

A STUDY ON EMPLOYEE ENGAGEMENT IN IT SECTOR AT HYDERABAD

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ABSTRACT

Employee engagement, defined as the amount of vigor, dedication, and absorption individuals exhibit regarding their work roles at the workplace, is a critical factor for organizational success. Vigor refers to the exuberance one exhibits on the job, dedication is the spirit of perseverance and devotion towards one's job, and absorption is the unwavering involvement one demonstrates toward their work. This study explored employee engagement within the IT sector in Hyderabad, India. The study investigated the levels of these factors among employees and the influence of various demographic variables on employee engagement. Data was collected from 655 employees across two IT companies, CGI and Value Labs, using the Utrecht Work Engagement Scale (UWES). The findings revealed significant inter-correlations among vigor, dedication, and absorption. There were also variations in engagement levels between the companies. CGI showed higher percentages of employees with very high vigor and absorption, while Value Labs had a higher percentage of employees with very high dedication. Statistical tests indicated significant differences in the proportions of actively engaged, engaged, disengaged, and actively disengaged employees between the two companies. Moreover, demographic factors such as organizational position, work experience, income, age, education, and gender all significantly influenced employee engagement levels.

Keywords — Absorption, Dedication, Employee Engagement, IT sector, Stress, Vigor.

INTRODUCTION

The pace of competition makes it challenging for an organisation to sustain its position and maintain a competitive advantage over its competitors. One of the greatest drives towards success for an organisation is undoubtedly provided by Employee Engagement. Employee Engagement paves the path to organisation success. As a state of mind maintained at the workplace, Employee Engagement is described by the amount of vigor, dedication, and absorption exhibited by individuals regarding their work roles at the workplace. The exuberance one exhibits on the job is Vigor. Employees high on vigor can handle the toughest situations at ease. They have the ability to sustain their energy levels in any kind of work situation and

are always willing to do whatever is needed to get the work done. The spirit of perseverance one holds on towards their job, the devotion one can witness as they work is Dedication. The unwavering and absolute involvement one demonstrates toward their work is Absorption. Though there are many other factors defining Employee Engagement the above-discussed ones are significant ones at an individual level. Failure to sustain and maintain high levels of these factors will inevitably lead to low Employee Engagement. Also, factors promoting vigor, dedication, and absorption should be given importance as it is essential in today's competitive world to maintain optimum Employee Engagement levels. Employee Engagement is said to be one the crucial and important subject when it comes to

human resource management. The engagement of the employee is interconnected with the productivity of the organization. The physical, emotional and psychological commitment and healthy attachment of the employees towards the work plays an important role in the organisation. For successful Employee Engagement both employee and employer play a major role in the organisation. According to (Scarlett, 2010) “The degree that determines the positive and negative bonding and attachment towards the job, co-workers and the organization, which greatly impacts the inclination towards learning and executing the work can be termed as Employee Engagement”. Employee Engagement is not a recent expression however it has acknowledged an important amount of attention since the past seven years. Undeniably in the current age it has been believed as the main contributor in obtaining competitive edge (Saks, A. M., & Gruman, J. A., 2010). A large amount of researchers claim that Employee Engagement is the chief motive of directing individual’s behavior, approach and performance regarding organisational targets and objectives. An occupied and engaged employee is totally dedicated and very keen and enthusiastic towards work, and due to his deep commitment, there is a large scope of him getting more involved towards the organisation’s interests. Such employees are like an asset for the organisation, they productivity levels are high and the employee turnover is low. They are very trustworthy, loyal and highly motivational to their employers. It is not a surprise to see the organisations in all sizes and types have put money into the policies, programs and practices that encourage dedication and commitment among employees. To know the determinants of the Employee Engagement is very necessary (Harter, 2002). Employee Engagement is a helpful tool for all organisations; it aims to win competitive edge over others. The workforce is one of the greatest treasures, which can neither be duplicated nor imitated by the opponents and competitors. It is considered as equal to capital, if controlled, engaged and managed properly. According (Baumruk, 2004) Employee Engagement is observed as the most dominant and

