

ENGAGING EMPLOYEES FOR THE NON-PROFIT ORGANIZATION

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Abstract

Recognizing the engagement levels of employees is still a grey area that organizations are less aware of. Employee engagement actually creates many improvements within the organization that can result in employee work productivity hence increasing the organization capability. Employee engagement mapping is a holistic tool of seek what variables are meaningful and satisfactory to the employee that increase not only the work motivation and commitment, but further than that which is to perform and strive organization goals regardless of work expectation. This paper elaborates the employee engagement variables and its influential variable items which affect engagement. The writer shares 108 questionnaires as primary data in which respondents are employees of a certain non-profit organization. Moreover, we use the meaningful work-job satisfaction quadrant, to analyze all the information. From this research, it is offered a framework to develop strategies in human resource management that fosters engagement.

Keywords: employee engagement, performance management, job satisfaction, meaningful work, human capital management

Introduction

The utilization of the human resource function has evolved, employees were considered as a resource cost to the organization as the industrialism ages defined employees as cost to production. Now employees are a capital to the organization, employees are developable and represent the growth to the organization. Human capital is the knowledge and skills (physical and intellectual) that an individual possesses to make those individual productive workers (Besanko et. al. 1996, 641). In general human capital management is the integration of organization or business needs through recruiting, learning and development, performance management, succession planning, reward systems, and employee legislations.

Nowadays as the business environment increases in competition, organizations manage and invest in human capital to increase their

market position with the expectancy of not only profit, but long term organization growth and knowledge management within the organization. Creating an environment and culture to harness the employees to complete tasks effectively in a motivated manner is a practice that all organizations are trying to find the best fit to their organization. Furthermore, engaged employees are the overall targeted outcomes of all the human capital management process, where the integrated strategies are to create a workforce that is fully engaged at every job role in the organization hierarchy.

Engagement is important to solve the problem of employee's lack of commitment, motivation, and satisfaction, as disengagement is linked to employee turnover, customer satisfaction, productivity, and profitability. As employees are engaged, they are not only satisfied with their work, but they are willing

to achieve beyond the expected outcomes of their work. Engaged employees have a great sense of feeling valued and belonging to the organization, as they believe that their productivity contributes to the organizational goals. With engaged employees, they are positive to what they do, and with that brings positive outcomes in form of customer satisfaction. Overall, employee engagement increases productivity of workforce within an organization.

In Indonesia, there is minimal research upon employee engagement. Differing from the private sector which main business purpose is for profit and reducing costs, here in correlation to employee engagement costs are turnover. For Indonesia's public sector accountability are asked upon resource responsibility and compliance to bureaucracy, which in deliverance is expected for excellence of product and service to the people of Indonesia. This study to create suggestions for the government human resource management system based on employee engagement mapping of variable items.

Theoretical Foundation

Employee Engagement

Development Dimensions International (DDI) White Paper, Employee Engagement: *The Key to Realizing Competitive Advantage* defines engagement as the extent to which people enjoy and believe in what they do and feel valued for doing it. Enjoyment, people are pleased and satisfied from their activities if they are in jobs or roles that fit their interests and skills. Belief, people are engaged if they believe that they are making meaningful contributions to their jobs or roles, organizations, or the society as a whole.

Value, people want to be recognized and rewarded for their contributions. Rewards and recognition come in many forms, including competitive compensation packages and a healthy work/life balance. DDI also elaborates right employees in the right jobs, exceptional

leadership, and organizational system and strategies as the drivers of employee engagement. Organizational systems and strategies, organizations need strong systems and strategies that support and foster engagement. Examples of systems are hiring, promotion, performance management, recognition, compensation, training, and career development.

Together, these systems provide a firm foundation upon which to accelerate engagement. Right Employees in the right jobs, organizations can ensure high job fit by effectively deploying employees' talents when making selection, placement, and promotion decisions. In addition to having a motivational match, some employees are more likely than others to be inherently engaged in their work.

Exceptional leadership, leaders have the influence and power to serve as catalysts for higher levels of engagement, not only in one or two areas, but in all aspects of leadership. Engaging leaders understand that their role is not to take charge of all the decisions, but to be more like motivators. It's about recognition for a job well done; it's about giving people the room and encouragement to grow. It's also about being tough when necessary, holding employees accountable for their performance.

