

The Antecedents Affecting Employee Engagement and Organizational Performance

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Abstract

Employee engagement becomes an important issue as employee turnover rises due to the demand and shortage of skilful employees. Though organizational performances of many organizations have deteriorated due to high turnover rates and related issues such as high absenteeism, low loyalty and productivity, there is still a lack of academic research that addresses the antecedents required for high employee engagement in the food and beverage departments in the service industry. This paper focuses on the antecedents that influence employee engagement in food and beverage service departments, and literature reviewed indicates that there is a significant relationship between employee communication, employee development, rewards and recognition, and extended employee care. Among the antecedents, employee development forms the most significant contributor.

Keywords: employee engagement, organizational performance, food and beverage services, antecedents

1. Introduction

Employee engagement has emerged as a potentially important employee performance and organizational management subject (Endres & Mancheno-Smoak, 2008; Karatepe, 2009; Karatepe et al., 2012; Robinson et al., 2004). A growing body of evidence supports the relationship between the engagement of an employee at work and hotel organizational outcomes (Simpson, 2009), inclusive of those which are performance based. Even though the practitioners and researchers tout engagement as important work related factors, the definitions and measurements of an engagement at work, and more specifically food and beverage service engagement employees, are poorly understood (Lee et al., 2011; Li et al., 2012). Therefore, it is reasonable to state that to achieve competitive advantage, organizations need to request human resources to set up a plan for both employee engagement and commitment (Cristina & Pauken., 2008; Gruman & Saks, 2011; Osman, 2012; Simpson, 2009). Recently there has been a vast concern to engage employees. Several studies have claimed that employee engagement expects employee outcomes, financial performance and organizational success (Basbous, 2011; Ellinger et al.; Medlik & Ingram, 2000). Employees who are engaged are more likely to stay with their current organization and stay committed to their organization (Bakker et al., 2012; Wildermuth & Pauken., 2008; De Clercq et al., 2010; Karatepe & Olugbade, 2009). Apparently, employees who are not engaged will affect hotel performance through higher absenteeism, higher turnover, lower productivity, and recruitment and training cost. With the current worldwide falling economics, management is zooming into organizational efficiency and diminishing the operating cost in order to be sustainable in the marketplace. On the other hand, a high level of employee engagement helps hotels focus on attracting new talent in the labour market (Basbous, 2011; Cristina & Pauken., 2008; Gruman & Saks, 2011; Kong et al., 2012; Wheeler et al., 2012).

2. Literature Review

The literature provides an overview of the importance of employee engagement in the F&B department and the antecedents for employee engagement. An explanation about employee engagement followed by types of employees, and the social exchange theory is initially discussed.

2.1 Definitions of Employee Engagement

To date, there is no single and generally accepted definition for the term “employee engagement”(Markos & Sridevi, 2010). This is evident if one looks at the definitions forwarded for the term by three well-known