powerful factor for measuring the company’s vigor. Schaufeli, W. B., Salanova, M., Gonzalez - Roma, V., & Bakker (2002) described engagement as a positive, fulfilling state of mind related to work. It involves high energy levels, mental resilience, willingness to invest effort, persistence, a sense of significance, enthusiasm, inspiration, pride, challenge, and being fully concentrated and engrossed in work. According to Wellins and Concelman (2005), engagement is a combination of commitment, loyalty, productivity, and ownership. He argues that involvement is the mysterious power that drives employees to achieve varying levels of performance. According to Lockwood, N. R., (2007), engaged employees work with passion and feel a deep connection to their company. They foster creativity and propel the organisation ahead. Employees who are not engaged are essentially disengaged. They are going through the motions during their work day, merely investing time rather than enthusiasm or dedication into their tasks. Employees who are actively disengaged are not just dissatisfied at work; they are actively expressing their dissatisfaction. Every day, these employees sabotage the efforts of their dedicated colleagues.

NEED AND IMPORTANCE OF THE STUDY

The Information technology services section in India is projected to increase by 2.7% to \$99 billion, while Business Process Management is expected to grow by 2.3% to \$38 billion. The software products section is projected to experience a 2.7% growth, reaching \$9 billion, while hardware is anticipated to rise by 4.1% to \$16 billion (Nasscom, 2021). By March 2021 financial year ending the exports moved in the direction of growth. The growth recorded is 1.9% to \$150 billion while domestic revenues were projected to rise at a faster clip of 3.4% to \$45 billion as per the information given by the industry lobby group (Nasscom, 2021). Given the immense rate of growth seen in the IT sector it is evident that the pressure is going to be immense on the organisations which in turn will be pushed down to the employees. The rate of Employee Engagement in India is also not satisfactory (Gantasala, 2016). This study aims to find out to

what extent employees are engaged in IT sector in Hyderabad.

OBJECTIVES OF THE STUDY

- To identify the variables of Employee Engagement.
- To find out the inter-correlations of Employee Engagement variables.
- To identify and compare the categories of Employee Engagement variables organization wise.

RESEARCH METHODOLOGY

The sample size of the study is 655 with 333 from CGI and 298 from ValueLabs. The sampling technique used is non-probability sampling i.e. convenience sampling and snow-ball sampling. The response of the respondents was collected through this questionnaire. The responses were gathered in person as well as through digital means by creating a Google form questionnaire. A comprehensive review of literature from various secondary sources led to proper designing of the questionnaire. The questionnaire for the study was developed using the Utrecht Work Engagement Scale (UWES) from 2002. The 17-item version includes three dimensions: vigour (six items) with Cronbach alpha coefficients between 0.75 and 0.82, Dedication (five items) with Cronbach alpha coefficients between 0.88 and 0.90, and absorption (six items) with Cronbach alpha coefficients between 0.70 and 0.77 (Schaufeli, Salanova, Conzalez-Romá and Bakker, 2002). The scale used for developing the survey instrument have good Cronbach's value required for the study (more than 0.7).

Table I: Reliability Assessment And Scale Statistics Of Survey Instrument

| Reliability assessment and scale statistics of the survey instrument | | | | |
|--|------------------|--------------|-------|--------------------|
| Variable | Cronbach's Alpha | No. of Items | Mean | Standard Deviation |
| Employee engagement- Vigor | 0.754 | 6 | 21.26 | 4.471 |
| Employee engagement- Dedication | 0.915 | 5 | 18.89 | 4.981 |
| Employee engagement- Absorption | 0.809 | 6 | 21.91 | 4.275 |
| Employee engagement | 0.921 | 17 | 62.06 | 12.257 |

DATA ANALYSIS:

The Inter Correlations of Employee Engagement variables: The Inter Correlations of Employee Engagement variables-Vigor, Absorption and Dedication are as follows:

Table II : The Inter Correlations of Employee Engagement

| Correlations | | | EEVMEAN | EEAMEAN | EEDMEAN |
|----------------|---------|-------------------------|---------|---------|---------|
| Spearman's rho | EEVMEAN | Correlation Coefficient | 1.000 | .676** | .753** |
| | | Sig. (2-tailed) | | <.001 | <.001 |
| | | N | 655 | 655 | 655 |
| EEAMEAN | EEDMEAN | Correlation Coefficient | .676** | 1.000 | .767** |
| | | Sig. (2-tailed) | <.001 | | <.001 |
| | | N | 655 | 655 | 655 |
| EEDMEAN | EEVMEAN | Correlation Coefficient | .753** | .767** | 1.000 |
| | | Sig. (2-tailed) | <.001 | <.001 | |
| | | N | 655 | 655 | 655 |

** . Correlation is significant at the 0.01 level (2-tailed).

The above table clearly shows that the inter correlations among all the three Employee Engagement variables are significant. All 3 variables correlation coefficient is more than 0.5.

