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# Challenges in Employee Engagement in Emerging Economies

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## Introduction

One of the key determinants of success for any organization is the engagement level of its employees. The increasing emphasis on employee engagement in organizations across the globe is justified as it not only contributes to employee retention and productivity, but also directly impacts a company's reputation and customer satisfaction (Shriram, 2012). Various other researches, such as Kular, Gatenby, Rees, Soane, and Truss (2008); May, Gilson, & Harter (2004); Schaufeli & Bakker (2004); Strümpfer (2003), assert that the topic of employee engagement fascinates the academicians, researchers, and practitioners alike.

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A. Lal Amity University, Noida, India According to a research report by Blessing White (2013), employee engagement is seen from many perspectives and most often, is also equated with job satisfaction. Kular et al. (2008) posit in their study that some researchers (Baumruk, 2004; Richman, 2006; Shaw, 2005) define employee engagement in terms of their emotional and intellectual commitment to the organization and others like Frank, Finnegan, and Taylor (2004) describe it as the amount of discretionary effort exhibited by employees in their job.

Despite the absence of a universal definition of employee engagement, its multi-faceted nature is acknowledged in the present time (Kular et al., 2008). Researchers like Kahn (1990) have tried to highlight the various facets of employee engagement by explaining it in terms of an employee's physical, cognitive, and psychological make-up vis-à-vis his/her work role. Kahn's view is considered to be highly influential as it not only introduced engagement as 'psychological presence' of an employee in her role but also became the base for many future researches. He believed that engagement is about 'harnessing' one's complete self—that includes physical, psychological, and cognitive structure of one's personality to the organizational role. He emphasized that an employee's feelings, thinking, and attitude (positive/negative) about his/her organization, the leader, and the working conditions are of utmost importance in terms of his/her engagement. Kahn's (1990) views also stress upon the physical aspect of one's job performance.

Along similar lines, a Blessing White's model (2013) focuses on two important factors, that is, 'individual's contribution to the company's success' and their 'personal satisfaction in their role'. According to the model, as shown below, full engagement represents an alignment of maximum jab satisfaction ('I like my work and do it well') with maximum job contribution ('I help achieve the goals of my organization') (Fig. 16.1).

Further, a report by KPMG (2012) asserts the role of employee engagement as a measure of employee attachment and relationship with the organization, working culture, their role, and relationship with colleagues. Although the impact of employee engagement is varied and deep, an engaged employee is expected to be attentive to his work and duties, which in turn brings a positive change in the productivity of the

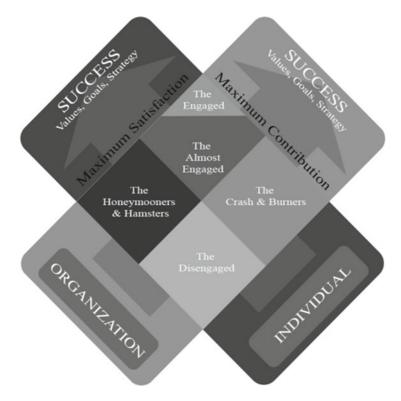


Fig. 16.1 Blessing White (2013) model of engagement

employee and the organization. As suggested by AON Hewitt in their report (2012), the engagement improvement plans can address employee motivation, behavior, productivity, and subsequently business results.

From the above discussion, we observe that the common thread running in the various approaches and definitions of employee engagement is the psychological as well as attitudinal assessment and response of an employee toward his organization, its leadership, and the various allied work factors like culture, colleagues, role, environment, and so on. Also the concept of employee engagement reiterates the underlying assumption that employees are the building blocks of any organization and their engagement and satisfaction level drive the success story of an organization. An engaged employee, and an engaged team in turn, contributes to the competitive advantages of the organization.

