Open Innovation in Big 4's India –

Study of Employee Engagement strategies using Open Innovation

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Abstract

Since poor employee engagement is causing high employee turnover in India, this research study focuses on Big 4 accounting companies of India; KPMG, Deloitte, PWC and Ernst & Young, that are famous for their superior and effective employee engagement strategies. This research eliminates the research gap; the gap that does not suggest innovative strategies to implement employee engagement strategies. To find out how the Big 4 companies are using open innovation to ensure employee engagement, primary (qualitative data) was collected. Two managers from each of the four companies was interviewed by using an open-ended questionnaire. The managers were selected as they directly develop and implement employee engagement strategies with the help of senior management and the HR department.

After conducting Zoom interviews with all these 8 managers, it was found that one way or another, these four companies are following open innovation in their employee engagement strategy. Apart from KPMG India, all the other three companies, Deloitte India, PWC India and Ernst & Young India are following intracompany open innovation as these three companies only consult with employees (internal stakeholders) regarding decisions and plans of employee engagement. On the other hand, KPMG India is following a publicly open innovation strategy as it consults with external communities and employees regarding decisions and plans of employee engagement.

Submission of Thesis and Dissertation

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Chapter 1: Introduction

This research study focuses on how companies like Deloitte Touché Tohmatsu India, PwC India, KPMG India Private Limited and Ernst & Young (The Big 4) are using open innovation to engage with its employees in an effective manner to cultivate employee motivation and employee satisfaction. The term open innovation means a situation when a business organization not only depends on its internal knowledge, resources, and departments (such as existing employees or R&D) for implementing innovation in its products, services, business model, operations, or other activities (Yun *et al*. 2020). It also uses several external sources such as feedback from consumers, following competitors, suggestions from external agencies and the public. Employee engagement simply means, the level of an employee's commitment and loyalty to an organization (Osborne and Hammoud, 2017). It can be accomplished by management of an organization by providing tools to trigger employee satisfaction and employee motivation.

Now, every organization has its own ways of engaging with their employees. For example, Deloitte is providing flexible working hours, a great workplace and positive corporate culture. PwC India focuses on designing its workplace in a manner that employees can enjoy a satisfactory organizational culture. KPMG on the other hand, has focused on rewards and recognition, fun at work, diversity, inclusion, and teamwork to engage with its employees. Ernst & Young has its own talent management system that includes improvement in employee performance, employee engagement, workforce planning and others to ensure employee engagement.

By connecting employee engagement strategies of these four companies, this research intends to find out how these strategies are following open innovation. The first chapter of this research draws a background and then focuses on rationale based on which the researcher was motivated

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to conduct this research. This chapter also highlights research aims, objectives and questions along with research hypotheses.

1.1 Research Background

In the past few years, employee engagement has become one of the most significant indicators in gauging work satisfaction. Today, employees, mostly from the millennial generation, are looking beyond the conventional 9 to 5 job and for workplaces where their voices are heard, decisions/suggestions are considered and where they are treated fairly and equally. Without a proper employee engagement strategy, ensuring these things are impossible for a business organization. On the other hand, according to Osborne and Hammoud (2017) it is important to engage with employees every now and then along with providing intrinsic and extrinsic rewards. It is considered as vital to ensure employee job satisfaction and higher employee morale which in turn ensures better performance and productivity. Another major factor connected with employee engagement is employee loyalty and lower employee turnover rate (Sendawula *et al,* 2018). If employees become loyal towards an organization, then they will work there for a longer period and will contribute heavily to the success and growth of the organization. However, around the world, in even some largest companies in different industries, employee turnover rate is high, although those organizations provide ample amounts of monetary and non-monetary benefits (Smith and Bititci, 2017). Therefore, it is assumed that due to lack of employee engagement, initiatives developed by organizations to retain their employees are not working and therefore, above all, the goal of an organization should be to focus more on employee engagement. However, the question is, how and through which strategies employee engagement is possible in an effective manner There are several studies that talk about the importance of employee engagement, however, very few talks about strategies to support that. Research works that conveys strategies regarding employee

engagement, mentioning the same old methods that are outdated today. This is a major research gap that this research intends to eliminate through collecting primary data from four organizations that have excelled in employee engagement.

1.2 Research Rationale

Figure 1. demonstrates how high employee turnover rate is in different industries in India. On average, the employee turnover rate is over 13% in all industries that can be considered as high in a country where the unemployment rate was almost 24% as of April 2020.
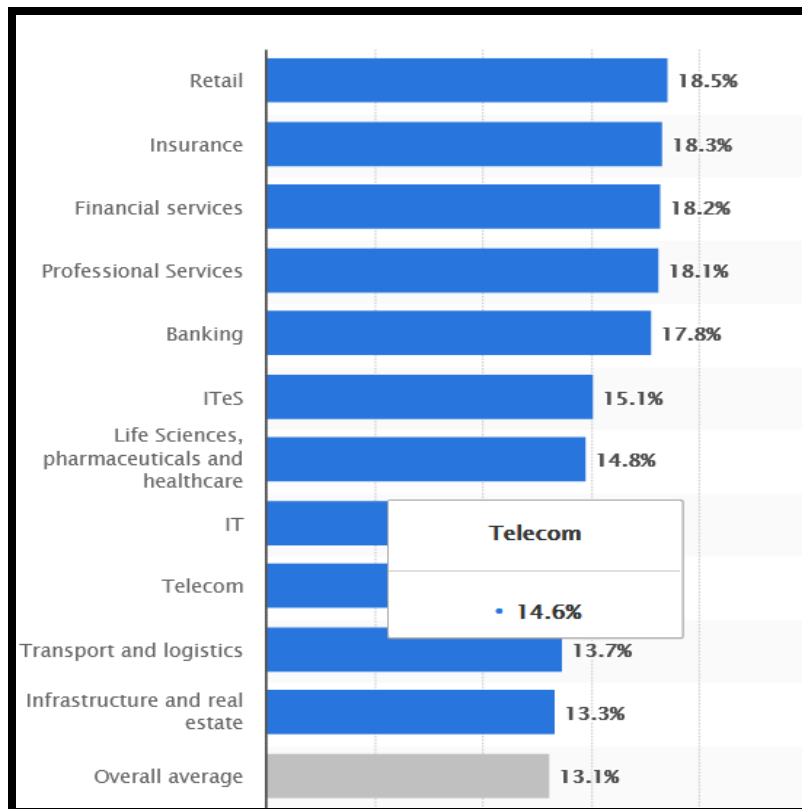
Figure 1:High employee turnover rate in different industries in India

In this situation, companies such as Deloitte Touché Tohmatsu India (over 55,000 employees), PwC India (over 53,000 employees), KPMG India Private Limited (over 12,000) and Ernst & Young India (over 50,000) are four companies where it is considered that employee turnover rate is low, and employees feel satisfied while working in these organizations. It is assumed

that these organizations are using open innovation to engage with employees in a manner that job satisfaction and employee loyalty can be accomplished (Stoyanova and Iliev, 2017). Now, as most countries in the world, India also has experienced a long lockdown period due to the Covid pandemic. Due to this lockdown, the economy of India got affected badly. In post-lockdown situations, business organizations, especially small companies will try to make up for the losses they faced during the lockdown. However, apart from Covid-19 impact other factors like, lack of effective engagement with their employees and cannot motivate them or cannot reduce turnover rate, then the Small Medium Enterprise (SME) sector of India may have to face more harsh conditions in the future (Ismail *et al,* 2019).

1.3 Significance of the Research

This research is significant from two perspectives: academic perspective and corporate perspective. In terms of academic perspective, the outcome of this research would display how by using open innovation it would be possible to effectively implement employee engagement and educate today's students who are tomorrow's entrepreneurs about efficient employee engagement strategies. This in turn will ensure the success of more new start-ups in India. In terms of corporate perspective, identifying how the Big 4 are using open innovation to implement employee engagement would help other organizations globally and in India (especially SMEs) who are into providing similar service types ensuring to follow integrated steps accordingly and alter their losses into profitability

1.4 Research Aim

The aim of this research work is to identify and analyse open innovation techniques followed by Deloitte Touché Tohmatsu India, PwC India, KPMG India Private Limited and Ernst & Young India to ensure effective employee engagement.

1.5 Research Objectives

Based on the research aim above, below are the following research objectives,

- To identify open innovation strategies used by the Big 4 in India
- To find out challenges faced by these companies while maintaining open innovation in their employee engagement
- To understand involvement of the leaders and employees in making decisions regarding employee engagement strategies in Big 4
- To recommend strategies for Big 4 to further improving their employee engagement strategies

1.6 Brief overview of methodology

To collect data to fulfil the research objectives and hypotheses, this research has followed a primary data collection method. Qualitative data was collected by conducting interviews with the managers of the four companies.

1.7 Research Hypotheses

Based on the types of open innovation (intracompany, intercompany, for experts and publicly open), are used to develop the hypothesis further. A brief understanding about these 4 types is explained in the literature review chapter.

Deloitte Touché Tohmatsu India

H1: Deloitte's employee engagement is like intracompany open innovation

H2: Deloitte's employee engagement is like intercompany open innovation

H3: Deloitte's employee engagement is like for expert open innovation

H4: Deloitte's employee engagement is like publicly open of open innovation

PwC India

H5: PwC's employee engagement is like intracompany open innovation

H6: PwC's employee engagement is like intercompany open innovation

H7: PwC's employee engagement is like for expert open innovation

H8: PwC's employee innovation is like publicly open of open innovation

KPMG India Private Limited

H9: KPMG's employee engagement is like intra company open innovation

H10: KPMG's employee engagement is like intercompany open innovation

H11: KPMG's employee engagement is like for expert open innovation

H12: KPMG's employee innovation is like publicly open of open innovation

Ernst & Young India

H13: EY's employee engagement is like intracompany open innovation

H14: EY's employee engagement is like intercompany open innovation

H15: EY's employee engagement is like for expert open innovation

H16: EY's employee innovation is like publicly open of open innovation

1.8 Structure of the dissertation

Chapters	Description
Literature Review	This chapter will shed light on existing literature regarding two variables that are present in the selected research topic, employee engagement and open innovation. Besides, this chapter will also provide information regarding the selected four companies.
Research Methodology	Following the concept of research onion, this chapter will mention which research methods have been used in this research study, with justification.
Analysis and Findings	The collected data (from interviews) will be analysed in this chapter by linking it with the literature review.
Conclusion and Recommendation	This final chapter will provide a detailed conclusion of the entire research and will provide recommendations. This chapter will also mention limitations of the research and future scope.

