In my opinion, Organic Paradigm is the most suitable to create employee engagement in the organization.



Figure 2.5 Six Steps to Build a Culture of Engagement

2.3.4 Building Culture of Engagement in 6 steps - Rice, Marlow and Masarech (2012) mentioned that "your culture is shaped by your organization's mission, values, and goals; your organization's definition of engagement; behaviors of your leaders; and the willingness and ability of your entire workforce to support culture". Therefore, to build up engagement culture should be aligned with the company objectives, vision and mission and values. Furthermore, the company must share those thoughts to employees in order to make them understand and inspire people to work in the organization happily. This also effects to their commitment, contribution, performance and attachment to the company. There are six steps that we can create culture of engagement successfully as figure above.

2.3.5 Change Adopter Types – Rogers (2003) has defined the change adopter types as a "classification of individuals within a social system based on innovativeness". Rogers categorized in four types which consist of 1) Innovators: these individuals adopt are eager to try new technology or new ideas to point their venturesome. Innovators' interest in new ideas lead them out of a local circle of peers and into social relationships more cosmopolite than normal. Usually, innovators have substantial financial resources, and the ability to understand and apply complex technical knowledge. While others may consider the innovator to be rash or daring, it is the hazardous risk-taking that is of salient value to this type of individual. The innovator is also willing to accept the occasional setback when new ideas prove unsuccessful. Therefore, with these group of people we need to involve with them early and share the vision and activities in order to change with them. As their demonstration support for other as always talk with them accordingly. 2) Early adopters or leader: this group characteristics has the greatest degree of opinion leadership in most of social system. They tend to open to change but considering the effects first. They are not unlike innovators in how quickly they take on new technologies and ideas but are more concerned about their reputation as being ahead of the curve sometimes we can call them as influencer within the organization. 3) Majority: there are early and late majority; early majority are the group of people that characteristic for example, if an idea or other innovation enters this group, it tends to be widely adopted before long. This group makes decisions based on utility and practical benefits over anything else. While the late majority shares some traits with the early majority but is more cautious before committing, needing more hand-holding as they adopt. Member of this group of people hold leadership position but interact frequently with their peers. 4) Laggards: are traditionalists and the last to adopt an innovation, this group is slow to adapt to new ideas or technology. They tend to adopt only when they are forced to or because everyone else has already.

These two of the organizations change strategies which will be implemented in order to strengthen employee engagement within enterprise.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Design

This thematic paper aims to analyze employee engagement in ABC company and identify problem statements for finding solutions to enhance engagement level especially for company activities. However, there is limitation to conduct quantitative research and distribute survey to employees. Therefore, the qualitative method was necessarily done instead by interviewing key persons who mostly involve with this topic. This is an advantage because they are experts of ABC company to share organization insight and explain their pain points. Besides, observation in real situation was considered because I am current working in the company. This procedure is proposed in order to gain better understanding and prove facts that I get from interview sessions.

3.2 Population and Data Collection

Due to confidentiality, pseudonym is required to protect interviewees and employer branding. The selected people are from Human Resources team which consists of Country HR Manager, HR Generalist and HRBP – B Business Unit whom I directly met them face-to-face and virtual meeting. I would like to introduce their background as below.

First interviewee: Amanda (female)
Interview date: November 3rd, 2020

Location: Amanda's office

Duration: one hour

Personal Background: Amanda is a Singaporean lady who just relocated to take over Country HR Manager role in the end of 2019. Prior, she had been working

in ABC Singapore for two years. Thus, she has been working in Thailand office almost a year. Her role is responsible for HR strategies in overall functions including being a HRBP of A Business Unit. She is greatly involved in engagement strategy and execution plans. She had achievement in employee engagement project and won global competition award in Germany. Thereupon, her experience and creativity will be beneficial to the organization because she has intention to build up employee and employer good relationship continuously as well as boost up engagement level.

