Socio-Economic Profile of Employees and Employee Engagement in Information Technology Industry with Reference to Coimbatore City

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ABSTRACT

As Indian software industry faces stiff global competition, the growing need of IT industry is to provide quality work as expected by foreign customers. The success of IT companies depends upon the employees working in different job profiles. Hence it is the responsibility of the organizations to convert each employee being engaged in their jobs in order to achieve the goals in global competitive scenario. In the line of attack, the present study has been made by the researcher to analyze the socio-economic profile of employees and employee engagement in information Technology industry with reference to Coimbatore city.

Keywords-- Industry, Stiff, Scenario, Employee engagement, Information Technology

I. INTRODUCTION

Employee Engagement (EE) has been the topic of discussion in the academic and consulting fraternity. It signifies a synergy of being holistic, energetic and spiritual. There are many other ways in which Employee Engagement has been defined earlier. The crux of the definition of Employee Engagement includes energy, involvement, commitment, vigour, attachment with the work, organization and colleagues. The impact of employee engagement has been constructed by varied academicians and consultancies in different ways. The critical analysis of employee engagement has been done numerous times by different researchers. Those researchers conclude that employee engagement has been conceptualized and defined in ways that suit their purpose of action. Some of the researchers compare employee engagement to 'old wine in new bottle', because the construct of employee engagement looks quite similar to some of the already established constructs of job satisfaction (JS), Organizational Commitment, Job involvement and so on.

II. NEED FOR THE STUDY

Employee engagement involves giving the workforce a sense of participation, freedom and trust. It differs from motivation and job involvement and is something that is felt at three levels: the emotional, the cognitive and the physical. If an employee feels engaged on these levels, that is to say they feel the meaningful relationships with peers and co-workers and are aware of their specific mission and role, they are more likely to produce good work and stay with the company. Perceptions of the workplace have been shown to directly influence both the quality of work output and retention. Thus, firms must seek to create a work experience that is difficult for competitors and poachers to imitate. So, Employee engagement has emerged as one of the most important topics in the sphere of human resource management. It stands to the extent of which the employees are committed to the vision, mission and goals of the organization and involved with the work they do. The aim is to assess the main factors encouraging or preventing employee engagement, create fatigue and happiness in IT and ITES employees.

III. STATEMENT OF THE PROBLEM

IT industry is one of the sectors which offer jobs to fresher with high salary. This industry is growing in leaps and bounds in India and the prospect of finding employment with a good company is really bright. The IT industry employed 1.38 lakh employees in 20012-13, which has raised the total number of ITES-BPO employees about 5.53 lakhs. According to an estimate by the NASSCOM, the Indian BPO sector had generated 1.1 million jobs in 2013. Large BPO companies offer ample opportunities for career progression based on merit.

Growth of Indian Software Industry is estimated to be worth $ 65 billion. Unfortunately the growth has been limited to a few cities- Bengaluru, Mumbai, Delhi, Noida, Chennai, Kolkata and Cochin. Career opportunities in IT sector are bright and growing in India as well as abroad. IT is a diverse industry in which companies are looking for a multi-skilled as well as tech savvy workforce. IT sector (besides generating revenue and employment) is also assisting in improving the supply of talent pool and development of physical and social infrastructure, either

directly by themselves or by spurring the Government to action. The fast growing IT industry has been struggling with several issues concerning availability and quality of talent. The industry has responded to this issue by evolving sustainable and innovative solutions.

Companies in India as well as in other countries face a formidable challenge of recruiting and retaining talents while at the same time having to manage talent loss through attrition. Losing talents and employees result in performance losses which can have long term negative effect on companies especially if the departing talent leaves gaps in its execution capability and human resource functioning which not only includes lost productivity but also possibly loss of work team harmony and social goodwill. With attrition rates being a bane of every industry, companies are devising innovative business models for effective retention of talent. There are lots of factors responsible for attrition and employers are getting increasingly conscious of the factors that can keep an employee committed.

IV.   OBJECTIVES OF THE STUDY

The following are the objectives of the present study.
➢   To discuss the need of employee commitment in IT industry
➢   To describe the personal and job profile of the employees
➢   To offer suggestions based on the findings of the study

V.   METHODOLOGY

The current study is descriptive in nature. The Primary Data have been collected by administering a structured questionnaire. It is designed to gather information to provide a foundation for formulating more effective applications.
Sampling Technique
Under the Non-probability sampling technique, convenient sampling method has been adopted in which the sample units were selected in a hit and miss fashion.
Sample Size
There were 137 IT organizations functioning in and around Coimbatore. Workforce of IT Companies is around 65,000. Due to these complexities to arrive at the total population, the sample size is restricted to 650 conveniently.

VI.   LIMITATIONS OF THE STUDY

The research was conducted only in software field of IT industry. Hardware and manufacturing sectors had not been covered by this research.

