

## EMPLOYEE-CENTRIC ORGANIZATIONS A CONCEPTUAL FRAMEWORK WITH DRIVERS AND CONSEQUENCES

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**PURPOSE**  
*THE paper seeks to explore the concept of Employee-Centric Organizations (ECO), to identify its drivers and study its impact on employees, customers and the organisation.*

**Research Design/Methodology:** *This a study based on review of literature, taken from varied journals and online sources.*

**Findings:** *The study identifies the three major drivers of ECO, i.e. Employee Engagement, Employee Empowerment and Employee Enablement, along with identifying the drivers of these three constructs. It also suggests a positive link between ECO and employee-related outcomes and seeks to study its larger impact on customer-related as well as organisation- related outcomes.*

**Research Limitations:** *The paper provides a conceptual model for employee-centric organizations. However, it needs to be empirically validated.*

**Managerial Implications:** *It highlights that employee engagement, or empowerment, or enablement in itself may not be sufficient for organizational success. Rather, managers shall focus on creating employee-centric organizations, in order to take benefits from the synergy produced by the combination of these three constructs.*

**Originality:** *The paper provides insights into the concept of Employee-Centric Organisations and suggests a conceptual framework for ECO, along with its drivers and consequences.*

**Key Words:** *Employee-Centric Organisations (ECO), Employee Engagement, Employee Empowerment, Employee Enablement.*

### Introduction

The employee-centric model reinforces the idea of “Our people are our best asset” (Jones, 2014). In the current World, “Employees” are being seen as the biggest source of competitive advantage for a company. With many companies being in close competition to one another, it is their employee that actually gives them the distinctive edge. Companies which earlier focused on nurturing a customer-centric culture have realised that the most important customers for companies are their internal customers, i.e. the Employees of the company.

Nayar (2010), in his book – “Employees first, customers second” talks about turning traditional

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management upside down and achieving organisational transformation through a series of employee-centric measures. For years companies have been emphasizing on the concept of customer-centricity. But, to take care of the company's external customers, it is required that the employees support each other internally. The way our internal customers need to be treated should be just as "customer centric" as the organization wants to treat the outside customers. Thus, it is inevitable for an organisation to be employee-centric, in order to attain the further goal of customer-centricity.

It is very important to understand that when one talks of creating an employee-centric organisation, the focus is not merely on an organisation which focuses on employee engagement. As per study conducted by Deloitte, even though 71% of the organizations include an engagement metric on their scorecards, it is merely 35% which actually believe that their engagement efforts would lead to positive business outcomes. Much research has been done on employee engagement and its positive impacts on business outcomes. Also, many studies have been conducted on the concepts of engagement, empowerment and some on enablement as well. But, for attracting and retaining the best talent as well as to achieve success in this VUCA (Volatile, Uncertain, Complex, Ambiguous) World, none of these three constructs individually can achieve the desired results. Thus, there is a need for a concept which is more holistic and capable of achieving better outcomes for the organisation. This highlights the importance of creating an "employee-centric organisation".

There are enormous opportunities for companies that understand the concept of employee-centrism and put it in practice in their organisations. Thus, it is necessary to understand and appreciate that an employee-centric organisation is a transformational concept which requires detailed research in order to understand its meaning in its true sense, along with recognising its drivers and the importance such organisation holds for business success.

