



Review

Employee Engagement- Building Positive Employment Relations AT M/s. Heritage Foods, Hyderabad

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Today global competition slow growth economies are focusing towards customer focused organizations as the Organization structures comprising the formal structure and the coordinating mechanisms are continually seeking equilibrium Employee engagement has an emerged as critical drivers of business success in today's competitive marketplace. The extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment.” This paper investigated employee engagement and has incorporated statistical tools such as frequency analysis, chi-square test and the results of the same have been expressed and it was found that Career Related, Compensation Related, Organizational Climate and Morale are the four major factors have been influencing on employee engagement.

Keywords: employee, organization, engagement, involvement, tenure, designation experience

INTRODUCTION

Employee engagement is a complex concept, with many issues influencing engagement levels consequently, there are many pathways to foster engagement, with, and with no one 'Kit' that fits all organizations. While each company may define employee engagement differently, ultimately, the key to effective engagement will be rooted in the flexibility of approach most appropriate for each individual firm. For example, the company may consider a best practice and then determine the likely outcome of this practice in its workplace. This Research Quarterly is written to provide HR professionals and other business leaders with the knowledge and understanding of the many concepts and aspects of employee engagement as well as offers recommendations to foster engagement.

Review Of Literature

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.

Beardwell and Claydon (2007). It was found that, after the workers were given the training and freedom to make repairs to their own equipment rather than having to call a supervisor every time they experienced a problem, they reported fewer occupational injuries. This would suggest that workers who feel they have control over their destiny at work, a key aspect of employee engagement, are more likely to stay focused and less likely to make preventable mistakes.

The related construct to engagement in organizational behavior is the notion of flow advanced by Csikszentmihalyi (1975, 1990). Csikszentmihalyi (1975) defines flow as the 'holistic sensation' that, people feel when they act with total involvement. Flow is the state in which there is little distinction between the self and

Table EXPERIENCE. * Involvement of employee in decision making Cross tabulation

Experience	Cross tabulation between experience & Involvement of employee in decision making					
	Most Frequently	Frequently	Sometimes	Rarely	Never	Total
Before 6 months	0	12	4	5	0	21
6 months – 4 years	4	34	18	4	3	63
4 – 8 years	0	11	1	0	0	12
8- 12 years	0	0	0	0	0	0
12 years and above	0	4	0	0	0	4
Total	4	61	23	9	3	100

CHI-SQUARE RESULTS

Ho: Experience and involvement in decision making are independent of each other.

HA: Experience and involvement are not Independent of each other.

Test Statistics

	Experience	Involvement in decision making
Chi-Square	82.800 ^a	117.800 ^b
df	3	4
Asymp. Sig.	.000	.000

a. 0 cell (.0%) have expected frequencies less than 5. The minimum cell frequencies is 25.0

b. 0 cell (.0%) have expected frequencies less than 5. The minimum cell frequencies is 20.0

Table : CROSS TABULATION between Income and satisfied with position

CROSS TABULATION between Income and satisfied with position						
Satisfied with position	HIGHLY SATISFIED	SATISFIED	NEITHER SATISFIED NOR DISSATISFIED	DIS SATISFIED	HIGHLY DISSATISFIED	Total
Income						
4000-10000	5	58	18	1	1	83
10000-20000	0	9	1	1	0	11
20000-30000	0	3	0	0	0	3
30000 and above	0	3	0	0	0	3
Total	5	73	19	2	1	100

environment. When individuals are in Flow State little conscious control is necessary for their actions

Frank (2004) Although it is acknowledged and accepted that employee engagement is a multi-faceted construct, as previously suggested by Kahn (1990).

Fox (1974) argued that despite an elaborate external controlling structure being in place, no role can be totally diffuse or totally specific; even in jobs which are tightly controlled, some outstanding element of discretion always remains. In cases where employees have been given some control over how they do their jobs, positive

benefits have appeared to emerge. For example, previous research in the UK has looked at job redesign and the impact this has had on engagement. In 1990 research was carried out by the University of Sheffield on factory workers and the number of injuries they reported given the differing levels of control over their work

Goddard (1999) describes engagement with the organization and the task to be associated with time use. Difference in skills ,abilities and disposition variables are also expected to impact the levels of employee engagement .Gender difference have been found to

