



An empirical study on employee engagement & its effect on demographic variables in electronic industries in India

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Abstract

Employee Engagement is the level of commitment and involvement employees have towards their organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization and its values. As a concept that has developed over time, engagement has been defined in numerous ways in the literature. This paper discusses about the relationship between gender and employee engagement, marital status and employee engagement, age of the employees and engagement as well as the position held and employee engagement among electronic sector employees based in Bengaluru who are working for defence projects.

Keywords: employee engagement, electronic industries

Introduction

In organizations, engagement has become a buzzword. It is used as a competitive advantage strategy by human resources of consulting firms. Employee engagement has been defined in many different ways. Mostly, it has been defined as an “emotional and intellectual commitment to the organization” or “the amount of discretionary effort exhibited by employees in their jobs”. Employee “engagement” represents the ultimate in productivity, which is driven not as much by employers or efficiencies but rather by the desire of the employees themselves to go above and beyond their contractual duties. There are many factors that describe the state of “engagement”, such as that employees have the knowledge needed to do a job effectively, and the motivation to apply that knowledge. A key driver for motivation on the part of the employee is the “care factor”: receiving recognition or praise for good work, which their supervisor seems to care about them as a person, and encouragement for their development. Engagement is caused through commitments. There are two types of commitments that an employee brings to the organization, rational commitment and emotional commitment. Rational is the extent to which employees believe the organization and teams and emotional is the extent to which an employee believes and enjoys being around in the organization. These commitments can be felt through four focal points, a) Work, b) Team, c) Manager and d) Organization. A successful output of the commitments across the focal points results in employee giving more discretionary effort (performance) and having intent to stay longer (retention).

Five Dimensions to Measure Employee Engagement:

1. Job environment
2. Team work

3. Supervision
4. Organization
5. Reward and recognition

Dimensions to Measure Company Performance:

- ROI
- Capital adequacy
- Asset quality
- Management efficiency
- Earning quality
- Liquidity
- Productive measures
- Employee productivity
- Branch productivity
- Motivation
- Benchmarks

Employee Engagement Strategies:

Start it from the top: Employee engagement requires leadership commitment through establishing clear mission, vision and values. Unless the people at the top believe in it, own it, pass it down to managers and employees, and enhance their leadership, employee engagement will never be more than just “another HR thing”.

Enhance employee engagement through two-way communication:

Managers should promote two-way communication. Clear and consistent communication of what is expected of them paves the way for engaged workforce.

Give satisfactory opportunities for development and advancement:

Encourage independent thinking through giving them more job autonomy so that employees will have a chance to have their own freedom of choosing

their own best way of doing their job as long as they are producing the expected result.

Ensure that employees have everything they need to do their jobs: Managers are expected to make sure that employees have all the resources such as physical or material, financial and information resources in order to effectively do their job.

Give employee's appropriate training: Help employees update themselves increasing their knowledge and skills through giving appropriate trainings. Generally it is understood that when employees get to know more about their job, their confidence increases there by being able to work without much supervision from their immediate managers which in turn builds their self-efficacy and commitment.

Have strong feedback system: Companies should develop a performance management system which holds managers and employees accountable for the level of engagement they have shown. Conducting regular survey of employee engagement level helps make out factors that make employees engaged.

Incentives have a part to play: Managers should work out both financial and non-financial benefits for employees who show more engagement in their jobs. Several management theories have indicated that when employees get more pay, recognition and praise, they tend to exert more effort into their job. There should be a clear link between performance and incentives given to the employees.

Build a distinctive corporate culture: Companies should promote a strong work culture in which the goals and values of managers are aligned across all work sections.

The objectives of the present study are as follows:

1. To study the Demographic variables of the respondents.
2. To study the Association between Demographic variables and Employee Engagement.
3. To study the Influence of Employee Engagement on the performance of the employees.
4. To study the relationship between employees and management in terms of culture, inequality of superior, grievances, and conflicts which are subdivided into various variable that are quantifiable.

