



EMPLOYEE ENGAGEMENT IN FINANCIAL SERVICES INDUSTRY

Employee engagement is directly proportional to
workplace productivity





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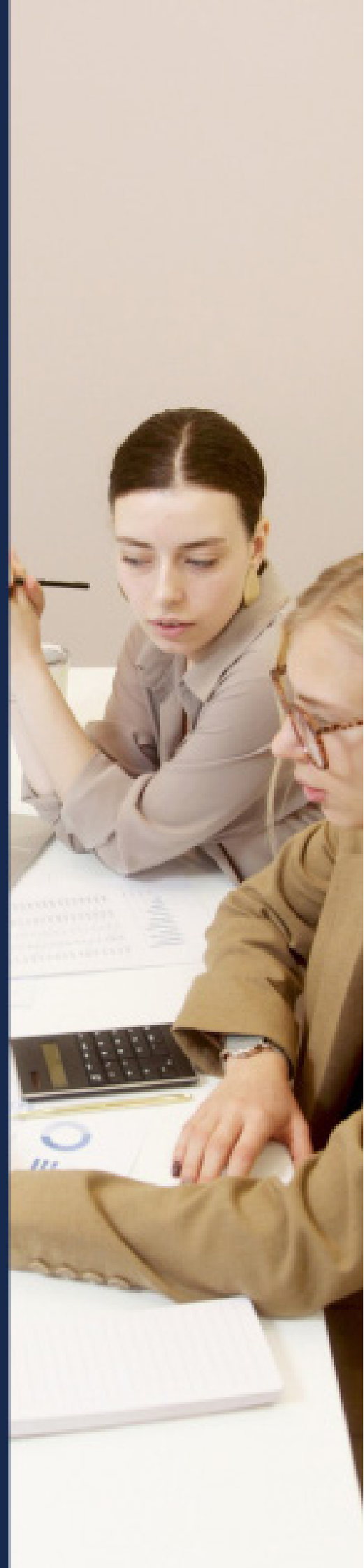
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PREFACE

Why do people quit their job?

As managers or HR leaders, you can state many reasons for that, but have you ever tried to look at it from an employee's perspective? Often organizations tend to forget that **employees are human beings** and they have feelings or emotions. They repeatedly patronize their employees which makes them feel undervalued and this is the primary reason people quit in the first place.



Gallup's comprehensive 2015 study, ["The State of the American Manager,"](#) revealed that 50% of employees quit their job to get away from their manager. (1) This proves the point- **"People leave managers, not companies."**

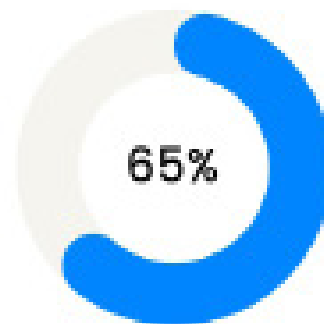
Employee engagement has been a real challenge for almost every organization and the financial industry is no exception. Ever since the WHO officially deemed the COVID-19 outbreak a global pandemic, companies in the financial services industry are finding themselves tolling with poor employee engagement.



A **national representative sample** of **150 banking employees** revealed that a little over one-third of those surveyed were identified as being "Fully Engaged"



while about 1 out of 7 were found to be "Disengaged".



At the same time, the "Disengaged" and the "Partially Disengaged" groups totalled 65% of the workforce.

Therefore, it is imperative to build a company culture where employees feel valued and appreciated for who they are and what they do. Everyone wants to work with an organization that puts people at the forefront. However, building a **people-centric culture** is not as easy as it sounds. It requires genuine efforts, improved collaboration, open and honest communication, and other such factors to enhance workplace engagement.

UNDERSTANDING EMPLOYEE ENGAGEMENT

01



"ALEXANDER THE GREAT"

UNDERSTANDING
EMPLOYEE
ENGAGEMENT

Do you know how Alexander became "Alexander the great"? People who have read about him know the answer, which is quite simple- because of the army he built. Undoubtedly, he had an engaged workforce that he managed to create by indulging in meaningful conversations with his people, listening to their concerns and issues, ensuring timely payments, dressing like the rest of his army, and, most importantly, leading them from the front.

With his people, Alexander established the largest empire the ancient world had ever seen. Alexander inspired such loyalty and engagement in his men they'd follow him anywhere and, if necessary, die in the process. History clearly states that it was the people who made him a legend, and despite this fact, it was Alexander who is hailed as the greatest leader of history. This is exactly what an engaged workforce does to you.





