

4. Employee Engagement, Ethics and Emerging HRM

1.1 Employee Engagement –

Employee engagement is an employee's emotional and psychological commitment to their work, team, and organization. Highly engaged employees are motivated to exert discretionary effort—going above and beyond their basic duties—to help the company succeed. Employee engagement goes beyond simple job satisfaction or happiness, focusing on a deeper, long-term connection to the organization's goals and values.

Factors and drivers of employee engagement

Engaged employees are an outcome of a work environment designed to foster commitment and enthusiasm. The key factors, or drivers, include:

- **Quality of leadership:** Effective leaders build trust, communicate clearly, provide direction, and support their teams. Gallup research shows that managers account for 70% of the variance in employee engagement scores for their teams.
- **Meaningful work:** Employees are more engaged when they understand how their role contributes to the company's overall purpose and success. It is crucial to connect individual goals to organizational objectives.
- **Growth and development:** When employees see a clear path for advancement and are given opportunities for training, mentorship, and new challenges, they are more likely to remain with the company.
- **Recognition and rewards:** Timely and specific recognition, which can be monetary or non-monetary, is vital for making employees feel valued and appreciated for their contributions.
- **Work-life balance:** Offering flexibility, respecting personal time, and providing wellness programs demonstrate a commitment to employee well-being, which significantly boosts engagement.
- **Psychological safety:** In a psychologically safe workplace, employees feel comfortable speaking up, asking questions, and admitting mistakes without fear of negative consequences. This encourages innovation and open feedback.

- **Two-way communication:** Transparent, honest communication from leadership builds trust. It is equally important for leaders to listen to employee feedback and act on it.
- **Fairness:** An equitable workplace, where policies for pay, promotions, and recognition are applied consistently, builds trust and reduces resentment.
- **Teamwork and social relationships:** Strong relationships among colleagues, built through collaboration and social events, create a sense of community and shared purpose.

Importance of employee engagement

High employee engagement directly impacts several key performance outcomes, making it crucial for organizational success.

- **Higher productivity:** Engaged employees are more focused, motivated, and willing to invest discretionary effort, leading to higher output and quality of work.
- **Lower turnover and absenteeism:** Employees who feel connected and valued are less likely to leave their jobs. A high level of engagement can significantly reduce turnover and absenteeism rates.
- **Increased profitability:** Studies consistently show that organizations with highly engaged workforces are more profitable.
- **Improved customer satisfaction:** Engaged employees are more likely to deliver excellent customer service, which increases customer loyalty.
- **Greater innovation:** A culture of engagement and psychological safety empowers employees to share new ideas and find creative solutions to problems.
- **Better organizational reputation:** Companies with an engaged workforce are seen as desirable employers, which helps attract top talent.

Measurement of employee engagement

Measuring employee engagement is essential for tracking progress and taking targeted action. Common methods include:

- **Employee engagement surveys:** These are the most common method for measuring engagement. They can be long, comprehensive annual surveys or short, frequent "pulse" surveys to track specific issues.
- **Enps (Employee Net Promoter Score):** This asks employees how likely they are to recommend their company as a place to work. It measures employee loyalty but must be supplemented with other data to understand the underlying reasons.
- **Performance metrics:** Organizations can track quantitative data such as productivity rates, customer satisfaction scores, and product defects to indirectly gauge engagement levels.
- **Non-survey methods:** This includes one-on-one meetings, stay interviews (asking why employees remain at the company), and exit interviews (asking why employees are leaving) to gather richer, qualitative insights.
- **Absenteeism and turnover rates:** High rates of absenteeism or voluntary turnover often signal low engagement and dissatisfaction.

Models of employee engagement-

Employee engagement models provide a framework for measuring and driving engagement. Examples include:

- **Kahn's Model:** Based on the dimensions of meaningfulness (does the work matter?), safety (is it safe to be oneself at work?), and availability (is the employee able to invest themselves fully?).
 - **Aon Hewitt's Engagement Model:** Focuses on the behavioral outcomes of engagement, specifically employees' willingness to **Say** (speak positively), **Stay** (remain with the company), and **Strive** (put in extra effort).
 - **Deloitte's Engagement Model:** Leverages five key elements, including meaningful work, hands-on management, a positive work environment, growth opportunities, and trust in leadership.

