

# ORGANISATIONAL COMMUNICATION AND EMPLOYEE ENGAGEMENT IN HOTELS

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## ABSTRACT

**Background:** Organizations have increasingly come to recognise the importance of employee engagement over recent years. Employers are increasingly aware of the importance of engagement for organisational success, and the need to measure engagement and to take steps to improve it. One of the simple ways to increase the engagement is through an effective day-to-day communication process. Internal communication helps in the building high transparency level among managers and employees thus leading to a high engagement. There is no direct linkage at the organization level between engagement and communication. Due to lack of integration many time employee engagement programmes are not successful. Therefore a systematic study of communication and engagement is needed. **Objective:** To understand the impact and relation of organizational communication and employee engagement. **Methodology:** Quantitative research design was used and data was collected by questionnaire technique. The sample comprised of 50 respondents including associates, supervisors and managers of WelcomHotelDwarka, New Delhi. The attitude was assessed using five point Likert Scale questionnaire of EES Gallup and Institute for Employment Studies. **Results:** Communication is highly and positively related with engagement level of the employees. Open Communication leads to high employee suggestion involvement; they feel valued which directly affect the employee engagement. **Conclusion:** Employee communication is directly proportional to employee engagement. Open communication brings a degree of fairness and transparency lead to engaged employees. High engaged employees receive communication more frequently than low engaged employees. Employer has an understanding for the employees' expectation and future plans

**Key Words:** Employee Engagement, Communication, Hotels.

## INTRODUCTION

The International travel and tourism industry is one of the largest global industries in the world. It also serves as major global engine in economic growth. The industry generated US\$ 7.2 trillion in 2015 and is 9.8 % of the global GDP. One in every eleven people worldwide is employed by tourism sector directly or indirectly (WTTC, 2016).

According to Indian Brand Equity Foundation (Feb, 2017) Tourism in India accounts for 7.5 per cent of the GDP and is the 3rd largest foreign exchange earner for the country. The tourism and hospitality sector's direct contribution to GDP in 2016 is estimated to be US\$47 billion. The direct contribution of travel and tourism to GDP is expected to grow at 7.2 per cent per annum, during 2015 – 25, with the contribution expected to reach US\$160.2 billion by 2026. India was ranked 12th in the Asia Pacific region and 55th overall in the list of the world's attractive destinations (World Economic Forum, 2016). Further, the Travel and Tourism Competitiveness Report by World Economic Forum, has ranked India at the 6th place in Tourism and Hospitality.

The Tourism and Hospitality sector is among the top 10 sectors in India to attract the highest Foreign Direct Investment. According to the data released by Department of Industrial Policy and Promotion (DIPP), the hotel and tourism sector attracted around US\$ 9.2 billion of FDI between April 2000 and March 2016. Foreign Tourist Arrivals (FTAs) in India increased 11.8% YoY to 6, 70,000 tourists in August 2016. Further, Foreign Exchange Earnings (FEEs) from tourism increased 13.1% YoY to Rs. 129 billion in August 2016 (Ministry of Tourism, 2016). Domestic travel spending also witnessed impetus, attributing 82.5% to the direct Travel and Tourism GDP. The Union Budget 2016-17 allocated Rupees 15.9 billion to infrastructural promotion and development which is a 70% hike over the previous year. The total contribution of Travel and Tourism to employment (including wider effects from investment, the supply chain and induced income impacts) was 37,315,000 jobs in 2015 (8.7% of total employment). This is forecast to raise by 3.0% in 2016 to 38,441,000 jobs (8.8% of total employment). By 2026, Travel & Tourism is forecast to support 46,422,000 jobs (9.0% of total employment), an increase of 1.9% pa over the period (WTTC, 2016).

According to a report by India Brand Equity Foundation (Feb, 2017), the hotels alone are set to generate 2.3 million jobs both in terms of skilled, semi-skilled and non-skilled manpower. Hotel industry is a labour intensive industry which is difficult to automate due to a need of personal touch in the services offered. J. Willard Marriott quoted that, 'Take care of the associates and they will take care of the guests and the guest will come back.' Thus the employees are called internal customer in the organization.

Every organization runs for profit and the level of "Employee Engagement" is extremely important to the success of a business organization because it's primary driver of its financial performance (Reck,

2013). Perrin (2008) analysed 50 global companies for one year and concluded that there is a significant relationship between employee engagement and company performance.

