

STRATEGY TO ENGAGE AND RETAIN THE LOWER SEGMENT EMPLOYEES

“Lower segment employees are defined as frontline workers. They are often referred to as low-skilled workers who are engaged in jobs for which the requirements for formal education and training are minimal. They are often regarded as the unsung heroes of an organisation and they go unrecognized by upper management. Nevertheless, they play a crucial role in ensuring organisational sustainability, executive strategies and providing a competitive advantage. Work life balance in order to bring time and stress management alongwith flexibility at work should be a part of HR policy”.



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THE UNSUNG HEROES: LOWER SEGMENT EMPLOYEES

The lack of security and stability in pay, low asset specificity and lack of security in job are the challenges that are faced by them. In the industrial sector, low-skilled work constitutes a vital yet frequently overlooked component of the overall production model with the diversity within national production systems being highlighted. In low-skilled labour markets, ethnic segmentation is noticeable and low-segment workers are often found to be exposed to the environment where employer discrimination is prevalent.

'Engagement of employees including the lower segment employees, arises out of the culture, not the other way around'

THE BIG WHY: ENGAGING AND RETAINING LOWER SEGMENT EMPLOYEES

Engaging lower segment employees is important for several reasons. They are as follows:

Firstly, their involvement in strategy implementation is crucial for competitive advantage and long-term sustainability of organisations. Their roles in executing strategic goals are noteworthy even though their inclusion into the planning phase is not even considered by the upper management bodies of

organisations. In addition, their engagement in workplace learning leads to overcoming barriers to the development of skills the essentiality of which can be understood from the perspective of the necessity of attaining and maintaining a competitive edge in the long-term. With lower-segments employees being engaged, an ambience of motivation and innovation can be created as a result of which their retention becomes easier. In other words,



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high engagement levels lead to the increase in commitment, loyalty and proactive attitude amongst lower-segment employees.

Secondly, engagement of lower-segment employees is a key driver for strategy development as it plays a vital role in enhancing productivity and organisational workforce's commitment, making them highly motivated and reliable. In the service sector, where a large share of lower-segment employees is employed, there is a demand for people equipped with social and soft skills apart from technical skills. Engaging and retaining lower-segment employees is crucial for meeting the demands for these skills. The increasing complexity of low-level jobs due to technical networking and customer interactions underscores the need for

the engagement and retention of low-segment employees as they not only drive organisational growth and competitiveness, but also enhances their performance and satisfaction.

Thirdly, lower-segment employees can drive innovation within companies through providing appropriate job designs that include autonomy and innovativeness as job requirements. Treating lower-segment employees as investors in innovative products and services can lead to enhancing their contribution to innovation. This effort is equated with the concept of "bottom-up perspective in the process of innovation" which can be realised through the involvement of lower-segment employees throughout the entire processes starting from idea creation to development.

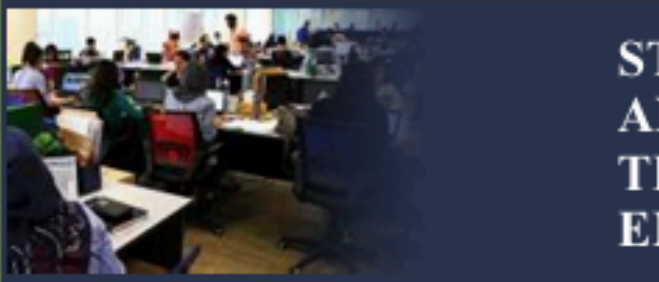
THE ULTIMATE GUIDE: ENGAGING AND KEEPING LOWER SEGMENT EMPLOYEES

Employees tend to consider leaving their jobs every three to four months. However, fostering positive employee engagement is deemed essential in consideration of its significant impact on the loyalty of the organisational workforce. With workforce loyalty being increased, employees' retention rates become higher and their long-term commitment is ensured. In view of these factors, HR management needs to take several steps for the positive engagement of the employees and cultivating their loyalty, ultimately ensuring the increase in the rate of the workforce retention. The suggested steps are as follows:

- Implementation of a more effective incentive system for lower-level employees
- Recognising and rewarding employees every three months on the basis

of their performance

- Ensuring ground-level employees receive their due rewards and incentives
- Providing better housing allowances for ground-level employees
- Establishment of an improved feedback system for ground-level employees
- Facilitation of a better communication among higher level employees
- Respecting and appreciating lower-level employees with emphasis on the recognition of their importance to the growth of organisations
- Assigning responsibilities to lower-level employees and empowering them in the process of organisational decision-making
- Training higher-level employees to develop interpersonal skills and treat



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lower-level employees with respect

- Creating job security for lower-level employees and motivating them to excel in their job-related responsibilities

By implementing the above-suggested strategies or specifying the components of the

ultimate guide, organisations can significantly enhance the engagement and retention of their lower-segment employees, leading to a more productive, motivated and committed workforce.

