An Empirical Analysis of Employee Engagement
- A Key to Success

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Abstract
Most organizations today realize that a satisfied employee is not necessarily the best employee in terms of loyalty and productivity. It is only an engaged employee who is intellectually and emotionally bound with the organization who feels passionate about its goals and is committed towards its values. Thus he goes an extra mile beyond the basic job. Employee engagement is a powerful retention strategy. An engaged employee gives his company his fullest contribution. When employees are effectively and positively engaged with their organization, they form an emotional connection with the company. India has realized the need to have engaged employees. As the acceptance level of employee engagement practice has risen, a study in Pump industry has been carried out in Coimbatore. This is done to gain more insight on employee engagement. A sample of 131 employees, employed in various pump manufacturing industries participated in the study. Employee engagement in the workplace was assessed using a Questionnaire. The study tries to analyze the relationship between the level of Employee Engagement and the Individual variables. The study uses Chi-square test to examine the hypotheses formulated for the study. The relationship between Individual variables such as Age, Gender, Marital status and Educational Qualification with level of employee engagement were determined.
1. Introduction

1.1 Employee Engagement- An Introduction

In the era of Globalization, managing talent has become a top priority and it’s a key business challenge to many Organizations. Having the right talent in pivotal roles at the right time is of strategic importance. The talents of individual employees remain as the key factor for Competitive edge.

1.2 Origin and Development

Engaged employees are assets to organizations. Engaged employees show positive attitude towards the Organization and total commitment to Stay, Say and Strive for the Organization in the upswing as well in the downtrend of the Organization. Organizations are striving hard to implement employee engagement strategies to increase the engagement in the employees.

Engagement at work was conceptualized by Khan, (1990) as the ‘harnessing of organizational members’ selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances.

Thus Employee engagement is a barometer that determines the association of a person with the organization. Employee engagement is the degree of involvement, physical, mental and psychological, that an individual employs in his/her work roles, while organization commitment is understood to be an attitude towards the organization. Employee engagement is the degree to which individuals are attentive and absorbed in the performance of their roles. Employee engagement although discretionary, refers to how an individual employs himself during the performance of their formal role rather than extra role, While job satisfaction concerns ’how people feel about their job’ or the positive attitude of person towards his job.

Employee engagement was described in the academic literature by Schmidt et al. (1993). A modernized version of job satisfaction, Schmidt et al.’s influential definition of engagement was "an employee's involvement with, commitment to, and satisfaction with work." This integrates the classic constructs of job satisfaction (Smith et al., 1969), and organizational commitment (Meyer & Allen, 1991). Harter and Schmidt's (2003) most recent meta-analysis can be useful for understanding the impact of engagement.

Linkage research (e.g., Treacy) received significant attention in the business community because of correlations between employee engagement and desirable business outcomes such as retention of talent, customer service, individual performance, team performance, business unit productivity, and even enterprise-level financial performance (e.g., Rucci et al, 1998 using data from Sears). Some of this work has been published in a diversity context (e.g., McKay, Avery, Morris et al., 2007). Directions of causality were discussed by Schneider and colleagues in 2003.
Employee engagement is derived from studies of morale or a group's willingness to accomplish organizational objectives which began in the 1920s. The value of morale to organizations was determined by US Army researchers during WWII to predict unity of effort and attitudinal battle-readiness before combat. In the postwar mass production society that required unity of effort in execution, (group) morale scores were used as predictors of speed, quality and militancy. With the advent of the knowledge worker and emphasis on individual talent management (stars), a term was needed to describe an individual’s emotional attachment to the organization, fellow associates and the job. This lead to the birth of the term “Employee Engagement” which is an individual emotional phenomenon, whereas morale is a group emotional phenomenon of similar characteristics. In other words, employee engagement is the raw material of morale composed of 15 intrinsic and extrinsic attitudinal drivers. (Scarlett Surveys 2001).

Engagement became a topic for concern in early 2000, when dotcom bubble burst, 9/11 occurred, the economy dipped and unemployment rose. The situation was having a job was equal to job satisfaction which resulted in disengaged workforce.

According to Tower Perrin study, only 21% of the global workforce is engaged, while 38% is disengaged. About 41% are who unsure whether they like their jobs are not.

“Engagement is all about creating a culture where people don’t feel misused, overused, underused, or abused” (Kaye). The turmoil surrounding organizational change during the last five years had forced employees “to do more with less” and the mandate is forcing the employees to “check out “or lose their commitment towards the work. Year after year the emotional side of engagement is actually four times more powerful than the rational side when it comes to driving the business impact.