## **Review of Literature**

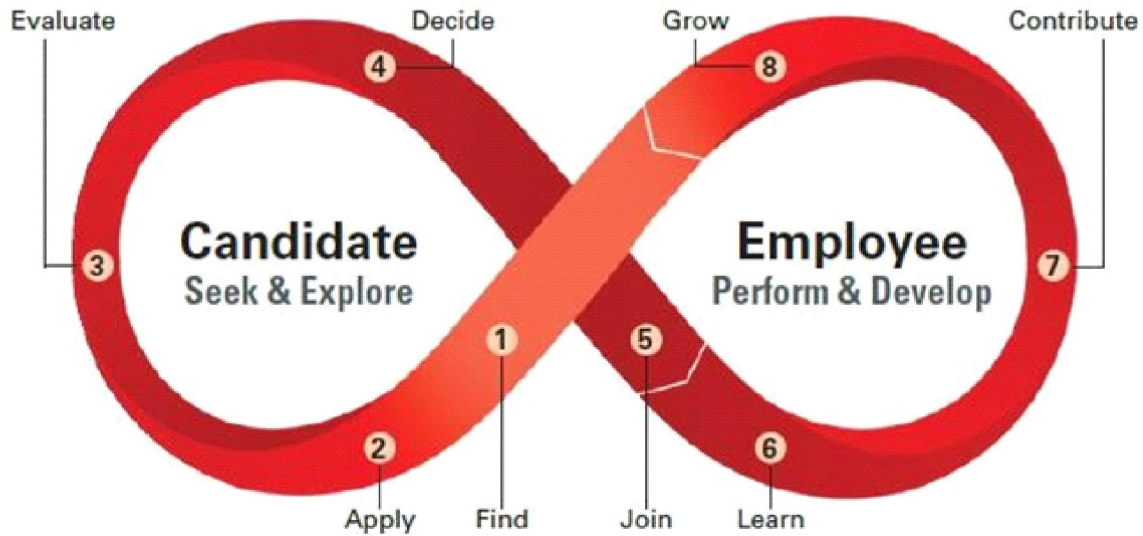
Based on a survey by Deloitte, including more than 7,000 responses across 130 countries, it was found that 92% of the survey participants believed that redesigning the organization is a critical priority to drive employee engagement and retention (Bersin by Deloitte, 2016).

Therefore, in order to survive and grow in this dynamic world, it is important for an organisation to make a paradigm shift from its traditional practices and begin with an employee-centric transformation program, with the focus on creating an organisation which puts the employees' interest at the centre of its workplace policies.

As per Ann Fry (2016) being "employee-centric" refers to creating an environment where an organisation honours its employees and takes care of them, so they can then take care of the customers. According to Sala, Mayoral, García-Soto, & Mazariegos (2018), employee centricity is a strategy which focuses on placing employees at the centre while designing talent policies, based on the expectations, interests, perceptions and needs of the employees. It is an approach which puts employees right at the heart if their company strategies. Understanding of all these emotional aspects and drivers of experiences will result in a series of benefits for companies.

Also, employee-centric organisations work with an aim of creating a great employee experience and a smooth employee journey. According to Oracle.com (2014), "Employee experience is the sum of all experiences an employee has with an employer, over the duration of their relationship with that employer during his journey in the organization". The infinity loop below represents the journey an employee goes through, in an organisation.

The employee journey has been represented on the infinity loop; wherein different employees may be at different points in this journey. The real challenge occurs when one moves from an employee to candidate stage. It is at this stage, that one seeks for new and better opportunities and in case such opportunities



Source: Oracle.com

are not available internally within the organization, then it increases the risk that the person will enter the external job market and eventually leave. Employee experience is total of all an employee's interactions with their employer,

including the way they are managed, the systems they use, organizational culture, HR processes & policies, and the kind of HR technology being used, which should sit at the heart of the organisation's Employee Experience strategy. Thus, the importance of adopting employee-centric HR policies in an organisation gets highlighted as a key to achieve the desired business outcomes.

### Objectives of the Study

1. To understand the concept of Employee-Centric Organisations (ECO)
2. To identify the drivers of ECO
3. To identify the drivers of Employee- Engagement, Empowerment and Enablement
4. To study the impact of ECO on employee-related outcomes, customer-related outcomes and organisation-related outcomes.

### Research Methodology

Secondary data have been used in order to identify the drivers of an employee-centric organisation. Literature has been reviewed from varied sources including journals, books, research bulletins, articles and online sources/links. Also, literature on each of the three drivers, i.e. employee- engagement, empowerment and enablement of ECO has been studied in detail from varied sources. Journals and research papers have been taken from various databases like JStor, Emerald, Sage, Springer etc. and also relevant papers have been taken up for the study from Google Scholar.

