# HUMAN RESOURCE MANAGEMENT IN TERMS OF EMPLOYEES' ENGAGEMENT IN SLOVENIAN COMPANIES

### Rožman M., Tominc P. University of Maribor, Faculty of Economics and Business Maribor, Slovenia

Within the framework of the research, we confirmed the research assumption about the statistically significant positive influence of motivation on the work engagement of employees in Slovenian companies. This underscores the need for a proper approach within the human resources management - towards an individual approach, thereby achieving greater motivation of employees in the workplace and thus enhancing their work engagement.

*Key words: motivation, work engagement, employees, human resource management.* 

# УПРАВЛЕНИЕ ЧЕЛОВЕЧЕСКИМИ РЕСУРСАМИ С ТОЧКИ ЗРЕНИЯ ВОВЛЕЧЕННОСТИ СОТРУДНИКОВ В СЛОВЕНСКИХ КОМПАНИЯХ

### Рожман М., Томинц П.

## Университет Марибора, факультет экономики и бизнеса Марибор, Словения

В исследования подтвердили предположение рамках мы 0 статистически значимом положительном влиянии мотивании на вовлеченность в работу сотрудников в словенских компаниях. Это подчеркивает необходимость надлежащего рассмотрения индивидуального подхода в рамках управления людскими ресурсами, что ведет к большей мотивации сотрудников на рабочем месте и тем самым повышает их вовлеченность в работу.

*Ключевые слова:* мотивация, вовлеченность в работу, сотрудники, управление персоналом.

### 1. Introduction

The result of proper management of company employees is reflected in improved productivity, quality of work and efficiency of employees in the workplace (Tuomi et al, 2001). There is a positive relationship between productivity, motivation and well-being in the workplace, which in turn leads to employee engagement (Linna et al, 2010; Viitala et al, 2015). The main objective of this paper is to determine the influence of motivation on the work engagement of employees in Slovenian companies.

2. Motivation and engagement of employees2.1 Employee motivation in the workplace

Motivation is closely linked to human activities and work. It can be said that for every human activity there must be a cause, a need that a person will satisfy in one way or another. Another argument is related to this: the goals, the direct cause of work activity, must be in relation to human specific needs, in relation to what is meaningful for a person in a particular situation (Akkermans et al, 2016). According to Conrad et al. (2015), motivational factors are the impetus and the source of energy that motivates a person to perform an activity.

According to Ryan and Edward (2000), external motivation comes from external motivational stimuli that are indirectly related to the content of the work. According to Osterloh and Frey (2000), extrinsic motivation increases when management provides rewards such as increased pay, appreciation, or promotion. Employees are externally motivated, especially with cash rewards.

Ryan and Edward (2000) argue that an individual is intrinsically motivated when an individual's behavior is not due to certain external stimulants (such as material ones). This type of motivation does not require any external stimulus but is characterized by intrinsic motivational incentives such as: curiosity, interests, positive self-image that directly stimulate the motivational process. The intrinsic motivation stems from the nature of the work.

According to Osterloh and Frey (2000), internal motivators for employees are more important over time. Employees will do better if their well-being is taken care of, work is fun and they are properly rewarded. Employees are satisfied with their internal motives by working on their own by fulfilling their desire for achievement and self-realization, when they are autonomous at work, when they can use their skills, train and develop and feel that their work is important. Kim (2018) states that intrinsic motivation comes from job satisfaction, and an organization with certain factors can influence an employee's intrinsic motivation through responsibility, freedom in the workplace, by supporting the use and development of skills and competences, through interesting and challenging work and opportunities for advancement. Deci et al (2000) explain that the company should pay attention to knowing the individual needs and desires of each employee, since only in this way the company will be able to influence the internal motivation of employees.