1.2 Job Satisfaction –

Job satisfaction is the feeling of fulfillment an employee has with their job and workplace, influenced by factors like pay, coworkers, and the work itself. Its advantages include higher productivity, lower turnover, and improved employee morale, and it is measured through tools like employee surveys that assess cognitive, affective, and behavioral components of a job.

Definition

- Job satisfaction is a measure of how content and fulfilled an employee is with their job and work environment.
- It is an individual's overall attitude toward their role, encompassing feelings about the nature of the work, relationships with colleagues and supervisors, and company culture.
- It can be separated into intrinsic (satisfaction from the work itself) and extrinsic (satisfaction from work conditions like pay and environment) aspects.

Advantages

- **For the organization:**
 - Lower turnover rates and increased employee loyalty
 - Higher productivity and increased profits
 - Improved attendance and fewer accidents
 - Stronger organizational commitment
- **For the employee:**
 - Increased feelings of fulfillment and motivation
 - Less job stress
 - A more positive emotional response to their work

Measures

- **Job satisfaction surveys:**

The most common method, where employees provide feedback through questions on a scale, such as 1 to 10.

- **Cognitive component:**

Involves evaluating the job based on a rational thought process.

- **Affective (emotional) component:**

Measures the feelings and emotional response an individual has about their job.

- **Behavioral component:**

Refers to the behavioral outcomes of job satisfaction, such as a willingness to go above and beyond.

- **Specific assessment tools:**

Researchers and organizations use specific, validated scales like the 3-item job satisfaction scale from the Michigan Organizational Assessment Questionnaire (MOAQ) and the 36-item Job Satisfaction Survey (JSS) to measure satisfaction with various aspects like pay, supervision, and coworkers.

- **Factors**

Intrinsic Factors

- **Nature of the Work:**

Interesting, challenging, and varied tasks that provide autonomy and a sense of control contribute to job satisfaction.

- **Personal Growth:**

Opportunities for learning, skill development, and career advancement through training and promotion are important motivators.

- **Meaningful Work:**

Employees feel more fulfilled when their work has a sense of purpose or meaning.

Extrinsic Factors

- **Compensation and Benefits:**

Fair pay, wages, and comprehensive fringe benefits are essential for employee survival and overall well-being.

- **Working Conditions:**

A clean, safe, and comfortable work environment with adequate tools, ventilation, and lighting is crucial for physical well-being and productivity.

- **Relationships:**

Positive and supportive relationships with coworkers and supervisors are vital, as is effective leadership and management.

- **Job Security:**

A sense of stability and security in one's job is a significant factor in overall contentment.

Organizational Factors

- **Management Style and Leadership:**

Supportive, fair, and approachable managers who provide guidance and invest in their team's success can greatly enhance job satisfaction.

- **Company Policies and Culture:**

Fair policies, efficient procedures, and a positive, engaging work culture contribute to a positive employee experience.

- **Work-Life Balance:**

A good balance between professional duties and personal life is increasingly recognized as a critical factor in job satisfaction.

Individual Factors

- **Core Self-Evaluation:**

Individuals with a positive belief in their own worth and competence tend to be more satisfied with their jobs.

- **Corporate Social Responsibility:**

An organization's commitment to social and environmental responsibility can also significantly boost employee job satisfaction.

1.5 Ethics in HRM-

Ethics in human resource management (HRM) are the moral principles and standards that guide HR professionals in their decision-making and actions toward employees, ensuring fairness, transparency, respect, and integrity in areas like recruitment, compensation, training, and conflict resolution. Ethical HRM focuses on treating employees with dignity and value, fostering a positive and trusting work environment, promoting diversity and inclusion, and maintaining confidentiality while aligning HR practices with the organization's values and social responsibility.

Key Principles of Ethics in HRM

- **Fairness and Equity:**

Ensuring all employees are treated equitably, given equal opportunities, and receive fair compensation and benefits.

- **Respect and Dignity:**

Acknowledging the inherent worth and unique value of each individual, treating them with compassion and respect.

- **Integrity and Transparency:**

Acting with honesty and openness in all HR dealings, including communication with employees about policies and changes.