FURTHER EXPLORATION: MORE TO CONSIDER

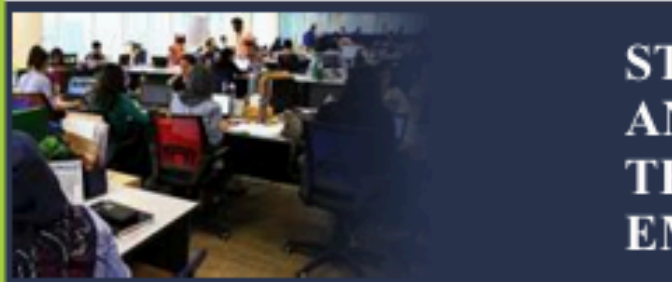
It has consistently been observed that securing and meeting the needs of the organisational workforce is of paramount importance in order to ensure that they become loyal to the organisations. The failure to achieve this purpose leads to the unrestrained increase in the workforce attrition rate. In this context, it is important to understand that employees leave organisations because of managers or immediate superiors. This issue can be addressed with focus on the implementation of an improvement T & D (Training and Development) system so that interpersonal skills of employees can be improved and they are enabled to communicate effectively with their subordinates. As indicated by the research, lower segment employees are often not involved in the strategy planning phase as a result of which their engagement is negatively implemented. This trend is evident in the services sector, especially banking sector where strategic plans are prepared without engaging employees in spite of the

fact that many of them are in direct contact with the customers. In an effort of addressing this particular issue, organisations are in need of ensuring that lower-level employees are involved in organisational strategic goals apart from being aware of them as it is crucial for fostering a sense of ownership and commitment towards the organisational vision and mission. The cruciality of employee engagement in terms of driving loyalty and job satisfaction cannot be denied by organisations or employees when it comes to designing HR strategies. However, in this process, monetary incentives are not the sole considerations. Rather, non-monetary incentives are considered too in this process and they include performance-linked incentives, job enrichment and flexible work hours. Moreover, supporting work environment is deemed an important added value to non-monetary incentive schemes in view of its positive impact on job satisfaction and loyalty.

INSIDE THE PSYCHE: UNDERSTANDING PSYCHOLOGICAL EFFECT ON THE LOWER-SEGMENT EMPLOYEES

When organisations give serious thought to bringing about betterment in the incentive schemes, employees are less likely to consider leaving. Apart from attractive compensation package, treatment of subordinates by superiors

with respect and courtesy and respect is another factor that makes impact on the reduction of the workforce attrition rate. Lower-level employees are directly affected by this employee welfare-oriented practice. Emphasising on the



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appropriateness in assigning roles and responsibilities to lower-level employees lead to fostering a sense of importance regarding their positions and tasks. As a result, they become motivated to perform

their duties in an effective manner. This recognition instills a sense of importance and loyalty amongst employees who are often overlooked in both private and government organisations.

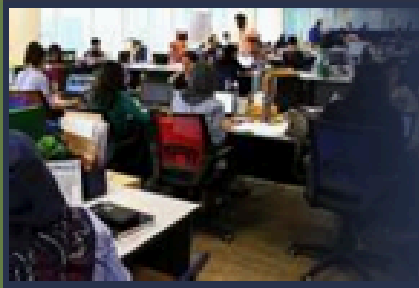
CASE EXAMPLE 1: EXCELLENT EMPLOYER PROGRAM

The engagement and retention of lower-segment employees can be attained through empowerment and engagement. In this regard, case example of Volkswagen can be mentioned that has placed focus on fostering an innovative environment and organisational commitment as a result of which employee empowerment and engagement became a reality in the organisation. In June 2016, Volkswagen made announcement about the adoption of a new strategy for the next decade that includes four strategic objectives one of which was Excellent Employer program. It includes four components, such as Skilled and Dedicated Employees, First Class HR Organization, Outstanding Corporate Leadership and Sustainable Labor Organization.

The program is viewed as a means to create an environment in the workplace where they show willingness to participate, take initiatives and seek improvement. With the program under the name of Idea Management being implemented, Volkswagen was able to save 435 million euros in 2015 and this success was attributed to the ideas generated by employees. This was also viewed as a

means to achieve objectives related to the design of the workplace and working hours in such a way that employees can have a better work-life balance. The program also includes strategic objective pertinent to building a corporate culture with special emphasis on the creation of equal opportunities for everyone and giving priority to women for the removal of glass ceiling (a metaphor illustrating the unseen obstacles that contribute to hindering women and other underrepresented individuals from being promoted to leadership and executive roles or positions, despite having the necessary qualifications and skills) and allow women to grow and be able to maintain work-life balance.

