

INCREASING THE ECONOMIC POTENTIAL OF ENTERPRISES BY IMPLEMENTING AN ENGAGEMENT PROGRAM

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Nowadays more and more companies realize the importance of engaged employees as the main guarantee of survival and growth of organization in the changing cycles of the economy. We can define employee's engagement as an interrelated process, expressed in the willingness of an employee to invest his cognitive, professional and emotional capital in the organization's activities, exchanging it for resources, opportunities and benefits, which the firm in turn provides. Moreover, engaged staff demonstrate the higher commitment to the company. Such correlation is manifested in areas that are responsible for increasing profitability and productivity, reducing accidents and injuries, growth in customer base, diminishing incidents related to theft and absenteeism, improving the quality of services or manufactured products.

Taking into account the above mentioned advantages of engaged personnel,

it is not surprising, that every year the great amount of enterprises around the world are trying to improve the profitability of their business through the engagement process. This process can be perfectly described by the profit-service chain. Where we can notice the relation between internal work conditions and their impact on employees commitment, which in return can greatly influence customer loyalty and eventually company's profit. It should be emphasized that leadership has the major effect on the service-profit chain. The investigation shows that transformational style of leadership is the most suitable for boosting staff engagement. It is believed, they can influence people to be more open-minded and creative through recognition and reward systems. And by creating warm and comfortable atmosphere in a group they are manage to foster their interest in company's wellbeing.