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A Study on Employee Engagement Practices with Special Reference to Employees Working In Automotive Industry in Gurgaon Haryana

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Abstract: Employee engagement can be critical to a company's success, given its clear links to job satisfaction and employee morale. Engaged employees are more likely to be productive and higher performing. They also display a greater commitment to a company's values and goals. The automobile industry is one of the biggest contributors in Indian Economy and the study of employee engagement practices and its effectiveness is important. This study is conducted at JBM Group, Gurgaon Haryana to understand the employee engagement and its impact. The study was done on a sample size of 50 employees. The convenience sampling method was used. The data was collected by interviewing the respondents with the help of a structured questionnaire. The analysis of the data shows that better reward and recognition, opportunity for advancement respect, honest two way communications, and job security, leadership, and management support, compensation were the main factors were factors that created employee engagement in the organization and most of the employees found to be satisfied with these factors.

Keywords: *Employee; Organization; Engagement.*

I. INTRODUCTION

The economy of India is rising and in this time automotive industry has a major role to play in the Indian Economy. The automotive industry is working on cost excellence, technology, marketing, innovation, new models, and also attracting foreign players to proactively develop India as their sourcing and manufacturing centre. The employees of any organization are the main asset of the organization and they are the person who mobilizes all the assets. The organizations are working on the concept of engaged employees as they are the only one who can create the competitive advantage for the company in the market. Employee engagement is defined as “the harnessing of organisational members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performances” (Kahn, W.A. 1990). Most often employee engagement has been defined as emotional and intellectual commitment to the organization (Baumruk, 2004; Richman, 2006; and Shaw, 2005) or the amount of discretionary effort exhibited by employees in their job (Frank et al. 2004). Development Dimensions International (DDI, 2005) defined engagement “The extent to which people value, enjoy, and believe in what they do”. It also states that its measure is similar to employee satisfaction and loyalty.

The concept of Employee Engagement is given more importance now days because of the benefits associated with it. It is only an ‘engaged employee’ who is intellectually and emotionally bound with the organization, feels intense about its goals and is committed towards its values. He goes the extra mile beyond the basic job responsibility and is associated with the actions that drive the business. Moreover, in times of decreasing loyalty, employee engagement is a potent retention strategy.

Engagement at work was conceptualized by Kahn as the 'harnessing of organizational members' selves to their work roles. An engaged employee extends themselves to

Meet the organization's needs, takes initiative, reinforces and supports the organization's culture and values, stays focused and vigilant, and believes he/she can make a difference (Macey, 2006). The study try to focus on the aspect of Employee Engagement specially in the Automotive Industry and try to find out the factors of Employee Engagement and the effectiveness of these practices in the organization under study.

II. LITERATURE REVIEW

Alan M. Saks(2011) in his paper has concluded that creating workplaces in which people can find meaning and fulfillment in and at work and immerse themselves in their roles. Employee engagement and workplace spirituality are being discussed in management. Both topics evolve around independently they are concerned with the spirit at work, focus on improving employee well-being and organizational performance. **Anitha.J(2014)** in her study has emphasized the importance of employee engagement and identified the various aspects that have a significant effect on it. Employee performance has a strong significant relationship between employee engagements. Factors that improve the healthy working environment, team and co-worker relationship, productivity is enhanced to employee engagement .Social impact of the organization can be determined by these parameters. **Arti Chandani et al(2016)** in their paper have explained about employee turnover shows how well employees are engaged and how they working innovative way. Engaged employees who work for a long term in the organization may not be accomplished. Engaging employees in an organization can be enhanced by giving them an opportunity to think and make decisions through their commitment. **Bruce et al (2010)** have argued that job engagement is related to performance of their task positively. Job engagement is related to organization support and perceived congruence value. Job engagement has core self evaluations that are considered. Job engagement has an impact on the performance of the employee it is related to involvement, satisfaction and motivation. **Dharmendra Mehta et al (2013)** have revealed that employee engagement is been linked with the aspects of work related to these factors emotional, cognitive and physical aspect is integrated. The concept of employee engagement is a long term process it is linked with values, culture and managerial philosophy. Employee engagement happens when employees are involved, motivated, positive efforts are taken through their job commitment. **Geetha Jose et al (2015)** in her paper has explored that the motivational mechanism underlying the relationship between perceived supervisor support employee engagement relationship. Employee engagement is fully mediated when psychological empowerment, employee enhancement is associated with the role of supervisors, employees' feelings of empowerment, employee behaviour and organizational effectiveness. **Jyoti Naganath Shinde(2015)** revealed that there are various factors which affect the employee's engagement at work such as nature of job, appreciation, empowerment, training and development, work culture, team spirit, compensation as per job profile, transparent performance appraisal, Job safety and supportive environment and last but not the least leadership style at work place Employee engagement is considered to be an employee's emotional dedication towards an organization.**Mark Attridge(2009)** examined the concept of employee work engagement, how it is measured, how often it occurs, the costs of disengagement and business benefits linked to positive engagement, and how the workplace can be changed to encourage greater employee engagement.