- **Confidentiality and Privacy:**

Protecting sensitive employee information and ensuring that personal data is handled responsibly and only by authorized personnel.

- **Diversity and Inclusion:**

Actively promoting an environment that is inclusive of all individuals, preventing discrimination based on race, gender, religion, or disability.

- **Accountability:**

Taking responsibility for HR actions and decisions and holding individuals and the organization to ethical standards.

Common Ethical Issues in HRM

- **Discrimination and Harassment:**

Unequal treatment or mistreatment of employees based on protected characteristics or failing to address harassment and bullying.

- **Employee Privacy:**

Infringing on an employee's right to privacy through invasive surveillance or improper handling of personal information.

- **Compensation and Benefits:**

Unfair pay practices, pay gaps, or biased distribution of benefits.

- **Performance Appraisals:**

Biased or unfair evaluations and assessments that impact an employee's career.

- **Termination Practices:**

Unjust dismissals or a lack of transparency and fairness in the termination process.

Benefits of Ethical HRM

- **Positive Work Environment:** Fosters a culture of trust, respect, and psychological safety for employees.
- **Employee Engagement and Retention:** Increases employee satisfaction, motivation, and loyalty, leading to better retention rates.
- **Talent Attraction:** Helps attract skilled talent and improves the organization's reputation.
- **Legal Compliance:** Ensures adherence to labor laws and reduces legal risks and penalties.
- **Stronger Corporate Reputation:** Reinforces the company's commitment to responsible and moral business practices.

1.6 Ethical Dimension -

An ethical dilemma is a situation where a choice must be made between two or more options, none of which is clearly right or wrong, because each option has both negative and positive consequences. These conflicts often involve competing values, principles, or loyalties, and they can arise in personal, professional, and societal contexts. Examples include a company deciding between short-term financial gain through unethical practices versus long-term integrity, or an individual choosing between reporting a friend's wrongdoing and remaining loyal to them.

1.5 Managing Gig Workers

Managing gig workers presents challenges like legal and compliance issues, engagement, and workforce management, which can be addressed with strategies such as implementing clear contracts, providing the right technology, fostering community through virtual spaces, and offering non-traditional support like access to benefits and training.

Challenges

- **Legal and compliance:**

Gig workers' independent contractor status can create legal risks, particularly with misclassification issues, and they often lack traditional employee protections like minimum wage and overtime.

- **Onboarding and integration:**

Integrating remote gig workers into company culture can be difficult, with concerns about engagement and a sense of belonging.

- **Engagement and retention:**

Keeping gig workers engaged and connected to the organization is an ongoing challenge, as they may feel disconnected from the company culture.

- **Workforce management:**

Scheduling, tracking performance, and ensuring reliability from a distributed workforce can be overwhelming without the right tools.

- **Payment and benefits:**

Ensuring fair, timely payments is crucial, but providing traditional benefits is often not feasible.

- **Income insecurity:**

Gig workers can face income instability and vulnerability to exploitation due to their non-traditional employment status.

Strategies

- **Use technology:**

- **Workforce management platforms:** Use tools to manage schedules, track performance, and streamline contract creation and compliance.

- **Technology-enabled onboarding:** Implement streamlined, technology-driven processes for onboarding to help workers integrate quickly.

- **Ensure clear communication and contracts:**

- **Transparent contracts:** Create clear contracts that define expectations, deliverables, and payment terms.

- **Regular check-ins:** Schedule regular calls to discuss progress and provide feedback.

- **Foster community and engagement:**

- **Virtual communities:** Create virtual spaces for networking and building a sense of belonging.

- **Recognition:** Recognize contributions through rewards and incentives.

- **Provide resources and support:**

- **Tools and resources:** Grant access to necessary tools, project briefs, and communication platforms.

- **Non-traditional benefits:** Facilitate access to third-party benefits, professional development, and financial planning resources.

