Determinants of Engaging Employees at Work Place

A. Nasima, P. Shalini

Received 05 November 2018 • Revised: 23 November 2018 • Accepted: 02 December 2018

Abstract: Employee engagement is a mandatory one in present situation to have a successful organization. Now a days there are lot of competitions around the firms for which committed employees in the organization are essential for a successful concern. This study helps to bridge the gap which is need to the organization victory. Objective: This study helps to find the variables which boost employees to engage in the organization. For that research choose five variables (i.e) "Job Satisfaction, Performance Appraisal, Health and Safety, Reward Recognition, and communication which influence on employee engagement". Method-s-statistical Analysis- A Survey was conducted with close ended questionnaire using five point likert scale from 347 employees working in the automobile sector. Structural equation modeling is used in this research. Findings The outcome of the result shows that independent variables like "Job Satisfaction, Performance Appraisal, Health and Safety, Reward Recognition, and communication influence employee engagement to committed in the organization. Improvements and Applications-if the usage of these tools in independent variable through a proper way leads employee engagement in the organization.

Keywords: Job Satisfaction, Performance Appraisal, Health and Safety, Reward Recognition and Communication and Employee engagement.

INTRODUCTION

Mr. Vincent Cobee, Nissan Motor’s Datsun corporate vice president point out that "In the world Automobile industry in India is of very aggressive it will not surely give 100 percentage of components to produce a Car but probably gives 97 percentage". Manufacturing sectors play an important role in our economic growth which leads to increase in our GDP level. Manufacturing sectors in India is an essential ingredient which helps to sustain as a developing nation. Here researcher choose automobile sector because of lacking of studies in this sectors based on the previous article.

JOB SATISFACTION- “Ellickson M 2002 defined Job satisfaction as the extent to which employees like their work. Based on perceptions, an employee develops a positive or negative attitude towards their job and environment”. Job satisfaction is a first term to satisfy employee in the organization which leads to sustain in the organization if a person satisfied with his job then he or she will give full effort to the make it success which leads to engagement.

PERFORMANCE APPRAISAL “Barrett, 1967 defined performance appraisal is a properly administered performance appraisal system may be an asset to an organization. However, if the tools and goals of the performance appraisal process are incongruent with organizational goals, the resulting performance appraisal system may, in fact, be a detriment to effective organizational functioning”. Proper appraisal in the organization is a very important factor which will helps the employees to focus more on their job and which will give a committed employees to the organization.

HEALTH AND SAFETY “According to Khan (1990), employee safety can be defined as the feeling of being safe and being able to employ and present one’s self without feeling apprehensive of receiving negative consequences to status, self image, or career.” Normally people will feel safe when they are...
having fully secured environment which does not lead to any disaster thus leads to employees to stay in the organization “Safety is without doubt the most crucial investment we can make and the question is not what it costs us and what is saves.

COMMUNICATION: “A.S. Hatch 1964; Clǎmpitt and Downs,1992 defines Communication to focuses on connecting individual employees, groups and organization as a whole to facilitate realization of common interest and spontaneous cooperation “ Communication in an organization builds a good relationship between employees and the employer that leads to employee feel free to communicate which helps in engage in the organization.

REWARD RECOGNITION: “Kahn (1990) has excellently depicted that an individual varies his engagement level according to the way he perceives the benefits that are received for the role performance that he does in an organization” while working in the organization rewards for an employee is an important one whether it is cash or non cash reward both are needed to fulfill employees need and which is also important for engaging employees in the organization.

EMPLOYEE ENGAGEMENT “Gallup, 2005 says Engaged employees are dedicated to their role, will stay in the organization for a long time, more productive, give better customer service and in turn create greater profit in private sector organizations “engaging employees in the organization helps to reduce the cost of hiring and giving training to the new employees and also time consuming which leads to a good production that’s leads to a victory of the firm.

OBJECTIVES: This study the relationship between performance appraisal, Job satisfaction, health and safety, communication and reward recognition which leads to engage employees in the organization.

