

Employee Engagement in the IT Industry – Evidence from India

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Abstract

This research paper was aimed at assessing the Employee Engagement levels in the IT industry in India, the factors that contribute to Employee Engagement and to suggest means and ways to improve Employee Engagement levels in the industry being researched. The researcher set out to also identify the impact of demographic profile of employees on engagement. Also assessed in this empirical research was the influence of organizational inputs on Employee Engagement. A structured questionnaire was administered to employees of several IT companies in India. Research results indicate that the demographic profile of employees has an impact on employees' engagement. Organizational inputs and support has an influence on engagement and that committed employees were more engaged. Several recommendations are suggested to improve employee engagement based on the analysis of data collected for this research.

Keywords: Employee Engagement, IT Industry, Job Satisfaction

Introduction

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, feels passionate about its goals and is committed towards its values who can be termed thus. He goes the extra mile beyond the basic job responsibility and is associated with the actions that drive the business. The facts that it has a strong impact on the bottom-line add to its significance. Engagement is about motivating employees to do their best. The quality of output and competitive advantage of a company depend on the quality of its people.

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The term Employee Engagement was originated by the Gallup organization, consequent to 25 years of interviewing and surveying employees and managers, every year and the results are attractive for two reasons: -According to the survey, Employee Engagement has a statistical relationship with productivity, profitability, employee retention, safety, and customer satisfaction (Buckingham & Coffman, 1999).

Engaged - "Engaged employees work with passion and they feel a profound connection to their company. They drive innovation and move the organization forward."

Non- Engaged - "Non - Engaged employees are essentially 'checked out'; they are sleepwalking through their day, putting time – but not energy and passion- into their work." Actively disengaged- "The 'actively disengaged' employees are just not unhappy at work; they are busy acting out their unhappiness."

Review of Literature

Solomon Markos and M. Sandhya Sridevi (2010) identified ten points in order to have employees engaged in any organization. They are: Start it on day one, start it from the top, enhance employee engagement through two-way communication, give satisfactory opportunities for development and advancement. Organizations should ensure that employees have everything they need to do their jobs, give employees appropriate training, have strong feedback system, Incentives have a part to play, build a distinctive corporate culture, Focus on top-performing employees.

Bhatla (2011)¹¹ focused on the need for such employees and how their presence can improve the progress and work efficiency of the organization as a whole. Also focused on the challenges faced by the HR managers to improve employee engagement for an organization's survival. Yasmin Janjhua (2011) in her study proved that job characteristics contribute to job engagement, and organizational engagement. If the employees feel that their jobs provided variety, freedom, identity and proper feedback the employees get more engrossed and engaged in their work thereby leading to more quality, productivity and efficiency. Perceived organizational support was significantly positively related to job engagement and organizational engagement.

Farai Ncube and Steven Jerie (2012) in their study identified the importance of Employee Engagement in hospitality industry. This research also highlighted the other determinants of competitive advantage in the two organizations, but equally indicating the significance of employee engagement.

The findings from both hotels demonstrated the differences in overall performance between the two organizations. There was strong evidence that highly engaged workgroups outperform groups with lower employee engagement, Organization having a greater number of employees that are completely disengaged is poorly placed in employee engagement. Employees of the organization having less completely disengaged employees are strongly satisfied, and are very much willing to stay with their employer. As a result, the hotel with higher engagement levels enjoyed a competitive edge with 43.7% markets share against 17.3% market share of the other hotel. Dharmendra Mehta and Naveen K. Mehta (2013) in their study found different dimensions of Employee Engagement with the help of review of literature. This can be used to provide an overview and references on some of the conceptual and practical work undertaken in the area of the Employee Engagement practices.

Ms. Rashmi Ghamawala, Ms. Rakhi Thakkar and Dr. TruptiS. Almoula (2014) in their study compared Employee Engagement Practices at Public and Private Banks. It also aims to identify the factors that promote better employee engagement practices in these Banks. Sample population comprises of 100 employees taken from both these banks. Study reveals that in PSU Banks most prominent cultural factors includes Open Communication, Loyalty, Equitability, Knowledge Sharing, while least factors are Celebrating Success, Motivation, and Participation. Most prominent cultural factors in private banks found are Inter- personal orientation, Loyalty, Open Communication, Caring Culture, Growth and Advancement while least prominent factors found were Motivation, Open Communication, Mutual Respect, Trust, and Risk Taking Culture. Study also found that most important job related factors in public sector banks were Job Clarity and Job Satisfaction while in private banks, Job Clarity, Elasticity of Goal, Feedback on Productivity etc. were found and least important factors that were common in both banks were Job Fit, Flexibility to work and Continuous Improvement.

M.Jabeen and Dr. Lalitha Balakrishnan (2014) explained that human resource management has undergone a paradigm shift in its approach towards Human Capital. All organizations are now vying with each other to attract, recruit and retain their competent workforce. Such talented employees have proven to be the force behind successful organizations. Various strategies and methods to manage the talent pool have been studied and adopted by HR managers. This paper attempts to explain what constitutes the Employee Engagement, certain drivers or factors that will help in having an engaged work force include: Two-way Communication, make available all resources, Appropriate training, Benefits linked to engagement, and Strong feedback mechanism. Highly engaged employees create a substantive contribution to their organization and may possibly envisage organizational achievement, however the reverse holds true yet. Disengaged employees are often a serious problem for the organization.

Ayers (2006) evaluate disengagement to a cancer that may gradually decay the organization. Customer satisfaction, employee retention, and productivity are all at danger unless burnout and disengagement are often controlled. Companies should take proper measures to reduce the level of disengagement. Interestingly, few research studies illustrated employees generally do not seem to be engaged with their work. The absence of Engagement is the most common problem throughout the world which influences both massive and tiny organizations' making them incur heavy expenses, fail to meet expectations on vital errands, and to make ceaseless of client disappointment Rampersad, (2006). Disengagement will have an effect on the financial performance of an organization too. An engaged employee may reduce disengagement and burnout, and was empirically proved that it is a crucial element for the success of an organization as well as individual customers.

