

University of Wales Trinity Saint David

Managing People LCBB5004

Assessment 2

Arla Foods company

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Introduction

Employee engagement in a company like Arla Foods can be seen as an immensely important aspect, as it has more than 18,000 employees. Their employee value proposition should also be better as it offers a more constructive environment, better salary, flexible time, and a comfortable work zone for employees which may ultimately promote employee engagement. The current report will detail the necessary steps needed to build sound employee engagement for the workers of Arla, by a review of the concepts and applications of employee engagement practices.

Concept of employment engagement

The employment engagement concept comes under the concept of human resources, it explains the passion, zeal, enthusiasm, or dedication of workers towards their work in a company or the organization (Egan, 2018). To describe the engagement of employees, these employees show their concern about their work and also the company's performance and their abstract feelings show that their effort makes a difference. Engaged employment shows that they are not just for the paycheck but also for the upliftment of the company's performance (Madan, 2018) An Engage employee is basically committed to their company and puts their discretionary hard effort into their work. Employee engagement is very significant in Arla foods because it drives the performance of a company. Engaged employees analyse the company's requirements, their purpose, aims, objectives, and fit according to the company's requirements (Motyka, 2018).

Arla foods is a dairy company consisting of 18,000 employees, so it is necessary to adopt the success features to assure a consistent HR process. Previously the employment engagement factor was affected due to poor use of software resulting in poor experiences and errors which caused frustration among employees. Frequent data errors, struggling to complete the process made the employee frustration run high. So the company had to introduce new software which helps in better data storing, smooth functioning and work which satisfied them and kept them motivated.

Drivers of the employment engagement

Autonomy

Autonomy is an important driver which inspires employees to do their work properly. By providing autonomy to each employee at work, which means employees are trusted to do their jobs and make decisions independently (Mazzei, 2018). By providing such freedom employees will be more inclined towards the company's mission.

Capacity/ ability

It shows how comfortable the employee is when it comes to getting the assignment or the work done. Employees must feel that the job they are assigned to, can be performed easily by them. For this, they need to easily as well as quickly access the resources needed to do their work (Khodakarami and Dirani, 2020).

Co-worker relationship

This driver refers to the relationship between co-workers. Team members should have respect for each other. The company's culture should be supportive as well. Arla Foods is the 4th largest dairy company in the entire world. It is very obvious because in a larger workplace the disagreement between employees is very common and can occur frequently. So managing such disputes is very important for the employee engagement of the company (Chowdhury, 2020). By allowing a system that offers consistent and efficient communication between team members will ensure a peaceful and positive environment in the company. By teaching employees a correct way of communication will reduce conflict and hatred in the work. Employees have been seen to continuously compare their work with the others so it is better to make clear expectations and to gradually progress around rewards. Arla Foods must ensure equal opportunity and resources for all of its employees.

Feedbacks

Receiving feedback helps employees to understand their advantages and disadvantages so that they can meet their expectations. But the feedback should be constructive. Constructive feedback can also be very helpful for the strong relationship between managers and employees.

Goal support

This driver deals with questions of whether an employee has enough organizational support system to reach professional goals. Questions regarding employee engagement obstacles are answered by measuring goal support, whether one is getting full support from the company or not (Shaik and Makhecha, 2019).

Safety

A most significant driver is that the work environment should be safe and secure so that an employee can give full focus in their work. At Arla, the company should provide safe and healthy working conditions. They should aim at 100% engagement, 100% wellbeing, 0 accidents, and 0 harassment. The company established a whistle-blower mechanism and in 2020 the whistleblowing function received 8 reports (Eke *et al.*, 2019). The company should invest more on the security of the employees.

Leadership quality

Leaders should be connected with the employee at work and make themselves available. This driver explains how visible, accessible and available the leader should be for the employee.

Finding meaning at work

One of the most significant drivers is finding meaning at work. When an employee finds meaning or deeply indulges with their work gives them a sense of personal value. How or why one finds the meanings in their work is very unique to each employee however it has a huge impact on employee engagement (Shahid, 2019).

Constant Professional development

This driver indicates the growth of an employee, provided by the managers or the leaders in the context of professional development (Shahid, 2019). It is very important to provide Career development resources along with Persistent encouragement. Arla Foods should foster a supportive environment for its employees, their families, and equal opportunities for all.

Psychological safety

Employees should not have fear of negative consequences to their self-image, status, or career. When psychological safety is not present at work, employees can be caught up in managing impressions, so they cannot make a meaningful contribution to the business (Shahid, 2019).

