

# Employee Engagement- A Study with Information Technology based Investment Bankers

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**Abstract:** Employee's vehemence, dedication and readiness to spend their time by enthraling themselves into work are termed as Employee Engagement (EE). An affianced member of staff is mindful of the current industry scenario and engages with colleagues to upsurge organisation and their own performance. This research work focuses on how Perceived Organization Support (POS), Perceived Supervisor Support (PSS) and Rewards and Recognition (R&R) play a role of antecedents of EE. This survey includes 80 employees in investment banking sector in Chennai. Structural Equation Modelling (SEM) has been attempted to gauge the determinants. The result depicts that R&R impacts EE. However, POS and perceive supervisor support do not have any influence over EE in investment banking sector.

**Keywords:** POS, RR, PSS, EE, investment bankers.

## INTRODUCTION

Today's dynamic work environment, along with job uncertainty and unexpected changes in organisation contribute to decline of trust between employees and employers. Many employers are yet to understand the critical importance of constructive relationship with employees which in turn will reduce their attrition and enhance their dedication towards achieving organizational goals. Once the employees begin to believe that the employer is thinking about their welfare, it develops the employee's work performance.

Employee engagement (EE) is defined as the extent to which they choose to do more than the minimum requirement in their work. Employees who are engaged are passionately dedicated to the achievement of organization's objectives. EE is equal to "Discretionary effort of an Employee". Thus we can comprehend that EE is measure of employee's involvement in their work and it is completely different from employee satisfaction.

EE is constructed on belief, integrity, commitment towards the organization and communication between the employer and employees. When employees of an organisation are engaged to their work, it escalates the probability of business success, because of the increase in organisational and individual performance, efficiency and the employee well-being. EE can be measured and it is in the range between poor and abundant. EE can be encouraged and radically increased or the employees may lose it and threw away.

EE is vital enough to be possessed by every employee. Hence the study is focused on understanding the influence of monetary as well as non-monetary rewards on EE. The monetary reward is measured using rewards and non-monetary award is measured using recognition and support.

### Objectives

- To study the effect of employee engagement on their performance
- To focus on how Perceived Organization Support (POS), Perceived Supervisor Support (PSS) and Rewards and Recognition (R&R) play a role of antecedents of EE.

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## REVIEW OF LITERATURE

Recent research interest in EE is because of the fact that when employees feel engaged, it leads to increase in shareholder return, profitability, quality, productivity and customer satisfaction (Xanthopoulou et.al. 2008; Schneider et.al. 2009). It also reduces the employee absenteeism and employee turnover (Saks, 2006; Wellins et.al. 2005; Bakker et.al. 2005). Managerial desirability of developing engaged employees, have motivated researchers to focus on ascertaining antecedents of engagement which would develop organisational efforts to nurture improved intensities of EE.

The psychological conditions such as meaningfulness of the job, job security, and availability leads to definite levels of EE which again varies based on individual preferences (Kahn, 1990). Maslach and Leiter (2001) have recommended job demands, Rewards and Recognition (R&R), job control, fairness, supervisory support, and compatibility between job necessities and individual principles are the most important predictors of EE. The triangle model of responsibility was proposed by Britt's (1999), in which job clarity, workcontrol and professional relevance are the means to engagement. Similarly, Harter et al. (2002) have suggested twelve distinct job characteristics and organizational practices such as lucidity of job expectations, support from peers and supervisors, and availability of growth opportunities are the key bases for EE. Authors have proved that engagement is inspired by work characteristics such as diversity, autonomy and challenge, along with individualities and leadership (Macey and Schneider, 2008).

An imperative facet of job safety emanate from the extent of attention along with support. Kahn (1990) has established that compassionate and gullible interpersonal relationships and supportive organization promotes the belief of job safety.

When work environments are branded with supportiveness and openness and it leads to sense of safety in employees. When employees are allowed to experiment with innovative practices and are tolerable to failures is supportive work environment (Kahn, 1990). Researchers have suggested that supervisory support increases the perception psychological safety. Schaufeli and Bakker (2004) have proved that support from peers predicts EE. Based on the above researches, it concludes that the two variables namely perceived supervisor support and Perceived Organizational Support (POS) influence the employee perception about supportive organization.

Rhoades and Eisenberger (2002) have stated that POS denotes the belief of an employee that one's organization respects their cooperation and participation and also has consideration towards their well-being. Studies have proved that employees with high POS suffer less stress at work (Shaw et al., 2009) and they develop better ability to perform well (Kurtessis et al., 2017). Furthermore, employees are likely to sight their supervisor's support towards them as part of the management's support (Rhoades & Eisenberger, 2002).

Most of the antecedents which induce engagement are non-monetary in nature. Consequently, organization which provides support to the employee can develop engaged employees. The leadership skills of the supervisor will also help to achieve the anticipated level of engagement. Based on these facts, the management should not neglect the monetary aspect of their workers. In reality, performance is expected to be linked with compensation and recognition.

