Impact of engagement exist in organisations' internal environment on employees' motivation, satisfaction, commitment and turnover intention

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Abstract. Examining the impact of engagement exist in organisations' internal environment on employees' motivation, satisfaction, commitment and turnover intention is the main aim of this research. To achieve this, Hilton Park Lane, London UK hotel was chosen as a case to conduct this research. Interview and questionnaire methods were used together to reach the main aim. The findings from the interview showed that the hotel did not have a separate employee engagement strategy but rather the management has been trying to engage its employees by social activities and providing discounted services. Statistical analyses showed that employee disengagement is positively related with employee turnover intention and employee turnover statistics at Hilton Park Lane. Although no statistically significant result was obtained regarding the correlation between employee disengagement, job satisfaction and motivation, the findings suggested that lack of motivation and dissatisfaction with job could be the underlying factors which would lead employee disengagement.

1 Introduction

The concept of employee engagement is used to describe a state where an employee is thoroughly involved in his/her work and his/her satisfaction with the work including his/her enthusiasm. Naturally, members of the academia and the professionals of the work life are inclined to use definitions of the term, which are a bit different than each other. However, there are also common types of engagement on which both parties agree:

- Intellectual engagement: having generally the job in mind
- Affective engagement: having a certain level of passion for his/her job
- Social component: the state of seeking opportunities to elaborate his/her job with the others
- Motivational factor: putting more effort and time in his/her position.

The general assumption is that the more the employees are engaged, the more positive outputs they produce in the business. That is to say that when employees are more engaged in their work, they are more inclined to doing overtime without asking for extra payment

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and they spend more time in order to develop further their skills for their work. All these types of citizenship behaviours reduce service delivery cost and increase the profitability.

The chance of employee engaged environment losing workforce is 80% less in comparison to the environment with high employee disengagement. Therefore, an organisation can decrease its employee turnover by increasing employee engagement. Consequently, with low employee turnover companies' authorities can immensely save on recruitment costs such as search, elimination, mentoring, supervising and finally training.

High employee engagement also assumes unexpected effort from the engaged employees, because the latter are constantly inspired to help customers and thus are very customer focused. Engaged staff workers not only have the exact amount of responsibility but also immediately are able to connect to with the customers on a positive emotional level and thus sense their needs. Environment with high employee engagement genuinely cares about the needs of its customers the matter of which the workers may even express verbally from time to time. In the long run such conduct of employee management can yield very strong and life-long customer loyalty and relationships due to increased sky-scraping customer satisfaction. Customer satisfaction improvement is one of the final goals pursued through employee engagement. Customer brand promotion, up-selling, customer loyalty and cross-selling are the organisational aspects opportunities of which can be heightened with life-long customer and partner loyalty. Naturally, the result of new opportunities is increased return rate as well as profitability.

In environment with low employee engagement, employee satisfaction is generally negative and this in turn results in high employee turnover, diminishing performance, loss of time and money spent on training and development and lower employee morale [1]. Employee engagement has utmost importance for service firms particularly those operate in hospitality industry because the front-line employees are the architect of guests' experience. Consequently, front-line employees highly contribute to the financial performance of hospitality firms and enhance their competitive advantage.

To this matter, it is identified that employee engagement has positive effects on employee turnover intentions, employee productivity, firms' financial performance and customer satisfaction [2]. Recognising the critical importance of employee engagement for hospitality firms, this study investigates this concept at Hilton Park Lane hotel. Therefore, examining the impact of engagement exist in organisations' internal environment on employees' motivation, satisfaction, commitment and turnover intention is the main aim of this research. To achieve this, Hilton Park Lane, London UK hotel was chosen as a case to conduct this research.

2 Literature

2.1 Employee turnover intentions

The level of movement by individuals throughout the social systems' boundaries is one way to define turnover [3]. In this context, the concept of turnover developed by Price [4] is used by Bluedorn [5] to establish a classification for boundary-crossing behaviours. Based on this classification, turnover is represented through four types including involuntary separation, voluntary separation, involuntary accession and voluntary accessions.

