PROPOSALS FOR IMPROVING JOB PERFORMANCE THROUGH EMPLOYEE ENGAGEMENT AT PT.X

Anindita Daisy Arumi and Aurik Gustomo
School of Business and Management
Institut Teknologi Bandung, Indonesia
anindita.daisy@sbm-itb.ac.id

Abstract–*PT.X formed its business units in accordance with the development of a pregnant mother to give birth, while other business units were formed in accordance with the company's concept.Currently PT. X is facing a problem where the number of customer complaints increased while the company's profit decreased due to the low service performance given by the employees and the low knowledge needed to carried out the work. Corresponding with the problem, the research will see the employee engagement at PT.X, propose solutions to improve employee engagement, and the implementation plan.Questionnaire was distributed to the employees to determine the level of employee engagement in PT. X, which was formulated based on the Development Dimension International, American Society for Training and Development, Gallup, and Twelve Company Capabilities' employee engagement models. Based on the questionnaire result, some solutions were proposed related to the human resource issues in PT. X.The proposed solutions were the setting up of data sharing system, job descriptions, standard operating procedures, product knowledge, feeedback system, training, performance criteria, and reward system.*

Keywords : employee engagement, job description, performance criteria, reward system.

1. INTRODUCTION

PT. X is one of the companies that are specialized in the maternal and children health and education industry at Bandung, West Java, Indonesia. The idea of creating a one-stop mom and child centre was the result of a discussion among the four founders of PT. X to open a clinic and integrate it with education. The initial concept was to create a curative, preventive, and promotive clinic where sick people could receive a cure for their illness and prevent further or new illness and healthy people could increase their health and well-being, thus the homey decoration and the preventive-promotive programs such as education and counselling offered by PT.X strongly support the concept. A concept development occurred when two of the founders were giving birth and could not left their children at home while they have to work, the founders decided to create a place which is in line with a mother's life phase so that the mother could find the help that she needed. As a new company that sells service to its customers, PT.X's performance was decreasing which is shown from the increasing number of customers' complaints and the decreasing profit. To find out the problem's factors, the company conducted an in-depth interview with the dissatisfied customers and a careful observation regarding the employees work performance, it can be concluded that the reason of the decreasing company performance is the employees' low job performance due to unskilled employees and unfriendly service from the employees. This problem would be solved through employee engagement point of view.

According to The Conference Board[1], employee engagement is a heightened emotional connection that an employee feels for his or her organization which influences him or her to exert a greater discretionary effort to his or her work. Another definition of employee engagement was from The Work Foundation[2] as the employee's emotional and intellectual commitment to their organization and its success, where employee would find a sense of purpose and meaning in their work, and willing

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[1] Snell, Alice. *Definition of Employee Engagement.* http://www.taleo.com accessed at 25 April 2012 at 22:46.

[2] Local Government Improvement and Development. *What is Employee Engagement?.* http://www.idea.gov.uk accessed at 25 April 2012 at 22:46.

to give an extra effort to achieve the organization's objectives.

Based on The Chartered Institute of Personnel and Development[3] (CIPD), employee engagement is a combination of commitment to the organization and its values and willingness to help out colleagues. William H. Macey, Benjamin Schneider, Karen M. Barbera, and Scott A. Young (2009) stated that employee engagement is when an individual's sense of purpose and focused energy evident to others in the display of personal initiative, adaptability, effort, and persistence directed toward organizational goals.

While Alan M. Saks and Joseph L. Rotman (2006) stated that a high employee engagement will likely to result in positive work outcome. Similar to the previous statements, Robert J. Vance (2006) stated that an engaged employee will give the company crucial competitive advantages, including higher productivity and lower turnover.

Jennifer Robison in Gallup Management Journal[4] divided employees into three types, namely the engaged employees where they work with passion and feel a profound connection to their company, drive innovation, and move the organization forward; the non-engaged employees where they finish their work without passion or energy; and the actively disengaged where employees are unhappy at workplace, give a negative energy to other employees, and tends to undermine what other employees accomplished.