VII.   ANALYSIS AND INTERPRETATION

The socio-economic profile of the respondents is classified under two sub divisions viz. Personal Profile and Job related Profile
7.1 Personal Profile
The Personal profile depicts the profile of the respondents in terms of Age, Gender, Education, Marital status, Origin, Type of family, Total income and No. of dependents.
7.1.1 Age of the Respondents

Table – 1
Age of the Respondents

Gender	Number of Respondents	Percent
20-30 Years	520	80.0
31-40 Years	110	16.9
41 -50 Years	14	2.2
51-60 Years	6	0.9
Total	**650**	**100.0**

Source: Primary data

Table 1 signifies the age of the respondents. Majority of the respondents (80 percent) were in the age group of 20-30 years. Though IT industry employs all age group of people, it attracts young talented pool. When the age of the employees increases, the employment in IT company decreases.
7.1.2 Marital Status of the Respondents

Table – 2
Marital Status of the Respondents

Marital Status	Number of Respondents	Percent
Married	222	34.2
Unmarried	428	65.8
Total	**650**	**100.0**

Source: Primary data

Table 2 portrays the marital status of the respondents. Majority of the respondents (65.8 percent) were unmarried and 34.2 percent of them were married. It was found that the respondents have more job assignments. They are expected to be highly committed and work conscious. So, most of the respondents seem to be young, flair and unmarried.

7.2 Job Profile of the Respondents

The job profile depicts the profile of the respondents in terms of Nature of work, Nature of position, Designation, Company type, Managerial level, Number of companies worked before, Gross salary per month, Experience at current job and the Days worked overtime.

7.2.1 Nature of work

Table – 3
Nature of Work of the Respondents

Nature of Work	Number of Respondents	Percent
BPO	196	30.2
Development	138	21.2
Support and Maintenance	82	12.6
Software testing	104	16.0
Business analysis	24	3.7
Team Management	30	4.6
Administrative	23	3.5
Quality assurance	42	6.5
Others	11	1.7
Total	**650**	**100.0**

Source: Primary data

Table 3 indicates the nature of work of the respondents. Most of the respondents in IT companies hold various positions in BPO (30.2 percent), Development (21.2 percent), Support and Maintenance (12.6 percent) and Software testing (16 percent). Rest of them holds the designations in the areas such as Business Analysis, Team Management, Administrative, Quality Assurance and Others. However, BPO and Development are the main areas where more number of respondents hold their designation in IT companies.

7.2.2 Gross Salary per month

Table- 4
Gross Salary per month of the Respondents

Salary	Number of Respondents	Percent
Below Rs.20000	275	42.3
Rs.20001-30000	223	34.3
Rs.30001-40000	80	12.3
Rs.40001-50000	38	5.8
Above Rs.50000	34	5.2
Total	**650**	**100.0**

Source: Primary data

Table 4 reveals the gross salary per month of the respondents. Most of the respondents (42.3 percent) have the monthly income below Rs.20000. Next to this, 34.3 percent of them earned ranging from Rs.20001 to Rs.30000 per month. Rest of them have the gross salary ranging from Rs.30001 to Rs.40000 and above Rs.50000.

7.2.3 Experience at current job

Table- 5
Experience at current job of the Respondents

Years	Number of Respondents	Percent
Below 5	492	75.7
5-10	110	16.9
11-15	24	3.7
16-20	24	3.7
Total	**650**	**100.0**

Source: Primary data

Table 5 reveals the experience at current job of the respondents. Majority of respondents (75.7 percent) of them have below 5 years of experience in the current job. It was found that 16.9 percent of them have the experience of 5-10 years. Rests of them have above 10 years of experience in the current job. Experience in the current job promotes the expertise and specialization of the employees. It enhances the vertical mobility of the employees in the same organization.

7.2.4 Number of Companies worked before joining the company

Table- 6
Number of Companies Respondents worked before joining the company

Number of Companies	Number of Respondents	Percent
None	282	43.4

One	164	25.2
Two	140	21.5
Three	50	7.7
More than three	14	2.2
Total	**650**	**100.0**

Source: Primary data

Table 6 reveals the number of companies respondents worked before joining the company. It is found that 43.4 percent of the employees do not have any previous work experience in any other company. Majority of the employees (56.6 percent) have previous experience in some other organizations ranging 1 to 3 companies.

7.2.5 Kendall's Coefficient of Concordance

Kendall's W (also known as Kendall's coefficient of concordance) is a non-parametric statistic. It is a normalization of the statistic of the Friedman test and can be used for assessing agreement among raters. Kendall's W ranges from 0 (no agreement) to 1 (complete agreement).

Table- 7
Reason for taking up the current job – Rank

Reasons	Mean	Rank
Good work environment	3.53	I
High growth opportunity	5.34	IV
Did not get a better job	5.94	VIII
Peers are of same age group	6.38	X
Education level does not matter	6.25	IX
Flexibility of time	5.10	II
Job content	5.59	V
Good benefits	5.93	VII
Transport facility	5.65	VI

available		
Salary is good	5.30	III

Kendall's Coefficient of Concordance

Kendall's Wᵃ	0.071

It is seen that there is low level (0.071) of similarity among the respondents in assigning the ranks to ten reasons for taking up the current job in the IT organizations. The respondents were asked to assign ranks by giving rank 1 to the most preferred item and rank 2 to the next most preferred item and likewise the least preferred item by giving rank 10.

