

# **DRIVERS OF EMPLOYEE ENGAGEMENT AT SELECTED IT COMPANIES OF AHMEDABAD CITY**

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## **ABSTRACT**

One of the most important authority of top management in all organisations, is employee betrothal be it profit making or non-profit making, small or big. To develop and maintain engagement in their human resource, organisations of all sizes and types have started investing in employee engagement initiatives. As manufacturing organisations in most cases have different working environment, employee engagement in IT companies, has different perspectives. In IT companies, highest level of dedication and engagement from employees is expected. To understand the effect of drivers of employee engagement in IT companies is the main point of this survey. Along with ANOVA with gender as unconventional variable, cross engagement and Chi square was applicable to age and work experience. Based on assenter's gender, there was a demographically notable change in drivers of employee betrothal. On various activities of employee engagement, a notable change was reported. The important factor of employee engagement is career advancement opportunities and rewards and recognitions. As the findings of the study can be used to their advantage, this research paper aims to evaluate the employee engagement levels in IT industry in Ahmedabad City and recommend ways and means to improve engagement levels in the industry.

Keywords: Employee Engagement, IT companies, Challenges, One way ANOVA

## **1. INTRODUCTION**

In today's fast-paced global business environment, most organizations today realize that a 'satisfied and happy' employee is not necessarily the best employee in terms of productivity & performance. Employees have become main interest for the management in the firm, whether it is a manufacturing or service sector organisation. Before some years there was a common apprehension and belief that IT, IT-empowered, and services-oriented organisations were centered on employees, the other sectors including manufacturing were reasoned having a sluggish posture towards employees. The notable advantage and dis-advantage is due to workforce which is the only active, present, lively resource available with the organisation. There

are two sets of employees i.e. one who are engaged, motivated, and emotionally attached to their organisation and work and the other who are non-engaged and not attached to their work or the organisation. The first set of employees gives higher productivity and low overturn which becomes a source of competing advantage, while the other becomes a burden with low productivity and high cost to the organisation. To develop and maintain engagement in their human resources, nowadays organisations of all sizes and types have started investing essentially in human resource practices and their effective management. When the employees are in change appearance not associated linked completely with either group, the problems for managers become stiffer. To make an elegant balance between firms yearning from them and their career yearning, they weigh the positive and negatives. Managers are now realizing pressing needs of investment in “engaging their human resource” and yielding the short and long-term benefits of it.

### **1. Notion of Employee Engagement**

Understanding and practicing the concept of employee engagement in its full scope has become the need of the hour for the business world, researchers and academia. Early research on the concept of employee engagement was put forth by Kahn (1990) which provided solid foundation for the subsequent research work on the concept of employee engagement. For the first time the term “engagement” was introduced by Kahn in 1990 which got published in Academy of Management Journal in his article “The Psychological Conditions of Personal Engagement and Disengagement at Work”. Kahn defined personal engagement at work as “the harnessing of employees’ selves to their job roles; in engagement, employees employ and engage themselves physically and cognitively during job performances.” Kahn was of the view that psychological presence in a job role involves three aspects. i.e. physical, emotional, and cognitive. To connect with their co-workers, managers, and the top management, engagement is something about creating the growth opportunities for employees at all levels. Kahn also expressed his views on disengagement saying when employees are disengaged, they loose their interest in the job and would withdraw themselves from the job or the work. Drawing the perspectives from the early research and the subsequent efforts employee engagement is about originating a work environment where the employees are psychologically and cognitively attached to their work and are ready to walk an extra mile to perform their job.

### **1. RESEARCH GAP**

Several studies have identified Employee Engagement as one of the most critical HR challenges faced by the organisations nowadays (SHRM, 2017). Indian industry and the workforce, being a multi-lingual and multi-cultural society needs special attention as far as the employee engagement challenges are concerned. Furthermore, the role of female and male members of the society is perceived differently with female

members carrying additional family responsibilities. The rapidly evolving technological advancements, intensive market competition, and related stress make employee engagement a very complex challenge for the IT industry. The industry has to come up with tailored solutions to address this challenge of its time. There have been number of studies undertaken to identify the drivers and antecedents of employee engagement as well the relationship of the employee engagement construct with other variables. But the gender-wise employee engagement challenges remain a grey area which is yet to be explored. This study throws light on these aspects with gender being independent variable for the study.

