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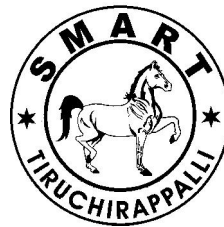
Journal of Business Management Studies

(An International Serial of Scientific Management and Advanced Research Trust)

Vol - 9 Number - 2 July-December 2013 Rs. 400

ISSN 0973-1598 (Print)
ISSN 2321-2012 (Online)

M. SELVAM, M.Com, Ph.D
Founder-Publisher and Chief Editor



SMART Journal is a Professional, Refereed International and Indexed Journal. It is indexed and abstracted by Ulrich's International Periodicals Directory, Intute Catalogue (University of Manchester) and CABELL'S Directory, USA and ABDC Journal Quality List, Australia.

**SCIENTIFIC MANAGEMENT AND ADVANCED RESEARCH TRUST
(SMART)**

TIRUCHIRAPPALLI (INDIA)

www.smartjournalbms.org

EMPLOYEE ENGAGEMENT PRACTICES IN ELECTRONICS INDUSTRY IN COIMBATORE

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Abstract

Employee Engagement is a key variable for organizational success. Employee Engagement is a positive attitude held by the employees towards the organization and its values. Employees feel engaged when they find motivation and personal meaning in their work, get positive interpersonal support and also operate in a work environment that is efficient. The aim of this study is to identify the factors which influence employees most towards their active engagement in the organization. The study was done in the Electronic Industry in Coimbatore. For this purpose, top four firms were selected and 200 employees were chosen as respondents for the study. The work was executed with the help of a questionnaire and factor analysis was used to identify the major factors which influenced employees' engagement in an organization. The results of the study indicate that Importance of Job to the Employees and Good Communication System are the important factors.

Key Words: *Employee Engagement, Employees, Organization.*

1. INTRODUCTION

Engagement at work was conceptualized by Kahn, (1990) as the 'harnessing of organizational members to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. Employee Engagement is the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and

nurture engagement, which requires a two-way relationship between employer and employee.

Categories of Employee Engagement

According to the Gallup (2006), there are 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 are 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.

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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.

Actively Disengaged: The “actively disengaged” employees are the “cave dwellers.” They are “consistently against virtually everything. They are not just unhappy at work but also busy acting out their unhappiness. They sow seeds of negativity at every opportunity.

2. STATEMENT OF THE PROBLEM

To state in simple words, Employee Engagement is the energy, passion or fire that employees have towards their work and the employer. The challenge today is not just retaining talented people but fully engaging them, capturing their minds and hearts at each stage of their work performance. The gap in knowledge between the needs of organizations and the ability of employees to respond effectively is problematic. Hence the study on the critical driver of business success has nowadays become very essential as the rate of employee attrition is witnessed heavily in every industry. The same problem was also witnessed by the Researcher in switch board manufacturing industry. This may be due to the lack of understanding of the organization about the expectation of the employees and vice versa. Especially in the digital world, the employee retention has become a significant task of every HR manager in the organization. Hence a study is needed to trace the gap between employer and employee about the expectations and perceptions.

3. REVIEW OF LITERATURE

Ching-Yuan Huang and Rhay-Hung Weng (2002), in their study on Employee Engagement, examined the effects of interpersonal attraction, self-efficacy and transformational leadership on relationship effectiveness and to verify the effect of relationship effectiveness on new employees' work outcome. The results showed a striking

effect of relationship effectiveness on work outcome variables, including employee's job satisfaction and organizational commitment.

Janet Cheng and Lian Chew (2004) in their study on the influence of human resource management practices on the retention of core employees of Australian organizations, employed the Delphi Technique to obtain the opinions of an expert panel of thirteen, in-depth interviews, involving twelve human resource managers of Australian organizations and a quantitative survey of 800 employees from nine Australian organizations. The findings of the study revealed positive significant co relationships between the eight factors and organizational commitment. Moreover, it was highlighted that commitment acted as a partial mediator of remuneration, recognition and reward, training and career development and work environment on intent to stay.