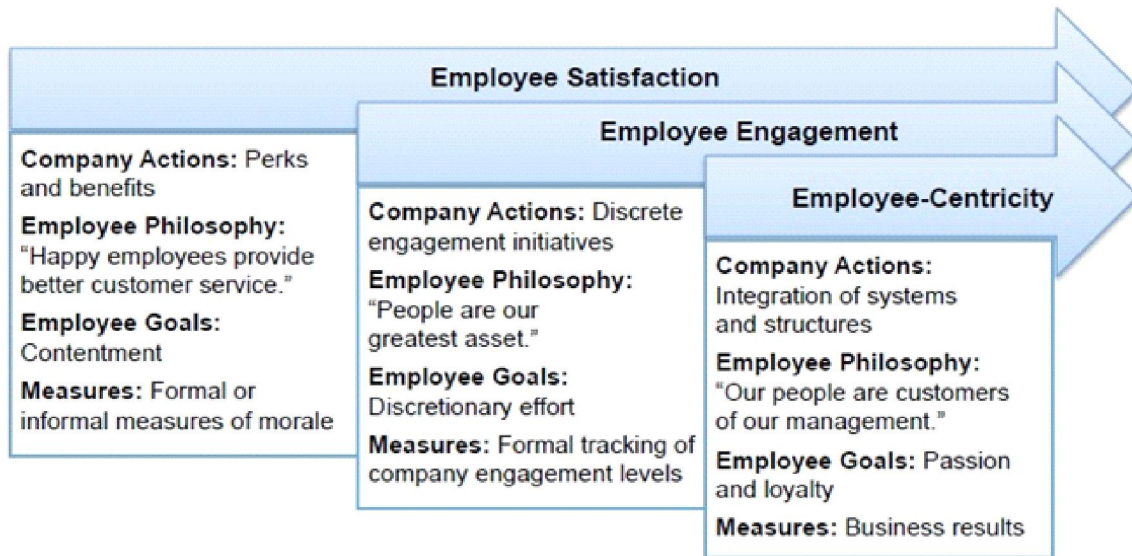
### The Employee-Centric Approach

The approach towards employee management has altered over the years from a point where employees were acquired like sandpaper, that would be put back on the street, when it was no longer required (Adler, 1993). The initial thinking about organising was dominated by four main theorists namely F.W. Taylor, Max Weber, Henri Fayol and Chester Barnard. However, in all these approaches the employees were often given the backseat.

Diametrically opposite is the approach adopted by the classical management theorists which is the employee-centric vision. According to this approach, it goes deeper than the attention for social aspects in organizations as supported by the human resources approach. It believes that employee’s willingness, commitment and motivation at work is based on the belief that employees are integral to organizational success (Hoogervorst, Koopman, & Flier, 2005). Drucker (1985) therefore, supported a change in management attention, as he believed that the aspects of employee behaviour should be the core area of managerial attention. However, in most cases the competences of human resources are barely used as human resources form one of the most underutilized sources of knowledge and skills in organizations.

Though focus on nurturing human talent was seen as being inevitable and a source of competitive advantage, it did not make organisations “employee-centric”. Rather, organisations initially began to focus on employee satisfaction, with the philosophy of keeping employees happy, in order to achieve better customer service. Then came the concept of employee engagement which treated people as being the organisation’s greatest asset, with discretionary effort being one of the crucial employee goals.

Finally, the concept of employee-centricity emerged and it is now that its relevance is being realised in its true sense. Organizations which are employee centered are eager not only to spend in the tools required by the staff to perform their employments, but in providing the right kind of environment that helps employees to adore their jobs (Jones, 2014). It treats employees as the internal customers of the organisation and focuses on creating passion and a high sense of loyalty among employees, which can be seen in terms of its impact on business results.



Source: Bersin by Deloitte, 2014

## Drivers of an Employee-Centric Organisation (ECO)

### 1. Employee Empowerment

The literature on empowerment reveals different concepts and definitions of the empowerment construct with majority of them aiming on giving employees more power and discretion in task and context related issues, (Honold, 1997). Blanchard, Carlos, & Randolph (1996), defined “Empowerment as the autonomy to act, but also to take the responsibility for the results”. According to them leadership, information sharing, autonomy and changing hierarchies with self-managed teams, can facilitate the achievement of this freedom. Employee empowerment means building trust,

enhancing enthusiasm, decision making and breaking inner limits between management and employees (Ongori, & Shunda, 2008).

