



IMPACT OF TECHNOLOGY ON EMPLOYEE ENGAGEMENT- CASE YES BANK

Preeti Sarda

Assistant Professor, M.C.Gupta College of Business Management, Hyderabad.

Abstract

Computers have simplified the task of analyzing vast amounts of data, and they can be invaluable aids in HR management. Information Technology (IT) as a structural factor and instrument transforms architecture of organizations, business processes and communication and is increasingly integrated into Human Resource Management. While IT has impacts on HR at the same time managers, employees, customers and suppliers increase their expectancies for HR functions. The present paper focuses on many contemporary organizations are placing a greater emphasis on their performance management systems as a means of generating higher levels of job performance. We observed that producing performance increments may be best achieved by orienting the performance management system to promote employee engagement. YES BANK, India's fifth largest private sector Bank with a pan India presence across all 29 states and 7 Union Territories of India, headquartered in the Lower Parel Innovation District (LPID) of Mumbai, is the outcome of the professional & entrepreneurial commitment of its Founder Rana Kapoor and its top management team, to establish a high quality, customer centric, service driven, private Indian Bank catering to the future businesses of India.

Keywords: Information Technology, Employee Engagement, Yes Bank.

1) Introduction

Employee engagement is about positive attitudes or negative attitude and behaviours towards their job, colleagues and organization leading to improved business outcomes, in a way that they trigger and reinforce one another. Employee engagement is about our employees feeling pride and loyalty working for our organisation, being a great advocate of the organisation to our clients, users and customers, going the extra mile to finish a piece of work. Employee engagement is about drawing on our employees' knowledge and ideas to improve our products and services, and be innovative about how we work. Employee engagement is the level of involvement and commitment an employee has towards his/her organization and its values.

Employee Engagement is an emerging phenomenon which should be strictly taken care of by the managers in the present scenario of business environment. Engagement is linked to three essential forces in the organization - productivity, profitability and attrition. Ultimately the productivity is what is expected by the company from employees. An engaged employee performs what is expected of him and have his focus and goal clear and brings success to the organization. Profitability results from actively engaged workforce. What company looks for are committed and sincere and loyal employees who can perform their job efficiently with all role clarity. Employee engagement has a direct impact on the employee's productivity, loyalty, commitment and less attrition. The organization as a whole benefits from employees that are loyal, committed, productive, and engaged.

YES BANK has adopted international best practices, the highest standards of service quality and operational excellence, and offers comprehensive banking and financial solutions to all its valued customers. Today, YES BANK has a widespread branch network of over 630 branches across 375 cities, with 1150+ ATMs across India. YES BANK has been recognized amongst the Top and Fastest Growing Banks in various Indian Banking League Tables by prestigious media houses and Global Advisory Firms, and has received several national and international honors for our various Businesses including Corporate Investment Banking, Treasury, Transaction Banking, and Sustainable practices through Responsible Banking. YES BANK is steadily evolving as the Professionals' Bank of India with the long term mission of "Building the Finest Quality Bank of the World in India" by 2020.

2) Drivers of Employee Engagement

As employee engagement is essential for any organization to improve the organization performance, let us see what the drivers to increase the employee engagement are. Drivers are the elements which are formed or initiated by the HR department of the organization, which help increase the employee engagement and so the employee satisfaction. Basically employee engagement is the key factor which helps increase the employee satisfaction and also it helps utilizing the full potential of the employees. Engagement factors are divided under following 7 basic categories, i.e., work, people, policies and practices, reward, opportunity, training, quality of life.

2.1 Work

The work related factors plays an important role in the employee engagement. The work activities include all the factors related to Job role and responsibilities. The job role, job description which is given during the recruitment should match the job role and with the employee qualification and the skills and abilities. It was concluded in many surveys that right job given



to the right person not only increases the output from the employees, but also engages the employee to use his full potential to do his responsibilities at work place. It also has positive impact on the job satisfaction and increases productivity of the employee. The key to it is as employee is well aware of the job role which fits best with his skills and abilities and so it increases his engagement to the work. The other part is people related .