Table 1: Structure of the dissertation

1.9 Research gap

There are several research studies that discuss the importance of employee engagement in the organization. However, only a few of them have discussed the strategies regarding employee engagement. Research works that talk about strategies regarding employee engagement mentioned the same old methods that are outdated today. This is a major research gap that this research intends to eliminate by collecting primary data from the big four organizations, Deloitte Touché Tohmatsu India, PwC India, KPMG India Private Limited and Ernst & Young India that have excelled in employee engagement. On the other hand, several existing researches in India have the importance of social media marketing. Now social media marketing can include several activities including promotion of new/existing products and communicating with the consumers. None of the existing research works has identified how social media sites can be used by companies to engage with consumers through their comments and reviews to acquire better customer engagement. This research work intends to eliminate the same research gap.

Chapter 2: Literature review

2.1 Introduction

Employee engagement and open innovation is critical to the success of a business. This chapter would discuss the concept, models and benefits of employee engagement and open innovation, and the challenges of open innovation. This chapter also discusses the relationship between employee engagement and open innovation.

2.2 Concept and models of employee engagement

According to Freel and Robson (2017), employee engagement is considered as a strength of emotional connection the employees feel towards the work, their organization, and their teams. Improved employee engagement leads to better decision making for the organization. These tend to have higher EPS (Earnings per share) and are more likely to recover after financial setbacks and recessions. Employee engagement is a critical factor for the growth and innovation of the business. According to Kaur (2017), it is analysed that approximately 71% of the employees agree that employee engagement is an important factor in the overall success of the business. There are various models of employee engagement, some of which are the Zinger Model and the Deloitte Model.

2.2.1 Zinger Model

According to Nasution and Absah (2019), the Zinger model helps in building employee engagement and focuses on the core needs of the employees. It focuses on the ten essential actions in a pyramid structure that are required to be taken by the managers for engaging their

employees. The management needs to consider each step in the pyramid for adopting employee engagement in the workplace.

The Pyramid of Employee Engagement Actions for Managers

Figure 2: Zinger Model

Bottom Row: The necessities

According to Bao *et al.* (2020), the bottom row of the pyramid focuses on the needs and necessities of the employees. The manager needs to focus on this action initially so that it can enhance the well-being, and leverage strengths of the employees. The bottom row considers the fact that employees would not be able to give their best work if they are sacrificing their necessities that include mental and physical wellbeing for completing the job. It is important for the organization to build a psychologically safe and secured culture around the employees with the help of ample vacation time, respectful managers, and providing them sick leave provisions, which can help to improve their overall wellbeing and reduce stress (Bao *et al,* 2020). According to Bailey (2016), the managers should keep the employees motivated so that they can stay energised for a longer period. For this purpose, the employees must be able to find the purpose of the work because it is seen that most of the employees prioritize meaningful work and then the size of the pay-check, especially the millennials (Forbes, 2018). It is important for the managers to create an environment where the employees can grow and

exercise their individual strengths. This would help the organization to enhance their existing strengths in the workforce.

Second row: Uniting the company

According to Kaur (2017), the second-row discusses the essentials which are required to connect the individuals with the organization. It is important to build relationships, master moments and foster recognition. The managers need to create opportunities by which the employees can develop connections at the workplace. It has been noticed that the employees who make friends at the workplace are more likely to be more enthusiastic when it comes to achieving their goals. According to ALimam (2017), the managers need to create a work culture in which the leaders and peers can both look for opportunities where they are appreciated for their good work. It is important that the employees are present in their workplace both emotionally and mentally because their daily interactions would help them progress and enhance the connection with their colleagues and understand the challenges.

Third row: Boosting performance

According to Bao *et al* (2020), the third row focuses on maximizing the performance of the employees and tracking their progress. It is found that if the employees are frustrated, their performance gets affected. The problem lies in the communication in the management. Therefore, to keep the employees engaged, it is crucial to provide them with a clear reasoning and a goal behind the company objectives (Alex Ntsiful, 2018). According to Kaur (2017), the managers should create a system for tracking the communication progress. This would have the employees to create a sense of purpose and movement and develop their skills.

Top of the pyramid: Achieving results

According to Bailey (2016), the end goal of all the engagement initiatives is to engage the employees and enhance the productivity and profitability of the organization. To make

sure that the organization achieves their results, they would need to clearly define their strategic engagement objectives.

Even though the Zinger model can cultivate excellent results in terms of employee engagement, several scholars and researchers criticize this model due to its time-consuming nature. According to Sinha *et al* (2021), to successfully implement Zinger model, an organization needs to implement several steps such as accomplish results, crafting strategies, enliven roles, excel at work, get connected, be authentic, live recognition, fully engage, identify with organization, serve consumers, develop personality, and attain happiness. They argued that in today's workplaces where employee turnover rate is always high since most companies are dealing with millennial employees, implementing this long process will not work. Therefore, a less time-consuming employee engagement method is required instead of the Zinger model.

2.2.2 Deloitte Model

According to Ali *et al.* (2019), the Deloitte Model suggests that the employees should be engaged by creating a culture in the workplace where the employees would get involved, challenged, and respected. The managers should create a workplace that is irresistible to the employees. The Deloitte Model comprises of five elements of the workplace culture, which has its own accompanying actions.

Figure 1. The simply irresistible organization®

What we have learned: Five elements drive engagement

Meaningful work	Hands-on management	Positive work environment	Growth opportunity	Trust in leadership
Autonomy	Clear, transparent goals	Flexible work environment	Training and support on the job	Mission and purpose
Select to fit	Coaching	Humanistic workplace	Facilitated talent mobility	Continuous investment in people
Small, empowered teams	Invest in management development	Culture of recognition	Self-directed, dynamic learning	Transparency and honesty
Time for slack	Modern performance management	Inclusive, diverse work environment	High-impact learning culture	Inspiration
A focus on simplicity				

Graphic: Deloitte University Press | DUPress.com

Figure 3:Deloitte Model

Meaningful work

According to Stoyanova and Iliev (2017), the model identifies that there are four elements that are necessary to implement it so that it can help the employees to find meaningful work. The employees would thrive if they were given control and greater independence over their work. This makes them take more responsibilities and their work will be more meaningful to them. Zainol *et al* (2016) says that the organizations need to understand the impressive job histories of the employees. Not everyone can easily adjust to the work environments. Managers should keep this in mind and initiate engagement activities that can integrate maximum engagement among employees. According to Google's 20% rule, the companies need to provide sponsored time for the passion projects and even provide personal days off.

Hands-on management

According to Ali *et al.* (2019), in an organization, the managers are the major factor which can break or make the experiences of the employees in the company. Therefore, the managers would need to empower the management and align it with the employees for their engagement with their actions. The managers should set the goals for the employees and teams

clearly and in a simple manner and should revisit them regularly as well, otherwise the employees can be frustrated and misaligned and the objectives of the company would not be met. According to Walters and Diab (2016), the managers should work along with the employees and provide them regular feedback to check the engagement and performance of the employees. The managers need to provide training to the employees. Since the managers play an important role in the employee engagement, the organizations need to hire the right leader, provide proper mentorship to them, and prioritize the development and learning of the management. The organizations need to rethink to emphasize their performance management for more growth opportunities in the future (Walters and Diab, 2016).

Positive work environment

According to Zainol *et al.* (2016), the organizations need to create a physical or virtual workplace environment where the employees can feel appreciated, respected, and comfortable. The organizations need to adopt working policies for the employees who are working from home or are having flexible schedules so that they can work in a way which is most productive and engaging for them. The organizations should create a culture where all the employees can feel more empowered and can share their skills, knowledge, and ideas with each other. These steps would help the organizations to build an inclusive workplace, which would reap more rewards in the future.

Growth opportunities

According to Walters and Diab (2016), if the employees remain stagnant at the workplace, they are most likely to lose their drive of doing the work. Therefore, the organizations must avoid this scenario. The organizations must provide managerial and continuous support, comprehensive onboarding processes, and adequate training for the growth of employees and the company as well. The organizations need to emphasize their internal hiring process such as knowledge transfer from the firm and be transparent about the

growth opportunities with the employees. According to Ali *et al.* (2019), the organizations need to provide resources to the employees such as education, stipend and provide them constant support so that they can build their knowledge independently. Such opportunities would help the employees to learn with other teams, build their skill set and try new tasks.

Trust in leadership

Leadership plays an important role in employee engagement. The leaders should clearly understand the purpose of the company and clearly communicate it to the employees. According to the research the companies which are mission-driven have 47% high level of retention and 30% high level of innovation and would be able to capture the market segment easily (Stoyanova and Iliev, 2017). The leaders should invest resources and time on the employees because it takes a while to know the employees and offer them feedback. According to Zainol *et al.* (2016), the organizations need to maintain transparency in the working culture because that makes the employees feel more involved and would be able to foster trust. The leaders are the people who set the tone for any organization that by their vision, actions and words for the company can drive morale of the employee. The organizations can use the Deloitte employee engagement model and create a similar working culture where the employees would be excited to work at. It would be a place where middle management, company policies and top leadership would align to support the employees (Stoyanova *et al*, 2017).

2.3 Benefits of employee engagement

According to Kang and Sung (2017), employee engagement would help in increasing the safety of the employees by not only guiding employees to a prospective career path but also giving benefits such as medical insurance, family wellness activities etc at the firm. Employee engagement is the strength of emotional and mental connection that the employees feel towards their workplace. In the organizations, the engaged employees are less likely to suffer from

obesity and chronic disease (Luann Heinen and Helen Darling, 2009). In the workplace where the employees are engaged with each other tends to show more respect to the needs of the employees and take care of their health (Luann Heinen and Helen Darling, 2009). According to Osborne and Hammoud (2017), the engaged employees tend to be less absent from their job. In highly engaged workplace, it is found to be 41% less absenteeism. The engaged employees are less likely to look for more job opportunities in other organizations. They would stick around and would be more loyal to the organization as well. Employees engaged in the workplace, would be highly likely to produce high quality products and would be less likely to make any mistakes in their work. The engaged employee tends to provide high quality products, better customer service and better productivity, therefore it would help the organization to increase their sales (Gemma Robertson-Smith and Carl Markwick, 2009).

