

A Study Effectiveness of Employee Engagement in Automobile Industry

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Abstract

This study is conducted at Automotive Axles Ltd to understand the extent of employee engagement in the organization. Employee engagement is the level of commitment and involvement an employee has towards the organization and its values. An engaged employee is known of business context, and works with coworkers to improve performance at the job for the benefit of the organization. It is a positive behaviour held by the employees towards the organization and its values. Engagement at work was conceptualized by Kahn as the 'harnessing of organizational members' selves to their work. A sample size of 50 was taken in order to conduct research. Random sampling technique was used in order to conduct the survey. The data was collected by interviewing the respondents with the help of a structured questionnaire.

Keywords: Employee; Organization; Coworkers; Job

Introduction

In the dynamics of transition of the Indian economy the manufacturing industry is emerging as one of the leading industries. The manufacturing industry in India has all the qualities which enhance economic development, improve the productivity of the manufacturing industry and face competition from the worldwide markets. The Manufacturing industry in India is known to have the potential of improving the economic condition of India. India's manufacturing units are classified into registered and unregistered sectors.

Indian manufacturers have adopted a global mind-set while carefully selecting their product part. They are continuously working to accomplish cost excellence and marketing capability which has even attracted foreign players to proactively develop India as their sourcing and manufacturing centre. India experience a competitive advantage on the global canvas owing to key reforms in taxation, infrastructure and clusters (like special economic zones [SEZs]) implemented by the Government, efficacy of reasonably-priced skilled labour workforce and a normative eco-system. Moreover, the global stage to manufacture and source products in low-cost countries has gained pace in the past ten years, detail in skill-intensive unit, and India has been able to take action on the opportunity to its best.

Manufacturing sector is the backbone of any country. It maintains growth, productivity, employment, and stronger agriculture and service sectors. India's manufacturing segment is a crucial cog in the wheel of economic progress; the sector's contribution to the gross domestic product (GDP) being 16 per cent. Thus, The Indian manufacturing sector is the mainstay of entire Indian industry as manufacturing output constitutes over 75 per cent of the index of industrial production.

Most organisations today realise that a 'satisfied' employee is not necessarily the 'best' employee in terms of loyalty and productivity. It is only an 'engaged employee' who is intellectually and emotionally bound with the organisation, 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.

Employee Engagement is thus the level of obligation and involvement an employee has towards their organization and its

values. An engaged employee is known of business context, and works with coworkers to improve performance within the job for the benefit of the organization. The organization must work to improve and to bring up engagement, which requires a two-way connection between employer and employee. Thus Employee Engagement is a measure that determines the association of a person with the organization.

Employee engagement is a key business driver for organizational success. Every organization wants to gain competitive advantages over others and employee engagement is the best tool for it. Engagement is creating prospect for human resources to attach with their managers, employees and organization. It's interest is to shape an environment where employees are motivated and connected with their job in real caring manner to do a high-quality job.

High levels of engagement in domestic and global firms promote retain of talent, foster customer loyalty and increase organizational performance and stakeholder worth. A complicated concept, engagement is influenced by many factors-from company culture, organizational communication and managerial styles to credit and respect, leadership and company reputation.

When employees are effectively and positively engaged with their organization they form an emotional connection with the company. This impacts their behaviour towards the company's customers, and thereby increases customer satisfaction and service levels.

HR practitioners believe that the engagement challenge has a lot to do with how employee feels about the work experience and how he or she is treated in the company. It has a lot to do with feelings which are fundamentally related to drive bottom line success in a company. There will always be people who don't give their best efforts no matter how hard HR and line managers try to encourage them, but for the most part employees want to commit to companies because doing so

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satisfies a powerful and a basic need in connect with and contribute to something significant.

A successful employee engagement helps to create a community at the workplace and not just workers. As organizations go worldwide and become more dependent on technology in a virtual company, there is a greater need to connect and engage with employees to provide them with an organizational identity. Engagement is most closely associated with the existing construction of job involvement. Job involvement is the level to which the job situation is central to the person and his or her identity, job involvement is a cognitive or belief state of psychological identification. Job involvement is thought to rely on both need saliency and the potential of a job to satisfy these needs.