In this context, separation represents individuals exiting from a company. Additionally, a voluntary separation is the movement of an employee across the work organisation's membership boundary and is initiated by the employee. Voluntary separations are also known as resignations and quits [6]. However, voluntary separation does not include

promotions or transfers because the individual remains within the boundary of the organisation's membership.

On the other hand, an involuntary separation is a movement of an individual across the work organisation's membership boundary and is initiated by the employer. Involuntary separations are also known as fires and dismissals [3]. In the same context, accession represents both involuntary and voluntary entry of an individual into a company. The study does not consider accession because turnover is related with employees leaving an organisation. However, the study concentrates only on the volunteer turnover within the hospitality industry, since most of the turnover in the industry is voluntary.

2.2 Employee engagement

Schaufeli et al. [7] state that the key aspects of engagement are energy, commitment and concentration which result in a positive attitude towards the performance of work tasks. Schaufeli et al. [7] also point out that the state of being engaged is not fleeting or particular but rather an enduring and omnipresent affective-cognitive state that is not concentrated on a specific occurrence, behaviour, thing or person. According to Saks [8], the definition of employee engagement is a concept comprised of psychological, emotional and behavioural elements with distinguishing and particular characteristics connected to carrying out work functions.

2.3 Job motivation and satisfaction

According to McShane et al. [9], it is inner forces that catalyse an endeavour, keep the person focused and show the path towards the goal. Although the forces are not outer but inner, they are still subdivided into two categories – the ones that are catalysed by the individuals' self-sufficiency (intrinsic) and the ones that stem from individual's social circle and life style (extrinsic). The latter kind of motivation is driven either by good motivation that is longing for doing good or recognition or negative motivation which is avoiding undesirable outcomes [10]. Generally material compensation, basic needs satisfaction or various benefits recognised as extrinsic motivation and are not long-lasting; just as long as the task goes on.

According to Gunlu et al. [11], one can narrow down the job satisfaction definition to individual feelings and subjectivity towards assigned task, work space, work atmosphere, collective and administration. Lawler [12] points out that continuity of motivation is precedent to the moment of satisfaction. Lawler [12] further stated that job satisfaction is on the same continuum with employee attendance and turnover that are amongst company's most undesirable outcomes.

Ankli and Palliam [13] see the satisfaction and importance of motivation in the process rather than the outcome and states that motivation begins with a stimulus. Raffini [14] sees motivation as a voluntary action with no obligatory responsibility and discards satisfaction as an important element for genuine motivation is not negate by the thought of satisfaction. Another aspect that has dawned upon administrative bodies in recent decades is that intrinsic motivation is superior to extrinsic for with intrinsic motivation the company uses less resources while individual productivity sees no limits. Most of the time intrinsic motivation exceeds expectations.

2.4 Organisational commitment

The literature explains the idea of organisational commitment in various ways. In this context, organisational commitment is explained as the involvement and identification of an individual with a specific company [15]. Armstrong [16] states that commitment represents the individual's identification with the organisation's values and goals as well as the individual's willingness to exert efforts towards the organisation and a desire to belong to the company.

Mowday et al. [17] describe organisational commitment by explaining it as the level that an individual is associated with the organisation and its involvement. In this context, organisational commitment is attributed to a willingness to offer significant effort for the organisation, a significant desire to be a part of the organisation and an enduring acceptance and belief in the organisational values and goals [18].

3 Methodology

In this study, data triangulation method was used. This method allowed using two or more data collection methods and therefore it increases the accuracy of findings and applicability of findings to a larger population [19].

The aim of conducting questionnaire was to identify the level of engagement of Hilton Park Lane's employees. In developing the questionnaire, 10Cs of employee engagement were taken into account and 24 statements were developed. In addition, by conducting questionnaire, the level of organisational commitment and employee turnover intentions were also identified and the role of employee engagement on organisational commitment and turnover intentions were also determined. Questionnaire was prepared in the structured format. To obtain the variation in the perceptions, 5-point Likert scale was utilised.