Many different engagement studies—from Gallup Organization, Tower Perrin, Hewitt, Blessing White, The Corporate Leadership council, and the conference board – have used different definitions of engagement to come up with 26 key factors of engagement that managers must take into consideration when supervising employees. Those factors include doing exiting and challenging work; having career growth and learning and development opportunities; working with great people; receiving fair pay; having supportive management; and being recognized, valued and respected.

The important factor of engagement is connection between work and the organization’s success. The second is the employee’s belief that his work matters to the organization, with a culture that is demanding but rewarding. Pay scales should be competitive, but it’s providing development opportunities, challenging work and clarity on the organization’s goals and expectations that will get people performing at their best.

The study tries to determine the relationship between Level of Employee engagement and Individual Variables.
1.3 Categories of Employee Engagement

According to the Gallup, the Consulting organization there is three different types of People:

**Engaged--"Engaged"** employees are builders. They want to know the desired expectations for their role so that they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward.

**Not Engaged---Not-engaged** employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do, so that they can do it and say they have finished. They focus on accomplishing tasks vs. achieving an outcome. Employees who are *not-engaged* tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.

**Actively Disengaged--The "actively disengaged"** employees are the "cave dwellers." They're "Consistently against Virtually Everything." They're not just unhappy at work; they're busy acting out their unhappiness. They sow seeds of negativity at every opportunity. Every day, actively disengaged workers undermine what their engaged coworkers accomplish. As workers increasingly rely on each other to generate products and services, the problems and tensions that are fostered by *actively disengaged* workers can cause great damage to an organization's functioning.

Thus employee engagement is critical to any organization that seeks to retain valued employees. The Watson Wyatt consulting companies has been proved that there is an intrinsic link between employee engagement, customer loyalty, and profitability. As organizations globalize and become more dependent on technology in a virtual working environment, there is a greater need to connect and engage with employees to provide them with an organizational ‘identity.’

2. Review of Literature

2.1 Employee Engagement

Employee engagement has been studied because of its importance to organizations and employees. Initially, researchers developed a construct called *organizational commitment,* a strong belief in and acceptance of the organization’s goals and values; a willingness to exert considerable effort on behalf of the organization; and a strong desire to maintain membership in the organization’ (Mowday, steers, &porter, 1979, p.226), and used it to predict employee turnover and other outcomes.
Dr. Harminder Kaur Gujral and Isha Jain (2013) Employee Engagement refers to employee’s involvement in work and his commitment to the vision, mission and goals of the organization. Both employer and employee have an active role to play in cultivating engagement. The present research proposes to identify the determinants and outcomes of employee engagement in Information Technology sector. On the basis of secondary research, five determinants - job role, organizational support, rewards & recognition, training & development and leadership & planning, and three outcomes - organizational commitment, organizational citizenship behavior and employee satisfaction have been taken as variables of employee engagement in the study. 200 employees (100 each) from two companies were administered a structured questionnaire on determinants and outcomes of employee engagement and data was analyzed using SPSS package. Findings indicate that job role, rewards & recognition and leadership & planning are strong determinants of employee engagement and further, employee engagement results in organizational citizenship behavior, employee commitment and employee satisfaction.

Andrew C. Ologbo and Saudah Sofian (2013) To enhance ones’ understanding of the construct of employee engagement, this paper seeks to propose a research model to examine the influence of individual and organizational factors of employee engagement on employee work outcomes using employee engagement (job engagement and organization engagement) as a mediator; with the social exchange theory as a theoretical underpinning. The survey method through the use of the questionnaire is suggested to gather data to test the proposed research model. The statistics techniques such as the t-test, correlation and multiple regressions are suggested for data analysis.

Meyer and Allen (1991, 1979) further refined this construct by defining three discrete components of organizational commitment. One of these components, affective commitment, refers to the employee’s ‘emotional attachment to, identification with and involvement in the organization’ (Meyer & Allen, 1991, p.67) and may be considered a forerunner and key part of what is now thought of as employee engagement. Researcher has documented its influence on outcomes such as recruitment and retention, productivity, customer satisfaction and profitability (Harter, Schmidt & Hayes, 2002; Meyer et al., 2002).

A recent meta –analysis defined employee engagement as ‘a heightened emotional and intellectual connection that and employee has for his/her job, organization, manager, or co-workers that, in turn, influences him/her to apply additional discretionary effort to his/her work’ (Gibbons, 2006, p.5).This conforms that essential components of engagement-cognitive commitment, emotional attachment, and behavior-remain consistent with the components of the earlier commitment construct. Thus, it seems reasonable that previous research using organizational commitment would inform us as we develop research questions and hypotheses related to employee engagement.
Seigts et al (2006) summarized the literature on employee engagement stating that engagement factors deal with connection, career advancement, and clarity in communication, conveyance of expectations, congratulations or recognition, contributions, control over own job, collaboration between employees credibility in leaders, and confidence in the company. These ten employee engagement factors are elements within the workplace that “attract, focus, and keep the most talented employees” (Buckingham et al., 1999, p.28). According to Lockwood (2007), it should be the mission of HR to create a work environment that encourages engagement as well as attracts potential employees.