An empowered workforce leads to the achievement of competitive advantage (Thomas, 2000). A long-term study conducted by Lawler, Mohrman, & Benson (2001) empirically demonstrated that empowerment practices have grown during last 15 years. Over

70% of the establishments surveyed, have adopted certain empowerment initiative for certain percentage of their workforce. The right implementation of empowerment practices has led to various positive outcomes, such as increased employee satisfaction, organizational commitment and improved job performance (Meyerson, & Kline, 2008) as well as facilitation in overcoming worker discontent and reducing the outlays of absenteeism, employee turnover, poor work quality, and harm (Klein et al., 1998). This section of the study, therefore focuses on recognising the major drivers of employee empowerment.

#### *Drivers of Employee Empowerment*

a) **Work Teams which are Self-Managed:** One of the best ways to encourage employee empowerment is through the use of self-managed teams. Some degree of self-managed work teams have been implemented in 79% of the Fortune 1000 companies and also 81% of manufacturing organizations (Lawler, Mohrman, & Ledford, 1998). Many organisations, have now begun practicing the concept of “Holacracy, which refers to a system of self-organising management that takes the idea of flat management to the extreme of no management”. Under this system, the workers are given the freedom to self-select what they want to do and evaluate how they want to do it, instead of receiving tasks and evaluation criteria from their managers (Business.com, 2017). Holacracy can be considered as an extreme form of employee empowerment and self-management. However, each organisation needs to carefully examine itself, before deciding for the degree to which they want to make use of autonomous, self-managed work teams.

b) **Job Characteristics:** When employees perform structured, routine and repetitive jobs opportunities for empowerment are limited. However, jobs which are unstructured, involve complex tasks and have enriching job characteristics allow employees to use a greater degree of self-determination and creativity at work. According to Judge, & Church (2000), “Job characteristics are the most consistent situational predictors of job satisfaction and sense of empowerment in employees”. “Job characteristics such as challenging work, task variety, autonomy and high involvement are found to be significantly correlated with employee satisfaction because they create intrinsic motivation. Hence, challenging jobs and work processes will lead to higher job satisfaction and commitment levels as well as foster innovation & creativity, thereby creating an atmosphere of empowerment “, (Ongori, 2009).

c) **Organisational Trust:** Tan, & Tan (2000), define “Organizational trust as the global evaluation of an organization’s trustworthiness, as perceived by the employee. It is the employee’s confidence that the organization will perform an action that is beneficial or at least not detrimental to him or her”. Trust has been identified as an inevitable ingredient for enhancing organizational effectiveness and as a source of competitive advantage in the competition for human talents, job satisfaction and long-term stability & well-being of organizational members (Huff, & Kelley, 2003). Also, it has been identified as one of the crucial antecedents of employee empowerment (Melhem, 2004; Hamed, 2010). There are studies emphasizing the importance of trust and also discuss about reasons for failure and the conditions conducive to success in empowerment practices (Andrews, 1994).

d) **Information Sharing:** Pfeffer (1994, p.41), “Information sharing is a necessary precondition to facilitate decentralisation of decision making, broader worker participation and empowerment in controlling their own work process.”

“Effective communication among peers encourages employee participation, involvement, empowerment, identification of issues, solving problems, addressing needs and monitoring progress, while lack of communication increases uncertainty, alienation, stress, work life conflicts”, (Schweiger, & DeNisi, 1991).

Randolph & Sashkin (2002), recognise that most organisations face the problem of reluctance from top management in terms of sharing of monetary performance and strategic information with people in the organisation, as they believe that such information is too complex and profound for sharing. However, they argue that sharing of information is crucial for employee empowerment, since without the requisite information people cannot act responsibly, even if they want to.

## **2. Employee Engagement**

The first radical work on Employee Engagement dates back to 1990 in which Kahn (1990) defined “Engagement as the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. Many authors have contributed to the prevailing literature on Employee Engagement.