A research conducted by The American Society for Training and Development[5] (ASTD) shows that there are several reasons why employee engagement is important for a company, namely to enhance customer service and increase customer satisfaction, improve organizational productivity, improve the bottom line, positively affect teamwork and work morale, reduce turnover, align employees with the company's strategy, attract new employees, build a succession pipeline, help employees to live a more satisfying lives, and reduce absenteeism.

The research also shows that a higher level of employee engagement in a company resulting in a higher level of financial performance which can be seen at the company's return of asset (ROA), customer satisfaction, and retention.

Another research conducted globally by the Right Management[6] shows that employee engagement in a company have a high correlation with the company's profitability; employees work productivity; workplace safety; employees attendance and retention level; a higher level of customer service, loyalty, and satisfaction; and employees work performance and efficiency.

2. BUSINESS ISSUES EXPLORATION

The issue that currently faced by the company was the declining of their employees' work performance which resulting to the decreasing of company profit and an increase of customer complaints, which means a decrease of company performance. Based on the previously explained theories, the business issue would be solved through employee engagement point of view. The research was based on the employee engagement's models from Development Dimension International, Gallup, American Society for Training and Development, and Twelve Company Capabilities.
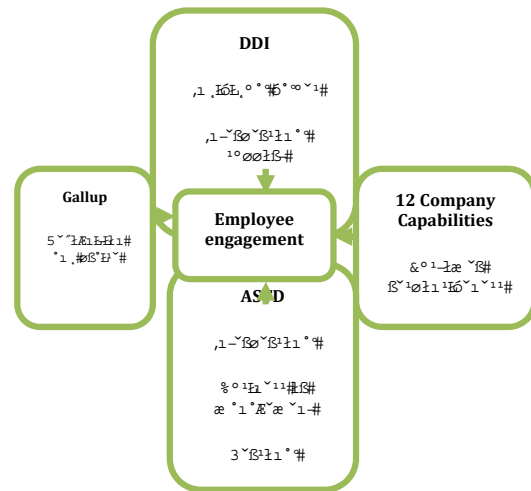

Figure 1. Conceptual Framework

The conceptual framework shown at Figure 1 were formed from the employee engagement assessment models from Development Dimension International, Gallup, American

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[3] Unknown. *Employee Engagement*. http://www.cipd.co.uk accessed at 26 April 2012 at 10:23.

[4] Robison, Jennifer. *Despite the Downturn, Employees Remains Engaged.* Gallup Business Journal. http://gmj.gallup.com accessed at 26 April 2012 at 11:46.

[5] The American Society for Training and Development. http://www.astd.org accessed at 29 April 2012 at 11:34.

[6] Right Management. *Organizational Effectiveness : Discovering How to Make it Happen*. USA. Right Management Inc. 2010.

Society for Training and Development, and Twelve Company Capabilities. Some of the factors in each models were deleted because it was already represented by other factors.
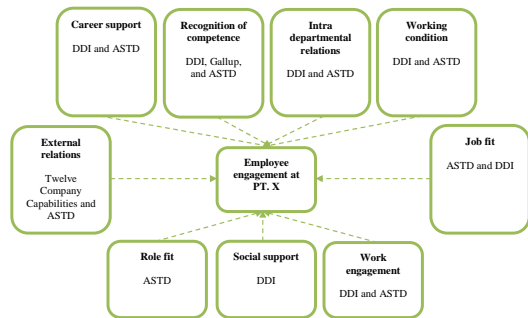

Figure 2. Factors Affecting Employee Engagement

The framework shown at Figure 2 was the synthesis from the four employee engagement models which were divided into several factors, such as career support to understand employees' opportunity to develop their knowledge and skill and work performance; recognition of competence to understand employees' opportunity for contribute to the company and have the ability to make their own decision at work; intra departmental relations to understand the employees' work relationship with other colleagues and the management; working condition to understand the workplace's condition faced by the employees; external relations to understand the relationship between the employees, customers, and the management; job fit to understand how competent and good the employees are to finish their work; role fit to understand how the employees feels regarding their job; social support to understand how realible the management are; and work engagement to understand employees enthusiasm at workplace. Based on these factors, a questionnaire was formed in order to find out the employee engagement in PT.X.