Wage and paybacks are essential to every worker, irrespective of their nature (Buckingham and Coffman, 2005). The salary afforded by an organisation should be analogous to the present market pay. Hence R&R is also considered as an antecedent to EE.

### Impact of Monetary and Non-Monetary Benefits: A Critical Analysis

The structured questionnaire was given to 110 employees of Information Technology (IT) based investment bankers and 80 surveys returned with complete response indicating a response rate of 73%. Organizational support theory recommends that personnel generally cultivate a insight regarding the degree to which an employee's contribution towards the organisation's goal achievement is valued and the degree to which the business has concern towards their well-being is termed as POS (Eisenberger and Stinglhamber, 2011).

Researchers studied several types of antecedents which lead to POS such as perception of the employee concerning organization including justice, politics and fairness (Moorman et.al., 1998; Cropanzano et.al., 1997), working environments (Eisenberger et.al., 1999), human resource (HR) practices (Wayne et al., 1997) and superior supportiveness (Wayne et al., 1997; Settoon et.al., 1996). The study measures the employee's perception about support provided by the organisation using the following six items such as personal attention, favour, consideration, objectives, forgiveness and assistance.

Table 1: Perception about POS

S. No.	Perception about POS	Mean	Rank
1	My organization really cares about my well-being. (Personal Attention)	3.89	4
2	My institution is prepared to assist me for special favours. (Favour)	3.90	2
3	My organization considers about my opinions. (Consideration)	3.79	6
4	My goals and values are strongly considered by my organization. (Objectives)	3.81	5
5	My company forgives my honest mistakes. (Forgiveness)	3.90	2
6	Assistance during problematic situation. (Assistance)	3.91	1

The results of mean analysis and rank values are displayed in Table 1. It is observed from the table that assistance provided by the organisation has the highest mean value of 3.91 followed by forgiveness, favour, personal attention, objectives and consideration. When it comes to the honest mistakes, IT companies in India provide fullest support and forgive in order to protect the prevailing organisational environment. During toughest situations, management guides their subordinates with at most care, but individual opinions are not entertained.

Supervisors play a major role in guiding the employees in precise direction, mentoring, and training. House (1996) have proved that the supervisors are to be empathetic, facilitating their capabilities to motivate the subordinates accomplish their goals. In contrast, there are team leads who degrade, criticize strongly, or even regard their subordinates contemptuously (Tepper, 2000). When employees work under supervisors who are perceived to be abusive, they tend to engage in detrimental activities directed towards their superiors as well the organization (Restuboguet.al., 2011; Mitchell and Ambrose, 2007). Hence when employees recognize good supervisory support they have a tendency to become engaged to the organisation. Perceived Supervisor Support (PSS) is measured using three items namely consideration, objectives and personal attention.

Table 2: Perception about PSS

S. No.	Perception about PSS	Mean	Rank
1	My supervisor contemplates my opinions. (Consideration)	3.89	3
2	My supervisor strongly deliberates my values and goals. (Objectives)	3.93	2
3	My work supervisor certainly gives priority to my well-being. (Personal attention)	3.95	1

Table 2 depicts the mean analysis and the respective rankings. From the results we shall conclude that personal attention given to the employees has the highest mean value of 3.95 followed by consideration and objectives. The employees in IT industry expect their supervisors to care about their personal wellbeing more than their work objectives.

Wayne and his colleagues (1997) have studied about human resource practices which indicate that the organization should value their employees work performance as well care about their wellbeing. The researchers have explicitly studied about human resource practices which propose regarding investment in workers and express acknowledgement of worker contributions (Eisenberger et al., 1986). In addition, employees are disheartened by lack of distinction in recognising the high and low achievers (Eisenberger and Stinglhamber, 2011). This lack of performance distinction leads employees to question the authenticity of appropriate acknowledgement of superior performers. The failure to provide reward or positive feedback to distinguish better performers denotes that the organization is paying little attention to their performance. Hence, tangible R&R for performers are valuable tools to develop engaged employees. R&R are measured using the six items which are displayed in Table 3.

Table 3: Perception about R&amp;R

S. No.	Perception about R&R	Mean	Rank
1	The organization regularly raises the pay. (Increment)	4.05	1
2	Job security is provided by the organization. (Job security)	4.04	3
3	Promotional opportunities are given in the organization. (Promotion)	4.00	4
4	I receive Praise from my supervisor. (Appreciation)	4.05	1
5	Some practice of public appreciation (e.g. worker of the month) is provided in organization (Recognition)	3.95	6
6	A prize or token of commendation (eg. Team lunch) is provided in my organization.	3.99	5

The results of mean analysis and rank values are displayed in Table 3. Increment and appreciation are the most valued rewards by the employees. Increment is a monetary reward and appreciation is non-monetary and both are given equal importance by the employees. The next in line is job security. When the employees sense that their job is secured they have a tendency to retain in the job. Promotional opportunities and recognition in the job are the least of importance in comparative with Incentives and appreciation of the job done.