However, some authors and researchers have argued that if an organization focuses too much on employee engagement activities, it can cause more issues rather than benefits. For example, engaging with employees deeply will sometimes reveal the future of the organization regarding future changes in policies, product design, workplace culture or other factors that if leaked can provide major benefits to the competitive companies (CIPD, 2021). On the other hand, employee engagement must be a continuous and free flowing process. Once committed, an organization cannot step back from employee engagement activities as employees will start to expect that the organization will hear them out at some point. If that does not happen then the employee would feel demotivated and will hamper productivity down the line (Kenneth W Thomas, 2009).

2.4 Concepts and models of open innovation

According to Edelbroek *et al.* (2019), open innovation is considered as a conventional method for employee engagement, but the information must stay within the confined pre-set. It is an approach of being open to receive and share the information. The open innovation is a

belief that the individuals outside the company who are creative and knowledgeable can also contribute to the company for achieving the strategic goals. Besides, they can also share the intellectual properties such as goodwill, firm's business model, in house technologies etc, which might be useful for other firms dealing with similar kinds of services. Educated decisions can be made if the firms are ready to invest to gain more information (Edelbroek *et al,* 2019).
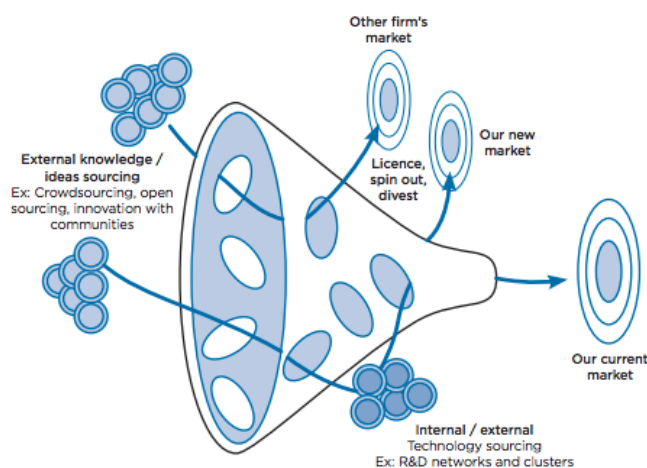

Figure 4: Open Innovation

According to Smith (2017), open innovation is considered as a purposeful outflow and inflow of information for accelerating the ideas inside the organization. However, it also helps the organization to expand their market for the external use of innovation. The open innovation model involves managed and strategic exchanges of information with the collaborations which are outside the organization boundaries and aims to integrate the knowledge and resources in the innovative process of the organization.

Levels of Inclusion

According to Babushkin *et al.* (2021), there are 4 types of inclusion in the open innovation

- **Intracompany**: It happens inside the organization of the company. It is considered as a contradiction to open innovation because open innovation refers to the ideas generated outside the company. However, it is important for the company to include this level

simultaneously because in large organizations, open innovation refers to the collaboration with various business units and functions (Barbara Bigliardi *et al*, 2020). Ferraris *et al*. (2017) has criticized the concept of intracompany open innovation. He stated that when a group of people working in an organization are under the guidance of a senior management, their minds always focus on the similar style of thinking or ideas. Besides, competition to impress the senior management sometimes possibly prevents employees from providing out of the box ideas. Therefore, it is stated that intra company innovation may not be suitable for companies that show lack of cultural diversity.

- **Intercompany**: It is related to the open innovation between different companies. It is useful as two companies can use each other's resources and expertise to bring innovation in product design, service design and workplace design (Barbara Bigliardi *et al*, 2020). However, the major problem with this method is the standards of these companies that would collaborate with each other. For example, if a large organization is collaborating with a smaller company (in terms of profitability, revenue, and market share), the small company will acquire benefits from the larger company and the larger company might not get anything in return (Greul *et al*, 2018). Therefore, before collaboration, it must be ensured that both the companies benefit from each other.

- **For experts**: All the experts outside the company who can give relevant input to the organization. This can be considered as another fruitful method for open innovation as external experts can provide honest and fair review and suggestions (Abulrub *et al*, 2012). However, the issue with this method is qualification, experience, and expertise of the experts (Zobel, 2017). Sometimes, experts fail to realize goals and objectives of an organization and provide unrealistic ideas regarding future innovation. This can be catastrophic for the organization, as it might lead them away from their organizational goals and objectives (Golightly, 2012). Another concern is not understanding or not getting

involved with the company for which an expert is planning to suggest open innovation in employee engagement. Diverse workplaces are very common nowadays where individuals from different cultures, religions, nationality, gender, age, marital status, and physical condition work together. In such workplaces, providing a straightforward and "similar for all" employee engagement strategy will never work (Chesbrough, 2006). Also, classifying activities based on these differences will also lead to the destruction of the workplace environment. The managers or leaders should innovate employee engagement in such a way that the activities should respect all these differences and integrate open innovation along with the activities (P. Herzog, 2011). Some companies implement personalized solutions. In this situation, if an expert fails to understand this and suggests solutions based on his misunderstandings, then workplace harmony will be affected. Also, since open innovation focuses on innovative ideas, the diversity in the workplace does not cause an issue, instead, the ideas they can finalise in such a way it integrates the necessities of a large group of employees (Orla O'Donnell, 2008).

- **Publicly open:** All the people regardless of their skills, knowledge or position can give relevant input to the company. This can help an organization to acquire thousands of new ideas regarding future innovation and to acquire different ideas from people of different age groups, interests, and professions. However, the problem is, going through thousands of ideas and selecting one or two is quite a time-consuming task. This can make the innovation process slower (Sang Lee *et al*, 2012). On the other hand, it can also create issues for employees in social media sites. If an organization is open to new ideas, it is obvious that it will have to provide a portal or page where people can submit their ideas and queries (Matthew Mount *et al*, 2014). Now, when the organization will select one idea and not others, then providers of those other ideas can raise questions regarding fairness. It

can cause severe harm to the brand image of that organization and can de-motivate individuals to provide suggestions or ideas in the future (Matthew Mount *et al*, 2014).

Purpose of Use

According to Naqshbandi *et al.* (2019), open innovation can be used in different departments in various ways. For example, it can be used in marketing for getting information, it can also be used to gather insight and valuable information on the customers and market. The open innovation can be used for scouting talent for the organizations as well as in research and development.

Level of inclusion

Purpose of use	Intra-company	Inter-company	For experts	Publicly open
Marketing			*E.g. Conveying information about niche products*	*E.g. Sharing information about a new product*
Gathering insight	*E.g. Gathering tacit knowledge from employees*	*E.g. Gathering useful tips from parters*	*E.g. Getting relevant input from the pros in the field*	*E.g. Getting customer feedback to build relevant products*
Finding talent	*E.g. Finding unrecognized talent inside the company*	*E.g. Finding hidden expertise in partnering firms*	*E.g. Recruiting experts from various fields*	*E.g. Finding the best match for the open job position*
R&D	*E.g. Uniting business units for product development*	*E.g. Utilizing collective knowledge between firms*	*E.g. Developing products that require specific expertise*	*E.g. Developing products with the largest possible audience*

Figure 5: Levels of Inclusion and Purpose of Use

2.5 Benefits of open innovation

According to Bogers *et al.* (2018), there are various benefits of open innovation. Open innovation would help in increasing the audience size compared to the close innovation. The organization would be able to gain insights of their consumer purchase habits. With the help of open innovation, the organizations would be able to find the right and relevant audience.

Spender *et al.* (2017) says that in open innovation, the overall costs of the organization waivered since there is no extra cost involved in getting ideas externally. In open innovation, the employees are mostly required for managing the processes.

According to Burcharth *et al.* (2017), it is important for the organization to design the services and products according to the needs of the customer. Therefore, the open innovation would help the company to involve customers in their research and development process. This would help the organization to increase the viability of their product and get instant feedback which would later be very useful for the organisation and the end users. According to Eldor and Vigoda-Gadot (2017), open innovation would act as a tool which can help the organization in accumulating goodwill from the target audience. Open innovation would help the company to find talent outside the company as it would help the company to engage with different individuals that would be perfect for the existing job roles and opportunities (Chandni *et al,* 2016).

2.6 Challenges of open innovation

According to Al Mehrzi and Singh (2016), while adopting open innovation, the organizations might face some challenges as well. In the open innovation, the individuals outside the organizations might not be educated enough but are providing solutions to the companies. Therefore, it can be a very risky move for the company and could be a wrong fit for them. It can be very tricky for the organizations to find the right size and type of the audience. It poses the huge risk of sinking the investment if the organisation took their further steps hastily or for deviated reasons.

According to Soderquist *et al* (2016), open innovation would require an effective process for the support. However, it can be hard to build it due to various reasons such as unclear communication, lack of goals, lack of stakeholder support, lack of strategy alignment and immeasurability. It will be hard to yield concrete benefits from the process of open

innovation if the ideas implemented are not developed. Additionally, with the larger audience it is more difficult to understand which idea does not have any potential (Laviolette *et at,* 2016). On the other hand, there are different issues for different types of open innovation. For example, if intracompany is considered, it can be found that the innovation would remain within the ideas of the existing employees. If intercompany is considered, then the chances are high that the partner company would not understand the needs of the client company.

2.7 Relationship of open innovation and employee engagement

According to Hameduddin *et al.* (2020), open innovation is a paradigm which is highly dependent on creativity and innovative behaviour of the individuals. Work engagement plays an important role in the open innovation process, as it implies that the employees would need to broaden their focus on the resources which are available to them beyond the organization borders. Srisathan *et al.* (2020) says that the engaged employees tend to be more dedicated, immersed, and energetic towards their work. The employee engagement is seen to have a positive relationship with the performance of the organization. Therefore, the engaged employees are more creative and resourceful for finding solutions to the problems. According to Saebi and Foss (2015), the engaging employees are very important in the context of open innovation because it is hard to track the contribution of each individual employee in the innovation process which has led to the product development. Open innovation is highly dependent on engaged employees as they are more dedicated towards their work and its responsibilities. The open innovation would require the employee engagement and the combined effort of leaders, employees, and the experts.

2.8 Employee engagement functions in Big 4

Deloitte: One of the most effective ways through which Deloitte engages with its employees is pro bono (the offering of free services) and skill-based volunteering (deloitte.com, 2021). This is a social wellbeing activity implemented by the organization. However, the organization also motivates its employees to take part in this program based on their skills and competencies. It is called skill-based volunteering. There are more than 45,000 volunteers from Deloitte India who have worked for the education of over 250000 girls who were underserved (The CSR Journal, 2020). Deloitte India has recently been recognised for teaming up with Haryana state government for COVID-19 virtual home care services (Healthcare IT News, 2021). These activities not only help different communities but also help the employees with new skills. Besides, the organization has also implemented a flexible workplace so that the employees can have ample time for commuting, personal activities, and family activities. The management of the organization has ensured that its workplace is diverse, interesting, and rewarding. It is also allowing employees to work across industries and geographies so that they can acquire international business skills and can maintain relationships with other professionals. Besides, there is also Deloitte University where employees can acquire leading edge training to acquire new skills and to improve their existing skills. Deloitte provides services such as audit and assurance, consulting, risk advisory, financial advisory and tax assistance. It is also operating in different industries such as consumer, healthcare, technology, energy, and government sectors.