LITERATURE REVIEW

JOB SATISFACTION. Suggested that a marvelous working condition with a tremendous co-workers in the organization gives a personal fulfillment leads to job satisfaction (Ellickson, M 2002). Says that if employee feel engaged in the organization for which job satisfaction is an essential ingredient to it. (Maylett 2008). It reveals that job satisfaction shows a moderate level of impact which leads to employee engagement in an insurance company in a private sector. Expecting support from the superiors and a proper recognition and guidance in a workplace needed in the organisation (SUSAN ABRAHAM 2012). In his study it suggest that , the relationship among, Employee turnover ,organizational commitment, and job satisfaction. Job satisfaction gives an ample amount of increasing variance in the turnover intention( Gaan Niharika 2007).

PERFORMANCE APPRAISAL- It is a dual satisfied one which helps both the employer and the employees to increase in their productivity level. This system helps the employees to motivate in the organization (Deepa, E Palaniswamy, R Kuppusamy, S 2014) For an organizational success performance appraisal is a basic requirement which should be shared fairly for the future purpose and it is essential in practicing HR in the organization for a successful outcome (Selvarasu 2014). This also shows that performance appraisal is one of the important tool in human resource management which helps in engaging employees in the organization Rosmiza bt Ahmad (2015). Now a days it is very popular in organization for a performance of an individual as well as organizational financial and productivity as for a returns of shareholder Gruman and Saks, 2011).

REWARD RECOGNITION- It is an important driver in the engagement. If these are reinforced it automatically leads to leverage engagement in employees mind (Monica, R 2016). Through various financial and non financial terms job is recognized. It gives a fabulous atmosphere in the organization for the hardworking people which encourages them to do more in their performance which leads to increase in good performance in business (Solomon Markos, sri devi 2010). In organization encouragement through reward produce efficient employees to engage in the organization (Dow Scott, Tom McMullen 2010). Suggested that reward through cash is important tool for increase the employees performance (Danish, Rizwan Qaiser saeed, IqraMehreen, Sana Shahid, Nauman Aslam Ahmad Usman 2014).

COMMUNICATION- Communication is two way should be implemented between the juniors and supervisors with a systematic manner so that it will sort out few issues between them in the organization thus leads to proper communication and can easily attain goal of the organization (susan abraham 2012). For an employee engagement organizational communication is an necessary one that is proved in this study. It suggests that different dimensions of communication increase the strength of employees to engage in the organization (Swatee Sarangarid R K Srivastava2012). This study suggests that satisfaction of communication helps in committing in the organization. Organizations are using communication as one of the strategic tool to deliver a messages in a segmented manner to gain a trust
that make employee feel engaged that helps to lower attrition (Suryanarayana Iyer and D Israel 2012). This study suggests that organization communication with five vital factors such as superior-subordinate, openness of superior communication, upward reliability and quality were studied and it all influences on internal communication which engaged employees in the organization (C Balakrishnan Dr D Masthan 2013).

HEALTH AND SAFETY - It is found that in a very deep manner, mostly the health issues is damaging health in certain circumstances are because of lacking in awareness about health safety as well as labor and mines laws (Sallahuddin Panhwar, Rasool Bux MAhar, Asim Ali Abro, Muhammad wajid Ijaz, Muhammad Muqee 2016).

In other terms, employee become more enthusiastic and engaged in the psychological availability in the environment offer psychological safety and meaningfulness (May et al. 2004). It also said that factors like meaningfulness, safety and the availability was exactly inclined towards engaging employees in the organization. These factors are important in relating with employee engagement (khalil basbous 2011). The research says that employees who are engaged are highly motivated to do work safely and the employees who are non engaged are highly susceptible to burnout from the organization. people who are safely doing job are really enjoyed than the non safely working employees (Nahrgang, Morgeson & Hofman 2011).

Now a days employees are getting great benefit of recognition like flexi-work option insurance (health) like these several more activities are implementing in the organization to engaged employees in the organisation Deaton (2008).

EMPLOYEE ENGAGEMENT - It shows that 10 drivers of employee engagement found in the research also identified by other researchers from healthcare, retail, banking and, hospitality, industries the employee of an organization who is engaged was one of the most common driver of engagement Phillips, Deborah Ann 2009. Results are showing positive towards employee engagement because of its significance and autonomy.

