DETERMINANTS AND OUTCOMES OF EMPLOYEE ENGAGEMENT: A COMPARATIVE STUDY IN INFORMATION TECHNOLOGY (IT) SECTOR

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Abstract: *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.*

Keywords: Employee Engagement, Organizational Support, Rewards & Recognition, Leadership & Planning, Organizational Citizenship Behavior, Employee Satisfaction and Commitment.

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INTRODUCTION

Employee engagement is one of the important topics in human resource management as it is directly related to organizational productivity. It refers to a condition where employees are committed and emotionally attached to their work and it is possible only when the employees have challenging work environment and opportunities to use their creativity and skills. The employees must be assigned challenging assignments as per their interests and skills, so that they devote their maximum time to productive work. Scarlett (2010) states "Employee Engagement is a measurable degree of an employee's positive or negative emotional attachment to his job, colleagues and organization that profoundly influences his willingness to learn and perform at work". An engaged employee is one who is fully involved in, and enthusiastic about his work, and thus will act in a way that furthers his organization's interests. The key factors of employee engagement are commitment, motivation, trust and loyalty. Employees who are engaged in their work and committed to their organizations give companies crucial competitive advantages—including higher productivity and lower employee turnover because of their motivational level and their loyalty and trust towards their employers. Thus, it is not surprising that organizations of all sizes and types have invested substantially in policies and practices that foster engagement and commitment in their workforces.

Kular et al. (2008) suggested that most often employee engagement has been defined as emotional and intellectual commitment to the organization or the amount of discretionary effort exhibited by employees in their job. DDI (2005) uses the definition "The extent to which people value, enjoy and believe in what they do". DDI also states that its measure is similar to employee satisfaction and loyalty. Fleming, Coffman and Harter (2005) (Gallop Organization researchers) use the term committed employees as a synonym for engaged employees. Gallup's Human Sigma website (2005) links employee engagement to the concept of customer engagement, which has the dimensions of confidence, integrity, pride and passion. Wellins and Concelman (2004) call employee engagement "the illusive force that motivates employees to higher levels of performance" "This coveted energy" is similar to commitment to the organization, job ownership and pride, more discretionary effort (time and energy), passion and excitement, commitment to execution and the bottom line. They call it "an amalgam of commitment, loyalty, productivity and ownership". They also

refer to it as "feelings or attitudes employees have toward their jobs and organizations". Robinson et al (2004) define engagement as "a positive attitude held by the employee towards the organization and its values. An engaged employee is aware of the business context, works with colleagues to improve performance within the job for the benefit of the organization. The organization must develop and nurture engagement, which is a two-way relationship between employer and employee". They say that engagement overlaps with commitment and organizational citizenship behavior, but it is two-way relationship and it is "one step up" from commitment.

Job satisfaction, a widely researched construct, is defined as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences (Locke & Henne, 1986). Generalized job satisfaction has been shown to be related to other attitudes and behaviors. Positively, it is related to organizational commitment, job involvement, organizational citizenship behaviors and mental health. Negatively, it is related to turnover, perceived stress and pro-union voting (Kreitner & Kinicki, 2004).

Organizational commitment is the degree to which an individual identifies with an organization and is committed to its goals. It is also seen as crucial to individual performance in modern organizations that require greater self management than in the past (Dessler, 1999). In the engagement literature, several of the authors use terms such as commitment (Fleming, et al., 2005), an amalgam of commitment, loyalty, productivity and ownership (Wellins & Concelman, 2004).

Organizational citizenship behaviors are discretionary behaviors that are beyond formal obligations. They "lubricate the social machinery of the organization, reducing friction and/or increasing efficiency". These desirable behaviors have been shown to be related to job satisfaction and organizational commitment and to be related more to work situation than dispositional factors (Podsakoff, MacKenzie & Bommer, 1996). Organizational citizenship behaviors, an outcome of the attitudes of job satisfaction and organizational commitment, is similar to the definitions in the engagement literature of being respectful of and helpful to colleagues and willingness to go the extra mile (Robinson, et al., 2004), or working longer hours, trying harder, accomplishing more and speaking positively about the organization Wellins & Concelman, (2004).

