

THE INCREASING SIGNIFICANCE OF WORKPLACE EXPERIENCES

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Abstract: *Talented employees appear to be one of the most necessary groups of human resources from a corporate perspective; however, the general shortage of workforce significantly affects this area as well. In order to ensure their own development, organizations need to introduce methods that differ from their previously applied practices, as this transition is required by rising shortage of workforce and changing employee preferences. One of the novel approaches of HR, which an increasing number of managers tend to agree with, is the importance of providing positive experiences for employees. Workplace experiences largely determine attachment and loyalty to the organization and thus they might have a direct impact on organizational retention and the reduction of fluctuation. From amongst experiences provided by a workplace, the flow experience might be of paramount importance, which might depend on optimal harmonization of individual skills and job responsibilities. Therefore, the needs of existing and potential employees should be taken into account with intensifying emphasis. The study includes a summary of the aspects that represent the needs and changing preferences of labour market entrants (career starters) and employees in Hungary. The two target groups constitute the potential employee stock from an organizational point of view, therefore being aware of their needs might be crucial for ensuring the necessary human resources. There is a parallel between the demands of career starters and employees, but there are differentiating factors that point to the diverse ways of thinking of each age group. Different ways of thinking postulate different needs. Although the presence of financial factors is important for both groups, it can be said that in the case of young labour market entrants, flexibility is more important than financial aspects, which can be decisive in terms of working hours and working environment as well. In the case of already experienced employees, objective aspects are mostly predominant in terms of their expressed expectations, such as salary, stable job and financial stability. Overall, the study also shows the factors that are the least important in the light of the surveyed aspects. According to these findings, it can be concluded that for the attraction of labour market entrants, less emphasis is necessary on company name, corporate vision and social responsibility, and the focus should be shifted towards the local circumstances within the company such as the scope of direct colleagues, and availability and open communication of the management. In the case of already experienced employees, applied technology, reputation of the company and the quality of provided services and products are less important than workplace atmosphere and the balance of work and private life. Based on the study, it is possible to provide targeted experiences by emphasizing the areas that are the most relevant to each group.*

Keywords: *flow; experience; talent; HR; employee expectation; labour management.*

JEL Classification: *J24; J81; M51; M54.*

1. Introduction

From the standpoint of organisational efficiency it is not a negligible fact that corporations need to have the best work force to stay successful, competitive and profitable in the long run in the global economy which operates in a more complex way. The employment, keeping and development of talented people with great knowledge and qualities make it necessary to deal with talents consciously and when it comes to confident management the talented employees appear as critical resource in the organisational operation in case we want to achieve the best results. It is not enough to have the most talented experts we need to manage them the right way since they mean the most critical segment of labour shortage. The forming of talent management systems is not an easy task the source of management difficulties is most often to be found at the leadership level which stems from the lack of change of attitude. The question arises that in case we form a conscious talent management system whether we will have the possibility to achieve greater results by acquiring less resource? The answer is – yes. That is the reason why we have to make a strategic emphasis on finding, reaching and attracting talents and retaining them for the long-run since the right recruitment could be the answer to various development questions. One of the most obvious tools of retaining them is to fulfil the employee needs within a realistic framework which induces that because of the caring operation a certain devotion can be created towards the organisation which through the strengthening of loyalty supports the organisational retaining force. One of the typical employee expectations of the 21st century is to experience and reach a higher level of work-related experiences. If the organisation can give a meaningful answer to this growing demand then it is expected to receive a rather positive feedback in the employee environment. To live through employment experiences ideally can be connected to the perfect experience that is to live the flow. If organizations find methods to provide employees knowingly with a possibility of having a perfect work experience, they will be able to largely improve their attractiveness, enhance employee loyalty, and thereby contribute to the explicit increase of workforce retention. The objective of the study is to – by means of secondary analyses – highlight the possibility of creating a flow experience within the workplace environment and thus of a potential retention strategy for talented employees. To this end, the article presents a comprehensive analysis of how the most recent relevant surveys in Hungary summarize employee preferences and what sort of employment programmes exist to support this approach.

2. The possible connection of talent management and workplace experiences

The latest researches prove (Manpower, 2018) that the ability to attract talents is one of the biggest differentiating factor among the competing companies. There is a growing market for those tools and services which can help the organisations survey their internal system and find the employee who can fit into this corporate culture and strategy and what is most important to the given position. The latest talent analysis tools and strategies not only help to define the right employee but also to find and support retaining the person who fits there.