The essence of this whole narrative is that when you connect with people, build meaningful relationships with them, and motivate them to work in alignment with the company's objectives; you succeed.

You can also achieve massive success by building a workforce that is entirely dedicated to the company's mission. The workforce in the financial services industry is an army of people that constantly needs a source of motivation, given the nature of their job. However, it is easier said than done.

The financial sector today has to deal with two major issues, the first is sustainability and the second is keeping the front-line employees engaged and motivated. In banking institutions or FinTech companies, managers or HR leaders are looking for ways to prevent employee burnout. However, without knowing the major roadblocks or challenges that refrain banking institutions from creating an engaged work culture, finding the right solution can be tough.



So let's first discuss the major employee engagement challenges faced by the companies in the financial services industry

EMPLOYEE ENGAGEMENT CHALLENGES IN THE FINANCIAL SERVICES INDUSTRY

There is no denying the fact that when employees are disengaged, they lack the motivation to come to work daily. This resulting high absenteeism rate is a huge loss for banking and financial services companies because it directly impacts productivity and payroll costs.

Besides absenteeism, there are many pressing employee engagement challenges in the financial services industry and some of these are as follows





Increasing workload

With the rise in **digital transaction solutions**, there is an increased demand to offer customers the support they need. However, being available for the customers all the time makes **employees feel exhausted**. Besides, it also puts pressure on employers to keep workers engaged while dealing with the changing customer expectations and also to cope with the stress and strain that come along with the responsibility associated with their job roles.

Access to the tools required to get the job done

Having access to all the tools or resources to get the job done is one of the most crucial elements in the **financial services sector**. Sometimes employers in financial institutions overlook the importance of providing their employees with the right **tools and systems** to manage their day-to-day activities. This hinders them to drive additional value for customers. Companies in financial institutions will never be able to cater to the changing customer needs with a workforce that's inhibited by a lack of technology in the workplace.



Lack of purpose

You feel disengaged in everything you do if you don't have the clarity of why you are doing it. **Lack of purpose** or meaning is one of the reasons why most employees in financial institutions feel disengaged. **They lack job clarity and a sense of excitement around their jobs.** This encourages dissatisfaction among employees because they aren't clear on what they want from their jobs. In an [article for Inc.](#) Futurist and Author says:



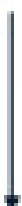
"The greatest sense of purpose comes when both the organization is able to connect what the employee does to the impact they are having and when the employee shows up with an open mind, ready to contribute and give it their all. This is not a one-sided solution."

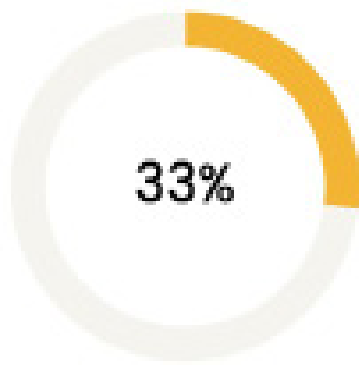
- **Jacob Morgan**

Retaining millennials

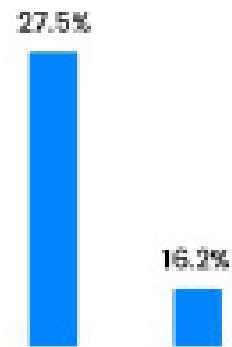


The new generation of workers constantly hunts for better jobs or growth opportunities. Unlike baby boomers, they have no interest in spending years working in the same organization. They consider it stagnating. According to a [PwC report](#), only 10% of millennials plan to stay with their employers for the long term. (3) **This might sound shocking to you but it's the hard truth you need to know. Therefore, you must think of ways to keep millennials engaged.**





According to a [survey](#), the BFSI industry has a dismal employee engagement rate of just 33%.



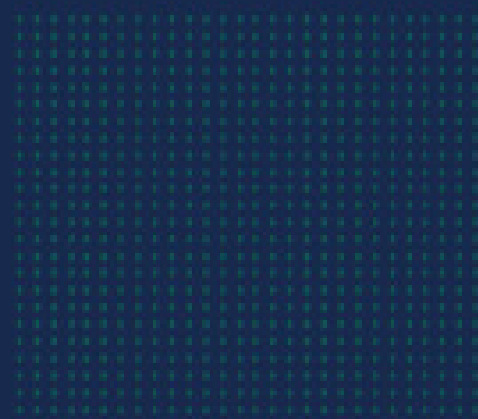
Another [survey](#) revealed that the BFSI industry had a 27.5% turnover in 2017, with 16.2% being voluntary turnover (i.e., people leaving of their own choice).