# Objective

- 1. To review the employee engagement of emerging economies—BRICS nations
- 2. To discuss the ways to improve global and regional employee engagement practices

# **Review of Emerging Economies**

#### Decline in Employee Engagement in the Last Decade

There is an overall downfall in the engagement level of employees and in fact, organizations are experiencing that there is a 'deepening disengagement' among employees in the last decade (Bates, 2004; Richman, 2006). As indicated by Kular et al. (2008) in their study, engagement of employees has become a great concern for organizations at an international level. They identified three discrete groups of employees: engaged, non-engaged, and actively disengaged, on the basis of a study by Gallup. The findings of the Gallup study, as proposed by Kular et al. (2008), indicated that the majority (63 %) of employees were 'non-engaged', 17 % were 'engaged', whereas remaining 20 % were 'actively disengaged'. As indicated by Seijts and Crim (2006), the Towers Perrin 2005 Global Workforce Survey exhibits similar global trends. This survey indicated that only a small percentage of the surveyed employees (14 %) were highly engaged in their job, followed by 62 % as moderately engaged, and 24 % reported that they are actively disengaged.

# Recuperating from Decline: Rising Employee Engagement of Emerging Economies

In their research report, AON Hewitt (2012) suggests that out of every ten employees in the world, four employees are not engaged. Providing insight into global employee engagement trends, the report concludes that 'engagement levels are stabilizing globally but shifting across regions'. The overall stability in the global numbers of employee engagement is evident from the fact that the engagement levels remained almost the same even during economic crisis. One would have expected a sharp decline but there was a rise of two points in the engagement levels from 56 % in 2010 to 58 % in 2011 (Fig. 16.2).

The report most importantly highlights that engagement level varies by region. As seen from the graph, there is a considerable growth in the engagement levels of the employees in the Asia-Pacific region. The scores of this region rose by three points and were 58 % in 2011 as against 55 % in 2010. The accelerating scores of this region contribute to the overall rise in the global scores of employee engagement.

Similarly, a survey by Effectory (2012a) reports that despite the turbulent global business environment—due to the recent recession—the average score on engagement, worldwide, is 7.2. Although there is uncertainty, employees are showing that they are engaged in their work (Table 16.1 shows a part of the findings of this survey).

Reiterating the rising region-wise difference in employee engagement, the report indicates that emerging economies like Bulgaria, Mexico, and India stand out in terms of engagement.

Along similar lines, a research update by Blessing White (2013) compared the engagement level of different regions for years 2011 and 2012, as shown in Fig. 16.3. The comparison concludes that although there was no reduction in the engagement scores of any region, the growth of

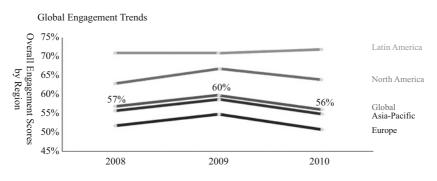


Fig. 16.2 Global engagement trends

	Engagement	Satisfaction	Leadership	Willingness to change	Role clarity
Worldwide avg.	7.2	6.6	6.2	7.1	5.9
North America	7.5	7	6.6	7.4	6.6
South America	7.7	6.9	6.5	7.6	6.7
Europe	7.3	6.6	6.3	7.1	6
Africa	7.5	6.4	6.2	7.4	5.5
Asia	6.8	6.3	6	6.7	5.3
Australia	7.3	6.5	6.3	7.3	5.7

Table 16.1	Highlighting	some findings
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Adapted from Effectory (2012a) survey

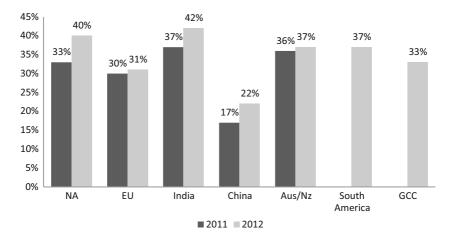


Fig. 16.3 Region-wise comparison of engagement for 2011 and 2012

developed regions such as Europe and Australia/New Zealand was 'essentially flat'. On the other hand, the engagement levels of regions such as North America, India, and China exhibited a significant increase.

Further, the report says that India has the highest levels of engagement.

Among other emerging economies, Mexico and Brazil also have higher percentages of engaged employees (Seijts & Crim, 2006).