Components of Employee Engagement – Across Organizations

The overall Respondents' score of Vigor can be categorized into four levels. It can range from 6 to 30 (See Table 5.4). These score ranges are partitioned as quartiles (in intervals of six). A quartile score of 6-11 indicates that the Respondents score of Vigor is Very Low. A quartile score of 12-17 indicates that the Respondents score of Vigor is Low. A quartile score of 18-23 indicates that the Respondents score of Vigor is high. A quartile score of 24-30 indicates that the Respondents score of Vigor is Very High.

Table III : Minimum and Maximum Respondents Score of Vigor

| | |
|--------------|----|
| No. of items | 6 |
| Min. Score | 6 |
| Max. Score | 30 |

The overall Respondents' score of Dedication can be categorized into four levels. It can range from 5 to 25 (See Table

5.5). These score ranges are partitioned as quartiles (in intervals of five). A quartile score of 5-10 indicates that the Respondents score of Dedication is Very Low. A quartile score of 11-15 indicates that the Respondents score of Dedication is Low. A quartile score of 16-20 indicates that the Respondents score of Dedication is high. A quartile score of 21-25 indicates that the Respondents score of Dedication is Very High.

Table IV: Minimum and Maximum Respondents Score of Dedication

| | |
|--------------|----|
| No. of items | 5 |
| Min. Score | 5 |
| Max. Score | 25 |

The overall Respondents' score of Absorption can be categorized into four levels. It can range from 6 to 30 (See Table 5.6). These score ranges are partitioned as quartiles (in intervals of six). A quartile score of 6-11 indicates that the Respondents score of Absorption is Very Low. A quartile score of 12-17 indicates that the Respondents score of Absorption is Low. A quartile score of 18-23 indicates that the Respondents score of Absorption is High. A quartile score of 24-30 indicates that the Respondents score of Absorption is Very High.

Table V: Minimum and Maximum Respondents Score of Absorption

| | |
|--------------|----|
| No. of items | 17 |
| Min. Score | 17 |
| Max. Score | 85 |

The percentage of respondents who fall into the various categories (Very High, High, Low and Very Low) for the three components of Employee Engagement i.e., Vigor, Absorption and Dedication has been calculated across the select organizations

chosen for the study and presented in the following Table.

Table VI: Organization Wise EE Component Percentages

| Organization | | Very High | High | Low | Very Low |
|--------------|------------|------------|------------|-----------|-----------|
| CGI | Vigor | 202(56.5%) | 85(23.8%) | 56(15.6%) | 14(3.9%) |
| | Dedication | 70(19.6%) | 145(40.6%) | 95(26.6%) | 47(13.1%) |
| | Absorption | 144(40.3%) | 167(46.7%) | 35(9.8%) | 11(3%) |
| ValueLabs | Vigor | 86(28.9%) | 121(40.6%) | 87(29.1%) | 4(1.3%) |
| | Dedication | 80(26.8%) | 103(34.5%) | 74(24.8%) | 41(13.7%) |
| | Absorption | 85(28.5%) | 129(43.2%) | 76(25.5%) | 8(2.6%) |

The maximum percentage of employees who responded very high on Vigor are from CGI (56.5%) compared to ValueLabs (28.9%). The maximum percentage of employees who responded very high on Dedication are from ValueLabs (26.8%) compared to CGI (19.6%). The maximum percentage of employees who responded very high on Absorption are from CGI (40.3%) compared to ValueLabs (28.5%). In CGI maximum percentage of respondents are very high on vigor, high on Dedication, high on Absorption. At ValueLabs maximum percentage of respondents are high on Vigor, Dedication and Absorption.

OVERALL EMPLOYEE ENGAGEMENT LEVEL

Table VII: Score of UWES scale

| | |
|--------------|----|
| No. of items | 6 |
| Min. Score | 6 |
| Max. Score | 30 |

The Employee involvement value can be classified into four distinct levels of involvement. The ages of the individuals range from 17 to 85, as seen in the table above. The score ranges are divided into

quartiles, with each interval being 17 units in length, in a frequency distribution. A quartile score of 17-33 (Actively Disengaged) reflects the lowest levels of all the Employee Engagement aspects and the least engaged employees. This suggests that the firm should prioritise improving each factor of Employee Engagement at an individual level.