## 2.2 Work engagement of employees

Employee engagement is an important and complex topic in today's business world (Xu et al, 2017; Tomlinson, 2010). Work engagement is defined as a positive and energetic connection to work (Storm and Rothmann, 2003), where engaged employees have a high level of energy, are enthusiastic about their work (Bakker et al, 2008) and strive to improve the organization's efficiency (Taneja et al, 2015). They do their work with passion and contribute to the long-term success and improvement of the organization (Attridge, 2009). Baron (2013), who says that dedicated employees work more zealously, are more successful, offer better service, and contribute more to profits as a result.

Work engagement differs from other psychological constructs, such as organizational affiliation and job satisfaction (Xu et al, 2017). Engaged employees do their jobs better than non-engaged employees. Engaged employees experience positive emotions such as happiness, joy and excitement, are in better health and are

motivated, creative in their work (Rich et al, 2010). In this case, we can talk about high employee engagement in the workplace (Robertson and Cooper, 2010). Managers play an important role where they can influence the work engagement of their employees through different approaches (Bakker and Demerouti, 2008), thereby securing successful results, innovation and competitive advantage (Albrech et al, 2015).

Engaged employees have a common belief that they (Cataldo, 2011) believe in their organization, want to do things better, understand the business context and the "bigger picture" of the company, are respectful and helpful to employees, are willing to go "a step further" and are up to date in connection with the development of your field of work. Robinson et al. (2004) also states that a dedicated employee is looking for opportunities to improve organizational performance, is engaged to achieving successful results and quality work, believes in the successful development and operation of the organization.

On the other hand, unattached employees who are "partially absent" have no particular interest in the company, do what they need to do, are not emotionally attached to their work, they are not interested in the well-being of the company. In addition, an incorrect approach to human resources management can also lead to employees being toxic or actively uninvolved: being dissatisfied in the workplace, poorly performing their work, actively showing their dissatisfaction, needing more time to complete their tasks, underestimating them on a daily basis the work done by their dedicated colleagues also has a detrimental effect on customer engagement and satisfaction and has a negative impact on company results (Bloch, 2015; Gallup, 2012).

In the empirical research presented here, we focus on analyzing the impact of employee motivation on their engagement. On the basis of theoretical starting points, we formulated the following hypothesis:

H1: Employee motivation has a positive impact on the work engagement of employees in Slovenian companies.

### 3. Data and methodology used

Data is a randomly selected sample, obtained in January 2018, including 186 employees. Data was collected using the electronic and written questioning method. In the survey we restricted ourselves to medium-sized and large companies in Slovenia. We have assumed that companies with fewer employees do not have a developed systematic human resource management.

We used a survey questionnaire for the research instrument. Statements (on a Likert scale) regarding employee engagement are based on the Engagement Scale, UWES (Schaufeli and Bakker, 2004). The statements regarding employee motivation are from Robbins (2001) and Thomas (2000).

The methodological framework of the research is a factor analysis for the design of multidimensional constructs and a simple regression analysis for analyzing the impact of obtained factor - employees' level of motivation on the other obtained factor – employees' work engagement.

### 4. Results

After designing multidimensional variables, employee motivation and employee engagement by factor analysis, a simple linear regression was performed to test the hypothesis.

The value of the correlation coefficient equals 0.966, which means that there is a strong correlation between the dependent variable (employee engagement) and the independent variable (employee motivation). The value of the coefficient of determination equals 0.933, which means that 93.3% of the variability of the employee engagement is explained by the variability of the employee motivation. The reliability of the obtained regression function was determined by the F - test (F = 2549.284) and given the value of p (p <0.001) it can be stated that the estimated regression function is reliable. Table 1 presents the result of the regression analysis, which confirms that the employee motivation variable has a statistically significant positive effect on employees' work engagement.

Table 1 – Regression analysis results

Dependent variable	Independent variable	Regression coeff.	Stand. error	t	Sig.
Employee engagement	Motivation	0.966	0.019	50.490	0.000

The estimated value of the regression coefficient for the variable employee motivation equals 0.966 and is significantly different from 0 (p < 0.001). Based on the linear regression, we confirmed the hypothesis H1.

