

AN IMPACT OF RECESSION ON THE EMPLOYEE ENGAGEMENT ACTIVITIES

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Abstract

The Impact of Recession on Employee Engagement Activities examines the effects of economic downturns on the engagement of workers in the workplace. This paper focuses on the ways in which recessions can affect the engagement of employees in terms of attitudes, motivation, and productivity. This paper examines the impact of recession on employee engagement activities. Employee engagement is an important factor in achieving organizational success. However, during times of economic recession, companies are forced to take measures to reduce costs and this can have a detrimental effect on employee engagement. This paper looks at the impact of recession on employee engagement activities, including the potential for reduced motivation, lower morale, and decreased productivity. It also examines how organizations can mitigate the negative effects of recession on employee engagement by implementing strategies to improve communication, create a positive work environment, and provide employees with resources and support. Finally, the paper offers recommendations for organizations to ensure that employee engagement remains a priority during times of economic hardship. This paper focuses on the ways in which recessions can affect the engagement of employees in terms of attitudes, motivation, and productivity. It also looks at how companies can adjust their engagement strategies in order to mitigate the effects of the recession and maintain employee

engagement. Research suggests that employee engagement is negatively impacted during recessions.

Key Words: *Recession, Employee Engagement, Productivity, Strategies, Training and Development Opportunities.*

Introductions

The global economy is a complex system and is prone to cycles of boom and bust. During times of recession, businesses are faced with the challenge of managing their resources and employees in order to stay afloat. Employee engagement activities are an important component of any successful business and can be severely impacted by a recession. Employee engagement activities are designed to improve employee satisfaction, productivity, and wellbeing. During a recession, businesses are faced with the difficult decision of cutting costs, which in turn can lead to reduced resources for employee engagement activities. Limited budgets for activities such as team building, wellness initiatives, and employee recognition programs can lead to decreased motivation and morale among employees. In order to maintain a high level of employee engagement during a recession, businesses must adapt their approach to employee engagement. Instead of offering costly activities, businesses should focus on providing more meaningful, cost-effective activities that still have the potential to make a positive impact on employee engagement. These activities could

include investing in employee development, flexible work schedules, and offering more opportunities for feedback and recognition. For businesses that are unable to provide their employees with traditional engagement activities, there are still ways to keep employees motivated. Communication is key during a recession, as employees need to feel informed and involved in the decision. Employees are likely to be less motivated, have a negative attitude towards their work, and be less productive. Companies must be aware of the potential risks associated with economic downturns and take steps to ensure that their employees remain engaged. Employers can utilize a variety of strategies to maintain employee engagement during a recession. These include offering flexible work schedules, providing training and development opportunities, offering incentives, and creating a culture of recognition and appreciation. Additionally, employers can provide support and resources to their employees in order to help them manage the effects of the recession. It is essential that employers take steps to protect their employees during a recession. By creating an environment of engagement, employers can ensure that employees remain productive, motivated, and satisfied with their work. This will help to ensure that the organization is well positioned to emerge from the recession stronger than ever.

Reviews of Literature: -

1. **Bhagawan Chandra Sinha (2021)** in his research article title "Employee Engagement: A Dilemma in Economic Slowdown" found that, Employers should be patient with changes in employment terms and conditions, and any layoff or retrenchment should be done with a human face in mind. It is critical to avoid layoffs or retrenchments

of engaged employees. Reduced salary, zero raise, job sharing, sabbaticals, wage-free leave, redeployment, outplacement, and all other alternatives must be tried first, and committed employees should be laid off when all other options have been exhausted, because these employees are the organization's key assets. Communication is critical. Keep employees informed whether they ask for it or not. In difficult economic times, it is more important to disseminate information and ensure that everyone in the organisation hears the messages.

2. **Whitman, D. L. (2011)** in their research paper titled "*Measuring Employee Engagement During a Financial Downturn: Business Imperative or Nuisance?*" have found that, A more engaged workforce is more productive. As a result, understanding what motivates and leads to employee engagement becomes critical. Above, we discussed why this is true during economic downturns, specific actions that organisations can take to continue measuring engagement, and suggestions for lowering survey costs. Finally, we believe that there are significant research opportunities with employee engagement, and we provide researchers and practitioners with guidance for furthering research in this critical area. A more engaged workforce is more productive. As a result, understanding what motivates and leads to employee engagement becomes critical. Above, we discussed why this is true during economic downturns, specific actions that organisations can take to continue measuring engagement, and suggestions for

lowering survey costs. Finally, we believe that there are significant research opportunities with employee engagement, and we provide researchers and practitioners with guidance for furthering research in this critical area.