According to Shriram (2012), there exists a significant difference between the engagement levels of developing and developed economies,

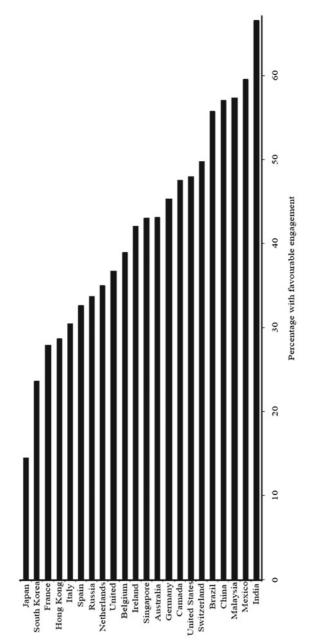
with developing economies having better engagement scores. This indicates that an employee of a developing nation will be more engaged than his counterpart of a developed economy and he also suggests that developing economies also seem to 'value the non-traditional elements' better. His study was based on the Towers Watson, 2010 Global Workforce Study, which found that 'even after controlling for demographic (e.g., age, gender and grade) and macroeconomic factors (e.g., gross domestic product, growth and unemployment rates), workers in emerging economies such as Brazil, China and India are more engaged with their jobs than workers in developed markets', as shown in Fig. 16.4.

From the above review of literature and research presentations of various consultancy organizations, we can say that emerging economies are experiencing a sharp increase in their level of employee engagement and thus contributing to the stability of the global index.

#### Employee Engagement in Emerging Markets: Status in BRICS

As per a Deloitte report on emerging economies (2011), 'Prior to the recession, the emerging economies of China, India, Brazil, and others represented the growth markets of the future. After the recession, that future has arrived'. Emerging markets are the growth engines of today's world. The economy in these countries is growing; other factors such as favorable demographics (Shriram 2012), abundance of low-cost labor and natural resources, expansion of local competitors (Fidelity, 2012), and so on make these economies attractive destinations for expansion of business. Price Water House Coopers (2012) in their report say, 'While advanced economies in the West face an era of heightened uncertainty, escalating debt, and aging populations, emerging and fast-growth markets seem to be following a virtuous circle upward—despite their own sets of challenges—as they invest their newfound gains in education, technology, and infrastructure'.

Collins (2010) indicates that the emerging markets appreciate the importance of energizing their workforce and upskilling their managers. These economies realize and make employee engagement their focus as they perceive it as the differentiating factor in delivering future business success.





The classification of emerging markets has been dynamic. The most famous nomenclature for these nations is 'BRICS' (Brazil, Russia, India and China, with South Africa added in 2010) (O'Neill, 2001; Goldman Sachs, 2013). Furtherance of analysis in the classification system is now pointing at the 11 '3G' (Global Growth Generators) economies, that is, Bangladesh, China, Egypt, India, Indonesia, Iraq, Mongolia, Nigeria, Philippines, Sri Lanka, and Vietnam (Buiter and Rahbari, 2012).

#### **Employee Engagement in India and Brazil**

Keeping in view the BRICS classification, employee engagement levels in India and Brazil are the highest in the world, with 'engagement indices' of 73 % and 65 %, respectively (Management Issues, 2009). According to Global Employee Engagement Index, as given by Effectory (2013), Indian employees top the chart of employee engagement of the BRICS countries. The index suggests that the general work perception score at the global level is 6.6 and the Indian score of 7.3 is better than the global average. This high score is evident of the fact that the commitment of Indian employees to their organization is high and the report further highlights that 'willingness to change' and 'customer orientation' are also found to be significantly high in Indian employees. India's strong positioning in terms of employee engagement is further supported by a report by Blessing White (2011). It highlights that India fared better than the other regions surveyed; with 37 % engaged and 12 % disengaged, India led Australia/New Zealand, North America, Europe, Southeast Asia, and China in terms of engagement levels (Mellina, 2012). Another study by Farndale, Hailey, Kelliher, and Veldhoven, (2011) comparing the engagement level of India, China/Hong Kong, and UK/Netherlands-as can be seen from Table 16.2—found that the engagement scores of India are the highest. India also reported to be having high levels of 'job resources' and 'job/organizational demands'.

Comparing the employee engagement of India with other developed nations, Collins (2010) exemplifies that TATA, a leading Indian company, is placing great emphasis on training their managers, developing their listening skills and showing empathy toward their staff. Collins asserts that this could be compared in direct contrast to Telecom France

Employee engagement	UK/Netherlands China/Hong Ko	ng	India
Job state engagement	3	2	1
Job behavioral—initiative	2	2	1
Job behavioral—active learning	3	2	1
Org. state—affective commitment	1	2	1
Org. state—organization satisfaction	1	2	2
Org. behavioral—citizenship behavior	2	3	1

Table 16.2 Comparison of engagement of three countries

Adapted from Farndale, Hailey, Kelliher, and Veldhoven (2011)

(As per Farndale et al. (2011), 1 = highest mean, 2 = 2nd highest mean, 3 = 3rd highest mean)

and EDF Energy in the developed world, where suicide rates are high among their employees attributed to changes in work rosters and lack of employee engagement. Collins highlights that the developed countries' approach is reactive as opposed to the proactive approach by companies in the emerging economies.