Second interviewee: Anna (female)
Interview date: November 3rd, 2020

Location: Office canteen **Duration**: forty-five minutes

Personal Background: Anna; a Thai lady who was born in southern part of Thailand but grew up and settled down her career in the capital city. She has extensive experienced in HR generalist field in various companies. Currently, she is working as an HR Generalist at ABC for six years. Her responsibilities cover facilitating training and development plan, employee engagement operation which derived from Amanda's execution plans, and recruitment onboarding process. Indeed, Anna is the key man who transforms engagement plan into action.

Second interviewee: Emily (female) Interview date: November 7th, 2020

Location: Virtual interview via MS Team application

Duration: one hour

Personal Background: Emily is an active person with young at heart who lives in Bangkok. She has working experience in overall HR functions especially in recruitment because she had worked in this field more than 12 years. She has been joined ABC in November 2019 as an HRBP – B Business. Not only, she plays a critical role in this unit as a business partner of main stakeholders; General Managers, Division Sales Manager, Marketing Director, but Emily also take care of all staff in B team for every matter. Normally, she spends time with the business team rather than HR, thus she has depth-understanding employee concerns which I obtained insight information.

3.3 Instrument

3.3.1 Observation in a company event

Event: Company Anniversary; ABC's day

Date: 19th October 2020

Location: ABC's office and Virtual Meeting via MS Team application

Duration: Two hours

Objectives:

• To measure engagement of employee level in real situation.

• To understand more about employees' interactions to the company.

• To prove information that got informed by interviewees is aligned.

• To find additional information from company event.

Key point:

- Number of participants: What is HR target? How many employees join this event?
- Engagement activity: What kind of activity is organized? How much people feel engaged and how they interact with others?
- Other findings might be found

3.3.2 Interview Question

Table 3.1 Interview Questions

Topic	Questions
Interviewee's Background	1. Please tell me about yourself (what is your
	role play in the company, how much do you
	involve with employee engagement?)
Draw findings and identify	1. Is HR responsible for employee
Problems	engagement?
73	2. How do you treat a team/employee at
	work?
11 22-1	3. What do you think about employee
	engagement in ABC (in the past and current)?
// // 6	4. What is employee engagement strategy of
	ABC?
	5. What are employee engagement activities
	in ABC annually?
	6.What is event/activity in ABC which has
12 1	highest and lowest engagement? Please
	kindly describe.
11/30	7. What is the best employee engagement
1781.	activities for work from your experience?
	8. How do you encourage staff participation /
	How do you keep your team engaged?

CHAPTER IV FINDINGS ANALYSIS

After interview sessions with target people, I have obtained insight information which can be used to identify problems of low engagement. These factors have been caused to employee commitment to the company and their work. Additionally, I have found linkages between engagement and satisfaction which can support me to draw out suitable solutions for ABC company in order to implement engagement strategy and execution activity that would change disengaged people's mindset to be more cooperative with higher commitment and engagement.

Main Findings

4.1 Employee Engagement Level Analysis

Base on the interview question, I have asked their thoughts regarding engagement level in the ABC. Amanda mentioned that the level of engagement in ABC Thailand is poorer than Singapore a lot. ABC has never done employee engagement survey because they do not believe in it. In her perspective, the survey should be tangible. If not, the survey is inefficient because it is waste of time and money. Nevertheless, they are implementing 360-degree feedback because they have never ever done it before. So, she will get feedback from supervisor, peers and team. For her, it is a part of employee engagement because it determines how she and her team are engaged as well as how employee feel about the company. At least, employee can share their grievance through this feedback.

Similarly, **Emily** said that although she is the newest among HR member, Emily also senses that ABC's organization is lack of staff involvement. There is inadequate interaction between employer and employees of each business units especially B business. They are not engaged with the company at all. Whenever, there

is any company event or activity, people from B business has lowest participation numbers even the head of business unit rarely join the events. She also informed that her previous employer has much higher than ABC.

Following question for the lowest engagement activity, **Amanda** emphasized that this is only her opinion. She thinks quarterly townhall meeting is the lowest one because she feels that most of the people are disengaged and do not much care about the contents. Furthermore, she advises how does she measure her engagement. She said "I always ask myself. Ok... after this call, what did I get out of it. If you get something out of it, that is when the engagement really happened". Thus, the quarterly townhall event is one-way communication which does not make sense to do it. The employees just want to see the green number of company performance to ensure that they will get paid the bonus. They do not truly absorb the message from management through this activity.