Focusing on employee engagement strategies can help financial services companies weather these challenges. Any organization that invests in **employees enjoys numerous benefits** including increased profitability, less absenteeism, and increased employee loyalty and satisfaction. This in turn improves customer satisfaction as employees now go above and beyond to meet their expectations.

Let's discuss the role of employee engagement in the financial sector in more detail in the next section.



THE ROLE OF EMPLOYEE ENGAGEMENT IN THE FINANCIAL SECTOR





Besides increasing the overall productivity of the **organization**, **employee engagement** also helps in an improved retention rate. Don't you want all this to happen in your organization? So instead of stressing over high attrition rates, you should focus on building employee engagement strategies that **improve your retention rates**.

It might sound obnoxious but the financial industry has been overlooking employee engagement owing to an old-school mentality. But these are modern times and everything is changing at lightning speed. **Therefore, the banking institutions must accept the fact that to increase customer engagement**, they have to first increase employee engagement. This will not only improve employee retention but will also lead to more loyal customers and new revenue streams

In financial institutions, senior management can be a driving force to improve employee engagement. **Employees in financial services look to senior management for direction and confidence in the company's future.**

Besides offering mentoring from the senior management, employers must focus on providing opportunities for training and development. Financial services companies who make an investment in their people's growth and development are rewarded with increased engagement.

When employees are given the right tool, right resources, & right guidance employees feel emotionally attached to the organization, they work to the best of their abilities and feel proud to be a part of the organization.



Financial services companies are unique as they have close relationships with their customers. Keeping employees engaged is an excellent way to maintain and nurture those business relationships.

The pointers mentioned above suggest that there is an urgent need to drive **employee engagement in the workplace**. But, how can you do so? Read the next chapter to know!



04

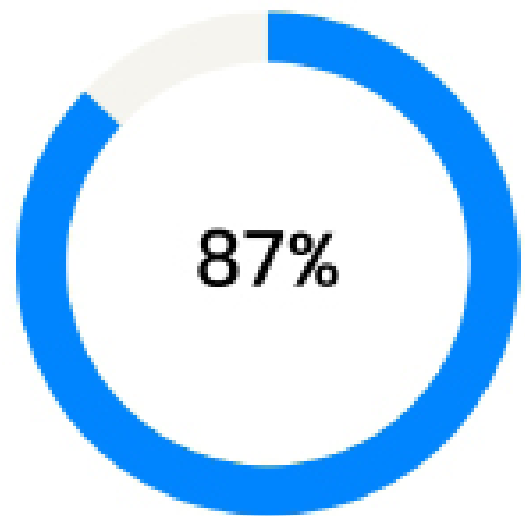
Drivers of Employee Engagement



Interesting Trivia

For years, companies in the **financial or banking industry** have heavily relied on monetary compensation for employee engagement, but is that all you need to motivate your workforce?

When we talk about employee engagement, there is no **one-size-fits-all** approach you can take to motivate employees. Before experimenting with different ideas or strategies, **it is crucial to understand what motivates your employees and drives them to be emotionally invested in their work.** There are different drivers of employee engagement, and they can vary from organization to organization and even from employee to employee. Generally, employee engagement is driven by:



"Studies found that highly engaged employees were 87% less likely to quit their companies than their disengaged counterparts."



Work culture

Nobody wants to work in a depressing work environment. Therefore, you should focus on fostering an environment **where employees feel connected, comfortable, and complacent.** Listen to your employees, recognize their efforts, support them, eliminate manager bias, and respect their time and priorities. You can create a highly desirable work environment simply by **building positive working relationships.**



Job clarity

When employees are aligned with the company's goals and objectives, there are high chances of success. **Having job clarity is important for employees,** as it helps them focus on the tasks that matter. If your employees are clear about what is expected of them, they are more likely to perform better. **Providing your employees with a clear understanding of the vision, mission, roadmap, and direction of the organization is critical.**



Career growth

Providing continuous job **development opportunities** can play well in your favour. A job becomes boring if a person does the same task, again and again; therefore, it is important to provide **continuous development and growth** opportunities to your employees. Limiting a team member to specific tasks or functions isn't a good way to increase employee engagement. You need to focus more on what works best for their interests, capabilities, and **future possibilities**.