PwC India: Employee engagement strategy of PwC India completely depends on the organization's #PeopleAtPwC initiative. Through this initiative, the management of the organization is motivating its employees to write about their passions and achievements. This has reportedly increased the engagement among the employers as they find people with similar or unique interests. There is another initiative implemented by the management of the organization that is called #InThisTogether that includes several sub-activities for employees

such as call beyond duty, helping hands, let no one go hungry, together ahead and the dignity of labour (PwC, 2021). These activities are also allowing the organization to motivate employees and engage with them in an effective manner. PwC has made partnership with NIIT Universities in India for two-year master's programme in cyber security with work-integrated specialisation (Times of India, 2015). PwC in India is offering a vast number of different services that include but not limited to accounting advisory, government reform and infrastructure development, risk assurance services and consulting. Under each of these services there are sub-services that the organization is providing in India.

Ernst and Young: This organization is totally committed towards the wellbeing of its employees and motivating its employees through entrepreneurial opportunities. All the employees in the organization are empowered and encouraged to lead (Ernst and Young, 2021). Some of the strategies used are talent strategy development, leadership, capabilities strategy, employee performance and enablement and employee experience. They are also encouraged to take ownership to develop a lasting impact. The employees are always motivated to follow innovation in their regular tasks and activities. Like PwC, EY is also motivating to avail flexibility so that they can recreate the artists within them. EY provides services such as assurance, consulting, tax, and strategy-transactions. EY conducts volunteering services and has special days such as EY Corporate Social Responsibility Day and plays their parts for the welfare of the society (Volunteer Ireland).

KPMG:

Cooperation and teamwork: KPMG promote collaboration among its employees while concentrating on the organization's bigger strategic goals.

Inclusion and diversity: KPMG place a major emphasis on increasing diversity, particularly gender diversity.

The management of the organization aspires to be an Employer of Choice for women by providing a supportive atmosphere in which they may create successful professions while also managing their personal lives (KPMG, 2021).

Rewards & recognition: The management of KPMG is committed to recognizing and thanking employees for their professional contributions to accomplishing corporate objectives through a variety of award categories.

KPMG has a strong and active employee engagement team focused on making KPMG Global Services an enjoyable place to work. Throughout the year, KPMG has a variety of activities scheduled to allow people to engage with their co-workers. KPMG India is providing a total of four services that are tax, advisory, infrastructure government-health care and KPMG learning academy.

2.9 Review and Conclusion

Now, when considering the workplace of these organisations it can be found that Deloitte is considered as employee centric organizations as per Indian employees (AmbitionBox, 2021). Former employees of the organization stated that the organization provides career growth opportunities along with perks and other benefits (Glassdoor.co.in 2021). They have also praised the work culture of the company where seniors are supportive to the juniors and salary standard is comparatively good. However, some of the former employees criticized Deloitte by saying that the organization affects work-life balance and almost no focus is given on skill development of the employees. Besides, long working hours cause stress to the employees (Glassdoor.co.in, 2021). Besides, it is also found that the organization has a bias for lateral hires for example, promotion and salary hikes given to the lateral recruits are lower compared to campus recruits. Similar reviews are found for PwC India as one of the former managers stated about nepotism/biasness becoming an integral part of the organization (AmbitionBox, 2021). Apart from that, not many cons about working in PwC are

found. If overall rating is considered then PwC got 3.8 (out of 5) for job security, 3.6 for skill development, 3.5 for company culture, 3.4 for salary and benefits, 3.4 for career growth, 3.2 for work satisfaction and 3.0 for work-life balance (AmbitionBox, 2021). It means, work-life balance is just average in the organization. A former assistant management of KPMG stated that its work culture is poor and needs to be improved (Indeed.com, 2021). Rest of the reviews are quite positive for the organization. According to the reviews, KPMG is a fun place to work, a well-managed workplace, good place to learn new things and a competitive environment (Indeed.com, 2021). However, the work-life balance factor is also poor in KPMG, like the other two companies mentioned above. On the other hand, EY (Ernst and Young) has other issues that are not present in KPMG, Deloitte, and PwC. Former employees stated that the pay rate of EY is under average (Payscale.com, 2021). Some stated that working in the organization is stressful. Overall, it got 4.0 for company outlook, 3.5 for appreciation, 2.8 for fair pay, 3.8 for learning and skill development, 3.5 for internal communication, 3.7 for manager relationship, 3.0 for pay policy and 3.0 for pay transparency (Payscale.com, 2021).

Chapter 3: Research Questions

Based on the research objectives developed above, the research questions that this research will follow are,

What innovation strategies are used by Big 4 for employee engagement?

Sub-questions are,

- How are the Big 4 using open innovation in their employee engagement strategies?

- What are the challenges that Big 4 have faced while maintaining innovation in employee engagement?

- How are leaders and employees involved in engagement strategies and decision-making?

- How can Big 4 further improve its employee engagement?

Chapter 4: Research Methodology

4.1 Introduction

The methodology is considered as a contextual framework for research work. Snyder (2019) stated that methodology can be considered as the analysis of the principles of methods, rules, and postulates employed by a discipline. In simple words, a research methodology chapter provides justification for the selection of different research methods such as philosophy, approach, design, data collection method, data analysis method, time-horizon, and others. This research methodology chapter has followed the concept of research onion (Figure 1) to select and justify different research methods and their selection.

4.2 Research Philosophy

The first layer of research onion talks about different types of research philosophies such as positivism, realism, constructivism, pragmatism, and interpretivism (Saunders *et al.* 2009). This research simply intends to find out how the selected companies are using open innovation for employee engagement and for this purpose, some research questions and hypotheses are created. Now, it is the positivism research philosophy that matches the goal and structure of this research (Saunders *et al,* 2009).

Positivism research philosophy believes that accurate knowledge can be acquired through observation and that knowledge is trustworthy. By communicating with the managers of the mentioned four companies and by observing the methods they are using for employee engagement, it would be possible to gain factual knowledge about how those methods support open innovation (Zangirolami-Raimundo *et al,* 2018). Besides, positivism research philosophy is useful when research includes research hypotheses as this philosophy helps to find simple

"yes" or "no" answers. As this research is following several hypotheses, it was decided that following positivism would be the best choice.

4.3 Research Approach

The inductive approach and deductive approach are two types of research approaches that are applied in a research study based on the topic of the study and intended outcomes (Saunders *et al,* 2009). For example, the inductive approach is helpful when the purpose of a study is to create a new theory by revising an existing one (Basias and Pollalis, 2018). As this research approach is like realism philosophy states, the inductive approach can be followed when a researcher decides to follow realism. The deductive approach does not help to create new theories, however; it helps to use existing theories in research work to reach an intended outcome or goal (Attia and Edge, 2017). Now, in this research work, the researcher neither has followed realism nor has the intention of creating new theories regarding employee engagement and/or open innovation. This research uses existing theories of employee engagement and open innovation to find out how the selected four companies have used open innovation to implement employee engagement and possibly collaborate with SMEs providing similar services and adopt accordingly as per their business models (Ragab and Arisha, 2018). As the intention of this research is like what the deductive approach says, this research has followed a deductive approach instead of an inductive approach (Refer Appendices).

4.4 Research Strategies

To conduct a research, several research strategies can be used such as experiment, survey, case study analysis, action research, grounded theory, ethnography, archival research, and interviews (Saunders *et al,* 2009). Experiment strategy is used when a research study intends to test the causal impacts of specific phenomena on a group of individuals (Basias and

Pollalis, 2018). Survey strategy helps a researcher to acquire information to answer questions such as who, what, where, when, and how.

The case study design can assist in conducting a study with one or more individuals. This strategy focuses on following real-life cases to reach an effective and reliable outcome. Action research is mainly used when a research study intends to find solutions to a particular issue. Grounded theory is connected to the inductive research approach as this theory helps to build new theories (Attia and Edge, 2017). Ethnography is suitable when the purpose of research is to study other individuals by staying in their communities or by facing the situation that those individuals are facing. Archival strategy is like secondary data analysis as this strategy helps to conduct research and collect information by using archived documents (Existing research works).

Now, in this research it is already mentioned that new theories are not developed and therefore, grounded theory is not followed. This research neither aims to test the causal impacts of specific phenomena on a group of individuals (experimental) nor intends to follow real-life cases of individuals (case study) as following these strategies will not answer the research questions or hypotheses (Ragab and Arisha, 2018). Staying with the employees to experience what type of employee engagement they experience in each of the four companies is also not possible and that is why; ethnography is also not followed here.

Following a survey, a questionnaire could have been an effective idea. However, one of the biggest disadvantages of the survey is responses of the participants can be biased or influenced by their peers or friends (Basias and Pollalis, 2018). Archival research was another effective strategy that could have been used. However, not much information is there in existing research works that can display how the selected four companies are using open innovation in their employee engagement strategies (Abutabenjeh and Jaradat, 2018). Therefore, it was decided that interview strategy would be followed because through interviews

it has become possible to directly communicate with the managers who are closely connected with development and implementation of employee engagement strategies in the organization (Refer Appendices).

4.5 Research Choices

The fourth layer of research onion has helped to select one of the research methods among three; that are mono-method, mixed-method, and multi-method (Saunders *et al.*2009). Mono-method is used in research studies where only one type of information is acquired: either quantitative or qualitative. On the other hand, mixed-method means following both quantitative and qualitative methods (Haydon *et al,* 2018). On the contrary, multi-methods allow a researcher to collect both qualitative and quantitative data. However, the focus remains on either quantitative data or qualitative data. It is already mentioned that this research has collected data by conducting interviews with the managers of the four selected organizations (Refer Appendices). The interview method is considered a qualitative method. No other methods were used in this research to collect data which means, the research is following mono-method for qualitative analysis. Therefore, this research has followed the mono-method in terms of the fourth layer of research onion.