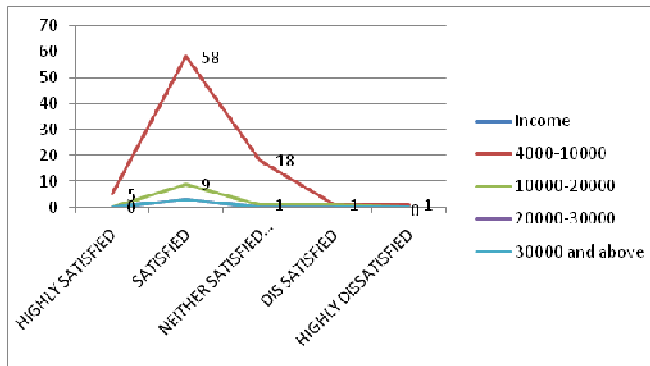


Table. CROSS TABULATION between AGE and satisfied with salary

CROSS TABULATION between AGE and satisfied with salary					
Satisfied with salary	Extremely Satisfied	Satisfied	Neutral	Dissatisfied	Total
AGE					
20-25	1	24	7	6	38
25-30	1	36	10	5	52
30-40	0	6	2	0	8
40-45	0	2	0	0	2
Total	2	68	19	11	100

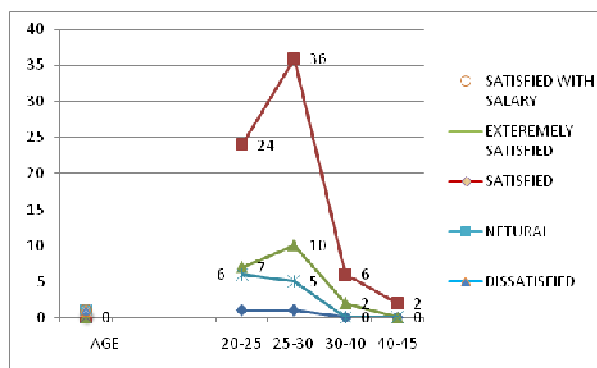


Figure AGE * Satisfied with salary Cross tabulation

impact employee engagement .personal values ,culture and climate of organizations also influence employee engagement . climate includes aspects such as systems and satisfaction with organization while culture includes accepts such as community .there also exists a strong correlation between complex feeling and emotions. The focus should be on personality, cognition and environment forces that determine an individual behavior in organizations

The Gallup organization (2008) deduced conclusively from their annual employee engagement survey that engaged employees are the only employees an

organization needs because of their far higher levels of commitment and performance

Halbesleben (2003) examined a number of issues as to the measurement and process of burnout and engagement. Halbesleben investigated the role of perceptions of politics as an antecedent of burnout, as well as assessing the role of motivation as a mediator in the relationship between burnout and job performance.

Engagement at work was conceptualized by Kahn, (1990) as the 'harnessing of organizational members' selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and

Table Cross tabulation between AGE & Career development

AGE	Cross tabulation between AGE & Career development		
	YES	NO	Total
20-25	28	10	38
25-30	44	8	52
30-40	7	1	8
40-50	2	0	2
Total	81	19	100

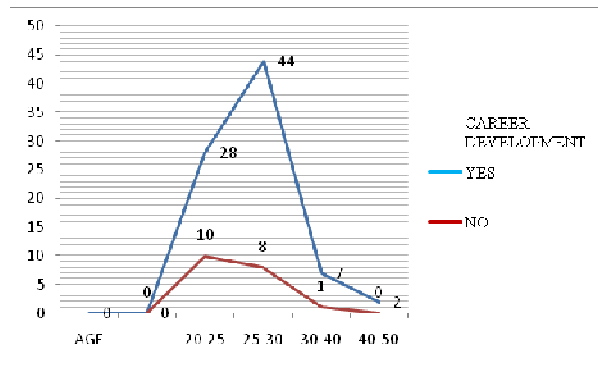


Figure AGE * Career development Cross tabulation

Table. EDUCATION * Career development Cross tabulation

Education	Career development		
	Yes	No	Total
10th	17	2	19
10+2	27	3	30
Graduation	22	8	30
Dip in FD	5	2	7
MBA	10	4	14
Total	81	19	100

emotionally during role performances.

Khan (1990) first mentioned the concept of employee engagement. It was observed that engagement is a multidimensional construct, in that employees could be emotionally, cognitively or physically engaged.