Due to the buoyant job market and the high rate of attrition that characterize the IT sector in India, we expected a significant impact of the nature of the organization on the levels of Employee Engagement. By offering time and cost advantages to the global consumers across the world (Patnaik, 2001), the Indian IT industry has emerged and been accepted as one of the key players in the global market. While this translates in high salary packages and growth opportunities for the employees, which also leads to high rates of attrition – in a market that is growing too fast for the growth in human resources to catch up. In this situation, it was expected that high levels of Employee Engagement increases commitment and reduces attrition. Hence this study is taken up to highlight the extent of Employee Engagement, the causative factors for Engagement or disengagement if any, and to identify the ways and means to enhance Employee Engagement in IT Industry of A.P. are chosen specifically as the studies are limited and IT Industry pose the challenges of burnout, disengagement, attrition and work life balance etc.

Research Gap

Very few studies are found in Employee Engagement and also less focus to determine the factors that most significantly influence Engagement and level of Employee Engagement in I.T. sector. Sadly, Employee Engagement is not a one-dimensional concept, something that can be enhanced by conducting a survey. Instead, companies those that are thriving at increasing Employee Engagement comprehend that it needs a culture change. And the results highlight that there is a direct relationship between Employee Engagement and organizational performance.

According to the survey of NASSCOM, Information Technology in India has extensive growth, which results enormous inflows of foreign investment ultimately contributes to the growth of GDP, export promotion and employment generation for millions of professionals worldwide.

The latest report from NASSCOM confirms that the biggest challenge of companies is not just satisfied employees, but to engage the employees permanently for the organizational success and individual growth.

Of myriad HR-related challenges faced by the industry, the critical one is attrition. A recent report from NASSCOM reconfirms the fact that the biggest challenge of all is to manage the ambitious and transient workforce. As the industry is predominantly service-oriented, the importance of attracting and retaining talent has become crucial. Hence the study on Employee Engagement with respect to the employee's opinion is to be conducted to identify the ways/interventions and means to enhance Employee Engagement in the organizations.

Research Questions

Based on the above stated research gap the following research questions have been developed to fill the research gap.

- What is the current level of Employee Engagement in I.T. Industry?
- What are factors that influence Employee Engagement?
- What are the ways and means, the organizations need to enhance Employee Engagement?

Statement of the Problem

Engagement is the psychological or emotional dimension rather than physical which is complex and may be easily biased. In order to handle this situation, researchers must focus particularly on the Engagement levels of employees in human services field. Empirical information is required for professionals so they can better comprehend Employee Engagement and utilize to build up managerial interventions and various strategies to promote Engagement for Human resource management. Does Employee Engagement lead to superior performance? Do the employers know which specific factors lead to Employee Engagement? Do employees know their Engagement levels for the organization? Not everyone. The psychological dimension comprehended by the employees, expressed through questionnaires and answering them honestly require the maturity levels at a higher level. However, care is taken to simplify the questionnaire and administer the same by clarifying the questions and explaining the details.

Significance of the Study

The results of this study will provide insight and information for I.T. professionals and researchers about Employee Engagement in the field of Human services. As the level of Employee Engagement was measured, Team leaders can develop and implement strategies that would actually improve Engagement in their organizations, thereby potentially increasing the overall effectiveness of the organization, and possibly decreasing level of burnout, absenteeism and attrition.

Engaged employees do support in downtrend of the business and become brand ambassadors of the organizations. Team leaders, therefore, may work towards creating a work environment that lends itself to Engagement from themselves and from the employees.

Objectives

1. To measure current level of Employee Engagement in I.T. Industry of A.P.
2. To examine the causative factors for Employee Engagement \ Disengagement.
3. To assess the impact of demographic profile of the employees on their Engagement.
4. To identify the influence of organizational inputs on the Employee Engagement.
5. To identify interventions\ways and means to enhance Employee Engagement in the organizations.

Hypothesis

H_{0a}: - There is no association between leaders' behavior and Employee Engagement.

H_{0b}: - There is no association between Opinion on the mission of the company and Employee Engagement.

H_{0c}: - There is no association between associates/co-workers behavior and Employee Engagement.

H_{0d}: - There is no association between Working Conditions in the organization and Employee Engagement.

H_{0e}: - There is no association between Job Satisfaction and Employee Engagement.

H_{0f}: - There is no association between Commitment and Employee Engagement

H_{0g}: -There is no association between demographic factors and Employee Engagement.

The different demographic variables considered for the study are Gender, age, designation, Department, income, spouse working, marital status, family size, total experience in the organization, and experience in the organization. Based on these demographic variables, the above hypothesis can be divided into following sub-hypotheses.

- H_{0g1}**: -There is no association between Gender and Employee Engagement
- H_{0g2}**: -There is no association between Age and Employee Engagement.
- H_{0g3}**: -There is no association between Designation and Employee Engagement.
- H_{0g4}**: -There is no association between Department and Employee Engagement
- H_{0g5}**: - There is no association between Income and Employee Engagement
- H_{0g6}**: - There is no association between Spouse Working and Employee Engagement.
- H_{0g7}**: - There is no association between Marital Status and Employee Engagement
- H_{0g8}**: - There is no association between Family size and Employee Engagement
- H_{0g9}**: - There is no association between Total Experience and Employee Engagement.
- H_{0g10}**: - There is no association between Experience in the Organization and Employee Engagement.

Population of the Study

The Population for the proposed research includes all the IT company employees in Hyderabad.