However, with the background that engaged employees stay with the organization, sVorhauser-Smith (2012) questions India's employee engagement, as the attrition rate in India is 20-30 % (50 % in industries such as IT). The study highlights that '54% of Indian workers are seriously considering leaving their jobs, and that figure spikes to 66% in the 16–24 year age bracket'.

As highlighted by Bansal (2012), Jim Clifton, CEO of Gallup, also shares similar negative views on employee engagement in India and warns that Indian workplaces are going downhill. Furthering his views, Clifton opines that only 8 % people in India are engaged, positive, and thrilled about their jobs and 30 % are miserable and actively disengaged (Bansal, 2012). Hence, a mixed picture about the state of employee engagement in India is obtained from these researches, strengthening the improvement in practices and need for further research.

The scores of Brazil follow India's top position in employee engagement. According to a research report by International Survey Research (2004), countries differ on the basis of engagement levels. The case of developing countries, such as Brazil, as highlighted in the survey, is much better than many high-income economies in terms of employee engagement (Farndale et al., 2011). Mimicking the same trend, Towers Perrin 2005 Global Workforce Survey concludes that employee engagement in countries such as Mexico and Brazil is accelerating (Seijts & Crim, 2006). According to AON Hewitt (2011), the economic recession had impacted both the developing nations and developed nations equally, or may be more due to their economic backwardness, but the growth charted by these countries in the post-crisis era is extremely high. Markets like Brazil, Chile, and Peru have emerged out of the crisis with resilience and the recovery is fast and sustainable as compared to the high-income economies. The report further adds that the engagement level of employees of these countries is also higher than that of developed countries. As per the report,

'In Latin America, career opportunities, recognition, brand alignment, and pay have been among the top five engagement drivers for three consecutive years. Although many employers took some measures to weather the economic storm, these measures were not as drastic as in other regions. This may explain why the average engagement levels in the region didn't experience the declines observed in other markets'.

Taking the specific case of Latin America, 'recognition' was found to be an important contributor in the improvement of an employee's engagement. The report highlights that employees of Brazil were found to be talking and expressing freely about their recognition in the organization. They preferred that they should be 'recognized according to their contributions—through differentiated rewards, opportunities for growth, and feedback from their manager'.

However, the situation is not the same in other emerging economies. The high level of employee engagement in India and Brazil, as shown by studies mentioned above, is not replicated in rest of the BRICS nations (Russia, China, and South Africa) (Effectory 2012b, 2013).

#### **Employee Engagement in China**

China—having a very significant place in BRICS—has the most disengaged employees globally, as concluded by the 2010 employee engagement report by Blessing White. The report suggests that 29 % of employees there are fully disengaged; and only 1 in 6 (7 %) are actually engaged. As highlighted by Yu and Srinivasan (2013), Chinese workers were expected to exhibit a slight improvement in their engagement scores in the year 2012 as compared to the engagement scores of previous years. As summarized in Table 16.3, there is remarkable jump of 4 % points within a span of three years in terms of engaged employees in China. The numbers suggest that 2 % of Chinese employees were engaged in their jobs in 2009 and the numbers rose to 6 % in 2012. Despite the significant jump, the index indicates that the average number of engaged employees in China is far behind the global average. Additionally, prior Gallup research indicates that 'Chinese workers are among the least likely in Asia to see their job as ideal, suggesting that they are less likely to go above and beyond for their employer' (Yu & Srinivasan, 2013).

The global employee engagement index as given by Effectory (2013) also indicates that employee engagement in China is significantly lower than the world average. In their survey, the score obtained as a result of Chinese employees rating their overall work perception was 6.3. The obtained score, when compared to the global scores, was found to be much lower. Further, comparing it with India, the report asserts, 'India's emerging economy is further strengthened by the perception of work in the country. Chinese employees have become increasingly more critical; they are standing up for themselves more and more. They ask for better working conditions and better compensation. That image is reflected in the scores of this survey' (Effectory, 2013).