2.2 People

The people with whom the employee is working, i.e., senior management, peers, colleagues, subordinates play an important role in the satisfaction level of the employee. For e.g., If the senior management is easily approachable, employee can share their ideas and problems they face during completion of their project/goal and get timely advice to improve their work. Similarly if the co workers are of same mindset it will be easier for them to work together on given project with the mutual understanding. Reward plays a role in motivation and retention.

2.3 Reward

According to Kenneth Thomas (2008) there are two types of rewards, extrinsic rewards and intrinsic rewards. Extrinsic rewards are the financial rewards given to the employees by their managers such as pay raises, bonuses, and benefits. They are called “extrinsic” because they are external to the work itself and other people control their size and whether or not they are granted. On the other hand, intrinsic rewards are psychological rewards that employees get from doing meaningful work and performing it well.

Intrinsic rewards are the self esteem, recognition for the work done and the self management and use of one's own intelligence and experience to direct their work activities to accomplish the goal of the organization. The self management process requires employees to make a judgment about the meaningfulness of their purpose or goal and the degree of choice, they have for doing things the right way, the actual progress being made toward fulfilling the purpose and the competence of their performance. The intrinsic rewards are:

- Sense of meaningfulness: This reward involves the meaningfulness or importance of the purpose employee is trying to fulfill or accomplish the goal.
- Sense of choice: Employee feel free to choose how to accomplish his work to use his best judgment to select those work activities that make the most sense to him and to perform them in ways that seem appropriate.
- Sense of competence: Employees feel that they are handling their work activities well that their performance of these activities meets or exceeds their personal standards, and that they are doing good, high-quality work.
- Sense of progress: Employees are encouraged that their efforts are really accomplishing something. They feel that your work is on track and moving in the right direction.

2.4 Policies and Practices

The different reward policies and practices are implemented in the organization. The reward policies are act as a motivation to the employees. Various extrinsic reward policies/ benefits are active benefits which include tangible benefits like performance pay and variable pay (e.g., overtime wages, commission to sales executives, different incentives), discounts, etc. Other monetary benefits are retirement benefits, pension schemes, bonus, annual incentive, medical benefits for the employee and their family members, leave travel allowance, financial help for child education, for building own house and monetary help for other things.

2.5 Opportunity

Career Development: It is the lifetime process of managing learning, work, leisure, and transitions in order to move toward a personally determined and evolving preferred future. (Source: Canadian Standards and Guidelines for Career Development Practitioners, 2014). Career development programs generally include technical training, basic skills, professional skills, supervisory skills. It is important to guide the employees for skill development and provide them the new doors for the progress in the organization by promoting them to higher position. It will not only help in retaining the employees but also increase the satisfaction level of them and so the engagement.

2.6 Training and Development

Employees need to undergo training sessions provides by the organization to improve their present skills and also to learn new advancements in the respective field. Training and career development are very important in any company or organization that aims at progressing to achieve their goal. Training is the process of acquiring the essential skills required for a particular job. It targets specific goals, for example understanding a process and operating a certain machine or system. Career development, on the other side, gives emphasis on skills, which are applicable in a wide range of situations. This includes decision making, innovative thinking and managing people.