Autonomy

Nobody likes bossy behaviour. If you want your employees to work happily, then you need to offer them **complete autonomy**. If you keep nudging them to do the task, they will eventually get fed up and lack enthusiasm for completing the work. Autonomy in work helps employees make better **decisions, manage their time better, and feel** more invested in the company and its mission.



Recognition

Every single person on this earth loves **appreciation or recognition**. Appreciating employees for good work is important, as it not only **encourages them to continue doing great work but also prompts other team members to work harder**. Rewards and recognition programs help employees see that their efforts are being recognized, and they are making a difference in the organization. It can be a major driver of employee motivation and engagement.



Leadership

Leadership also plays an essential role in building a great work environment. A leader should lead by example. If he/she is not enthusiastic or supportive, then it is going to affect the entire organization. **As leaders, you must be approachable, visible, accessible, and readily available.** A good leader drives people to a common goal and brings confidence to his/her team. If you want to improve engagement, you need to understand your employees' needs and offer them all the support they need.



Fulfilling work relationships

It is often said that employees who get on well with each other are more likely to work well together. Working with different people is not easy. **Therefore, organizations must focus on activities that bring people together.** Hostility or bitterness among team members can affect your organization in many ways. Consequently, you need to focus more on teamwork and collaboration.



Other factors



Open and Honest
Communication



Employee
Wellness



Team
Interactions



Collaboration



Organization
Policy



Organization
Performance

etc., are other factors that drive employee engagement.

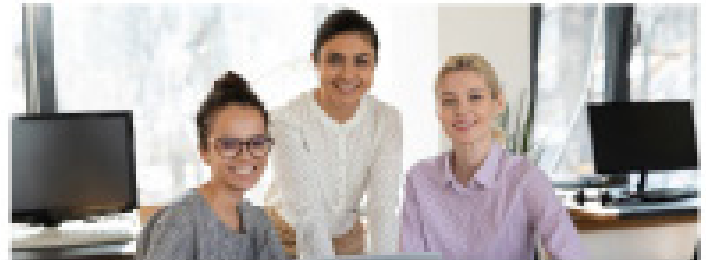
So these are some of the major driving forces behind an engaged workforce. You can improve employee engagement by developing a well-defined engagement strategy. However, before you start rethinking your engagement strategy, you need to understand where you're starting from. Measuring employee engagement will help you take the pulse of your employees. **You can measure employee engagement by conducting regular surveys, holding one-on-one meetings, group discussions, conducting exit interviews, etc.** Scroll down to know more about these methods in detail.

Measure Employee Engagement



Interesting Trivia

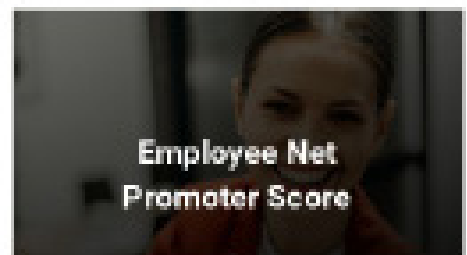
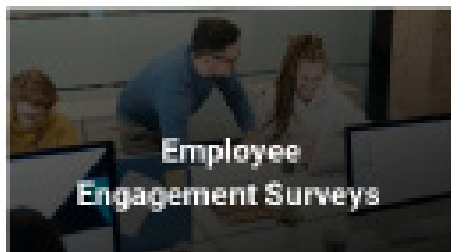
Gallup data revealed that companies with highly engaged workplaces at the 99th percentile have four times the success rate than those at the first percentile. The same study also found that companies with highly engaged employees are **21%** more profitable and **20%** more productive.



For financial services companies, **neglecting employee engagement** can jeopardize productivity. It is critical that you **measure engagement**, align your processes to cope with disengagement issues, and design and develop policies and rewards systems to recognize engaged employees.

If you are implementing new strategies every now and then but not getting the proper outcomes, you need to **dive deeper into your employee engagement metrics**. Measuring employee engagement levels frequently can help you find out the effectiveness of your strategies. Having **real-time data on employee engagement** can help you better understand your employees' moods and requirements. It allows you to plan your activities or strategies accordingly.