- **Support skill development:**
- **Training:** Offer training programs to help gig workers upskill and stay competitive.
- **Manage legal risks:**
- **Stay compliant:** Stay informed about labor laws to avoid misclassification issues.
- **Follow guidelines:** Adhere to Department of Labor guidelines to properly distinguish between employees and independent contractors
 - **Difference between Gig Workers and freelancer**

Feature	Freelancer	Gig Worker
Work type	Project-based, often long-term and specialized	Short-term, task-based, often one-time jobs
Client & rate control	Sets own rates and chooses clients directly	Accepts tasks through a platform, has less control over pricing and terms
Work source	Directly with clients or through professional networks	Through online platforms and apps like Uber or Task Rabbit
Examples	A graphic designer creating a company's logo	A person driving for a ride-sharing app or delivering food

Difference between freelancer and full time employee

Feature	Full-Time Employee	Freelancer
Employment Status	Works for a single company under an employer.	Self-employed, works for multiple clients.
Compensation	Receives a regular salary and potential bonuses.	Paid per project or per milestone, with variable income.
Benefits	Receives benefits like health insurance, paid leave, and retirement plans from the employer.	Must secure and pay for their own benefits.
Work Schedule	Has a fixed schedule, often a standard 9-to-5, and must work from a specific location.	Has control over their own work hours and can work from anywhere.
Business Management	The employer handles taxes, contracts, and other business administration.	Is responsible for managing their own contracts, invoicing, and taxes.
Skill Development	Training may be paid for by the employer.	Must personally fund and decide on their own skill development.

1.6 Remote Work

Remote work offers advantages like flexibility, higher productivity, and cost savings, but disadvantages include potential isolation, blurred work-life boundaries, and communication challenges. Success depends on good time management, clear communication, and setting firm boundaries to mitigate the downsides.

Advantages of remote work

- **Flexibility:**

Adjust your work hours to fit personal needs and errands, which can lead to a better work-life balance and improved employee well-being.

- **Productivity:**

With fewer office distractions, many remote workers report increased focus and productivity.

- **Cost and time savings:**

Eliminating a daily commute saves both time and money on things like gas, vehicle maintenance, and office attire.

- **Wider talent pool:**

Employers can hire from a global talent pool, not limited by geographical location.

- **Comfort:**

Create a personalized and comfortable workspace tailored to your preferences.

Disadvantages of remote work

- **Social isolation:**

Employees may feel disconnected from colleagues and the company culture, leading to loneliness.

- **Blurred boundaries:**

The lack of a physical separation between work and home can make it hard to switch off, leading to longer hours and burnout.

- **Communication challenges:**

It can be harder to have spontaneous brainstorming sessions, and digital communication can sometimes be inefficient or lead to misinterpretations.

- **Career and networking impact:**

Remote employees may miss out on informal networking opportunities and "water cooler" conversations that can lead to career advancement.

- **Distractions:**

Domestic distractions from family, chores, or unreliable home internet can disrupt workflow.

Tips for success

- **Set clear boundaries:**

Establish a daily routine and a dedicated workspace to help separate work from personal life.

- **Communicate proactively:**

Over-communicate with your team to stay connected and ensure everyone is on the same page. Utilize collaboration tools for project management and file sharing.

- **Prioritize your well-being:**

Schedule regular breaks, and stay socially connected with colleagues through virtual coffee breaks or team-building activities.

- **Invest in your setup:**

Ensure you have reliable technology, especially a good internet connection, to avoid technical issues.

1.7 Hybrid Work model –

Hybrid work models combine remote and in-office work, with common types including the [split-week model](#), where teams work in the office on specific days, and the [fully flexible model](#), which gives employees more autonomy in choosing their location. Key benefits include improved work-life balance, increased productivity, cost savings for the company, and a wider talent pool. To succeed, organizations should set clear expectations, prioritize communication, and leverage technology to foster collaboration and maintain company culture.

Types of hybrid work models

- **Split-week model:**

A structured approach where teams have set in-office and remote days.

- **Fully flexible model:**

Employees have more autonomy to choose when and where they work, as long as they meet their responsibilities.

- **Hub-and-spoke model:**

A central office (the hub) is used for core collaboration, supplemented by smaller, regional offices (the spokes) for remote employees.

- **Rotational model:**

Employees rotate between working from home and working from the office, often on a schedule.

Benefits of the hybrid work model

- **Increased flexibility and work-life balance:**

Employees can better manage personal and professional commitments, leading to higher job satisfaction.

- **Improved productivity:**

Employees can work from environments that best suit their tasks, leading to greater focus and efficiency.

