

A STUDY ON FACTORS AFFECTING EMPLOYEE ENGAGEMENT WITH REFERENCE TO IT SECTOR

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Abstract

Purpose: This study purposes at testing the structures of four variables such as Training and development, Remuneration and rewards, Performance appraisal, Job satisfaction and Organizational climate among employees in the Information technology sector in Bangalore City. The study also pursues to discover the probable correlations between these latent variables.

Methods: The quantitative method approach was used with a probability sampling method. The sample of the study is 212 in Bangalore City. To collect the data, a structured measurement scale was used for the survey purpose. Hypotheses were framed based on the conceptual framework of the study. The constructed hypotheses were tested by using statistical tools such as correlation and regression analysis to validate the purpose.

Findings: The findings of the study exposes that there is a significant relationship between Training and development, Remuneration and rewards, Performance appraisal, Job satisfaction and Organizational climate with employee engagement. Performance appraisal is essential for a recent employee in a competitive environment.

Practical Implications: The study suggests that companies should built supportive working relationships, good organizational climate, and develop supportive HR practices. Retention can be indirectly influenced by focusing on the overall conditions of the workplace.

Keywords: Training and development, Remuneration and rewards, Performance appraisal and Organizational climate

Introduction

Employee dedication had undergone a dramatic transformation and caught the eye of HR experts across the world. Managers in today's businesses push for ever-increasing throughput objectives, with each year's goals taking precedence over the one before. Organisations are putting in full and honest efforts to boost their staffing levels in response to this more intense demand. To stand out from the competition, performance is key. This was simpler to adopt in the past since there were more people who were happy in their jobs, had more experience, and stayed for longer periods of time. Productivity increased because of their consistent contributions to the company. But now things are different because satisfied workers aren't enough to keep up with the growing expectations of the corporate world and the fierce competition it faces. Business owners are

looking for workers that can think on their feet, take initiative, and show passion for their professional development in order to survive in the increasingly competitive global market. The key to this success was "engagement," the state of mind that comes from going above and beyond what is required of them on the job in order to accomplish tasks at their highest possible level. Companies have come to understand that in today's interconnected world, HRM is the main tool for attracting, retaining, and motivating workers to achieve organisational goals. An engaged employee continually represents the firm and stays with the same organisation. As a result, they have the competency to increase production and performance.

A company's emotional characteristic is the way its employees feel about its leaders, coworkers, and other employees. A value-added component that shows how hard workers work is the behavioural element. While the concept is relatively new to human resource management, it has been referenced in works from the last twenty years or more (Rafferty, Maben, West & Robinson, 2005; Melcrum Publishing, 2005; Ellis & Sorensen, 2007). According to Mone and London (2010), when workers demonstrate traits like empowerment, enthusiasm, involvement, and dedication in their job, we say that they are engaged.

Engaged workers are devoted to the company and concerned about its future. Staff members who are enthusiastic about what they do for a living are more likely to remain with the company, make significant contributions, and develop strong loyalty to it. As a result of their good attitude, strong emotional investment, and ability to satisfy customers, they excel at what they do for a living. Improved organisational performance is achieved via effective involvement of employees. Inspired by his ethnographic research with summer camp workers and architectural company employees, Raj (2020) established the idea of employee engagement. When workers are fully invested in their work, they are able to contribute on all levels—physically, mentally, and emotionally. They are the engine that propels economic and commercial success (Sarath, 2021). Good outputs, better performance, employee involvement, and higher levels of motivation may all be achieved via employee engagement. An engaged worker is one who has a good attitude towards the company, cares about its success, and takes the initiative to help them reach their objectives (Chek, 2019). By "harnessing of organisation members selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances," Raj (2020) meant that employees were fully invested in their job.

An employee's level of investment in their work depends on his or her familiarity with the dynamics between the company and workplace. This workplace is known for its intense employee involvement, which poses a significant challenge to management but is also seen as a crucial factor in the company's success. Furthermore, it is the active participation and dedication of an individual to the organisation and the accomplishment of its established aims and objectives. Both the good and bad parts of it pertain to organisations, peers, job levels, and the working environment, and it will motivate individuals to gain knowledge and make them more productive at work. A number of significant and direct correlations to worker output are present.

Review of Literature

Shan Tim (2021) recognised two antecedent stages: one at the person level and one at the administrative level. Things like ideas, methods, and environmental factors may serve as individual antecedents. Employee engagement is based on and created by these antecedents, which are applied directly to or by the workers themselves. On the other hand, antecedents at the organisational level pertain to ideas, methods, and circumstances that provide the groundwork for the notion of employee engagement.

