

Employee engagement essay sample

[Business](#), [Organization](#)



CIBC FirstCaribbean International Bank was formed in 2002 with the merger of CIBC West Indies Holdings and Barclays Bank PLC Caribbean operations under the name FirstCaribbean. It is a relationship bank offering a full range of market-leading financial services through Corporate Lending & Investment Banking, Retail Banking and Wealth Management segments. They are one of the largest regionally-listed financial services institution in the English and Dutch speaking Caribbean. CIBC FirstCaribbean focuses on recruitment, training and development and retention to deliver service excellence and is an example of excellent human resource management.

CIBC FirstCaribbean realizes the importance of their employees and values them. Therefore CIBC FirstCaribbean is worth studying as an example of best practice in human resource management. This essay will therefore seek to analyse employee engagement within the organisation and identify the nature of employee commitment, employee brand and employee retention with the use of relevant human resource management functions. Human Resource Management (HRM)

Human Resource Management (HRM) is vital for today's multi-divisional or national organisation's survival in extreme competitive global economic environment to gain and sustain competitive advantage, creating value proposition for employees, customers and for investors. Ivancevich (2001) defines human resource management is the function performed in organizations that facilitates the most effective use of people (employees) to achieve organizational and individual goals. Similarly, Armstrong (2006) defines HRM as a strategic and coherent approach to the management of an organization's most valued assets – the people working there who

individually and collectively contribute to the achievement of its objectives. However, Bratton (2007) defines (HRM) as a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practices. In order to achieve competitive advantage, HRM expanded into Strategic Human Resource Management (SHRM) which is alignment of the organizations' strategic goals and objectives with human resources function to improve business performance and develop innovative flexible organization culture. (Boxall, P. And Purcell, J. (2008)).

Employee Engagement

Employee engagement in the workplace is essential to a successful and productive business. An engaged employee views their position as something more than just a means to survive. They feel a sense of purpose and belonging, and possess a drive to make your organization greater than the sum of its parts. The active engagement of one employee will motivate their co-workers, inspiring the overall atmosphere of the workplace to one in which all employees are focused on the success of the organization as a whole. Engaged employees are more than satisfied with their position within a company, and there is a strong correlation between engagement and retention.

Employee engagement is defined as “ An individual's degree of positive or negative emotional attachment to their organization, job and colleagues.” However, there is an important distinction between engagement and

satisfaction. Job satisfaction is when an employee feels they are adequately compensated for their labour in the workplace, whereas job engagement is when an employee aspires to seek out more in the work place, and wants to make a difference. Satisfaction is merely contentment with the status quo, rather than a drive to out-perform the average.

As quoted in the work of Albrecht (2010), Khan (1990) described engaged employees as being fully physically, cognitively and emotionally connected with their work roles. Albrecht further states that Macey et al. (2009) defined employee engagement as “ 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”.

In January of 2006, David Sharpley presented a paper on employee engagement to the annual conference of the British Psychological Society’s Division of Occupational Psychology. He stated that “... we also need to make a distinction between motivation (displaying initiative and discretionary effort), which is linked to perceptions of a supportive environment, doing meaningful work and self-belief (and the ability to visualise oneself overcoming a problem) and engagement, which is influenced by (1) the perception that the organization supports the individuals personal development and (2) management capability – reflected in professional, fair and impartial behaviour. It is possible to be motivated in one’s job without necessarily feeling an attachment to the organization or to the management, if the job itself is motivating enough. However, a feeling of engagement requires a wider sense of supporting, and being supported by,

the organization. [http://nelsonconsulting.co.](http://nelsonconsulting.co.uk/employee-engagement/#sthash.rZEYTzTr.dpuf)

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Employee engagement at CIBC FirstCaribbean can be seen through various employee initiatives such as the launching of a new leadership training programme for Senior Leaders, they rolled out and embedded a new Performance Management Tool, focused on product-centric training for improved sales capacity across the workforce and upgraded several technological platforms to increase productivity. With these implementation programmes one can observe that these factors will promote employee engagement because the employees will feel a sense of belonging and value due to management's initiatives to help them grow within the organization and help them to achieve their respective careers.