Saks (2006) conducted a study with the purpose to test a model of the antecedents and consequences of job and organization engagements based on social exchange theory. He concluded that there is a meaningful difference between job and organization engagements and that perceived organizational support predicts both job and organization engagement; job characteristics predicts job engagement; and procedural justice predicts organization engagement. In addition, job and organization engagement mediated the relationships between the antecedents and job satisfaction, organizational commitment, intentions to quit, and organizational citizenship behavior. Markos & Sridevi (2010) studied that the construct employee engagement is built on the foundation of earlier concepts like job satisfaction, employee commitment and Organizational citizenship behavior. Though it is related to and encompasses these concepts, employee engagement is broader in scope. Employee engagement is stronger predictor of positive organizational performance clearly showing the two-way relationship between employer and employee compared to the three earlier constructs: job satisfaction, employee commitment and organizational citizenship behavior. Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer, going extra mile beyond the employment contractual agreement. The findings of the study conducted by Attridge (2009) indicate that work engagement can be improved through adopting certain workplace behavioral health practices that address supervisory communication, job design, resource support, working conditions, corporate culture, and leadership style. Woodruffe (2006) stated that among the non-financial motivations, opportunity for career advancement, autonomy, civilized treatment, employer commitment, a pleasant working environment, exposure to senior people, appreciation, organization support, challenging assignments are some of the contributing factors to the overall engagement of employees. Welbourne (2007) identified three conditions for employee engagement, firstly leaders themselves have to be engaged; they need to work and succeed in both their core job and non-core job roles. Secondly, leaders need to clearly articulate how each role helps support the business strategy and plan. Lastly, leaders have to create an environment where the non-core job roles are valued, and they must remove barriers to employees' working in the non core job roles. MacLeod & Clarke (2011) cited four critical enablers of employee engagement: Leadership, Engaging Managers, Employee Voice and Integrity. Rama Devi

(2009) highlighted that finding and retaining talent are critical elements of an organization's ability to improve profitability, manage costs, grow by acquisition, innovate, develop new products and services, and discover new markets. Corporate cultures characterized by teamwork, pleasant working conditions, considerate treatment of employees, growth opportunities, flexible-working practices, and good leadership and management practices foster employee engagement. The paper argues that, in today's competitive environment, companies need to acknowledge the importance of the manager in retaining employees. It illustrates why employee engagement is based on a two-way relationship between employer and employee. On the basis of literature and findings of the previous researches, the present research purports to conduct a comparative study of the determinants and outcomes of employee engagement in IT sector.

OBJECTIVES OF THE STUDY

To assess the level of employee engagement

To identify the factors that determines employee engagement

To identify the factors that result from employee engagement

To conduct a comparative study of two IT companies.

RESEARCH METHODOLOGY

Sample Size: 200 (100 each from two IT companies in Delhi and NCR.)

Sample Design: Convenience Sampling

RESEARCH INSTRUMENT

A questionnaire was designed to identify the determinants and outcomes of employee engagement. The reliability and validity of the questionnaire was conducted with available possible criteria. To ascertain the validity of the questionnaire, the parameters and questions were discussed with experts in the field HR, and for reliability cronbach's alpha value was conducted through SPSS. The following table shows the cronbach's alpha value (.727) which states the high reliability of the questionnaire.

Table-1

Reliability Statistics

Cronbach's Alpha	N of Items
.727	36

DATA ANALYSIS

Data was analyzed using SPSS package. The mean was calculated to establish the most important determinants and outcomes of employee engagement, Pearson correlation of coefficient was conducted to assess the relationship of level of engagement with its determinants and outcomes.

ANALYSIS

Table 2: Determinants of Employee Engagement in Company-A

	Level of Engagement	Job Role	Organizational Support	Rewards and Recognition	Training and Development	Organization's Leadership and Planning
Mean	2.49	2.40	1.90	2.22	2.20	3.99
N	100	100	100	100	100	100
Std. Deviation	1.083	1.047	.899	.745	1.000	.724

Interpretation: Organization's leadership and planning with a mean value of 3.99 was found to be the most important determinant of employee engagement followed by job role with a mean value of 2.40, rewards & recognition with a mean value of 2.22 and training and development with a mean value of 2.20.

Table 3: Outcomes of Employee Engagement in Company-A

	Organizational Commitment	Organizational Citizenship Behavior	Employee Satisfaction
Mean	2.16	2.85	2.72
N	100	100	100
Std. Deviation	.925	1.163	1.184

Interpretation: Organizational citizenship behavior with a mean value of 2.85 was found to be the most important outcome of employee engagement followed by employee satisfaction with a mean value of 2.72 and organizational commitment with a mean value of 2.16.