Thus job involvement results from a cognitive judgment about the needs satisfying capacity of the job. Jobs in this view are tied to one's conception. Engagement differs from job as it is interested more with how the individual employees perform his/her job. There has been an increase in recognizing and identifying the importance of employees and their involvement with the job. Different companies across the world would have accepted the fact that the lack of recognizing and the attrition rate of employees is one of the factors hindering the success of any establishment. Hence, the main aim and focus of the study is to understand the effectiveness of employee engagement activities that leads to Retain, Recognize, and Reward the employees that would intern motivate them.

Objectives of the Study

The following are the various objectives of the study:

- To measure the level of employees satisfaction at the organisation.
- To know the factors that influence for the effectiveness of Employees Engagement.

Research Methodology

Primary data is the data that is observed or collected by the researcher from first-hand experience. The primary data is collected directly from the source of study. The data is collected through the structured questionnaires provided to the employees of the organization. The questionnaire was distributed to respondents of various departments in JK tyres. Primary data was also collected by interviewing the employees directly. 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.

Analysis of data

It is done using SPSS tests like 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.

Research design

It is a Descriptive Research design

Primary data: Personal Interaction and Questionnaire survey.

Secondary Data: Journals, Magazines and Web Search.

Research type

Convenience Sampling.

Sample size

The sample size is 50 employees.

Sampling technique

Convenience and judgmental type of sampling. Probability methods could not be used because it would be practically impossible to define a complete sampling frame.

Literature Review

Literature reviewing age the employee, business world

The quest to find the best way to retain Employees has taken HR pundits through concepts such as employee reports, employee satisfaction and Employee joy. The new idea is employee engagement, a concept that holds that it is the level to which an employee is emotionally bonded to his organisation and passionate about his work that really matters [1].

The BW-HR Anxi Blessing white Employee Engagement Survey 2008 shows significant differences between what motivates workers in India and what motivates workers in other countries. The term 'employee engagement' represents an alignment of maximum job satisfaction. By plotting a given population contrary to these two axes, they identified five distinct employee segments:

- Fully Engaged
- Almost engaged
- Honeymooners and hamsters
- Crash and burn and
- Disengaged

The global survey shows that 34 percent of the employees in India are fully engaged and 13 percent disengaged, as many as 29 percent are 'almost engaged'.

Sandeep et al.: They indicate that there are more employees who are not engaged than there are engaged employees. This addresses how employee engagement been conceptualized, how to individual differences related to employee engagement and how does employee involvement relate to employee engagement. Personal relationships have also been found to impact work engagement. They suggest that employee engagement is a meaningful construct that is clearly worthy of future research. They have shown that there may be a link between level of engagement and organizational performance [2].

Mark A: The concept of employee work engagement describes the extent to which workers are implicated with, committed to and passionate about their work. It provides a contemporary issues on how to measures and promote employee engagement, the role that mental health may play, and corporate case studies on promoting engagement. It has examined the concepts of employee engagement, how prevalent it is the financial benefits of engagement, and how the workplace can change to move in the direction of greater employee engagement and company success. The level of employee engagement can range from high to low depending on the individual employee [3].

Kruger: They studied the overall level of engagement for employees of a public rehabilitation. They selected 308 employees of a state-wide rehabilitation agency located in the midterm region of the United

States, using a sampling strategy and collected data on their levels of engagement in aggregate using t-tests and correlations [4]. They attempted to highlight the employee engagement practices in the public sector.

They were of the opinion that the performance of any organization will improve if there is a two way interaction between employees showed less importance to the engagement practices. They also suggested that Limited. Consideration of the corked of driving up employee engagement, although considerable attenuations is given to quantifying the benefits.

Robertson and Cooper: This article seeks to bring together the two previously distinct constructs of employee engagement and psychological well being, Individuals with higher level of psychotically well –being behave differently in ways that would be expected to lead to higher levels of engagement [5]. The interpretation and integration of this research into a coherent body of Knowledge will be significantly enhanced if researchers and practitioners could move closer to an agreed definition and measurement protocol for employee engagement.

