

EXECUTIVE SUMMARY

This survey report provides the key findings and recommendations on the level of employee engagement in Fast Moving Consumer Goods (FMCG) sector organizations in Sri Lanka as a survey carried in 2017 by the Postgraduate Institute of Management, University of Sri Jayewardenepura. The researchers have identified the difficulties of managing and engaging the employees in a rapidly changing business environment as the anticipated employment related challenges on the horizon are becoming the challenge for the survival of FMCG sector companies with the stiff competition bring through multinational as well as strong local base companies. The top management and the HR professionals are searching for extraordinary level of employee engagement while creating positive environment for emerging future organizational leaders at the forefront of their human capital challenges.

Employee engagement has produced great deal of care within academic researchers, human resource professionals and business owners across the globe. Bakkar and Scheufeli (2008) defined employee engagement as “an emotional state where employee’s impression a vested interest in the company’s accomplishment and achieve a high standard that may exceed the specified requirements of the job.” The first educational paper on employee engagement was presented by Kahn in 1990 as a concept analyzer while opening attention towards employee engagement. Organization are basically considering human resources as core assets to the level where the theoretical value in the company financials.

Testing of employee engagement in FMCG sector is a significantly large in local economy which must keep policy level as well as operational level eyes opening towards sector performance. The Sri Lankan FMCG sector which are mostly comprise food and non-alcoholic beverages with whole sale and retail trade provide platform approximately 30% of GDP with estimated overall employment of 20% in the country. The global analysis of FMCG operation revels that the growth in democratic like countries such as USA, UK and most of other region will generate the anxiety within the big corporation as those employees anticipate the probable for a decrease in free labor flow.

The researchers of FMCG sector reached to 8,749 population and collected 4,321 with the respond rate of 49% applying quantitative data gathering approach. The questionnaire circulated comprised only quantitative objects to be responded using a five-point Likert scale varying from strongly agree, agree, neutral, disagree and strongly disagree. The primary data

collection through questionnaires were principally recorded in Microsoft Excel with the distinct coding which was suitable in Statistic Programme for Social Sciences (SPSS) version 20 to conduct descriptive statistical analysis. Further, the basic results analysis was performed using Microsoft Excel 2013 version to facilitate more graphical analysis in FMCG sector.

The linkage between business performance and EE drivers were examined using five main key engagement drivers. As per the finding of five main drivers, job meaningfulness has the overall rating of 4.16 indicating the job understanding which help towards positive performance. Employee's confidence towards job had the average score of 3.91 which again considered as valuable indicator which ensures worthwhileness of own performance. The findings of identification of organization, identification of leader and the organizational performance indicate the rating 3.58 to 3.71 which requires the attention of the management of FMCG sector. The findings were further signified through the leader leader-member relationship which is at 3.14 level. The executive employees displayed the more engagement that non-executive employee and the engagement has been gradually increased over the job maturity.

The survey had an objective of providing recommendations to the FMCG sector on the low performing employee engagement drivers while giving due attention for the high performing drivers as those are important to align the human activities towards organizational strategies. The recommendations were provided to preserve the current high level of engagement in job meaningfulness and employee's confidence. The basic gaps identification in organizational identification, identification of leader and leader member relationship were address through proper recommendations. Constant team work, promote higher emotional intelligence level, training, job rotation and many other management development areas have been identified as the engagement promotion techniques.