

A Study on Employee Engagement and Organizational Commitment in Manufacturing Industries in Visakha, Andhra Pradesh

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Abstract

Employee engagement is a powerful retention strategy. The fact that it has a strong impact on the bottom-line adds to its significance. There is an intrinsic link between employee engagement, customer loyalty, and profitability. Employee engagement is a combination of commitment to the organisation and its values plus a willingness to help out colleagues and employees work with passion and feel a profound connection to their company. The more Employee Engagement is seen, the less Attrition is seen, and it goes both ways. Engaged employees are loyal, highly motivated team players who care about the company and will work hard to help the organization succeed.

Keyword: Employee engagement, Leaders, Organizations, and Customers

I. INTRODUCTION

Employee engagement enriches everyone in the workplace. Authentic employee engagement must function for the benefit of all: employees, leaders, organizations, and customers. Engagement is about motivating employees to do their best. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. An engaged employee gives his company his 100 percent. Employee engagement is a powerful retention strategy. The fact that it has a strong impact on the bottom-line adds to its significance. There is an intrinsic link between employee engagement, customer loyalty, and profitability. Employee engagement is a combination of commitment to the organisation and its values plus a willingness to help out colleagues and employees work with passion and feel a profound connection to their company. Through employee engagement, everyone works together to achieve their professional, personal and business goals. Employee engagement is sometimes used to describe ‘engaging with’ employees. Effective internal communication, consultation with employees and employee representation are all important elements of employee engagement. “The extent to which people enjoy and believe in what they do and feel valued for doing it.”

Employee engagement is the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.

Need for the study

The review of literature reveals that very few studies have been conducted in India on Employee Engagement. Further not a single study was conducted to assess the employee engagement levels in government sector particularly in local government agencies which have direct interface with the public.

Objectives of the study

- To focus on the interface of Employee Engagement and Organizational Commitment leading to the conceptual framework of the study.
- To review the studies on Employee Engagement and Organizational Commitment and comprehend their impact on the performance and functioning of government agencies else wherein the developing nations.
- To study the Employee Engagement and organizational commitment levels of the respondents in select local government agencies in Greater Visakha.

- To unveil the problems facing the policy makers in the select local government agencies of Greater Visakha in optimizing the resource of human capital.
- To evolve a strategic action plan for enhancing the employee engagement and organizational commitment levels in the organizations under study with a view to optimize the quality of services.

Importance of the study

Employment Engagement is an important concept in HR Management. Engaged employees are more productive, more profitable, more customer focused, safer and much less likely to leave their employer. The more Employee Engagement is seen, the less Attrition is seen, and it goes both ways. Engaged employees care about the future of the company and are willing to invest the discretionary effort exceeding duty's call to create satisfied customers and higher profits for organization and see's that the organization succeeds with a strong emotional bond feeling. When engaged employees utilize their natural talents, they provide an instant, and constant, competitive edge. They build a new value: emotionally driven connections between employees and customers and they will ensure that a customer derives maximum satisfaction from the services provided.

Drivers of Employee Engagement

- Shared vision, Values and Information
- Transformational Leadership.
- Corporate Culture and Open Communication.
- Trust / Respect
- Work Environment / Ethical Culture
- Decision - Making and Information Dissemination
- Team Work / Dynamics
- Progressive HR practices
- Reorganization and Reward / Motivation
- Empowerment / Satisfaction and Involvement

Benefits of Employee Engagement:

- Employee engagement builds passion, commitment and alignment with the organisation's strategies and goals
- Attracts more people like existing employees Increases employees' trust in the organisation and it empowers them.

- Creates a sense of loyalty in a competitive environment
- Lowers attrition rate and reduces absenteeism
- Increases productivity and improves morale
- Provides a high-energy working environment

Improves overall organisational effectiveness and Boosts business growth. Employee engagement is vital to an organization's success. Engaged employees are loyal, highly motivated team players who care about the company and will work hard to help the organization succeed. Employees who are engaged generally perform well, act as positive advocates for their employer's mission and are less likely leave the company. Disengaged employees, on the other end of the spectrum, are negative forces that can hurt morale and obstruct progress.