Scope of the Study

Although numerous studies have revealed the importance of employee engagement and state that it is the best tool in measuring the health of an organization, along with the traditional measures of sales, profit, cash flow, and customer satisfaction as well as the company's efforts to gain competitive advantages and stay competitive is possible through actively engaging the work force, the number of employees who are actively engaged in their work is relatively low.

It has been reported that employee engagement is on the decline and there is a deepening disengagement among employees today because of lack of senior management support, poor Human Resources policies, lack of recognition and advancement and inadequate resources (Bates, 2004; Richman, 2006).

Corporate investments in building a competitive advantage by developing employee commitment and engagement are increasing, yet despite the increase in spending, research indicates levels of employee commitment and engagement are not improving accordingly (Gallup, 2008; Ott, 2007),

As per 2014 Deloitte Global Human Capital Trends research, 78% of business leaders' rate retention and engagement urgent or important, but still recent studies have shown that the level of employee engagement in organizations across the public and private sectors is decreasing.

Maintaining high levels of employee engagement is the most pressing human capital challenge in today's economic environment, according to Business and Human Capital Challenges Today and in the Future, a 2015 research report from SHRM.

Hence there is a need to Create a high performance work environment and we have to communicate a mission and values, train managers and leaders to live these values, and then carefully select the right people who fit. And once people join, we have to continuously improve, redesign, and tweak the work environment to make it modern, humane, and enjoyable to build an organization that is exciting, fulfilling, meaningful, and fun. If the people love their work and the environment they will treat customers better, innovate, and continuously improve your business.

Research Method Used

The Research Program is done by using analytical, descriptive survey and empirical research, using a primary data with a structured questionnaires, observation, direct and indirect interview with all the levels of management of selected private and public sector electronics industries and Secondary data collected from reading journals, textbooks, previous research publications, magazines, reports and websites etc.

The research study is empirical in nature, where quantitative research was used for data gathering and analysis. The study was conducted through cross sectional descriptive study. To carry out the study, the structured questionnaire technique was used to get insight about the issues explored in the present study.

Plan of Analysis

In the present study Frequency and percentage are calculated to study the demographic variables and presented in diagrammatic presentation.

Analysis & Interpretation of the Data

The employees are backbone of any organisation with their contribution towards their works will lead to prosperity. The research done in this sector is immense but lack in the area of industrial relationship which is the main concern of this thesis. The structure of

questionnaire includes Demography of the respondents and questions related to relationship between employees and management in terms of culture, inequality of superior, grievances, and conflicts are subdivided into

various variable that are quantifiable, each variables has attributes which describe the variable nature.

▪ **AGE**

Table 1

AGE				
	Public Sector		Private Sector	
	Frequency	Percentage	Frequency	Percentage
Less than 20 years	96	32.0	30	10.0
21-30 years	125	41.7	118	39.3
31-40 years	58	19.3	86	28.7
41-50 years	21	7.0	65	21.7
51 & above	0	0.0	1	0.3
Total	300	100.0	300	100.0

The age group for private sector and public estimator is show most are from a younger group and older generation within the age limit of 21-30 with 41.7% and 39.3%, the respondent falling within age group of 31-40 are 19% and 28.7%, the respondent falling within age group of 41-50

are 7%.& 21.7%. Less than 20 years in private sector and public sector 32% and 10% are respondents are youth. The younger generation is eager to work contributing to the economy growth.