Abhijit Siddhanta et al (2010) in their paper have concluded that an organization success depends on the employees who are highly engaged monetary and non-monetary parameters. Employees who are engaged will have the following characteristics say, stay and strive. Employees who are motivated will be engaged they will have a involvement, commitment, belonging feeling. They work towards the goals of the organization. **Catherine Truss et al (2013)** have highlighted that the diverse perspectives on 'doing' engagement and 'being' engaged the way that engagement has been subject to 'fixing, shrinking, stretching and bending' as the construct develops. Employee engagement has a 'win-win' scenario for employees as well as employers. The employee engagement has microlevel enactment engagement within the concept of 'doing' engagement and 'being' engaged.**De Lacy (2009)** had found that many organizations have realized the importance of employee engagement

and they try to attract the right employee with required talent. Employers have realized the importance of recruiting employees who have talents and skills which are required in software industry will enable them to retain employees.

III. OBJECTIVES OF THE STUDY

The following are the various objectives of the study:

1. To identify the factors of employee engagement in Automotive Industry
2. To find out the effectiveness of Employee Engagement Activities in the Organization.

IV. RESEARCH METHODOLOGY

The research designed is descriptive in nature. Data collection is done with secondary and primary data. Primary data is gathered by developing structured questionnaire. The questionnaire was distributed to respondents of various departments in JBM Group, Gurgaon **Haryana**. Secondary data which the researcher obtained from published data or data collected in the past. The secondary data is collected from different journals, magazines, texts books, articles, websites and company records. Employees are asked to give their responses on five-point Likert Scale (1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree).SPSS was used for the analysis of data and KMO-BARTLET TEST to identify the sufficient sample. Reliability test was carried to know the reliability of the project. Hypothesis test is done to test the level of satisfaction of the employees. The sampling was Convenience Sampling, Sampling Size is 50.

V. DATA ANALYSIS AND INTERPRETATION

Demographic profile of the respondents: Demographic profile of employees is given in Table 1

| Demographic Variables | Demographic Variables | No of Employees | Percentage of Employees |
|-----------------------|-----------------------|-----------------|-------------------------|
| Age | 18-25 | 8 | 15 |
| | 26-45 | 34 | 70 |
| | 46> | 8 | 15 |
| Gender | Male | 48 | 96 |
| | Female | 2 | 4 |
| Qualification | Degree Holder | 24 | 47.5 |
| | Diploma Holder | 18 | 36.3 |
| | ITI | 6 | 11.3 |
| | Others | 7 | 13.5 |
| Department | Production | 38 | 75 |
| | Finance | 2 | 2.4 |
| | Hr | 3 | 5 |
| | Marketing | 9 | 17.5 |
| | Others | 5 | 10 |

Table 1: Demographic profile of the respondents

The demographic profile shows that the majority of employees are in the age group of 26-45. The percentage of male employees in the organization are 96 and only 4 percent are female employees. Degree holder is around 47 percent and around 36 percent are diploma holder. Maximum numbers of employees are working in production.

To Identify Employee's Engagement Factors: The factors contributing to the effectiveness of employee's engagement were identified from the literature Review. The factors identified were Benefits, Value, Organization Culture, Compensation, Management Support, Appreciation, Recreation, Integration, and Fairness, Tools Respect, Leadership, Job Security, Empowerment, Grievance Handling, Responsibility, Accomplishment, Accurate Information, Equal Opportunity, Imitative.

The method of factor analysis was used to identify the factors that contribute to the effectiveness of Employees Engagement in JBM Group. The Cronbach Alpha test was used to test the reliability of the data collected. The Cronbach Alpha is 0.787. It means the data collected for the study is reliable to the extent of 78.7% which is very good number. (Table 2)

| Reliability Statistics | |
|------------------------|------------|
| Cronbach's Alpha | N of Items |
| 0.786 | 20 |

Table 2: Reliability Test

KMO and Bartlett's Test: Adequacy of sample is found with the help of KMO test. The value of KMO .The value for the same should be more than 0.50 and in it is 0.537 which is more than the required. Bartlett's Test was used to find the correlation among the items It was found significant correlation among the items. To firm which component goes to what factor we have to look at Rotated component matrix. The same has been shown below which is sorted by size and factor.

| KMO and Bartlett's Test ^a | | |
|---|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | | 0.537 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 456.937 |
| | Df | 191 |
| | Sig. | 0.000 |
| a. Based on correlations | | |

Table 3: KMO and Bartlett's Test.

