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Employee Engagement: Turnover Prevention Strategies and Key to Improving Performance Management in Multinational Company

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Abstract

Purpose: The purpose of this study is to prevent turnover, which is the key to improving performance management in a multinational company. Employee engagement is believed to enable a company's success through several factors, such as employee performance, productivity, work safety, attendance and retention, customer satisfaction, customer loyalty, and profitability.
Research Methodology: This research method is a literature study that compares several existing theories, previous research, and interviews with several sources in the companies.
Results: Employee engagement positively impacts productivity, retention, and organizational performance. Key factors include leadership, compensation, career development, and a supportive work environment.
Conclusions: From this research, it can be concluded that employee engagement programs must be carried out regularly in a company organization so that employees are loyal to management.
Limitations: The study is based on qualitative data, with a limited scope focused on specific industries. Future research could expand the sample and include quantitative methods.
Contributions: The research provides insights into how employee engagement can improve retention and performance, offering practical strategies for organizations to enhance engagement.

Keywords: *Company, Employee Engagement, Performance Management, Strategy, Turn Over*

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1. Introduction

The role of employee engagement in a company is like a pillar in a building. Its presence is always needed by the organization to stand firm. Employee engagement is believed to be a determinant of a company's (Makambe & Moeng, 2019; Sumaryadi & Kusnadi, 2021). Profitability can increase sharply because of the high productivity of employees. They can work well to achieve organizational goals and ensure customer satisfaction. When we work in a company, there are terms known as employee engagement and employee satisfaction that are used. The above is considered the company's approach to employees, but the difference lies in the end. In terms of employee satisfaction,this approach only encourages employees to carry out their obligations to the extent of their work. However, with the employee engagement approach, employees can be encouraged to do their work more than their obligations (high performance) and can make the best contribution to the company. This employee engagement pyramid is aligned with Maslow's pyramid of needs (Nunuh & Wulandari, 2021; Panchali & Seneviratne, 2019). The pyramid indicates the point of engagement will change as employees' awareness of their motivation increases.

Not engaged at all, not at all connected or engaged with the organization. This type of employee usually only works to get paid without the motivation to grow. They do not even expand social relationships in the work environment; in a nutshell, this employee is not feeling happy.

Not engaging. This type of employee is considered not to be engaged with the company even though he has started to be active in socializing and doing the work he is told (without further initiative). They still don't understands what it means to be a part of a company.

Almost engaged. This type is almost engaged with the company, where he has been able to do his job properly. However, there is still a lack of impetus or reasons for him to do more than he does now. Employees of this type are also comfortable working in a company environment.

Engage. This group is considered to be engaged with the company because, apart from knowing what their responsibilities are, they also know how to maximize their abilities in the company. Having understood and aligned with the company's goals, he has the drive to do what is best for himself and the group because he knows his presence is important in the company (regardless of what the position is).

Highly engaged. These employees are at the top level of Maslow's "Hierarchy of Needs" theory. Having fulfilled all basic needs and realizing his important role in the organization, this employee truly loves his job and is ready to inspire others.

2. Literature Review & Hypothesis Development

2.1 Employee Engagement in the Era of Gen Y and Organizational Sustainability

According to Anggraini et al. (2016) and Suyanto et al. (2021), facing increasingly complex competition in the business world and the emergence of Gen Y, who have entered the workforce and are considered to have a better understanding of technology and negative perspectives on the low level of engagement of Gen Y compared to the previous generation, companies need to pay attention to human resources that exist in an organization to create engagement or employee engagement that has an impact on the sustainability of an organization. A company will not be able to run without the support of reliable human resources and in accordance with the company's vision and mission. Companies need to pay attention to investing in human resources in their organizations and creating employee engagement. Prijono et al. (2021), Saputra and Kusnadi (2021), and Sugiharto (2019) Stated that Employee Engagement is formed through the commitment of the leader's role to the delivery of a clear mission, vision, and organizational values and the authority of the leader to give freedom to employees in making decisions. One form of leadership that seeks to mobilize employees is transformational leadership. Transformational leadership pays attention to the individual's need to grow and develop by acting as a mentor. Organizations in the company participate and collaborate well, which is important for their self-esteem (Katili, 2017).