Marko’s and Waltair: Employee Engagement is stronger predictor of positive organizational performance clearly showing the two way relationship between employer and employee compared to the three earlier constructs: Job Satisfaction, employee commitment and organizational citizenship behaviour is closely linked with organizational performance outcomes [6]. For manager, work of employee engagement starts at day one through effective recruitment and orientation program, the work of employee engagement begins from the top or it is unthinkable to have engaged people in the organizations where there is no engaged leadership.

Rob G: They used the corporate storytelling as a valuable strategy to heighten employee engagement, which may increase internal loyalty to the corporate brand and ultimately strengthen internal and external reputation. The purpose of this paper is to identify from the literature how corporate storytelling has significant strategic benefits for internal communication and employee engagement. Corporate stories need to be carefully planned and delivered through narration that reaches out to the employee as a more individual level [7,8]. Corporate stories encourage internal staff to take ownership of the narration and align the meaning to their own experiences and beliefs.

Engagement as a core Strategy, Gallup consultancy

The world’s top- performing organizations understand that employee engagement is a force that drives business results. Research exhibit that engaged employees are more creative employees. They are more profitable, more customer -focused, safer, and more likely to withstand temptations to leave the company. In the excellent organisations, employee engagement transcends human resources initiative-it is the way they do business.

Employee engagement is a strategic approach supported by tactics for driving improvement and organizational change. The best performing companies know that developing an employee engagement strategy and linking it to the achievement of corporate goals will help them win in the market place.

Data Analysis and Interpretation

To know the factors that contributes to the effectiveness of employee’s engagement

Factor analysis: Factor analysis has been done in this study to

identify the factors that are to identify the factors that contribute to the effectiveness of Employees Engagement in AAL, Mysore.

For this purpose the searcher tested the reliability of the data collected using the Cronbach’s Alpha test. The Cronbach Alpha is 0.776. It means the data collected for the study is reliable to the extent of 77.6% which is very good for the studies in the same areas (Table 1).

KMO and Bartlett’s test: Before we load the items for factor analysis it is imperative to know the sample adequacy for the study we are using. To confirm the sample size is sufficient for the study the researchers used the KMO test. The value of KMO for the good study should be more than 0.50 and in our study it is 0.527 which is more than the required. This means that the selected sample for the study is sufficient as per the KMO.

Bartlett’s test has been conducted to know the correlation among the items chosen for the study. In this study the correlation among the selected items is significant and it is what the requirement for conducting the factor analysis using Principal Component Method [9,10] (Table 2).

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

Factor analysis interpretation: From the above analysis about different factors the first three questions are related to incentives and benefits and which is contributing 22.091% towards employee engagement. By this employees will get motivated and in turn increase their loyalty. The second factor explains about employees getting 13.17% equal opportunity and advancement in the organizations. This helps in creating good environment and also makes employees enthusiastic. The third factor allows employees participation in management and brings 11.42% leadership quality in them. This will reduce the wastage in productivity. The above analysis recognition and reward gives 9.56%. Suppose an employee meets the set target, he/she will be rewarded and recognized, this will make them to work better also motivates them. The communication contributes 8.29%. It leads to honesty and two way communication between all the levels of the employees and hence we could see easy flows of work in the organization employee are treated without any bias, irrespective of their designation. This will helps in mutual understanding between the employees. Also, employee can develop values among themselves. There is a balance between professional and personal life. So this will eliminate stress and in turn leads to better productivity [11,12] (Table 3).

Reliability Statistics	
Cronbach's Alpha	N of Items
0.776	20

Table 1: Showing the Reliability Test.

KMO and Bartlett's Test ^a		
Kaiser-Meyer-Olkin Measure of Samplings Adequacy		0.527
Bartlett's Test of Sphericity	Approx. Chi-Square	446.936
	Df	190
	Sig.	0.000
a. Based on correlations		

Table 2: Showing the KMO and Bartlett's Test.

To measure the level of employee’s satisfaction at the workplace

Hypothesis design: H_0 - the 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 using level measured 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 4 and 5).