3. RESEARCH METHODOLOGY

3.1. QUESTIONNAIRE DESIGN

The questionnaire used in this research was formed based on the synthesized conceptual framework where each factors were translated into several variables. The questionnaire design provide variables as follows :

1. Career support.
a. Opportunity to develop skill, is an opportunity for personal growth and for work development.

Table 1 Lack of Employee Engagement Factors at PT. X

No.	Variables	Issues	Description
1.	**Adequate Resource**		
	Data availability to support work.	Lack of work information.	Employees do not have access to work data required to complete the job.
		Unclear work information flow.	There is no clear information flow from the management to the employees.
		Lack of clear requirement to do the job.	Employees do not understand the limitation of their work.
2.	**Recognition of Contribution**		
	I have the opportunity to develop new and better ways to implement my work.	Lack of training opportunity	Employees do not have acccess to trainings that can support their work performance.
		Lack of employee development	Employees do not have the knowledge and skill to develop their work system.
	In the last seven days, I received recognition or praise for my good work performance.	Lack of performance assessment system	There is no clear system to assess employees work performance.
	I was given the recognition for my work contribution.	Lack of recognition from the management	There is no clear system to monitor employees work performance.
3.	**Authority to Make Decision**		
	I was always involved in the decision that would affect my work.	Lack of feedback system	Employees do not have access to deliver their opinion and critic to the management.
4.	**Work Using Full Abilities**		
	My job requires all the knowledge and expertise that I have	Lack of clear standard operating procedures	Employees do not really understand the work process required to do the job.

b. Clear performance criteria assessment.
c. Performance feedback.
2. Recognition of competence.
a. Recognition for contribution, where there is an opportunity for experience empowerment.
b. Authority to make decision at work, where there is an ability to make unique contribution.
3. Intra departmental relations.
a. Good relationship with colleagues, where they work in a safe cooperative environment.
b. Strong leadership.
4. Working condition.
a. Adequate resource, is data availability to support work.
b. Satisfying salary.
5. External relations.
a. Good relation with consumer, is organization's ability to identify customers and form partnerships with targeted customers.
b. Communication between employee and the management, where employees are able to give contribution.
6. Job fit.
a. Work using full abilities.
b. Competent and able to handle job, where they have the knowledge and skill to do the job.
7. Role fit.
a. Job identity.
8. Social support.
a. Reliable supervisor, where there is a good communication between employees and the management.
9. Work engagement.
a. Enthusiam at work.

3.2 SAMPLING METHODS

In this research, the questionnaires were distributed at June 2012 with a 100% population of PT.X's employees where there are 35 employees at the company.

3.3 DATA ANALYSIS

The questionnaire was distributed to all of PT.X's employees and the number of returned questionnaires were 35 questionnaires which is the total number of PT.X's employees.

Based on the questionnaire result, there were four issues found at the company, namely adequate resource, recognition for contribution, authority to make decision, and work using full abilities. The questionnaire's result is shown in Figure 3.
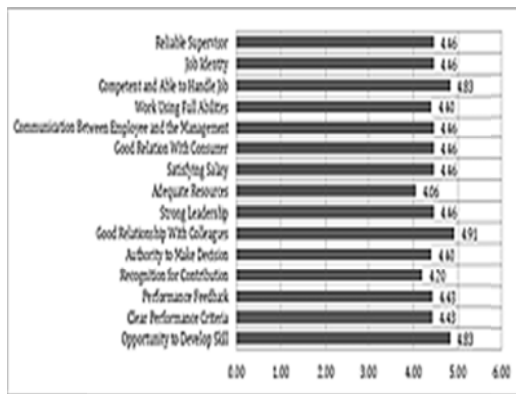

Figure 3. Data Histogram Result

Corresponding to the data histogram result at Figure 3, further research was conducted based on the three lowest score on the data histogram result. The three lowest score were adequate resource, recognition for contribution, authority to make decision, and work using full abilities.