Items findings are showing positive relation to engagement. With three facets of performance organization arrange jobs so that it will enrich in creating variety in employees work and autonomy in the decisions which they make (Amanda Shantza*, Kerstin Alfesb, Catherine Trussc and Emma Soaned 2013). Employees will surely committed to organization if they receive proper recognized rewards, timely motivation, situational decision making and involving in main activities in the organization (Mahwish W. Khan a, Meryem Ataft b 2015). Company policies which are implemented properly is a major role in influencing to engage employees. A competitive work should use and not used is the prospective of workers that gain a fully satisfied employees which leads to employee engagement (SUSAN ABRAHAM 2012).

RESEARCH DESIGN AND METHOD
A quantitative research was done using the method of random sampling. Sample size of the collected data is 347 for this study the SEM is tested here for the analysis purpose. For collecting a data questionnaire was used to receive accurate information.

RELIABILITY OF THE VARIABLES
The reliability of five items in job satisfaction is 0.793. The performance appraisal has 0.831 reliability for five items. The five items of communication has 0.758 reliability. 0.880 is a reliability for the five items of Reward recognition. Health and safety also have 0.810 as a reliability for five items. Finally employee engagement has 0.946 reliability for five items. Reliability for overall 30 items is 0.936 which indicates Good reliability.

DATA ANALYSIS
The data was analysed using inferential and descriptive statistics. Frequency distribution was used in descriptive statistics.

SEM is used for multivariate analysis which emphasis on structural relationship, it also helps in finding a linear relationship among observed and un observed variable. To test these models AMOS 21 &SPSS 17 were used. After collection of data results are drawn statistical charts and tables were found with that finally performed through structural equation model using Amos. SEM is a statistical approach for testing hypothesis.
RESEARCH MODEL

The following are the hypothesis to test in the study:
H1: There is a relationship between Job satisfaction and Communication.
H2: There is a relationship between Job satisfaction and Reward recognition.
H3: There is a relationship between Performance appraisal and Communication.
H4: There is a relationship between Performance appraisal and Reward recognition.
H5: There is a relationship between Health & Safety and Communication.
H6: There is a relationship between Health & Safety and Reward recognition.
H7: There is a relationship between job satisfaction with employee engagement mediated by communication and reward recognition.
H8: There is a relationship between performance appraisal with employee engagement mediated by communication and reward recognition.
H9: There is a relationship between health and safety with employee engagement mediated by communication and reward recognition.
H10: There is a relationship between Communication and employee engagement.
H11: There is a relationship between Reward recognition and employee engagement.

Data: Using SPSS package 17 the values of rating scale for the pilot study. The cronbach’s is 0.904 and 0.907 which helps in extended of research. Alpha value of 0.7 shows a tremendous reliability.

EFA (Exploratory factor analysis)
In this research EFA (Exploratory factor analysis) were analysed with KMO (Kaiser-Meyer-Olkin) and Barlett’s test.

Table 1: Shows KMO and Bartlett’s Test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | .848 |
| Bartlett’s Test of Sphericity | Approx. Chi-Square | 8273.225 |
| | Df | 435 |
| | Sig. | .000 |

Table 2: Shows Descriptive Statistics of Demographics and Constructs

<table>
<thead>
<tr>
<th>Demographic Variables</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>DESIGNATION</td>
<td>3.7937</td>
<td>1.51667</td>
<td>-.258</td>
<td>-929</td>
</tr>
<tr>
<td>AGE</td>
<td>1.9922</td>
<td>1.08654</td>
<td>.988</td>
<td>.178</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>2.5326</td>
<td>1.81437</td>
<td>-.442</td>
<td>-.429</td>
</tr>
<tr>
<td>GENDER</td>
<td>1.1358</td>
<td>3.14299</td>
<td>2.135</td>
<td>2.572</td>
</tr>
<tr>
<td>MARITALSTATUS</td>
<td>1.6468</td>
<td>1.49941</td>
<td>.142</td>
<td>-1.990</td>
</tr>
<tr>
<td>INCOME</td>
<td>1.5744</td>
<td>1.80188</td>
<td>1.532</td>
<td>2.034</td>
</tr>
<tr>
<td>EXPERIENCE</td>
<td>1.7728</td>
<td>83327</td>
<td>1.402</td>
<td>2.746</td>
</tr>
</tbody>
</table>
PATH ANALYSIS WITH TWO MEDIATING FACTOR

Null Hypothesis Ho: Employee engagement has no mediating effect on the relationship between job satisfaction, performance appraisal, health and safety.