Nowier and Mohammed al- Anzi (2009) in their study on workplace environment and its impact on employee performance, examined the relationship between personality, work environment preferences, and the outcome variables, performance and commitment. Findings of the study revealed that when both the personality and work environment dimensions were included to assess mediating effects, the work environment dimension of goal orientation was the only variable that maintained a significant relationship with employee performance and commitment.

According to **Rhay-Hung Weng, et.al. (2010)**, the study on the effects of career development and role modeling functions on the employee engagement of new employees in Taiwan's organization, revealed that career development and role modeling functions have positive effects on job satisfaction and organizational commitment of new employees. However, the psychosocial support function was incapable of providing adequate explanation to these work outcomes.

4. OBJECTIVES OF THE STUDY

To identify the major drivers which influence employee engagement in the Electronics Industry

5. HYPOTHESIS OF THE STUDY

A null hypothesis was formulated based on the objective given above.

H₀: Human Resource Factors do not differ significantly in their impact on Employee Engagement practices among employees in electronics industry.

6. METHODOLOGY

6.1 Sampling Size

The study was designed to be empirical in nature. Among the available firms in Electronics Industry, top four firms were selected and 200 employees were chosen as sample, by using simple random method.

6.2 Collection of Data

The study was based on both primary and secondary data. The primary data were directly collected from the employees with the help of a structured questionnaire and secondary data were collected from books, journals and websites.

6.3 Tools Used for Analysis

The data collected with the help of questionnaire were analyzed with the help of Factor Analysis.

i. Factor Reduction

Factor Reduction is a set of techniques which, by analyzing correlations between variables, reduces their numbers into fewer factors which explain much of the original data, more economically. Even though a subjective interpretation can result from a factor analysis output, the procedure often provides an insight into relevant psychographic variables and results in economic use of data collection efforts. The

subjective element of factor analysis is reduced by splitting the sample random into two and extracting factors separately from both parts. If similar factors result, the analysis is assumed as reliable or stable.

The results of the two tests, namely, KMO and Bartlett's test of sphericity, are presented in **Table-1**. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is a statistic that indicates the proportion of variance in the variables that might be caused by underlying factors. The KMO value being greater than 0.50 indicated the relevance of the Factor Analysis for the data and KMO measure of 0.501 indicated the appropriateness of using the Factor Analysis. Bartlett's test of sphericity tests whether the variables are related and therefore suitable for structure detection. The significance value is 0.000, indicating that Factor Analysis would be useful for the data.

Table-2 represents the results of the factor extraction process by using Principal Component Analysis. This was used to identify the number of factors to be extracted from the data by using varimax rotation method. In the principal component analysis, total variance in the data is considered. The proportion of the variance was explained by 28 factors in each variable. The proportion of variance is explained by common factors called communalities of the variable. Principal component analysis works on initial assumption that all the variance is common. Therefore, before extraction, communalities are 1.000. Then the most common approach for determining the number of factors to retain (i.e.) examining Eigen value was done.

The total variance explained in **Table-5**, for the first factor, namely, 'Importance of Job' was explained with the highest variance of 5.851%, with Eigen value of 1.638. Rotated component matrix, given in **Table-3**, assessed that coefficients for factor loadings recorded high absolute correlation with variables, namely

due importance was given to complete employees work in time [.745], employees are clear about the objectives [.618] and employees are familiar with core values [.757].

The total variance explained in **Table-5** for the second factor, namely, 'Good Communication' was explained with the highest variance of 3.471%, with Eigen value of .972. Rotated component matrix, given in **Table-3**, assessed that coefficients for Factor loadings recorded high absolute correlation with the variables, namely, bottom up approach is followed [.782], feedback about the performance of the employees was given in time [.762] and employees are allowed to speak up [.805].

The total variance explained in **Table-5** for the third factor, namely, 'Training' was explained with the highest variance of 2.704%, with Eigen value of .757. Rotated component matrix, given in **Table-3**, assessed that coefficients for Factor loadings recorded high absolute correlation with variables, namely, career development is considered when given training [.732] and encouragement is given develop the employees abilities [.829].