Different from Amanda, Anna thinks that the highest disengagement is Corporate Social Responsibility (CSR) activities such as blood donation, ABC school visit etc. whereas Emily stated that there is low number of participations in training courses than expectation.

"When the engagement you want isn't there, you don't need a survey to tell you that. You can feel it when you walk into the room" Keith Rodwell, group executive, BOQ Finance". It is stated in Rice, Marlow and Masarech (2012) textbook. I agreed with this statement because I had observed by myself. I joined the Company Anniversary; ABC's day on 19th October 2020. Base on their agenda, the event started by President and HR Manager opening speech together with Welfare Committee introduction. The next session was Long Service Years award ceremony that the eligible employees showed up themselves to receive prize from the Country President. At the beginning, I noticed that some people did not much listen concentratedly. It can be seen that when the speaker asked the questions, only few people were interacting and some of them were on the phone. Then the last session was Welfare Committee's presentation and new employee campaigns announcement which there are green peace projects such as energy saving, paperless and garbage classification. Furthermore, they promoted the exercise challenge and provide smart watch to all employee for this competition. Instantly, I felt that the engagement level was slightly increased. Many people were

excited for the challenge and they were more engaged to the campaign. This is a good start for the company because the campaign does not only encourage employee's participation, but it also benefits to the engagement level directly. The winners will receive gift voucher 5,000 baht of each categories which are steps; highest walking steps, distance; most distance and highest calories burning. The competition period was one month started from 19th October – 19th November 2020. The result will be announced in the next townhall meeting in 24th November 2020.

Analysis: Under those circumstances, it is obvious that the engagement level of employee in ABC is low-moderate but, it is potentially able to boost up its level. As observing from the company event, I can see the difference in the first part which did not much gain interest from listeners, whereas there was high attention from the audience during Welfare Committee's presentation. Base on the interview information, HR and management team aware this matter and the company put employee engagement as one of their priorities. Nevertheless, they are lack of leadership and engagement drivers because most of managers think engagement is not their responsibility. Thus, cooperation between HR and management is essential to make it happen.

4.2 Diagnosis Stage

Maslow's Hierarchy of Needs and Employee Engagement vs. Employee Satisfaction theories are purposed to measure engagement level of employee in this organization as well as it is used for root causes analysis of disengagement. Moreover, the interview content will be narrated to emphasize how ABC's engagement level is.

Employee Engagement Measurement by Maslow's Hierarchy of Needs

Rice, Marlow and Masarech (2012) defined the Employee Engagement equation is maximum contribution + maximum satisfaction. To increase level of employee satisfaction and contribution, the company must fulfill Maslow's Hierarchy Needs first because it is a foundation of employee engagement equation.

Anna mentioned that in the past, company benefit was not attractive enough if comparing to the market. "Now we have just improved insurance benefits and car allowances this year and we have amended company policies to be more practical such

as congratulation gifts for child birth, funeral wreath. I received good feedback from the employees". The company provides competitive basic salary with attractive benefits, comfortable facilities and office is located in central area which people can commute by public transportation. This can be reflected to *Physiological and Safety needs*. Furthermore, they have long service award for employees who have been working from 10 years onward to recognize loyalty people. Thus, their *Self-esteem* needs are activated. Likewise, *Self-actualization* can be reflected in the ABC as well because there is various type of training courses in both soft and hard skills development which derived from the ABC global plan. In additional, talent employees are always paid attention. A good example is Amanda who has been rotated from Singapore to Thailand to gain international exposure for her career development. Not only those 4 hierarchies of needs are provided to the staff, but company also set up a running club for sport men and women who love exercising as it a part of social needs. Moreover, they initially team up "welfare committee" recently to lead employee engagement activities. Therefore, that is the main reason that they have set up the welfare committee lately.