Summary of Findings

Most of the respondents belong to age group of 35-40 and above 40. Thereby we can conclude that most of the employees are experienced. Out of 50 respondents most of them are ITI and Diploma. In automobile industry so there is a requirement of technical specialized employees, thereby there is a demand for technical students. Most of the respondents working are more than 20 years and also they hiring new people and create opportunity and advancement for employees. Most of the respondents are motivated by providing better reward and recognition for the welfare of both company and employees. From the study it is found that in there is opportunity and advancement for employees. Most of the respondents agree that employees are treated with respect and valued and there is an honest two way communication with motivated employees. Most of the respondent feel satisfied in the job and get a sense of personal accomplishment, it is found from the respondent response and by the tests conducted that is Z test and reliability test.

Suggestions

Some of the employees are neutral with the factors incentives and benefits in the company. Such grievances must be addressed and taken

care off. Induction program for new recruits may be made mandatory so they can get to know about internal and external company policies and can engage in work effectively and efficiently. There should be increase in motivational program so that it increases enthusiasm and recognition of the employees. There are employees who do not feel valued and involved in the job, the reason for such situation should be identified. This will help to increase engagement. A simple yet effective measure is to recognize good work. It fosters better relationship. Any good work, big or small must be recognized.

Conclusion

Most studies demonstrate that it is valued by management, two way communications between management and employee’s management interest employee’s well-being and giving more opportunities for employees do not give much importance to pay and benefits.

Employee engagement plays a vital role for the success of any company. Employee engagement is a process which contain of various aspects, on fulfillment of which a worker becomes a loyal employee and performs at his high level coupled with job satisfaction and a feeling of belongingness. It is a positive behavior held by the employees towards the company and its values. It is gaining popularity, use and importance in the company and affects company in many ways.

Employee engagement leads to increased productivity, retention, client trust and profitability. Employees who believe that their employer cares about their health and wellbeing are more likely to be loyal and stay in their work for longer. This can bring huge gains for employers who deliver more effectively through increased productivity and performance and can reduce worker turnover, sickness absence and recruitment cost. When a person values a particular aspect of a job, his engagement is more greatly affected both positively and negatively, compared to one who doesn’t value the aspect.

Question	Component						
	1	2	3	4	5	6	7
Benefits	0.842411						
Better benefits	0.812534						
Value	0.689128						
Org.values		0.895553					
Satisfied pay		0.750008					
Support		0.63504					
Recognition			0.700660				
Enjoyment			0.688882				
Fairness			0.676223				
Tools			0.659186				
Respect			0.587878				
Excellent leadership				0.795332			
Provide security				0.788576			
Empower					0.776925		
Grievance					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 3: Factor analysis interpretation.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Better benefits	50	3.8000	0.60609	0.08571
Value	50	4.1000	0.61445	0.08690
Provide security	50	4.1400	0.49528	0.07004
Leadership	50	4.1800	0.48192	0.06815
Equal opportunity	50	4.2245	0.68512	0.09787

Table 4: Showing the 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	9.333	49	0.000	0.80000	0.6278	0.9722
Value	12.659	49	0.000	1.10000	0.9254	1.2746
Provide security	16.276	49	0.000	1.14000	0.9992	1.2808
Leadership	17.314	49	0.000	1.18000	1.0430	1.3170
Equal opportunity	12.511	49	0.000	1.22449	1.0277	1.4213

Table 5: Showing the Z-test Results.

Most researches emphasize merely the importance and positive impacts of employee engagement on the business outcomes, falling to provide the cost aspect of engagement decisions. And it's any other management decisions engagement decision should be evaluated in terms of both its benefits and its associated costs, without giving greater emphasis to neither of them in terms of the two, not to bias the decision makers. For managers, work of employee one through effective engagement starts at one through effective recruitment and orientation program the work of employee engagement begins from the top as it is unthinkable to have engaged people in the organizations where there is no engaged leadership. Managers should enhance two-way communication to ensure that employees have all the resources

they need to job give appropriate training to increase their knowledge and skill establish reward mechanism in which good job is rewarded through various financial and non-financial incentives build distinctive corporate culture that encourages hard work and develop a strong performance system.

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 employees are productive employees.

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