## **1. OBJECTIVES OF THE STUDY**

- (a) To understand the gender specific drivers of employee engagement in selected IT companies of Ahmedabad City.
- (b) To deduce empirical evidence on the influence of drivers on employee engagement.

## **2. RESEARCH METHODOLOGY**

The research is a conclusive and quantitative research which would help in understanding the drivers of the employee engagement in selected IT companies and decide upon the best course of action in future. Data was collected from self-designed questionnaire administered to 100 employees at selected IT companies having more than 50 crores annual turnover and employing more than 300 employees. Convenient and judgmental sampling method has been used to select the respondents based on the research objectives. 60 male and 40 female employees both from supervisory and senior management were selected as respondents for the research. A questionnaire was developed taking the drivers of employee engagement which employed a 5-point Likert scale to indicate the perceptions of the respondents' employee engagement. The employees gave their response in the scale of 1- Strongly Agree, 2- Agree, 3- Neutral, 4- Disagree, 5- Strongly Disagree.

The content validity of the instrument was tested by consulting internal and external experts. To analyze the data, the statistical cross tabulations and Chi-square was applied to age and work experience, along with one-way ANOVA with gender as independent variable with the help of SPSS (Statistical Package of Social Science) software version 21.

### 3. LITERATURE REVIEW

Most often employee engagement has been defined as the amount of prudent effort demonstrated by employees in their job (Frank, Finnegan, & Taylor, 2004) and effusive and mental commitment to the organisation (Baumruk, 2004; Richman, 2006; Shaw, 2005). A psychological state which is seen to surround the three extents of engagements discussed by Kahn (1990) and seizure the common theme running through all the definitions, although it is recognized and accepted that employee engagement is a multi-fold construct, as antecedently suggested by Kahn (1990), Truss, Soane, Edwards, Wisdom, Croll, and Burnett (2006).

According to a study conducted by NASSCOM, IT industry in India has witnessed widespread growth which has attracted enormous foreign direct investment (FDI). This inflow of FDI has contributed significantly to the growth of the GDP, employment generation, and an increase in the export of IT services. The research report also states that the paramount challenge for the industry is not just keeping the employees satisfied but to engage the employees for better productivity, longer association, and individual career advancement. As the IT sector is predominantly service-oriented, the importance of hiring, attracting, motivating, managing, and retaining the highly-ambitious workforce has become the need of the hour.

Open Communication culture, Loyalty, Equitable Compensation, Interpersonal Orientation, Advancement Opportunities and Career Growth are the most prominent engagement drivers within the Public and Private sector banks (Rashmi, Rakhi, and Trupti, 2014).

(Farai & Steven, 2012) stressed on the importance of employee engagement in the hospitality industry in their study. The study also emphasized on employee engagement as the driver of competitive advantage in the two organisations they surveyed in their study. The findings from both the hotels demonstrated the difference between the two organisations. The study presented a strong evidence that work groups having high level of engagement outperform the work groups with lower level of engagement. The study clearly indicated that the hotel with higher level of employee engagement enjoyed competitive edge with the market share of over 43 per cent.

The key drivers of 'Employee Engagement' and its different characteristic together with the ways to measure it, (Sidhanta & Roy, 2010) in their study "Employee Engagement; Engaging the 21<sup>st</sup> century manpower" tried to identify modern 'Employee Engagement' practices in corporate and distinct ways to handle disengaged employees. The article also surveyed the research finding on the effect of employee

engagement on manufacturing, gainfulness of the firms, customer experience and other related views, conveyed by firms like Gallup, Hay Group and ISR. To create a highly prompted manpower, that will work together to achieve the common goals of the firms, it was conveyed that high levels of employee engagement would lead to elevated employee commitment and psychological involvement towards the job.

The highly motivated and engaged workforce will determinately make the organisation more successful in terms of financial and non-financial performance parameters found out the study of (Bedarkar & Pandita, 2014) on the drivers of employee engagement effecting three engagement drivers, namely communication, work life balance and leadership. A model surveying these drivers were abstracted which would lead to employee and organisational performance.