Review of Literature

Bakker & Demerouti in their study maintain that according to the Job Demands – Resources Model, work engagement has a positive impact on job performance and employees who are engaged and perform well are able to create their own resources, which then foster engagement again over time and create a positive gain spiral.

Fleming & Asplund reveal that the employee engagement is the ability to capture the heads, hearts, and souls of your employees to instill an intrinsic desire and passion for excellence”. Employee engagement is also considered in the context of organizational behavior. For example, Schaufeli et.al., (2002) defined engagement as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one’s work, and persistence in the face of difficulties. Dedication is characterized by a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption is characterized by being fully concentrated and happily engrossed in one’s work, whereby time passes quickly and one has difficulties with detaching oneself from work.

Gallup in his study states that the consultants define employee engagement as the involvement with and enthusiasm for work. Moreover the study proposed that employees could be divided into three types with regard to their level of engagement, the engaged, not engaged and the actively disengaged, with the later being of most concern to the employer brand as a result of sharing their discontent with their coworkers and the wider world.

Brief Profile of Visakhapatnam District:

General Characteristics of the District- Visakhapatnam District is one of the North Eastern Coastal districts of Andhra Pradesh and it lies between 17° - 15' and 18°-32' Northern latitude and 83° - 54' and 83° - 30' in Eastern longitude. It is bounded on the North partly by the Orissa State and partly by Vizianagaram District, on the South by East Godavari District, on the West by Orissa State and on the East by Bay of Bengal.

Location & Geographical Area.

The District presents two distinct Geographic divisions. The strip of the land along the coast and the interior called the plains division and hilly area of the Eastern Ghats flanking it on the North and West called the Agency Division. The Agency Division consists of the hilly regions covered by the Eastern Ghats with an altitude of about 900 metres dotted by several peaks exceeding 1200 metres. Sankaram Forest block topping with 1615 metres embraces the Mandals of Paderu, G. Madugula, Pedabayalu, Munchingput, Hukumpeta, Dumbbriguda, Araku Valley, Ananthagiri, Chinthapalli, G.K. Veedhi, and Koyyuru erstwhile Paderu, Araku Valley and Chinthapalli taluks in entirety. Machkhand River which on reflow becomes Sileru, drains and waters the area in its flow and reflow and is tapped for Power Generation. The other division is the plains division with altitude no where exceeding 75 metres watered and drained by Sarada, Varaha and Thandava Rivers and rivulets Meghadrigedda and Gambheeramgedda. Since no major Irrigation system exists significant sub regional agronomic variations exist in this division. Along the shore lies a series of salt and sandy swamps. The coast line is broken by a number of bald head lands, the important of them being the Dolphin's Nose which had afforded the establishment of Natural Harbour at Visakhapatnam, Rushikonda(v) Polavaram Rock and the big Narasimha Hill at Bheemunipatnam. Administratively, the District is divided into 3 Revenue Divisions and 43 Mandals. The Geographical area of the District is 11161 Sq. KM. which is only 4.1% of the area of the State

Table: 4.1 Gender-wise distribution of the respondents in GVMC N = 250

Gender	No. of People Responded	Percentage (%)
Male	132	53%
Female	118	47%
Total	250	100

Out of the total sample, 132 respondents representing 53% are male while 118 accounting for 47% are female employees.

Table: 4.2 Age-wise distribution of the respondents

Age (in Years)	No. of People Responded	Percentage (%)
Up to 25	73	29%
26-35	79	32%
36-45	54	22%
46-55	34	14%
Above 55	10	4%
Total	250	100

Almost 60% of the responses are in the age group of less than 25years and 26 years to 35 years category combined. The third category of 36 years to 45 years form 22% of the total responses. Age category of above 55 years account for only 4% of the total. Thus, as many as 60% of the respondents belong to less than 35 years age group which implies that GVMC has relatively more young work force.