Every Organization will always desire to have high level of employee engagement level. However Towers Perrin, in their Global Workforce Study which involved 88600 employees across 18 different countries found that only 21% of the workforce is engaged - worldwide (Reck, 2013). According to The Employees' Provident Fund and Miscellaneous Provision Act, 1952, "Employee" is defined under Section 2(1) as, 'any person who is employed for wages in any kind of work manual or otherwise, in or in connection with the work of an establishment and who gets wages directly or indirectly from the employer and includes any person employed by or through a contractor in or in connection with the work of the establishment'.

Cambridge Dictionary defines Employee as someone who is paid to work for someone else. Legal-dictionarythefreedictionary.com defines it as a person who is hired for a wage, salary, fee or payment to perform work for an employee. Kahn (1990) defined personal engagement as "the harnessing of organisational members selves to their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performances".

Perrin's Global Workforce Study (2003) uses the definition "employees' willingness and ability to help their company succeed, largely by providing discretionary effort on a sustainable basis." According to the study, engagement is affected by many factors which involve both emotional and rational factors relating to work and the overall work experience. Institute for Employment Studies (IES) defines Employee engagement as 'A positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of 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 employer and employee.' Organizations have increasingly come to recognise the importance of employee engagement over recent years. Employers are increasingly aware of the importance of employee engagement for the success of organisation, and the need to measure engagement and to take steps to improve it.

### **Drivers of Employee Engagement**

A diagnostic tool, using regression, was developed by Institute for Employment Studies (IES, 2003), to identified the most influential inputs to employee engagement such as Training, Development and career, Immediate management, Performance and Appraisal, Communication, Equal opportunity and fair treatment, Pay and benefits, Health and safety, Co-operation, Family friendliness. They concluded that organization communication is directly related to Employee engagement. Robinson et al (2004) highlighted the importance of feeling valued and involved as a key driver of engagement. As the employee will feel valued and involved and hence engaged. According to him, this can be a useful measure if serious attention was required and engagement levels are to be maintained or improved.

Factors that influence the employee engagement highly depend on four variables. One of such variable is internal communication. It is much needed to develop a transparency culture in the organization to engage employees in the priorities of the organization (Zainol et al, 2016). According to Brownell (1989), "Communication is transfer of information from one person to another, whether or not it elicits confidence. But the information transferred must be understandable to the receiver". Goldhaber (1990) defines organizational communication as "Organizational communication is the process of creating and exchanging messages within a network of interdependent relationship to cope with environmental uncertainty. This perception of the field of organization communication includes seven key concepts: Process, Message, Network, Interdependence, Relationship, Environment and Uncertainty."

There is no direct linkage at the organization level between engagement and communication. Due to lack of integration many time employee engagement programmes are not successful. Organization lacking in good communication between its employees will not be able to produce a good engaged employees. A disengaged employee will lead to create a negative vibe in the firm which will further affect the man as well as the machine. This will certainly lead to a loss for the organization in term of profit as well as reputation.

Companies invest heavily in designing and implementing employee engagement programmes but due to poor communication system the benefits of programmes are not available to all members. Therefore a systematic study on communication and engagement was conducted with following objectives:-

- To explore the association between demographic variables, organisational communication and employee engagement.
- To find out the degree of coalition between organisational communication and employee engagement.
- To investigate effects of employee engagement on organisational communication among the employees.
- To identify the current employee engagement methods.

## METHODOLOGY

The study was based on the survey as the employees of WelcomHotelDwarka, New Delhi were identified as sample. Total 50 respondents including associates, supervisors and managers of WelcomHotelDwarka, New Delhi were approached to fill the questionnaire. The method of sampling design was simple random probability. The research study was designed to analyse the influence of organizational communication on engagement levels. Survey was conducted on employees of WelcomHotelDwarka, New Delhi. Data was collected by questions.

**Instruments:** A 16-statement questionnaire was designed, using 12 questions of employee engagement Scale (EES; Gallup, 2011), measurement tool for Employee Communication is 6 questions of Institute

for Employment Studies (IES), 2003 and 4 general statement to examine the variables like progress, expectation, purpose communication, inspiration etc. Likert scale was from 1 (Strongly Agree) to 5 (Strongly disagree). These questionnaires were administered in a printed format with the assistance of HR Manager. Data analysis was done based on the provisions and utility of services.

## RESULTS AND DISCUSSION

The population considered for this research consisted of 50 employees. A questionnaire was adapted from the Gallup Survey and Institute for Employment Studies (IES), as to grade the responses of the employees based on the degree of their agreement.