## 5. Conclusion and discussion

Based on the results, we confirmed the hypothesis that employee motivation has a positive impact on the work engagement of employees in Slovenian companies. Successful achievement of business results requires attention to employee motivation, which in turn leads to employee work engagement.

Therefore, the question of how they can influence employee motivation is very important to organizations. A number of studies have been carried out on this. The fundamental question according to Conrad et al. (2015) is how to incorporate motivational elements into work. What characteristics, then, should work have in order to make it attractive to employees and to give them lasting satisfaction and, with such work improvements, affect the work engagement of employees (Saari et al., 2017). This is supported by Uhan (2000), who emphasizes the appropriateness of designing work for employees and says that the more the work process is more efficient, the more employees identify with commonly agreed goals, or the more favorable and higher the motivational structure of employees in an organization. Improving the motivational structure of employees can be achieved by the proper functioning of motivational factors, which include: interesting work, suitable working environment, distribution of working time, possibility of professional training (on the job), possibility of promotion, mutual relations with colleagues, possibility of full implementation work ability, co-decision ability at work, remuneration for performance at work, continuity and job security.

The results of our research are important for further scientific research, as well as for application in practice. Given the availability of research findings in the existing literature, one would expect that employee engagement also has a positive impact on the performance organizations. If further research confirms this impact, it means that by increasing employee engagement, organizations can achieve a competitive advantage.

Therefore, it is important for organizations to co-design and increase employee engagement, with our research showing that employee motivation plays an important role. Therefore, organizations should focus on business strategies that can increase employee engagement and thus their motivation level for the overall performance of the organization. Continuous efforts of organizations to achieve high levels of employee engagement in domestic and foreign companies help to promote loyalty and improve the efficiency of the organization, which leads to its competitive advantage (Taneja et al, 2015). Thus, organizational support strongly influences the motivation and engagement of employees in the workplace (Susskind, 2000). The motivation and well-being of employees in the workplace and, above all, that employees feel physical and mental security in the organization in which they are employed (Stum, 2001) is important for enhancing work engagement.

#### References

1. Akkermans, J., de Lange, A., van der Heijden, B., Kooij, D., Jansen, P. and Dikkers, J. (2016). What about time? Examining chronological and subjective age and their relation to work motivation. *Career Development International*, 21 (4), pp. 419-439.

2. Albrecht, S. L., Bakker, A. B., Gruman, J. A., Macey, W. H., Saks, A. M. (2015). Employee engagement, human resource management practices and competitive advantage: An integrated approach. *Journal of Organizational Effectiveness: People and Performance*, 2 (1), pp. 7-35.

3. Attridge, M. (2009). Measuring and managing employee work engagement: a review of the research and business literature. *Journal of Workplace Behavioral Health*, 24, pp. 383-398.

4. Bakker, A.B., Demerouti, E. (2008). Towards a model of work engagement. *Career Development International*, 13 (3), pp. 209-223.

5. Baron, A. (2013). What do engagement measures really mean? *Strategic HR Review*, 12 (1), pp. 21-25.

6. Bloch, O. (2015). Creating motivation and engagement through values. *HRM*, 64 (13), pp. 14-20.

7. Cataldo, P. (2011). Focusing on employee engagement: how to measure it and improve it. Available at: http://www.kenanflagler.unc.edu/executivedevelopment/about/~/media/E93A57C2 D74F4E578A8B1012E70A56FD.ashx

8. Conrad, D., Ghosh, A., Isaacson, M. (2015). Employee motivation factors. *International Journal of Public Leadership*, 11 (2), pp. 92-106.

9. Deci L. E., Ryan M. R. (2000). The "What" and "Why" of Goal Pursuit: Human Needs and Self-Determination of Behavior. *Psychological Inquiry*, 11 (4), pp. 227-268.