Analyzing the low engagement level in China, a study by Farndale et al. (2011) talks about the cultural difference between countries like India, China, the USA, and so on. Highlighting the views of Hofstede (1980), Farndale et al. (2011) argue that the need for organizational structure, especially 'hierarchies' in the organization is influenced by the cultural make-up of that particular society. As known, cultures like India or China are not individualistic as is the case in most of the countries of

Employee category	2009	2012	Change (percent points)
Engaged employees	2 %	6 %	+4
Not engaged employees	67 %	68 %	+1
Actively disengaged employees	31 %	26 %	-5

Table 16.3 Change in engagement in China from 2009 to 2012

Adapted from Yu and Srinivasan (2013)

the West. In these eastern countries, 'groups' are more important in the society. The study aptly puts forward that these cultural contrasts have a genuine and lasting impact on human behavior in general and at the organizational level. Farndale et al. (2011) further suggests that the ethos is expected to 'influence the way employees respond to the organisations and managers they work for, and the systems in place to manage their performance'. They say that cultural and societal factors play a crucial role in determining the engagement levels of employees of that particular culture. In the case of China, the study emphasizes the role of 'organizational hierarchies' and 'group'-based structure as the likely reason for low engagement scores.

Along similar lines, another study highlights the role of culture and society in influencing the level of engagement of employees. This study once again sheds light on the 'hierarchical' structure of Chinese organizations. In the case of countries like United Kingdom and Netherlands, organizations do not follow any hierarchy, rather they believe in 'flatter' structure which is appropriate for better communications among employees and with the seniors too. As everyone in the organization is on the same platform, it becomes very easy for managers to take care of the needs of the employees and therefore give a regular boost to their engagement level. On the other hand, as the study puts forward, Chinese managers by virtue of their strict organizational hierarchy are not able to actively engage with their employees. The study further highlights as to how organizations in the Western countries involve employees from all levels in the decision-making process and how they gather constructive feedback from employees, which seems to be not taking place in China. As indicated in the study, 'It can be argued that Western society is conducive to an environment in which employees are more willing to voice their views in an open and often critical manner than is the case in hierarchical societies such as China' (Asia Research, 2012).

The case of China and its low engagement levels has been a topic of research for long and most of the studies indicate that the cultural and sociological set-up the of the country influences the same.

#### **Employee Engagement in Russia**

Russia is among the worst scoring countries in terms of employee engagement, as concluded by Effectory's 2012 Global Employee Engagement Index. Effectory (2012b) interprets the index and highlights 'loyalty', 'motivation', and 'retention' as the core issues for Russia. The index gives the information that employees in Russia are less motivated as compared to their counterparts in the region and do not display the need to be loyal to the organization. As a result of lower loyalty to the organization, Russia is also struggling with high attrition levels as is the case of India. In both these countries, employees may be discharging their duties well as they seem to be aware of the expectations of the employer but they are not continuing in the same organization for a longer period. Although the issue of 'retention of employees' is the same in both the countries, that is, India and Russia, the interpretation of index, as given by Effectory (2012b) mentions that the reasons differ in both cases. The index opines that the issue of 'power' may be the driving force and says that 'it seems that the power in India lies with employees, whereas in Russia the power lies with the employer'.

Another study resonates the criticality of power in case of Russian organizations. As per a study by Chartered Institute of Personnel and Development (CIPD) (2013), the culture within Russian organizations tends to be dominated by power relations. With the lack of innovation in management practice and inadequate execution of policies, Russia has a highly autocratic culture with little understanding of employee engagement or the importance of managing performance or talent. Furthermore, CIPD concludes that all power is bestowed to the senior managers and it is felt that Russian employees are not yet ready to 'self-appraise'—they need to be told what to do.

The power struggle in Russian culture resonates in its organizations too and is assigned as the foremost factor behind its poor level of employee engagement.