This study was concerned with engagement of the front-line employees. The population of this study included all front-line employees of Hilton Park Lane. At the time of investigation, there were 162 employees were working at the front-line operations.

In the selection of participants, sampling was used due to lack of time in including all 162 employees. Among the sampling methods, quota sampling was used. Quota sampling is a non-probability sampling which require selecting number of participants to fill the quotas from the related sub-groups. The front-line employees work over three shifts within 24 hours. The sample for the survey was selected among the employees who work in the afternoon shift on 31st of January 2020. This shift was intentionally selected in order to increase the response rate because the afternoon shift is generally the least busy shift of the day.

To the survey, 24 employees were participated – 8 employees from each department. When the total number of front-line employees was taken into account, the response rate for the survey was 14.8%.

For the interview, a semi-structured method was used. A list of questions was prepared before the interview. In the design of questions, open-ended question format was used to explore the existing engagement strategy, the employee engagement policy and the effectiveness of current strategy. The question structure allowed exploring the related issues in-depth because it gave the interviewee the opportunity to express his/her thoughts in his/her own words. For the interview, 11 questions were asked and the researcher took extensive notes during the interview. For the interview, the purposive sampling was used. This sampling method is a non-probability sampling and requires selecting the participants according the purpose of the investigation. As the purpose of this study was to critically analyse the effectiveness of employee engagement at Hilton Park Lane, the interview

should be from the HR department as this department puts the strategy in practice. Therefore, the HR director was selected for the interview.

Books and articles were the main source for secondary data collection in this study and they were mainly related to HRM, motivation, job satisfaction, engagement, organisational commitment and employee turnover intentions.

4 Analysis

4.1 Questionnaire analysis

4.1.1 Participants’ demographic characteristics

Table 1. Participants’ demographic characteristics.

		Frequency	Percent	Valid percent	Cumulative percent
Gender	Male	12	50	50	50
	Female	12	50	50	100
	Total	24	100	100	
Age	No answer	2	8.3	8.3	8.3
	18-30	11	45.8	45.8	54.2
	31-40	7	29.2	29.2	83.3
	51+	4	16.7	16.7	100
	Total	24	100	100	
Employment type	Part-time	4	16.7	16.7	16.7
	Full-time	20	83.3	83.3	100
	Total	24	100	100	
Department	Front desk	8	33.3	33.3	33.3
	Restaurant	8	33.3	33.3	66.7
	Room service	8	33.3	33.3	100
	Total	24	100	100	

As it can be seen in the table above, the sample of the employee survey consisted of 24 employees and female and male employees were evenly distributed. The majority of the participants were young, between 18 to 30 years and work full-time. As the research was only concerned with the front-line employees who have direct contact with customers, the participants were selected from front desk, restaurant and room service. The number of participants from each department was 8 and in total 24 employees participated into the survey.

Table 2. Perception of employees regarding the employee engagement at Hilton Park Lane.

Employee Engagement		Mean	Median	Std. Deviation
Connect	Voice of employees	0.33	0.00	0.816
	Count of employees	0.62	1.00	0.770
Career	Career progress talk with supervisor	0.50	1.00	0.978
	Development opportunities	0.54	1.00	0.932
Clarity	Career opportunities	0.21	0.00	0.779
	Clear job description	0.50	1.00	0.834
	Receipt of enough information	0.25	0.00	0.897
Convey	Clarity of mission of Hilton	0.71	1.00	0.859
	Knowing what is expected	-0.50	-1.00	0.722
	Regular department meetings	-0.58	-1.00	0.717

