

DYNAMIC ROLE OF EMPLOYEES ENGAGEMENT IN ORGANIZATIONAL PERFORMANCE WITH SPECIAL REFERENCE TO I.T SECTOR IN BANGALORE

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ABSTRACT

Today present era it has become inevitable for the role of organizations to provide all those facilities which lead to employee engagement. The various researches' across the world has exhibited that the higher the engaged employees, higher is the financial turnover of the companies. This paper is one of the attempts to if at all there is any relationship between the various dimensions of organizational performance specifically the Dynamic Role of Employees Engagement in Organizational Performance. The study is conducted at multiple I.T Sector selected by the referrals of the researcher, and a structured questionnaire collects the data. It has been found that though the organizations are aware of the Employees Engagement in Organizational Performance, there is a presence of all the dimensions of Employees Engagement. It is also found that there is a relationship between the various aspects of Employees Engagement, but not all dimensions.

KEYWORDS: *Employee, Engagement,, Relationship, I.T Sector*

INTRODUCTION

Organizational Performance is defined as the shared managerial beliefs and assumptions about employee nature and behavior. Schein (1990) describes it as a set of shared assumptions, values, beliefs and norms about the expected behavior. Ouchi (1981) puts it as a combination of symbols, ceremonies and myths that communicate the underlying values and beliefs of an organization. The development of mainstream Human Resource Management (HRM) theory has been concerned with how people management can enhance performance outcomes. It is very recently found that interest has been shown in the parallel stream of research on the link between employee engagement and organizational culture, bringing the two together to suggest that engagement may constitute the mechanism through which HRM practices impact individual and organizational Performance.

Present day retail organizations are experiencing highest employee attrition as a huge problem, in spite of giving almost every delight to the employees. At the initial level, if there is a positive and generalizable relationship between:

- Employee engagement and HRD practices at organised I.T Sector in Bangalore,
- Impact of of Organizational Performance with that of employee engagement.

RESEARCH DESIGN

Descriptive research design was employed for current research.

OBJECTIVES OF THE RESEARCH

The Objectives of the Research Were

- To study the present levels of employee engagement at selected organised I.T Sector in Bangalore
- To understand the different cultures of organised I.T Sector in Bangalore.
- To study the relationship between dimensions of Organizational Performance **Openness, Confrontation, Trust, Authenticity, Pro-action, Autonomy, Collaboration and Experimentation** and its relationship with Employee Engagement.
- To test the relationship between Organizational Performance and its impact on Employee Engagement.
- To provide suggestive measures for optimisation of effectiveness and efficiency of the employees in selected I.T Sector.

SCOPE OF RESEARCH

The study is conducted in Bangalore, capital city of Karnataka. Only organized I.T Sector are taken for the purpose of this research study. The scope of the proposed study extends up to studying and systematically analysing the various factors that lead to organization culture and employee engagement. Major factors that lead to employee engagement will be determined and the impact of the Organizational Performance(OCTAPACE dimensions) on employee engagement will be studied.

VARIABLES OF THE STUDY: [Openness (O); Collaboration (C); Trust (T); Authenticity (A); Pro-activity, (P); Autonomy (A); Confrontation(C); Experimentation (E)] and the integrated variables like level of engagement, **dimensions of employee engagement** (Physical, Cognitive, Affective, behavioural) **factors resulting in employee engagement** (Trust & integrity, Nature of the job, Career growth opportunities, Co-workers / team members, Pride about the company etc) will be studied in detail.

Sampling Design

Population: The population includes all employees of organised I.T Sector in Bangalore.

Frame: The frame comprised employees of the I.T Sector of Bangalore.

Sampling Method: Stratified sampling is employed

Sample Size: The questionnaire was rolled out to 756 employees as on March 31st 2017 and a sample size of 246 respondents has been determined.

DATA COLLECTION

The data was collected from primary and secondary resources.

- Primary Data was collected through a combination of a standardised questionnaires on OCTAPACE Dimensions and Employee Engagement
- Secondary data was collected from various sources like:
 - Journals of Industrial psychology, Journal of management and Journal of HRM
 - Reports & Research articles on Employee Engagement, Organization Culture and Organization Climate. Etc.

Statistical Tools

The main tools used for statistical analysis were testing of Hypothesis, Percentage Analysis, Means, Standard deviation, and t-test and one-way ANOVA test.

HYPOTHESES

H₀₁: There is no significant difference between the engagement levels of employees of all organised I.T Sector.