Measurement Model of Employee Engagement

The employee engagement model used for this research is the Blueprint for Employee Engagement Measurement (Bernthal 2007, IES Robinson 2003, Febriansyah 2010). To create the blueprint, Febriansyah combined two models from DDI White Paper: Measuring Employee Engagement (Bernthal, 2007) and IES (Robinson, 2003). DDI White Paper: Measuring Employee Engagement (Bernthal, 2007) elaborates the category of engagement elements is used to define the dimensions and sub dimensions of engagement, and IES (Robinson 2003) is to define variables of the research.

Table 1. Blueprint for Employee Engagement Measurement

Dimension	Definition	Variable
Individual Value	Contribution an self development.	Acknowledgement and Involvement Compensation and Benefits Training, Development, and Career Path
Interpersonal Support	A cooperative environment.	Co-operation Work Colleague
Work Focus	A clear goal within Organization X, performance accountability, and work atmosphere.	Tasks and Responsibility Communication Performance and Appraisal Culture

(Bernthal 2007, IES Robinson 2003, Febriansyah 2010).

Research Methodology

In general, this research is to find which variable items of engagement elements that the employees perceive influential towards their current role in the organization. This research is done by mapping the variables of engagement based on two perspectives, the importance through meaningful work perspectives and how satisfactory through job satisfaction. Meaningful Work is the value of a work goal or purpose, judged in relation to an individual’s own ideals or standards. Meaning involves a fit between the requirements of a work role and beliefs, values, and behaviors (Spreitzer, 1995).

Job Satisfaction is the pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience. Job satisfaction is a result of employee's perception of how well their job provides those things that are viewed as important (Locke and Lathan,1976).

Furthermore, this research will conclude which variable or specific statement item within a

variable is needed to be addressed for improvement in engaging employees toward the organization. This research uses the questionnaire, semi-structured interview, and secondary data as the method of data collection.

The scope of this research is the employees of one of Indonesia’s government organization, employee sampling is done by random sampling. Data results of 108 questionnaires collected are tabulated for its total scores for each variable item from each perspective. Then the tabulated data is distributed into quadrants (Macey, Schneider, Barbera, Young, et al., 2009), each quadrant categorizes data from the high meaningful work to low meaningful work, and the high job satisfaction to low job satisfaction. This research will then focus specifically on the first quadrant which has the total score of high meaningful work and low job satisfaction. The attitude measurement is useful for collecting, measuring, and analyzing employee opinions. All statements are scored on five-point Likert scale ranging from one (strongly disagree) to five (strongly agree).

High Meaningful Work, Low Job Satisfaction (Quadrant I)	High Meaningful Work, High Job Satisfaction (Quadrant II)
Low Meaningful Work, Low Job Satisfaction (Quadrant III)	Low Meaningful Work, High Job Satisfaction (Quadrant IV)

Figure 1. Quadrant of Meaningful Work and Job Satisfaction Quadrant
(William H. Macey, Benjamin Schneider, Karen M. Barbera, and Scott A. Young, 2009)