Table 4: Pearson Correlation of level of engagement with its determinants in Company-A

Correlations[a]

		Level of Engage-ment	Job Role	Organizational Support	Rewards and Recognition	Training and Development	Organization's Leadership and Planning
Level of Engagement	Pearson Correlation	1	.150[**]	.131[**]	.072	.043	.174[**]
	Sig. (2-tailed)		.003	.009	.012	.023	.000
Job Role	Pearson Correlation	.150[**]	1	.261[**]	-.049	.025	.095
	Sig. (2-tailed)	.003		.000	.331	.613	.057
Organizational Support	Pearson Correlation	.131[**]	.261[**]	1	.082	.192[**]	.082
	Sig. (2-tailed)	.009	.000		.103	.000	.101
Rewards and Recognition	Pearson Correlation	.072	.049	.082	1	.037	.169[**]
	Sig. (2-tailed)	.012	.331	.103		.460	.001
Training and Development	Pearson Correlation	.043	.025	.192[**]	.037	1	.019
	Sig. (2-tailed)	.023	.613	.000	.460		.709
Organization's Leadership and Planning	Pearson Correlation	.174[**]	.095	.082	.169[**]	.019	1
	Sig. (2-tailed)	.000	.057	.101	.001	.709	

**. Correlation is significant at the 0.01 level (2-tailed).

Interpretation: The results indicate that organization's leadership and planning, job role, organizational support, rewards and recognition and training and development are positively related to level of engagement.

Table 5: Pearson Correlation of level of engagement with its outcomes in Company-A

Correlations[a]

		Level of Engagement	Organizational Commitment	Organizational Citizenship Behavior	Employee Satisfaction
Level of Engagement	Pearson Correlation	1	.007	.176[**]	.109[*]
	Sig. (2-tailed)		.883	.000	.029
Organizational Commitment	Pearson Correlation	.007	1	.062	.048
	Sig. (2-tailed)	.883		.214	.340
Organizational Citizenship Behavior	Pearson Correlation	.176[**]	.062	1	.169[**]
	Sig. (2-tailed)	.000	.214		.001
Employee Satisfaction	Pearson Correlation	.109[*]	.048	.169[**]	1
	Sig. (2-tailed)	.029	.340	.001	

Correlations[a]

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Organizational Citizenship Behavior	Pearson Correlation	.176[**]	.062	1	.169[**]
	Sig. (2-tailed)	.000	.214		.001
Employee Satisfaction	Pearson Correlation	.109[*]	.048	.169[**]	1
	Sig. (2-tailed)	.029	.340	.001	

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Interpretation: The results indicate that organizational citizenship behavior, employee satisfaction and organizational commitment are positively related to level of engagement.

COMPANY B

Table 6: Determinants of Employee Engagement in Company -B

	Level of Engagement	Job Role	Organizational Support	Rewards and Recognition	Training and Development	Organization's Leadership and Planning
Mean	2.41	2.22	2.14	2.67	3.45	3.74
N	100	100	100	100	100	100
Std. Deviation	1.072	1.081	1.013	1.186	.851	.819

Interpretation: Organization's Leadership and Planning with a mean value of 3.74 was found to be the most important determinant of employee engagement followed by training and development with a mean value of 3.45, rewards & recognition with a mean value of 2.67, job role with a mean value of 2.22 and organizational support with a mean value of 2.14.

Table 7: Outcomes of Employee Engagement in Company -B

	Organizational Commitment	Organizational Citizenship Behavior	Employee Satisfaction
Mean	3.46	3.32	1.84
N	100	100	100
Std. Deviation	.852	1.123	.932

Interpretation: Organizational Commitment with a mean value of 3.46 was found to be the most important outcome of employee engagement followed by organizational citizenship behavior with a mean value of 3.32 and employee satisfaction with a mean value of 1.84.

Table 8: Pearson Correlation of level of engagement with its determinants in Company -B

Correlations

		Level of Engage-ment	Job Role	Organizational Support	Rewards and Recognition	Training and Development	Organization's Leadership and Planning
Level of Engagement	Pearson Correlation	1	.177**	.036	.027	.001	.116*
	Sig. (2-tailed)		.000	.470	.024	.981	.020
Job Role	Pearson Correlation	.177**	1	.132**	.239**	.082	.029
	Sig. (2-tailed)	.000		.008	.000	.101	.569
Organizational Support	Pearson Correlation	.036	.132**	1	.341**	.092	.189**
	Sig. (2-tailed)	.470	.008		.000	.067	.000
Rewards and Recognition	Pearson Correlation	.027	.239**	.341**	1	-.087	.297**
	Sig. (2-tailed)	.024	.000	.000		.084	.000
Training and Development	Pearson Correlation	.001	.082	.092	.087	1	.060
	Sig. (2-tailed)	.981	.101	.067	.084		.230
Organization's Leadership and Planning	Pearson Correlation	.116*	.029	.189**	.297**	.060	1
	Sig. (2-tailed)	.020	.569	.000	.000	.230	

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Interpretation: The results indicate that job role and organization's leadership and planning are positively related to level of engagement.