However, it is quite difficult to create a compilation of the definition of employee engagement, majorly because of the dearth of a general definition and measurement of employee engagement (Melcrum Publishing, 2005). Also, there is no clear set of antecedents and consequences related to the construct as different scholars and institutions have identified and studied a varied set of the drivers and consequences, in relation to it.

Though, there are many ways in which Employee Engagement has been defined over the years, but the crux of its definition includes energy, involvement, commitment, vigour, and a sense of attachment with the work, organization, and colleagues.

Moreover, it has been seen that employee engagement makes significant impact in increasing job satisfaction, job performance, job involvement and intention to stay (Singh, & Kumar, 2012). Also, it has shown considerable impact in reducing absenteeism, turnover, shrinkage, safety incidents, quality incidents (defects) and improving customer metrics, productivity and profitability (Harter, Schmidt, Agrawal, & Plowman, 2013). Looking at the positive impact which can be created by employing the concept of employee engagement, it becomes important to list down and understand the variables which drive employee engagement in an organisation.

### *Drivers of Employee Engagement*

a) Workplace Relationships: Workplace relationships include both: Co-worker relations and Supervisory relations. *Co-worker relations* become important as every individual seeks relatedness with peers and colleagues. The employees will experience a sense of meaningfulness at work only if they are treated with dignity, value, and respect for contributions made, rather than being treated as a mere occupant of a role in the organisation (May, Gilson, & Harter, 2004). On the other hand, a *supportive supervisory relation* is also extremely relevant as it could lead to perceptions of safety and also improve creativity. The employees develop a feeling of safety, and readiness to invest themselves to the work, when they experience a trustworthy supervisory behaviour (May et al., 2004). As per the Gallup, 2017 report 59% of the employees supervised by highly engaged managers are prospectively engaged rather than those managed by actively disengaged managers. Thus, corporate cultures that nurture good workplace relationships foster employee engagement.

b) Recognition & Rewards: Jonge, Bosma, Peter, & Siegrist (2000), explored that via three transmitter systems, employees are rewarded: money that is adequate salary, esteem (respect and support) and

security/career opportunities (promotion prospects, job security and status). Rewards should reflect a person's effort and competence and be allocated with fairness and objectivity. Recognizing and rewarding employees and considering them as associates increases employee satisfaction and performance (Rose, Beh, Uli, & Idris, 2006). People vary in their engagement levels based on their perception of benefits they receive from a real work (Kahn, 1990). Employees may experience burnout or exhaustion, if not provided with appropriate and just rewards & recognition (Maslach, Schaufeli, & Leiter, 2001). Therefore, the expectancy of employees to engage themselves at work would be higher if they perceive a greater amount of reward and recognition for their role performance.

c) **Workplace Spirituality:** The concept of workplace spirituality is consistent with finding wholeness or completeness in the organization and in that process becoming engaged. According to Saks (2011), workplace spirituality and employee engagement have developed independently as different constructs; however, they have similarities, which show that they might exist side by side in any organization. Both are involved with the employment of complete self at work and show similar organisational outcomes in terms of high intrinsic job satisfaction, lower intention to quit, and high job involvement. Moreover, he identified a link between workplace spirituality and employee engagement in that spiritually driven employees feel: encouraged, recognized, inspired, supported, given opportunities and valued, thereby contributing to employee engagement.

d) **Organisation-fit & Job-fit:** Fleck, & Inceoglu (2010) presented an engagement model, wherein they argued that organization-fit and job-fit drove engagement. Organization-fit refers to the extent to which employees' views of the organization's direction are aligned with the direction being taken by the organization and how much they identify themselves as part of the organization. Job-fit refers to the extent to which employees are 'absorbed' in their work, resulting in a sense of engrossment when doing the work and how much 'energy' they draw from such work.

Increased productivity, job satisfaction, organizational commitment and reduced turnover intention becomes apparent as the congruence between an individual and an organisation or a job increases (Iplik, Kilic, & Yalcin, 2011). An employee who is organisation-fit as well as job-fit is expected to experience a higher degree of meaningfulness and engagement at work.