4.6 Time Horizons

The fifth layer of research onion talks about two time-horizon methods that are cross-sectional and longitudinal (Saunders *et al,* 2009). Cross-sectional time-horizon is mainly used to conduct short time studies. On the other hand, the longitudinal method is used to conduct a study for a longer period. In other words, in cross-sectional time horizon, the researcher collects the data at a specific point of time, whereas in longitudinal studies the researchers must collect data from the same sample repeatedly, thus taking longer period (Juliana Zangirolami-Raimundo, 2018). Cross-sectional time-horizon is helpful to conduct quantitative and/or

qualitative research. It is also helpful to identify and analyze the behaviours of a group of individuals or a phenomenon (Basias and Pollalis, 2018). Longitudinal time-horizon allows collecting quantitative and/or qualitative data. However, this method is used only when the goal of the research is to study behaviours of individuals or events for a longer time.

In this study, there was no need to take a long time to collect data or information. Collecting information from the managers who are responsible for developing and implementing employee engagement strategies is enough to answer the research questions and accept/reject the developed hypothesis (Turnbull *et al,* 2021). As a result, this research study has simply followed a cross-sectional time horizon.

4.7 Techniques and procedures

The sixth layer of research onion suggests different types of data collection methods such as primary data collection method and secondary data collection method. Normally, the primary data collection method means collecting first-hand, up-to-date, and authentic data by using quantitative and/or qualitative strategies (Haydon *et al,* 2018). There are several advantages of primary data such as it is highly accurate, and it is objective information. Besides, as this type of data is mainly collected from original sources such as individuals who have knowledge on a particular topic, this type of data is more reliable compared to secondary data (Wang *et al,* 2019). Collecting primary data is less time-consuming and economical compared to secondary data.

Secondary data collection means collecting information or statistics on a topic by going through existing research works, journals, articles, books, and websites. Now, in several cases, journals or articles that include relevant information are to be collected by paying handsome amounts (Mishra and Alok, 2017). As a result, sometimes the collection of secondary data might not be cost-effective. Besides, secondary data cannot be considered up-to-date every time. Due to several benefits of primary data collection mentioned above, this research decided

to focus more on primary data through interviews rather than secondary data (Refer Appendices).

4.8 Sampling Techniques

There are two different types of sampling techniques that can be followed while collecting information from a set of population. Those two methods are: probability sampling and non-probability sampling.

Probability sampling means every individual from a particular population has a chance to be selected in research work. It has several divisions such as simple random sampling, systematic sampling, stratified sampling, and clustered sampling. In terms of simple random sampling, every individual is selected completely by chance and every individual from a population has an equal probability of being chosen (Papachristos, 2018). In systematic sampling, participants are selected at regular intervals from the sampling frame. For example, if a researcher decides to collect a sample size of 100 from 1000 population size, through systematic sampling the probability of a person getting selected is 1/10th of the population. In stratified sampling, a population is initially divided into two subgroups (Wang *et al,* 2019). This sampling method is followed when interests or responses might vary between different subgroups such as low-income individuals and high-income individuals or men and women. In clustered sampling, the population is segmented into two groups known as clusters that are randomly chosen to be included in the study.

Non-probability sampling means a researcher picks the individuals who would take part in research and therefore, not everyone from a population gets the chance of being selected (Schreuder, 2001). Some divisions of probability sampling are convenience sampling, quota sampling, judgment sampling, and snowball sampling. In the convenience sampling, participants are chosen depending on their availability and willingness to take part (Papachristos, 2018). Quota sampling is mostly used by marketing professionals. Through this

sampling method, interviewers are provided with a quota of subjects of a particular type to attempt to recruit. Judgment sampling or selecting sampling totally depends on the judgment of a researcher at the time of selecting participants (Wang *et al,* 2019). It allows researchers to select participants based on certain characteristics or areas of knowledge. Snowball sampling is mainly used in social sciences, when the research demands collecting information from hard-to-reach groups.

It can be stated that this research has followed the judgment-sampling method under non-probability sampling. As the researcher hand-picked the managers of the organization for an interview, there was no chance for others from the population of being selected (Haydon *et al,* 2018). The researcher used his judgment to decide that it would be better to collect information from the managers rather than any others as the managers of any organization are the people who remain highly knowledgeable about activities performed in their companies (Daniel, 2018). These managers have clear and detailed knowledge about employee engagement strategies followed by their organizations. The researcher intends to find the answers for 5 constructive questions which will draw attention to how effective the companies have been with their existing employee engagement approach (Appendix). Two managers from each company were selected based on their role and years of experience to get a better understanding of the functions of the company. A combined feedbacks from both the managers have been noted under each question for each company in the appendix.

4.9 Ethical Considerations

As this research has followed the primary data collection method and includes the participation of individuals, it has followed Data Protection Act 2018 to ensure protecting the privacy of those individuals. The data that is collected from the interviewers will not be shared with any third-party organization. It will be kept classified and will only be used for academic purposes. The information will only be used for this research study. Even if the information is

published online, permission will be taken from the respondents. No personal questions are asked during the interviews. Only the questions connected to the research topic and hypothesis will be asked. The information provided by the interviewers will not be altered or modified, though the personal experience of the researcher has also been included. The originality of the information will be maintained throughout the research work.

4.10 Accessibility Issue

One major issue that the researcher experienced while collecting data was the accessibility issue. Due to the Covid pandemic situation, in all these four organizations, workload was high as not every manager was working. As a result, the existing managers had to perform several extra activities to ensure operations remain uninterrupted. As a result, the interviews were delayed, and dates were changed repeatedly. Example, one manager could answer a couple of questions and then he had to disconnect the call as he had some urgent things to do. After two days, the interview continued. Due to these problems, completing interviews with all the managers took longer than expected.

Chapter 5: Findings and Analysis

5.1 Introduction

This chapter intends to analyse the responses that were found after conducting the interviews. Following the selected research methodology, this research has conducted interviews with 8 managers, 2 from each of the Big 4 companies. Their responses are described in the appendix. The responses were recorded after combining both the answers from the managers. To analyse the collected information, the thematic analysis method was used here. First, the information presented by the interviews are stated in the own words of the researcher so that the readers can have better understanding about the responses. After that, the responses are analysed by connecting it with existing and relevant literature. While doing so, the responses of the managers will be critically analysed using information from external sources to find out and compare the given response of the managers.

5.2 Findings and Analysis

5.2.1 KPMG India

Publicly open innovation in employee engagement of KPMG India

From the response provided by the manager of KPMG India, it was found that employee engagement and related strategies are developed in the company by communicating with the employees and with the external communities from where employees belong. This was evident from the response of the manager who said, "By communicating with the external community, we intend to find out areas where the community is lagging. Then we communicate with the employees to confirm that they are also facing the same problem. Once confirmed, we develop strategies through which we could effectively communicate with employees". This strategy of the organization is like the existing literature which states about the concept of open innovation.

However, according to Zobel (2017), publicly open innovation means involving anyone from outside of the organization, such as any community, to identify ideas. However, KPMG only involves communities from where employees belong. The employee engagement strategy of KPMG India called "connect" was praised by one of the most famous and well-renowned newspapers of India, India Times. A report published on the website of the newspaper stated that through the strategy of "connect", KPMG acquires information by developing a small group of employees. It helps the organization to focus on a particular group at a time. Besides, by eliminating ratings from performance management and by adding immediate feedback, KPMG has ensured the employees do not stay stressed for poor ratings. Besides, immediate feedback helps employees to bring faster improvement in their performance. The managers have also stated that they also have mental health support programs that are currently helping the employees to remain calm during this pandemic. No doubt, these are some unique ideas implemented by KPMG to ensure the wellbeing of its employees. But there are also other factors that may hinder the performance such as, low compensation along with exploiting employees who are depended only on the job and may work without purpose, lack of enthusiasm, persistence. These factors can be evaded if the firm is looking to invest dedicated time on developing their strategies in engaging the employees.

KPMG believes that leadership is vital, as without leaders connecting with employees and acquiring success is not possible. The manager while answering the question related to leadership and its connection with employee engagement stated that "Yes, we see leadership as an important aspect in any company to achieve the organisation goals. Tell me, if there are no leaders, who will guide employees in tough situations? Right". According to Jankalova et al. (2018), leaders are the backbone of any organization. Along with developing strategic guidance for an organization, a leader performs tasks such as communicating with employees, motivating them, and helping them to perform difficult tasks. Besides, Sharma *et al*, (2019)

stated that without the help of effective leaders, employee engagement strategies cannot become successful. Therefore, KPMG India is also following theories regarding leadership to strengthen its employee engagement strategy. The response of the manager of KPMG India also revealed that implementing and managing employee engagement strategies could be challenging. According to the manager "I have not worked in the Human resource department for a single minute; however, I personally think that it is challenging." He personally has not worked in the HRM department, however, he assumed that due to the use of different tools, software, and other technologies, managing and engaging with this large workforce could still be challenging considering the nature of work and along with this innovation leaders are equally important to keep a tab on their employee's wellbeing. According to Stefen Lindegaard, 2010 less than 10% of big companies use open innovation and there is a 50% chance to create and enter the avenue for the firm's success. If, there are reliable innovation leaders within the firm.

5.2.2 PWC India

Intracompany innovation in PWC India

Unlike KPMG, PWC India follows intracompany innovation in its employee engagement activities. From the response provided by the managers of PWC India, it was found that decisions regarding strategies of employee engagement are identified from within the organization. It was also found that managers of the organization take the decisions regarding which employee engagement strategies should the organization follow. It was evident from the response of the manager "I mean, we create personalized solutions for employees and for that, we do not depend on anyone". It was also found that managers do not always need to consult with the senior management while deciding on employee engagement strategies unless the decisions are regarding parental leaves, unfairness complaints or other critical matters. While

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demonstrating this fact, the manager said, "We do not need to consult with senior management to make decisions. Also, we go through a detailed discussion before finalizing any strategy for employee engagement. As mentioned before, factors such as employee performance, interest, the role is considered, and activities are planned accordingly". The effectiveness of this intercompany process can be seen from the latest decision taken by the management of the organization; a decision that is now allowing Indian employees to have 2 weeks' worth bonus pay. The manager also stated that leaders play a major role in the organization. PWC manager stated that the organization focuses on transformational leadership style and stated, "I think leadership is important; not for us but for any company. Without leaders, it is impossible that employees will perform effectively as leaders' interactions with employees help bridge the gap between management and employees." According to Andriani et al (2018), transformational leadership style helps an organization to transform organizational activities through change and innovation. Therefore, PWC follows transformational leadership as it helps the company to implement innovative ideas in employee engagement.