#### 4. FINDINGS AND DISCUSSION

Crosstabs (Cross tabulations and Chi-Square) using SPSS on age and work experience of respondents were collected for the study. Table 1 depicts all responses that were considered valid for the study.

**Table 1: Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
WorkExp * AGE	100	100.00%	0	0.00%	100	100.00%

Source: Created by Author

**Table 2: Work Experience \* Age Cross Tabulation**

Work Exp.		Age							Total
		19-25	26-30	31-35	36-40	41-45	46-50	>50	
0.5	% within AGE	3.90 %	4.70%	1.90%	0.00%	0.00%	0.00%	0.00%	10.50%
1	% within AGE	2.70 %	0.80%	1.20%	0.00%	0.00%	0.00%	0.00%	4.70%
2	% within AGE	1.90 %	5.40%	4.70%	0.80%	0.00%	0.00%	0.00%	12.80%
3	% within AGE	3.50 %	5.80%	1.90%	0.40%	0.00%	0.00%	0.00%	11.60%

4	% within AGE	3.50 %	2.30%	3.50%	0.80%	0.40%	0.00%	0.00%	10.50%
5	% within AGE	8.50 %	22.90%	15.10%	1.20%	0.00%	0.80%	0.40%	48.80%
6	% within AGE	0.00 %	0.00%	0.80%	0.40%	0.00%	0.00%	0.00%	1.20%
TOTAL	% within AGE	24.00 %	41.90%	29.10%	3.50%	0.40%	0.80%	0.40%	100.00%

**Source: Created by Author**

**Table 3: Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	134.931 a	78	.225
Likelihood Ratio	108.54	78	.896
Linear-by-Linear Association	10.195	1	.001
N of Valid Cases	258		

**Source: Created by Author**

Table 2 displays work experience and age cross tabulations along with modal frequencies of the response collected for the study. In age column, respondents with 26-30 years displayed highest percentage count, followed by 31-35 years as next highest percentage count of the sample taken for the study. Similarly in work experience row, respondents with five year work experience showed highest percentage count, followed by two year work experience as next in percentage count to it. The lowest percentage count was reported in 41-45, 46-50 and above age columns of the response. Similarly the work experience column reported lowest in one year rows of response for the study.

Table 3 provides the summary statistic information, the Pearson Chi-square value is 134.931, which is associated with (p- value is .225) of 22.5% risk of being wrong in rejecting the null hypothesis. This is too great a risk (far exceeding our standard of 5% risk), so we are unable to report any statistical difference between work experience and age cross tabulation in this sample taken for study.

Further, one-way multivariate analysis of variance i.e. one-way ANOVA is used to determine whether there are any differences between independent groups on more than one continuous dependent variable. We have used gender as independent variable into fixed factor, and all the statements on various drivers of employee

engagement as dependent variables for the study. There were 60 males and 40 females reported in sample taken for the study.

**Table 4: Descriptive Statistics**

EE Drivers	Gender	Mean	Std. Deviation	N
Salary & Benefits	Male	5.25	3.06	60
	Female	5.72	2.89	40
	Total	5.35	3.03	100
HR Policy	Male	5.93	1.81	60
	Female	6.44	1.97	40
	Total	6.03	1.86	100
Career Advancement	Male	6.18	1.91	60
	Female	7.50	1.40	40
	Total	<b>6.45</b>	1.89	100
Reward & Recognition	Male	6.28	1.83	60
	Female	5.89	1.21	40
	Total	<b>6.20</b>	1.73	100
Colleagues	Male	5.40	1.91	60
	Female	4.89	2.10	40
	Total	5.29	1.96	100
Perceived Supervisor's Support	Male	6.51	1.99	60
	Female	5.89	2.20	40
	Total	<b>6.38</b>	2.05	100
Organisation itself	Male	4.40	2.45	60
	Female	3.56	1.36	40
	Total	4.22	2.29	100
Vision & Mission of the organisation	Male	1.72	1.45	60
	Female	1.61	0.90	40
	Total	1.70	1.35	100
Respectful Job	Male	3.21	2.02	60
	Female	3.50	2.61	40
	Total	3.27	2.16	100

**Source: Created by Author**

Table 4 provides the descriptive statistics on various drivers of employee engagement where highest mean was observed in Career Advancement opportunities, the lowest mean was observed for vision and mission of the organization.