#### **Employee Engagement in South Africa**

Employee engagement in the last and newest member of BRICS, South Africa, is not very promising. Cawe, M. (2006) categorizes employee engagement in this country to be a 'challenge' due to various inside and

outside forces. South Africa obtained the lowest employee retention rate of 4.6 in the Effectory Global Employee Engagement Index (2012b). High level of attrition leads to poor engagement of employees or vice versa in this region. Researchers suggest that the reason behind poor employee retention could be the result of poor work conditions (Vilet, 2012), lack of loyalty, satisfaction, role clarity, or efficiency (Effectory, 2012b). All of these organizational and other factors add up to disengagement of employees. According to Cawe, M. (2006), there are numerous prevailing forces existing in South Africa which make employee engagement quite a challenge, such as 'depth of leadership skills in companies, scarcity of key talent, labor conflicts, and slow pace of transformation and outside work issues like high rate of poverty, unemployment and lack of proper education', all have an effect on employee engagement. Another perspective highlighted by Effectory (2012b) is the flexibility of South African employees. It is suggested in the research that the engagement level of these employees may show improvement if their willingness to change is tapped properly. Harnessing their flexibility may give them a feeling of being important and bring about a change in their engagement level. The study resonates the previous findings of poor facilities in the country and comments that 'It seems that the South African workforce is prepared to go the extra mile, but the facilities, infrastructure and so on make it difficult to achieve excellent performance'.

Hence, a focused analysis of the BRICS nations in terms of employee engagement highlights that employee engagement is not homogeneous within the group. While India and Brazil are topping the list and stabilizing the global scores of employee engagement, Russia and South Africa stand out with very low scores. China's position seems blurred; although its scores are improving in the recent past, the overall index is still low. These researches clearly demonstrate what Kular et al. (2008) commented in their research 'that one size does not fit all'. Every country's socio-cultural, political, and economic conditions are different and so are the attitude and behavior of their employees. Employee engagement is a sensitive issue and highly influenced by the psychology of employees and the socio-cultural structure of the region. Motivating the employees, getting them engaged in their work and to the organization is individualistic and highly dependent on how we understand the society and the need of the employees.

#### Improving Global and Regional Employee Engagement Practices

According to a report by AON Hewitt (2012), employee engagement is a significant contributor in improving the overall performance of the organization. Engaged employees provide great support and comfort to the organization when it is going through turbulent times. Greater loyalty and high levels of engagement help the organization focus and handle any short-term crisis without worrying about the attrition of its employees. Further, the study highlights the importance of employee engagement for 'longer-term business performance' and in improving and sustaining the competitive advantage. As suggested in the study, 'The companies that get engagement "right" will enjoy a source of competitive advantage in talent strategy and business results that is hard for others to replicate'.

The report by AON Hewitt (2012) talks about six drivers of engagement, that is, people, work/motivation, opportunities, total reward, procedures, and quality of life/values. Keeping in view the grave region-wise difference in engagement scores, the report by AON Hewitt (2012) emphasizes on region-wise work on the engagement drivers as shown in Table 16.4. The table indicating the top engagement drivers for the year 2011 demonstrates that employees of Asia-Pacific and Latin American regions seem to be concerned about their 'pay' and 'career aspirations'. It indicates that money is not the only driver of engagement for these employees, rather career development is equally important. These employees feel engaged to the organization only when their basic need of money and the next level need of a better career are guaranteed by the organization. On the other hand, regions of Europe and North America are dominated by employees with concern about 'organizational reputation'. Keeping in view the economic forwardness and other infrastructural facilities in these countries. it becomes quite evident that employee engagement is governed by factors like reputation of the firm, employee recognition in the organization, communication within the organization, and so on.

A different set of engagement drivers have been found to be working for China (Asia Research, 2012). China is undergoing a massive change where the base of its economy is shifting. As suggested by Yu and Srinivasan (2013), the earlier pillars of the Chinese economy were

	Asia-		Latin	
2011 Regional Drivers	Pacific	Europe	America	North America
Career opportunities	1	1	2	1
Recognition	3	5	1	4
Organizational reputation	_	2	-	3
Communication	_	4	3	5
Managing performance	_	-	-	2
Рау	4	-	5	-
Innovation	_	3	-	-
Brand alignment	_	-	-	-
People/HR practices	2	-	-	-
Career aspiration	5	-	4	-

Table 16.4 2011 Engagement drivers for four countries

Adapted from AON Hewitt survey (2012)