A quartile score of 34-50 (Disengaged) suggests that the employees lack engagement with the company, indicating a need for quick attention to certain areas of Employee Engagement.

A quartile score of 51-68 (Engaged) suggests a moderate degree of Employee Engagement, indicating that the overall Employee Engagement of the firm is adequate for the organisation to function smoothly. However, there is room for improvement in all areas.

The quartile score of 69-85, known as "Actively Engaged," represents the highest level that every firm should aim to attain. This quartile score indicates that the company has implemented all of the most effective employment equity measures and that its employees are performing at their highest level.

Table VIII: Engagement Levels of Total Respondents Organization Wise

| Organisatio n | Engagem ent level | No. of respond ents | Percentage of respond ents |
|------------------|----------------------|---------------------------|-------------------------------------|
| CGI | Actively engaged | 268 | 75% |
| | Engaged | 60 | 16.8% |
| | Disengaged | 20 | 5.6% |
| | Actively Disengaged | 9 | 2.5% |
| VALUE LABS | Actively engaged | 190 | 63.7% |
| | Engaged | 73 | 24.4% |
| | Disengaged | 30 | 10.06% |
| | Actively Disengaged | 5 | 1.6% |

The following table shows the engagement levels of the total respondents.

It can be noted from table that in CGI, 75 percentage of respondents are actively engaged whereas in ValueLabs 63.7 percentage of them are actively engaged. In CGI 16.8 percentage of respondents are Engaged, 24.4 percentage are engaged at ValueLabs. 5.6 percentage of respondents are disengaged at CGI, 10.06 percentage respondents are disengaged at ValueLabs. 2.5 percentage of respondents are Actively Disengaged at CGI and 1.6 percentage of respondents are Actively Disengaged at ValueLabs. The percentage of Actively Engaged respondents is more at CGI. The percentage of Engaged employees is more at ValueLabs. The percentage of disengaged employees is more at ValueLabs. The percentage of Actively Disengaged is more at CGI.

Z TEST FOR COMPARING PROPORTIONS: EMPLOYEE ENGAGEMENT.

(a): Actively Engaged Employees

H₀: There is no significant difference in proportion of actively engaged employees in CGI and ValueLabs

H₁: Proportion of actively engaged employees in CGI is less than that of ValueLabs.

n₁= 357, p₁=0.75, n₂=298, p₂=0.637, π₁=p₁, π₂=p₂

$$Z = \frac{p_1 - p_2}{\delta p_1 - p_2}$$

$$\delta p_1 - p_2 = \sqrt{\frac{\pi_1(1-\pi_1)}{n_1} + \frac{\pi_2(1-\pi_2)}{n_2}}$$

Z cal=3.13

Z table = - 1.645

As Z cal > Z table we reject H₀. Therefore, Proportion of actively engaged employees in CGI is less than that of ValueLabs.

(b): Engaged Employees

H₀: There is no significant difference in proportion of Engaged employees in CGI and ValueLabs

H₁: Proportion of Engaged employees in CGI is less than that of ValueLabs.

$n_1 = 357, p_1 = 0.618, n_2 = 298, p_2 = 0.244, \pi_1 = p_1, \pi_2 = p_2$

$$Z = \frac{p_1 - p_2}{\delta p_1 - p_2}$$

$$\delta p_1 - p_2 = \sqrt{\frac{\pi_1(1-\pi_1)}{n_1} + \frac{\pi_2(1-\pi_2)}{n_2}}$$

Z cal = -1.319

Z table = - 1.645

As Z cal > Z table we reject H₀. Therefore, Proportion of engaged employees in CGI is less than that of ValueLabs.

(c): Disengaged Employees

H₀: There is no significant difference in proportion of disengaged employees in CGI and ValueLabs
 H₁: Proportion of Disengaged employees in CGI is less than that of ValueLabs.

$n_1 = 357, p_1 = 0.056, n_2 = 298, p_2 = 0.10, \pi_1 = p_1, \pi_2 = p_2$

$$Z = \frac{p_1 - p_2}{\delta p_1 - p_2}$$

$$\delta p_1 - p_2 = \sqrt{\frac{\pi_1(1 - \pi_1)}{n_1} + \frac{\pi_2(1 - \pi_2)}{n_2}}$$

Z cal = -0.2619

Z table = - 1.645

As Z cal > Z table we reject H₀. Therefore, Proportion of Disengaged employees in CGI is less than that of ValueLabs.