Measuring employee engagement helps you know if your engagement strategies are yielding real results or not. It will also help you understand which initiatives are effective and how you can improve. You can **measure employee engagement** levels by following methods:



Employee Engagement Surveys



Many employees hesitate to open up with their managers. There might be various reasons for that, including previous bad experiences, fear of retaliation or looking stupid, lack of trust, and many others. If your employees feel the same, **then conducting employee engagement surveys is one of the best ways to measure engagement in the workplace.** You can ask different questions geared toward different aspects of employee engagement such as happiness, job satisfaction, etc. One of the significant advantages of employee engagement surveys is that they give you immediate feedback that can be utilized to determine the trends and areas of improvement. However, if you want honest responses, then you need to be upfront about the survey's anonymity.

Holding **one-on-one meetings with your employees** gives them a fair chance to speak openly about their concerns or issues. There might be things that you both don't want to share with the entire team. **Therefore, it is prudent to conduct individual meetings.** Having private conversations with your employees boost employee engagement, improve productivity, foster great work relationships, address issues, and exchange ongoing feedback. **Listen to your employees, encourage them to speak openly, and honour their confidentiality.** This way, your employees will trust you and open up to you, and can talk to you about anything, anytime.

Hold one-on-one meetings

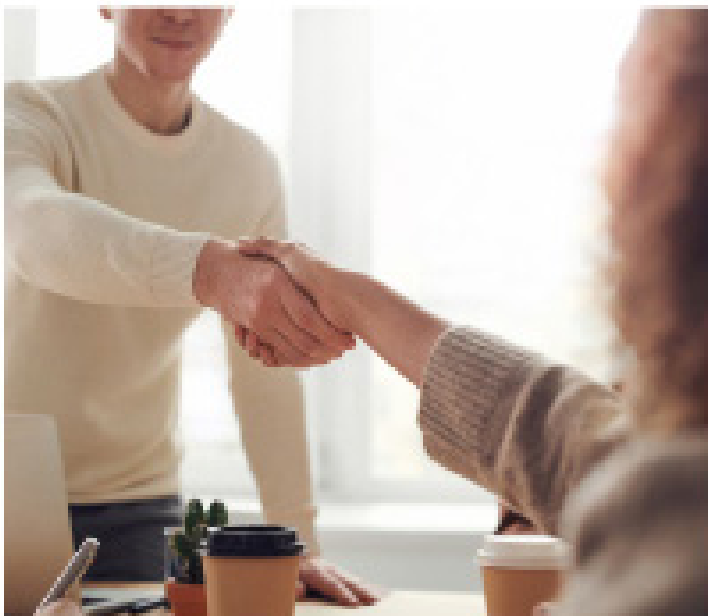


Hold small group discussions

While holding **one-on-one meetings** can be an excellent idea for small organizations, it might not be possible for big companies to conduct individual meetings. Therefore, conducting small group meetings or discussions can be a good idea to measure employee engagement. **Hold department meetings and ask questions to your employees.** Try to be neutral and keep your discussions around your team's successes and challenges. Also, try to get feedback from your employees about your leadership and encourage them to share new ideas or strategies to help organizations reach new milestones. **This feedback can be utilized to make meaningful changes in the organization.**



Conduct exit interviews



Conducting exit interviews is one of the best ways to know about the things that are not right in the organization. Employees tend to be more honest when they are leaving the organization. Therefore, conducting exit interviews is a highly effective tactic to know why employees leave and what an organization can do to retain them. **You can ask them to fill exit interview forms, or you can simply ask them specific questions.** You can also look back at these exit interviews if there's a trend in your organization's turnover. Having such conversations offer organizations an opportunity to know the reasons that made an employee leave.

Conduct stay interviews



"Stay interviews" isn't a common term in organizations, as companies often neglect the importance of one-on-one discussions with long-term employees. **However, conducting stay interviews is a great way to improve employee engagement.** You can ask your employees specific questions about what's keeping them at your company. This will help you figure out what employees like or dislike about the organization. Besides receiving inputs from your employees, it is also important to identify the main reasons for increased attrition in your organization. Have meaningful discussions with your employees and utilize those conversations to understand what is truly a top priority to the people on your team.

We all have focused on customer satisfaction for a long time, and nobody gave enough attention to employee satisfaction. But today, things have changed for businesses, and employee satisfaction is considered as important as customer satisfaction. eNPS is a familiar way to measure employee engagement. You can ask simple questions to your employees, such as **'on a scale of 0-10, how likely are you to recommend this company's products and services to others?'** **If they answer 9-10, they're a promoter (your most positive, motivated, and satisfied people); if they answer 0-6, they're a detractor (unhappy and disengaged). Employees who score 7-8 are passive (neutral employees).** It is a quick and simple way to gauge employee engagement levels.