In the adequate resource issue, the company does not provide enough work information for the employees, there is no clear information flow, and lack of clear job description. In the recognition of contribution issue, the company does not provide enough training for the employees to develop their knowledge and skill, unclear work performance assessment, and lack of recognition from the management.

For the authority to make decision issue, the company does not have a clear feedback system. The last issue faced by the company is work using full abilities where there is no clear standard operating procedures. Table 1 shows a further understanding of the issues found at PT.X.

4. BUSINESS SOLUTIONS

The current condition and proposed solutions can be further explained as follow. PT.X's issues were lack of data sharing system, lack of clear job description, lack of product knowledge, lack of training, lack performance criteria and reward system, lack of feedback system, lack of SOP, and lack of knowledge sharing. The proposed solutions for PT.X's issues can be explained as follow:

a. Adequate Resource.

The issues found at PT.X were lack of work information where employees do not have enough work data to finish their work; unclear work information from the management to the employees thus created confusion between employees, management, and customers; and lack of clear requirements to do the job where employees do not understand their work limitation.

To solve the issues, the proposed solutions were to set a data sharing system to eliminate confusion at work and employees may search, upload, or use the data to finish their work and provide a product knowledge by using mailing list, newsletter, Blackberry Messenger group, or twitter; and set a clear job description so that employees understand their work limitation.

b. Recognition for Contribution.

The issues found at PT.X were lack of continuous training for employees development, lack of performance criteria to assess their work performance, and lack of reward system as a form of recognition from the management to the employees.

To solve the issues, the proposed solutions on the training issue were on-the-job training with specific task so that employees could learn directly on how to do a job, informal learning by creating a team of new employee and senior employee so that new employee may learn informally on how to do a job, job instruction training where employees follow a step-by-step instruction on how to do a job, programmed learning, and computer-based training which are a more expensive training but in the long run the management may alter or edit the training as needed.

To solve the performance criteria issue, the proposed solutions were work performance guideline where the management may assess the employees work performance and use the performance appraisal form. Based on the work performance guideline and work performance

appraisal form, the reward system issue were solved by proposing the employee of the month title, free training related to work, bonus in the form of incentive, or an extra day off. The outstanding employee may choose one reward from the proposed reward system.

c. Authority to Make Decision.

The issue found at PT.X was lack of feedback system from the employees to the management. To solve the issue, the proposed solutions were to set a feedback system for the employees such as giving the employees' representative some time in the management's meeting; a short briefing before work time where employees may deliver their complaints or concerns regarding work; employee complaint form where employee may fill the form anonymously and send it to the Human Resource manager; and customer complaint form where customer may send their concerns, problems, or complaints they encounter at PT.X. Based on this forms, the management may try to find the problem, solve the issues, and then follow-up to the customers and employees.

d. Work Using Full Abilities.

The issues found at PT.X were lack of clear standard operating procedure and lack of knowledge sharing. To solve the issues, the proposed solutions were to set a clear standard operating procedure specific to each departments work environment and work pace. For knowledge sharing, the company may schedule one day per month so that all employees may gather and they could share knowledge or give input regarding work.

5. CONCLUSIONS

Based on the goal of this research, it can be concluded that :

1. According to the exploration study conducted in this research, the factors affecting the employee engagement at PT.X are career support, recognition of competence, intra departmental relations, working condition, external relations, job fit, role fit, social support, and work engagement.
2. Based on the histogram result, the lowest score factors were adequate resource, recognition for contribution, authority to make decision, and work using full abilities.
3. The improvements in PT.X includes data sharing system set-up, job description, product knowledge, training, performance criteria, reward system, feedback system, stamdard operating procedure set-up, and knowledge sharing.

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