Based on the definition of one of the theoretical experts of the field (Czeizel, 1997) the talent is a certain amount of potential and promise that the individual would achieve outstanding results in one particular profession, which is on the hand socially useful and on the other hand it fills the individual with satisfaction and a sense of achievement. Connected to the final part of this definition the significance of experiences comes to the centre as a possible tool connected to the talents. If we think of gaining experiences and strive to reach the perfect experience then we must mention Csíkszentmihályi's flow theory. Based on his theory the flow experience is an area of our lives that we can achieve even during our everyday activities we do not need an extremely regulated environment for that. A typical feature of this feeling is such an extent of joy which causes our concentration to reach such a high level during the activity that we can only focus on what we are doing and we shut out the outside world totally. A natural concomitant of this is the distortion of the sense of time as well as the loss of me consciousness since we totally identify with the activity we are doing. The reward value of an activity providing such experience can be so high that people tend to do this kind of activities only because of this – so a well-thought out reward system is not necessarily more efficient in motivation (Csíkszentmihályi 1990).). A natural concomitant of this process is that in the case of such activities we feel in accordance our existing competencies with the tasks to make as well as rule the process wholly. (Figure 1). The figure clearly demonstrates the significance of a harmonized balance between optimal challenges and existing skills. The knowledge of individual skills and proper calibration of ideal difficulty levels for tasks might determine the emotional state of the subject in the course of certain activities, namely what impressions or in other words what experiences determine their particular action.

From the point of view of work activities, the most effective performance is expectable if the level of difficulty of the task is medium or high for the given employee, and the relevant individual skills are at least on medium or high level. Along this theory, boredom and anxiety, as well as transient states between these two emotions can be avoided. When being in the state of flow, the individual operates by exploiting his/her maximum capacity, providing the highest possible performance (Charms, 1968; Deci, 1975).

The primary research subject of flow research is the relationship between the environment and the individual (Oláh - Kapitány-Fövény, 2012), while from the aspect of HR, this can mean the synchronization of the employee and his/her job.

The central idea of the theory is that the challenge offered by the task to be accomplished and the existing skills of the individual abilities are in harmony (Csikszentmihályi, 1997), so that the workload is optimal, which is one of the main objectives of HR activities (Lengnick-Hall - Moritz, 2003). In the course of another related survey, it was also found that the experience and description of the perfect sensation is almost the same regardless of culture, degree of modernization, age, gender, and social situation (Delle-Fave et al, 2011), which suggests that the flow experience can be reached in a work environment regardless of the position and social background.

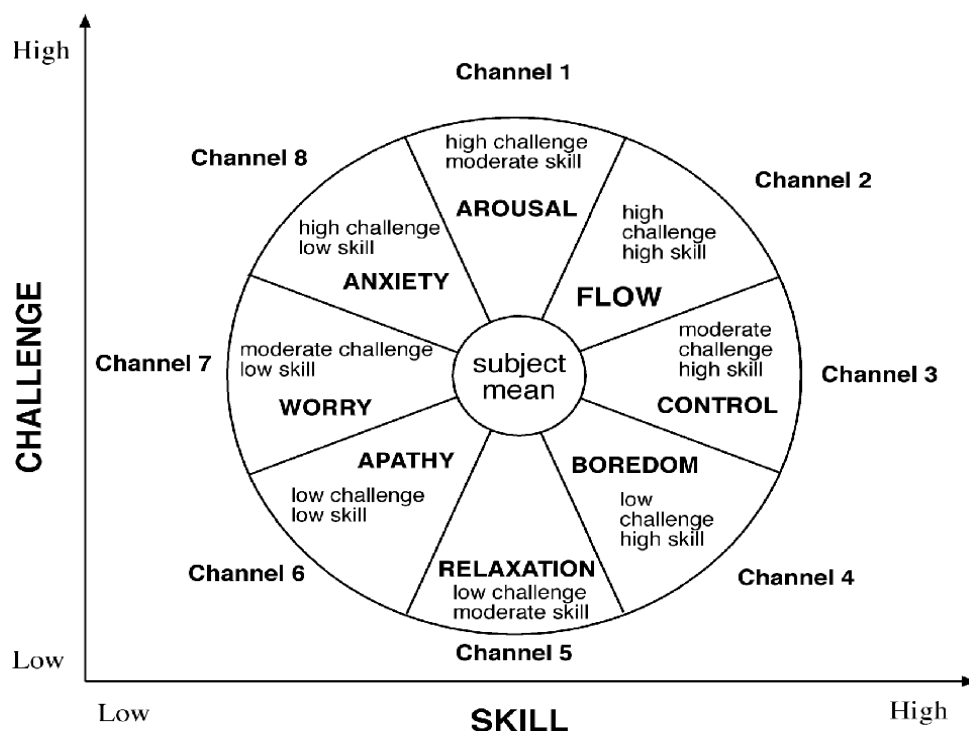


Figure 1. 8-channel model of flow
Source: Massimini – Carli, 1988

When we draw the conclusions we can say that we can have outstanding performance that is talented, most probably in those areas which we can do with joy and commitment. Due to the well-operating HR processes we can achieve this not just during our free-time activities but at the level of work. Ambitions towards the above are primarily based on management considerations from the corporate side, because the shortage of professionals is currently one of the greatest threats to the achievement of corporate goals. Competent professionals typically belong to the group of talented employees, but the complex problem that is due to their absence,

cannot be resolved with a quick solution, which the management team is also aware of (PWC, 2019).