**Table 5: EE Drivers in Rank Order based on Male Gender**

EE Drivers (In Rank Order)	Mean	Std. Deviation
Perceived Supervisor's Support	6.51	1.99
Reward & Recognition	6.28	1.83
Career Advancement	6.18	1.91
HR Policy	5.93	1.81
Colleagues	5.4	1.91
Salary & Benefits	5.25	3.06
Organisation itself	4.4	2.45
Respectful Job	3.21	2.02
Vision & Mission of the organisation	1.72	1.45

**Source: Created by Author**

Table 5 provides descriptive statistics on Drives of Employee Engagement based on Male Gender. The Table shows that the highest mean observed was for Perceived Supervisor Support and the lowest mean was observed for Vision and Mission of the organization.

**Table 6: EE Drivers in Rank Order based on Female Gender**

EE Drivers (In Rank Order)	Mean	Std. Deviation
Career Advancement	7.5	1.4
HR Policy	6.44	1.97
Reward & Recognition	5.89	1.21
Perceived Supervisor's Support	5.89	2.2
Salary & Benefits	5.72	2.89
Colleagues	4.89	2.1
Organisation itself	3.56	1.36
Respectful Job	3.5	2.61
Vision & Mission of the organisation	1.61	0.9

**Source: Created by Author**



Table 6 provides descriptive statistics on Drivers of Employee Engagement based on Female Gender. The Table shows that the highest mean observed was for Career Advancement and the lowest mean was observed for Vision and Mission of the organization.

## CONCLUSION

Employee Engagement is an emotional attachment employees have towards the work they do, the organisation, its business activities, and its values. To understand and measure the employees' perception on drivers of employee engagement being practiced in the IT industry, the survey has been conveyed on 100 employees of selected IT companies from the Ahmedabad City. It aimed to study the current level of employee engagement and the drivers for employee engagement in the IT sector in Ahmedabad City with a special focus on gender as an independent variable. In the sample responses taken for study, a positive effect on employee engagement drivers have been found. Almost all the employees of the selected IT businesses believed engagement as the significant factor contributing to the individual and the organisational success. According to the survey Supervisor's Support play a most significant role in engaging male employees, followed by Reward & Recognition, Career Advancement opportunities and HR Policies. This implies that the male employees tend to give more importance to the support and guidance they receive from their supervisor, the salary and other benefits the organisation offers, and the opportunities they have for their career growth at the workplace. The study shows that for female employees Career Advancement opportunities play most important role in engaging them, followed by HR Policies, Reward & Recognition, and Supervisor's Support. Female employees seem to give more importance to good HR policies and thereby provision of leaves, flexi-timings, and other benefits. They also seem motivated by the kind of support they receive from their supervisors. Employees want the rewards to be transparent and merit-based, while they feel that the recognitions must be immediate. Some of the organisations do show sign of nepotism or favoritism while promoting the employees or sending them for an offshore overseas project. The management should look into this and make policies and selection criteria for such projects much fairer and equitable. Furthermore, the study reveals that, for both, male and female employees, the top four engagement drivers remain the same with different rank order. The study shows that both, male and female employees, are least motivated by the Vision and Mission of the organisation. This reveals that the employees are unaware of the organization's business activities and its objectives in a larger sense. Organisations must make an effort to inform all employees as to what is happening in the organisation and engage their employees through more periodic communications on organization's progress towards its business goals. Both male and female employees, tend to expect almost a same degree of respect at their work and enjoy a 'meaningful' work.

The study also shows that employees who have higher-level of support from their supervisor in terms of freedom, autonomy, decision-making, and performance feedback are highly engaged. Components behind work engagement are gratifying Career Advancement opportunities, Reward & Recognition, Perceived Supervisor's Support and HR Policies. Across the globe and particularly in India, more and more studies are being conducted on this most-practiced, popular, and airy concept. Similar kind of research can be undertaken to other cities of the country to gain more insights into the drivers of employee engagement.

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