Providing other work benefits

This is one of the major drivers, examples could be paid leave, benefits package, etc. which drives employee engagement. Employees always have to know that they can take time off from work whenever it is needed. When it comes to wages, paid breaks, sick pay, etc. these factors are the drivers for employee engagement. According to the interview report conducted with the employees of the “Arla foods”, 90% of the people said that they were paid above the standard living wage. This is very significant because everyone should get paid enough for their lives. In London, £10.85 per hour is the real living wage. 60% of the people agreed that they are paid average and more, as by comparing what they do. At Arla Foods 68% of people get paid breaks, which is a good indicator for employee engagement drives by the company. A good job should be Paid holidays which will encourage and make the employee happier.

Diagnostic tools to measure engagement

There are five major tools through which the company can evaluate employee engagement, that are as follows:

1. Employee surveys

The survey is the most common and effective way to get feedback from an employee about their feelings, attitudes regarding the company. For more participation of the employees, the company can do this survey anonymously which will ensure honest responses from the employees. Using the third-party administrator for the survey would maximize the comfort of an employee for their feedback. Arla Foods “barometer” result for 2003 has improved significantly and also increased in the number of respondents since last year. 70% of the staff gave “doing well” or “really well”

at Arla Foods. The overall percentage of satisfaction rose from 53% to 59%. Arla should target more employee satisfaction.

2. HR software

The survey's disadvantage is that it does not provide real-time or holistic feedback. Modern HR platforms provide tools for measuring employee satisfaction and collecting feedback and while at the same time it allows HR to manage employees. Performance management software provides constant communication between the managers and employees. This will ensure a positive and constructive environment in the company. Arla Foods turned to the "Walkme" digital adoption platform to address the challenges faced by the employees but they should continuously check its effectiveness.

3. Social media review

Employers now have another powerful tool and that is social media. Companies can measure the employee's feelings, feedbacks by Glassdoor ratings and reviews. An internal social media network for the company allows employees to post their ideas, suggestions and it helps the employee to engage in constant communication with the company. Arla Foods uses digital platforms such as 'arla.com' and 'arla.dk', 'se' and '.uk' and on its social media channels such as Facebook, Instagram and LinkedIn. These sites help companies to reach the demands of the consumers and as well as the grievances of the employees. These steps may not be sufficient, so companies should pursue more advanced digital platforms.

4. Exit interviews

Asking a well-designed and the right set of questions to employees is valuable and important data for the company. However, by asking very difficult questions such as why the performers of a company choose to depart the company is equally very significant. This will provide valuable data which helps the company to work on that specific area where they were lacking (Siswanto *et al.*, 2021) This can include interviews in the last days of an employee in the company or the phone interviews a month or more after they depart from the company.

5. Taking advantage of the employee lifecycle

The lifecycle of an employee refers to the phase from the beginning, i.e. recruiting, after that onboarding, followed by the development, management, retention, and the last off-boarding. Throughout this journey, the company can continuously collect feedback and build an employee engagement program (Rupp et al., 2018).

An employee value proposition from the ideas and analysis previously covered, including strategies to raise levels of engagement

Arla Foods can attract and retain top talented employees and the current employees, in this competitive market by offering a good Employee Value proposition. As in the pandemic situation, Arla food has taken the necessary steps such as work from home, flexible working time, jobs design and restructuring roles, and also by making the workplace “covid-19 safe”. Such steps help the employees to be work-oriented, focused, motivated and create positive feelings towards the company. It also attracts lots of new talents. However, the company has to make sure that these strategies are applied. Arla Foods is the 4th biggest dairy company which consists of 18,000 employees. So, the company has to provide a very safe and secure environment for the employees. For this, the company has introduced the “whistleblowing” mechanism to decrease accidents, harassment. Therefore after launching such a mechanism so far 8 reports have been registered which is very low but still accidents and harassment are happening. Company environment helps the employee to trust the company. The trust factor is very significant for employee engagement. Another strategy Arla Foods holds is that it provides unskilled labour training, professional development programs. It also supports the employee’s families which is very unique and holds the good morale. This can drive any employee to stay motivated to fulfil the company’s aims and objectives. However, they should know the needs of the employees before making any plans for them.

Conclusion

Arla Foods maintains the employee value proposition for its success. Arla Foods should satisfy employees' basic needs such as their good health, enough wages, employee safety and their comforts in the company. By using methods such as surveys, social media platforms they encounter various problems and issues, the company should try to eradicate all these issues. The company also introduced much new software for the feedback, smooth functioning of their mechanism which eases the work of the employees and helps to stay focused in their work but that is not sufficient company has to check and evaluate the effectiveness of newly introduced software.

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