While talking about challenges regarding employee engagement, the manager of PWC said that it is a challenging procedure. However, this manager emphasised the fact of "people's power is everything Employee engagement in an organization drives results. It's not just productivity but the ability to be flexible and take decisions wisely when things change" He specifically mentioned, "In today's time, it is not just a challenge for HR but also for the managers to make decisions surrounding employee engagement". It means, PWC must identify each of those problems to implement a suitable solution that can satisfy everyone's needs. That is the main reason that the manager mentioned personalized solutions for employees. As the managers said, "This was a high time where both employees and the company should work together. PwC could cope up with the situation by being transparent about their challenges and

had maintained clear lines of communication with the employees", PwC hasn't been deviated from its responsibilities towards employee engagement.

5.2.3 Ernst and Young

Intracompany innovation in Ernst and Young India

Like PWC India, Ernst and Young also follows intracompany open innovation regarding its employee engagement strategy. From the interview with one of the managers of the organization, it was found that the HR team of the organization is responsible for communicating with the employees and to find out what engagement strategies would fit their needs and expectations. He particularly mentioned, "We have a strong HR team that continuously communicates with a major portion of the employees to find out how they want to be engaged". The manager mentioned that the organization also takes external ideas such as ideas from some well-renowned companies around the world, as it is knowledge transfer and acquaintance to broaden the career spectrum. Based on that, EY modify their ideas as per the business needs while considering the vision and mission to approach. Therefore, this strategy of the organization cannot be linked with intercompany open innovation. Now, Ernst and Young manager provided more and specific information about the organization's employee engagement strategy. For example, he stated that talent strategy development, leadership capabilities strategy, employee performance and employee experience are some of the engagement strategies implemented by Ernst and Young. From the website of the company, it was found that leadership capability strategy means training employees to become better leaders. Employee performance strategy means providing needed support to the employees so that their overall performance can be improved. Employee experience strategy means implementing rewards or recognition to increase workplace satisfaction of the employees. While talking about the connection between employee engagement and leadership, the manager of Ernst and Young disagreed about inclusion of leaders in employee engagement.

According to this manager, leaders, unlike managers, remain closely connected with the employees. As a result, in employee engagement processes, biases can affect the outcome. He said that "I might be wrong, as it is equally important to co-ordinate be it a manager or a leader. Everyone strives to do their best. Leaders guide their employees by keeping them motivated and engaged every now and then with networking opportunities across various domains." Now, from the literature review it was found that one of the issues of employee engagement strategy is partiality or biasness that can affect the entire process and the outcome of employee engagement. Maybe therefore the management of Ernst and young decided not to include leaders in employee engagement. However, this can also cause problems. Leaders, as they are directly connected with the employees, can provide better insight, and can understand situations of the employees, better than the statistics or data regarding the performance level of the employees. Not including leaders can cause backlash among the employees.

While talking about challenges regarding employee engagement, this manager said something that is directly linked to the literature discussed in this research study. For example, in this research study it was mentioned that millennial employees are different from employees from other generations. He mentioned, "Yes, it is challenging for the Talent acquisition team. See, with time, the employee base is also changing. Today, most of the employees of EY are the Millennial generation, followed up the centennial generation which are completely different from the previous ones". They tend to change jobs quickly and as a result, a less time-consuming employee engagement method would be required in the place of the Zinger model. These managers of Ernst and Young also indicated that millennial employees are completely different from previous generations. As a result, the HR department must always implement required changes in the existing employee engagement strategy to suit the changing needs of the millennial employees. This, according to the manager, is the one of crunching issues faced by the organization in terms of employee engagement. The manger mentioned that "remaining

vigilant and keep up with our standards which garners and provides multiple opportunities to our employees". However, considering constant tech updates and automations in place there might be chances of losing jobs for the existing employees. When addressing about the Covid-19, the managers had acknowledged that they have been doing regular risk assessments and made note of the employees geographical, family conditions and then had regulated their working conditions. However, the challenge would be in following through the changes, and adapting to the same, it is often easy to tell rather than doing it. On the other hand, EY also had an opportunity to embrace digitization pertaining to its nature of doing work. Considering the millennial and centennial generations now, they adapted well with the crisis and received necessary equipment and resources to perform jobs and thanks to networking sites connecting people to look up on daily trends and updates.

5.2.4 Deloitte India

Intracompany innovation in Deloitte India

Deloitte India also follows intracompany innovation strategy when it comes to employee engagement. This organization does not discuss with external communities, experts, or organizations before deciding which employee engagement strategy it should follow. It only consults with its employees and identifies what they need before developing employee engagement strategies. As the researcher himself has worked in this firm, the perception was different as there is limited availability within the Deloitte University, to educate and improve employee skills sets irrespective of what job role they are given. As mentioned by the manager of this organization. The manager of Deloitte stated, "Deloitte mainly communicates with its employees and acquires feedback about how they want to do it. Based on that, we implement or modify our strategies regarding employee management". While talking about the existing employee engagement strategy of Deloitte India, this

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manager stated that the organization has implemented strategies such as autonomy, select to fit, small teams and time for slack. While searching for the information regarding the methods mentioned by the manager of Deloitte, a document was found from the official website of Deloitte. According to that document, Autonomy means ensuring and providing clear and transparent goals to the employees. It also includes developing a flexible work environment, training, and support on the job. Select-to-fit includes coaching, humanistic workplace, talent mobility and constant investment in people. Small and empowered teams include investment in developing skills of the managers, creating culture of recognition, self-directed dynamic learning, and transparency. Time for slack includes agile performance management, fair-inclusive-diverse work environment, high-impact learning culture and inspiration. Among all the companies that are followed in this research study, the employee engagement strategy of Deloitte looks more promising and effective. Discussion about this is added later in this chapter.

While talking about how the organization comes up with ideas regarding employee engagement, the manager of Deloitte stated that the organization consults with employees before taking any decision regarding employee engagement as the organization keeps its employees in the centre of decision making which is a great idea for acquiring employee motivation, employee loyalty and job satisfaction. The manager stated, "As I told you, we keep employees at the heart of the company. Before deciding which strategies would be effective for employee management, we consult with them, not directly but, sending out the prime tasks and giving a clear outline of the firm's policies to ensure achieving short- and long-term goals as required in a dynamic work environment". While talking about the connection of leadership with employee engagement, this manager stated that leaders play a vital role in the organization as they are the catalysts of improved employee performance. The manager particularly mentioned that "As per Deloitte, we believe that leadership or leaders are strongly important

for improved employee performance. Therefore, we have asked our leaders to always motivate the employees and to lead from the front."

In terms of challenges regarding employee engagement, this manager talked about the size of the organization's employee base. He stated that Deloitte India has a huge employee base and identifying, reviewing, and responding to comments, needs and expectations of employees is tough for the HR department. However, the manager also stated that the Talent acquisition team of the organization is equipped with the in-house applications to ensure that the department's task can become easier.

From the responses received from Big 4 that are Deloitte India, KPMG India, Ernst & Young and PWC, it is found that all these companies are following open innovation in terms of employee engagement. According to the existing literature, open innovation means a management model that boosts collaboration with individuals and organizations both inside and outside the company. However, another definition of open innovation states open innovation means relying on external knowledge for implementing innovation strategies inside the organization. Now, from the responses of the managers it is found that three companies are only considering the expectations and needs of their employees while implementing employee engagement strategies. From this information, it can be considered that these companies are following close innovation. However, the strategies that the companies have implemented depends on the concept of employee management discussed by several scholars and authors. For example, Ugargol and Patrick (2018) talked about a flexible workplace as an integral part of employee engagement; a flexible workplace that is followed by Deloitte. Kerdpitak and Jermsittiparsert (2020) focused on training and a fair workplace as a major part of employee engagement. Again, Deloitte follows both these things. Goestjahjanti *et al*. (2020) stated that talent management should become an important part of employee engagement and the same is followed by Ernst and Young. Therefore, it can be stated that ideas regarding employee

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engagement are acquired by these companies from external knowledge sources such as journals and articles; however, at the time of implementation or modification, employees are included in the decision-making process. Therefore, it can be stated that these four companies are following open innovation. Now, three of these companies such as Deloitte, Ernst & Young and PWC India are following intracompany innovation as while implementing the innovation strategies regarding employee engagement, they do not consult with anyone outside of the organization. Therefore, from this information, it can be stated that H1, H5 and H13 are accepted. On the other hand, KPMG India consults with communities outside the organization regarding employee engagement that means it is following publicly open innovation. Therefore, for KPMG India, H12 can be accepted.

5.3 Summary

If all the responses provided by the managers of the four companies are summarized after connecting that information with existing literature, then it can be said that all these companies are following open innovation. While KPMG India is following publicly open innovation, rest of the three companies are following intra company innovation. However, all these companies have their own unique and creative ways of engaging with the employees. However, from the analysis it was also found that these companies are facing some small issues at the time of managing and maintaining employee engagement.

Chapter 6: Discussion

From the literature review, it was found that all the concepts of open innovation such as intracompany, intercompany, for experts and publicly open innovations have their own disadvantages and limitations. Now, if all those limitations are reviewed, the disadvantages of intercompany, for expert and publicly open innovations can cause more damage to an organization compared to intra company innovation. For example, if Deloitte collaborates with another organization for acquiring ideas for employee engagement and if that company fails to do that then Deloitte will lose its employees in a quick succession. However, if the intracompany method is followed then employees will be responsible for failure of an employee engagement strategy as it was, they who confirmed the strategy with the senior management. In that case, employee backlash might not take place. Therefore, three of the four selected companies are following intra company open innovation. Only KPMG is considering views of external communities.