{As per AON Hewitt (2012), 5 = most important, 1 = least important}

'low-value added, low-skill manufacturing jobs', which are being transformed into 'knowledge-intensive and innovation-oriented high-skill jobs'. Due to this paradigm shift, organizations are facing many challenges in the form of employee retention, performance management of the employees, and enhancing the engagement level of employees. In the current scenario, as the study highlights, Chinese organizations may be seen struggling to retain their most talented employees and at the same time, make efforts to maximize the performance of their existing employees. Having understood the relevance of a satisfied and engaged employee, the aim of these organizations is to assemble a workforce which will help them gain competitive advantage. The Chinese organizations can get some guidance by making use of relevant employee researches/surveys. As suggested by Asia Research Online (2012), 'these researches can be used to develop a strategy for building a committed workforce who will contribute to the well-being and future prosperity of the company'.

Rothmann and Rothmann (2010) talk about specific steps that an organization may take to improve their employee engagement. They emphasize that the plan for increasing engagement should take a number of issues related to role of the employee in the organization, his/her relationships with peers and seniors, his overall feeling toward the job, and so on into account. Taking the specific case of South Africa, they talked about three steps toward the betterment of employee engagement. The first step is to enable the employees find meaning in the role assigned to

them. They emphasized that the organizations should ensure that the role given to the employees matches their attributes and qualifications; and provides them variety in their tasks, opportunity to work independently, and enough opportunities to learn and grow. The second step, as discussed in the study, deals with organizational factors such as clear and unambiguous communication within the organization, and involving employees in various types of decision-making. It also emphasizes that organization in a proper manner, employees are clear as to what is expected out of them, and they enjoy a cordial relationship with seniors and peers. Thirdly, the researchers talk about the 'advancement opportunities (remuneration, promotion and training)' that should be provided to the employees in order to improve their level of engagement.

Similarly, for Russia, studies indicate that inherent enthusiasm and flexibility of Russian people may be harnessed to improve employee engagement.

As discussed earlier, culture and society play a major role in defining the identity of an organization in the specific region and the engagement level of its employees. In an article, Ganguly (2012) interprets Grant's (2009) notions and posits as to how the rich cultural heritage of India can be utilized in promoting employee engagement in the country. He believes that India's high spirituality quotient can play a vital role in corporate culture. India can show the way by integrating its inherent spirituality with everyday work–life rather than keeping them in separate compartments. This gives people a sense of social purpose. It helps them reach their full potential as workers and managers.

There are few studies that have tried to analyze the reasons behind the low levels of employee engagement in organizations. Study by Farndale et al. (2011) talks about few such reasons that resonate with the findings of other researchers too, such as those of Rothmann and Rothmann (2010). The prime reasons as highlighted in these studies revolve around organizational negligence in acknowledging the significance of an employee's contribution in the functioning of the organization. Majority of the organizations do not let employees participate in the process of decision-making in the organization. Employees are just supposed to implement the decision made by the higher authorities and have no say in decision-making. Further, organizational unwillingness to work on improving communication, working conditions, role-related ambiguities, and relationship with seniors and colleagues are some of the reasons indicated by these studies. Farndale et al. (2011) are able to put forward a novel approach to the idea of understanding employee engagement. They believe that the engagement level of the higher authorities and the reporting manager are critical drivers of an employee's engagement. Whether an employee will be engaged or disengaged is highly influenced by the kind of manager he/she has. Managers are a role-model to their subordinates and if they exhibit high levels of satisfaction and engagement with the organization, the employee is subtly influenced to change in his attitude. They argue that the power and impact of a manager on his/her subordinates should be harnessed in order to increase the employee's level of engagement.

As suggested by Kock (2010), the role of managers in the overall development of an employee and in improving his engagement level is paramount. His views coincide with those of Farndale et al. (2011), where both studies emphasize that the relationship between a manager and his subordinate needs to be very strong, supportive, and empowering for the subordinate. According to Kock (2010), managers need to acquire the role of a coach for his subordinate where the long-term as well as short-term needs of the subordinate are taken care of. He further posits that the relationship has to be 'an empowering relationship that facilitates the creation of meaningful, challenging work that tests employee's resourcefulness'. Once again, it is highlighted in the study that rising attrition rate is somewhat indicative of lowered employee engagement. Hence, 'employee retention' is one of the prime duties of a manger, and the study proposes use of validated instruments to assess engagement level. The analysis of other factors influencing employee engagement coupled with the results of such instruments may help the managers get a clear picture of the factors that influence the engagement level of the employees of their particular organization. Further, Kock (2010) highlights that compiling of such information may be useful for the managers in order to assess the 'degree of connectedness among employees to their jobs and the organization' which in turn can 'provide a guide to identifying measures for retaining competencies and experience'.