Distribution of the respondents according to their marital status

Marital Status	No. of People Responded	Percentage (%)
Married	185	74%
Un Married	65	26%
Total	250	100

185 respondents representing almost three-quarter of the sample are married while 65 accounting for a fourth of the sample are unmarried.

Distribution of the respondents according to their Family size

Family Size	No. of People Responded	Percentage (%)
1-2	50	20%
3-4	133	53%
5-6	52	21%
7-8	8	6%
14 Above	1	0%
Total	250	100

More than half of the respondents have 3 to 4 members in the family. A fifth of the respondents have one or two family members. Family size with 5 to 6 members are around 21% of the total respondents while family size of 7 to 8 form around 6% of the total respondents. Thus, 70% of the sample have four and less than four family members.

Distribution of the respondents according to their Educational qualification

Edu Qualification	No. of People Responded	Percentage (%)
Graduation	65	26%
PG	75	30%
Diploma/PG Diploma	55	22%
Professional Degree	46	18%
Others	9	4%
Total	250	100

A quarter of the respondents are with a graduation degree, while 30% of the respondents have a Post Graduate qualification. Almost one-fifth of the respondents have a professional degree while another one-fifth of the respondents have a diploma qualification.

Distribution of the respondents according to their Annual Income.

Annual Income (in Rs.)	No. of People Responded	Percentage (%)
Upto 1 Lac	82	33%
1-3 Lacs	71	28%
3-5 Lacs	40	16%
5-7 Lacs	42	17%
Above 7 Lacs	15	6%
Total	250	100

One-third of the respondents have an annual income of less than one lakh. 28% of the respondents fall in the category of 1 to 3 lakhs annual income and almost one sixth of them fall in the 3 - 5 lakhs annual income category. Of all the respondents, almost 23% have annual income of above 5 lakhs. There are handful number of senior executives, who are not covered in the sample whose annual income is above 9 lakhs. Their view point was taken during the course of FGD (Focussed Group Discussions) with them.

Findings

- Out of the total sample, 132 respondents representing 53% are male while 118 accounting for 47% are female employees.
- Almost 60% of the responses are in the age group of less than 25 years and 26 years to 35 years category combined. The third category of 36 years to 45 years form 22% of the total responses. Age category of above 55 years account for only 4% of the total. Thus, as many as 60% of the respondents belong to less than 35 years age group which implies that GVMC has relatively more young work force.

- A quarter of the respondents are with a graduation degree, while 30% of the respondents have a Post Graduate qualification. Almost one-fifth of the respondents have a professional degree while another one-fifth of the respondents have a diploma qualification.
- One-third of the respondents have an annual income of less than one lakh. 28% of the respondents fall in the category of RS. 1 -3 lakhs annual income and almost one sixth of them fall in Rs.3 - 5 lakhs annual income category. Of all the respondents, almost 23% have annual income of above Rs.5 lakhs. There are handful number of senior executives, who are not covered in the sample whose annual income is above Rs. 9 lakhs. Their view point was taken during the course of FGD (Focussed Group Discussions) with them.
- It is heartening to note that as per the results of the study, in all, the employees of GVMC are engaged in their profession and interestingly none of them is either not engaged or actively disengaged. In GVMC, the results pertaining to the drivers of EE & OC are as follows:
- About half of the respondents agree that the organization has a shared vision, values and information across the hierarchy. A mere 4% strongly disagree on this indicator. A good 23% strongly agree with the flow of info and are in sync with the vision and values of the organization.
- A little over half of the respondents agree that they feel transformational leadership in the organization as 35% strongly agree with the driver statement. Less than 3% of the responses are skewed in favour of disagreement of the statement.
- Almost 85% of the responses agree and strongly agree with open communication and the open culture in the organization while 15% neither agree or disagree with the open communication. Less than 2% disagree and strongly disagree wrt the open communication and open culture in the organization.
- More than 75% of the responses agree and strongly agree have trust and respect in the organization towards the peer group. Around 4% of the responses disagree this driver.
- An overwhelming majority of 85% of the responses are in favor of the work environment and the ethical culture of the organization while 13% are of neutral opinion. Less than 2% of the responses are in negation.
- A good 45% of the responses agree to the decision making process and information dissemination across the organization. More than one-third of the responses strongly agree while around 5% of the responses do not agree with the information dissemination across the organization.
- More than 80% of the responses agree with team work dynamics across the organization, while 14% of the responses are neutral and less than 4% of the responses disagree to the dynamics of team work in the organization.

