Employee Engagement: Concept Clarity Specifically For IT Sector

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ABSTRACT
With the advent of internationalization or globalization, technology revolution has fastened its pace with strong roots in most of the industries; mainly IT sector. These sectors are characterized by IT enabled operations, strategic HR practices, rotational shifts and high employee involvements. Despite good remuneration, perks, other monetary benefits and better working conditions, most of the professional sector witnesses maximum attrition i.e. IT and Banking sector. Managers are trying to empower and support their subordinates but the engagement level of employees is decreasing rapidly and constantly. Recognized organizations help employers raise levels of trust in the workplace, thereby increasing employee engagement. Employees who are more engaged in their work and committed to their organizations with loyalty furnish their companies key competitive edge with higher productivity, lower employee turnover and improved business performance and sustainability. Thus, most of the IT sector organizations have invested substantially in policies and practices that foster engagement and commitment in their workforces’ human capital which will ultimately help them to grow and position their rank in the market with the strongest roots and competitive edge. Employee Engagement is one of latest terminologies which can be typically described as a high level of employee involvement, commitment and a sense of personal investment where employees themselves want to do whatever they can do for the success of the organization. It is the connection that people feel to their work that results in higher levels of performance, loyalty, commitment and sustainability with higher rate of retention.

Keywords— Technology Revolution, IT sector, employee engagement, competitive edge, employee involvement, retention.

I. INTRODUCTION
With the advent of internationalization or globalization, technology revolution has fastened its pace with strong roots in most of the industries. Because to availability of educated, qualified skilled and comparatively economical manpower in higher number, India enjoys being the favorite destination for outsourcing of human capital for most of the developed and leading countries. These organizations are characterized by IT enabled operations, strategic HR practices, rotational shifts and high employee involvements. Here originates the concept of Indian Diaspora. Post-independence, overseas Indians have served as a bridge of friendship and cooperation between India and their adopted homes abroad. Regardless of whether they are successful professionals, traders and entrepreneurs, or second generation Indians, comfortably reconciling their two identities, or workers toiling hard to build a future for their families, they are at all times a most effective window for the world to India’s heritage and its progress .( Dr. Manmohan Singh, 8.1.2013 at Kochi, Kerala) [1].

Despite good remuneration, perks, other benefits and better working conditions, most of the professional sector witnesses maximum attrition i.e. IT and Banking sector. Managers are trying to empower and support their subordinates but the engagement level of employees is decreasing rapidly and constantly. In today’s highly competitive phase of business, employees are the most precious and important investments for of any the companies whose knowledge and core competencies...
cannot even hold the organization business but also give it a recognizable boost.

No company small or large, national or international can win over the long run without energized employees who believe in the company’s mission & vision and truly understand and follow their true spirits for achieving it. Recognized great places or organisations help employers raise levels of trust in the workplace, thereby increasing employee engagement. Higher engagement leads to higher individual performance and therefore improved business performance. Employees who are more engaged in their work and committed to their organizations with loyalty give their companies crucial competitive edge including higher productivity and lower employee turnover. Employees value, enjoy and have pride in their work who are more engaged and they are more willing to help each other which make their organization succeed. They take additional responsibility; invest more effort in their jobs; share information more harmoniously with other employees; and remain within the organization than employees who are less engaged in their work. 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’ human capital.

When an entity or individual to whom someone has made a commitment fails to come through with the expected exchange, the commitment erodes. Dramatic changes in the global economy over the past 25 years have had significant implications for commitment and reciprocity between employers and employees—and thus for employee engagement. For example, increasing global competition, scarce and costly resources, high labor costs, consumer demands for ever-higher quality and investor pressures for greater returns on equity have prompted organizations to restructure themselves.

Employee Engagement is one of latest terminologies which is gaining popularity in the academic and business literature now a days. It can be typically described as a high level of employee involvement, his commitment towards the organization, his own loyalty and job satisfaction. Employee engagement can also be described as a sense of personal investment where employees themselves want to do whatever they can do for the success of the organization. Employee engagement is the connection people feel to their work that results in higher levels of performance, loyalty, commitment and sustainability with higher rate of retention.

The companies on the Best Companies to Work with list have demonstrated that they are equally invested in their employees, and they do what they can do to help their employees succeed and motivated. These companies have concluded that employer engagement can have a positive impact on employee engagement, and when both the employer and employee are actively and equally engaged, the organization benefits.

According to a 2010 “Hewitt survey of companies from around the world, half of the organizations responding said they had experienced significant drops in employee engagement, the largest decline Hewitt has seen in more than 15 years of researching the metric”.