Analysis: In summary, the company properly fulfills 5 needs of Maslow's theory which are Physiological needs, Safety needs, Social needs, Self-esteem needs and Self-actualization. Thus, ABC employees are quite happy to be a part of this global enterprise. However, the engagement level is still lower than expectation because employees does not much pay attention to company activities.

Employee Engagement VS. Employee Satisfaction

Although, all their needs have been fulfilled by the company as illustrated above but the engagement level is still low-moderate because most people are misunderstanding about engagement and satisfaction. To boost up engagement level, it not only makes people happy, but it is more complex than focusing on satisfaction, motivation or employee commitment which I will clarify more in the next stage.

Refer from the interview session, **Anna** feels engagement level is being improved now. In the past, she got complaints about company benefits which were lower than market rate. Nowadays, they have been improving some benefits such as increasing OPD's health insurance and car allowance, revising company policy more practical and formal etc. Recently this year, they just have set up welfare committee

whom are nominated by each BU. In the meantime, passion volunteers are also welcomed to be committees. As can be seen, Anna thinks company benefit improvement can drive the engagement level which she is misunderstanding because that improvement makes employee satisfied and encourage their motivation to presence at the office but still not engaging with the job and company.

Analysis: base on above information compares to figure 2.1 scenario by Peters (2019), ABC employees have *high satisfaction but low engagement* because those factors as mentioned by Anna are tangible benefits which do not directly support engagement level. Although, they implement benefit consistently, it just impacts to employee's satisfaction. That is why the engagement level is still paused and does not meet their expectation yet because satisfaction is not the key driver. Nonetheless, benefit implementation is a part of motivation development. To maintain the level of employee satisfaction sustainably, it is good to adjust some benefits to compete the market which is the initial step to build employee engagement successfully.

4.3 Key Drivers

Phillips, Phillips and Ray (2016) claimed that the drivers of engagement are crucial. It impacts to trust and integrity, nature of the job, individual performance and company performance, career growth opportunities, pride about the company, employees and management relationship, co-workers and team member and employee development. An article from Towers Watson Global Workforce Study (2014) has listed top five of engagement drivers which consist of *leadership*, organization image, goal and objectives, work-life balance and empowerment. In this research, I would emphasize only leadership especially **Transformational Leader** and **Paradigm of Leadership** because they play the critical roles in the organization's success. Equally important, **Four Intrinsic Rewards** are significant drivers in order to enhance engagement level sustainably.

Transformational Leader

Most compelling evidence, one of the disengagement root causes in ABC is lacking of leadership. However, there is some member of management team who has strong leadership skill which is transformational leadership style.

Amanda said that most of people think employee engagement is company event, team building etc. In her opinion, manager makes a bigger role than the HR. From this statement, it means managers in ABC does not much involve with the engagement strategy, nor does not give cooperation for the execution plans. As Emily mentioned above, even some head of business units do not join the company events. On the positive side, Amanda was surprised that the most engagement activity is "Digitalization Training Project" which was launched during COVID-19 pandemic within Asia Pacific (APAC) region. It is not only individual competition within a country, but it is also competitive internationally. This project is required employee self-study via company online platform which provides more than 1,000 courses and covers all area such as accounting, marketing, soft skill development and so on. The employee must log in to learn and do post-test in order to complete course successfully. Top 5 of the most attendance hours will get Apple IPAD as a reward. Surprisingly, there were more than 200 participants joining this competition including people from the factories. It was impressed that all top five learners are from ABC Thailand including Amanda. She inspired employees' motivation by promoting clear objectives of this project and rewards for the top five winners. Moreover, she kept sending communication emails for updating top learners of the weeks which can encourage more people to learn. Furthermore, she is a role model for her team members to show that HR is not just a coordinator for any program and even herself was actively studying. This caused to one of her team also received IPAD from this campaign. Explicitly, her actions reflect to Transformational Leadership elements which are Inspirational Motivation (IM) and Idealized Influence (II).

Paradigm of Leadership

Other leadership styles which can be found in ABC are Visionary Paradigm and Organic Paradigm.