- More than half of the responses agree that the HR practices are progressive in the organization. One-third of the total responses strongly agree with the HR practices.
- Almost 90% of the total respondents either agree and strongly agree to the recognition and reward programs which motivated the employees. Only 2% of the respondents are in disagreement.
- Almost half of the respondents agree to the empowerment policies and involvement in the organization, while 33% strongly agree. Only 3% of the responses do not agree with this driver.
- Almost 85% of the responses agree with their immediate supervisor or manager while 13% are in neutral. Around 3% of the responses are disagree with their manager or supervisor.
- With a view to assess the employee engagement and commitment levels of the respondents in another major local government agency of Visakhapatnam title t, i.e., Visakhapatnam a sample of 250 respondents (both executive and non-executive cadres) has been taken accounting for about fourth-fifths s of the universe/population. Following are the results of the field survey.
- About 52% of the respondents are in the age group category of up to 35 years. A little less than a fourth of the sample belong to 36-45 years' age group while a quarter belong to above 45 years' age.
- About 52% of the respondents are in the age group category of up to 35 years. A little less than a fourth of the sample belong to 36 -45 years' age group while a quarter belong to above 45 years' age.
- Almost 30% of the respondents have a Post Graduate qualification. More than 25% have either a graduation degree or a diploma certificate while 17% have a professional degree
- One-third of the respondents have an annual income of less than one lakh rupees while another one-third of the respondents fall in the category of Rs.1 lakh to 3lakhs annual income. 4% of the respondents have an annual income category of Rs. 7 lakhs to 9 lakhs.

Suggestions

- The study reveals that in respect of both the organizations, the vision, values of the organizations and the requisite information is not passed on down the line in the hierarchy as per the expectations of the employees. As such, it is suggested that both GVMC and VMRDA should share the vision and vision statement of the organizations in a befitting manner to their employees, failing which, they lack clarity and direction in which the organizations are focusing their activities and the very spirit of the intentions of the administration at the helm. Both the

organizations have to establish a clear line of sight from the employees to the larger organization so that individual employees know the organization's foresight and expected end results enabling them have right path with requisite attitude, knowledge and skill set with timelines.

- The value system and ethical fabric of the organizations is also not made clearly known and felt by the employees as the gap is felt much by the employees of both the organizations. As such, it is suggested that both GVMC and VMRDA shall organize special meetings/workshops to disseminate the value system and ethical fabric among their employees enabling them understand and comprehend the spirit of the two local bodies. The study also reveals that the employees feel that the flow of Information from top to bottom in the hierarchy is not timely and comprehensive. It is suggested that more transparency and timeliness is required in the flow of communication within the organizations, which goes a long way in boosting up the morale of the human resource of the two local bodies.
- Even in case of the driver "Trust and Respect", the responses from the employees of both the organizations are found that they are far from satisfactory. As trust begets trust, to ensure and assure trustworthiness among the employees of the organizations, the administrations of the two bodies shall make an important note of this revelation and see to it that initiatives are mooted in this direction. As we believe in human capital approach, to enhance the productivity levels and quality of services upto the satisfaction of the public, if the employees are contended with the practices of the administration in this respect, it goes a long way in developing self-esteem among the employees.

II. CONCLUSION

The study reveals that very interestingly, all the respondents are 'engaged' and none of them is either 'not engaged' or 'actively disengaged'. They are found to be are happy and comfortable with the kind of recognition and rewards and also motivation they get from the administration this driver was given top rank. The study also reveals that the employees feel that the flow of Information from top to bottom in the hierarchy is not timely and comprehensive. More transparency and timeliness is required in the flow of communication within the organizations for smooth functioning.

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