3. **Stephen Wood, Chidiebere Ogbonnaya (2016)**, both the authors have concluded in the research paper which is titled as, “High-Involvement Management, Economic Recession, Well-Being, and Organizational Performance”. As Britain emerged from the recession, both dimensions of high-involvement management continued to provide a performance advantage to firms that used them. However, actions taken in response to the recession had a negative impact on employee job satisfaction, which reduced but did not completely undermine the performance effects of role-involvement management. They also reduced well-being, but this had no effect on economic performance. As the strongest critics of high-involvement management frequently implied, there is some tension between role-involvement management and recessionary action. All recessionary actions have the potential to increase employees' effort-reward ratios, either by reducing rewards or increasing demands, or by being interpreted as a reduction in the value the organisation places on them.

Objectives: -

- To study different employee's engagement activities.
- To study the association between employee's

engagement activity and recession.

Hypothesis: -

Hypothesis testing is done on the following hypothesis. As Regression statistical analysis is done for checking impact.

H0: - There is no significant impact of recession on employee's engagement activities.

Research Methodology

Descriptive method is used for the purpose of research. This study depends on primary as well as secondary data.

The data for this present research was collected with the help of questionnaire and through secondary method of data collection.

Primary Data: -

Primary data is that data which is newly / freshly collected by adopting personal interview, spreading questionnaires, etc.

Secondary Data: -

Secondary data is those data, which is already available in the form of Magazines, Research Journals and Books etc. For this research work secondary data has collected from internet and research paper, articles, blogs and various web sources.

Sampling Method

The sampling method was used for this research. Sampling is the process of selecting units from the total population of interested people. Data is collected from a few Employees belonging to the private and public organizations, The data is collected by implementing “Simple random sampling method”.

Sample Size:

The data is collected from the 158 respondents but after scrutinization only 150 responses were considered.

Respondents	Sample size
Employees	150
Total	150 Respondents

Sample Size Distribution	Frequency
Gov.t Employees	50
Private Employees	100
Total	150

Limitations: -

1. This study totally depends on primary as well as secondary data only.
2. Secondary data might be having some errors due to time line mismatch.
3. This study has been completed within short period of time.
4. Questionnaire was circulated to 200 respondents but the responses was only taken into the consideration of 150 respondents as other have not responded properly.

Scope of the Study: -

The current study scope for this research study is limited only upto the Amravati division as it is not possible for researcher to study entire population due the limitation both time and resources.

Different Employees Engagement Activities: -

Following are some of the different Employees Engagement Activities: -

1. Team lunches/dinners
2. Flexible working hours

3. Rewards and recognition programs
4. Professional development opportunities
5. Social activities
6. Company outings
7. Volunteer days
8. Games & competitions
9. Wellness initiatives
10. Employee surveys and feedback sessions
11. Special team projects
12. Open communication channels
13. Job rotation and cross-training
14. Mentoring programs
15. Corporate retreats

Team lunches/dinners are an opportunity for colleagues to bond and interact outside of work. Flexible working hours allow employees to work around their personal lives and commitments. Rewards and recognition programs help to motivate and reward employees for their hard work. Professional development opportunities give employees the chance to grow and develop their skills. Social activities such as office events, happy hours, and team building activities allow employees to connect with each other. Company outings are a way for employees to have fun and enjoy each other's company outside of the office. Volunteer days allow employees to give back to the community. Games and competitions provide a healthy and fun way to engage with colleagues. Wellness initiatives such as health screenings and workshops help to promote employee well-being. Employee surveys and feedback sessions help to create an open and transparent environment. Special team projects help to foster collaboration and team spirit. Open communication channels ensure that employees can stay connected and informed. Job rotation and cross-training support employees in developing new skills. Mentoring programs provide employees with an opportunity to share

knowledge and experiences. Corporate retreats provide a chance for employees to bond with each other and form stronger relationships.

