

ENGAGEMENT AS ONE OF THE REASONS FOR RECESSION – AN HR PERSPECTIVE

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—Abstract —

“Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organization. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job...It is a concept that places flexibility, change and continuous improvement at the heart of what it means to be an employee and an employer in a twenty-first century workplace.” (Professor Katie Truss¹)

“A positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of the business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employee and employer.” (Institute of Employment Studies²)

“A set of positive attitudes and behaviours enabling high job performance of a kind which are in tune with the organisation’s mission.” (Professor John Storey³)

The above three articulations speak volumes about how a meaningfully engaged employee can safe guard the interests of the company in her/his very unique way. This fact lead my thought process to the clichés being used like “recession proofing the business organizations”, “Vision and Mission statements”, “values” enunciated and all the stuff that is kept in the public domain of the Official Website of Organizations. When I apply the concept of engagement in the politics and beaurocracy running the government, I found it very easy to believe that engagement is not just a concept for business organizations it has universal application and the substantial power to influence various social and economic phenomenon including Recession.

Key Words: *Recession, Engagement, Human Resources, Performance, Alignment, Organizational Goals.*

JEL Classification: Z10

1. INTRODUCTION

1.1. Engagement

“The way employers treat employees has a direct effect on how employees treat customers. Customers, or service users, vote with their feet depending on the quality of the interaction they experience with any given organisation. Quality customer and employee interactions are, over the long run, the lifeblood of any business. These quality interactions ensure brand loyalty, advocacy and can give an organisation a competitive edge, which if rooted in their ‘culture’ can be hard if not impossible to replicate”. Jonathan Austin, Best Companies

The current global economic recession is a net effect of the engagement of individuals across nations, cultures and linguistic and religious groups. The Leaders of the organizations play a very critical role in these testing times. It is impossible to think about change without a Leader who needs to demonstrate herself as the Champion of the change. The seriousness of the Leadership is the key determining factor for the extent to which Change is seen and experienced. Engagement is the one of the significant measures of change and engagement in turn gets measured by the results achieved. The following statements substantiate this in the context of a financial crisis:

“Employee engagement approaches can help companies and organizations deal with the challenges of recession because by establishing trust, they can unlock

more of the knowledge and commitment of individual employees, for example in developing ways of performing tasks more effectively and efficiently. As Paul Drechsler, CEO of Wates Group, told us, *“a leader’s focus on engagement is even more important during difficult times to motivate, engage and ultimately retain your people.”* Engagement can enable organisations to retain their employees’ support while taking and implementing difficult decisions. Indeed unlike the experience in previous recessions, many companies have in the past year worked closely and collaboratively with staff to mitigate the effects of scarce credit and collapsing markets on the workforce. There is also evidence that companies are trying to protect training and staff development budgets, despite cost pressures (CBI Employment Trends, 2009).”

What gets measured is what gets improved. Yes, this is the fundamental premise based on which many systems have evolved to assess the performance of people, processes, and products. In this information era metrics are available for each and every activity that is basically productive. There are certain activities that remain apparently not productive but certainly seek deep investment. This investment is the most unique investment in any organization for its sustainability. This investment is in the area of enabling the engagement. Merely engaging the mind with an incentive is a typical way of classical conditioning in the employment. Engaging the mind for a delightful experience is transcending the Stimulus – Response framework. This engagement is ensuring the exercise of right choice before giving a response (Stimulus- right choice- response) and thereby enabling the mind to get a delightful experience. For people engaged in routine work process this might pose a challenge but awareness about the super ordinate goal of these routine works paves way for a delightful experience. The crux lies in enhancing this awareness.

2. ENHANCING THE AWARENESS

2.1. Self awareness and Engagement

Individuals who have got relatively more awareness about themselves, their purpose of being, the goals to be accomplished and the knowledge about the hurdles on the way tend to respond differently than those with less awareness. The Leader with self-awareness can envision the future of the organization with more objective assessment of the Strengths, Weaknesses, Opportunities and Threats. The Vision statement that a Leader creates with the help of his key people with whom he shares his dream becomes the foundation. A leader who,

though is very passionate about the vision he / she has, simply passes on the statement to his Key People to make it a reality by Creating a Mission Statement meets with highly inconsistent alignment of the Vision with the Mission. Today many organizations loudly speak of their vision; mission and values in their official websites but any visitor can do a reality check by just dialling a number shared in contacts or shooting an email to those ids published in the website.