2.2 Need of the Study

Today’s society and business are witnessing unprecedented change in an increasing global marketplace, with many organizations competing for talent. As organizations move forward into a boundary less environment, the ability to attract, engage, develop and retain talent will become increasingly important. The recent trend of increasing demand for work/life balance and changing relationship between employers and engaged employees are driving the need of understanding the need of Employee engagement.

Various research studies conducted by eminent researchers for years have been reviewed and the researcher had identified certain gaps in the earlier studies. Hence, the present study has been carried out.

3. Objective of the Study

To determine the relationship between individual variables with level of employee engagement.

3.1 Scope of the Research

The study helps to gain knowledge about level of employee engagement, the factors influencing and how it related by the Individual variables. A study on the pump manufacturing industries has been carried out. This is done to gain more insight on employee engagement. This study is limited only to Coimbatore.

3.2 Hypotheses

This study examined the following Hypotheses:

- **Null Hypothesis**: There is no significant association between Age of the respondent and level of employee engagement.

- **Alternative Hypothesis**: There is significant association between Age of the respondent and level of employee engagement.

- **Null Hypothesis**: There is no significant association between Gender of the respondent and level of employee engagement.

- **Alternative Hypothesis**: There is significant association between Gender of the respondent and level of employee engagement.
1. Null Hypothesis: There is no significant association between marital status of the respondent and level of employee engagement.

2. Alternative Hypothesis: There is significant association between marital status of the respondent and level of employee engagement.

3. Null Hypothesis: There is no significant association between Educational Qualification of the respondent and level of employee engagement.

4. Alternative Hypothesis: There is significant association between Educational Qualification of the respondent and level of employee engagement.

5. Null Hypothesis: There is no significant association between Experience of the respondent and level of employee engagement.

6. Alternative Hypothesis: There is significant association between Experience of the respondent and level of employee engagement.

4. Research Methodology

4.1 Research Design

Research design is a blueprint or a planned procedure for conducting research program. The study is Descriptive in nature. The main purpose of descriptive research is description of the state of affairs as it exists at present. In the present study, descriptive method is used to know the level of employee’s engagement with the organization.

4.2 Research Background

The samples selected for this study are the employees of pump industries of Coimbatore district. Non probability convenient sample is used to collect the primary data. The universe is Coimbatore, the selected population for this study is employee of pump industry at Coimbatore, and the sample size is 131. Both primary and secondary data were used to collect data.

5. Tools for Data Collection

Primary data:

The primary data are collected by the structured questionnaire prepared with respect to the objective of the project.

Secondary data:

Secondary data was collected through,

- Project reports
- Journals, books and
- Websites

Data Collection Procedure

The field work consist of

- Meeting the employees of various pump industries in Coimbatore district.
Apart from the information that was obtained from the questionnaire other information were gathered and assimilated from the interaction with them. Those interactions were informative and interesting.

**Analytical Tool Used**

The study has used Chi-square method for the analysis of data.

**Chi-Square Formula**

To find calculated value

\[
\chi^2 = \sum \frac{(Observed \ Value - Expected \ Value)^2}{(Expected \ Value)}
\]

To find tabulated value –find corresponding value of chi square with respect to degrees of freedom.

**Degrees of freedom (df) = n-1** where n is the number of classes.

The result is based on the following rules:

- If the calculated value is less than the table value, the null hypothesis is accepted.
- If the calculated value is greater than the table value, the null hypothesis is rejected.

**Chi-Square Test (Testing of Hypotheses)**

1. **Testing the Relationship between Age of the Respondents and Level of Employee Engagement**

   **Null Hypothesis (H0)** – There is no significant association between Age of the respondents and level of Employee engagement

   **Alternative Hypothesis (Ha)** – There is significant association between age of the respondents and level of Employee engagement.

   **Level of significance (α):** Let the level of significance be 5%

   **Table Showing the Relationship between Age of the Respondents and Level of Employee Engagement**

<table>
<thead>
<tr>
<th>Age</th>
<th>Quartiles</th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>Medium</td>
<td>High</td>
</tr>
<tr>
<td>Under 30</td>
<td>31</td>
<td>17</td>
<td>13</td>
</tr>
<tr>
<td>31-40</td>
<td>20</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Above 40</td>
<td>11</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
<td>39</td>
<td>30</td>
</tr>
</tbody>
</table>

   **Chi-Square Tests**

<table>
<thead>
<tr>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (p) (2-sided)</th>
</tr>
</thead>
</table>

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[www.globalbizresearch.org](http://www.globalbizresearch.org)
Since p > α, we accept H0.