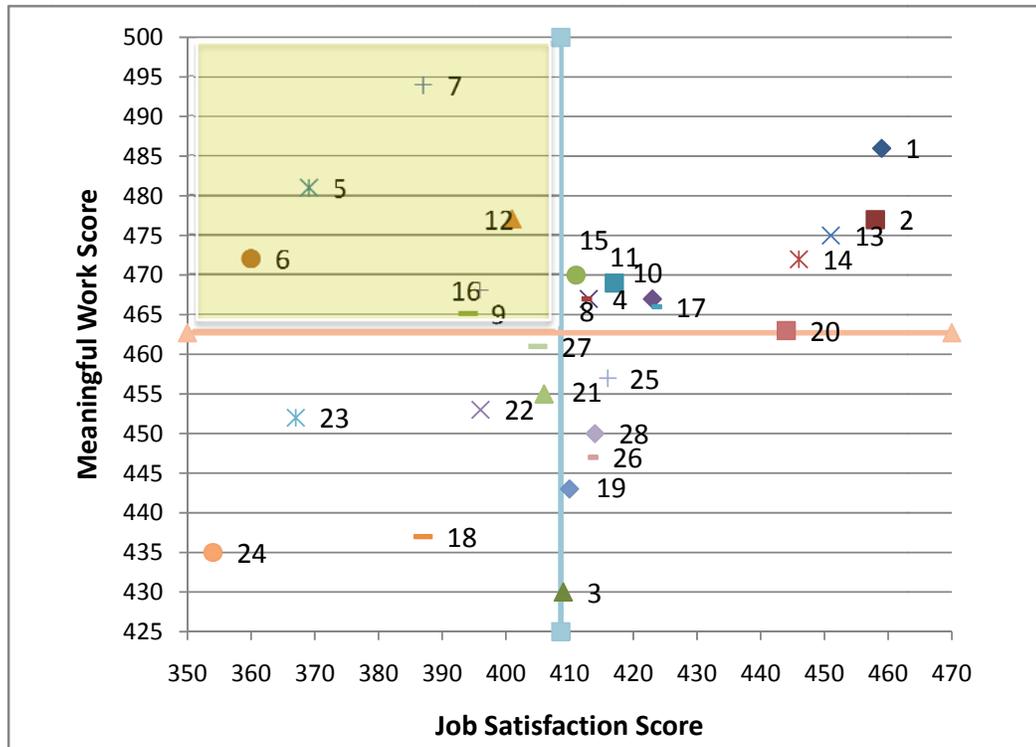


Figure 2. Quadrant of Meaningful Work and Job Satisfaction Quadrant Result

Findings and Analysis

As main data, we shared 300 questionnaires. Nevertheless, the valid data and could be continued were 108 data. The percentage of response from respondents is more than 70 percent. This number is excellent and unconditionally accepted in this research. Analyzing the data, we are implementing reliability test for all point in questionnaires. With “Alpha Cronbach Value”.value is 0.902

The area shaded in yellow is classified as the first quadrant that crucially needs improvement. Following are the statements within the first quadrant:

- Organization X provides health benefits that suits the employee needs.
- The salary received is align with the responsibility I hold.
- Organization X provides sufficient pension fund for employees.
- Organization X has a standard of performance.
- There is a frequent meeting with my supervisor to discuss personal development and my career path.
- Work units within Organization X work synergic together.

for the meaningful work perspective and 0.938 for the job satisfaction perspective. This number is extremely high and shows that questionnaire is reliable.

Next, the total scores are tabulated and distributed in the meaningful work and job satisfaction quadrant. As stated above, this research will only focus on the first quadrant that consists of high meaningful work and low job satisfaction. Following are the variable items that are within the first quadrant.

With the results of these following statements, a semi-structured interview is conducted for greater analysis and understanding of what issues lead to the statements.

Conclusion and Recommendation

Conclusion

In conclusion, there are four main issues that are resulted from the employee engagement mapping. First is upon compensation, total reward system gap is dissatisfied by employees due to the imbalanced work responsibility, reward, and punishment; and specifically seniority is used to as the base of pay rate, there is no pay for performance. Second is

performance management (performance appraisal), current performance appraisal method does not portray the work process and no key performance indicators as standards of performance. The measurement of performance appraisal is done once a year does create many biases in evaluating.

Furthermore, communication of performance appraisal importance is not effective resulting in misunderstanding, lack of rater knowledge, lack of acknowledgement upon appraisal importance, and misperception upon execution, hence it creates no feedback to the employees.

Third is career management. There is no clear career path, informal succession planning exists because daily

behaviors are not structurally measure are the main criteria instead of performance appraisal.

Since there is no clear career management, direct management also lacks upon motivation of career to their subordinates. Last issue is synergy, there is no holistic performance standard within the organization.

Recommendation

To resolve the four main issues of compensation, performance management, career management, and synergy, the writer proposes this framework as a holistic solution to the organization.