- **Cost savings:**

Companies can reduce costs associated with real estate, utilities, and other office-related expenses.

- **Wider talent pool:**

Companies are not limited by geography when hiring and can attract a more diverse workforce.

- **Better employee retention:**

Offering a flexible work model can lead to happier employees who are less likely to quit.

- **Enhanced employee well-being:**

Reduced stress and burnout from less commuting and more control over their schedules can improve mental health.

Tips for successful implementation

- **Set clear expectations:**

Define clear guidelines on schedules, communication protocols, and performance metrics to ensure everyone is on the same page.

- **Prioritize communication:**

Use digital tools and establish clear communication strategies to bridge the gap between in-office and remote employees.

- **Leverage technology:**

Invest in project management, communication, and video conferencing tools to ensure seamless collaboration and connectivity.

- **Foster collaboration:**

Create intentional opportunities for team building and social connection, as the office is often used more for collaboration in a hybrid model.

- **Train and support managers:**

Provide managers with the training and resources they need to effectively lead distributed teams and support employee well-being.

- **Challenges Managing Hybrid Teams –**

- **Communication and collaboration:**

It is difficult to create seamless communication and collaboration when some team members are remote and others are in the office, which can lead to information silos and a disconnect between teams.

- **Company culture:**

Building and maintaining a consistent company culture becomes harder when informal, in-person interactions are replaced by scheduled virtual ones.

- **Equity and inclusion:**

There's a risk of creating a two-tiered system where in-office employees receive more visibility and opportunities due to proximity bias, which can lead to remote employees feeling isolated and overlooked.

- **Productivity and performance:**

Managers face challenges in tracking performance when employees are not in the same location, and they need to shift from managing based on presence to managing based on results.

- **Work-life balance:**

Employees may struggle to switch off when working from home, and managers can find it difficult to support their team's mental well-being when they are not physically present.

- **Technology and security:**

Ensuring that all employees have the necessary tools and that the digital infrastructure is secure are ongoing challenges, especially with a dispersed workforce.

Diversity Inclusion and Equity –

Diversity, Inclusion, and Equity (DEI) initiatives offer numerous benefits like improved innovation, financial performance, and talent attraction, but they also present challenges such as resistance to change or lack of accountability. Key initiatives include establishing employee resource groups, implementing diverse hiring practices, providing DEI training, and creating mentorship programs. Effective implementation requires a commitment from leadership, accountability measures, and ongoing efforts to foster a culture where all employees feel valued and respected.

Benefits of DEI

- **Increased innovation and creativity:** Diverse perspectives lead to more creative problem-solving.
- **Improved financial performance:** Companies with greater diversity, especially in leadership, tend to outperform their peers financially.
- **Attracting top talent:** Companies that prioritize DEI are more attractive to job seekers, with 67% of job seekers viewing a diverse workforce as an important factor.
- **Better decision-making:** Diverse teams are more likely to make better decisions.
- **Enhanced company reputation:** A strong DEI program improves brand image with customers, investors, and the public.
- **Increased employee engagement and retention:** Inclusive workplaces lead to higher employee morale and engagement.

Challenges of DEI

- **Resistance to change:**
Implementing new policies can face resistance from employees or leadership.
- **Lack of accountability:**
There can be a gap between stated commitments and holding managers accountable for DEI standards.
- **Complexity:**
Creating effective, sustainable initiatives requires a deep understanding of how to address bias and create true equity.
- **Superficial efforts:**
Simply making a public statement without implementing systemic changes is ineffective.

DEI initiatives

- **Diverse hiring and recruitment:**

Implementing inclusive practices throughout the hiring process, from sourcing candidates to making offers.

- **Training and education:**

Educating employees on diversity, equity, and inclusion, as well as unconscious bias.

- **Employee Resource Groups (ERGs):**

Creating groups for employees with shared identities to foster community and provide feedback.

- **Mentorship programs:**

Providing mentorship opportunities, particularly for underrepresented groups, to support career advancement.

- **Inclusive leadership development:**

Training leaders and managers to be inclusive in their daily behavior, communication, and decision-making.

- **Accountability measures:**

Establishing clear metrics and goals for DEI and holding leaders accountable for achieving them.