Now, if the responses of the managers of these companies are compared with existing information available on secondary sources (discussed in the literature review), some contrary results are found. For example, KPMG India for poor reviews from its former employees in terms of work culture and poor work life balance. Now, within the "connect" strategy of KPMG, it is ensured that a flexible workplace is offered to the employees. As mentioned before, a flexible workplace means employees can enjoy an effective work-life balance. However, the review from the employees shows otherwise. On the other hand, the manager of Ernst and Young claimed that the organization is continuously working with its employees and external communities to improve its employee engagement through talent strategy, leadership capabilities strategy, employee performance and employee experience. Now, if former employees' reviews of Ernst and Young are considered then it can be found that working in Ernst and Young is stressful, which means the working culture is not as good as the manager

of the organization demands. On the other hand, employees are also experiencing fair pay related issues while working in Ernst and Young. Pay policy and pay transparency are also the areas where Ernst and Young are not doing well. Now, it is true that Ernst and Young has implemented some unique and innovative strategies to engage with its employees. However, if these issues in terms of pay policy, pay transparency and stressful workplace remain, the engagement strategies will not work. On the other hand, PWC also got a low score in terms of work-life balance just like KPMG. It again shows that despite the organization is doing a lot for employee engagement its employees are not happy in terms of workplace flexibility. Similar contradictory results are found for Deloitte. Deloitte's formal employees claimed that the organization does not focus on skill development of the employees and log working hours cause stress. Now, as per Deloitte's manager's claim and document found from the website of the organization, training and coaching are some vital factors that Deloitte focuses on to enhance skills and competencies of the employees. In this scenario, the claim of former employees that skill development is absent in the company can be concerning. However, several other formal employees claimed that Deloitte is doing a lot for skill development. Therefore, in terms of employee engagement strategy in Deloitte, some confusing facts are found that needed further inspection.

Regarding challenges related to employee engagement, again some surprising facts are found. From the existing literature, some major challenges related to employee engagement were found. One of those challenges was fear of leaking plans of the organization. Another challenge was regarding commitment of an organization after implementing employee engagement. Next challenge was the presence of partiality or biases among the managers or senior management employees who engage with employees to decide future course of actions. However, none of the existing managers talked about any of these issues. The manager from PwC India talked about different cultural backgrounds of the employee's present biggest

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challenge for the HR team while engaging with employees. On the other hand, the manager from KPMG India did not have much clue about the issues regarding employee engagement strategies followed by the management of the organization. He just assumed that the HR team might have problems as it must deal with and manage several different software and tools. Ernst and Young manager stated something that was a little bit similar with the existing literature. For example, existing literature stated that managing and engaging with millennial employees must be faster as otherwise retaining them would be tough. This manager also stated that the organization's employee engagement strategy is challenging as it must deal with a lot of millennial employees of India. The Deloitte India manager said that due to the huge employee base of the organization it is difficult for the HR team to focus on all of them and their expectations. Therefore, none of the responses of the managers are like the existing literature. To collect data or information that could provide more reliable information about the issues regarding employee engagement in these companies, it was required to conduct with the existing employees of the organization.

On the other hand, if global employee engagement strategies of these 4 companies are compared with the employee engagement strategies they are following in other SMEs in India, then some differences can be found. In terms of Deloitte, the same four strategies (autonomy, select to fit, small teams and time for slack) are used in all its offices located around the world. However, especially in India, Deloitte focuses more on talent development of its employees. According to the website of Deloitte, as its major portion of employees is millennial, the organization focuses more on grooming them so that they can become effective leaders in the future. Deloitte does not focus this much on grooming employees in other parts of the world. On the other hand, EY follows the same strategy development, leadership, capabilities strategy, employee performance and enablement and employee experience strategies while engaging with its employees. KPMG is another organization that follows it connect strategy all around

the world. However, PwC has implemented different employee engagement strategies in different nations; mainly based on the cultural background of the nations. For example, in India, PwC focuses more on employee satisfaction through monetary bonuses. However, in Australia PwC collects data to find out its high-performing employees. These employees are engaged more by the organization to ensure they remain in the organization for a longer period. Training and continuous communication are the ways through which PwC Australia engages with its employees. In Australia, it does not only focus on monetary benefits.

Chapter 7: Conclusion and Recommendation

7.1 Conclusion

This research study began with the goal of identifying how the big 4 companies of India, KPMG India, PWC India, Ernst & Young and Deloitte India are using open innovation strategies in their employee engagement activities. Besides, the goal was also to find out what challenges these companies are facing while performing employee engagement strategies in their workplaces. To find out the same, this research conducted a primary data analysis method by collecting information from 2 managers from each of these companies using Zoom call interviews. Their responses were combined and recorded that were. Their responses were recorded and were presented in chapter 4 by linking it with the existing literature. From the information that was collected it was found that all these four companies are using open innovation while managing employee engagement strategies. Three companies that are Deloitte India, PWC India and KPMG India are following intracompany open innovation. It means, the ideas and strategies regarding employee engagement are selected from within the organization by communicating with the existing employees. On the other hand, Ernst and Young is the only company that, along with consulting with existing employees, is also consulting with external communities while managing its employee engagement strategy. Therefore, it can be concluded that Ernst and Young is following a publicly open innovation strategy. It was also found that three companies that are Deloitte India, KPMG India and PWC have confirmed that they allow their leaders to actively take part in employee engagement activities performed by the management. Only Ernst and Young do not allow their leaders to become a part of employee engagement as the organization believes leaders can become biased or can unintentionally perform partiality as they are directly connected with the employees.

Besides, all the managers confirmed that they face some issues while managing employee engagement such as cultural differences in India, complicated use of software and tools, existence of millennial employees and large employee base. However, when the responses of the managers were compared with the existing literature regarding company reviews, some contradictory information was found that former employees of these four companies stated in different employee review sites such as Indeed.com and Glassdoor.co.in. From these findings, in terms of hypotheses, H1, H5, H9 AND H16 are validated and accepted.

7.2 Linking with Objectives

Information collected from the manager of Deloitte through a Zoom call interview confirms that the organization follows open innovation in its employee engagement strategies such as autonomy, select to fit, small teams and time slack are unique and creative strategies that are helping the organization to implement different employee engagement strategies. On the other hand, by consulting with employees only before taking any decision regarding employee engagement, Deloitte has also proved that it only follows intracompany open innovation in its employee management. Therefore, this objective of the research is fulfilled.

From the manager of PWC India, it was not possible to acquire in-depth information about what strategies used by the organization in terms of employee engagement. He only provided one example that PWC is providing 2 weeks' pay as a bonus to its employees. However, from his response that employees are communicated and are placed at the centre of the organization and are consulted in terms of employee engagement, it can be confirmed that PWC India is also following intracompany open innovation. Therefore, this objective is also fulfilled

From the response of the KPMG manager, it was found that this organization is following a unique and creative employee engagement strategy called "connect." However, unlike the other three companies, this organization along with consulting with its internal employees also

consult with the external communities from where the employees belong before making any decision or before developing strategies regarding employee engagement. This activity of the organization is like publicly open innovation and therefore, it is concluded that KPMG is using a publicly open innovation strategy. Therefore, this objective of this research study is also fulfilled.

Ernst and Young also follows a bunch of unique strategies for employee engagement such as talent strategy development, leadership, capabilities strategy, employee performance & enablement and employee experience. Like the other two companies, Deloitte and PWC, this organization also consults only with its employees regarding employee engagement strategy. That is why it is concluded that this organization is also following intracompany open innovation for employee engagement.

From the data analysis part and from the responses of all 4 managers of Big 4 of India, some challenges are identified that these companies are facing in terms of employee engagement. The next part of this dissertation has recommended some strategies through which these four companies can further improve their employee engagement strategy in the future.

7.3 Recommendation

Recommendation for KPMG India

Analysing the interview transcripts of KPMG, not many issues of the company are found in terms of employee engagement. However, from the existing literature it was found that work culture is still not on the deck in KPMG. With the experience of working in KPMG himself, the researcher says that the knowledge transfer at work was immense and very useful, only if the employees are willing to expand their horizons. This may not be the same with every person. KPMG provides internal departmental transfers at will so that employees do not feel monotonous about their work. This helps the employees to build up their potential career opportunities. Considering people are the biggest asset for the company, the goal would be to

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improve areas like promoting inclusion, flexible working, increase stakeholders value preposition and most importantly innovative leaders should facilitate skill building professional courses subject to clearance of the same which will give room for better endeavours and build a better place to work. Additionally, work from home has been well adopted although, working at office is completely a different experience all-together.

Recommendation for Ernst and Young

After analysing various parameters, managing millennial employees at the time of employee engagement is an ongoing challenge for the company. Now, from the existing literature it was found that millennial employees expect prompt and fast response from their superiors instead of slow and long process nevertheless if the process demands to fulfil the needs according to the firm's agenda. The methods followed by EY such as talent strategy development, leadership, capabilities strategy, employee performance and enablement and employee experience must be swift and built on quick feedback. Besides, EY can also personalize its employee engagement strategies by taking legitimate feedback from the employees, mostly anonymous, this helps the employees to give constructive feedback.

Recommendation for Deloitte India

After going through the responses of Deloitte interview transcripts and discussions, it seems Deloitte has been doing well in engaging its employees using open innovation as a tool. However, there are some advises on their training programs such increasing number of participants to do off work trainings and connect/network with other functions in the firm at one place i.e., Deloitte University. As the researcher worked in this firm for 2.5 years, he also agrees to this as not every employee is the same and always give them opportunities to be in the limelight as required to the job role and building personality as well. Encouraging

employees to be pro-active in terms of work and creative in their respective roles and most importantly embrace change.

Recommendation for PWC India

The issues of PWC India in terms of employee engagement are connected to the diverse culture of employees working in India. To keep up with working standards it is important for them to develop team building activities such as seasonal get away, collective celebrations of different festivals considering various ethnicities in India, this will ensure a positive exposure between the employees and drive them to connect with each other well and personal development pertaining to skill set, this ensures sense of pride to the employee which will in turn contribute to the success of the firm. However, it's only possible if all the departments communicate closely between the hierarchies to bridge the gap of possibilities.

7.4 Research Limitations

Despite following the primary data collection method, this research found some contradictory results. For example, on one hand the manager of Deloitte claimed that its organization has implemented an effective and successful employee engagement strategy. However, according to the reviews of some former employees, Deloitte's skill development (training) is poor and excessive work pressure creates stress. Similarly, for all the other companies, on one hand managers claimed that their employee engagement strategies are effective. However, for all these three companies again, former employees provided criticism for different reasons such as unfair pay, poor work-life balance, poor workplace culture and others. To identify whether these claims are true or not, it was required to conduct quantitative analysis by sharing close-ended survey questionnaires with a random group of employees from these organizations. Not following quantitative analysis can be considered as a major limitation of this research as it

was not possible to compare the information provided by the managers with the information provided by the employees. The issue was that a total of four companies were selected and sharing survey questionnaires with a large sample of each of these companies could have become a time-consuming task. On the other hand, due to the lockdowns around India for Covid-19, all these organizations have been working with a small percentage of their workforce for more than a year now. In this condition it was also problematic to select a large sample size from each of these companies.

