

# EMPLOYEE ENGAGEMENT IN RETAIL INDUSTRY: A CONCEPTUAL FRAMEWORK

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**Abstract** *In the Millennial era, satisfying the needs of stakeholders is not always easy. As their needs vary, the ways companies respond to each of them also varies. Customers demand for quality products and services from companies that may or may not belong to the country they live. They get satisfaction only when those requirements are properly recognized and fulfilled. The primary goal of any firm is to attract and retain its customers. So that, it may sustain among the market rivalry belonging to the same industry in which the firm operates. The effort towards sustainability starts from within. Making internal customers aligned with the objectives of organization enables it to define its competitive position. Along with this alignment, the organization must also look into the expectations employees have towards their employer. Employees become engaged only when they start believing that their needs count and they are being recognized by their employer. This article confers the need for employee engagement in retail industries since employers of today's business believe that engaged employees empower the organization and also discusses the items of Gallup Q12 Questionnaire in measuring Employee Engagement.*

**Keywords** *Employee Engagement, Retail Industry and Millennial Generation*

## INTRODUCTION

Today's Business Environment is extremely dynamic because of the advancement in technology and innovation, changes in customer behaviour, shortage of human skills and the other challenges organizations face every day. The prime challenge organizations face is managing Millennial Generation and engaging them at work. According to the report of Morgan Stanley Research, more than 400 million Millennials-born after 1982-account for a third of India's population and 46 percentage of its workforce. They are youngsters but they are the generation who already the chief wage earners in most family unit. Income of this millennial generation is contributing to 70% of total household income. Understanding what the Millennials expects from their employers matters the most. Millennial generation seeks job that is interesting and meaningful and they try to understand how they are valued in the business which they belong to. Millennials wants the management to be transparent in all its communications and to give them a way that aligns individual's objectives with the overall organizational vision. The key for this alignment is Employee engagement at work. The logical and emotional connect of employees towards their organization is called employee engagement that enables them providing discretionary effort in achieving organizational intents. Along with the engagement efforts, the employers must provide them right environment in which employees do not find any barriers to perform. This

enablement and engagement ignite employees, especially working in the retail industry, feel motivated to make better service experiences among customers.

## RETAIL INDUSTRY IN INDIA

Retail industry in India is one of the most vibrant and fast growing industries due to variety of new rivalries from the domestic as well as the global market. In retail space, 5<sup>th</sup> largest universal destination is India. According to a report of India Brand Equity Foundation (IBEF), retail industry contributes 10 percentage towards India's GDP and 8 percentage of the country's total employment. India is expected to grow at a Compound Annual Growth Rate (CAGR) of 10 per cent to US\$ 1.6 trillion by 2026, report said. Replacing China, India becomes the most promising retail markets supported by growth in the economy, increase in consumption rate, increase literacy rate among the population and increase in middle class consumers' spending.

## ENABLERS OF EMPLOYEE ENGAGEMENT

Since the traditional workforce has changed, the employers must understand how they need to deal with new generations of job market. The Millennials are collaborative, teamwork oriented and purpose driven. When employers enable them

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in obtaining their objective, Millennials in turn help their employers achieve their organization goals. For creating Millennial friendly environment, workplace needs to be structured if not the Millennials may become intensive job hoppers.

Creating a culture of information accessibility brings interest among Millennial workforce by making them utilize and subsidize what they seize from all the available information and thus they become output oriented and not task oriented generation. As workplaces are getting dominated with tech-savvy Millennials, the business must see what internal communication tools like Live chat, Collaborative technologies and Social Media App for traditional emails can be used at work. Millennials want the entire processes, policies, techniques and jobs to become simplified so that they do not feel that they waste their time on small stuffs. The new Gen workforce is self-reliant and so the organizations must design enablement mechanisms in such a way that is simple to use and adapt. This generation do not want their employers to have traditional working hours instead they value and demand for flexi-time policy.

Employee Engagement is a holistic construct which provokes employees feel cognitively and emotionally connected to their jobs, managers, co-workers and the organization's vision, mission and objectives so that they are able to go extra mile in their assignments and thus vigorously contributing their employer to succeed and outperform their competitors. This helps organization achieve greater productivity and sales, increased profitability and increased customer satisfaction. Therefore Employee engagement is a key enabler of a potential successful employer.