(d): Actively Disengaged Employees

H₀: There is no significant difference in proportion of actively Disengaged employees in CGI and ValueLabs
 H₁: Proportion of actively Disengaged employees in CGI is less than that of ValueLabs.

$n_1 = 357, p_1 = 0.025, n_2 = 298, p_2 = 0.016, \pi_1 = p_1, \pi_2 = p_2$

$$Z = \frac{p_1 - p_2}{\delta p_1 - p_2}$$

$$\delta p_1 - p_2 = \sqrt{\frac{\pi_1(1-\pi_1)}{n_1} + \frac{\pi_2(1-\pi_2)}{n_2}}$$

Z cal = -0.8182

Z table = - 1.645

As Z cal > Z table we reject H₀. Therefore, Proportion of Actively Disengaged employees in CGI is less than that of ValueLabs.

FINDINGS

The maximum percentage of employees who responded very high on Vigor are from CGI (56.5%) compared to Value Labs (28.9%). Although the percentage of employees on very high vigor are more than 50 percent there is a need to increase this number as vigor is the source of their involvement with their work. The maximum percentage of employees who responded very high on Dedication are from ValueLabs (26.8%) compared to CGI (19.6 %). The maximum percentage of employees who responded very high on Absorption are from CGI (40.3%) compared to ValueLabs (28.5%). In CGI maximum percentage of respondents are very high on vigor, high on Dedication, high on Absorption. At ValueLabs maximum percentage of respondents are high on Vigor, Dedication and Absorption.

The research question "Is Employee Engagement same in the select companies?" is answered by the hypotheses : There is no significant difference in proportion of actively engaged employees in CGI and ValueLabs, There is no significant difference in proportion of engaged employees in CGI and ValueLabs, There is no significant difference in proportion of disengaged employees in CGI and ValueLabs, There is no significant difference in proportion of actively disengaged employees in CGI and ValueLabs. It is found from the data analysis that Proportion of actively engaged

employees in CGI is less than that of ValueLabs, Proportion of engaged employees in CGI is less than that of ValueLabs, Proportion of disengaged employees in CGI is less than that of ValueLabs., Proportion of actively disengaged employees in CGI is less than that of ValueLabs

CONCLUSION

The respondents from the company CGI are 9 percent more than ValueLabs. In accordance to the standards of the corporate world most of the respondent's possess Post Graduation. All the respondents belong to Project Oriented services from the production support teams. Male respondents are more than female respondents. These numbers are in accordance with the industry numbers. Most of the respondent's possess less than five years work experience in the current company. Their average income is below 10 lakhs and they are married. Proportion of employees experiencing no stress in CGI is less than that of ValueLabs, Proportion of employees experiencing moderate stress in CGI is less than that of ValueLabs, Proportion of employees experiencing high stress in CGI is less than that of ValueLabs, Proportion of employees experiencing very high stress in CGI is less than that of ValueLabs. Proportion of actively engaged employees in CGI is less than that of ValueLabs, Proportion of engaged employees in CGI is less than that of ValueLabs, Proportion of disengaged employees in CGI is less than that of ValueLabs., Proportion of actively disengaged employees in CGI is less than that of ValueLabs. Proportion of employees experiencing no strain in CGI is less than that of ValueLabs. Proportion of employees experiencing moderate strain in CGI is less than that of ValueLabs. Proportion of employees experiencing high strain in CGI is less than that of ValueLabs. Proportion of employees experiencing very high strain in CGI is less than that of ValueLabs.

SUGGESTIONS

- Efforts in the direction to bring inclusiveness within the teams are needed as this will bring in lot of support to the employees to handle challenges at workplace. This will also bring in healthy relationships within teams and also with the

subordinates and supervisors. The outcome of healthy relationships also can be seen in the involvement of employees in their work. This will also help in keeping stress in control and also enhance the engagement levels of employees.

- Engaged employee's recognition and providing them with perks and incentives will pave the path for others to follow.

Supporting employees in designing their career progression plan and providing right mentorship will help enhance the engagement levels of them.

Whenever an employee gets a job done well it is important to acknowledge and recognize his contribution by the higher authorities as lack of recognition not also leads to stress but also leads to disengagement.

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