research organizations in the human resource area, let alone individual researchers. Perrin,(2003) used the definition ‘employees’ as the willingness and ability to help their hotels succeed, largely by providing discretionary effort on a sustainable basis.” According to a study by (Bakker et al., 2012; Karatepe & Olugbade, 2009; Ludwig & Frazier, 2012; Markos & Sridevi, 2010; Wheeler et al., 2012), engagement is affected by many factors involving both emotional and rational factors relating to work and the overall work experience. Robinson *et al.*,(2004) defined employee engagement as “a positive attitude held by the employee towards the organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the hotel management. The hotel must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.” This verdict and definition forwarded by the Institute of Employment Studies gives a clear insight that employee engagement is the result of two-way relationship between employer and employee pointing out that there are things to be done by both sides. Furthermore, (Fernandez, 2007) showed that distinction between job satisfaction, the well-known construct in management, and the engagement contending that employee satisfaction are not the same as employee engagement. This is because managers cannot rely on employee satisfaction to help retain the best and the brightest. Employee engagement becomes a critical concept where other researchers have taken job satisfaction as a part of engagement, but it merely reflects a superficial, transactional relationship only as good as the organization’s last round of perks and bonuses. Engagement is about passion and commitment - the willingness to invest oneself and expand one’s discretionary effort to help the employer succeed. Within employment arrangement, this is simple satisfaction or basic loyalty to the employer (Saks, 2011; Yakin & Erdil, 2012; Yeh, 2012). Therefore, the full engagement equation is obtained by aligning maximum job satisfaction and maximum job contribution. Recent researches have also indicated that employee commitment and OCB are important parts and predictors of employee engagement. That commitment is conceptualized as a positive attachment and willingness to exert energy for the success of the organization, feeling proud of being a member of that organization and identifying oneself with it. OCB is a behaviour observed within the work context that demonstrates itself through taking innovative initiatives proactively seeking opportunities to contribute one’s best and going the extra mile beyond employment contract (Markos & Sridevi, 2010). However, these constructs constitute the bigger build of employee engagement and cannot independently act as a replacement for engagement (Pienaar & Willemsse, 2008; Simpson, 2009). If looked at, the available literatures measuring employee engagement, one would surprisingly find several measurement items to the extent that it seems that different constructs are being measured (De Clercq et al., 2010; Lee et al., 2011; Li et al., 2012). Future researches are expected to create a clear definition and with dimensions of employee engagement on the basis of which the level of engagement can be measured, thereby, pointing out to managers a road map fully engaging employees in their job. As the old saying goes “what you can’t measure, you can’t manage”. Thus, there is a call for future research, as suggested by (Endres & Mancheno-Smoak, 2008) to define engagement in clear terms to avoid interpretation by subsequent users giving to the construct of different meanings.

2.2 Types of Employees

There were three groups of employees according to (Yuan & Lee, 2011). Firstly, the “Engaged Employee” who is ardent about his job and, has a sense of personal responsibility and obligation to what they should do to their company. Secondly, the “Non Engaged Employees”, those employees that do not have the energy during the performance of their job. Lastly, the “Actively Disengaged Employees”, those employees who are unhappy with their job and always try to let everyone know that. In addition, they constantly keep trying to make those engaged employees disengaged.

2.3 Social Exchange Theory (SET)

The social exchange theory SET offers a theoretical basis to explain why employees choose to become more or less engaged in their job. The social exchange theory contends that responsibilities are generated through a series of interactions between parties who are in a state of joint interdependence. A basic tenet of SET is that relationships grow over time into trusting, loyal, and mutual pledges as long as the parties stand by certain “rules” of exchange. Hence, one way for an individual to repay their hotel is through their levels of engagement. That is, employees will decide to engage themselves in different level as an answer to the resources they obtain from their hotel. Bringing oneself more fully into one’s work parts and dedicating greater amounts of cognitive, emotional, and physical resources is a very insightful way for individuals to respond to an organization’s or a hotel’s action. Hence, employee engagement consists of a psychological and emotional connection between employees and their F&B department which could be turned into negative or positive behaviour at work (Ma & Qu, 2011; Medlik & Ingram, 2000; Shiao & Luo, 2012).

2.4 Theoretical Framework

The literature review gives an overview of antecedents that may have influenced employee engagement based on the literature review previously conducted. Figure 1 shows the employee engagement framework.

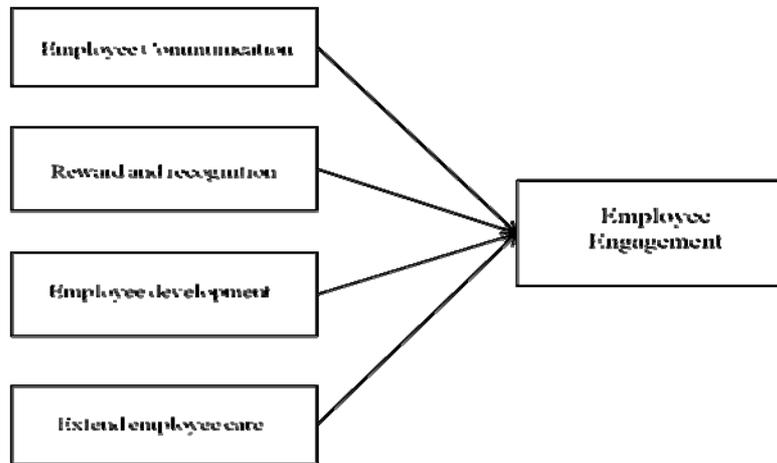


Figure 1. Employee engagement of food and beverage services department framework, adopted from (Basbous, 2011)