The significant predictors of engagement are the being valued by the employers and getting involved, the degree to which workers are given freedom to voice their opinions, inclusion in making decisions, the career prospects available for the employees to progress and the degree to which the management cares for employees' vigour and welfare (Robinson et al., 2004). Employees who have amicable social relationships at work are tend to be more engaged (Saks, 2006). Engagement is indivisibly associated with organization's policies and practices (Vance, 2006). Vance (2006) engagement is the result of individual aspect such as personality, attitudes, knowledge and skills and workplace environment which comprises of leadership, working environment, social setting and human resource practices. In this study, EE is measured using the following 11 items.

Table 4: Employee Engagement

S. No.	Employee Engagement	Mean	Rank
1	The job I do has a purpose and it is meaningful. (Meaningfulness)	3.95	1
2	When I am in work the time elapses. (Interest)	3.89	3
3	I am passionate about the job I do. (Enthusiasm)	3.89	3
4	During work, I tend to forget the happenings around me. (Involvement)	3.78	10
5	I love to go to work. (Likelihood)	3.71	11
6	I feel proud of the job I do. (Feeling Proud)	3.80	9
7	I continuously work for very long hours at a time. (Long hours)	3.90	2
8	The work I do is challenging to me. (Challenge)	3.86	5
9	I am psychologically resilient, in my job. (Resilience)	3.83	8
10	It is hard to disengage myself from my work. (Attachment)	3.85	7
11	I readily help others in the time of work-related issues. (Helping nature)	3.86	5

Table 4 depicts the results of the mean analysis and the respective rankings of employment engagement scale items. When the employees perceive that the job they do has purpose and meaningful, the employees feel engaged to the organisation. When employees are ready to work for long hours without hesitation, it means they are engaged to the organisation. Specifically in IT industry, enthusiasm and interest in the work they do leads to EE. Likelihood and involvement are the least indicators of EE.

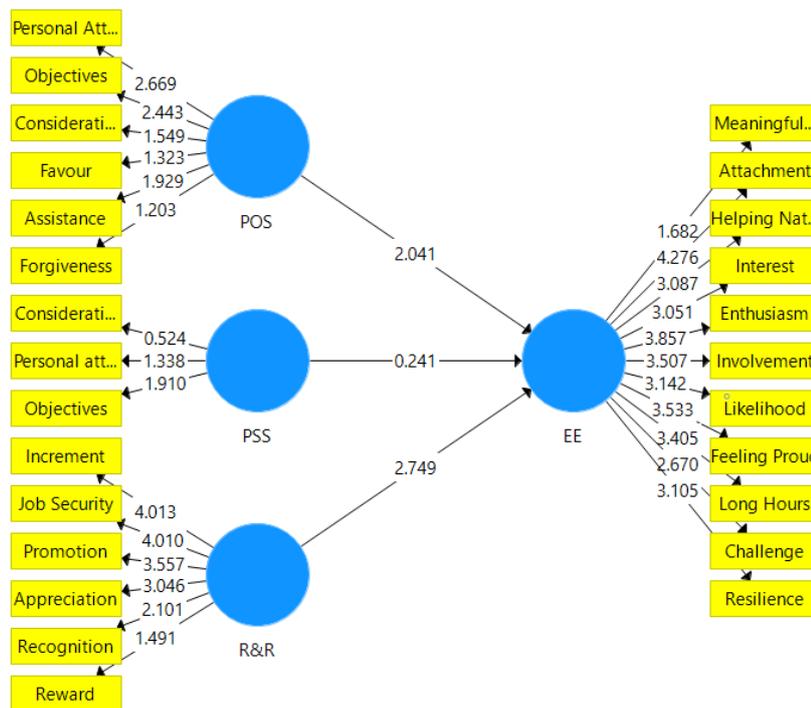


Fig. 1: Determinants of EE

Figure 1 shows the t values. This section tries to explore the extent of influence of R&R, PSS and POS on EE. The diagram depicts that R&R and POS on EE have the t values of greater than 1.96. POS ( $t = 2.04$ ) and R&R ( $t = 2.75$ ) are the significant predictors of EE.

## CONCLUSION

The outcome of the research explains the significance of the engagement for the forthcoming growth of the organization. It determines the antecedents predicting the EE in the working environment. It also reveals the effect of R&R in the EE. Apart from R&R, POS plays a vital role in engaging the employees towards their day to day activities in the organization. The supervisors should concentrate on maintaining the interpersonal relationship with their subordinates, so that the level of engagement increases and views regarding supervisor support changes among the subordinates who feels difficulty in their routine task.

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