Research Design and Data Collection:

The success of any research is solely depending on research design. Descriptive research was adopted for this study. The reason for choosing the descriptive research was that it helps in generalization to a greater extent. The study is based on both primary and secondary data. Primary data is collected through a well-framed and structured questionnaire to elicit the well-considered opinions of the respondents. The secondary data is collected from different Business Periodicals, Business journals, magazines, publications, reports, books, dailies, Research articles, websites, manuals and booklets.

Questionnaire Design

Based on the in-depth study of literature review, the questionnaire used for the final study consists of three parts. The first part relates to the demographic and other variables of the IT employees and the second part comprises of measurement of Employee Engagement. To find out the Employee Engagement, the researcher used different tools like

1. Gallup Model
2. Digital Opinion
3. JRA Model and
4. Corporate Leadership council.

Work Engagement was measured by Vigor, Dedication and Absorption. The third part comprises of measurement of the following causative factors

1. Job Characteristics
2. Perceived Organizational Support,
3. Perceived Supervisor Support,
4. Co-worker Support,
5. Rewards and Recognition,
6. Distributive Justice and
7. Procedural Justice.

Most of the responses are measured with the help of 5 point likert scale from strongly disagree to strongly agree. Remaining is rating and tick the appropriate choice method questions.

Sampling Design, Procedure and Data Analysis

The sampling unit for the study includes employees of selected I.T. Companies engaged in software development in the undivided Andhra Pradesh. Multistage sampling procedure is adopted. On first Stage six I.T. Companies of A.P are selected using purposive Sampling. As many as 20 companies have been approached for the gathering of the primary data. But support was extended by the following 6 companies only. The companies thus selected are Cognizant, Infosys, Mahaveer Info tech, Mahindra Satyam, Tata Consultancy Services, and Wipro. In the Second stage 100 employees from each company are selected using convenience sampling which forms 600 employees as the sample size. Statistical tools used are simple percentages, weighted average method, Factor Analysis, Chi-Square test and ANOVA.

Scope of the Study

In this research an attempt is made to carry out the study of Employee Engagement in IT industry and its causative factors and linkages, impact of demographic profile of the employees on Engagement, influence of organizational outputs on the Employee Engagement. This study has been limited to six IT companies in Hyderabad and the data is collected from those organizations and the data was collected from those organizations.

Reliability Analysis

Reliability is defined as the extent to which a questionnaire, test, observation or any measurement procedure produces the same results on repeated trials. Briefly, it is the stability or consistency of scores over time or across raters. It is noted that reliability pertains to scores not people. Thus, in the research it is never said that someone was reliable. In other words, it is the reliability of an instrument is the degree to which it yields a true score of the variable under consideration. The extent to which they agree on the scores for each contestant is an indication of reliability. Similarly, the degree to which an individual's response (i.e., their scores) on a survey would stay the same over time is also a sign of reliability.

There are several methods used to establish the reliability of a measuring instrument. Some of these include test – retest method, equivalent forms, split – halves method and internal consistency method. Most preferred methods to measure reliability is an internal consistency method, because it is most effective in field studies and can be done with a single administration. Internal consistency is concerned with the homogeneity of the items comprising a scale. A scale is internally consistent to the extent to which the items in it are highly inter-correlated. This method is the most considered general forms of reliability estimation. In the internal consistency method, reliability is considered as internal consistency, which is the degree of inter correlation among the items that constitute a scale. It represents the level of homogeneity in the items of the scale. Internal consistency is measured using a reliability coefficient of Cronbach's alpha.

The standardized Cronbach's coefficient alpha has been calculated for the (76) items of the data collected.

| | |
|------------------|----|
| Cronbach's Alpha | |
| .827 | 76 |

| | | | |
|--------------------------------|------------------|------------|-----------------|
| Cronbach's Alpha | Part 1 | Value | .696 |
| | | N of Items | 38 ^a |
| | Part 2 | Value | .699 |
| | | N of Items | 38 ^b |
| | Total N of Items | | 76 |
| Correlation Between Forms | | | .746 |
| Spearman-Brown Coefficient | Equal Length | | .854 |
| | Unequal Length | | .854 |
| Guttman Split-Half Coefficient | | | .854 |

Cronbach's Alpha

The internal consistency of the questionnaire of 76 questions with value of the Cronbach's Alpha is .827, which shows that data is 82.7% reliable, and Guttman Split-Half Coefficient is .854 and can be used for the purpose of analysis. The factors have been highlighted in table of Rotated Component Matrix. The factors are given a nomenclature by understanding and reading the factors by SPSS. Factor analysis: factor loads has helped me to give the nomenclature to the factors.

Statistical Tools for Analysis

Relevant statistical tools are applied for the purpose of data collection. All the collected questionnaires are coded with the help of excel sheet and the same is uploaded in SPSS 20.0 for the purpose of analysis. Chi square followed by factor analysis and ANOVA was adapted to draw more efficient results.

| Null Hypotheses | Sig. Value | Result |
|--|------------|----------|
| H ₀ a: There is no association between Leaders behavior and Employee Engagement | 0.000 | Rejected |
| H ₀ b: There is no association between Opinion on the mission of the company and Employee Engagement | 0.000 | Rejected |
| H ₀ c: There is no association between associates behavior and Employee Engagement | 0.000 | Rejected |
| H ₀ d: There is no association between Working conditions in the organization and Employee Engagement | 0.000 | Rejected |
| H ₀ e: - There is no association between Job Satisfaction and Employee Engagement. | 0.000 | Rejected |
| H ₀ f: There is no association between Commitment and Employee Engagement | 0.000 | Rejected |

Table1: Consolidated Chi Square Results

H₀g: There is no association between demographic factors and Employee Engagement

The different demographic variables considered for the study are Gender, Age, Designation, Department, Income, Spouse Working, Marital Status, Family Size, Total Experience in the Organization, and Experience in the Organization. Based on these demographic variables, the above hypothesis can be divided into following sub-hypotheses.