**Inference:** There is no significant association between Age of the respondents and level of Employee engagement.

2. **Testing the Relationship between Gender of the Respondents and Level of Employee Engagement**

**Null Hypothesis (H0)** – There is no significant association between Gender of the respondents and level of employee engagement.

**Alternative Hypothesis (Ha)** – There is significant association between Gender of the respondents and level of Employee engagement.

**Level of significance (α):** Let the level of significance be 5%

**Table Showing the Relationship between Gender of the Respondents and Level of Employee Engagement**

<table>
<thead>
<tr>
<th>Quartiles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Low</td>
</tr>
<tr>
<td>Male</td>
<td>45</td>
</tr>
<tr>
<td>Female</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
</tr>
</tbody>
</table>

**Chi-Square Tests**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (p) (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>10.092</td>
<td>2</td>
<td>.006</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>131</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.04.

Since p < α, we reject H0.

**Inference:** There is significant association between Gender of the respondents and level of Employee engagement.

3. **Testing the Relationship between Marital Status of the Respondents and Level of Employee Engagement**

**Null Hypothesis (H0)** – There is no significant relationship between marital status of the respondents and level of Employee engagement.
Alternative Hypothesis (Ha) – There is significant association between marital status of the respondents and level of Employee engagement.

Level of significance (α): Let the level of significance be 5%.

Table Showing the Relationship between Marital Status of the Respondents and Level of Employee Engagement

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>35</td>
<td>25</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td>Unmarried</td>
<td>27</td>
<td>14</td>
<td>10</td>
<td>51</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
<td>39</td>
<td>30</td>
<td>131</td>
</tr>
</tbody>
</table>

Chi-Square Tests

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (p) (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>1.102a</td>
<td>2</td>
<td>.576</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>131</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 11.68.

Since $p > \alpha$, we accept $H_0$.

Inference: There is no significant association between marital status of the respondents and level of Employee engagement.

4. Testing the Relationship between Educational Qualification of the Respondents and Level of Employee Engagement

<table>
<thead>
<tr>
<th>Educational Qualification</th>
<th>Quartiles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below or Up to High School or Technical Certificate or Diploma</td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>Diploma</td>
<td>17</td>
<td>12</td>
</tr>
<tr>
<td>Bachelor’s degree or Above</td>
<td>31</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
<td>39</td>
</tr>
</tbody>
</table>

Chi-Square Tests

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (p) (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>5.058a</td>
<td>4</td>
<td>.281</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>131</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 7.79.

Since $p > \alpha$, we accept $H_0$. 
Inference: There is no significant association between Educational qualification of the respondents and level of Employee engagement.

5. Testing the Relationship between Experience of the Respondent and Level of Employee Engagement

Null Hypothesis (H0) – There is no significant association between Experience of the respondent and level of employee engagement.

Alternative Hypothesis (Ha) – There is significant association between Experience of the respondents and level of Employee engagement.

Level of significance (α): Let the level of significance be 5%.

<table>
<thead>
<tr>
<th>Experience (years)</th>
<th>Quartiles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>&lt; 5</td>
<td>28</td>
<td>19</td>
</tr>
<tr>
<td>6-10</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Above 10 years</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
<td>39</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (p) (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>5.589a</td>
<td>4</td>
<td>.232</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>131</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.64.

Since p > α, we accept H₀.

Inference: There is no significant association between Experience of the respondents and level of Employee engagement.

6. Findings

6.1 Findings from Testing Hypotheses Using Chi-Square Test

The Testing of Hypotheses using Chi-square test contributes the following inferences;

- There is no significant association between Age of the respondents and level of Employee engagement
- There is significant association between Gender of the respondents and level of Employee engagement
- There is no significant association between marital status of the respondents and level of Employee engagement
• There is no significant association between Educational qualification of the respondents and level of Employee engagement

• There is no significant association between Experience of the respondents and level of Employee engagement.

It is inferred that there is association between Gender and level of Employee engagement.

7. Conclusion

The study examined the hypothesized relationship between the individual variables like Age, Marital status, Gender, Experience and Educational Qualification and level of employee engagement. It is found that there is no significant relationship between them except Gender.

Hence, the engagement concept should be at the forefront of social research and policy implementation. The scope of this research could be extended to other industries too.

References