Khan (1990) pp692-724 characterized engagement as consisting of physical cognitive and emotional components (when linking the engagement of students to the classroom environment and the success of implementing engagement strategies into facilitation learning success this having a clear synergy with organizations).

According to Lawler and Worley (2006) for a high-involvement work practice to be effective and for it to have a positive impact on employee engagement, employees must be given *power* They argue this will lead to employees having the ability to make decisions that are important to their performance and to the quality of their working lives, thus engaging them in their work.

Furthermore, Lawler and Worley (2006) contend that power can mean a relatively low level of influence, as in providing input into decisions made by others or it can mean having final authority and accountability for decisions and their outcomes. Involvement is maximized when the highest possible level of power is pushed down to the employees that have to carry out the decision, resulting in gaining the maximum level of engagement possible from employee.

McCashland (1999) defined EE as ‘commitment or engagement - an emotional outcome to the employee resulting from the critical components of the workplace.

Miles (2001) described it as intensively involving all employees in high-engagement cascades that create understanding, dialogue, feedback and accountability, empower people to creatively align their subunits, teams and individual jobs with the major transformation of the whole enterprise (Miles, 2001).

Purcell 2006 and Truss *et al* 2006.

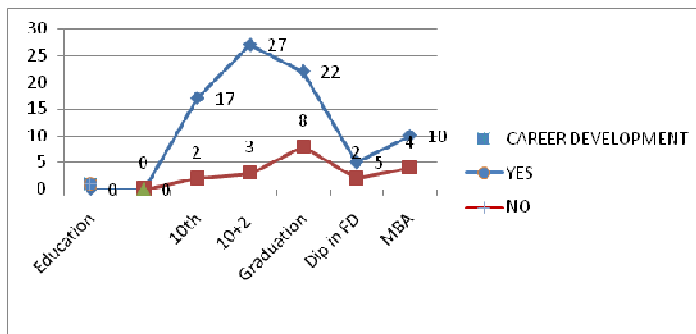


Figure EDUCATION * Career development Cross tabulation

TABLE KMO and Barlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.635
Bartlett's Test of Sphericity	Approx. Chi-Square	297.006
	Df	55.000
	Sig.	.000

Source: The figures are compiled from primary data

TABLE Factor Analysis –Eigen Values

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.657	24.157	24.157	2.657	24.157	24.157	2.563	23.300	23.300
2	1.637	14.885	39.043	1.637	14.885	39.043	1.540	13.996	37.296
3	1.504	13.671	52.714	1.504	13.671	52.714	1.523	13.846	51.142
4	1.088	9.894	62.608	1.088	9.894	62.608	1.261	11.467	62.608
5	.994	9.034	71.642						
6	.939	8.535	80.177						
7	.669	6.086	86.263						
8	.610	5.550	91.813						
9	.449	4.084	95.897						
10	.350	3.185	99.082						
11	.101	.918	100.000						

Extraction Method: Principal Component Analysis.

Moreover, engaged employees have been found to outperform their disengaged counterparts. However, recent research in the UK and other countries shows that there are more disengaged employees than there are engaged employees in today's organizations. Employee engagement can and has been found to make a difference. However there is great disagreement surrounding how to define engagement, how it should be operationalised and whether or not it is actually a valid construct at all. Furthermore, it is evident that sound, academic research lags somewhat behind practice given that the literature is under developed, and the concept of engagement is still in its infancy.

Robinson (2004). In the recent years, there has been a great deal of interest in employee engagement and it has become a widely used and popular term many have claimed that employee engagement predicted employees outcomes, organizational success, and financial performance (e.g. total share holders return).

Saks (2006) argues that one way for individuals to repay their organization is through their level of engagement. In other words, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and

TABLE Name of the Factors

Factor I Career Related	Factor II Compensation Related	Factor III: Organizational Climate	Factor IV Morale
Career development	Satisfied with Salary	Working Conditions	Morale
Career Advancement	Satisfaction with the Company	Free flow of Communication	Achievements are Recognized
Opportunities to learn and Grow		Interpersonal Relationship	Involvement of Employee in Decision Making