“87% of C-Suite executives recognize that disengaged employees is one of the biggest threats to their business”.

Fortune :- publishes an annual ranking of the Top 100 Best Companies to Work For, and while being on this list does not guarantee employee engagement, it’s a very good indicator of worker satisfaction.

II. TECHNOLOGY REVOLUTION AND ITS IMPACT ON INDIAN ORGANISATIONS EMPLOYERS AND EMPLOYEES

India is full of educated, English speaking and tech-savvy graduates who are ready to work in fewer salaries as compared to their western counterparts. Indian IT sector offers cost effective services to the customers situated globally and has emerged as one of the major key players in this global market. By the advent of technology revolution on global front, organizations are adopting ITES for almost every aspect of their employees make huge money out of it but on its contrary, it leads to high turnover rate as well. (Desai, Majumdar and Prabhu, 2010)[2]. HR managers are striving for betterment in this sector. They have initiated incentive schemes, socialization ceremonies, career development programs, reward and recognition programs, open door policy etc. Infrastructure of It enabled companies is outstanding and workstations are ergonomically designed. Still this sector needs reinvention in terms of transparent practices, fair workload and reward distribution and competitive salary packages. Meaningful work is said to have great influence on the cognitive part of performance (Spreitzer, 1995)[3] . Also, role of transformational leadership is crucial. The way supervisors behave can mould the performance level of employees. Poaching is another issue faced by this sector (Mishra, 2007) [4]. This happens in absence of sufficient growth opportunities in the organization.

Organizations need to understand that individual growth matters to employees. Govt. of India along with State Govts. are taking significant steps to promote India as the most preferred destination for ITES. In present context India’s competence in IT has been widely recognized and appreciated in ITES sector majorly.

The total number of professionals working in India's $100 billion IT-Information Technology Enabled Services (IT-ITeS) sector grew by 7 per cent to 2.97 million in the last fiscal, (Parliament survey for 2013 assessment year). For the entire 2012-13 fiscal, 640,000 professionals were employed in the domestic market,
while, the number of persons working in the foreign markets in the IT-ITES sector stood at 23,24,000: published in Indian Motarary report2013.[5] The government in the National Policy on Information Technology 2012 envisages to increase IT industry revenues, through exports as well as the domestic market, from $100 billion to $300 billion by 2020.

The benefits of employee engagement render positive benefits for organizations and individuals alike. Organizations cannot afford to ignore those benefits that may prove a major differentiating component between themselves and the competitors in today’s competitive environment. The importance of employee engagement in organizations in India is varied and enormous. India is a land of diversity where the workforce comprises of all the sections of the society, so it becomes imperative to look into the workforce diversity through demographics. The researcher focuses on some of the demographic variables in order to study employee engagement viz., age, gender, educational qualification, work experience, etc. Keeping in the hindsight, the multi-dimensional role of employee engagement in organizations, the present study shall look for the more factors affecting engagement in India.

III. CLASSICAL DEVELOPED CONCEPT AND VIEWS ABOUT EMPLOYEE ENGAGEMENT

The most influential studies of engagement was carried out by Psychologist William Kahn (1990)[6]. Psychologist William Kahn drew on studies of work roles and organizational socialization to investigate the degrees to which people “occupy” job roles.

Goffman (1961a)[7] in his book, "The Presentation of Self in Everyday Life" pointed out that people's attachment to and detachment from their roles vary. This attachment and detachment was the starting point for Kahn's work towards defining the "self-in-role" of people. According to Kahn (1990)[6] researchers had given less input to "how fully people are psychologically present during particular moments or situations of role performances".

Although Goffman's work was the scope for Kahn to develop on people's calibration of "self-in-role", he did not pursue on Goffman's idea further since he believed that employees act out momentary attachments and detachments in role performances. But Goffman's work dealt with only fleeting face-to-face encounters. Kahn (1990) opined that a different concept is needed to fit an organization life, which is "ongoing, emotionally charged and psychologically complex" (Diamond and Allcorn 1985)[8]. Kahn found from various psychologists (Freud 1922)[9], sociologists (Merton 1957[10], Goffman 1961) and group theorists (Slater 1966[11], Smith and Berg 1987[12]) that individuals feel hesitant to belong to an ongoing group or a system and thereby naturally tend to pull away from and move towards their memberships. A sense of belonging to something beyond oneself is a basic human need (Baumeister & Leary, 1995)[13].

Psychologist William Kahn (1990) used the terms "personal engagement" and "personal disengagement" to represent two ends of a continuum. At the “personal engagement” end, individuals fully occupy themselves—physically, intellectually and emotionally—in their work role. At the “personal disengagement” end, they uncouple themselves and withdraw from the role. Kahn (1990) stated that the attachment and detachment of people are people's calibration of self-in-role.