	Communication of supervisor	-0.62	-1.00	0.711
	Organisational communication	-0.88	-1.00	0.612
Congratulate	Acknowledgement of performance	-1.17	-1.00	0.482
	Recognition/praise	-0.71	-1.00	0.624
Contribute	Encouragement by supervisor	0.67	1.00	0.868
	Being a part of Hilton	0.46	0.50	0.932
Control	Appropriateness materials & equipment	0.21	0.00	0.588
	Having the opportunity to do best	0.58	1.00	0.776
Collaborate	Cared by supervisor	-0.71	-1.00	0.859
	Having a best friend	-0.46	-1.00	0.884
	Level of teamwork	-0.83	-1.00	0.816
Credibility	Moral	0.46	0.50	0.721
	Commitment to do quality work	0.75	1.00	0.897
Confidence	Having confidence	0.58	1.00	0.881

Table 3. Satisfaction, motivation, commitment level and intention to leave Hilton Park Lane.

	Mean	Median	Std. Deviation
Satisfaction	0.46	0.50	0.833
Motivation	0.42	0.00	0.830
Commitment	0.38	0.00	0.576
Intention to Leave Hilton Park Lane in the Near Future	0.25	0.00	0.847

4.1.2 Correlation analysis

Correlation analysis is a statistical analysis which is used to determine the relationship between two or more variables. The goodness of this statistical analysis is that it does not only give the strength of the relationship between the variables, but it also shows the direction of the association between the variables.

In this study, the correlation analysis was employed in order to determine the influence of implemented employee engagement strategy at Hilton Park Lane on the job satisfaction, motivation, commitment and turnover intentions of employees. To obtain a single value to represent the employee engagement perceptions of the participants, the mean value of the answers given to 24 statements was computed for each employee. Then, Pearson correlation coefficient analysis was run between the average employee engagement perception, job satisfaction, motivation, commitment and intention to leave ratings of the participants. The significance of the findings can be determined by considering the sample size. The two-tailed probabilities at 95% confidence level for a sample which contains 24 observations is ± 0.42 and at 90% confidence level, the critical value is ± 0.35 . This means any correlation coefficient which is ± 0.42 or above is statistically significant at 95% confidence level or any correlation coefficient which is ± 0.35 or above is statistically significant at 90% confidence level. Having explained the details of the analysis, the findings from the correlation analysis shown in the matrix below can be examined.

Table 4. Correlation matrix.

	Employee Engagement	Satisfaction	Motivation	Commitment	Intention to Leave
Employee Engagement	1				
Satisfaction	-0.074956294	1			
Motivation	-0.257641045	0.214942684	1		
Commitment	0.056975957	-0.19263946	0.386796761	1	
Intention to Leave	0.432298758	0.01540651	-0.03093441	0.15601852	1

According to the table above, there is a negative but very weak relationship between employee engagement and job satisfaction ($r=-0.074956294$). In the case of the relationship between motivation and employee engagement, the finding suggests a weak negative association ($r=-0.257641045$).

In the case of the relationship between commitment and employee engagement, a positive association is found however, the relations is very weak ($r=0.056975957$). In the case of the relationship between intention to leave and employee engagement, the finding suggests a moderate positive correlation ($r=0.432298758$). These findings suggest that the current applied strategy at Hilton Park Lane reduces job satisfaction and employee motivation and increases employees' intention to leave their jobs. Interestingly, the current strategy has almost no impact on employee commitment.

Among these findings, only one of them is statistically significant which is the association between employee engagement and intention to leave. The correlation between these variables is significant at 95% confidence level according to the critical correlation coefficient determined in by looking at the sample size. When the other columns in the correlation matrix are examined, it is identified that there is a statistically significant relationship between motivation and commitment ($r=0.386796761$). The correlation between these variables is statistically significant at 90% confidence level. This suggests that when motivation of employees is high their commitment to the organisation also increases.

4.2 Interview analysis

The findings from the interview showed that at Hilton, there is no direct employee engagement. Indirectly, the management employs this concept through recruitment and offering benefits to its employees. The key strategy is of the hotel is giving away staff discounts at Hilton Hotels worldwide and engaging with employees through recognition activities such as selecting employee of the month, annual parties, fun trips and newsletters. For these activities, the management established Blue Energy Committee and Social Committee.