In this modern era of business, engaged workforce, emotional connect that the employee has towards their organization and its objectives, is the essential factor that distinguishes the organization from other business rivals. Engaged employees are not only creating productive workplace but also value to the stakeholders belonging to the organization they work for. Satisfied employees do not mean to be an engaged employees as happy employees are different from engaged employees.

The level of engagement among employees and the engagement practices the organizations follow may differ from industry to industry, but engaging employees is the need of the hour. In the ever evolving retail industry, no longer the employee engagement is an entitlement of HR but also of the leadership of organization. Leaders have their own style of engaging employees to achieve the best in career. Listening to ideas the Millennials suggesting for major business decisions fosters them to feel valued and responsible. That kind of flow-friendly environment enables leaders to build harmonious working relationship.

## MEASURING EMPLOYEE ENGAGEMENT

Gallup Organization has identified twelve questions that measure the important elements of employee engagement that impacts business outcome. The 12 Questions address concerns such as, understanding what is expected of employee at work, provided with the resources to perform job well, recognition and appreciation, praise to progress, being listened to and relationships at work. The result of this Q12 survey is linked to business outcomes such as profitability, productivity, employee retention, and customer satisfaction and loyalty. The Gallup's Employee Engagement measurement Questions are,

### *Q 1. I know what is expected of me at work*

This measures how well the work group is aware of the expectation the employers have for them in achieving organizational goals. The basic thing any employer must do is to make employees understand what is the nature and goal of their job so that they will start setting their own goals aligned with organizational goals. This would make them accountable for what they are doing at work.

### *Q 2. I have the materials and equipment I need to do my work right*

Response to this question is positive only when employees are provided with materials and equipment to do work right. But what Materials and Equipment mean to them really matters. In turn, the response to availability of materials and equipment enables the organization to predict employee retention, safety, and productivity.

### *Q 3. At work, I have the opportunity to do what I do best every day*

This item measures whether the employees are made aware of what potential skills and innate talents each one of them have and also what skills and innate talents their associates have. By allowing employees to do self-analysis, they would identify and utilize the opportunities that would best suit their unique skills and talents. A positive response assures that the knowledge of others skills and talents would build a good team spirit and utilize the available complementary skills.

### *Q 4. In the last seven days, I have received recognition or praise for doing good work*

Employees expect praise for the tasks they accomplish each day. When they get instantaneous feedback, praise and recognition for the work they do that might result in purpose-driven work environment and might act as a positive reinforcement encouraging the employees engage in same behaviour repeatedly.

**Q 5. My supervisor, or someone at work, seems to care about me as a person**

Caring individual means that the employees are listened to. Job hoppers leave managers or leaders who do not care, not organizations. Trust is the significant attribute that is assured if employees are up for this question.

**Q 6. There is someone at work who encourages my development**

Development is not just getting promoted but it means how employees are growing within the assigned roles. This starts with the recognition of individuals' innate talents and skills with the suitable opportunities created by the employers.

**Q 7. At work, my opinions seem to count**

Employees feel valued when they believe that their opinions and ideas are accounted. Leaders must encourage employees to express their ideas towards business decision making so that they may feel they make significant contribution to their organization. Consulting employees before making critical decisions brings success to the organization.

**Q 8. The mission or purpose of my company makes me feel my job is important**

When the employees have sense of purpose they will be able to give their discretionary efforts in creating stakeholders value. This sense of purpose is cultivated through the values people share within the organization's premises. The employees must be aware of the mission for which they work for and the ways in which they can contribute in attaining vision.

**Q 9. My associates or fellow employees are committed to doing quality work**

When the flow of communication is good among employees then the organization is able to stimulate quality interactions. Employees having a greater sense of cohesiveness believe that they can contribute towards greater productivity and quality of work.

**Q 10. I have a best friend at work**

Employees look for social institution where they are able to build a trusting relationship. The trust enhances the way they work by helping each other evaluate their performances which result in quality of work.