The total variance, explained in **Table-5**, for the fourth factor, namely, 'Improvement and Rewards' was explained with the highest variance of 1.941%, with Eigen value of .543. Rotated component matrix given in **Table-3** assess that coefficients for Factor loadings has high absolute correlation with the variable compensation provided are more competitive [.764]

The total variance explained in **Table-5** for the fifth factor namely 'Instruction given by supervisor' was explained with the highest variance of 1.355%, with Eigen value of .379. Rotated component matrix, given in **Table-3**, assessed that coefficients for Factor loadings recorded high absolute correlation with the variable, 'required inputs are given to perform the work' [.665]

The total variance explained in **Table-5** for the sixth factor, namely, 'Harmony' was explained with the highest variance of .721%, with Eigen value of .202. Rotated component matrix given in **Table-3**, assessed that coefficients for Factor loadings recorded high absolute correlation with the variables, namely, employee issues are addressed at right time [.723] and good relationship is maintained with my superiors [.794].

7. FINDINGS OF THE STUDY

Based on the results given by rotated component matrix, factors influencing employee engagement practices are classified as 1.Importance of Job 2.Good Communication System in the organization 3.Training 4.Improvement and Rewards 5.Instructions given by supervisors 6.Harmony. The details are given in **Figure-1**.

8. ACCEPTANCE OR REJECTION OF THE FORMULATED HYPOTHESIS

Based on the results of the factor analysis, the formulated null hypothesis is rejected [refer **Table-4**]

9. SUGGESTIONS OF THE STUDY

Organizations are focusing more and more on employee engagement programs and they are taking initiatives to make their employees engaged. Based on the findings from the above study, the following can be done to improve employee engagement.

- For improving Work-Life Balance, there should be more frequent social get-togethers for employees and their families. To help them cope up with pressure, employees need to be provided flexible working hours and facilities like crèches, gym and other recreation facilities. The management needs to do more to help employees in meeting their personal, family and social commitments like giving their employees and their families a Family Day.

- Decision-making needs to avoid bureaucratic delays. The management needs to encourage quick and independent decision-making down the line.
- Persons with creative ideas and those who are honest, hardworking and sincere need to be recognized and appreciated. Employees, who do well, should be felicitated through public functions, identifying them as the star of the month and encouraging employee kids participating in various competitions conducted by the organization.
- There is also a need to make the communication channels more open and transparent.

10. CONCLUSION

The present paper made an attempt to study the employee engagement practices. The importance of employee engagement in the organizational setting is undeniable as it is shown in the research (Krishnaveni, 2012). Organizations have to give their employees the freedom to make their work exciting and an environment conducive to engaged work life. Employees are the assets of the organization and if they are not given a space whereby they can make a perfect blend of both work and fun, optimum performance from them may be difficult. Employee engagement emphasizes the importance of employee communication in the success of any business. Therefore, employee engagement should not be a onetime exercise but a continuous process of learning, improvement and action. It is an initiative organized to form a truly engaged workforce that creates internal value, promises organizations of employment stability and in effect, positions organizations for nonstop development and success. Thus, organizations today are actively looking forward to proceed on behalf of their employees expectations and performance.

11. SCOPE OF THE STUDY

Research has shown that there is a strong link between employee engagement and

organizational performance. Organizations around the globe are measuring their employees' level of engagement in the attempt to improve productivity, profitability, turnover and safety. According to the Report by Blessing White and HRAnexi (2008), employees in India enjoy higher levels of job satisfaction and connect more strongly with the objectives of their organization. It is a significant competitive advantage over firms in other parts of the world. The workforce in India also enjoys more buoyant job market and wage inflation. This has a direct impact on workers' expectations as well as the factors influencing their decision to stay or leave their current job. Understanding the specific factors influencing the engagement levels of the workforce will be important to any organization looking to positively influence the productivity of its workforce. A clear and concise definition of employee engagement can give human resource development practitioners and managers powerful tools to develop workplace strategies that can greatly improve employee satisfaction, fulfillment and loyalty. Hence the scope for continued research on Employee Engagement is immense.