H₀₂: There is no significant relationship between OCTAPACE dimensions of Culture & Employee engagement in all the I.T Sector.

RELIABILITY COEFFICIENT

Cronbach Alpha Reliability Test: Reliability refers to the extent to which a scale produces consistent results if repeated measurements are made. The reliability coefficient (cronbach alpha) was found to be 0.87. The alpha value was more than the minimum acceptable value of 0.7.

LIMITATIONS OF THE RESEARCH

The researcher has identified the following limitations for this research:

- The results were primarily based on the organised retail industry in India (South India), particularly Bangalore city and therefore results may vary with regard to other states.
- The researcher has found that there are expect few I.T Sector in the city that are not aware of employee engagement, whereas, there were few employees who had no idea about the relationship between employee engagement and organizational Performance.

Major Findings

Discriminant relationship of Employee Engagement and Impact of Organizational Performance on EE

This research provides evidence of the distinctiveness of employee engagement and Organizational Performance and researcher conducted a confirmatory factor analysis leading to discriminant validity establishment to examine employee engagement.

- Based on the sequential chi-square difference test (James, Mulaik, & Brett, 1982), the one-factor model, χ^2 (20, N = 198.06; χ^2_{diff} (1, N = 246) = 32.02, $p < 0.01$ and one-factor model = 0.80, the goodness-of-fit index of one-factor model = 0.81, and the Tucker-Lewis index of one-factor model = 0.72.
- The means, standard deviations, internal reliabilities, and inter-correlations among the variables are reported in Table. All measures show high internal reliabilities, with co-efficient alphas ranging from 0.55 to 0.84. The pattern of correlation is consistent with the hypothesized relationships. That is, employee engagement and organisational culture dimensions has a statistically positive relationship.
- The level of significance is based on the critical ratio (CR) of the regression estimate (Biswas, Giri & Srivastava, 2006; Byrne, 2001). Thus, when CR values are greater than or equal to 2.58, it indicates a 99 percent level of significance. However, when CR values are greater than or equal to 1.96 but less than 2.58, it indicates a 95 percent level of significance. Accordingly, it is reported that employee engagement regress is significant and positive on OC (standardized $\beta = 0.48$, CR =4.67). This is consistent with Hypotheses 1 and 2. The standardized regression coefficients for the relationships are designated by β . Further, Organizational Performance dimensions (standardized $\beta = 0.82$, CR = 6.72) are significantly and positively associated with employee engagement.

Table 1: Means, Standard Deviations, Alpha Reliabilities and Inter Correlations among Variables

Dimensions	M	SD	O	C	T	A	P	A	C	E
O	3.16	0.43	(0.73)							
C	3.32	0.61	0.50	(0.80)						
T	3.37	0.36	0.23	0.33	(0.74)					
A	3.47	0.51	0.52	0.54	0.47	(0.84)				
P	3.53	0.51	0.48	0.47	0.32	0.55	(0.55)			
A	3.65	0.62	0.49	0.47	0.45	0.58	0.62	(0.60)		
C	3.68	0.63	0.52	0.49	0.48	0.60	0.63	0.65	(0.65)	
E	3.69	0.64	0.55	0.53	0.49	0.62	0.65	0.66	0.68	(0.65)

Table 2: Regression Estimates for 4 Dimensions

Dimensions	Unstandardized Coefficients		Standardized Coefficient	
	B	Standard Error	β	CR
Openness	0.18	0.05	0.36	3.70
Confrontation	0.23	0.05	0.48	4.67
Trust	1.51	0.22	0.82	6.72
Authenticity	1.07	0.25	0.85	4.22

Note: N=246; The C R (Critical Ratio) is the commonly recommended basis for testing statistical significance of SEM components with C R values beyond ± 2.58 establishing significance at $p < 0.01$ level and applied structural modelling equation (SEM) procedures using the maximum likelihood estimation (MLE) algorithm. SEM offers a better alternative to traditional multiple regression tests of mediation. However, conceptually, procedure of testing mediation using SEM is better to Baron and Kenny's (1986) approach.

Findings as Per Statistical Data Analysis

- Hypothesis Testing revealed that all the OCTAPACE variables which are essential to build strong ethos in the organization are not given equal significance in the organization.
- There is a very high positive inter-correlation amongst openness, confrontation, pro-action and experimentation.

- There is a low positive correlation amongst openness and authenticity and autonomy.
- Likewise, Autonomy also shares a very low correlation amongst all variables except Trust.
- Pro-action shares a very high correlation with experimentation.

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