Azam Mohammed (2022) It is the supervisor's responsibility to ensure that their staff have access to professional development materials, remove any barriers to their job, and provide constructive criticism. Timely and constructive feedback, fair incentives, and promotion are all ways in which supervisors may encourage their subordinates to put more effort into their work, which falls within their purview of guiding and assessing performance and executing organisational rules and procedures.

Mahadi (2018) This study examines the elements that influence employee engagement in a company. The primary goal of this study is to define employee engagement, discuss its significance, and identify the elements that influence its implementation. Organisation, Performance, Engagement, and Human Resource Strategies are the main keywords of the article. The search for new ways to keep one's workforce enthusiastic about their job has grown into a major focus for executives throughout the globe in recent years. There are three distinct types of engagement: intellectual, which pertains to the commitment to improving one's job performance; affective, which occurs after one's job is completed; and social, which includes talking to coworkers about ways to improve work-related aspects.

Lupin (2021) In his research on bank workers, he attempted to establish a connection between HRM traits like integration, commitment, quality, and flexibility and outcome variables like employee happiness, retention intent, and organisational effectiveness. There was a strong correlation between commitment and organisational success, as well as between commitment and employee happiness and retention intentions. Companies should provide opportunities for employees to grow professionally and personally, provide training to improve their skills, include workers in job design processes, and host both formal and informal events aimed at making workers feel valued and safe in the workplace.

Ayari et al (2022) workers report higher levels of job satisfaction when they work in an atmosphere they find pleasant. Real workplace quality, which seems to have pretty comparable impacts on employee job satisfaction when it is seen as desired and fun, is much the same.

Objectives of the study

- To analyze the impact of demographic factors on employee engagement
- To study the factor affecting on employee engagement in IT sector

Hypothesis

Ho (1): There is no relationship between the study constructs (Training and development, Remuneration and rewards, Performance appraisal, Job satisfaction and Organizational climate)

Research Methodology

The present study is based on primary data and it is collected through structured questionnaire from IT employees of Accenture, Sonata Software, TCS, Tech Mahindra, and Cap Gemini companies in Bangalore city. Primary data is collected through questionnaire from Bangalore city. Secondary data is also used for the purpose of the study from various sources like Published books, Newspapers, Journal, Published articles, unpublished articles, various websites etc. The sample size is 212 that are data will be collected from IT companies. The researchers used probability sampling method to collect data. For this study appropriate hypothesis are developed and will be tested by using statistical tool- Correlation and Regression analysis. Data analysis will be carried out with the help of SPSS Version 28.

Data analysis and Interpretation

Organization and their respondents

Organization of the respondents

	Frequency	Percent	Cumulative Percent
Valid			
1.Accenture India Pvt Ltd	63	0.30	30.00
2.Cap Gemini India Pvt Ltd	32	0.15	45.00
3.Sonata Software Services Ltd	33	0.16	61.00
4.Tata Consulting Services	43	0.20	81.00
5.Tech Mahindra Software	41	0.19	100.00
Total	212	100.0	100.0

Table 1 (Source: Own Calculation)

According to Table 1, we have chosen seven software businesses at random to study their stress management practices in the IT industry. In total, 212 IT workers in Bangalore city filled out the retention survey. Highest responses received from Accenture India Pvt Ltd (63) followed by TCS (43) and Tech Mahindra Software (41).

Table 2: Classification of the respondents

		Frequency	Percent
Age	20-30 Years	89	37.7
	30-40 Years	86	36.4

	40-50 Years	27	12.7
	Above 50 Years	10	5.8
	Total	212	100.0
Gender	Male	140	61.5
	Female	72	39.5
	Total	212	100.0
Marital Status	Married	139	61.5
	Unmarried	73	39.5
	Total	212	100.0
Educational Qualification	Diploma	20	16.5
	Under Graduate	70	30.4
	Post Graduate	122	53.0
	Total	212	100.0
Income	20001-40000	19	6.1
	40001-100000	113	48.1
	Above 100000	80	41.6
	Total	212	100.0

The largest age groups, 20–30 and 30–40, accounted for 37.7% and 36.4% of the 212 respondents, respectively. The next largest age group, 40–50, comprised just 12.7% of the total, while the smallest age group, over 50, made up 4.8%. Out of the total population surveyed, men made up 61.5% of the sample while women made up 39.5%. Table 3 further shows that there were 139 married respondents and 73 single respondents out of 212 total. Among the 212 respondents, 113 (48.1%) earn between 40001 and 100,000/-, while 80 (41.6%) make more than 100,000/-. Of the total responses, 19 (6.1%) fall within the income bracket of 2,000 to 40,000.