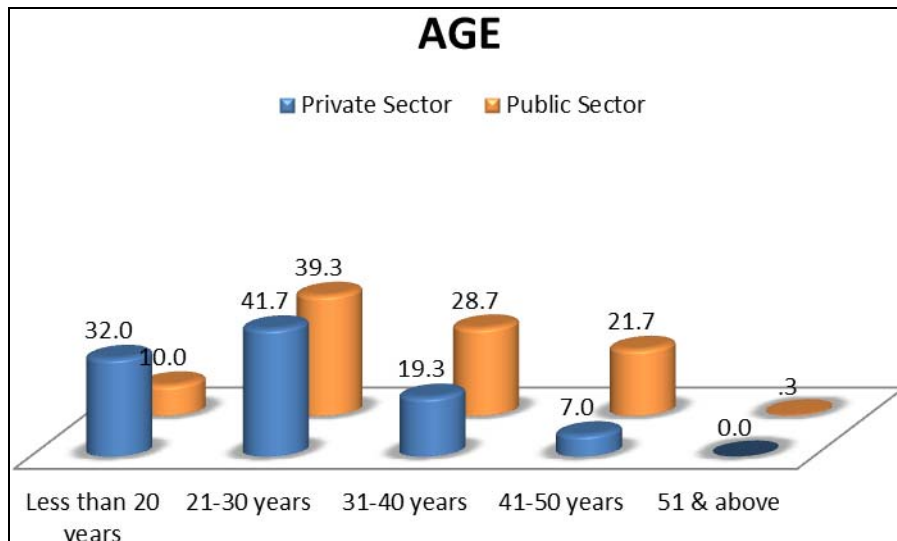


Fig 1

Table 2

GENDER				
	Public Sector		Private Sector	
	Frequency	Percentage	Frequency	Percentage
Female	168	56.0	209	69.7
Male	132	44.0	91	30.3
Total	300	100.0	300	100.0

▪ **Gender**

The Gender segmentation of Private sector and Public sector show most of the human resource are from a female dominated with Public sector having 56% and private sector having 69.7%. The male gender has a composition of 44% public sector and 30.3% private sector.

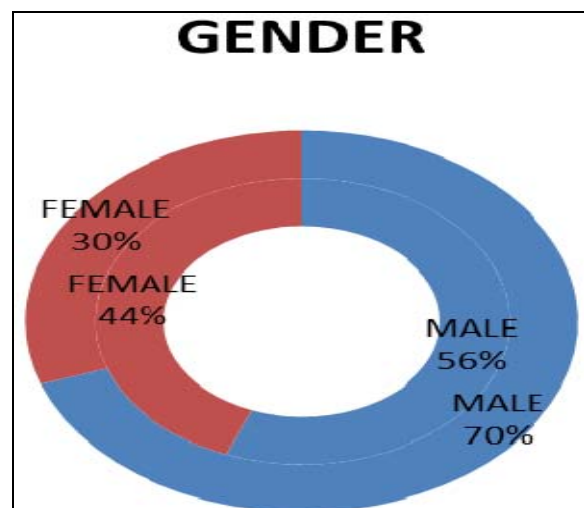


Fig 2

▪ **Qualification**

Table 3

QUALIFICATION				
	Public Sector		Private Sector	
	Frequency	Percentage	Frequency	Percentage
SSLC	12	4.0	15	5.0
PUC	17	5.7	25	8.3
Graduation	174	58.0	124	41.3
Post-Graduation	62	20.7	71	23.7
Others	35	11.7	65	21.7
Total	300	100.0	300	100.0

The qualification of public sector estimator, most are from a Graduation 58% and in private sector 41.3%, public sector has diverse employment positions with different qualification with most of them doing industrial courses or PGDM for promotion. Qualification of public

sector of SSLC & PUC 4%& 5%, the qualification of Post – Graduation in public and private sector 20.7% and 23.7%, the qualification of others in public and private sector 11.7% and 21.7%