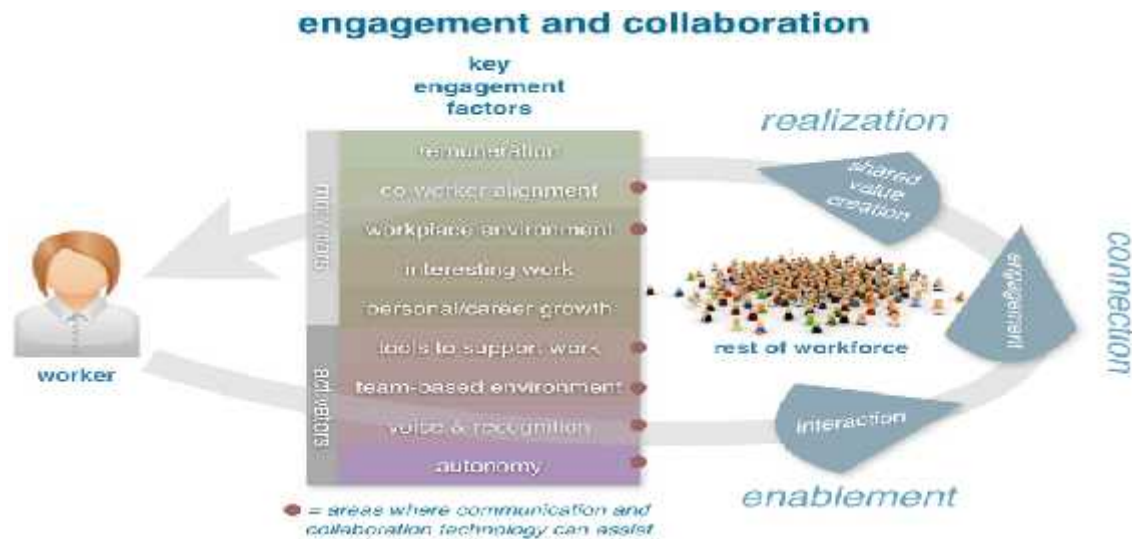


2.7 Quality of Life

Work-life balance is important aspect of employee's life. Dividing their time and energy between work and personal life aspects and giving appropriate time to both the things is the key to employee engagement and job satisfaction. Individuals who do not manage this balance are at risk of demotivation and burnout. A good work life balance is subjective and will depend on our priorities. Some people feel under quite a bit of pressure if they have to work an extra half an hour every day whereas others don't mind working long days. The right balance is always in flux. Priorities change over time, sometimes even on a day-to-day basis (HR News, 2013: www.employers for work). Work-life balance is in many ways an outcome that is influenced many of the same factors that impact employee engagement like work tasks, control, technology, manager behavior, flexible working policies as well as being itself a driver of employee engagement.

3) Impact of Technology on Employee Engagement:

In the process of applying technology, we can't forget that workforce engagement, the measure of whether an employee merely does the minimum required of them, versus proactively driving innovation and new value for the organization, is the ultimate objective here. Thus, engagement can only ever be partially accounted for by deploying the latest new collaborative technology, and probably significantly less than many of its proponents would have you believe.



Employee engagement consists of multiple factors, which for convenience I've put into two buckets: **Motivators** and **activators**. **Motivators** are aspects of work that make an employee have more desire to do it, like a decent salary, a pleasant workplace environment, having interesting work to do, and a path to personal and career growth. Only a few of these factors, however, are directly affected by technology.

The second class of factors is more interesting in that regard. **Activators** include good tools to support the work being done, a supportive team-based environment, having a voice in matters and being recognized for good work, having room to learn and grow, as well as having a measure of workplace autonomy. Many of these can be affected by improving the connection to one's co-workers or providing more reach and relevance of workers' ideas, all things that collaborative tools -- particularly newer ones like social tools or enterprise gamification -- can certainly enable.

4) Types of Employees based on Level of Engagement:

An organization is a collection of individuals who come together and work towards the realization of a common objective. Larger the number of people working together, larger is the size of the organization and vice-versa. However, for an organization to flourish it is important for the employees to operate at their full potential, which unfortunately is not the case in most of the organizations. Not all employees in the organization work utilizing their full potential. There may be many reasons responsible for the same. They may not associate with the goal of the company, they may have problem with their team, the boss or the subordinate or it may be a general problem of attitude. This fact necessitated the classification of the people into three categories - engaged, not engaged and actively disengaged.