3. Deliberate formation of work experience

A possibility which simultaneously supports attraction and retaining is to form consciously the employee experiences and within this flow experience connected to the workplace and to the organisational strategy (AON, 2018). Although work experience management is not among the basic, traditional HR functions but by applying it corporations can achieve high-level employee satisfaction – which can induces loyalty and higher level productivity as well, which is ultimately the general goal of most organisations – it should be considered to include it and use it in practice among the already existing HR functions (Héder et al, 2018).

For the conscious formation of workplace experience acquisition the corporation has to be clear how people relate to work in a general sense and in contrast what kind of attitude formation is the goal in terms of workplace relation. Typically, one third of our lives is made up of work. Still we have a strange attitude to this: sometimes we receive the most absorbing or most satisfying minutes, pride and identity still this is what most people try to avoid (Csíkszentmihályi, 2010). Considering that work is general and still different it means a great difference in our lives whether our work brings us joy or not. If somebody finds the flow in his/her work and in his/her relationships with people then his/her whole life could take a favourable direction. Although a lot of people think that work is necessarily unpleasant there are a lot of evidence that work is a joyous activity and often it can be the most enjoyable part of our lives. We must call attention to the fact the level of joy and complexity is directly proportional so it means that we will not get happy by the work which can be done in a very simple way but by the tasks which pose a challenge because of their complexity and still we are able to overcome those (Csíkszentmihályi, 2001). It was known in older times as well that the work which we live as a flow activity is one of the best methods to develop human abilities. According to Marx (1956) men and women build themselves up through the production activity, that is “human nature” in itself does not exist we create it only through work to the effect of which we can become from instinct-driven beings to conscious humans with goals and skills.

The turning point is caused by the labour market change that is from the point of view of those who had the power to change the working environment did not care about whether the work gives any joy or not – but nowadays we can recognise a significant change in this area. While before the top leaders kept in mind only the productivity however if the employees do work which gives them joy they would live it not just as an individual profit but sooner or later it would guarantee higher efficiency which could lead to a faster achievement of corporate goals. Nowadays this point of view seems to gain a foothold in the corporate operation – primarily because of the lack of talented employees – especially in connection with those employees who are in key positions and because of their outstanding talent play a vital role in maintaining the successfulness and competitiveness of the corporation. It is because the employee preferences have changed personal needs tend to

appear more frequently which include among others that the work should be attractive, result oriented and enjoyable (Deloitte, 2017).

4. Employee experience in the light of practical expectations

Employee experiences can be interpreted as a certain part of workplace-related experiences, which comprise the entire corporate life path from applying to a position to keeping in touch following termination of employment. Applicant experiences belong here, which are the experiences gained during the selection process, the impressions gained during integration, and the day-to-day work within the organization. These experiences establish the development of a commitment towards the organization and thus the ability for the company to retain the most outstanding talent (AON, 2018).

Thus, impressions gained by employees day by day, namely the experiences along which they are connected to the company, might play a decisive role in the attractiveness and retention ability of the workplace and in the management of fluctuation as well. According to a recent survey, a large proportion of HR managers agree with the significance of the research field and they consider it to be of utmost importance (PWC, 2018b). Due to the novelty of the topic, there are relatively few previous studies, but in Hungary, some studies of larger volume (PWC, 2018a; AON, 2018; Randstad, 2018, PWC, 2019) have become available in recent years. Implementation of the above-mentioned research activities is primarily related to labour market service-providers, and thus the findings of these studies are particularly focused on business life. The main objective of these analyses is to identify the most recent preferences and trends on the employee and carrier starters side in order to find out the aspects along which it is worth to develop such corporate activities, if an organization becomes open to novel HR approaches. The importance of examining the two target groups is confirmed by the fact that other research has also focused on analysing the expectations of career starters and employees, which also supports the emergence of different preferences (Pierog et al, 2018).