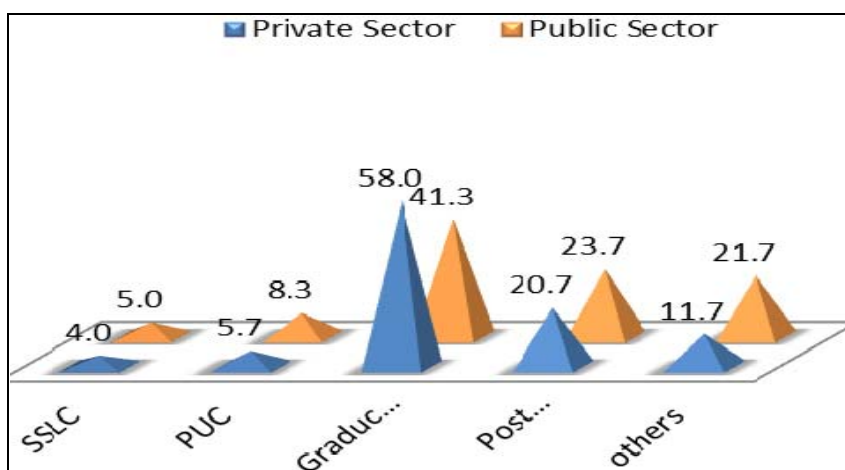


Fig 3

▪ **No. Of Years Of Service**

Table 4

No. Of Years Of Service				
	Private Sector		Public Sector	
	Frequency	Percentage	Frequency	Percentage
Less Than 5 Years	105	35.0	40	13.3
5 – 10 Years	84	28.0	124	41.3
11 – 15 Years	72	24.0	52	17.3
16 – 20 Years	26	8.7	58	19.3
More Than 20 Years	13	4.3	26	8.7
Total	300	100.0	300	100.0

The no. of year of service, served by employees in private sector Less than 5 years 35.0% and 13.3% in public sector, employees in private sector 5-10 years 28% and 41.3% in public sector, Employees in private sector

11-15 years 24% and 17.3% in public sector. Employees in private sector 16-20 years 8.7% and 19.3% in public sector, employees in private sector More than 20 years 4.3% and 8.7% in public sector.

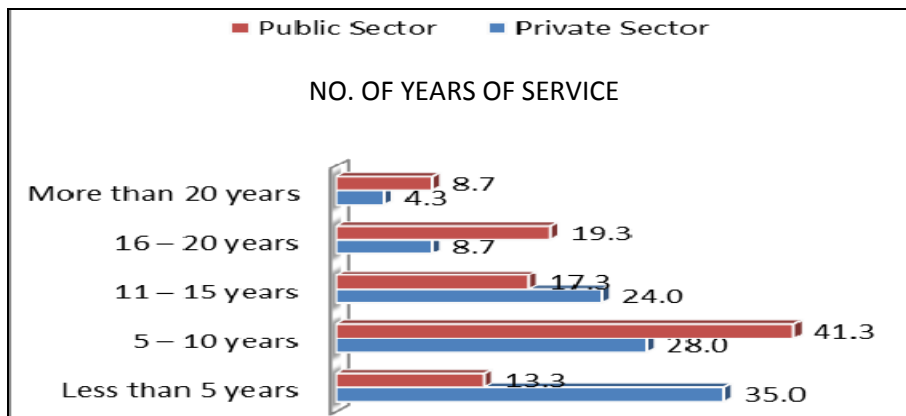


Fig 4

▪ Position Held

Table 5

	Position Held			
	Private Sector		Public Sector	
	Frequency	Percentage	Frequency	Percentage
Managerial Level	75	25.0	63	21.0
Non-Managerial Level	225	75.0	237	79.0
Total	300	100.0	300	100.0

The Non-managerial level of both private sector and public have more in ratio compared to managerial position in private sector about 75% of the collected

respondents are Non- Managerial and in public sector 79% are in the same category. Managerial level is about 21% and 25% with respect to private and public sector.