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Figure-1 : Factors Influencing Employee Engagement Practices

S. No	Factors	Identified factors influencing Employee Engagement
1.	Due importance is given to complete my work in time	Importance of job
2.	Clear about the objectives of my work which I need to achieve	
3.	Familiar with the core values of the organization	
4.	Bottom up approach is also followed as means of communication	Good Communication
5.	Feedback about the performance of employees are communicated to them	
6.	Employees are allowed to speak up the way things are done	
7.	Career development is also considered where providing training	Training
8.	Encouragement is given to develop my abilities	
9.	Compensation provided are more competitive	Improvement and Rewards
10.	Required inputs are given to perform the work	Instructions given by superiors
11.	Employees issues are addressed at right time	Harmony
12.	Good relationship is maintained with my superiors	

Source: Primary Data

Table-1 KMO & Bartlett's Test for the Factors Influencing Employee Engagement

Kaiser – Meyer- Olkin Measure of Sampling Adequacy	.501
Bartlett's test of Sphericity Approx. Chi-Square	1334.613
Df	378
Sig.	.000

Source: Primary Data

Table-2 Communalities for Factor Related to Employee Engagement

S.NO	COMMUNALITIES	INITIAL	EXTRACTION
1	The nature of work done	1.000	.527
2	Clear about the objectives	1.000	.553
3	Familiar with core values	1.000	.622
4	Performing my job	1.000	.565
5	Importance is given to complete	1.000	.615
6	Acute concentration	1.000	.562
7	Top down approach is followed	1.000	.634
8	Bottom up approach	1.000	.703
9	Well informed the happenings	1.000	.587
10	Employees are allowed	1.000	.738
11	Encourages employee suggestion	1.000	.584
12	Feedback about the performance	1.000	.644
13	Training requirement	1.000	.548
14	Extend my abilities	1.000	.721
15	Adequate training	1.000	.605
16	Career development	1.000	.698
17	Work performance	1.000	.490
18	Regular performance	1.000	.527
19	Performance incentives	1.000	.534
20	Compensation provided	1.000	.718
21	Updated practices	1.000	.545
22	Execution of the work	1.000	.743
23	Required inputs	1.000	.542
24	Clear communication	1.000	.670
25	Employee issues	1.000	.601
26	Relationship with my peers	1.000	.616
27	Relationship with my superiors	1.000	.701
28	Growth of the organization	1.000	.497