As **Amanda's** sharing, the employee engagement is driven by ABC global and there are several engagement activities such as Diversity, CSR program, Make it happen (MIT) etc. For example, it was a global campaign called "Diversity week" which the theme is different every year. Last year was focused on age, gender and nationality and this year is female empowerment. When she was the Country HR Manager Singapore. she did a video shooting which tells a story of employees worldwide who are based in Singapore. She informed all employees to bring local things which demonstrate their own origin. Fortunately, the employees were cooperative and excited for their scenes in the video. Some people brought their passports or souvenirs while some colleagues were traditional costumes. The completion of the video found that Singapore office has the most nationalities which means they are the most diversified country among ABC global. Because of her effort and creative, Amanda won ABC's global award and went to the headquarter for ABC's anniversary. As shown above, ABC has Visionary Paradigm because most of policies are from global. Likewise, Amanda's leadership style is Visionary as well because she was the center and designer who led this Diversity project victoriously.

Identically, not only Visionary Paradigm leadership is used in ABC, but Organic Paradigm is also initially implemented consistent over time. As explained in engagement analysis part, ABC Thailand has set up the Welfare Committees which there are passionate representatives from every department are a part of committees. They can create new activities by their own and lead to execution plans. The members can make decision by themselves at some level without management's approval. This reflects to Organic Paradigm qualification.

Four Intrinsic Rewards

Refer from the information and observation, interviewees have mentioned current practice of employee's engagement activities such as team building, festive celebrations, sport day, CSR, townhall meeting etc. Those activities are decent to maintain but the program or content should be designed properly base on Intrinsic and Extrinsic Rewards which I think ABC is still lacking. However, "Digitalization Training" and "Welfare Committee" as narrated above are the excellent activities to attract employees' attention and involvement. These projects have created four intrinsic

motivations which are the major factors to enhance employee engagement level. There were several benefits to both employees and employer.

Sense of Meaningfulness - They have the mission to compete with other countries and it is worth to put effort on this activity for their own development. It is undeniable that extrinsic reward of this project which is IPAD can attract many contenders but this extrinsic motivation effects to intrinsic motivation as well. Because not only they can gain new knowledge, but they also brushed up some skills which they have not much utilized such as English communication skills because all courses are conducted in English. Moreover, it made this activity to be more competitive and evoke unconscious to win this competition. Thus, employees feel they are valuable to the company because they have passion to equip themselves by this training courses and utilize what they have been leaning into their jobs.

Sense of choice - there are thousands of training courses, the employees are able to select subjects which they are interested to learn. Furthermore, the Welfare Committees have strongly sense of choice. They have full authority to create projects and take ownership. For instant, they set regulations of exercise challenge and purchase smart watch to all employees. I heard good feedback from employees and they always talked about exercise progress during the project. This can reflect their sense of choice criteria to organize this competition successfully.

Sense of Competence - In addition, there are sharing sessions during company team building on 10th – 12th December 2020 by the winners of Digital Training campaign. This has created employees' sense of competence because they told success story how they win this competition and also share their favorite content to colleagues what they have learned and key takeaways. I can see that they feel proud and inspire their friends to participate in future campaigns.

Sense of Progress – it can be found in both Digitalization Training and Welfare Committees campaigns. The staff can monitor their task regularly and see the progress. Moreover, Amanda sent out update emails with encouragement messages by weekly during the campaign, so employees saw where they are in this rank and planned to spend more time on the training to be the winners. The exercise challenge; one of the Welfare Committee's campaigns also used the same practice. Keeping employees informed can stimulate Sense of Progress proactively.