Table 3: Reliability Test

Reliability Statistics	
Cronbach's Alpha	No. of Items
.983	11

There is a high level of internal consistency among the variables, as shown by the items' alpha coefficient of .983. The study can trust the data obtained to test the hypotheses since the computed Cronbach's alpha values are more than 0.7.

Table 4: Correlations

		Correlations				
		Training and development	Remuneration and rewards	Performance appraisal	Job satisfaction	Organizational climate
Training and development	Pearson Correlation	1				
	Sig. (2-tailed)	0.01				
	N	212	0			
Remuneration and rewards	Pearson Correlation	.270	1			
	Sig. (2-tailed)	.000				
	N	212	212			
Performance appraisal	Pearson Correlation	.627**	.310	1		
	Sig. (2-tailed)	.000	.004			
	N	212	212	212		
Job satisfaction	Pearson Correlation	0.891	0.591	0.209	1	
	Sig. (2-tailed)	.001	0.00	0.00		
	N	212	212	212	212	
Organizational climate	Pearson Correlation	0.671	0.119	0.531	.020	1
	Sig. (2-tailed)	.000	0.00	0.01	0.01	
	N	212	212	212	212	212

The hypothesis was formed and presented below in order to conduct the correlation analysis that tested the link between the study's components. Ho (1): Training and development, remuneration and incentives, performance assessment, job satisfaction, and organizational environment are all

independent variables in this research. The relationship between training and development and remuneration and awards ($r = 0.270$), performance evaluation ($r = 0.627$), job satisfaction ($r = 0.891$), and organizational climate ($r = 0.671$) is clearly positive and substantial, as can be seen in the table above. The positive coefficient correlation values in table 5 show that all of the dependent variables are favorably related to each other. At the 5% level of significance, the association between the variables is shown to be statistically significant, since the significant value is smaller than 0.05. Among a subset of Bangalore IT companies, a correlation between employee engagement and factors like training and development, remuneration and incentives, performance assessment, job satisfaction, and organizational atmosphere was identified.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.912	.791	.619	4.02911

The adjusted R-squared value is 0.791 (71%), and the R-value is 0.912 (0.912), according to the summary of the regression model. It shows that the dependent variable is subject to 71% of the volatility caused by the independent factors. The model shows that the factors affecting in the employee engagement of the Selected IT companies in Bangalore. The following is the outcome of the ANOVA test.

Table 6: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2618.891	4	817.714	3.139	0.000
	Residual	1629.013	207	28.913		
	Total	4247.903	212			

The model's fitness is shown in the ANOVA table. The ANOVA test yielded a F value of 3.139, indicating that the model is fit ($p=0.000$). There is a lack of statistical significance ($p < 0.05$). A high level of statistical significance between the dependent and independent variables indicates a strong fit for this model. It has been determined that the organisational environment, job satisfaction, performance assessment, training and development, compensation and incentives, and remuneration and rewards at some IT organisations have a major impact on employee engagement. This model fits well since there is a high level of significance between the dependent and independent variables.

Table 7: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.314	.414		.508	.000

	Training and development	.790	.296	.045	1.894	.001
	remuneration and incentives	1.647	.694	.275	4.280	.000
	performance assessment	2.624	.256	.360	7.218	.000
	job satisfaction	.403	.589	.141	.603	.002
	organizational environment	.219	.303	.091	2.981	0.00
a. Dependent Variable: Employees' Engagement						

From the coefficient table, it is observed that five of the independent variables viz, Training and development, remuneration and incentives, performance assessment, job satisfaction, and organizational environment has significant effect on dependent variable i.e., Employee performance. Hence, the null hypothesis is rejected

Conclusion

The purpose of this research was to identify the factors that, in the IT industry, are most important in influencing employee engagement. Training and development, remuneration and incentives, performance assessment, job satisfaction, and organisational climate are the three (5) aspects that make up this research. Each of these dimensions is assessed using different elements that are thought to be the key antecedents of employee engagement. Prior research has seldom used such an approach. The fact that it highlights where management vigilance should be concentrated makes it a valuable tool for practitioners. An organisation may indirectly boost employee engagement by improving the aspects (and causes) influencing work attitudes. The research will also examine the fact that some organisations' employee engagement is behind schedule because they haven't put the right engagement practices into place.

Directions for Future Research

Despite the fact that empirical data were collected from five IT companies, Will add more companies in future research. A future paper may especially focus on this issue. Moreover, various alternative models can be estimated, focusing on the effects of every factor in employee engagement. Also, future studies are urged to use the multidimensional approach followed by this study. This would offer the chance to compare results and draw more coherent conclusions. Finally, this study found strong relationship between the variables in selected IT companies in Bangalore City

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