Leaders of the organizations are directly influenced by the political leadership governing the Nation. The seeds of recession are sowed in the interactions between the Leaders Governing the Nation and the significant few Leaders of the Organizations. Largely these interactions are soaked in vested interest and the result is a myopic vision and non-committal mission about the real development but a very passionate effort for mutual self aggrandizement!!

As long as the value engineering is limited to sophisticated work environments in the big corporations the world economy is bound to witness frequent ups and downs. The value engineering needs to enter the political arena and electioneering. It is only then the world can witness a natural growth by optimizing the natural utilization of all natural resources that ensures equitable distribution of wealth being created among all stake holders. Every organization creates its CSR Wing and shares its wealth with the less privileged. Why should corporations do this when they can conduct their business without paying any bribes? Why governments allow CSR when they can design and implement uniform sustainable developmental programs for the society at large?

All creative minds get switched off when it comes to confronting the inefficient civic system operating in any Nation in the world. This is a universal phenomenon among all the intellectuals and philanthropic business leaders. Whose resources are we leveraging to create wealth? Anna Sooktam (that which is told well about food) in the Vedic literature the divine mandate is to treat food as a gift of the Supreme and Pure Potentiality that orchestrates this universe. It prescribes the reverence to be paid to food while preparing and consuming.

2.2. The natural roots of recession – experienced locally

Selling of food is a non-vedic act. In other words it is un-natural to sell the food. Food is to be shared among all living organisms (including human beings) existing on this planet earth to their requirement. The first seed of recession started at the moment the human race started hoarding beyond the requirement

and selling it. This statement reads very simple but speaks volumes, if one can extrapolate this selling of food to all aspects of contemporary economies. We would have excelled as civilized human beings if we could use our creativity to leverage the abundantly and naturally available food for the optimum utilization and zero wastage. Thus we would have protected the nature and nature in turn would have protected all of us. In a country like India (a land of deeds (both good and bad) and a land that can grant salvation) people abuse the natural rivers, ponds, lakes and ancient wells, forests, hills and green pastures. Is this not the cause of the local recession?

If we consider that we as a human race evolved as the most civilized race on this planet, what do we have to answer for the following acts?

- Porfirio supports his family in Nicaragua by growing beans to eat and sell. He spends most of his day tending to his beans as well as working with his wife to maintain their house and raise all five of their children. If a new “free trade” agreement called CAFTA passes, Porfirio fears that he will not be able to get a decent price for his beans. The cheapest beans at the market in Managua are imported from the US where the average farmer receives \$21,000 a year in subsidies from the government. It is impossible for Porfirio’s beans to compete against corporate agribusiness. After producing beans and feeding his family his entire life, Porfirio has been told that the best way for him to compete in the free market (under CAFTA) is to produce sesame, an export crop. His success will be dependent on the whims of the international market. When international sesame prices fall, Porfirio will not be able to sell his sesame. He will have no money to buy food for his family, and his family can’t survive eating sesame. He may have to sell his land and become one more unemployed person desperately looking for work in the cities or migrating to a wealthy country. (Witness for Peace)
- Why can’t Porfirio lead a normal life?
- Why Belgian Farmers have to dump the milk on ground rather than selling it or gifting it to the needy?
- Why several fruits and vegetables are allowed to rot in India and yet their prices are very high for a common man to buy?
- Why the staple food grains like wheat and rice are very costly in India?

Therefore the answer lies in our ignorance to create a food security system for the entire human race in this plant earth. We boast of IT, Electronics, Nano Technology and Biotechnological innovations. We are very happy with the iPad in our palm and 3D HD LED TV in our drawing room of our smart home, Ferrari in our portico but we also have starving, malnutrition, challenges from health, environment and safety of citizens, people living on the roadside in makeshift tents, nomadic tribes, beggars at the traffic junctions, child labour, prostitution, female infanticide, half naked children playing in the filthy slums, open drainage system, open toilets. The level and purpose of our engagement as employers and employees determines the extent of direct impact of our actions on the society at large. The level is purely business and the purpose is profit generation the engagement is bound to perpetuate the current social scenario and contributes to the cause of recession. The world literature on economic systems and global economy indicates that the corrections occur naturally and the ups and downs are natural cyclical activities corresponding to the extent of selfishness involved. The simple fact that proves is this: If we have an agency that can stop global recession that same agency can prevent it forever.