In addition, CIBC also provides employees with work attire in the form of employees receiving uniforms yearly and this reduces the cost of employees having to maintain themselves in this area and employees feel a sense of belonging due to the fact that they are being provided for and are proud to be wearing a uniform that exemplifies an organization that has such value and recognition to the public. Notwithstanding the branding of the organization also attributes to employees engagement because they feel worthy to be working for such an organization due to their longstanding commitment to the Caribbean. Also employees who are pursuing educational studies within the banking sector are provided with educational sponsorship and this can lead to organizational advancement.

Employee Commitment

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Holden (1998) defines employee commitment as employee effort to achieve organizational objectives. Employee commitment embraces both motivation (actions to make people work more effectively) and self-motivation or empowerment (getting people to motivate themselves). He further states that the importance of commitment is reflected in what should be the primary objective of every organization: total customer satisfaction through a committed workforce.

FirstCaribbean International Bank 2012 E-voice Survey results indicated that their greatest strengths are in the areas of communication, colleagues, tools and resources to achieve satisfactory employee commitment levels. They focused on increasing employee commitment via career development opportunities and employee engagement.

Their virtual “ CIBC FirstCaribbean University” provides online and classroom training, from FirstStart training for customer-facing staff, to certification in management for mid-level employees, to the Leaders’ Edge mentorship and CIBC FirstCaribbean/Wharton Leaders’ programme for senior managers.

They view their people as the most important and valuable asset and over the years, they have remained focused on increasing their employees’ commitment and capabilities and the creation of a supportive work environment and culture. They have worked assiduously to provide their employees with the training, development, coaching and incentives required to help them succeed, including overseas assignments at the Parent Company, CIBC, in order to gain wider specialist training and expertise. They

have enhanced the measurement of employee satisfaction and this initiative has contributed greatly to their human resource management practices.

Employer Brand

(Barrow, S. and Mosley, R.) (2005) states that according to Tim Ambler of the London Business School in 1996 defines employer brand as the package of functional, economic and psychological benefits provided by employment and identified with the employing company. The main role of the employer brand is to provide a coherent framework for management to simplify and focus priorities, retention and commitment.

However, Reed, A. (2001) states that Corporate Strategy provides the primary definition of the employer brand. An organisation's vision, culture and core values, as well as how it has differentiated itself from its competitors, all define the sort of employees that it wants to attract.

He further states that influences on the development of an employer brand come from three main areas: the organisation itself, its competitors and the community with which the organisation interacts. By taking these factors into account the organisation must aim to become the employer of choice. The Community from which the organisation obtains its workforce is not only susceptible to the influence of the employer brand, but also contributes to its development. The community's perception of the employer brand determines how many people apply to work for an organisation as well as what type of people they are. The community's response to the employer brand helps to determine the direction that its development takes – assuming that the organisation is aware of the community's views! In

addition, the actions of the company's employees also shape the employer brand, both indirectly through their effect on the organisation and directly through their interaction with customers.

An organisation's competitors also influence the employer brand. Not only are they competing for sales, but they are also fighting to take on the best employees. Therefore their actions will influence the perception of the organisation's employer brand.

Worthy to note also, Tapomoy, D. (2006) Employer Branding is in practice in many of US and Europe based large organizations like American Express, Cisco Systems, Amgen, Starbucks and Intel. These organizations are amongst 100 best companies to work for and are leaders in Employer Branding. Research (Gallup Survey: 2002/2003) in US, Great Britain, France and Singapore indicates that due to low employee retention, high absenteeism and low productivity, around 80% of the employees lack any real commitment to their jobs with a quarter of those being actively disengaged or truly disaffected with their workplaces resulting in huge financial losses every year, not only to the organization but to the whole economy. These disturbing findings reveal how organisations worldwide are failing to deliver results which employer branding can very aptly address.

He further states, " Recruitment advertising is just part of the employer branding process. Recruitment advertising sits on the communication side of employer branding. ' Total' employer branding involves many different aspects of the employment experience, such as reward and performance systems, organization procedures, the organization's values, work

environment, employee-oriented policies e. g. work life balance, and covers more employee groups than potential recruits.