- **Actively Disengaged:** This is the first category of people who are unhappy and they spread unhappiness in the organization. They are the disease centers in the company and spread the negative word, provoking and convincing



people to leave their jobs. However they are the ones who stay the longest and removing the perceived people competition is their thought of getting to the top or next level in the job.

- **Engaged:** The second category of people are those who can be identified with words like passion, alignment and innovation; which means that they are passionate, connected to the company and are innovative. They contribute new ideas and turn ideas into reality. These employees are positive in their outlook and they spread positivity. They are proactive; can anticipate the future market conditions are prepared well in advance.
- **Not Engaged:** The third type of employees is the large majority present in organizations almost 50% in number. These do what is told only and they like only one instruction at a time. They put in time but not energy and passion. They may be either positive or negative in their outlook and opinion about the organization. They are not proactive and fail to anticipate what might be required next or what the next step is? They wait for instruction from their superiors.

5) Challenges of Technology on Employee Engagement

The literature of technology implementation shows that many organizations have problems when implementing new technologies due to many barriers. These barriers include:

- Lack of sufficient capital and skills (Ngai and Wat, 2006);
- Cost of setting up and maintaining information (bekers and bsat, 2002);
- Lack top management support and commitment;
- Lack of human resource knowledge by system designers; the lack of applications for human resource users (kovach and cathcart, 1999);
- Lack of qualified technical staff and Lack of a technology budget;
- Lack of cooperation with other departments;
- The lack of information technology support (Institute of management and administration, 2002).
- Lack of time and space: they generally lack the time and space needed to work quietly and thoughtfully with web-based human resource tools and so, if there is no need, they will not do it.
- Guaranteeing the security: guarantee the security and confidentiality of input data is an important issue for employee in order that they should feel 'safe' when using web-based human resource tools.
- Data entry errors: e-hrm can only perform as good as its human programmers and end users.

Case Yes Bank

YES BANK today is India's fastest growing Indian Bank, and has been built on the foundation of Professional Entrepreneurship. Since inception in 2004, YES BANK has created a paradigm in Indian Banking through Innovation & Excellence. YES BANKers throughout the organization have fostered an entrepreneurial culture which has stimulated creativity, thereby enabling the Bank to deliver superior, customer centric financial products and services to our valued clients, and firmly establishing a robust and highly differentiated institution of lasting excellence.

Since inception of the Bank, we have leveraged on Creative Management Frameworks, Innovation and cutting-edge Technology, concurrently ensuring a Development Focus in our relentless pursuit to emerge as the "*Professionals' Bank of India*".

YES BANK pursues a strong Employee Value Proposition of 'Creating & Sharing Value', with a vision to build an organization, driven by Professional Entrepreneurship, where all YES BANKers truly partner to direct, manage and accelerate the development of YES BANK as the Professionals' Bank of India & the Bank For Future Businesses of India.

1) Yes Bank's Technology Edge

YES BANK has always been at the forefront when it comes to leveraging the latest technology to provide products and services to its customers. This philosophy is also reflected in the five brand pillars where technology has been identified as a key pillar and is considered a true differentiator.

Every division at YES BANK extensively uses IT to deliver superior products and services to its customers. Innovations like MONEY MONITOR, Mobile payments, Two-factor authentication, Mobile Banking, RFID in branches, one-view of customer relationship, and highly advanced speech enabled IVR; enable the products and sales teams to offer superior customer offerings. Adhering to the commitment of superior customer experience, YES BANK has entered into strategic partnerships with some of the best known IT majors globally to develop innovative system features in order to improve process efficiencies and create sector-specific banking solutions. To exemplify, YES BANK entered into a strategic



partnership with Cordys, Netherlands, a leading supplier of software for business process innovation to automate, manage and improve its key business processes with an aim to provide a robust platform to achieve continuous process improvements by building solutions that embed business rules, promote visualization of processes and leverage real-time technologies.