*Table 1: Descriptive statistics*

Demographical Variables		Respondents	Percentage
<b>Age</b>	Less than 25 years	17	34
	26-30	11	22
	31-35	19	38
	36-40	3	6
	above 40 years	0	0
<b>Gender</b>	Male	29	58
	Female	21	42
<b>Marital Status</b>	Single	28	56
	Married	22	44
<b>Educational Qualification</b>	School	9	18
	Diploma	9	18
	Undergraduate	6	12
	Post graduate	26	52
	Other	0	0
<b>Designation</b>	Associate	20	40
	Supervisor	21	42
	Manager	9	18
<b>Experience</b>	less than 5 years	10	20
	5to10	17	34
	11to15	13	26
	16to20	6	12
	more than 20 years	4	8
<b>Income Level</b>	less than 15000	14	28
	15001-25000	10	20
	25001-35000	11	22
	35001-45000	13	26
	more than 45000	2	4

Descriptive analysis revealed that the respondents who belongs to age group of 31 – 35 years and followed by less than 25 years are mainly influencing this study with the 38 % and 34 % respectively. In regard with gender of respondents, the male respondents (n=29) and female respondents (n=21) were 58% and 42% respectively. Further, it can be concluded that, the study was also free from bias by marital status of the respondents, since married (44 %) and single (56 %) respondents are equally surveyed in this study. Among the surveyed respondents 52 % of employees were educated up to post graduation level; 12 % of employees who has completed their under graduation. Around 34 % of the employees in hotel had a total experience from 5 to 10 years followed by 11 to 15 years with 26 years. So it can be stated that respondents had the reasonable experience to provide their opinion about the engagement and employee communication in the organization. Among the surveyed respondents the highest income level of the employees in the hotel lied in less than Rs. 15,000 followed by 35001 to 45000 with 28% and 26% respectively. Further in this study, employees were categorized in the survey based on the nature of their job and it revealed that 40 % employees are operation level employees, 42 % of employees are supervisor level employees and remaining employees lies in managerial level.

**Table 2: Statement with respective mean likert**

Statement	Mean
I know what is expected of me at work	1.7
At work, my opinions seem to count	1.94
I have the materials and equipment I need to do my work right	2.12
The mission of my company makes me feel my job is important	2.08
at work, I have the opportunity to do what I do best every day	1.9
My associates or fellow employees are committed to doing quality work	1.96
In the last seven days I have received recognition or praise for doing good work	2.14
I have a best friend at work	2.46
My supervisor , or someone at work seems to care about me as a person	2.12
In the last six months, someone at work has talked to me about my progress	2.36
There is someone at work who encourages my development	2.08
This last year, I have had opportunities at work to learn and grow	2.14
My manager inspire me	1.3
I feel proud to tell people where I work	1.62
I feel valued for the work I do	1.62
I trust the information I receive	1.76
Communication in my company is usually open and forthright	1.72
Supervisor does a good job of communicating information to all	1.78
I am kept well informed about what the company is doing	1.72
I am able to speak up & challenge the way things are done in the company	1.74
Management encourages employee suggestions	1.68
I often get news often from grapevine	1.88

The researcher intended to determine that how many employees proactively look for the things they need to do. Out of which 52% of the employees strongly agreed, 40% agreed, 5% were neutral, and 3% disagreed. Communication is highly and positively related (1.75); significantly with engagement level of the employees. Open Communication (1.78) leads to high employee suggestion involvement (1.68); they feel valued (1.62) which directly affect the employee engagement (2.08). Good employee engagement (2.08) affects productivity and profitability level.

At present, by now, among HR executives and the employees within their respective firms, it has become a common knowledge that the nature of internal communication within the organization can have a dramatic and sensational, if not revolutionary, impact on the conduct of business and on its grooming. From the time it takes to make a business decision to the level of stability within the organization, highly effective internal communication have very much potential to affect virtually every type of HR outcome within a company with an eventual positive impact on the company's bottom-line financial performance (Yates, 2006).

Without any surprise then, the ways and methods of communication any company administers as well as the manner in which those methods are carried out successfully can have a large effect on both the process and results of your company's efforts to get the workforce engaged efficiently. It is obvious in fact that the important and prominent role of communication— both formal as well as informal—in affecting the engagement levels within the organization has long been recognized in both the academia and practitioner literatures. William Kahn's theory of engagement and disengagement at work (1990), revolutionized the conception of what it meant to be committed to one's work, recognized this in his 1990 study of camp counsellors and architects. Specifically, Kahn came to the conclusion that in an 'open environment' i.e. one in which information was shared freely among the organizational members without any sort of fear and where meaningful communicative interactions occurred regularly (Kahn, 1990).