Moreover, includes the objective related to employing disabled people apart from introducing flexible working hours and ensuring that employees have a better work-life balance. The commitment to being Excellent Employer was reflected in its 2016 annual report as well through which the organisation expressed their willingness to promote the satisfaction and motivation of employees through implementing above-specified endeavours.



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CASE EXAMPLE 2: WELFARE-TO-WORK PROGRAMS

In regards to the necessity of retaining workforce retention and engagement, the case example of Welfare-to-Work can be referred. Programs under this name was implemented by the UK Government. In this context, it is important to emphasise on the investigation of the possibility that low-wage and low-skill employees segmentation strategies are representative of a significant motivation for the engagement of employees.

The programs in the UK illustrates how strategic HR practices can play vital roles in facilitating the integration of low-wage employees into core workforces, enhancing retention through activities pertinent to consistent customer services and development in the retail sector. With the programs being implemented, ten out of

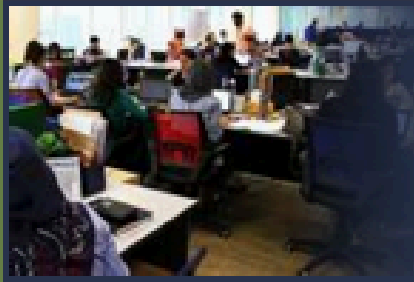
thirteen W2W recruits were retained in the retail sector of the UK. It indicates a relatively lower staff turnover. In the low-wage sectors like retain, customer service is a strategic concern and therefore, they are likely to develop strategies for the retention and internalization of W2W clients into their core workforces.

The key to sustaining their engagement over the long-term is investing in the endeavours related to the retention and development of W2W recruits. The programs are beneficial for employees in terms of offering job vacancies or other work-related support to claimants through processes that are managed by either public agencies or government-sponsored intermediaries.

KEY TAKEAWAYS

On the basis of understanding of both of the case examples illustrated above, it is understood how strategic HR initiatives can contribute to enhancing employee engagement and retention. Volkswagen's Excellent Employer program highlights the significance of innovation, work-life balance and equal opportunities whereas the UK's Welfare-to-Work programs underscores the need for the integration and development of

low-wage employees to reduce turnover and improve engagement. Both of the case examples serve as important examples of strategies that are designed for engaging and retaining employees belonging to the lower-segment. These strategies address the unique challenges to which lower-segment employees are often exposed, thereby resulting in the creation of a workforce that is not only committed but also productive.



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THE FINAL WORD

The engagement and retention of lower-segment workforce, who are often referred to as the unsung heroes of an organisation are critical to achieving long-term sustainability, competitive advantage and organisational success. Engaging lower-segment employees

is not only a matter of organisational ethics but also a strategic imperative. Through addressing their specific needs and challenges through comprehensive HR strategies, organisations are enabled to enhance their productivity, innovation and competitiveness.

Loyal employees are deemed highly beneficial for organizations. It is because they understand their responsibilities and view themselves as valuable assets. Organizations that care for their employees foster this loyalty, leading to positive impacts on financial growth. The performance of experienced employees significantly outshines that of new and unskilled workers, making a notable difference in the organization's success.

The ultimate guide to engagement and retaining lower-segment employees underscores the significance of both monetary and non-monetary incentives, a supportive work environment and a culture of recognition and respect. By doing so, organisations are enabled to lay the foundation of an environment where workforce remains loyal, motivated and highly productive as a result of which long-term success and sustainability are ensured.

For lower segment employees, we can frame a policy of engaging them by bringing work life balance. It has been observed that many of them give priority to both their personal and family life almost equally besides fulfilling their basic needs because life is not so easy to them for spending. They are not entitled for some benefits and also uninformed about relevant company policies. Work life balance can assist these employees to make them productive both in their personal and professional life. Besides that flexible working hours, laptop, PDA, free internet facilities can be offered to them particularly who are connected with IT jobs, suppliers, vendors or jobs of similar nature where quarries are generated at continuous interval. The moment they get them, they can respond even staying at home. 'Flexibility at work' is equally important to them. 'Working from home' also had been adopted on case basis by many organizations to bring the balance in employee's both work and personal life so that they can adjust time and avoid stress by reducing the number of visiting their office. They can be offered to attend seminars or conferences for giving them weightage so that they can feel 'sense of belongingness' and also can cope up against the face of new challenges of agiled organizations.