| Null Hypotheses | Sig. Value | Result |
|--|-------------------|---------------|
| H_{0g1} :- There is no association between Gender and Employee Engagement | 0.114 | Accepted |
| H_{0g2} :- There is no association between Age and Employee Engagement | 0.048 | Rejected |
| H_{0g3} :- There is no association between Designation and Employee Engagement. | 0.003 | Rejected |
| H_{0g4} :- There is no association between Department and Employee Engagement | .000 | Rejected |
| H_{0g5} -. There is no association between Income and Employee Engagement | 0.010 | Rejected |
| H_{0g6} - There is no association between Spouse Working and Employee Engagement. | 0.636 | Accepted |
| H_{0g7} - There is no association between Marital Status and Employee Engagement | 0.167 | Accepted |
| H_{0g8} - There is no association between Family Size and Employee Engagement | 0.005 | Rejected |
| H_{0g9} - There is no association between Total Experience and Employee Engagement | 0.508 | Accepted |
| H_{0g10} - There is no association between Experience in the Organization and Employee Engagement | 0.52 | Accepted |

Table 2: Demographic Factors- Employee Engagement

Factors Contributing To Employee Engagement

Factor Analysis is a data reduction technique. It also helps in structure detection among the variables and further helps in studying the underlying crucial factors that cause the maximum variation.

| S. no | Factor Name | Factor Loading value | Factor |
|-------|---|----------------------|---|
| 1 | I am given enough freedom to decide on issues under my perview | 0.702 | Organizational Support |
| | If given the opportunity, my organization would take advantage of me | 0.552 | |
| | I am satisfied with the promotional policies in the organization | 0.543 | |
| 2 | In the workplace my co-workers and subordinates give due respect to my thoughts and feelings. | 0.715 | Intrinsic Motivators |
| | The organization I work for, elevates my respect in the public | 0.591 | |
| | My job itself provides me information about my work Performance. | 0.519 | |
| 3 | My work supervisor really cares about my well-being. | 0.689 | Employee oriented organizational culture |
| | My organization would forgive a honest mistake on my part | 0.634 | |
| | Most often I use all the skills at work. | 0.557 | |
| 4 | Given my performance, my outcomes are justified | 0.675 | Distributive Justice |
| | The outcomes I receive reflect the effort I have put into my work | 0.615 | |
| 5 | At work, I am always identified by the tasks I perform | 0.759 | Effective goal-setting |
| | My organization strongly considers my goals and values | 0.517 | |
| 6 | I need not worry of my job as long as I meet standards. | 0.740 | Hygiene elements |
| | I have been able to express my views and feelings during those procedures | 0.623 | |
| 7 | We wish we could be paid worth our work | 0.737 | Equity |
| 8 | Those procedures have been applied consistently | 0.749 | Appraisal Transparency |
| | My supervisor strongly considers my goals and values. | 0.619 | |
| 9 | Training is facilitative and helps me to perform better | 0.770 | Customized training |
| 10 | I am always informed of expectations and my current performance. | 0.718 | Feedback |
| 11 | My co-worker really cares about my well-being | 0.741 | Peer Cohesiveness |

Table 3: Factors contributing to Employee Engagement

| Factors | Sum of Squares | Df | Mean Square | F | Sig. |
|---|----------------|----|-------------|--------|------|
| Job Characteristics | 39.697 | 2 | 19.848 | 40.002 | .000 |
| Perceived Organizational Support | 62.085 | 2 | 31.043 | 67.678 | .000 |
| Perceived Supervisor Support | 60.903 | 2 | 30.452 | 66.104 | .000 |
| Co-worker Support | 13.350 | 2 | 6.675 | 12.354 | .000 |
| Rewards and Recognition | 21.079 | 2 | 10.540 | 19.985 | .000 |
| Distributive Justice | 21.221 | 2 | 10.610 | 20.128 | .000 |
| Procedural Justice | 43.497 | 2 | 21.748 | 44.401 | .000 |
| Senior Management | 5.816 | 2 | 2.908 | 5.259 | .005 |
| Cultural balance of formal and informal workplace | 3.618 | 2 | 1.809 | 3.250 | .039 |
| Compensation & benefits | 1.584 | 2 | .792 | 1.414 | .244 |
| Career Opportunities | 12.481 | 2 | 6.240 | 11.519 | .000 |
| H.R. Initiatives | 4.883 | 2 | 2.442 | 4.403 | .013 |
| Policies and Procedures | 1.226 | 2 | .613 | 1.094 | .336 |

Table 4: ANOVA table for different factors and Employee Engagement

- From the ANOVA table, it is observed that Job Characteristics, Perceived Organizational Support, Perceived Supervisor Support, Co-worker Support, Rewards and Recognition, Distributive Justice, Procedural Justice, Senior Management, Cultural balance of formal and informal workplace, Career Opportunities, and H.R. Initiatives have significant impact on Employee Engagement. It is observed that Compensation & benefits and Policies & Procedures have no significant impact on Employee Engagement.

| Factors | Sum of Squares | Df | Mean Square | F | Sig. |
|----------------------|----------------|-----------------------|-------------|--------|-------|
| Across the Companies | 39.697 | 2 | 19.848 | 40.002 | .000 |
| Company Name | N | Subset for alpha=0.05 | | | |
| Duncan ^a | 2 | 100 | 1 | 2 | 3 |
| | 5 | 100 | 3.90 | | |
| | 6 | 100 | 3.94 | | |
| | 3 | 100 | 4.01 | 4.41 | |
| | 4 | 100 | | 4.55 | |
| | 1 | 100 | | | 4.76 |
| Sig | | .281 | | .143 | 1.000 |

Table 5: ANOVA table across the Companies and Employee Engagement

Since significance value is less than 0.05, we reject the null hypothesis and accept alternative hypothesis at 5% significant level. Hence we conclude that all the companies are not homogenous with respect to Employee Engagement. Further based on Duncan's multiple ratio test, the selected Six companies can be grouped into three, namely, Infosys, TCS, Wipro with first group, Mahaveer Info tech, Mahindra Satyam with second group, and Cognizant with third group.