As anyone familiar with the Gallup Workplace Audit (GWA) knows, more formal elements of internal communication are as important as any other in ensuring that your company's employees are taking the firm forward when they're at work. These formal elements relate to relatively straightforward goals - making sure that employees know what to do and how to do on the job, recognizing and acknowledging workers for superior and mushrooming performance, and facilitating a platform where discussion of performance and progress occur frequently and more often—and help to satisfy the basic needs and requirements of employees with the effect of freeing them of the hurdles they have to face to perform the work so that they focus on their work instead and bring efficient output (Harter et al, 2002).

In achieving optimum engagement levels the critical role of communication has also been highlighted by a study conducted by Watson Wyatt. In its 2006 study of employee engagement and its drivers, the consulting firm highlighted communication as holding a key role in affecting the overall engagement

level of employees: “Communication makes a positive difference in employee engagement. High-engagement employees receive communication from their supervisors and senior management far more frequently than low engagement employees.” (Wyatt, 2006).

Findings such as the above, along with widespread recognition that engagement levels tend to correlate with positive business-level outcomes and financial performance, suggest that the communication methods employed by the organization—and their relative effectiveness or ineffectiveness in driving the engagement of the workforce—may have significant financial impact for firms.

#### **There were various employee engagement tools following by the study locale like**

- Evolve: It is an internal Management Development Programme. It is a career tool that looks after the progression of employee to manager at unit level. It is three month module having five steps with variety of training and learning. Regular performance review is taken.
- Open House: A General Manager and Staff Meeting where Manager Human Resource is an observer. In this the staffs puts all the problems to GM. New Suggestions and Developments also taken into consideration in this meeting.
- Management Development Session: Every Saturday, Post Lunch Managers present topics related to management issues, Development issues, informative topics etc. Any change is also conveyed in this meeting.
- Theme Lunch: On Monthly basis managers of different departments (rotational) serve food to all employees with elaborated menu in a particular theme.
- Time Hall: Quarterly a gathering of all the employees held on a large scale where they enjoy the moment with food, music, dance etc. Various monetary prizes as well as gift cards up to Rs. 15000 also awarded to the best performers in various activities.
- Some other activities are: Christmas Celebration, Annual day, Retirement Ceremony, Diwali Celebration, Health Camp, Long Service Award, Face Painting Competition, Carom Tournament, Recognizing Excellence, Wow Facilitation, New Year Celebration, Holi celebration, Lohri celebration, Republic Day Celebration, Dandiya Celebration, and Biryani Festival etc.

## **CONCLUSION**

The most common problem that any organisation faces is communication. Most research suggests that in communication mistake is on the part of management. The first step to achieve a good employee communication is to make effort to communicate with employees and within employees. Effective communication is a proactive process not reactive. The employers should encourage employees for an ‘employee voice’ which is very essential for the effective employee engagement. Suggestion and views of employees should be taken to influence the final decision. An effective two way communication is very important in industries like construction, wholesale and retail, accommodation and food services, information and communication, financial and insurance activities, real estate, professional, scientific

and technical, education, human health and social work, arts, entertainment and recreation, and other services.

In order to achieve the successful employee engagement, managers have to take responsibility for passing on information in all directions with best suitable method required for any situation. In order to achieve excellence in this, a two way communication (this includes upward and downward both) is highly recommended. It is the responsibility of manager to communicate information to employees about the contractual terms and conditions of employment, the job and its performance, the organisation's performance, progress and prospects and changes to any of the above issues. Additionally, Lisa McQuerrey (Demand Media) recommended some ways to increase the employee communication by following mentioned activities in the firm on regular basis. They are 1) Holding Regular Staff Meetings 2) Conduct One-on-One Meetings 3) Have an Open-Door Policy 4) Issue a Regular Update Memo and 5) Put it in writing.

Hence, an open communication between all categories of management and associates especially on upward and downward direction, leads to enhanced employee through increased employee participation level in the work culture. Organisations are realizing now that human as a resource is the most important asset. Proper engagement of employees is required to achieve goals. These goals and objectives must communicate to each employee. This will lead to a clear understanding which further enhances high productivity levels and ultimately profitability in terms of both tangible and non-tangible. Thus this study supported that the employee communication is the antecedent of effective employee engagement. Employee communication is directly proportional to employee engagement.

The management should pay attention to opinions and ideas of every employee while designing the strategies and tactics in order to achieve full employee engagement. Communication makes a positive difference in employee engagement. High-engagement employees receive communication from their supervisors and senior management far more frequently than low engagement employees.

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