Between November 2016 and March 2017, PWC Hungary (2018a) revealed the job selection preferences of nearly 13,000 students and young graduates aged 16-26 years, who studied in secondary and higher education. Survey findings were not representative and were conducted in the form of an online questionnaire. Consequently, it is not possible to treat the findings as a generally acceptable truth, but they may be suitable to draw approximate conclusions from the perspective of the examined generation. The questionnaire asked the respondents about 36 factors, relating to the aspects young people are planning to take into account upon finding employment. Analyses were carried out by means of relative reference analysis, which means that researchers compared the elements to each other instead of comparing them to predetermined values. The research revealed that the most important aspect for young people is flexible work, which means flexibility in terms of space and time, so that the given job can be carried out anywhere and anytime. The second most important factor is basic salary and remuneration, while the third factor in the overall order of importance are the actual colleagues, namely

the nature and composition of the working group. Cafeteria took the fourth place, followed by open and honest communication from the management as an employee expectation. It may also be useful to examine all the factors that are located on the external edge of the preference field. Based on the opinion of respondents entering the labour market or still being in the education system, company name, vision, strategy and social responsibility activities of the future employer are the least important factors in terms of relative importance. These factors have the lowest impact on the career choices of young people entering the labour market based on the examined sample.

Research findings published by Randstad revealed the opinion of labour market actors in a similar way in 2018, but in this survey, expectations of employees were identified. The analysed age group is between 18 and 65 years of age, where the sample is representative in terms of gender, although it is over-represented for the 25-44 age group. The results of this survey reflect the main aspects along which job selection is carried out for employees who already possess work experience. It is interesting that similarly to previous years, financial aspects were identified as the most important factor, followed by workplace atmosphere and a secure employment. Overall, based on the opinion of the target group, workplace atmosphere and flexible options have gained popularity compared to previous years, although the latter is only in the sixth place of the list. According to the survey, the least important aspect in terms of employment are the reputation of the company, state-of-the-art technology, high quality service and social responsibility. It is also a surprising finding that the interesting nature of job-related tasks is only important for 15% of the respondents, which appears to be decreasing over the last two years. This factor was important for 23% of the respondents in 2017 and 35% of the respondents in 2016.

Table 1. Factors determining job choices of carrier starters and employees

Factors most determining choices	Job choice preferences of carrier starters	Job choice preferences of employees
1	Flexible work	Financial aspects
2	Basic salary	Workplace atmosphere
3	Colleagues	Workplace stability
4	Extra payments	Financial stability
5	Honest open communications	work/private life balance
Factors least determining choices	Job choice preferences of carrier starters	Job choice preferences of employees
1	Company name	Good repute
2	Vision and strategy	Modern technology
3	Corporate social responsibility	Quality of products and services

Source: Own editing based on PWC, 2018a; Randstad, 2018

Comparing the findings of the two surveys, we can see an interesting result in terms of overlaps and differences between the potential employee opinions of labour

market entrants in many cases without experience, and the opinion of already experienced employees (Table 1).

The conscious exploration and shaping of the research field is crucial, because when the company wishes to attract talented employees it is an important aspect that the messages of the company are consistent with the real, everyday work experience of employees working for another company. This also means that employee experience must be in line with employer branding, that is, in order to successfully attract and retain employees the needs and preferences of the target group must be known, the requirements of the existing workforce must be understood and the employee experience must be consciously managed (PWC, 2017).

5. Conclusions

According to the surveys, the opinion of labour market entrants and already working employees is well comparable, even though the results of the survey of the two target groups were carried out with different methods there are similarities in terms of the final findings. This suggests that responses of career starters are thoughtful and realistic, as there are parallel answers in the case of several factors. However, the dissimilarities are due to differences in the expectations of each target group of various age. Based on the summary, it can be stated that financial aspects are an important factor for both employees and career starters. Although financial factors continue to play an important role, there is a noticeable tendency of change between the opinions of the two groups. According to the data of career starters, the importance of salary may even be overruled by potential flexible work, which may indicate the changing needs of the younger generation, and the demand for freedom and autonomy. Although the aspect of work/private life balance has been mentioned in the case of employees within the first five most determining factors, it is preceded by objective factors such as financial aspects and predictability, the latter appearing as secure employment. In terms of career starters, honest, open communication also plays an important role, and when it is interpreted together with flexible work, a parallel can be found with the flow theory. According to flow theory, one of the prerequisites for achieving this state is full immersion and commitment in work, which might be supported by flexible working hours, as this can be done through individually set time schedules. As an additional linking point, honest open communication can also be interpreted as the aspect of regular feedback. Factors that are least relevant in terms of job selection have been indicated by both career starters and employees. This information is useful for employers to develop their communication by considering it, since their attractiveness is not supposed to depend primarily on these factors.

In summary, it can be stated that if organizations are aware of the preferences of their own employees and their potential target groups, they are able to shape their internal and external processes consciously and efficiently, they can aim for a positive work experience and in an optimal case, implement measures that support the achievement of the flow experience. By considering these aspects, they are able to retain their outstanding employees and achieve new ones more successfully,

which in long-term might contribute to corporate efficiency and performance growth, thus conscious provision of employee experience can also be interpreted as a strategic issue.

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