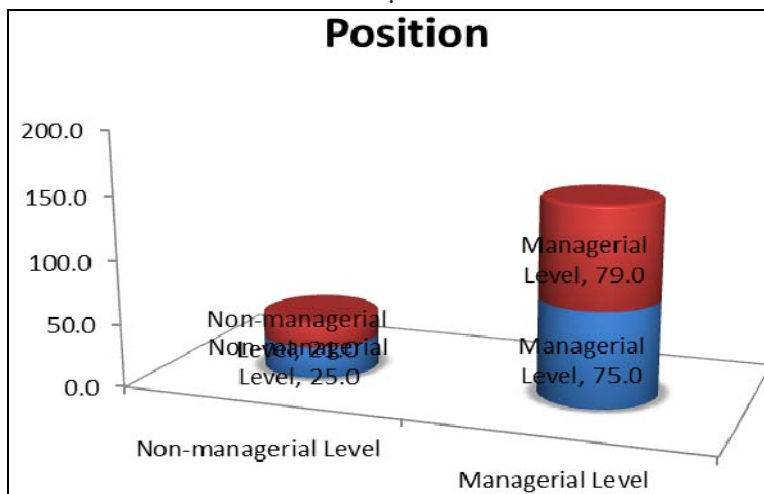


Fig 5

Table 6

Name Of Company Private Sector			
		Frequency	Percentage
Valid	L&T	75	25.0
	San Electromec Ltd,	75	25.0
	Southern Electronics Bengaluru Pvt, Ltd	75	25.0
	Tata Advanced Materials Ltd.	75	25.0
	Total	300	100.0

The respondents of different companies are show in table the sample size is collected form the population of data by narrowing down to 4 companies with 75 sample size. The companies were the survey sample was done in

companies like L& T, SAN ELECTROMECC Ltd, SOUTHERN ELECTRONICS BENGALURU PVT, LTD, and TATA ADVANCED MATERIALS LTD. The data is

collected for wide range working men and women at different levels in the organisation.

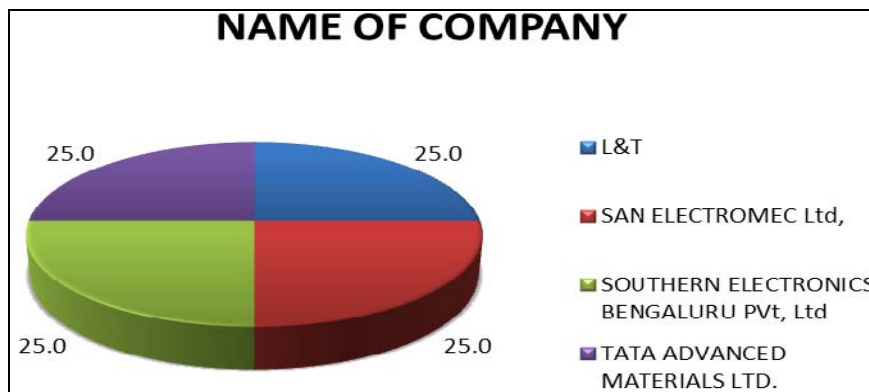


Fig 6

Table 7

Name Of Company Public Sector		
	Frequency	Percentage
Bel	75	25.0
Beml	75	25.0
Bhel	75	25.0
Hal	75	25.0
Total	300	100.0

The respondents of different companies are show in table the sample size is collected form the population of data by narrowing down to 4 companies with 75 sample size. The companies were the survey sample was done in

companies like BEL, BEML, BHEL, and HAL. The data is collected for wide range working men and women at different levels in the organisation.