### ***3. Employee Enablement***

Adler, & Borys (1996) first conceptualized employee enablement, where in it was proposed that workflow formalization to contrast two types of bureaucracy. However, any conceptual correlations or causal relationships were not disclosed in their study. Ever since then, the construct of employee enablement has been considered as relatively an occasional subject of research in the existing stream and has not attracted much attention. Studies on employee enablement are few, however, the studies conducted Towers-Watson (2011) Royal, & Yoon (2009), highlighted the gradual important roles of enablement, accompanied by engagement for superior organizational performance. Towers-Watson report (2011) stated that "enablement means that organization must provide, at minimum, well-functioning equipment, the necessary supplies, effective work processes, and clear direction from supervisors." A recent study by Permana, Tjakraatmadja, Larso, & Wicaksono (2015), defined "enablement as the extent to which employees feel they are provided with what they need to do their jobs well and are provided with an environment in which they feel comfortable to perform to the best they can be". Their research focuses on the impact that enablement, combined with engagement and empowerment, creates on employee excellence.

The research by Hay Group suggests that though employee engagement is essential, however it is not enough to sustain maximum levels of performance overtime. Leaders need to create confidence amongst employees that organization is doing all it can do for promoting their success and should motivate the employees, (Royal, & Yoon, 2009). Their research also aims at studying the impact of

employee engagement combined with appropriate levels of employee enablement on the organization's success. Looking at the increasing importance that the concept of employee enablement has been gaining from the organisational perspective, it becomes very important to understand the various drivers for this construct.

*Drivers of Employee Enablement*

a) Supportive Working Environment: Deci, & Ryan (1987) stipulate that management which fosters a supportive working environment is the one which displays concern for

the needs and feelings of the employees, provides them constructive feedback and encourages them to voice their concerns, so as to enhance new skills and solve work-related problems. Moreover, Towers-Watson (2011), talk about the importance that a local work environment, supporting productivity and performance plays in creating enablement. Employers must ensure optimal working conditions, wherein the employees are able to overcome all obstacles successfully. Also, the employers must ensure a healthy and safe working environment for their employees.

b) Access to Resources: A supportive environment requires that employees have the right resources in terms of tools, equipment, supplies etc. (Royal, & Yoon, 2009) as well as the right infrastructure and up-to-date technology, required to carry out their jobs effectively. Especially, in terms of optimized roles, where employees are being asked to work hard, they would also want to feel that they are working smart and are being provided with all the requisite resources to do so. The importance of the adequacy of the work equipment and supplies has also been highlighted by Towers- Watson (2011) and has been identified as an important driver of enablement by Permana at al. (2015).

Also, there is an increasing body of evidence that in today's tech savvy employment, market staff will leave if the systems they have to use are outdated. Often they find that they have more technical capability in their personal lives than being offered by their employers (Mitchinson, 2014). Infrastructure too, is a major concern, since the schemes for the provision of infrastructural facilities in Indian cities, fall far short of the social and spatial requirements (Honeywell.com, 2015).

c) Training & Development: In a supportive work environment, employees are provided with job-related training, so as to ensure they have the KSAOs (Knowledge, Skills, Abilities and Other Characteristics) required to smoothly carry out essential tasks and deal effectively with the customers. Appropriate training is essential to ensure that organizations get the most from the abilities of their employees and can turn the employee potential into productivity (Royal, & Yoon, 2009). The management must give due attention to an employee's career path ladder through proper training and development, which will lead to timely growth opportunities for the employees (Anitha, 2014). Thus, efficient training and development programmes would enable employees, not only for effective performance of their current roles but also enable them to take up future roles with higher authority and responsibility in the organisation.

d) Work Structure & Processes: The term work structuring was defined by the Dutch Electronic Company, Philips NV, as: "The organisation of work, the work-situations and the conditions of labour in such a way that, while maintaining or improving efficiency, job content accords as closely as possible with the capacities and ambitions of the individual employee." The term "work processes" was first introduced in the Baldrige Glossary in 2009. It refers to an organisation's most important internal value creation processes. These are the processes which involve the majority of an organisation's workforce and produce superior stakeholder value. An ideal situation, in context of the work structure and processes, would be the one wherein the employees feel that the organization is doing all it can to promote their success (Royal, & Yoon, 2009).