He termed these calibrations of self in role as personal engagement and personal disengagement, which means behaviour by which people bring in or leave out their personal selves during work role performances. This pursuit of understanding of "self-in-role" processes and the roles people occupy at work led Kahn in coining the term "engagement". Kahn (1990) defines employee engagement as "the harnessing of organization members" selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances". The cognitive aspect of employee engagement concerns employee's beliefs about the organization, its leaders and working conditions.

Introspection of the Concept of 3 psychological conditions related with engagement or disengagement at work: meaningfulness, safety and availability. According to Kahn employees can be engaged on one dimension and not on the other. Therefore, the more engaged the employee is on each dimension, the higher his or her overall personal engagement. According to his theory, people occupy roles at work and this role depends on their task. People also, bring them into or remove themselves from particular task behaviours or performances.

Engagement and disengagement are adaptive psychological mechanisms that protect against, respectively, isolation from and engulfment by social systems such as workplaces. Personal engagement refers to expression of one’s preferred self (one’s real identity, true thoughts and feelings) physically, cognitively and emotionally during role performances. Personal disengagement refers to withdrawal and defense of one’s preferred self, removing or limiting oneself physically, cognitively and emotionally from role episodes.

And thus embarked the usage of the term "engagement" in academic literature. Further, the term 'Employee engagement' became an overnight sensation in the business consulting world after the popularity of the book "First Break All the Rules - What the World's Greatest Managers Do Differently" by Buckingham & Coffman, 1999[13]. One mutual understanding seems to be that employee engagement involves an expression of the...
The term "Employee Engagement" has gained popularity in the business world with intensive marketing by HR firms. Although, most websites, books, research papers and conferences gives evidence to available literature on Employee Engagement, still it is an area where rigorous academic research is required (Luthans and Peterson, 2002)[17].

In the study that empirically tested Kahn's model, May et al (2004)[18] found that meaningfulness, safety and availability were significantly related to engagement and proved that psychological conditions effect employee engagement. They also found job enrichment and role fit to be positive predictors of meaningfulness; rewarding co-worker and supportive supervisor relations were positive predictors of safety, while adherence to co-worker norms and self-consciousness were negative predictors (Kular et al, 2008)[19].

Although it is acknowledged and accepted that employee engagement is a multifaceted construct, as suggested by Kahn (1990), researchers and practitioners have contributed their share of evidence. Together, Kahn (1990) and Maslach et al. (2001)[20] provided the two earliest theoretical frameworks for understanding employee engagement. According to Maslach et al. (2001) employee engagement is "a persistent positive affective state, characterized by high levels of activation and pleasure" (p. 417).

Harter, Schmidt, and Hayes (2002)[21], the empirically based Gallup researchers published one of the earliest and most definitive portions of practitioner literature on employee engagement and were the first to look at employee engagement at the business unit level. Harter et al, (2002) used an enormous database to link higher levels of employee engagement to increased business unit outcomes and defined employee engagement as "the individual's involvement and satisfaction with as well as enthusiasm for work". Robinson et al (2004)[22][ defines engagement as "a positive attitude held by the employee towards the organization and its values". According to them, an engaged employee is aware of the business context, works with colleagues to improve performance within the job for the benefit of the organization. Schaufeli and Bakker (2004)[23] defined engagement as a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption. Development Dimensions International (DDI, 2005)[24] states "the extent to which people value, enjoy and believe in what they do" as employee engagement. Truss et al (2006) [25] define employee engagement as "passion for work", a psychological state which is seen to encompass the three dimensions of engagement discussed by Khan (1990).

Saks (2006)[26] was the first academic researcher to specifically conceptualize and test antecedents and consequences of employee engagement. He claims that it is the degree to which an individual is attentive to one’s work and absorbed in the performances of one’s role.

Common to these definitions is the notion that employee engagement is a desirable condition, has an organizational purpose and connotes involvement, commitment, passion, enthusiasm, focused effort and energy, so it has both attitudinal and behavioural components (Macey & Schneider, 2008)[27]. From all the definitions, it is concluded that there is no perfect consensus to an official definition of the term engagement in research literature but presence of common threads have surfaced about the nature of the construct.
V. COMMON CHARACTERISTICS OF ENGAGED EMPLOYEES

- Believe in their organization
- Desire to work to make things better
- Understand the business context and the “bigger picture”
- Are respectful and helpful to colleagues
- Are willing to go “the extra mile”
- Keep up to date with developments in their field

VI. RATIONALE OF STUDY

The rationale of this study was to ascertain whether the concept of employee engagement is meaningful, which could add to the already existing management knowledge or is it redundant introduction with the existing research. While some authors are of the view that employee engagement is born out of practicing managers concern for the ‘answer’ to the sticky question of motivation and performance. There is certainly a need to explore as to what are the variables which influence or lead to employee engagement and the order to which they explain employee engagement.