MEDIATED STRUCTURAL EQUATION MODELING OF EMPLOYEE ENGAGEMENT

H1: The job satisfaction positively influences Communication.
H2: The job satisfaction positively influences Reward Recognition.
H3: The Performance appraisal positively influences Communication.
H4: The Performance appraisal positively influences Reward Recognition.
H5: The Health and safety positively influence Communication.
H6: The Health and safety positively influence Reward Recognition.
H7: The job satisfaction positively influence Employee Engagement.
H8: The Performance Appraisal positively influences Employee Engagement.
H9: The Health and Safety positively influences Employee Engagement.
H10: The Communication positively influences Employee Engagement.
H11: The Reward Recognition positively influences Employee Engagement.

The above hypotheses are tested through the structural equation modeling. The alternate hypothesis is accepted. There is a significant effect of job satisfaction, performance appraisal, health and safety, reward recognition, and communication in employee engagement.

Null hypothesis: There is no difference between observed sample covariance and estimated covariance.
STRUCTURAL EQUATION MODEL

Figure 4: Shows Structural Equation Model

**Evaluation of Employee Engagement Mediated Model**

The following table gives the summary of goodness of fit statistics and other values corresponding to the employee engagement mediated structural equation model. Also the last column in the table provides the acceptable level for the goodness of fit statistics and other values.

<table>
<thead>
<tr>
<th>S.NO</th>
<th>Measures of fit</th>
<th>Output of Employee Engagement Model</th>
<th>Acceptable Level for good fit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chi-square (z²) at p 0.05</td>
<td>1.979.007</td>
<td>Significant</td>
</tr>
<tr>
<td>2</td>
<td>Degree of freedom (d.f)</td>
<td>367</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Normed z²</td>
<td>2.185</td>
<td>2-5 acceptable</td>
</tr>
<tr>
<td>4</td>
<td>Comparative fit index (CFI)</td>
<td>.800</td>
<td>Above 0.90</td>
</tr>
<tr>
<td>5</td>
<td>Bentler – Bonett Index or Normed Fit Index (NFI)</td>
<td>.768</td>
<td>&gt;0.90</td>
</tr>
<tr>
<td>6</td>
<td>Root mean squared error of approximation (RMSEA)</td>
<td>.107</td>
<td>0.03 to 0.08</td>
</tr>
<tr>
<td>7</td>
<td>Non Centrality Parameter (NCP)</td>
<td>1612.007</td>
<td>-</td>
</tr>
<tr>
<td>8</td>
<td>Non Centrality Parameter, Lower boundary (NCPLO 90)</td>
<td>1476.298</td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>Parsimony adjusted NFI (PNFI)</td>
<td>0.0812</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>Parsimony adjusted CFI (PCFI)</td>
<td>0.800</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Minimum value of Discrepancy</td>
<td>4.89</td>
<td>-</td>
</tr>
<tr>
<td>12</td>
<td>Lower Limit of FMIN (LO 90)</td>
<td>5.181</td>
<td>-</td>
</tr>
<tr>
<td>13</td>
<td>Upper limit of FMIN (HI90)</td>
<td>4.595</td>
<td>-</td>
</tr>
<tr>
<td>14</td>
<td>Browne-Cudeck Criterion (BCC)</td>
<td>2192.318</td>
<td>-</td>
</tr>
<tr>
<td>15</td>
<td>ECVI</td>
<td>5.694</td>
<td>-</td>
</tr>
<tr>
<td>16</td>
<td>LO90</td>
<td>5.3438</td>
<td>-</td>
</tr>
<tr>
<td>17</td>
<td>HI90</td>
<td>.112</td>
<td>-</td>
</tr>
<tr>
<td>18</td>
<td>MECVI</td>
<td>5.739</td>
<td>-</td>
</tr>
<tr>
<td>19</td>
<td>HOELTER.05</td>
<td>80</td>
<td>&lt;= 75 poor fit</td>
</tr>
<tr>
<td>20</td>
<td>HOELTER.01</td>
<td>84</td>
<td>At least 200</td>
</tr>
</tbody>
</table>
The Constructs in the model, i.e. job satisfaction, performance appraisal, health and safety, reward recognition, communication are significant and have an impact on Employee engagement which is proved to the mediating factor reward recognition, communication through SEM. The highest impact is caused by employees’ enthusiasm in their work (25.700) in determining the employee engagement in automobile industry. The researcher is able to observe that two mediating factors (i.e) communication and reward recognition with independent and dependent variables have both full mediation and partial mediation respectively.