Findings

The major findings of the study:

- The Causative factors which lead to Employee Engagement in IT industry are:
 1. Organizational Support
 2. Intrinsic Motivators
 3. Employee oriented organizational culture
 4. Distributive justice
 5. Effective goal-setting
 6. Hygiene elements
 7. Equity
 8. Appraisal Transparency
 9. Customized Training
 10. Feedback and Peer Cohesiveness.

- The factors which improve job satisfaction in the organization are ranked as follows:
 1. More flexible job conditions.
 2. A better relationship with my manager
 3. Career Development opportunities and training
 4. Improved cooperation among my co-workers
 5. Greater clarity about what the organization needs me to do and why
 6. More challenging work
 7. Greater clarity about my own preferences and career goals
 8. More opportunities to do what I do best.

- Factors contributing to disengagement of employees are ranked below:
 1. Lack of Recognition from superiors for extra effort
 2. Too many projects
 3. Lack of quality information.
 4. Stress to complete the work in limited time.

5. Uneven distribution of work.
 6. Lack of motivation from superiors and subordinates.
 7. Lack of time management skills.
 8. Lack of resources to complete the work.
- Factors causing the employee attrition are ranked below
 1. Better Career Opportunities
 2. Higher Pay
 3. Inflexible working hours
 4. Too many projects
 5. Job insecurity
 6. The Lack of challenging work environment.

| Employee Engagement | | High | Low |
|------------------------------------|---|-----------------|---|
| | Gallup Model | Cognizant | Infosys |
| | Digital Opinion | Cognizant | Tata Consultancy Services |
| | JRA Model | Cognizant | Infosys |
| | Corporate Leadership Council | Cognizant | Infosys |
| Work Engagement | | Cognizant | Infosys |
| | Vigor | Mahindra Satyam | Infosys |
| | Dedication | Cognizant | Infosys |
| | Absorption | Cognizant | Mahindra Satyam and Tata Consultancy Services |
| Disengagement | | Cognizant | Wipro |
| Current Employee Engagement | | Cognizant | Infosys |
| Causative Factors | | | |
| | Job Characteristics | Cognizant | Mahaveer Infotech |
| | Perceived Organizational Support | Cognizant | Infosys |
| | Perceived Supervisor Support | Cognizant | Infosys |
| | Co-Worker Support | Cognizant | Mahaveer Infotech |
| | Rewards and Recognition | Cognizant | Infosys |
| | Distributive Justice | Cognizant | Infosys |
| | Procedural Justice | Cognizant | Infosys |

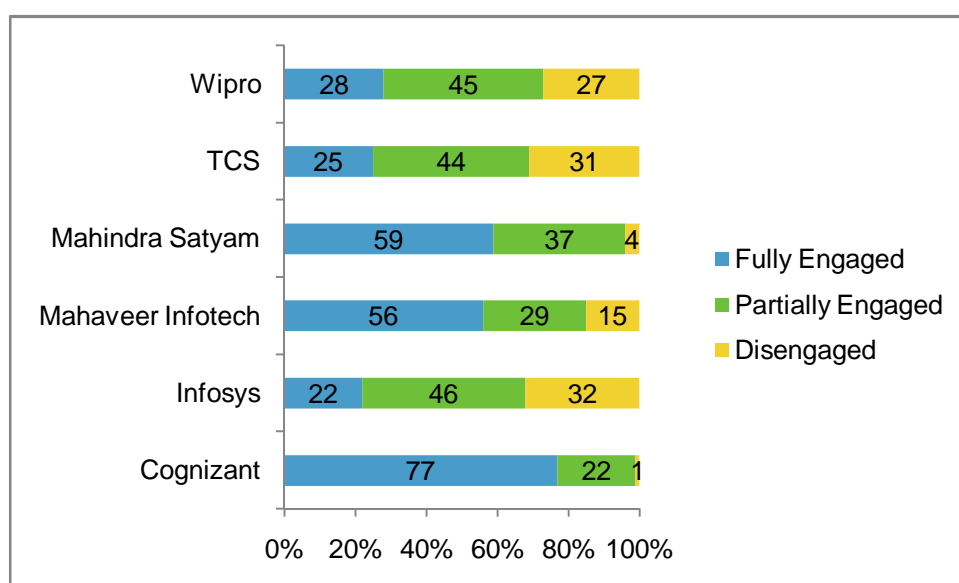
Table 6: Level of Employee Engagement across companies

| Company | Factors influencing | |
|---------------------------|---|--|
| | Engagement | Disengagement |
| Cognizant | Motivating work environment, accessibility of information, updated training, co-worker support, committed employees, fair rewards and recognition, distributive and procedural justice, and supervisor support. | Routine job in the project, manager resist changing, tedious/unchallenging tasks, health issues due to over stress. |
| Infosys | Co-worker support, opportunities for career development and challenging projects. | Only negative feedback from team leaders, discussing only failures, reward system was not properly communicated and no recognition for employee efforts, lack of trust, and favouritism. |
| Mahaveer Infotech | Challenging work environment, fair rewards and recognition, and recognition from clients. | Lack of career development, mechanistic slavery, poor relationships with supervisor and colleagues, resist changing, lack of training, stress and over load. |
| Mahindra Satyam | Motivate employees to take initiation, organizational support and co-worker support. | Lack of job security, inequitable pay and lack of openness in evaluating rewards and recognition, and poor ethical norms. |
| Tata Consultancy Services | Updated Training, concern towards employee feelings, social responsibility and job security. | No support from colleagues, lack of involvement in decision making and no challenging work. |
| Wipro | Flexible work schedules, regular feedback, fair rewards and recognition, Training, offshore projects and challenging projects. | Employee efforts are not considered and valued; projects may not be stimulating, tedious/unchallenging tasks, more stress and additional tasks to complete the projects within specified time. |