Hypothesis Testing: -

H0: - There is no significant impact of recession on employee’s engagement activity.

Ha1: - - There is a significant impact of recession on employee’s engagement activity.

Regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.408 ^a	.312	.411	2.10556
a. Predictors: (Constant), recession				

The value of R Square = 0.312 measures how well the variables count motivational factors performed in explaining the variation in dependent variables (employee’s engagement activity), we usually don’t use R-Square for reporting the Regression results because R Square has a tendency of increment whenever useless predictors are incorporated in model, so adjustment of this increment is important and for that purpose we use the Adjusted R-square. The Value Adjusted R-square = 0.411 is preferred one for reporting regression results, when multiplied by hundred percentage the value of adjusted R-square will be 41.1% this percentage shows that 41.1% of the variation in the employee’s engagement activity is due to the number of times the independent variable affects the dependable factors, the remaining of 58.9% is due to the other predictors that are not included in models and which are not controllable.

ANOVA ^a					
Model	Sum of	df	Mean	F	Sig.

		Square		Squa		
		s		re		
1	Regression	57.493	1	57.493	47.038	.000 ^b
	Residual	4886.603	14	1.229		
	Total	4944.096	15			
a. Dependent Variable: employee’s engagement activity						
b. Predictors: (Constant), recession						

The purpose of ANOVA in case of simple linear regression analysis is to quickly detect whether there is a significance relationship between the purchasing propensity and the E-media. The ANOVA is an overall significance test of model parameters, where it tests whether none of the predictor variables have a significant effect on the response.

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	1.579	.040		39.697	.000
	recession	.105	.015	.108	6.858	.000
a. Dependent Variable: employee’s engagement activity						

Here the Constant is 1.579. The value of the constant term is the average value we could get when other predictors in the model are fixed to be zero. The unstandardized coefficient of the predictor frequency of recession is 0.105, which is indicates that for each recession the average employee’s engagement activity increases by 0.105 keeping the level of other predictors in model constant.

Therefore, the fitted regression model is
Impact of recession = 1.579+0.105 (Employee’s engagement activities)

Findings: -

1. From the Regression statistical analysis, it is found that, recession is positively impacting the employee's engagement activities. As the employee's engagement activity increases with the recession.
2. Strategies like flexible working arrangements, offering financial incentives, and providing learning and development opportunities. Organizations should also focus on providing a supportive work environment.
3. It is also found that company have to emphasize more focus on the employee's development and training this is to be done for the market updating activity.
4. Recession leads to job insecurities, reduction in the wages, and many more due to this employees feels more insecure.
5. It is found that when businesses begins to recover from the economic downturn, they must ensure they are investing in employee engagement activities that will help them remain competitive in the future.

Conclusion: -

The recession has had a major impact on employee engagement activities. Companies have had to make difficult decisions on how to reduce costs while still providing employees with the resources they need to remain engaged. Companies have had to reduce staffing levels and institute cost-cutting measures that have a direct impact on employee engagement activities. In addition, companies have had to focus more on employee development and training to keep up with changing customer demands. As businesses begin to recover from the economic downturn, they must ensure they are investing in employee

engagement activities that will help them remain competitive in the future.

The Global Recession has made a significant impact on the employee engagement activities of organizations. The economic crisis has led to job insecurity, reduced wages, and increased cost-cutting measures. This has made employees feel less motivated and has reduced their engagement in organizational activities. Employers need to understand the impact of the recession on employee engagement. They need to realize that their employees are feeling the stress of the economic downturn and may not be as motivated to participate in activities as they once were. Employers can use a variety of strategies to maintain employee engagement during the recession. These strategies include providing flexible working arrangements, offering financial incentives, and providing learning and development opportunities. Organizations should also focus on providing a supportive work environment where employees feel valued and respected. This can be achieved by addressing employee concerns and providing a safe place for employees to voice their opinions. Additionally, organizations should ensure that employees have access to the resources they need to stay engaged and productive. In conclusion, the Global Recession has had a considerable impact on the employee engagement activities of organizations. Employers need to recognize this and take steps to ensure that their employees remain engaged and motivated. This can be achieved by providing a supportive work environment, providing learning and development opportunities, and offering flexible working arrangements.

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