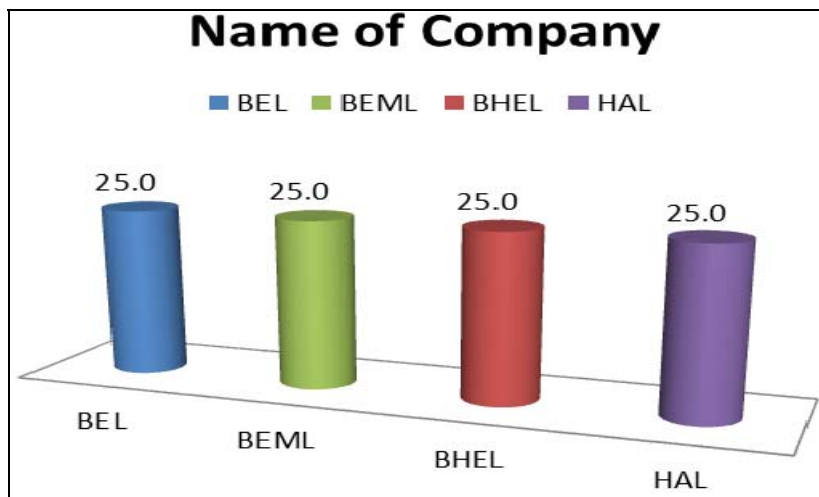


Fig 7

Table 8

Marital Status					
		Frequency	Percentage	Frequency	Percentage
Valid	Married	142	47.3	173	57.7
	Unmarried	158	52.7	127	42.3
	Total	300	100.0	300	100.0

The marital status of private sector and public sector is 47.3% & 57.7% of married, 52.7% & 42.3% for unmarried status, the marital status data is collected to articulate the organisation resource pool a health work

environment is created by various factors even marital status of an individual will have effect on productivity which has been proven in various research articles.

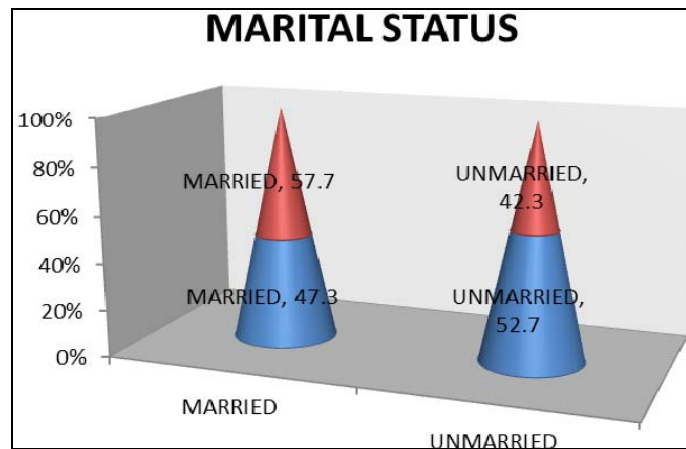


Fig 8

Findings

1. The younger generation is eager to work contributing to the economy growth both in private as well as in public sector.
2. The Gender segmentation of Private sector and Public sector show most of the human resource are from a female dominated with Public sector
3. The qualification of public sector estimator, most are from a Graduation in both private and public sector.
4. The male Gender in Private sector and show most of the employees are women and hence female dominates with private sector.
5. In private sector many have diploma and other qualifications along with graduate employees.
6. The Non-managerial level of both private sector and public have more in ratio compared to managerial position in private sector.
7. With reference to number of years of service served by employees, in private sector it is Less than 5 years. But, in public sector it is more than 5-10 years
8. The marital status of private sector and public sector is 47.3% & 57.7% of married, 52.7% & 42.3% for unmarried status, which shows more number of employees is married in public sector.

Suggestions

The data subjected for statistical test, established a significant association between sex, age, marital status, residence, educational level and work experience, with Employee Engagement.

It is evident that all the components of employee engagement have a positive and significant relationship with the business outcome. However, the strength of the relationship between some of the employee engagement components has non- significant association which has to be rectified to increase the engagement level. The engagement level of majority of the employees was just moderate because of many aspects and hence organisation has to focus on improving it. It is apparent from the findings that there is a significant relationship between Employee Engagement and Organizational performance and the organisation must constantly concentrate on significant strategies to build engagement levels among employees.

Conclusion

The study gives us an insight about the engagement levels of employees in the electronic industries in Bangalore city. The study indicates that there is no significant difference between male and female with regards to any of the factors of employee engagement. Based on mean score, female employees are slightly higher than male employees in all factors of employee engagement but not significant.

EE is highly desirable, now more than ever, by organizations. In this ever- changing business era and with the challenging global competition and harsh economic conditions companies are trying to perform successfully. Thus, through achieving EE that mutually benefits the two parties it is believed that employees will not only outperform but will ‘go the extra mile’ for their organization

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