### *ECO and its Impact on Employee-related Outcomes*

Empowerment, Engagement and Enablement have been considered as the three key drivers essential for an Employee-Centric Organisation (ECO). Permana et al. (2015) argue that “empowerment is about what is entrusted to one’s capability, engagement is about what is in one’s heart (i.e. willingness) and enablement is about provision of the work necessities and the environment. Thus, these three constructs are distinct and the best outcomes can be achieved only when these three constructs are present simultaneously in an organisation.” Moreover, the study by Towers-Watson (2011) also highlights the importance of these three constructs in enhancing performance and how the inadequacy of any one of these could lead to frustration and negative outcomes. “Employee-centric place employee experience at the heart of its business strategy and treat their employees as if they are the customers of both the management and the processes of the organization”, (Jones, 2014). This in turn, would lead to a positive impact on various employee-related outcomes:

a) **In-Role Performance:** In the work context, in-role performance, or task performance, comprises of activities defined by a job description (Bergeron, 2007) and is often explicitly linked to individual reward. According to Royal & Yoon (2009) highly engaged employees are likely to exceed performance expectations by 10% however, if the employees are highly engaged as well as enabled, their likelihood to outperform expectations rises to 50%. Also, a positive link between empowerment and job-specific performance was found (Kim, Losekoot, & Milne, 2013). Organisations which have developed the understanding of an employee-centric management, have seen a positive impact in the performance of their employees (Halliden, & Monks, 2005; Sharma, & Sahoo, 2013).

b) **Organisational Citizenship Behaviour (OCB):** OCB, also known as extra-role performance is more generic and is often similar across jobs. There is no explicit individual benefit, rather it is carried out for the greater good of the organization (Bergeron, 2007). Employee-centricity leads to employee passion as a result of which employees feel motivated to devote more time and efforts at work and go over and above their call of duty (Bersin by Deloitte, 2014). The behaviours which are not earmarked in the job description of an employee can be referred to as discretionary behaviours. Such behaviours are not mandatory and need not fetch any monetary rewards however, such behaviours at work definitely help the organization as a whole. Therefore, such behaviours are also called Organizational Citizenship Behaviour (OCB) wherein an employee goes over and above his specified or formal work and obligations.

c) **Intention to Stay:** According to Currivan (2000), intention to stay refers to the “tendency of employees to remain with their current organization.” It exhibits the willingness of an employee to stay employed with the organization. Companies with high levels of engagement show 40% lower employee turnover rates, while companies that focus on both, engaging and enabling their employees demonstrate a total reduction in voluntary turnover of 54% (Royal, & Yoon, 2009). Also, empowerment has shown impact on the reduction in turnover intentions of employees (Meyerson & Kline, 2008). Hay Group studies estimate the replacement cost of employees to range between 50% and 150% of salary. Employee-centric organisations therefore, strive to build employee passion and hence, reduce the turnover intentions of employees (Jones, 2014).

### *Customer-related Outcomes*

a) **Customer Delight:** Customer delight has been defined as “an emotion composed of joy, exhilaration, thrill, or exuberance” (Kumar, Olshavsky, & King, 2001) and thus, goes much beyond the concept of mere customer satisfaction. Keinningham, Goddard, Vavra, & Laci (1999) proposed that customers have a certain zone of tolerance or comfort level and extraordinary results can be achieved only when the level of satisfaction goes beyond the upper threshold limits of this zone.

Higher levels of engagement and enablement result in enhanced employee performance, which can

contribute to better customer service (Royal & Yoon, 2009). Moreover, an employee-centric organisation invests in the employee experience and ensures that the best talent is hired, retained, and empowered (Jones, 2014). Such employees would be able to provide exceptional customer service and thus, ensure customer delight.

b) Customer Loyalty: According to Hallowell (1996), relationship continuance, increased scale or scope of relationship and recommendation (word of mouth advertising) are key loyalty behaviours, which result from the belief of the customer that the quantity of value received from one supplier is greater than that of others. This highlights the importance of customer loyalty for an organisation, as it contributes directly towards the company's revenue and profitability (Hallowell, 1996) as well as towards facilitating a long-term and consistent relationship with its customers or clients. Companies can provide outstanding customer-employee interactions and profit from them, if they train employees to reflect the brand's core values. Moreover, employees who perform better and are loyal towards their organisations would also facilitate in achieving customer loyalty.