There is a wealth of knowledge in the management literature which has helped the organizations to understand the psychology of the employees. This understanding has proved to be very instrumental in the success of the organizations specifically IT sector. The customer centric approach and concept is now being replaced by the concept of care being largely employed towards the ‘internal customers’ of the organization. The concept of care shown towards the internal customers i.e., the employees of the organizations is justified and rational. It is highly imperative for the organizations to improve the level of engagement of the employees so that they may perform to the best of their abilities.

Therefore, the wisdom of management through the prism of psychological researches has done a world of good to the organizations. The quest, therefore, remains to explore whether engagement behaves like the other well-established constructs and results in the similar outcomes, if this is so then does the organization behaviour or management require another similar construct such as employee engagement? Contrary to this if employee engagement explains those aspects of employee’s psychological behaviour which have eluded the previous researchers; it would be welcomed by the academicians and the practitioners alike. The questions like whether employee engagement is a multidimensional, multi-layered concept or unidimensional also need to be reflected upon and addressed.

In the same vein it is always questioned by the academic researchers of employee engagement, that whether employee engagement is an attitude or behaviour and how to deal with it with IT acknowledged manpower.

VII. ANTECEDENTS AND CONSEQUENCES OF EMPLOYEE ENGAGEMENT

The necessary conditions leading to employee engagement can be gauged from the fact that those employees who maintain their engagement levels, tend to do that because their organization favours and provides amenities to them and consequently satisfies them. Subsequently, engaged employees are trust-worthy and maintain a high-quality relationship with their supervisors and managers. Such employees most probably are more optimistic and hold positive feelings and intentions towards the organization.

Additionally, some of the pragmatic researches on employee engagement reported positive relationship between employee engagement and several work outcomes. For instance, employee engagement has been observed to be related to organizational commitment in a positive manner; contrary to this intention to quit was negatively related to employee engagement, some researches also showcase that employee engagement is related to in-role performance and extra-role behaviour (Schaufeli & Bakker, 2004[28]; Sonnentag, 2003[29]). Schaufeli and Bakker (2008) found that engagement was negatively related to turnover intention and mediated the relationship between job resources and turnover intention. Therefore, it is predicted that employee engagement should be related to work outcomes.

![Source: Schaufeli and Bakker (2004) Figure 2.1: Schaufeli and Bakker Research Model](image-url)
VIII. WHY ENGAGED WORKERS PERFORM BETTER (ENGAGED EMPLOYEES POSITIVE OUTCOMES)

The performance of an engaged employee is always better than those non-engaged employees. Different researchers have investigated this relationship, which can be compiled here. The experience of positive emotions, experiencing better health, creating one’s own job and personal resources, and transferring their engagement to others were the possible abstraction which an engaged employee experiences.

Positive emotions

Positive emotions as an outcome of engagement were researched upon by various scholars (Schaufeli & Van Rhenen, 2006)[30]. Positive emotions thus explain the higher level of performance and productivity. Cropanzano and Wright (2001)[31] advocate that those employees who are content are more prone to sense and take up the opportunities which approach them at work, such content employees are thus, more sanguine, and are ready to lend a hand to others. The broaden-and-build theory of positive emotions (Fredrickson, 2001)[32], advocates that there are some positive emotions like joy, interest, and contentment, which can share the aptitude of the employees to enhance the people’s momentary thought – action repertoires and build their personal resources by extending the ambit of thoughts and actions that come to mind. Personal resources could be physical, intellectual, social, and psychological.

Good health

There are several researches which establish the positive linkage between good health and engagement. This has clear implications for the organizations that healthy employees are engaged employees. Demerouti, Bakker, De Jonge, Janssen, and Schaufeli (2001)[33] reported moderate negative correlations between engagement (particularly vigour) and psychosomatic health complaints (e.g., headaches, chest pain). In addition to this, Hakonen, Bakker, and Schaufeli (2006)[34], in their study among Finnish teachers showed that work engagement is positively related to selfrated health and workability.