2.2 Job Satisfaction

Ciakaren and Devie (2014) defined job satisfaction as positive feelings about the job as an evaluation of the characteristics of the job. When employees enjoy their job, they will be positively involved in their work, and employee engagement will emerge. According to Ramadhan and Sembiring (2017) the benefits of employee engagement which states that employee engagement can create success for the company through matters relating to employee performance, productivity, work safety, attendance and retention, customer satisfaction, customer loyalty, to profitability. Employee performance is one of the things that resulted from the creation of high employee engagement. Chrisdiana and Rahardjo (2017) state that an imbalance between work and family will lead to reduced work performance, increased absenteeism, high turnover, poor morale, increased conflict, and high inequality in work capacity. Employee engagement is defined as employee commitment,emotionally and intellectually, to contribute to work and grouping employees into three groups: Engaged, Not Engaged, Actively disengaged. Factors that affect employee engagement: Work Environment (work environment), Leadership (leadership), Team and Co-worker (team and co-worker relations), Training and Career Development (training and career)Compensation (compensation), Organizational Policies, procedures, structures and systems (organizational policies, procedures, structures, and systems), Workplace well-being (work welfare) Handoyo and Setiawan (2017).

2.3 Employee Engagement

In Rachmawati (2014a), employee engagement emerged as an effort to develop from previous concepts such as employee job satisfaction, employee commitment, and employee organizational behavior. Having employees who are actively involved in the company indicates a positive work climate. Employees with a good attachment to the company where they work will have great enthusiasm for work, sometimes even far beyond the main tasks contained in their work contracts. Simbolon (2012) also revealed that the concept of employee engagement can be aligned with Social Exchange Theory (SET), where the relationship that occurs between employees and their company occurs from a series of interactions that evolve over time with a sense of mutual benefit and mutual loyalty over a certain range of conditions. Behavior that is an antecedent to employee engagement can be seen from the overall commitment, interest, involvement,and enthusiasm of individuals in work situations, which are in accordance with organizational goals and ar to be able to increase the effectiveness of the organization (Awadari & Kanwal, 2019; Ulabor & Bosede, 2019).

2.4 Understanding Talent Management in Human Resource Practices

According to Rachmawati (2014b) one of the biggest challenges faced by experts in the field of Human Resources (HR) over the last ten years is the unanswered question of the definition and purpose of talent management. Perhaps this is the reason HR practitioners still find it difficult to implement talent management in organizations, even though they are aware that talent management is very important for the company's future. Wibowo et al. (2017) stated that talent management is a concept that starts with how to plan, acquire, develop, and retain talent. Talent management is not just a single process or how the development program runs,but includes a series of processes; it is about putting the right people in the right place at the right time. Widianingsih and Wulansari (2018) stated a series of integrated activities in managing high-performing employees at all levels of the organization, with the main components being attracting talent through performance management, learning, and talent review, as well as retaining talent through career planning, succession planning, and talent engagement (Ardillah, 2020).

Companies that use talent management as an HR processing strategy can improve employee performance according to company goals. Angliawati and Maulyan (2020) stated that the company's current challenge is to win the talent war because the ability to win the talent war affects the ability to win the market. A talent war is a situation in which companies compete with each other to beat their competitors to get the best talent available in the labor market. Knowledge Management is any process (whether formal policies or informal private methods) that facilitates the capture, distribution, creation, and application of knowledge for decision-making. Knowledge Management can improve skills and work motivation to encourage increased individual and organizational performance. Employee performance will achieve maximum results if it is supported by knowledge (Darmawati, 2020).

2.5 Hypothesis Development

Based on the theoretical foundations and previous research outlined above, the hypothesis in this study is formulated as follows:

H_1: Employee engagement positively influences performance management in multinational companies

H_2: High employee engagement leads to lower turnover rates in multinational companies.

H_3: Factors such as work environment, leadership, and career development positively affect employee engagement and organizational performance.

3. Methodology

3.1 Research Design

The research method used is a qualitative research method through literature studies and literature review from the point of view of Human Resource Management. This study describes the level of explanation of the strategic role of employee engagement and analyzes a series of employee engagement processes to create a commitment to prevent turnover and improve performance in a company organization.

3.2 Data Collection

The data in this study were collected through literature studies and observations of problems, supported by relevant literature on the subject of research.

3.3 Data Analysis

The data used in this study were analyzed descriptively, aiming to provide an overview in the form of a description supported by literature. The results of the study were then analyzed to identify the key indicators of success for preventing turnover and improving employee performance in freight forwarding companies.

4. Results and Discussion

4.1 Results

Organizations and companies need employees who are agile and proactively anticipatory. To create the employee in question,the organization must build employees who have employee engagement with their work and organization (Chandani et al., 2016). Organizations surrounded by employees engaged in their work will easily achieve their goals. Employee engagement is a positive condition, attitude, or behavior of an employee towards his work and organization, characterized by feelings of enthusiasm (vigor), dedication (dedication), and absorption in the achievement of organizational goals and success (Sun & Bunchapattanasakda, 2019). Employee engagement was first introduced by the Gallup Research Group in 2004. The results of this study show that employee engagement is very influential in a company's business performance. Engaged employees are proven to be absent less often, have fewer accidents at work, and are more productive. They can generate significant profits for the company. Companies often think that a high salary is enough to make employees attached to them. However, salary is not the only factor that shapes employee loyalty. Other factors that play a role include the work environment, relationships with colleagues, and job descriptions (Hermawan et al., 2020; Saks & Gruman, 2014). The following are the basic things that encourage employees to be more engaged (engaged) to the company: adequate salary, perception of employees about the importance of their work, opportunity for career advancement, opportunity for feedback and regular dialogue with superiors, quality relationship between co-workers, superiors, and subordinates, examples of work ethic and company values, and effective communication between members of the organization. Creating employee engagement between employees and their organizations is not easy. Both employees and organizations must work together to create engagement in the workplace (Anitha, 2014; Fidyah & Setiawati, 2020).