Source: Primary Data

Table-3 Rotated Component Matrix for Employee Engagement

S. No	Factors	1	2	3	4	5	6	7	8	9	10	11	12
1	Required inputs	.665	.193	.088	-.072	-.085	.052	-.011	.176	.064	.061	.017	.022
2	Encourages employee suggestion	.652	-.104	-.139	.066	.146	-.144	.202	.031	-.070	-.125	-.004	.143
3	Relationship with my peers	.538	.081	-.066	-.019	.093	.267	-.070	-.297	-.054	-.066	.187	-.315
4	Importance is given to complete	.119	.745	.062	-.058	-.046	-.030	-.066	-.043	.089	.109	-.093	.012
5	Top down approach	.017	.668	-.235	.200	.157	.040	.062	.009	-.114	-.126	.136	.121
6	Execution of the work	.248	-.428	.018	.321	-.210	.210	.272	.048	-.048	-.113	-.425	.186
7	Clear about the objectives	-.122	-.104	.618	.135	.114	-.141	.106	-.043	-.203	-.015	.198	.009
8	Growth of the organization	-.096	-.073	.615	.052	.079	.115	.028	.087	.192	.123	-.129	-.068
9	Acute concentration	.185	.078	.591	-.161	-.164	-.046	-.110	-.014	.195	-.003	.026	.256
10	The nature of work done	.070	.019	.452	-.170	.027	.249	.083	.061	-.071	-.406	-.137	-.166
11	Bottom up approach	-.082	.096	.022	.782	.048	.019	.102	-.017	.166	.165	.080	.015
12	Updated practices	-.068	.044	.035	-.578	-.020	.110	.327	.126	.187	.158	.057	.066
13	Employee issues	-.021	.062	-.078	.118	.723	.001	.037	.073	.006	-.081	.122	-.161
14	Well informed the happenings	.067	.035	.281	-.298	.556	-.021	-.085	.005	.021	.173	-.248	.074
15	Regular performance	.036	-.006	.139	.200	.444	-.029	-.313	.029	-.049	.318	-.036	.255
16	Compensation provided	-.043	.025	.037	.010	-.157	.764	.001	.073	-.194	.215	.041	.121
17	Training requirement	.197	-.066	-.003	-.114	.381	.529	.013	-.087	.231	-.073	.022	-.014
18	Feed back about the performance	.076	-.071	.046	-.056	-.016	-.012	.762	-.117	-.024	.088	.132	.085
19	Performing my job	.079	.330	.051	.293	-.205	-.004	.419	.198	.090	-.031	-.043	-.305
20	Career development	.151	.120	.019	-.134	-.044	-.059	-.244	.732	-.197	-.003	-.021	.054
21	Performance incentives	-.139	-.068	.013	.093	.062	.394	.001	.518	.116	-.196	.137	-.054
22	Work performance	.126	-.256	.057	-.043	.203	.002	.260	.491	.216	.047	.036	-.066
23	Familiar with core values	.043	.044	.136	.094	.018	-.103	.025	-.057	.757	-.039	.040	.021
24	Adequate training	-.239	-.059	-.129	-.182	.028	.294	-.018	.212	.490	-.206	-.208	.192
25	Relationship with my superiors	-.046	.040	.059	-.007	.047	.139	.126	-.055	-.109	.794	-.093	-.049
26	Employees are allowed	.098	.009	-.002	.062	.010	.098	.196	.046	-.033	-.099	.805	.127
27	Clear communication	.359	-.288	.003	-.022	-.118	-.036	-.253	.153	.287	.320	.395	-.116
28	Extend my abilities	.035	.081	.022	-.019	-.065	.088	.055	-.007	.060	-.016	.080	.829

Source: Primary Data

1. Extraction method: Principal Component Analysis, 2. Rotation Method: Varimax with Kaiser Normalization 3. Rotation converged in 25 iterations.

Table-4 Acceptance / Rejection of the Formulated Hypothesis

Null Hypothesis	Statement	Test used for acceptance or rejection of hypothesis
H ₀	The Human Resource factors do not differ significantly in their impact on Employee engagement practices among employees in electronics industry.	Tools used for testing: Factor Analysis H ₀ is rejected [Refer table no:5]

Source: Primary Data

Table-5 Impact of Human Resource Factors on Employee Engagement Practices among Employees in Electronics Industry

Attribute No:	Factors	Identified factors influencing Employee Engagement	Loadings of variable /attributes	Communalities	Percentage of variance explained and its Eigen value
4	Due importance is given to complete my work in time	Importance of job	.745	.657	Variance explained=5.851% Eigen value=1.638] No. of Variables=3
7	Clear about the objectives of my work which I need to achieve		.618	.564	
23	Familiar with the core values of the organization		.757	.630	
11	Bottom up approach is also followed as means of communication	Good Communication	.782	.757	Variance explained=3.471% Eigen value=.972] No. of Variables=3
18	Feedback about the performance of employees are communicated to them		.762	.793	
26	Employees are allowed to speak up the way things are done		.805	.632	
20	Career development is also considered when providing training	Training	.732	.633	Variance explained=2.704% Eigen value=0.757] No. of Variables=2
28	Encouragement is given to extend my abilities		.829	.786	
16	Compensation provided are more competitive	Improvement and Rewards	.764	.625	Variance explained=1.941% Eigen value=.543] No. of Variables=1
1	Required inputs are given to perform the work	Instructions given by superiors	.665	.696	Variance explained=1.355% Eigen value=.379] No. of Variables=1
13	Employees issues are addressed at right time	Harmony	.723	.654	Variance explained=0.721% Eigen value=0.202] No. of Variables=2
25	Good relationship is maintained with my superiors		.794	.640	
Total Variance Explained					16.043
Total Number of Variables					12

Source: Primary data.