

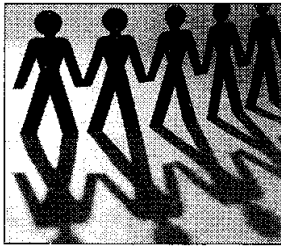
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Agro Tech Foods pushes employee engagement

Sreekala G
HYDERABAD

AGRO Tech Foods may have taken a cue from IT companies that devise innovative strategies to retain their employees. The food marketing company, a subsidiary of US-based ConAgra Foods, is betting big on its employee retention strategies to combat rising competition and cost pressures. The attempt is to enhance employee engagement and efficiency to boost revenues.

This strategy, evolved over a short span, has helped bring down attrition from around 42% in 2006 to 19% in 2008. The company has 350 employees on its rolls. "We began losing employees on account of the boom in the job market, especially in sectors like retail, telecom and financial services. These new emerging sectors were in search of trained and experienced talent pool to manage customer care. We



started feeling the brunt of competition from these segments," said Utpal Sen Gupta, president, Agro Tech Foods.

To reverse the trend, the Rs 1,041-crore company employed Hewitt Associates for a survey of its employees. The idea was to gauge the employee engagement factor. "The quality of output and competitive advantage of a company depends on its employee engagement. It is all about motivating employ-

ees to do their best. An engaged employee will be able to align his career growth with the organisation's business goals and there by help achieve greater efficiency," he said. But in 2006, the company found its employee engagement at a mere 38%, much below that of the best employer in the country as per the Hewitt survey. The latter's employee engagement was over 80%.

It also realised that salary is not the primary factor that triggers employee engagement. As high attrition had taken a toll on its performance, the US parent ConAgra Foods approached a US-based consultant to devise strategies to improve employee engagement.

"We found that employee engagement mainly depends on the opportunities for career growth and excitement at work place that prompts employees to take up new challenges. With the help of 21 managers at the top level, we conducted open sessions

with employees to understand their fears and goals. We also improved our communication channels considerably," said N Narsimha Rao, vice-president (HR), Agro Tech Foods.

As part of the efforts, the company also gave new responsibilities to youngsters, besides providing individual development plan (IDP) to each employee to achieve growth in career. Around 80% of the 350 employees achieved their targeted IDP in 18 months. This year, the company's employee engagement is about 70%.

The company has also doubled the number of internees for summer training from nine last year to 17 this year. "These efforts have already started paying off as our profit margins have shown a consistent increase over the years. We are also planning to introduce new brands and step up our distribution network," said Sen Gupta. sreekala.nair@timesgroup.com

Agro to test-launch new snack brand

Agro Tech Foods is planning to introduce a new snack brand in the country this year. The company, whose flagship brand is 'Sundrop' is now test marketing the new brand 'Snack Pack' in Andhra Pradesh.

"Currently, we are importing it from the US. Depending on the success of it in AP, we will take a decision on launching the snack nationally," said Utpal Sen Gupta, president of Agro Tech Foods. The company may also look at manufacturing this snack locally in the future.