7.5 Future scope of the research

In the future, this research can be conducted once again by focusing on only one of these four companies. Focusing on all these four companies limited this research work to interview methods only. Therefore, in the future, for example, focus can be given on only PWC India to find out how the organization is using publicly open innovation and how much success the organization has acquired through this. In the future research, along with conducting interviews with several managers of PWC, quantitative data will also be collected from the employees to compare the information provided by the managers.

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Appendix

Sample of eight managers, two from each four companies, have been selected and interviewed. Their answers are analysed and has been transcribed by the researcher in his words, without modifying the facts stated by the managers.

The designations and tenures of each manager have been provided. The personal details of the managers have not been mentioned and their privacy is being respected.

Company	Tenure		Designation	
	Manager 1	Manager 2	Manager 1	Manager 2
Deloitte	11	4	Senior Manager	Manager
KPMG	8	5	Manager	Line Assistant manager
PwC	8	2	Senior Manager	Manager
EY	9	4	Senior Manager	Assistant Manager

Table 2: Tenure and Designation of the managers interviewed

<u>Interview questions with the analysed answers</u>

1. **Could you tell me how your organization engages with employees to motivate them or retain them?**

PwC: My organization organizes various employee engagement activities like fun Fridays where they organize fun quiz games and sometimes outdoor activities around the campus. Apart from these, they have leaders from distinct backgrounds to come and share their experiences with employees that help in connecting to a lot of people and gain knowledge. Arranging training programs for all the employees throughout the organizational hierarchy.

My organization also allows employees to pursue a master's from one of the renowned management institutions of India.

Deloitte: Deloitte India follows four different strategies to engage with its employees. Those methods are autonomy, select to fit, small teams and time for slack. All these strategies have different purposes such as if you take autonomy; it is done to ensure employees can learn about mission and purpose that will garner the employee's growth alongside. On the other hand, a small and empowered teams process is created to ensure that employees remain knowledgeable about the policies regarding transparency and honesty in the workplace. Furthermore, we provide benefits like rewards and recognitions, family get together and mainly work life balance which has been investigated very keenly for the employee wellbeing programs.

EY: At EY, we follow some unique strategies related to employee engagement. Some of those strategies are talent strategy development, leadership, capabilities strategy, employee performance and enablement and employee experience. Under these tactics, different employees are selected based on their experience and qualification. At this point, it is easy to monitor and appraise the employee's performance which keeps our employees motivated and retained for the long term with prospective career opportunities.

KPMG: Right now, the employee engagement strategy of KPMG depends on the "Connect" strategy. It helps the organization to create small groups of employees around the world so that connecting with them becomes easier. Besides, to ensure employees do not feel stressed, we have eliminated ratings from the performance management system and are providing immediate feedback and provide access to internal training courses for

professional and personality enhancement which keeps them motivated and reduces attrition rate. This allows the employees to improve themselves sooner. This method has shown a major improvement in the mindset of the employees towards their duties. Also, I had worked with Deloitte who had a similar approach. However, we strive hard to always keep our employees motivated.

2.   How does your organization come up with creative ideas when engaging with employees?

PwC: The HR department along with the management team is responsible for organizing and planning employee engagement events. Pieces of training are planned after analysing employee performances. Activities such as cultural events are planned by the HR and the management committee of my organization.

Deloitte: Deloitte mainly communicates with its employees and acquires feedback about how they want to do it. Based on that, we implement or modify our strategies regarding employee management. We do have innovation leaders who encourage and set an agenda to accomplish the set goals and provide with the necessary tools used from in house and external sources as well. This provides employees to gear up and work with accordingly in their respective profiles or functions.

EY: We have a strong Talent team that continuously communicates with a major portion of the employees to find out how they want to be engaged by taking inputs from the employees enables them to function efficiently. We also take external ideas such as ideas from some well-renowned companies around the world as it is knowledge transfer and acquaintance to broaden the career spectrum.

KPMG: KPMG, along with connecting with its employees also connects with external communities from where the employees belong. By communicating with the external community, we intend to find out areas where the community is lagging. Then we communicate with the employees to confirm that they are also facing the same problem. Once confirmed, we develop strategies through which we could effectively communicate with employees.

3.   How do you decide which strategies would possibly fit perfectly for employee engagement and why is it essential to follow these strategies?

PwC: We go through a detailed discussion before finalizing any strategy for employee engagement. As mentioned before, factors such as employee performance, interest, the role is considered, and activities are planned accordingly. It is essential because these activities play a major role in having a better understanding of the employee.

Deloitte: As I told you, we keep employees at the heart of the company. Before deciding which strategies would be effective for employee management, we consult with them, not directly but, sending out the prime tasks and giving a clear outline of the firm's policies to ensure achieving short- and long-term goals as required in a dynamic work environment. We have dedicated teams monitoring the metrics of the employees. This enables the employees to adhere to the set strategies to achieve their full potential complementing to follow the strategies.

EY: Strategies are purely developed based on the skill set of the employees based on the nature of the job, so we make sure to implement the right engaging strategies that would best fit to the employee. All these strategies are a collective decision which includes the Talent acquisition team, who receive the performance reports directly from the internal departments. However, if this must work, the employees of the firm do their part as they are aware that it is essential for them to follow the existing and improvising strategies for a productive career growth.

KPMG: We decide strategies based on the best fit to the job role required and make sure to provide up to date training that will eventually put the employees in a better position to feel comfortable for the work they are doing and receive recognition through their work. These decisions are collectively made by consulting the employees and communicating to the talent team about the required metrics for the job role. I believe that having standard operating processes with room to innovate will essentially garner to the employee's professional growth and identify new horizons.

4. How do you see leadership connected with employees and how often do you engage with employees?

PwC: Leadership interactions with employees help bridge the gap between management and employees. Communication between management and employees is vital from an employee and organization's perspective. We have bi-monthly meetings with employees to be on the same page as the employee and understand the employee better.

Deloitte: As per Deloitte, we believe that leadership or leaders are strongly important for improved employee performance. Therefore, we as in the innovation leaders from different functions had constantly motivate the employees and to lead from the front. As we always think about employee benefits, we engage with employees every now and then. The time is not specific, you know. Sometimes we do it once a month and sometimes we do it twice a month. It depends on the work pressure.

EY: I think leaders are directly connected with the employees. Employees love to have leaders more than managers as leaders directly collaborate with them and guide them. I might be wrong, as it is equally important to coordinate be it a manager or a leader. Everyone strives to do their best. Leaders guide their employees by keeping them motivated and engaged every now and then with networking opportunities across various domains.

KPMG: Yes, we see leadership as an important aspect in any company to achieve the organisation goals. Tell me, if there are no leaders, who will guide employees in tough situations? Right. However, it depends on how well the leaders liaise within the concerned departments to make sure that the employees are continuously engaged and looking for a challenging work atmosphere that drives them towards success considering various work parameters. To make this happen, our committed human resource teams communicate on regular intervals like once every 2 months, so that it will keep the employees informed regarding their progress.

5. Do you think employee engagement is challenging for your HR department and does open innovation complement the same?

PwC: People's power is everything. Employee engagement in an organization drives results. It's not just productivity but the ability to be flexible and make decisions wisely when things change. People in the organization are energized and motivated by a positive work environment. In today's time, it is not just a challenge for HR but also for the managers to take decisions surrounding employee engagement. Managers and HR should focus on creating a diverse workforce further creating an executable strategy and consistently employ diversity recruiting best practices.

Deloitte: I do think it is challenging, as the Talent team periodically must communicate with the employees and to find out their comments, reviews, challenges, and many other metrics pertaining to the given role and in house applications for them to perform well. Yes, we have a huge employee base in India however, the Talent team is equipped with in house technologies and external resourcing that helps them to acquire responses from many employees as it is practiced every quarterly and wellbeing stat that eventually complements the open innovation culture.

EY: Yes, it is challenging for the Talent acquisition team. See, with time, the employee base is also changing. Today, most of the employees of EY are the Millennial generation, followed by the centennial generation which are completely different from the previous ones. To keep up with the fast-paced world, the talent team actively communicates with specific cluster leads who oversee keeping track of innovation adopted to achieve prospective progress. We always remain vigilant and keep up with our standards which garners and provides multiple opportunities to our employees.

KPMG: I have not worked in the Human resource department for a single minute; however, I personally think that it is challenging. Though there are several tools and technologies that offer the team to perform their jobs, it is still challenging for these teams to identify the employees' feedback and communicate further to the innovation leaders who devote their time to develop the employee's skill set and knowledge to keep track on a timely basis.

6. How did the company maintain the employee engagement during Covid-19 pandemic? Was it challenging?

PwC: It is known without saying that Covid-19 affected the work system drastically. The lockdown forced everyone to work from home which was initially a lot to cope up with virtual arrangements. We had to be very patient and encouraging towards the employees to maintain the flow and harmony of the work. This was a high time where both employees and the company should work together. PwC could cope up with the situation by being transparent about their challenges and had maintained clear lines of communication with the employees. Many of the employees have taken up additional duties, which are appreciated by the company with additional incentives. Responding towards crisis has become our very priority.

Deloitte: Initially, the senior management had to find a way to manage the working of the employees at home. The most common method used for keeping in touch with the employees was coaching approach, that is, checking on them individually my messages or virtual meets. This helped in measuring their progress on a daily basis. There is an unsaid rule that we managers follow, that is, to keep the criticism ratio of 5:1. This means that for every criticism we point out, 5 positive feedbacks should be said. We do not wish to give any additional tensions to the employees from our part, we must stick together during this

time and without satisfied employees, we won't get our work done. We understand that numerous factors can affect employee's mindset and work from home is not making it easier.

EY: We have been conducting regular risk assessment on each employee and took a note of their geographical conditions, health and family conditions and responsibilities. The duties have been assigned to employees after considering all the mentioned factors. As managers, we identify the worst-case scenarios that can affect the operations and activities. Since all employees were working from home, it was mandatory to monitor the technological complications that employees face at their homes and provide necessary equipment required for remote working. Employees were educated on how and where to find the required information for the smooth transition of work. All the managers at EY have made sure that we are here for the employees when they are crisis, I think this is one of the most important things that employees need, an assurance.

KPMG: Ensuring that the employees can perform their jobs without any technological interruptions was our initial step. The learning curve for the initial days were steep, no question in that. But then this became the new reality. But frankly, I would say that the employee engagement has been much better than what we initially expected. In addition, we have many mental health support programs which the employees are finding very useful. Even during virtual meetings, we ensure that we personalize the engagements rather than directly enquiring about the work.