**Q 11. In the last six months, someone at work has talked to me about my progress**

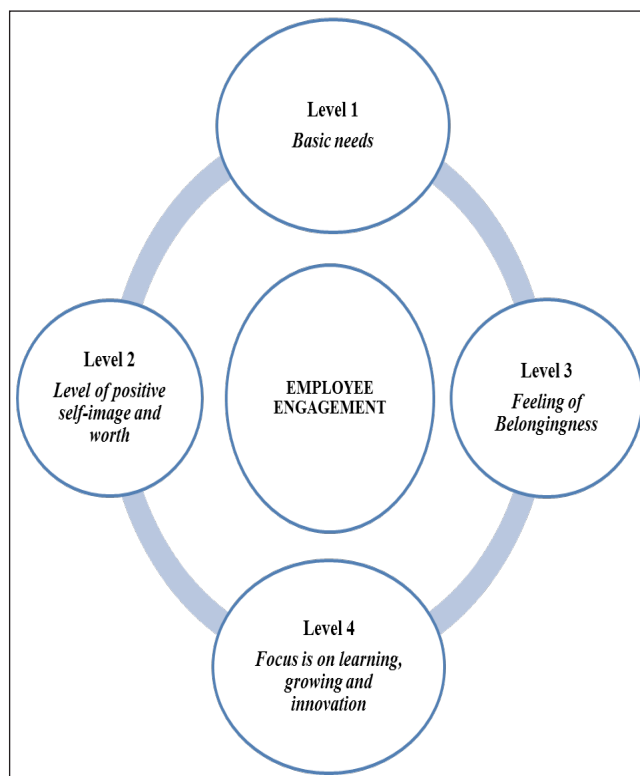
Employees always need to know where they are going and what kind of progression they have had in their career. Periodic appraisal and reward system motivates employees to have confidence in their accomplishments of individual and organizational objectives.

**Q 12. This last year, I have had opportunities at work to learn and grow**

Employees have to be given with the best opportunities that suit their progression and this is linked back to the organizational performance. The learning brings innovation in people and makes them grab the opportunities put in front of them. Therefore the organization must be a place of learning, growing and innovation.

## FORBRINGER ANALYSIS OF GALLUPS' Q12 QUESTIONNAIRE FOR MEASURING EMPLOYEE ENGAGEMENT

Forbringer has grouped 12 questions of Gallup's Employee Engagement Questionnaire into four levels. Forbringer argued that when employees participating in the survey answer all the 12 questions positively. Hence it is inferred that they are engaged employees employing best qualities at work every day with a strong focus and a shared sense of determination.

**Level 1: (What do I Get - Q01 to Q02)**

The rudimentary need of an employee in a work is to understand what is expected from him. The availability of the expected materials and equipment will help employees to bridge what is expected of them and the actual performance.

**Level 2: (What do I give? - Q03 to Q06)**

The freedom to execute the tasks that one can do with perfection will make him/her feel contented. This sense of contentment is improved when someone at work encourages their development; supervisor cares and recognizes them for doing good work.

**Level 3: (Do I belong here? - Q07 to Q10)**

When the opinions seem to be counted, employees feel that they are important to the organization and this enriches the feeling of recognition. When everyone in the organization is recognised equally, all employees will render quality work with complete commitment.

**Level 4: (How can we all grow? - Q11 and Q12)**

The practice of giving continuous feedback on progression enables individuals to know their actual performance and triggers learning. This acts as a catalyst for employees' intellectual growth resulting in innovation.

**CONCLUSION**

It is concluded from the above discussion that when the financial capital is invested on human resources it becomes the capital differentiator of the firm. The sales persons are highly responsible for the inflow of returns of any organization's capital. Therefore, when the needs of the employees in the retail outlets are met, they show high level of loyalty towards the organization and the people in it and they will be helpful for the organization in fulfilling customers' wants. As per the report of CNBC (Consumer News and Business Channel), engaged employees bring in 69% more revenue than disengaged employees. This clearly states that companies with low engagement scores also suffer with less productivity. Therefore engaged workforce empowers the organization.

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