CHAPTER V CONCLUSIONS & RECOMMENDATIONS

5.1 Conclusions

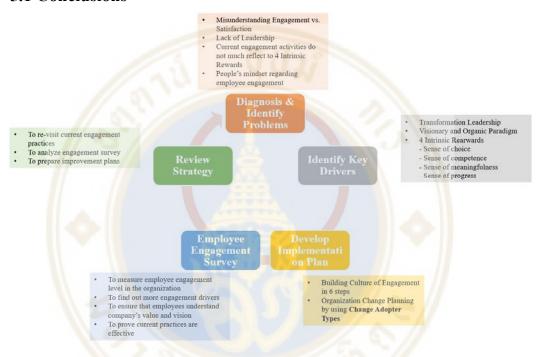


Figure 5.1 Analysis process and Improvement Framework

To illustrate, I have created framework as figure 6.1 above to demonstrate research processes of employee engagement analysis and improvement in ABC company. This is also shown the relationship of each theories and clear steps in order to increase engagement consistently within an organization.

In summary, the engagement level in ABC is low – moderate which I have analyzed by using insight information from HR team relatively with Maslow's Hierarchy of Needs and Employee Engagement versus Employee Satisfaction differentiation. Indeed, there are several root causes of disengagement in ABC. Firstly, there is misunderstanding regarding employee engagement and employee satisfaction.

Many HR people defined satisfaction surveys as engagement surveys which is misinterpretation and leads to the wrong direction. Because employee satisfaction is related to compensation and benefits, working environment and so on. Although, the company improves these hygiene factors, it helps to prevent dissatisfaction but not boost up the engagement level. Therefore, satisfaction alone is not engagement, as emphasized by Rice, Marlow and Masarech (2012). Nonetheless, it is important to keep employee happy in order to maintain their motivation by improving human needs of Maslow's theory, whereas the employee engagement is fostered by other drivers. Secondly, lacking of leadership is identified as another problem. In ABC, there are few engagement leaders which I can see only in HR team and Welfare Committees. Besides, they have different leadership styles which some of them are not suitable to use in this situation. Hence, I have identified three types of leadership which can drive engagement strategies in long term. The next root cause which was found is most of engagement activities are not reflected to Four Intrinsic Rewards. There are only two campaigns which are Digitalization Training and Welfare Committee projects that obviously have intrinsic rewards. Lastly, people in the organization still have fixed mindset regarding employee engagement. They think it is HR responsibility as well as they do not realize the importance of employee engagement.

Meanwhile, those problem statements are discovered. Equally important, we need to specify the key drivers in order to improve engagement level. I have introduced three sustain factors which consists of Transformational Leadership, Visionary Paradigm combing with Organic Paradigm and Four Intrinsic Rewards. Those combinations are able to drive engagement of employee prosperously.

Next step is developing implementation plans. I have purposed to utilize Building Culture of Engagement in 6 steps by Rice, Marlow and Masarech (2012). Moreover, it is important to apply Change Adopter Types strategy for organization changes. Rogers (2003) classified 4 adopter types which I have explained in Literature Review section. These two solutions will be described in Recommendation part shortly.

Without delay, Employee Engagement Surveys should be implemented because ABC has never had it before. Thus, it is necessary to be done because it will help to measure the engagement level and ensure that current strategies are effective. Besides, we could find the new drivers which will be useful for future innovations and keep us up to date to prevent disengagement matters. Furthermore, the surveys can affirm that employees understand company values, mission and vision properly.

Eventually, strategies review is also considerable step to do SWOT analysis. In addition, we can use this analysis to create self-reliance, immunity and resilience environment. This will drive the company performance sustainably in long term and is able to against disruption from the new technology in rapid environment.

5.2 Recommendations

Base on the finding analysis, I would like to purpose solutions for employee engagement development by applying Building Culture of Engagement in 6 steps and Change Adopter Types strategies.

Building Culture of Engagement in 6 steps

Step 1: Build Commitment – we need to clarify the importance of what the employer and employees are committing and why. Then, create a business case which is aligned with the company goals in order to approach executive leaders buy-in. Once they are realized and committed with us, we can gain trustworthy and supports from them to initiate new things. Moreover, those leaders can inspire their teams which is effect to commitment level respectively.

Step 2: Create Engagement Champions – ABC is on the right track in order the create engagement champions because they have set up the Welfare Committees. The objective does not only just team up engagement activities organizer, but they also are the focal points to communicate company messages to the rest of organization. Additionally, they can be speakers to educate their colleagues with regard to importance of employee engagement as well as support team managers and HR to create action plans. Significantly, they can keep executives line managers playing tremendous role in the organization for making their team engaged.