FINDINGS

Demographics

The study indicates that employees who work in automobile is mostly male and they are Executives under the age of 25 with graduation and unmarried with the income of 20,000 and having 5-15 years of experience. The study shows that age, gender, income, designation and Education has a significant impact on the Employee engagement.

Main Findings of the Research

This study has examined the factors influencing the Employee engagement.

To determine the relationship between job satisfaction, performance appraisal, health and safety with communication and reward mediating between employee engagement and found that there is relationship between demographic factor income of the employee and the dependent factor employee engagement.

Job Satisfaction: This variable indicates good reliability in employee engagement that employees feel that they work is meaningful as well that have more career opportunities in their field. Performance Appraisal: In this appraisal of performance evaluation, employees feel free of bias and they believe that The outcome of Performance appraisal process reflects the effort they have put into their work. Health And Safety: Here employees are very much satisfied by the safety aids provided by the industry. They said that often they are conducting safety awareness program. These are the things made them feel happy to engaged in the organization. Communication: Employees are free to share their views to the superior as well they are also providing information which they really want. There is partial between top level employees and middle level employees. Reward Recognition: Employees are very much enthusiastically working here because they said if they done their job well, they will be awarded weekly once they have idea section where employees will give idea. If it is worthy then they will be awarded as idea of a work as well as rewarded. and the feel great sense of personal satisfaction if they done their work at time. Employee Engagement: Employees feel proud to the importance given to them in the organization. This makes the employee stay fit and effective in the organization. The results of the SEM show a very strong relationship between the dependent and independent variables. The independent variables are job satisfaction, performance appraisal, and health and safety and the mediating variables communication and reward recognition with dependent variables as employee engagement. The Reward and communication is identified as a mediating variable. This mediating variable is supported by the theory and also statistically proved. The independent factors are the inputs which results in the output (exogenous variables). These factors are mediated through mediating reward recognition because this has an impact on the employees in the organization.

CONCLUSION

Organization to be successful engaging employees by the employer's is challenging. This research contributes some factors which results in better employee engagement. Finally it found that an employee who is highly satisfied will intend to stay. If employees are appraised in regular intervals, they will happily fit in the environment. Organizations taking care of their employees health and safety, makes employee to engage in that place. Across the organization, the suggestion of every employee should be validated. Finally, reward plays a mandatory role in the organization. Timely rewards makes the employee happy that gives engagement. The value of a person is greatly influenced by all the above mentioned factors.

IMPLICATION

The study has examined the influence of job satisfaction performance appraisal, health and safety on the mediating factor Reward recognition, and communication. The Employee engagement of the employees is influenced by all the above stated factors. This shows that the employees are engaged with these variables. The findings from the research conclude that for a Employee engagement thrive not
only the job satisfaction but also reward recognition communication is required, the addition of the value to the health and safety, performance appraisal required. The Reward recognition plays an important role in creating a positive environment which gives an encouraging factor associated with employee engagements. Employees needs to be satisfied. Employee engagement is mandatory in the organization to stay fit the employees to give good results of the organization. The growth of engagement in automobile industry is inevitable. If The employees is satisfied with their job and getting good appraisal for their performance. Proper internal communication between their subordinates feels employee to be engaged in the organization. The Indian automobile industry consolidates over the next decade, automobile will look to differentiate among themselves through these variables and will form a highly significant part in their strategy of the employees.

REFERENCES