Employee Net Promoter Score



Tools and technology



Employee engagement need not be a manual process, **there are multiple tools or technologies** that are helping organizations measure and improve employee engagement. **Employee engagement modules are helping both organizations and their employees to interact, collaborate, and engage.** These tools make it easy to conduct surveys, facilitate meaningful discussions, set and track goals, and recognize employee achievements. These tools provide organizations with real-time data to understand how, where, and why people are engaged.

Exciting Trivia



According to the **PGI Telework Week survey**, **82%** of workers who 'telecommute' experience less stress



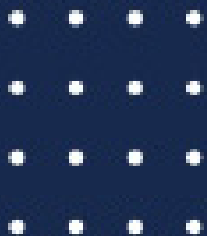
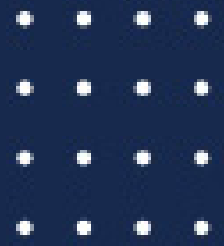
while **80%** have higher morale



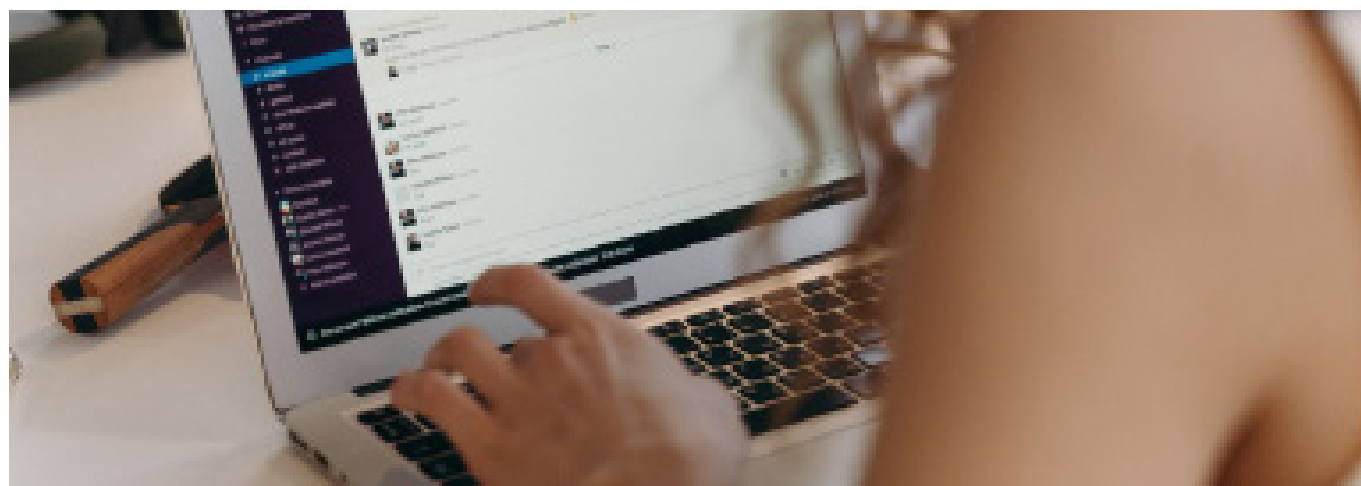
69% missed fewer days of work.