Step 3: Equip People – All people in the organization must understand their responsibilities and accountabilities well and be equipped to be ready for their scenes in engagement matters. Firstly, we need to create storytellers because it is more powerful than just formal communications. This can inspire employees to change their behaviors

and they are more engaged than just listening. Secondly, we should target strategic populations to be developed especially the department which is most crucial, people who work in the area that have big impact to the customers, units that grow the company revenue and customer satisfaction, employees that are willing to be change agent and ready for organization change. This step also can be linked to Change Adopter Types.

Step 4: Align Practices – All strategies and policies should be aligned to the company objectives, mission and vision because it will fully support employee engagement. Moreover, it can ensure us to reach the goals steadily with high engagement performance culture.

Step 5: Measure Progress – employee engagement survey is essential in order to measure progress efficiently. Another option is Pulse Survey which shorter than employee engagement survey but deeper and it is designed to point out weaknesses of the last engagement survey, and identify the factors that we should focus in the future. And we should measure progress frequently because we cannot rely on the survey only as it usually conducted annually.

Step 6: Take Action – Once all the prior processes can create powerful impact to engagement level positively, then it is time to execute action plans.

Change Adopter Types

In ABC company, there are few *Innovators* who are eager and passionate to do new things. For example, there are volunteers joining Welfare Committees and they always supportive willingly. No matter how difficulty they may face, they can adapt themselves effectively with optimistic mindset. Therefore, if we want to reduce disengagement, we need these *Innovators* to be our weapons. Certainly, *Early adopters or leaders* are predominant in order to move engagement level up increasingly. Unfortunately, I did not get information enough to identify who are the influencers in ABC company but just want to advise that we must start approach *Early adopters* to make our life easier because *Early adopters or Leaders* can influence other people tremendously. Be noted that this adopter type is not necessary in high position like Head of BU or management level. They could be officers or supervisors but they are influential to the *Majority*. The next group is *Majority* which is also important for organization change. It might not be easy to convince this group of people to be more

engaged because they tend to be adopted once they see the benefits or follow others. With this in mind, we should pay attention to *Majority* especially if they are team managers because their decision creates greatest impact to the organization. Most of employees in ABC are *Majority* as well. Lastly, *Laggards* which we should not spend time with resistances because it is not worth to do if we have limit time and budget. They have negative attitude with any change. Therefore, we should not waste our time much on them. Fortunately, there are few *Laggards* in ABC. It is proven by the successful of Digitalization Training and Welfare Committees because majority of populations are engaged with the campaigns.

'One who knows the enemy and knows himself will not be in danger in a hundred battles' this quote is mentioned by Sun Tzu from Chinese Three Kingdom. This is the first step that we must do. To build up employee engagement culture, we should gather information of all people in the organization especially board committees, executive management team and influencers. We analyze their characteristic and group them into each adaptor type. Then we can manage and use specific strategy with them.

All in all, I hope this research will be useful and provide several benefits to the company. Firstly, they can gain more attentions rather than in the past and increase relationship with all stakeholders. Moreover, employee engagement can improve performance of the company and staff. It not only creates happy workplace, but it also increases sustainably company outcomes. Lastly, this research can be beneficial to change people's mindset regarding employee engagement terms and realize its importance. Definitely, it will reinforce loyalty to the organization in long term.

5.2 Limitation and future research

This research aims to understand employee engagement level in an organization which I have selected ABC company as a case study. The qualitative methodology is conducted in order to gain insight information deeply. However, this could not apply in every organization without in-dept analysis and gather information adequately because each company has difference factors and they have their own weaknesses. Thus, some theories in this paper might not be suitable to utilize in some aspects. If I can explore more, I would conduct quantitative research by doing employee engagement survey to

measure engagement level in the company. The result would be more accurate and I could find more drivers of engagement which will be more beneficial to strategic human resource planning. It may also provide broaden aspects which could apply to other organizations.



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