Ability to mobilize resources

The reason why engaged employees are more productive and thus perform better in their job could be the ability to generate their own resources both personal and organizational. Fredrickson’s (2001)[35] broaden-and-build theory advocates that moment-by-moment experience of positive emotions can help to initiate by building psychological resources and continuing with those resources to lead up to an emotional well-being stage of work life. The emotions which are positive help endure the good feeling among the employees for a longer period of time (Fredrickson & Joiner, 2002)[36]. Furthermore, Schaufeli, Bakker, and Van Rhenen (2008)[37] study among managers showed that engagement was predictive of increases in next year’s job resources, including social support, autonomy, learning opportunities, and performance feedback. All the aforesaid evidences suggest that while comparing nonengaged employees to engaged employees, the latter are better able to assemble and marshal their personal resources on the job and the job itself.

Crossover of engagement

Westman (2001)[38] defines crossover of engagement as an emotional contagion which gets transferred from one employee to another. This emotion can be in the form of experience both positive, and negative. If the co-workers are able to make an impact on each other with their levels of engagement, then there is a possibility that they would perform better as a group. Bakker, Van Emmerik, and Euwema (2006)[39] in their research study among 2,229 officers working in one of 85 teams established that team-level work engagement had a relationship with individual team members’ engagement (vigour, dedication, and absorption). This could be done after taking in control the individual members’ job demands and resources. Thus, the engaged employees who transfer positive experience and wisdom, created a positive team climate. This was not dependent on the demands and resources the employees were exposed to. This concludes that the engaged employees are able to make an impact on their co-workers and subsequently work and perform in an enhanced way.

Positive Psychology and the Value of Engagement Research

The growing popularity of engagement is because of the fact that it has been positioned as providing mutual benefits to the individual employee as well as the organization. By managing the workplace environment in a way that promotes engagement, employees are said to be happier and the organizations bottom-line increases as a result (Harter, Schmidt, and Keyes, 2003[40]; Keyes & Magyar-Moe, 2003)[41]. The mutual benefit can be explained by a theory often cited in positive psychology: the “happy productive worker” hypothesis. So engagement has been construed as a linking pin to the happiness experienced by the employees. The wellbeing studies undertaken by researchers emphasize that if the employee’s exhibit positive emotions to a greater degree (happy employees) then the performance of those employees are enhanced going by the supervisor’s ratings (Harter et al., 2003[42]; Wright & Bonnett, 1997[43]; Wright & Cropanzano, 2000)[44]. Isen (2003)[45] links positive affect of emotions to the helpful nature, generosity displayed by the employees, the social responsibility catered to, and the ability to think in a pristine manner. This means that freedom of choice as to engage in certain task behaviours or not is allowed under certain conditions. Engagement or “doing something extra” then becomes...
doing what is normal when normal conditions do not apply. However, there are limitations to defining employee engagement behaviour as such and frequency and extent of opportunities which demonstrate such behaviours would also need to be explored and explained.

A study of Gallup organisation on concept of Employee Engagement

The Gallup Organization is an international organizational research and consultancy firm which has over 70 years of experience in conducting influential business surveys. It can also be credited with bringing employee engagement in the notice of industry by undertaking many employee engagement surveys based on its EE scale which was patented by Gallup in 1988.

The Gallup’s employee engagement scale is a culmination of studies conducted from 1985. By early 2001, the Gallup engagement survey had maintained a database of over 87,000 organizational units. This is the indicator of the importance being given to employee engagement by organizations and its global acceptability.

ISR, a major consulting firm with over 30 years of experience, has in a large scale international employee engagement study drawn data from over 360,000 employees from 41 companies in the world’s ten largest economies, over a three-year period (ISR, 2005)[45].

Employee engagement surveys are not only being administered at international level on large scale but local consultancies are also increasingly becoming involved. This indicates increased interest and intent of businesses across the world to seek benefit from the employee engagement research and development.

Researchers’ findings have proved substantial benefits in employee engagement for performance and profit. Most notable results have come from Gallup Organisation and International Survey Research. The Gallup Organization found customer loyalty, business growth, and profitability to have important links with employee engagement. These findings linking employee engagement with business outcomes, including customer satisfaction and loyalty, profitability, productivity, employee turnover, and safety. It is important to examine business-unit-level relationships because it is at this level that employee survey data are typically used by Organizations all over the globe. Many of the Fortune 500 organizations across the US, were dealing with the problem of varying performance across stores, consequently they hired Gallup to tackle this problem. On analysis and assessment the Gallup organization concluded that those stores which depict low engagement and customer loyalty under-performed (Gallup, 2010). The Gallup Organization in its literature on employee engagement has cited how it is helping many companies throughout the world to improve their performance through improvement in employee engagement.

REFERENCES

[1] Public Speech Dr. Manmohan Singh, on 8.1.2013 at Kochi, Kerala