Table 7: Factors contributing to Employee Engagement and Disengagement

| | Fully Engaged | Partially Engaged | Disengaged |
|--------------------------|---------------|-------------------|------------|
| Cognizant | 77 | 22 | 1 |
| Infosys | 22 | 46 | 32 |
| Mahaveer Infotech | 56 | 29 | 15 |
| Mahindra Satyam | 59 | 37 | 4 |
| TCS | 25 | 44 | 31 |
| Wipro | 28 | 45 | 27 |

Table 8: Company-wise comparison of Employee Engagement



From the study, it is observed that the age group with the highest level of Engagement was between 21-32, and the age group with the lowest level of Engagement was between 33-45, Middle Level of Employees has highest Engagement when compared with low level and Top level of employees, IT department have high level of Engagement when compared with HR, Marketing, and Finance departments, fresher's with income level (1,00,000-4,00,000) has high level of Engagement when compared with high level income group, less (2-4) the family size, high the level of Engagement, Employees with Total experience (fresher's (0-3)) in the organization has high level of Engagement, Experience in the organization (fresher's (0-3)) has high level of Engagement.

Employees feel distanced and are not convinced of the efforts taken to create the awareness of the new project and the different platform. Fresher's enthusiasm goes for the kill as their opinions are not considered.

Employees at the beginning of their career feel disheartened when some of their valid opinions are not seriously considered. The study reveals that co-workers encourage their development because of healthy competition and friendly atmosphere. The majority of the employees felt that there is no recognition for their work in the organization and there is no flexibility in their work schedule. Few managers do not communicate with their employees' regarding their progress due to ego or misunderstandings. Superiors always focus on mistakes rather than on the progress of the employees.

Most of the employees felt that they have opportunities to learn and grow only when the project is unique and challenging. Experienced employees have less opportunities when compared with inexperienced because organizations think that they need to pay more for experienced and the same project can be handled by others who are less experienced employees. The study reveals that most of the team leaders are mechanical, and they won't recommend their subordinates to offshore projects based on experience or performance appraisal. The projects sometimes may be tedious because of monotonous work and improper training. Employees stay with the company, though offered similar position and they recommend to family and friends only if there is job security, travelling convenience, career growth, equitable pay, superior support, domain which they like, training to excel in their profession, considering employee opinions, good interpersonal relationships, fun working environment and empowerment.

The study also reveals that employees take an active interest in what happens in the organization only when they are committed and dedicated. Employees go extra mile only when they feel recognized, concern for employee feelings, healthy, competitive environment, challenging work environment and allocating off shore projects based on merit and experience. Employees feel pride working for an organization because of social responsibilities, concern towards employee feelings, ideas and participative management style. The study reveals that employee feels motivated, enthusiastic and energetic when the project is challenging, new tasks that inculcate new skills, innovative and when they are rewarded even for small successes. The employees were of the opinion that team leaders must discuss available growth opportunities, and provide frequent opportunities to participate in decision making. Assist employees to believe that they can excel in their job by which they can reach their organizational and individual objectives with superiors and subordinates support. Employees can continue working for a very long period of time to complete the project within specified time prescribed by the company which leads to individual and organizational growth. Employees feel the pride of the work they do when the software is new to the market and no competition for the product which was designed by them and meet the standards of the client or they have developed defects free code.

The study discloses that job characteristics score high at Cognizant because of superiors involve subordinates in every step of project and feel more connected, use different design approach for single projects, simple application design, each employee contribution made significant for completion of the project, freedom to make decisions in order to accomplish their task, and frequent feedback helps to correct their behavior in order to achieve better results. Mahaveer Infotech scores low because their team leaders do not consider their job as significant in achieving the overall tasks, lack of knowledge, training, interest, trust, and resist to change, stress and overload.

Perceived Organizational Support scores high at Cognizant because organization consider employee goals which leads to individual and organizational growth, helping each other, providing fair treatment for all employees, trust, favorable working conditions and rewards, developmental skills allow employees to expand their skills. Infosys scores low because of financial crisis, and low profits. Perceived Supervisor Support scores high at Cognizant because team leaders consider employee ideas, Engagement increases when they perceive that their efforts were fairly rewarded by their supervisors. Infosys scores low as negative feedback from superiors, and discussing only failures of employees. Co-worker Support scores high at Cognizant because of assisting one another in completing their tasks, sharing knowledge and expertise as well as providing encouragement and support, trust between them increases Employee Engagement. Mahaveer Info tech scores low as competition between co-workers where ideas were not discussed openly and freely.

The research highlights that rewards and recognition scores high at Cognizant because of supervisors and managers are more likely involved in the design, implementation and assessment or evaluation of total rewards programs to reduce impartiality and discrimination. Infosys scores low as reward system was not properly communicated and recognition may not be instant or on the spot. The survey reveals that Distributive Justice scores high at Cognizant because employees perceive their organization value their contribution and take care of employees, satisfaction with compensation and benefits, distributing the rewards and resources to be fair and equitable, fair treatment at work. Infosys score low as reward system may be questionable in financial crisis, and favoritism.

Procedural justice in Cognizant scores high because of fairness in managerial policies and practices, distributive rewards and benefits at work, also involve superiors and subordinates avoid inequity. Infosys scores low because of employees won't involve in framing policies. Procedures in the organization were not accurate, biased and inconsistent. Employees can't voice their dissatisfaction regarding unfair policies and procedures because of fear. The study reveals that the majority of employees opted for flexi work and free work environment.