2.3. Political Engagement

The following table from official website of Indian Parliament shows the number of questions the members of parliament had asked during the Seventh Session of 15th Lok Sabha (Lower house of Indian Parliament)

**STATEMENT VI
 STATEMENT SHOWING THE MEMBER-WISE ANALYSIS OF QUESTION ADMITTED AND NAME CLUBBED
 DURING THE SEVENTH SESSION OF
 FIFTEENTH LOK SABHA**

| Starred Questions. | Un-starred Questions | Short Notice Questions | <u>SQ.</u> | <u>USQ.</u> | <u>Clubbed Questions</u> | |
|--------------------|----------------------|------------------------|------------|-------------|--------------------------|-------|
| | | | | | <u>SNQ.</u> | Total |
| 500 | 5749 | 0 | 328 | 5274 | 0 | 11851 |

It is clear from the above table that the Number of short notice questions asked are nil in the 7th Session. In order to ask a Short Notice Questions the member has to give notice to the Secretary General in the prescribed form with justification for raising the Short Notice Question. This means a member of parliament needs to invest time to ask this question. It is understood from the above table that no

member has felt the need to ask the SNQ. This is surprising and speaks clearly of the engagement of a member of parliament in the business of the Parliament.

This is only simple proof there are many instances and proofs that speak of the level/extent and quality of involvement of Representatives of the People in Federal and state levels in resolving several problems that plague the social life. On the other hand we see leaders indulging in publishing their large photographs, names on the stone laid to mark the inauguration, commencement of work, etc., functions or making and installing their own statues or the statues of their party leaders / parents / symbols with the public money. This is the level of engagement of politicians. As per the document placed in the public domain of the official website of Indian Parliament there are 56 areas of operation for the Central Govt and for which 40 Ministries were created. Meaning 16 areas or operation were assigned as additional responsibilities to some Ministers. This shows about the seriousness about the work to be done in these 16 areas.

2.4. Engagement of Beaucracy

Quoting rules, regulations, sections, clauses and formats are the chief techniques that the Indian Beaucracy adopts to serve the people. Though they are famously known as Public Servants, they are indeed subservient to the ruling political party and its leadership. Entire government machinery is tuned to accomplish the objectives of the ruling party rather than serving the public. In other words the so called public servants are actually known for their creative ways of harrasing the common man to give the service that is due to him. The author of this article is aghast to note an incident happened in 2008 to one of his relatives. This relative has got all the eligibility to get Rs.400/- oldage pension granted by Govt. Of Andhra Pradesh. The revenue staff of the village (Uppala Guptam in East Godavari Dt.,) demanded Rs.200/- every month to pay him. Thus the payment was regularised. When this relative transferred to another place his pension was not transferred but being drawn even today by some one!!

The Indian beaucracy needs a very thorough overhaul and a very creative and innovative training to enable it shed its un-natural and un-civilized ways of doing things. Unfortunately even the training is seen as an avenue to earn quick buck!! Interestingly we would see crores of rupees being spent on training / orientation and induction programs. The Ministry of Human Resources Development is operating only at the Central level and it has no counter parts at the state level. The “business” of this Ministry is limited to granting through UGC, AICTE,

CBSC, NCERT the permissions to start Universities, Colleges, Institutes and Schools and giving them Grants. When this Ministry sees its role and enhances its scope to the real areas of Human Resource Development, its organization structure, duties, responsibilities and the manner in which it engages itself undergoes a sea change.

3. CONCLUSION

A change for the sake of change is not a change. A change that changes the human orientation is a change. I remember the words of Dr. Verghese Kurien, the Founder of Chairman of the National Dairy Development Board (this author serves this organization for over 13 years) “True development is development of man”. True change ensure this. This is what the entire Vedic Literature aims at. The present day financial crisis is a man made mistake – rather a compounded mistake. The solution for this problem is simple but the so-called civilized human race can not accept this. It wants a mathematical model to solve this problem, It wants a complex reform process to be implemented in by Nations. Thus this problem is being solved through ways that are not direct, methods that are cosmetic in nature, work processes that are complex and interdependent and with the authorities that are multiple and many a times do work in a cohesive manner. On the other hand the world body United Nations plays a lip service to this entire problem. Therefore the solution lies very much in the problem in this case. The more time the human civilization takes to look at this global financial problem in a holistic way the more damage it causes in a cyclical manner. How the civilization chooses to engage itself in the days to come determines the future of our Financial Status. For this the role of United Nations is critical it has to transform itself from being a Post Master General of the world to that of a Policy Maker.

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