#### *Organisation-related Outcomes*

a) Organisational Effectiveness: Organisational Effectiveness is a complex term and there can be many different approaches to measure effectiveness based on the understanding of the organisation.

One of the important models used to measure the effectiveness is the multiple constituency or stakeholder model (Tsui, 1990). According to the stakeholder model, an organisation consists of multiple stakeholders with varying goals and interests, which need to be duly considered by the organization. Werhane, & Freeman (1999, p.9) in their definition of Organisational Effectiveness state that "the goal of any company is or should be the flourishing of the company and all its principal stakeholders". This is also in line with the systems theory, according to which an organisation is an open system consisting of various stakeholders. Prioritising only a single group of stakeholders shall limit the effectiveness of the system (Biloslavo, Bagnoli & Figelj, 2013).

b) Organisational Efficiency: Effectiveness is about doing "right" things, whereas efficiency is about doing things "right". Both are essential for an organisation to be successful. A single indicator is not enough to measure efficiency and thus, it can be divided into technical, operational and allocative efficiency (Biloslavo et al., 2013). Ignoring any one of these three indicators, would not present a true picture of the level of organisational efficiency. As highlighted by Sharma, & Sahoo (2013), employee-centric change interventions and reforms lead to an increase in productivity, profitability, performance, efficiency, effectiveness, loyalty, accountability and sense of ownership, which highlights the need for ECO in achieving organisation-related outcomes.

Based on the literature reviewed, it is evident that ECO leads to positive employee-related outcomes, which in turn lead to positive customer-related and organisation-related outcomes as well. This highlights that the creation of employee-centric organisations, not only benefits the employees, but in the long-run has positive impact on customers and also contributes to the overall organisational success. Thus, in order to sustain and grow, it is inevitable for organisations to follow an employee-centric approach.

### **Moderating Role of Demographic Variables**

It is essential to understand that the impact of ECO may not be the same in magnitude across all employees in the organisation. Based on the literature, it can be seen that such organisations would have a positive impact on the employee-related outcomes, but the degree of this impact may be different for different individuals.

Therefore, it is essential to study the impact of moderating variables. Demographic variables (such as age, gender, job tenure, position in the organisational hierarchy etc.) have been studied in various



papers and have been used and tested as moderating variables in the relationship between employee engagement and its outcomes as well as for employee empowerment and its outcomes. Hence, for the conceptual model, the demographic variables have been proposed as moderators.

## Conclusion

A lot of research has been done on the constructs of employee engagement and employee empowerment, however the magnitude of research on the concept of employee enablement is quite limited. Moreover, the concept of employee-centricity is a new one and there is quite limited research that has been found, combining the three Es, i.e. employee engagement, employee empowerment and employee enablement and studying them as potential drivers for employee-centric organisations. This study seeks to bridge that gap by providing a conceptual framework for studying employee-centric organisations. The research clearly highlights the advantages that can be achieved as a result of creating employee-centric organisations, in the form of positive employee-related outcomes, thereby contributing to positive outcomes for the customers as well as for the overall organisation. The concept is holistic and indispensable for sustenance and growth of organisations in the present VUCA World.

## Limitations of the Study and Scope for Future Research

The present study is based on literature review, while some aspects of it, indeed require more empirical evidence. The paper highlights employee engagement, employee empowerment and employee enablement as integral elements of ECO, however we cannot comment upon the magnitude of impact that each of these variables will have upon ECO. Also, it will be important to see whether the impact of such organisations on various outcomes (employee, customer and organisation) is greater than the individual impact of employee engagement, employee empowerment and employee enablement. Thus, it is very essential to test the model empirically.

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