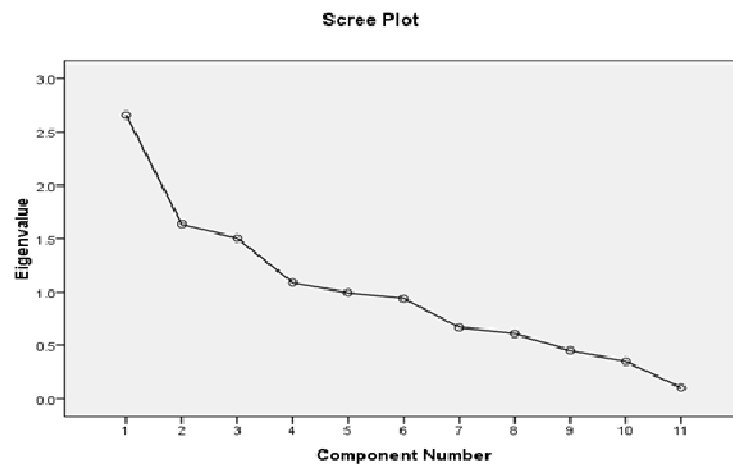


Figure. Factor Analysis –Scree-Plot
Source: The figures are compiled from primary data

physical resources is a very profound way for individuals to respond to an organization’s actions, as suggested earlier by the work of Kahn (1990). Thus, employees are more likely to exchange their engagement for resources and benefits provided by their Organization.

Truss *et al* (2006) define employee engagement simply as ‘passion for work’, a psychological state which is seen to encompass the three dimensions of engagement discussed by Kahn (1990), and captures the common theme running through all these definitions.

DATA ANALYSIS AND INTERPRETATION

INTERPRETATION

The above table shows the Calculation value of the Experience and involvement in decision making and chi-square results has Calculation value 0.14 value is Acceptance hence both are independent. Form the table value is 3.84.

Interpretation:

From the above given table we analyzed the income satisfied with the position of the employees working in M/s Heritage Foods, Hyderabad where, the majority of the employees are satisfied with their income provided

with their position in the company, i.e., out of 100%, 58% of the employees are satisfied.

Interpretation:

The above table identifies about the satisfaction level of income of the employees working in M/s Heritage Foods, Hyderabad where, the majority of employees between the age of 25-30 are satisfied and the second highest of the employees between the age group of 20-25 are satisfied with their salary.

Interpretation:

The above mentioned table is analyzed about the career development of the employees who are working in Heritage Foods (India) Limited where, the age group of the employees between 25-30 says that, the career development programs are provided.

Interpretation:

The above mentioned table describes about the employees preference to the education that are being recruited into the organization. Employees have to be graduates, 60% of the employees are graduates.

FACTOR ANALYSIS

Factor Analysis is been used to reduce the data and to know the major influencing factors The 11 Factors which

influence EMPLOYEE ENGAGEMENT are Career development, Achievements are Recognized, Satisfied with Salary, Working Conditions, Morale, Free flow of Communication, Career Advancement, Opportunities to learn and Grow, Interpersonal Relationship, Satisfaction with the Company ,Involvement of Employee in Decision Making

The above table revealed that the Barlett's Test of Sphericity is significant and that the Kaiser-Meyer-Olkin measure of sampling adequacy is greater than 0.6. Therefore, it is appropriate to proceed with the factor analysis.

Extraction Method: Principal Component Analysis. 4 Components Extracted

After the standards indicated that the data are suitable for factor analysis, Principal component analysis was employed for extracting the data, which allowed determination of the factors underlying the relationship between 11 variables. The Total Variable Explained suggested that it extracts four factors accounts for 62.608 percent of the variance of relationship between the variables.

Large communalities indicate that a large range of variance has been accounted for by the factor solution. Varimax related factor analytical results are shown in below table.

Extraction Method: Principal Component Analysis.

Factor – I ---- Career Related
 Factor –II---- Compensation Related
 Factor- III---- Organizational Climate
 Factor IV---- Morale

SUGGESTIONS

- The company shall take steps to recognize the employee's achievements and they may reward immediately to improve morale to boost the productivity levels. Otherwise, the employees will be disgusted and their morale levels will be decreased causing dip in productivity levels of the company.
- Based on the existing personnel policies, incentive schemes and facilities, the employees are more committed to the organization for achieving the organization goals by improving the productivity levels.
- The Company shall take further steps to enrich the career development schemes.
- The company shall take certain measures to further involve the employees in decision making.

- The company can further improve the morale rate of the employees by using the concepts of various HR interventions.
- The organization has to provide equitable and fair remuneration to the employees so that they can retain valuable employees.

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