Hence, identification of and uplifting the regional drivers of employee engagement—indicating country-specific work—and an overall improvement in management is warranted in today's time, in order to have global as well as regional improvement in employee engagement.

# **Discussion and Conclusion**

This study aims to describe the status of employee engagement in the emerging economies, with special emphasis on BRICS nations. In order to achieve the objective of the research, a review of the available literature was conducted.

This literature review reveals that employee engagement has been defined in different ways. Researchers have taken varied approaches and views in describing the concept of 'employee engagement'. Reiterating the findings of Kahn (1990), the present study also comes to the conclusion that employee engagement is a 'multi-faceted construct with no single definition'. The varied perspectives on the subject matter make the construct complex and hence, assessment and improvement become an issue for the organizations.

Employee engagement is responsible for improving the overall organizational performance and there are numerous examples of increased corporate profitability and organizational success due to increased employee engagement (Farndale et al., 2011; Shriram, 2012). With the increase in research interest in this area (Kular et al., 2008), academicians and practitioners are studying employee engagement worldwide and discovering novel practices. Several researchers have highlighted the cognitive, psychological, physical, and socio-cultural aspects of employee engagement (Kahn, 1990; Truss et al., 2006).

Apart from the universal factors like rewards, senior management, motivation, opportunities, driving employee engagement worldwide (AON Hewitt, 2012; Blessing White, 2013), other factors like global business environment also influence employee engagement (Kular et al., 2008). The recent economic recession and the economic volatility in the last decade have brought down the levels of employee engagement (AON Hewitt, 2012; Kular et al., 2008; KPMG, 2012). With the start

of this decade, global scores seemed to stabilize; reason being the soaring regional employee engagement scores (AON Hewitt, 2012; Blessing White, 2013; Seijts & Crim, 2006; Effectory, 2013). The present study has discussed this trend in detail.

This regional strengthening of employee engagement was made possible due to the emergence of developing markets in the global business scenario. The low-cost labor market, abundance of natural resources, young working population, and many other factors are making these emerging markets extremely lucrative for the multinationals and providing these economies their space in the global economic map (Fidelity, 2012; PWC, 2012; Shriram, 2012).

The emerging economies such as BRICS are a mixed bag in terms of employee engagement. While India and Brazil have high scores (Blessing White Research, 2011; Effectory, 2013; Farndale et al., 2011), China, Russia, and South Africa deal with their low scores and disengaged staff (Effectory, 2012b, 2013; CIPD, 2013; Yu & Srinivasan, 2013; Vilet, 2012). However, India, in the background of high attrition level, is facing low employee engagement sporadically (Bansal, 2012; Vorhauser-Smith, 2012).

Review of the literature further indicates that the imbalance in global and regional scores of employee engagement needs special attention. Negating the one-size-fits-all approach (Farndale et al., 2011), organizations need to understand the key drivers—both in general and specific to the workforce. A deep understanding of the volatility in global economic conditions and its impact on the workforce is required and appropriate innovative measures need to be implemented.

Further, the review highlights researches that are region-specific and identify regional drivers of employee engagement—such as pay for Latin America and Asia-Pacific, reputation of the organization for European and North American employees. These regional drivers need to be known and understood while deciding for the employee engagement practices (AON Hewitt, 2012).

Reviewing the research, the emerging economies can be called as the 'global stabilizers', with tremendous scope for future research and innovative practices backed by their favorable demographics, location, and the general 'hunger' for growth.

#### Limitations of the Study

Despite highlighting meaningful insights into employee engagement in emerging economies, the present study has its own limitations. It may be noted that the secondary data used for the study may not be representative and may have provided a biased picture. Also, the negative picture of developed nations in terms of employee engagement may be a result of few 'gaps' in the availability of such literature. The limitations of secondary data—incomplete, redundant, outdated, unreliable, vague, and ambiguous data—could not be avoided in this research.

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