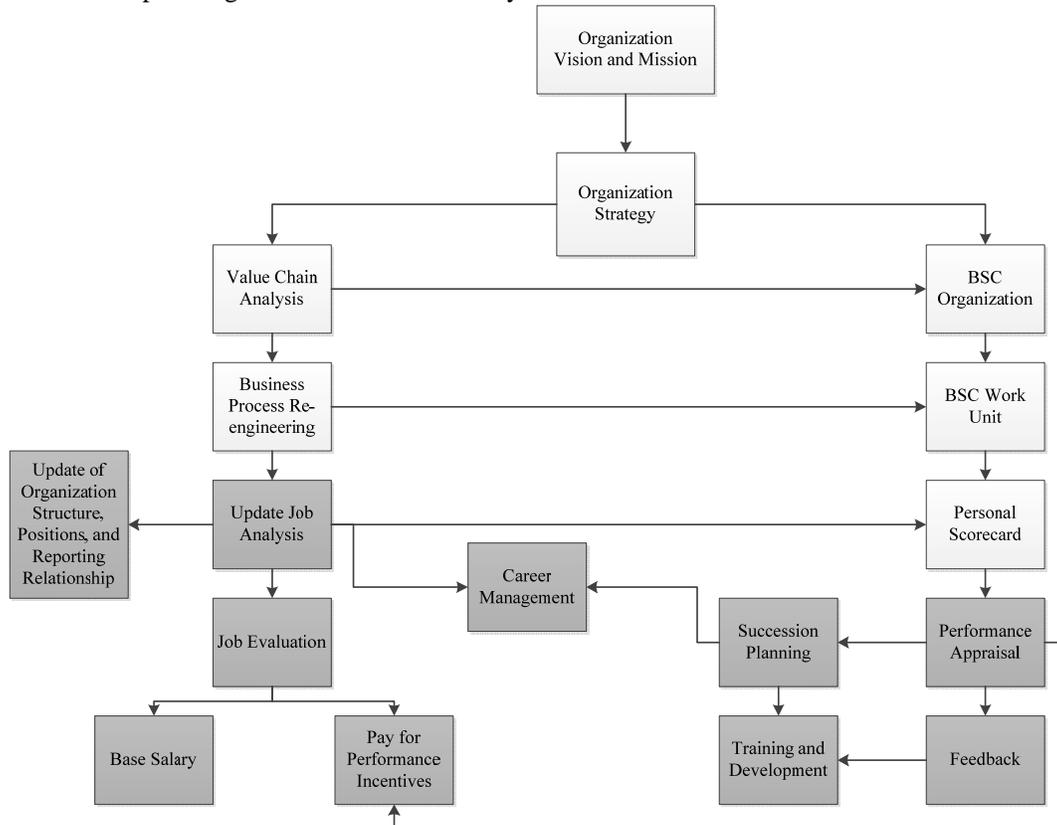


Figure 3. Suggestion Framework

This framework will resolve each issue resulted from the employee engagement mapping. Starting from the organization strategy and defining its value chain analysis will elaborate how the organization mechanisms support the business process of

the organization. With those mechanisms defined, the organization level Balanced Scorecard can be created, as the mechanisms can be quantified for their deliverables through leading and lagging indicators. To reduce work distribution redundancy, the value chain

analysis is broken down to the business process re-engineering, the effective work analysis is updated to the job analysis of the organization. The business process re-engineering will also help to set the cascaded organization Balanced Scorecard to the work unit level scorecard. The updated job analysis is also updated to the personal scorecard, as it will be the indicator for performance appraisal, feedback, training and development, and succession planning, all to create a simple method for career management. Job evaluation is also redefined with the need of pay of performance to motivate employees, yet keeping its base salary to appreciate those whom have been loyal to the organization.

Limitation to Practical Suggestion

The limitations to suggestion are especially focused to the statements regarding compensation and benefit variable, '*Organization X provides health benefits that suits the employee needs.*', '*The salary received is align with the responsibility I hold.*', and '*Organization X provides sufficient pension fund for employees.*' are not given further suggestions due to the financial limitations of Organization X. The writer believes that non-financial fixtures should be maximized to improve employee engagement that emphasizes on performance, fairness, and synergism of the organization. The HRD division should also change its mindset and image to show that this human resource management acts strategically, not administratively.

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