There are several principles for creating workforce engagement, including employee capacity or capability in the world of work, employee motivation to work, employees having the opportunity to freely express the best output every day, employees understanding what the organization expects of themselves, the organization providing good working facilities, employees receiving appropriate rewards or awards, establishing a warm relationship between superiors and co-workers, and the organization providing opportunities for growth (Burton et al., 2017; Rodrigues da Costa & Loureiro, 2019).

How to create employee engagement To ensure that employees feel engaged at work, the company or organization must pay attention to the following: Urgency is an energy or cognitive activity directed toward achieving goals. Top management (top management) together with their subordinates need to formulate goals or targets and how to achieve them (Eldor & Vigoda-Gadot, 2017; Widyaswendra, 2020). This allows employees to feel the importance of themselves, the work being done, their contribution, and the direct impact of their work output. Feelings of being focused. Employees who feel engaged focus on their work. They will focus on doing what has become their task and will not be easily distracted by their surroundings. Feelings of intensity. Intensity refers to an employee who works hard, even though there is interference from outside. This feeling of intensity is above the level of being focused. Employees devote their attention and energy to carrying out their duties quickly and correctly (Albrecht et al., 2018; Dhir & Shukla, 2019). Feelings of enthusiasm. Many interpret engaged employees as those who have high enthusiasm for their work. These employees are willing to accept challenges or assignments that are not routine in nature and are willing to share and cooperate with their work partners.

4.2 Discussion

Companies will never know when their employees will quit their jobs. However, companies can prevent employees from quitting through employee engagement programs. It is never too late for a company to start something. This program can be both a challenge and an invaluable strength for the company. All employees who are engaged with their company are happy employees, but not all happy employees are engaged with their company (Antony, 2018).

5. Conclusions

Employee engagement creates enthusiasm for employees when they wake up early to go to the office. Employees will always think positively about their jobs and provide great ideas for the development of the team and the company. Employee engagement creates a strong relationship with each employee. This relationship will also make employees focus on the achievements they want to achieve, build solid teamwork, and express gratitude and appreciation for achievements between divisions. Employee engagement eliminates boredom and negative thoughts from every problem faced by employees in their lives.

This approach can make employees enthusiastic about their work. The company will have employees with positive attitudes and behaviors toward their work. Positive behavior will certainly lead to better company growth than in the previous year. In employees in every decision-making. Companies can find different perspectives from different generations of employees. They are an important part of the planning strategy, and in the end, they are the ones who will realize the plan more than the expected results. Employees will be loyal to the company because of their engagement with the company. They will also proudly tell and even suggest people they meet use the products or services owned by the company. Employee engagement creates more commitment from employees to the company. The number of absences due to sick employees is reduced, reducing the number of accidents in the work process and increasing productivity throughout the year.

5.1 Research Limitations

The study is based on qualitative data, primarily from interviews and literature reviews, which may not fully represent the diverse range of multinational companies. The scope of the study is limited to certain industries and may not account for variations across different sectors. Future research could include a broader range of industries and employ quantitative methods to validate the findings.

5.2 Suggestions and Directions for Future Research

Future research could explore the long-term effects of employee engagement programs on organizational performance across various industries, particularly focusing on how different engagement strategies impact retention and productivity in different cultural contexts. Additionally, examining the role of technology in enhancing employee engagement, such as through e-learning or digital feedback systems, could provide insights into modernizing engagement practices. Comparative studies between multinational and local companies could also shed light on how global versus local organizational structures and cultures influence employee engagement outcomes. Finally, investigating the impact of generational differences, particularly with the rise of Gen Z, on employee engagement and retention strategies would provide valuable insights for future workforce management.

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Author Contributions

NHP contributed to the conceptualization, supervision, and review and editing of the manuscript, served as the corresponding author, methodology, data curation, formal analysis, drafting of the original manuscript, data collection, investigation, validation, data analysis support, visualization, and provision of technical resources for the study.

Conflicts of Interest

The author declares no conflict of interest related to this study. The research was conducted independently, and there are no financial or personal relationships that could influence the outcomes.

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