06

EMPLOYEE ENGAGEMENT AND HR TECH

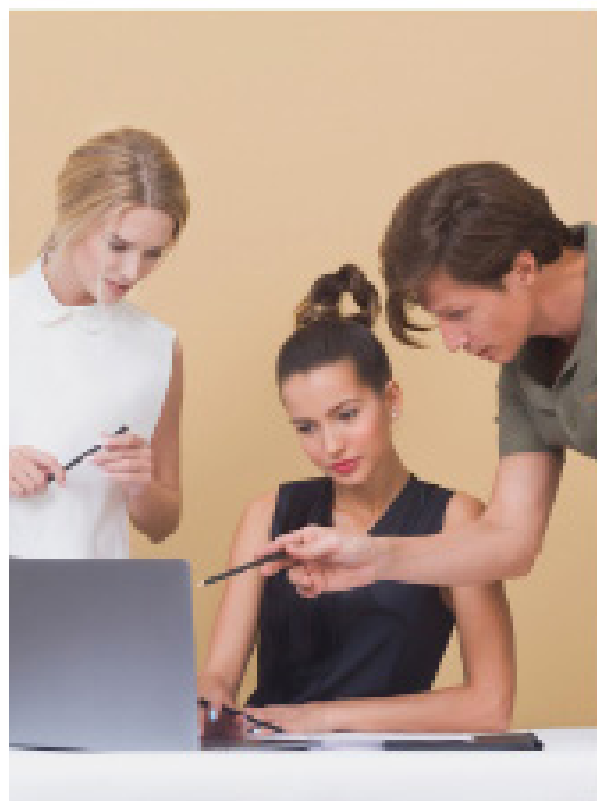


How HR technology is driving employee engagement



Communication is the key

Communicating openly with your employees is key to improved employee engagement. **Having practical communication tools can have a positive impact on your organization.** Today, there are hundreds of communication apps available to facilitate internal communications. Apps such as **Slack, MS Teams, Google Chat, Trello, Chanty**, to name a few, are some of the best communication tools. **These apps allow teams to interact, collaborate, and share ideas, pictures, and informative content.** Say goodbye to emails and opt for these innovative apps or tools to increase internal communication.

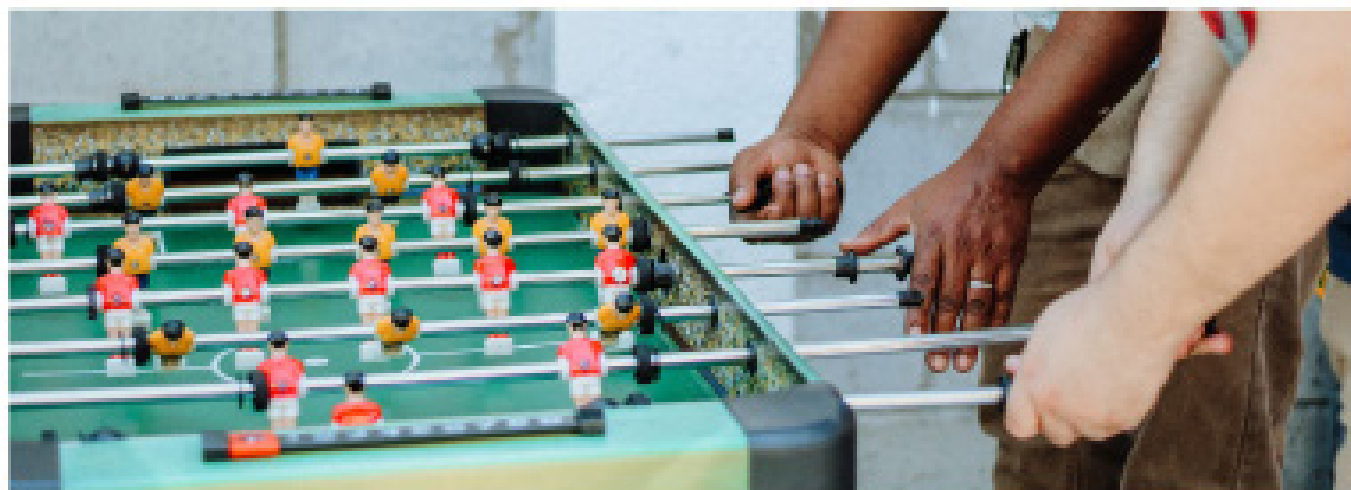


Feedback and Surveys

Employee engagement apps make taking and receiving feedback easy and simple. Surveys offer the insights you need to build a fantastic workforce. **Feedbacks and surveys help you identify things that are engaging your employees, and problems that are bothering them.** Numerous employee engagement apps offer free templates and survey questions to receive feedback from your employees. **One of the biggest advantages of these apps is that they make the feedback process more efficient.** You don't have to spend hours preparing questions for the survey or poll; you just have to select a template and share it with your employees. This way, employees will be able to share their responses without any delay, as it hardly takes 10 minutes to fill a survey.

Gamification in organizations

Gamification in organizations simply refers to the use of **game-based elements** such as **scoring, rewards, or competition in the workplace** to improve employee engagement. According to various studies, gamification has a significant effect on the energy, stress, and productivity levels of employees. Organizations can also use gamified techniques to ensure that remote workers remain engaged at work even if they are not physically present in the office. **Organizing weekly quizzes, fun activities, and converting learning into a fun game can boost employee enthusiasm and engagement.**



Rewards & Recognition

Employees want to be recognized for all the efforts they put in to complete a task. Use employee engagement tools to share success stories across your organization. Besides this, organizing fun activities every now and then can be a great source of motivation for employees. Creating a leaderboard or offering medals or vouchers, or virtual badges can encourage employees to perform better. It keeps employees engaged and motivated. **Rewards and recognition platform allows employees to appreciate and recognize their peers, juniors, or managers by giving them kudos for a job well done.** It strengthens internal relationships and increases collaboration. Recognition motivates employees to keep performing better.