As the hotel adopts an indirect approach for employee engagement, there were no visible policies in place. However, according to the HR director, the employee engagement strategy is embedded into the HR strategy of the hotel. The understanding from the employee engagement concept is looking after staff welfare, offering learning and development through Hilton University, giving pay review which is around 3% and bonuses and developing talents through succession planning. The given impression is that the HR director is not annoyed with the invisibleness of employee engagement strategy rather she was annoyed with the weaknesses in succession planning which resulted in the loss of talented HR officer for whom the company could not find a higher position to retain him; family friendliness and flexibility of working conditions. On the other hand, it seems that the HR director and therefore the top management are proud of the employee benefits and the employee recognition at Hilton Park Lane as these two aspects of HR strategy are viewed as the main strengths of the current strategy. In terms of the effectiveness of employed strategies, the perception is that the current programme needs improvement rather than redesigning the overall HR strategy and developing a separate employee engagement strategy. The good thing for the HR director was the support from the CEO of Hilton Park Lane who encourages HR department to bring up the existing strategy and practices above the average.

In terms of the impact of applied strategies in increasing organisational commitment and decreasing turnover intention of employees, it is believed by the HR director that they are effective. At this point, the "Chef monitoring" programme was mentioned. This programme

is a chef apprentice scheme developed for commis chef. Hilton Park Lane is proud to that it is one of 26 hotels to give opportunities to young chefs to be developed by sending them to collage for 6 months as a training programme. Also, it is mentioned that Hilton Park Lane won the industry award in three areas.

The HR director also stressed the Blue Energy Committee which is established to unite the employees and to maintain the corporate values “to ensure every guest feels cared for valued and respected”.

Despite the establishment of Blue Energy Committee, the HR director admits that employee engagement strategy is partly successful because there is always need for improvement. However, it is believed that current strategy is successful because it is integrated into the HR strategy and highly supported by the CEO of the organisation. However, the HR director pointed out that the barriers in the implementation of employee engagement strategies and mentioned that the weaknesses can be overcome by focusing more on line managers, ensuring consistency in appraisal system and encouraging each department for more and better practice.

According to the HR director, there are differences between the departments in the application of employee engagement due to nature of the tasks and differences in their priorities. For example; front office, kitchen, business and development and HR departments are keen to employ employee engagement than engineering department because they are more engaged with customers.

In concluding remarks, it is mentioned that motivation and employee engagement are very important for Hilton Park Lane. However, the most recent employee engagement survey carried out by the HR department showed that the majority of employees leave Hilton Park Lane for two main reasons which are lack of career development and the treatment of management. These facts clearly show the truth about the effectiveness of employee engagement at Hilton Park Lane.

4 Conclusion

The findings suggested that there was employee disengagement at Hilton Park Lane rather than employee engagement because the key components which encourage employees to be engaged with their jobs were missing. The employee engagement survey carried out by the HR department of Hilton Park Lane showed that the majority of employees have been leaving Hilton Park Lane for two main reasons. These reasons; not being valued as a person and lack of career development.

The findings from the interview showed that at Hilton, there was no direct employee engagement although the management established Blue Energy Committee and Social Committee to do so. This is because the hotel did not have a separate employee engagement strategy but rather the management has been trying to engage its employees by social activities and providing discounted services.

The findings indicated that the HR practices carried out with the intention of increasing employee engagement at Hilton Park Lane were not effective. In fact, these practices caused employee disengagement because they reduced job satisfaction and motivation and in return increased employees' intention to leave their jobs. This study found that employee disengagement is positively related with employee turnover intention and employee turnover statistics at Hilton Park Lane further proved this finding. Although no statistically significant result was obtained regarding the correlation between employee disengagement, job satisfaction and motivation, the findings suggested that lack of motivation and dissatisfaction with job could be the underlying factors which would lead employee disengagement.

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