2.5 Employee Communication

Effective employee communication helps employees to comprehend their role in the food and beverage department, thus leading to organizational success (Freitag & Picherit-Duthler, 2004). The Chartered Institute of Personnel and Development (CIPD) survey has evidenced the significance of employee communications in organizations. The survey revealed that the two most crucial supporters of employee engagement are the opportunity to provide upward feedback and to be well-informed about the organization's workings (Basbous, 2011; Holton, 2009; Kang & Hyun, 2012; Ruck & Welch, 2012). It is clear that engagement begins with the employee being informed of the workings of the company. In other words, it is imperative to keep F&B employees up-to-date concerning the changes brought about in their work groups, for example, service method so they will be prepared when changes are introduced. Additionally, when employees are well-informed and are provided with a clear set of goals, they will be more inclined to make good use of their time, assets, and budgets. Consequently, employees remain on track when it comes to making decisions regarding priorities and they are sure of their actions (Gruman & Saks, 2011; Stein, 2006).

2.6 Reward and Recognition

People generally expect acknowledgement for their valuable offerings and contribution. Despite the fact that the majority of organizations often offers formal rewards and recognition programs in exchange for employee ideas and contributions, many employees still expect day-to-day informal recognition (Hofmans *et al.*, 2012). Employees need to be convinced that management listens, supports and recognizes their contributions in order to be more engaged (Pavlinac, 2009). The absence of employee recognition and appreciation has been established by the U.S. Department of Labour as a key aspect in employees' decisions to quit their jobs in organizations (Holbeche, 1998).

2.7 Employee Development

Employee development refers to the employee's feeling towards the efforts made by their manager and organization to develop the employee's skills (Garofano & Salas, 2005; Kallin, 1960; Karatepe, 2013). Through employee development programs, the food and beverage department may help its employee obtain the skills and knowledge they need to perform their job.

2.8 Extended Employee Care

Another important element in achieving high levels of employee engagement that leads to employee performance improvement is the extended employee care. Based on the study of (Edwards *et al.*, 2012; Ineson & Berechet, 2011), there existed three psychological conditions related to the engagement or disengagement at

work: safety, meaningfulness, and availability. In other words, employees become more engaged and more in their state of psychological availability in workplaces offering them more psychological safety and psychological meaningfulness, on top of that, (Glieb, 2000) revealed that elements of safety, meaningfulness, and availability were significantly related to employee engagement.

3. Conclusion

The findings of this study conclude that employee engagement for the food and beverage department in the hotel industry is highly significant to the hotel industry. The literature shows that the antecedents of employee engagement influence employee engagement and have a significant impact on the level of engagement among employees. The findings also indicate that employee development is the highest contributing factor to employee engagement. Hence, it is important for hotels to increase the level of engagement among their employees as an investment in employee development. Spending more on programs that develop the skills of the F&B employees by carrying out suitable workshops and training curriculum that enhances skills and improves the service performed is highly beneficial for hotels. Over the past 25 years, the major changes in the global economy have had important implications for commitment and relationship between employees and thus for employee engagement. Employees realize that they are not able to work for one single employer up to retirement. For this reason, employees have felt less committed to their employers with reduced expectations of reciprocity. This study is deemed important as it will aid the developmental strategies to enhance and improve employee engagement in the food and beverage departments at various levels in hotels. Elements that may affect employee engagement will also be imparted. As this paper is only theoretical, future studies may incorporate empirical data that will be collected from F&B departments in selected hotels in Jordan.

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