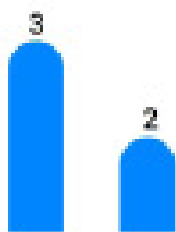




Mobile Learning

Learning and development is an integral part of an employee engagement program. Engaged employees continuously strive to develop new skills that can help them excel in the work they do. However, training them during working hours consumes a lot of time. **This is why companies have started encouraging mobile learning.** Flexible learning offer employees the opportunity to learn at their own pace. Nobody likes to bring their jobs home, but it is unavoidable. **Companies can prompt their employees to learn by offering them flexibility in the workplace.** When people find their jobs more flexible, they can have enough time to learn from the comfort of their homes.

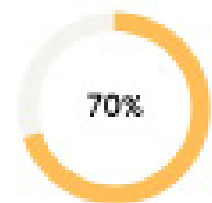
Besides all this, offering technological freedom to your workforce can also work wonders for your organization. According to the Cisco Connected Tech Report:



The majority of working people use **2 to 3** work and personal devices in their daily lives.



About **60%** of respondents would prefer a device other than laptops for both work and personal use.



70% of HR professionals think Gen Y employees perform faster if they have the permission to use their mobile devices instead of computers

So we can say that offering technological freedom to your employees can keep them engaged and enthusiastic in the workplace.

Employee Engagement in Action

How Zimyo is enabling organizations to increase employee engagement levels

At Zimyo, we believe delivering a great employee experience is all about being intuitive, offering deep insights into behavioural patterns that impact **employee performance and business outcomes directly**. Therefore, we have developed solutions that empower HR leaders to build a workplace where employees actually want to stay.

Our employee engagement module “Engage” is specifically designed to help organizations establish, **enhance, and refine** company culture while boosting productivity. Some of the key features of “Engage” include:



Organization Social Networking- Enhance internal relationships by **virtually networking** with your team and organizing virtual fun activities.



Employee Recognition Platform- **Recognize and reward** your employees' efforts by providing them with badges, coupons and creating a leaderboard.



Senti-Meter- Take the pulse of your **employee's moods** by creating customized surveys or polls.



Announcements- Make **company-wide announcements**, share news and alerts, celebrate milestones, and create a company album.



Discussion Room- Participate in meaningful discussions related to company policies and **hold appraisal meetings**.

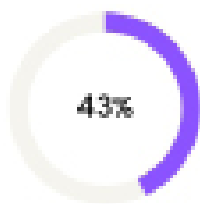


Breakroom- Make remote working fun and engaging with our platform by hosting **virtual fun activities, events, or meetings**.

With our employee engagement module, organizations can facilitate upfront conversations, hold brainstorming sessions, manage projects, share informative and valuable content, and make important announcements in no time.

By utilizing employee engagement solutions, employees are more engaged and better able to align with their objectives. In doing so, managers and leaders can gain clear insights into workplace engagement levels and boost their human culture while weaving employees into the company fabric.

Interesting Trivia



According to the Canadian Incentive and **Rewards Trends Study**, 2015, more than **43%** of all workers in most organizations are unhappy with their jobs. They feel they have not been recognized for their work or for what they can do

Final Words

Employee engagement is not new; it has been there for a long time. But it is only recently that it has gained traction and emerged as a leading force to drive productivity in the workplace. So I think it's the right time to consider options or solutions to boost your organization's employee engagement.

If you are allowed to choose between a high salary package or an engaging work culture, what would you prefer? If this question had been asked a decade ago, most people would have chosen money over an engaging work culture. But now, employee expectations have changed, and money alone can't help you retain top talents.

Today, employees need more than just hefty paychecks. Are you providing them with all the support, tools, environment, or opportunities they need to stay engaged and motivated?

Author Bio

An avid writer, and an amazing team player, Manisha comes with over 3 years of experience in the field of content marketing in the B2B space. Currently, she is heading the content marketing function at Zimyo, an HR tech platform. From day one, she has always focused on creating brand content that is conversational, engaging, and informative. Apart from that, she has experience in digital marketing, social media, content strategy, and marketing communications. When she isn't writing, you will find her binge-watching or exploring new places.



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