Providing materials and equipment refers to the accessibility of information in this industry. Even if the employees were offered a position with another organization they were not ready to go if career growth and free work environment had.

Employees are aware of their importance and contribution in the work. All the employees are working according to the company's mission. Regular and constructive feedback seems to be less in the organization. Employees feel that expected career growth was not there for the talented workers. Employee opinions were not considered during decision making. The study also reveals that there are stress and overburden from the superiors and peers. Employees feel motivated, energetic, and enthusiastic in their work when the project is challenging. Employees take an active interest in what happens in the organization and look for ways to do their job more effectively when they feel engaged, committed and loyal. Pay and rewards in the organization must be based on experience and merit. The research highlights that Participative decision making helps the employee to solve the problems and find solutions. Challenging work environment and job rotation makes the employee to innovate new things in the organization. Organization need to implement retention strategies for committed employees. Companies need to improve Engagement by implementing effective HR policies. Stimulating work environment, better recognition and development opportunities, both horizontal and vertical communication, higher compensation packages, lead to Employee Engagement. The results reveal that employees who hold jobs that offer high levels of autonomy, task variety, task significance and feedback are more highly engaged and, in consequence, receive higher performance ratings from their supervisors. The relationship between supervisors and co-workers must be cordial and it was proved that associates behavior influences Employee Engagement.

Suggestions

The study revealed that a good number of employees in IT industry are not aware of the expectations of them at work (especially Mahindra Satyam). So, to avoid confusion companies need to follow the Process Consultation by Edgar Schein to reduce communication barriers between client/Manager and employee. From the commencement of the project, there should be an involvement that simultaneously allows both the client and the employee to analyze what is going on and that builds a friendly and motivating environment between them.

The Employee must be able to offer different advice and solutions for the clients. The Employee must carefully listen to client requirements and design the software. Errors must be avoided, but each error must help them to learn. Whenever employees are in doubt, the problem should be shared with the superior or client and involve them.

Feedback helps the employee and client to resolve the errors and complete the project in a successful manner. Most of the employees felt that they want to handle a project which doesn't relate to their platform. So, the industry (esp. Infosys) needs to implement cross-cultural communication model like Guided Missile culture which is project oriented, problem centered, professional, practical and cross disciplinary, here the team members are not fixed in advance, but selected based on the project. The results are faster and there is greater flexibility as people work in smaller or virtual teams.

According to the research, IT industry (esp. Tata Consultancy Services) may arrange for confrontation meetings, through which employees feel that they are involved in the decision making process. It generates information about its major problems, analyses the underlying causes, develop action plans to correct the problems, and sets a schedule for completing remedial work.

Most of the employees in I.T. industry have the opportunity to perform better every day when they list their interests and weaknesses to enhance their skills. The industry must train their employees through innovative workshops; cross functional teams and collaborative working between them, so that the employees come up with innovative thoughts.

As per the survey conducted, employees need to know how their behavior affects them. For instance, the employees are required to confront with their own behavior patterns and the expectations of the clients. To address this problem, organizations may arrange workshop on interpersonal communications through tools like Johari Window which would help them to know others and others to know them.

The survey highlights that effective downward communication helps to improve Employee Engagement because superiors hold information with them for few projects, so in this scenario, Katz and Kahn communication process helps to reduce barriers. Hence the downward communication in the organizations may be divided into five distinct types like Job Instructions, Job rationales, procedures and policies, feedback and Employee Indoctrination. This will provide clarity to the managers and the subordinates as well as understanding their expectations and meeting them.

Most of the employees in I.T. industry is of the opinion that, the communication between superiors and subordinates is not very frequent. So, online discussion boards and usage of social media may help them to communicate and share their thoughts, ideas and feelings freely which empower employees' to express themselves. The employees may be trained on how to use social media in managerial communications.

Team leaders' setting mutual goals and their willingness to evaluate the real time feedback perceptibly not visible in IT industry, hence it is suggested that introduction of Performance Management System like MBO helps the organization to set mutual goals and cascade objectives to employees, monitoring, evaluating their performance, and provide feedback with performance based rewards. Most of the employees are dissatisfied with rewards and recognition, so the IT industry (esp. Infosys) needs to follow Key performance indicators and adopt work planning review every week or 15 days based on the duration of the project. Senior managers ought to provide feedback honestly and frequently to build Employee Engagement. 360° feedback helps to monitor objective individual behavior.

The culture of openness (esp. Mahindra Satyam) in evaluating rewards and recognition was not usually prevalent, organizations must follow transparency and meritocracy and the recognition must be on the spot. Best performers for star of the month, star of the project, super stars for best achievers may be introduced to motivate the employees and to increase Engagement level.

As per the survey, most of the employees (esp. Mahaveer Info tech Limited) felt that they are not involved in decision making, so training may be provided to top level employees in servantile and distributed leadership so that they focus on employee empowerment and encourage innovation. Employees work through within relationships, rather than individual action. Participative decision making helps to obtain innovative and creative ideas from the employees.

As there is no much feedback on employee's progress/ career growth while the project is continuing, and the managers are not able to assess, communicate and use the same as a motivator. In order to achieve that training may be given to the project leaders on performance evaluation so that their employees' performance may be evaluated periodically. Constructive and regular feedbacks regarding their progress or career growth enhances Employee Engagement.

In I.T industry most of the jobs are monotonous and tedious. Generally, Job design may be Invariant and Contextual. Generally, job design does not have any scope for innovation because the project may be based on client requirements and specific process as specified by the client which leads to an invariant job design. Hence through contextualization, team leaders may provide freedom and feel them responsible for their output. By this employee feels that the project is challenging and can have opportunities to learn. Most of the employees felt that their job is challenging, meaningful and purposeful by job enrichment (adding duties and responsibilities).

According to the survey, organizations (esp. Infosys) do show signs of favoritism in selecting employees to off shore projects. The top management should frame policies like minimum achievements/credentials, duration of stay in the company etc and make the procedure transparent.