From the above table, it is understood that the lowest preference was given to the 'Peers are of same age group' (6.38) and the highest preference was given to 'Good working environment' (3.53) and 'Flexibility of time' (5.10). The moderate level of preferences was given to 'Salary is good' (5.30), 'High growth opportunity' (5.34), 'Job content' (5.59), 'Transport facility available' (5.65), 'Good benefits' (5.93), 'Did not get a better job' (5.94) and 'Education level does not a matter' (6.25).

VIII. FINDINGS

Personal Profile

☐ IT industry gives equal opportunities for both men and women who were able to match the job profile of the industry with high potentials. It was found that 52.6 percent of the respondents were male.

☐ Majority of the respondents (80 percent) were in the age group of 20-30 years. Though IT industry employs all age group of people, it attracts young talented pool.

☐ Majority of the respondents (65.8 percent) were unmarried and 34.2 percent of them were married.

☐ Majority of respondents (60.3 percent) belonged to urban areas whereas 33.2 percent of them hailed from rural areas. Only 6.5 percent of them have come from sub urban areas.

☐ Majority of the respondents (69.5 percent) followed nuclear family system and 30.5 percent of them adopted joint family system. More than 30 percent of the respondents have one or two dependants.

☐ Most of the respondents have completed either UG degree or PG degree. Among the 650 respondents, 240 respondents have the family income ranging Rs.25000 to Rs.50000. Rest of them have the family income above Rs.50000.

Job profile

☐ Most of the respondents in IT companies held various positions in BPO (30.2 percent), Development (21.2 percent), Support and Maintenance (12.6 percent)

and Software testing (16 percent). Rest of them held the designations in the areas such as Business Analysis, Team Management, Administrative, Quality Assurance and Others.

☐ Majority of the respondents are permanently placed in their jobs whereas the job position of 30.9 percent of them is temporary. The respondents occupy various designations in IT companies. Especially, 25.2 percent of them were designated as programme analyst and 24.8 percent of them were associates. Rests of them were programme analyst trainee, senior associate, project manager and other operatives.

☐ Majority of the respondents (70 percent) worked in Multi National Corporations (MNCs) and only 30 percent of them work in Indian companies. 51.8 percent of the respondents hold the job positions at lower level management.

☐ Most of the respondents (42.3 percent) had the monthly income below Rs.20000. Next to this, 34.3 percent of them earned ranging from Rs.20001 to Rs.30000 per month. Majority of the respondents (68.9 percent) have below 5 years of job experience and 75.7 percent of them have below 5 years of experience in the current job.

☐ Majority of the employees (56.6 percent) had previous experience in some other organizations ranging 1 to 3 companies. Majority of the respondents (53.5 percent) were in a position to accept the additional assignments during the project delivery.

☐ According to the results of Kendall's coefficient of concordance for the various reasons to take up the current job, lowest preference was given to the 'Peers are of same age group' (6.38) and the highest preference was given to 'Good working environment' (3.53) and 'Flexibility of time' (5.10).

IX. SUGGESTIONS

Following suggestions are derived from the research to make employees more engaged in IT companies.

☐ Most of the BPO employees need to be given more job enrichment, so that commitment will improve. Monotony and boredom have to be mitigated with novel initiatives.

☐   The engineering graduates and Computer graduates have to be provided opportunity to pursue M.B.A and carryout other research degrees through the establishment of Management Training Institutes or tie up with respective learning centers, which are at closest to their job location.

☐   Beyond basic education, e-learning, job oriented education and legal perspectives give fulfillment to the employees by making them not only aware of the basic concepts but also strengthen their capabilities to understand individual duties and functions.

☐   Special assistance in the form of reimbursement of course fee may be provided to kindle the learning interest of the employees and accomplish their educational goals.

☐   The employees may be trained through mentoring, simulation, social networks and bulletin boards. The employees with lesser job experience and in the primary level salary brackets have to be well focused to give necessary inputs. Biannual and daily feedbacks need to be viewed with caution.

☐   Appropriate training to employees of various key positions and   designations help them to update their knowledge and skills. Generally, it is understood that, when employees get to know more about their jobs, their confidence increases there by enabling them to work without much supervision from their immediate managers which in turn builds their self efficacy and commitment.

☐   The newly hired employee should be given both general orientation and job specific orientation.

☐   Most of the young people working in MNCs with low level of experience and salary have to be well motivated through special incentives, group lunch and organizational melas.

☐   Bonus, insurance, medical facilities for the family members and pension schemes may be provided to attract the employees having different job profile.

X.   CONCLUSION

IT industry gives ample opportunities for young people who are computer savvy. The young employees find the IT jobs more lucrative. The employees are free from the clutches of gender bias and regional disparities. Skills and capabilities with requisite educational qualification make the employees to sharpen their brains and show high level commitment with their jobs. As the BPO is the key job in IT industries, most of them engaged in call centre jobs of MNCs. Need for experience and expertise in performing the jobs make them more work conscious with team spirit.

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