Measurement perhaps the murkiest area of current employer brand management. There is no one clear best measurement method, with organisations using the usual mix of qualitative and quantitative techniques, such as hiring ‘ hit’ rate: organization’s ability to win the top talent war, retention rate: evidence of lower attrition rates, happy sheets: employee satisfaction (through surveys) and pledges of loyalty, how many of the employees, both current and potential, are aware of employer brand.

On June 20, 2011 FirstCaribbean announced that they will be co-branded under the CIBC banner, adopting the branding CIBC FirstCaribbean. The addition of CIBC to the FirstCaribbean brand emphasizes CIBC’s long-term commitment to the Caribbean region, our employees and our clients. Our clients and our employees across the Caribbean will continue to benefit from the long-term investment that CIBC is making in the Caribbean – a history that dates back to our first branches opened in 1920. ([www. caribbeanjobs. com/CIBC-FirstCaribbean-International-Banks-Jobs-110. aspx](http://www.caribbeanjobs.com/CIBC-FirstCaribbean-International-Banks-Jobs-110.aspx))

Employee Retention

Retention, “ linking pay to performance is likely to help improve work force composition” (Schoenfeldt, Fisher, & Shaw, 2006). Therefore, employee retention is an organizational strategy used to motivate employees by rewarding them commensurate to their performance.

Compensation, an extrinsic reward, is the total of all rewards provided. Whether it's financial or non-financial (with a value) to employees in return for their services, is another important tool in retention. Its overall purpose is to attract, retain and motivate employees. Therefore retention of employees is critical to compensation management. It has to maintain employee commitment.

Compensation at FirstCaribbean offers opportunities for professional growth, their compensation and reward package is attractively structured and performance bonuses are also offered. This benefits the organisation whereas employees strive to be top performers in order to be rewarded with top benefits and gain a larger share of compensation.

CIBC FirstCaribbean has consistently ensured that their people are compensated within the top quartile of companies throughout the region, which allows them to continue to attract the top talent in financial services from around the Caribbean and the wider world. Thus, core knowledge workers' compensation is very substantial, in comparison to the contract workers and internal partners.

The cost of losing talent involves the time and resources that are utilized to hire new employees. The costs are both direct and indirect. There are the direct costs to recruit and train new workforce. It is hard to get the same level of talent back, additionally for a new employee, it also takes time to adjust to new working conditions and environment resulting in low level of efficiency in early stage which results in a greater indirect costs and loss of productivity. Less obvious are the costs of maintaining morale when there is

a change and threat of job cuts. For those in high demand, the cost can rise to as much as 1.5 times the annual salary to replace them; thus, making retention both beneficial to the organization as well as the employee.

On the other hand, non financial compensation or intrinsic rewards is the satisfaction an employee receives from the job itself and the appreciation from management. Every year, the Bank pays tribute to employees who consistently excel and exceed expectations. They call these exceptional members of staff “ Pro Performers” and those who are in the top ten earn the distinction of being named “ Player of the Series”.

Conclusion

It has been noted that CIBC FirstCaribbean has been formed through a merger of two companies but has still kept its value and recognition in the financial services market. They believe that employer branding helps to align human resources with the organizational goals and business strategies.

Engaged employees were defined as being fully physically, cognitively and emotionally connected with their work roles. As noted within CIBC employees engagement has been noted through the organization providing a work culture that allows them to be involve in the decision-making process within the organization with the adequate training being provided.

It was also observed at CIBC that in order to keep employees committed they provided career development opportunities and also ensured that the culture of the organization enhances employee engagement.

Recent changes that have occurred was the branding of their name to CIBC FirstCaribbean, this indicates the recognition that CIBC has in the Caribbean and has increased the attractiveness of potential employees to become a part of their organization.

However, for the time being the practices and principles that CIBC exemplifies can be acknowledge through the low level of retention within the organization and this has been contributed from their well structured compensation package and rewards to employees which are offered through professional growth.

An effective human resource department not only acts as a business partner of the organization, but also helps in shaping the business strategy. CIBC focuses on recruitment, training and development and retention in order to deliver service excellence.

As a Caribbean managed business within the CIBC group of companies CIBC has been rated A+/Stable/A- by Standard and Poor's. This illustrates how well the HR Managers have been able to align the work culture to the business strategy in order to become a leading financial institution in the Caribbean.

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