2)Employee Engagement at Yes Bank

Yes Bank, firmly believe that it is essential to have a strong engagement with Human Capital in order to make YES BANK a 'Great Place to Work' with the highest levels of "Happiness & Trust". In order to achieve the same, we follow the 5 C's Employee Engagement Model.

At Yes Bank, we engage and develop our human capital by explicitly articulating yes banks core values and disseminating the same with yes bankers, creating an intentional culture, encouraging open & honest communication, strengthening connect with employees and community, supporting career development and showing care. Some of the key practices institutionalized under Yes Bank's 5 C's Employee Engagement Model are listed below.



YES BANK's 5 C's Employee Engagement Model

3)Yes Bank's HRIT System - "YES for YOU"

YES BANK has launched 'YES for YOU', YES BANK's HR - IT SYSTEM in January, 2008, in line with the Bank's vision to leverage the 'best in class' technology, making it a significant differentiator and achieve our vision to become the Most 'Technologically Architected' Bank of India.

- YES for YOU is a highly advanced and comprehensive Human Capital Management (HCM) system which provides a single window for YES - Executives to manage their HCM related requirements and routine transactions online with maximum convenience, transparency and minimum turnaround time.
- Through YES for YOU, the Bank has created a "virtual HCM Team" available at all times to provide YES BANKers assistance on HCM processes, policies and transactional support for leave and attendance management, performance management, pay slip, tax forecast, career progression, joining & exits management, access to all HCM policies, etc.

4)Performance Management - YES Talent Optimization Program

YES Talent Optimization Program (Y-TOP) was launched in 2007-08 to ensure a timely, unbiased, transparent & result-oriented appraisal process which is driven completely by meritocracy and links rewards and recognition to individual performance and potential.

- Meritocracy is the backbone of the performance and potential recognition framework driven on principles of the Balanced Score Card approach.
- Individual and team goals are aligned to corporate strategy and their efforts directed towards achieving strategic business objectives.
- Designed to facilitate individual and team goal setting to build ownership of individual and team targets.
- Support employees in achievement of goals by providing timely and candid performance feedback



5) YES – MENTOR

The Bank institutionalized the YES - MENTOR program in 2006 with a focus on engaging the Bank's high potential human capital, ensure their finest well being and integrate them culturally and professionally into the YES BANK mainstream through a team of select senior management team members identified as YES MENTORS. YES MENTORS provide guidance and support for :

- Superior interpersonal engagement amongst YES BANKers.
- Enhanced formal and informal communication including grievance redressal.
 - a. Developing a culture of high office discipline.
 - b. Creating an environment that will enable even superior achievement of business imperatives.
 - c. Stimulating high levels of morale & motivation of human capital within the region/location.
- Upkeep of aesthetic and infrastructural maintenance of their respective locations.
- Ongoing review of this initiative done by the MD & CEO.

6) YES Connect

This team bonding initiative was launched in July 2009 with a view to provide YES BANKers a platform to celebrate together, bond with colleagues and share best practices to enhance individual, increase group productivity and improve the camaraderie amongst team members.

YES Connect celebrates the spirit of togetherness in the following manner:

- Implemented in the form of an evening get-together in which all Team members participate in each branch / office on the first Friday of every month.
- A quick review of the month that was, and identifying the focus areas for the month ahead. Inviting the newly joined executives (in the last month) with their spouse/family to meet the Team members.
- Celebrating Birthdays of Team Members.

References

1. Armstrong, Michael (2009). *A Handbook of Human Resource Management Practice* (11th ed). London: Kogan Page.
2. Broderick R., Boudreau J.W. (1992). Human resource management, information technology and the competitive advantage, *Academy of Management Executive* 6 (2), 1992, 7–17.
3. <https://www.yesbank.in>
4. www.google.com
5. www.citehr.com