Table 9: Pearson Correlation of level of engagement with its outcomes in Company –B

Correlations

		Level of Engagement	Organizational Commitment	Organizational Citizenship Behavior	Employee Satisfaction
Level of Engagement	Pearson Correlation	1	.037	.052	.022
	Sig. (2-tailed)		.466	.035	.026
Organizational Commitment	Pearson Correlation	.037	1	.041	.014
	Sig. (2-tailed)	.466		.409	.785
Organizational Citizenship Behavior	Pearson Correlation	.052	.041	1	.044
	Sig. (2-tailed)	.035	.409		.386
Employee Satisfaction	Pearson Correlation	.022	.014	.044	1
	Sig. (2-tailed)	.026	.785	.386	

Interpretation: The results indicate that organizational commitment, organizational citizenship behavior and employee satisfaction are positively related to the level of engagement.

Table-10: Mean values of the determinants and outcomes in company-A and company – B

Determinants	**COMPANY A**	**COMPANY B**
Job Role	2.40	2.22
Organizational Support	1.90	2.14
Rewards and Recognition	2.22	2.67
Training and Development	2.20	3.45
Organization's Leadership and Planning	3.99	3.74
Outcomes		
Organizational Commitment	2.16	3.46
Organizational Citizenship Behavior	2.85	3.32
Employee Satisfaction	2.72	1.84

Interpretation: The results indicate that the most important determinant of employee engagement was found to be organization's leadership and planning with a mean value of 3.99 in company A and a mean value of 3.74 in company B. Organizational citizenship behavior emerged as an important outcome of employee engagement in company A with a mean value of 2.85, and organizational commitment with a mean value of 3.46 in company B.

DISCUSSUION AND CONCLUSION

The present research was conducted to study the determinants and outcomes of employee engagement. There are many factors which lead to employee engagement but based on data analysis the factors which have emerged as most important determinants are discussed here. Two IT companies were taken as sample for the study.100 employees from each company were administered a questionnaire to find out the factors which are important to keep the employees engaged, as an engaged employee is one who is fully involved in, and enthusiastic about his work, and thus acts in a way that furthers his organization's interests. The findings confirm that organization's leadership and planning, job role, rewards and recognition are strong drivers of employee engagement in both the companies. It implies that employees need to have a clear understanding of their job role and should understand the validity of their role to the success of the organization. Fair pay and satisfying benefits package also lead to highly engaged employees. Rewards given timely and recognition for work are also engagement drivers. In both the companies the most important determinant of employee engagement was found to be organization's leadership and planning with a mean value of 3.99 (table 2) in company A and with a mean value of 3.74 (table 6) in company B which clearly indicates the role of leader and his planning for keeping his employees engaged. The second important determinant which emerged in company A was job role with a mean value of 2.40 and in company B, it was training and development with a mean value of 3.45 which is indicates that employees who have role clarity and are given opportunity for further development, feel more engaged and committed to the organization. Rewards and recognition was found to be another important determinant in both the organizations with a mean value of 2.22 (table 2) in Company A and with a mean value of 2.67 (table 6) in company B. Further a positive correlation with r value of .174 (table 4) between level of employee engagement and organization's leadership and planning, and with r value of .131 (table 4) between level of employee engagement and organizational support was a found in company A, whereas a positive correlation with r value of .116 (table 8) between level of employee engagement and organization's leadership and planning, and with r value of .177 (table 8) between level of employee engagement and job role was also found in company B which reflects the positive relationship amongst these variables.

After identifying the determinants, the relationship of employee engagement with its outcomes was studied. From the literature review, three most important outcomes identified were organizational commitment, organizational citizenship behavior and employee satisfaction, so the questions were based on these three parameters only. The analysis shows that organizational citizenship behavior emerged as an important outcome of employee engagement in both the companies with a mean value of 2.85 (table 3) in company A, and with a mean value of 3.32(table 7) in company B. Engaged employees willingly give their time to help others in the organization and get involved in activities apart from their job role. They offer ideas to improve the functioning of the organization and also defend their organization when others criticize it. Another important outcome which emerged as an outcome of employee engagement is employee satisfaction with a mean value of 2.72 (table 3) in company A and organizational commitment with a mean value of 3.46 (table 7) in company B. Engaged employees undoubtedly lead to satisfied employees. They consider their workload to be fair and value the feedback provided by their supervisors and plan to continue working with commitment in their respective organizations. Further a positive correlation with r value of .176 (table 5) between level of employee engagement and organizational citizenship behavior in company A, and with r value of .177 (table 9) between level of employee engagement and job role was found in company B, which reflects the positive relationship amongst these variables. The findings have been supported by the study conducted by Kreitner & Kinicki, (2004) where they concluded that job satisfaction is related to organizational commitment, job involvement, organizational citizenship behaviors and mental health. Organizational citizenship behavior, an outcome of the attitudes of job satisfaction and organizational commitment, is similar to the definitions in the engagement literature of being respectful of and helpful to colleagues and willingness to go the extra mile (Robinson, et al., 2004), or working longer hours, trying harder, accomplishing more and speaking positively about the organization (Wellins & Concelman, 2004).

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