| Question | Component | | | | | | |
|---|-----------|----------|----------|----------|----------|----------|-------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Welfare | 0.842411 | | | | | | |
| Welfare benefits | 0.812534 | | | | | | |
| Value | 0.689128 | | | | | | |
| Org.Culture | | 0.895553 | | | | | |
| Compensation | | 0.750008 | | | | | |
| Management Support | | 0.63504 | | | | | |
| Appreciation | | | 0.700660 | | | | |
| Recreation | | | 0.688882 | | | | |
| Integrity and Fairness | | | 0.676223 | | | | |
| Tools | | | 0.659186 | | | | |
| Respect | | | 0.587878 | | | | |
| Leadership | | | | 0.795332 | | | |
| Job security | | | | 0.788576 | | | |
| Empowerment | | | | | 0.776925 | | |
| Grievance Handling | | | | | 0.638602 | | |
| Responsibility | | | | | -0.56751 | | |
| Accomplishment | | | | | | 0.840955 | |
| Accurate Info | | | | | | 0.633122 | |
| Equal opportunity | | | | | | | 0.780428823 |
| Initiative | | | | | | | 0.767455858 |
| Extractions Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. | | | | | | | |
| a. Rotation converged in 16 iterations. | | | | | | | |

Table 4 : Factor analysis interpretation

Factor analysis interpretation: It was found from the study that the incentives and benefits are contributing 22.09% towards employee engagement. Equal opportunity and advancement in the organizations is contributing 13.2% .The third factor employee's participation in management and brings 11.42% engagement. This will reduce the wastage in productivity. The recognition and reward gives 9.56%. Satisfaction. The communication contributes 8.29%.

To measure the level of Employee Satisfaction at workplace

Hypothesis H₀: Mean satisfaction level of employees towards different variables is equal to 3.

Test value is 3 which is assumption. Since $P < 0.0001$, the null hypothesis that means the satisfaction level using Likert scale is equal to 3 and conclude that the means satisfaction rating of the employees is significantly different than the assured value of 3 (Tables 5 and 6).

| One-Sample Statistics | | | | |
|-----------------------|----|--------|----------------|-----------------|
| | N | Mean | Std. Deviation | Std. Error Mean |
| Better benefits | 50 | 3.7000 | 0.60509 | 0.08471 |
| Value | 50 | 4.2000 | 0.62445 | 0.08590 |
| Job security | 50 | 4.0400 | 0.48528 | 0.07104 |
| Leadership | 50 | 4.0800 | 0.47192 | 0.06825 |
| Equal opportunity | 50 | 4.1245 | 0.67512 | 0.09777 |

Table 5: Descriptive Statistics

| One-Sample Test | | | | | | |
|-------------------|----------------|----|-----------------|-----------------|---|--------|
| | Test Value = 3 | | | | | |
| | T | Df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| Better benefits | 9.323 | 49 | 0.000 | 0.81000 | 0.6178 | 0.9712 |
| Value | 12.649 | 49 | 0.000 | 1.10000 | 0.9154 | 1.2756 |
| Job security | 16.266 | 49 | 0.000 | 1.13000 | 0.9982 | 1.2807 |
| Leadership | 17.324 | 49 | 0.000 | 1.18000 | 1.0420 | 1.3160 |
| Equal opportunity | 12.501 | 49 | 0.000 | 1.21449 | 1.0267 | 1.4213 |

Table 6: Z-test Results

VI. SUMMARY OF FINDINGS

The demographic profile shows that the majority of employees are in the age group of 26-45. The percentage of male employees in the organization are 96 and only 4 percent are female employees. Degree holder is around 47 percent and around 36 percent are diploma holder. Maximum numbers of employees are working in production. It was found from the study that the incentives and benefits are contributing 22.09% towards employee engagement. Equal opportunity and advancement in the organizations is contributing 13.2%. The third factor employee's participation in management and brings 11.42% engagement. This will reduce the wastage in productivity. The recognition and reward gives 9.56%. Satisfaction.

VII. SUGGESTIONS

Some of the workers are neutral with factors impulses and benefits in the company. Similar grievances must be addressed and taken care off. Induction programs for the new recruits may be made obligatory so that they can get to know about internal and external company programs and can engage in work efficiently and effectively. There should be an increase in motivational program so that it increases enthusiasm and recognition of the workers. There are workers who don't feel valued and involved in the job. The reason for the situation should be linked to the factors identified. This will obviously increase the level of engagement. The good work and performance of employees should be recognized and appreciated.

VIII. CONCLUSION

IX. The concept of Employee Engagement demonstrates that the level of enthusiasm and dedication a worker feels toward their job. Such employees care more about their work and company performance. He is not only working for financial benefits but also consider their well-being linked to their performance, and thus instrumental to their company's success. The company can create engaged employees by initiating certain efforts like two way communication including communicating expectations clearly, offering rewards and promotions for excellent work, keeping employees informed

about the company's performance, and providing regular feedback. Other strategies include making efforts to make employees feel valued and respected, and feeling that their ideas are being heard and understood. Engaged employees believe that their work is meaningful, believe that they are appreciated and backed by their supervisors and that they have been entrusted with the success of their company. The Employee engagement not only increases the productivity of employees, keep them happier and safe, increase profitability, loyalty and retention of employees. Hence, employee engagement is of more importance, where it tells the level of satisfaction of employees at work and it is very important for a company to keep their employees satisfied because, happy and engaged.

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