10. Gallup. (2012). How employee engagement drives growth. Available at: <u>www.gallup.com/businessjournal/163130/employee-engagement-drives-growth.aspx</u>

11. Kim, J. (2018). The contrary effects of intrinsic and extrinsic motivations on burnout and turnover intention in the public sector. *International Journal of Manpower*, 39 (3), pp. 486-500.

12. Linna, P., Pekkola, S., Ukko, J., Melkas, H. (2010). Defining and measuring productivity in the public sector: managerial perceptions. *The International Journal of Public Sector Management*, 23 (3), pp. 300-320.

13. Osterloh, M., Frey B.S. (2000). Motivation, Knowledge Transfer, and Organizational Forms. *Organization Science*, 11 (5), pp. 538-550.

14. Rich, B.L., LePine, J.A. and Crawford, E.R. (2010). Job engagement: antecedents and effects on job performance. *Academy of Management Journal*, 53 (3), pp. 617-635.

15. Robbins, S.P. (2001). Organizational behavior. New York: Prentice Hall.

16. Robertson, I. T, Cooper, C. L. (2010). Full engagement: the integration of employee engagement and psychological well-being. *Leadership & Organization Development Journal*, 31 (4), pp. 324-336.

17. Robinson D., Perryman S., Hayday S. (2004). The drivers of employee engagement. Report 408, Institute for Employment Studies. Available at: <u>http://www.employmentstudies.co.uk/report-summary-drivers-employee-</u>engagement

18. Ryan M. R., Edward D. L. (2000). Intrinsic and Extrinsic motivation: Classic Definitions and New Directions. *Contemporary Educational Psychology*, 25, pp. 54-67.

19. Saari, T., Melin, H., Balabanova, E. and Efendiev, A. (2017). The job demands and resources as antecedents of work engagement. *Baltic Journal of Management*, 12 (2), pp. 240-254

20. Schaufeli, W., Bakker, A. (2004). Utrecht work engagement scale<br/>(UWES).Available

http://www.wilmarschaufeli.nl/publications/Schaufeli/Test%20Manuals/Test\_manua 1\_UWES\_English.pdf

21. Storm, K., Rothmann, S. (2003). A psychometric analysis of the Maslach Burnout Inventory-general survey in the South African police service. *South African Journal of Psychology*, 33 (4), pp. 175 -182.

22. Stum, D.L. (2001). Maslow revisited: building the employee commitment pyramid. *Strategy & Leadership*, 29 (4), pp. 4-9.

23. Susskind, A.M., Borchgrevink, C.P., Kacmar, K.M. and Brymer, R.A. (2000). Customer service employees behavioral intentions and attitudes: an examination of construct validity and a path model. *The International Journal of Hospitality Management*, 19 (1), pp. 53-77.

24. Taneja, S., Sewell, S. S., Odom, R. Y. (2015). A culture of employee engagement: a strategic perspective for global managers. *Journal of Business Strategy*, 36 (3), pp. 46-56.

25. Thomas, J. W. (2000). *A review of research on project-based learning*. San Rafael, CA: Autodesk Foundation.

26. Tomlinson, G. (2010). Building a culture of high employee engagement. *Strategic HR Review*, 9 (3), pp. 25-31.

27. Tuomi, K., Huuhtanen, P., Nykyri, E., Ilmarinen, J. (2001). Promotion of work ability, the quality of work and retirement. *Occupational Medicine*, 51 (5), pp. 318-324.

28. Uhan, S. (2000). Vrednotenje dela II. Motivacija, uspešnost, plača (osebni dohodek). Kranj: Moderna organizacija.

29. Viitala, R., Tanskanen, J., Säntti, R. (2015). The connection between organizational climate and well-being at work. *International Journal of Organizational Analysis*, 23 (4), pp. 606-620.

30. Xu, J., Liu, Y. and Chung, B. (2017). Leader psychological capital and employee work engagement. *Leadership & Organization Development Journal*, 38 (7), pp. 969-985.