Most of the employees (esp. Mahaveer Infotech Limited) felt that managers/superiors are mechanical and do not maintain good interpersonal relationships. Cohesive groups create feeling of friendship and loyalty among group members. High cohesiveness (complimentary skills to complete tasks, time, resources, strategy, implement and review) and positive induction (positive influence of a servant and distributed leadership, fair reward system and intrinsic rewards) leads to higher productivity. Socialization programs, selection of members into the teams, providing support to the teams enhance the team's effectiveness. In I.T. industry to reduce eye-ball control and to avoid monotonous/tedious work, Self-Managed Teams and high performance work systems helps the organization to develop relations between superiors and subordinates, and employees come up with innovate ideas.

Employees (esp. Infosys) feel they are not recognized for their outcomes. Hence superiors to increase Engagement may assign staff additional responsibility by paying annual stipend and recognize their efforts by issuing/hosting plaque or citation.

If employees want to stay with the company, the top management may empower the employees with accountability. The top management may appreciate that a relationship of mutual trust and respect is the key to ensure a motivated workforce. In I.T industry employees frequently shift from the Organizations. To avoid this, top management need to implement set of retention strategies like a long term career plan, potential development to perform future job, deferred bonus, Employee stock option plans, cafeteria plan like menu of benefits, conduct exit interviews to know why employees are leaving.

Most of the employees from the I.T. industry prefer working from home and free work environment (flexi time and flexi work). But certain team leaders insist that, employees work from the office only as they can be trained on other platforms and also be informed on the types of clients and projects etc. Both employees and the team leaders may sit together on this and arrive at a win-win conclusion thus leading to better Employee Engagement. Employees at times are not seemed to be taking an active interest and responsibility in the organization. To ensure this, there may be cross-cultural teams, virtual teams and cross-functional teams as part of the team selection so that the employees may feel motivated by greater versatility transfers in the subsidiary and across subsidiaries.

At times the commitment levels of the employees observed to be low. With training for high internal locus of control, who believe in their own ability to control themselves and see their future as being in their own hands and that their own choices lead to success or failure, the confidence levels of the employees may be enhanced which in turn would address the commitment levels. They will also likely be more motivated and success-oriented and accept responsibility for what happened. (Infosys) employees get motivated, energetic and enthusiastic, when there is informal communication and decreased power distance between employers and employees. Even the loyalty level of certain sections of employees is low. If the employee is to be trained to work with loyalty, they need to be trained on affective commitment (distributed leadership, cohesiveness team), continuance commitment (fair treatment, dignity and respect for employees), normative commitment (interesting, challenging and task significance). More number of employees feels that career growth in the organization is not satisfactory. So, organizations in I.T. industry may focus on promotions which should be purely based on performance rating, tenure in the role, potential of an employee and merit improves Employee Engagement.

Conclusions

Employee Engagement is a positive attitude held by the employees towards the organization and its values. It is rapidly gaining popularity, use and importance in the workplace and impacts organizations in many ways. The importance of Employee Engagement in the organizational setting is undeniable. The present research was conducted to study the current level of Employee Engagement, causative factors for Employee Engagement\Disengagement in the Indian scenario and IT sector in specific. Based on data analysis the factors which have emerged as the most important determinants of Employee Engagement are Organizational Support, Intrinsic motivators, Employee centric Organizational culture, Distributive justice, Effective goal-setting, Hygiene elements, Equity, Appraisal Transparency, Customized Training, Feedback, and Peer Cohesiveness. The findings confirm that Leaders behavior, timely rewards and recognition, pay are the strong drivers of Employee Engagement. Fair pay and satisfying benefits package also lead to highly engaged employees.

With the help of hypothesis testing, the study concludes that, significant associations are there between Employee Engagement and the demographic factors of the employees like Age, Designation, Department, Income, and family size. Further no significant association is observed between Employee Engagement and the remaining demographic factors like Gender, Spouse Working, Marital Status, Total Experience, and Experience in the organization.

There is an association between Organizational factors (Leaders behavior, opinion on the mission of the company, associates behavior, working conditions in the organization), Job Satisfaction, Commitment and Employee Engagement. Challenging work environment and job rotation makes the employee to innovate new things in the organization. Organizations need to implement retention strategies for committed employees. Companies need to improve Engagement by implementing effective HR policies. Stimulating work environment, better recognition and development opportunities, both horizontal and vertical communication, higher compensation packages, lead to Employee Engagement.

The results reveal that employees who hold jobs that offer high levels of autonomy, task variety, task significance and feedback are more highly engaged and, in consequence, receive higher performance ratings from their supervisors. The findings confirm that Leaders behavior, timely rewards and recognition, pay are strong drivers of Employee Engagement. Fair pay and satisfying benefits package also lead to highly engaged employees. The research confirms that a positive work environment, in which employees feel valued, respected and supported. At the organizational level, it is necessary to develop cultures of two-way trust. Engagement is fostered when there are relatively flat hierarchies, widespread use of rituals and rites to celebrate contributions and success, and where there is consistent celebration of accomplishment and innovation. High levels of work pressure and stress can lead to disaffection and disengagement.

Hence, improving and implementing Employee Engagement lies in the hands of the organization and requires a perfect blend of the identified factors while designing organizational policies for an engaged employee. In summary, the findings make it clear that cultures of Engagement, positivity, caring, compassion and respect for all makes the ideal environment. Further investigation may be required, with a larger sample, to find whether the present findings hold same for the employees who work in the night shifts in I.T. industry. The study can be replicated in other sectors where attrition and absenteeism has become a common problem. BPO industry has close similarities with that of IT industry with an equally alarming rate of attrition. Similar study can also be done in other sectors like hospitality, infrastructure, retail, education etc to know the Employee Engagement levels.

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