

## **Factors of Employee Engagement and their Relative Importance: A Study of Employees' Perception in an Indian Company**

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**Abstract:** *Employee Engagement has been identified as key to organizational success in most organisations in the world. They are spending a huge amount of money, time and efforts to measure employee engagement and take services from various HR consulting organisations for this purpose. In these engagement surveys measurements are done on perception of employees on the degree to which they are satisfied with what contributes employee engagement or the factors of employee engagement. In this paper an attempt was made to identify the key dimensions and in a micro level the factors in of employee engagement. In this research paper, it is believed that, people differ in values, in their attitude towards work and their demands are different. Accordingly, the research methodology is designed to measure not only the degree of satisfaction of different groups of employees in different dimensions and factors, but also measures the relative importance of the factors for different groups so that proper attention can be given on them which will stimulate the engagement scores. The paper concludes with measuring the overall engagement level of the organisation and recommends priority areas where the organisation should focus to improve its engagement score.*

**Key words:** *Employee, Engagement, Factors, Dimensions*

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Date of Submission: 02-10-2019

Date of Acceptance: 18-10-2019

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### **I. Introduction**

Success stories of flourishing business organisations have been scripted on contributions made by engaged employees. Engaged employees profoundly express themselves physically, cognitively and emotionally during their role performances in the organization. They act as drivers of financial and market success. They give exceptional performances by trying to stretch themselves and continuously striving to outperform and set new standards of excellence. Owing to this, enhancing employee engagement has gained momentum in business organisations across the globe.

In today's economic downturn situation, organizations started to look into its most valuable asset, i.e. human asset or their employees so that they can utilise the human asset to sustain the competitiveness in the industry. Employees who are engaged in their work and committed to their organizations give companies crucial competitive advantages including higher productivity and lower employee turnover. Highly engaged employees have a passion for their work and feel a deep connection to their company, whereas disengaged employees put their time, but not energy or attention in their work.<sup>1</sup> J. K. Harter, F. L. Schmidt and L. M. Harter made a study in 2002 in 8000 business units in 36 companies found that, compared with other companies, those companies whose employees had high average levels of engagement had higher levels of customer satisfaction, were more productive, had higher profits and lower levels of turnover and accident.<sup>2</sup> Watson Wyatt's 2007-08 "Work Asia Survey Report" revealed that, employee engagement can lead to superior financial performance. Highly engaged employees are committed and focused, and are two and half times more likely to be top performers than their lower engaged peers. Further such employees are more likely to stay longer time in their companies.<sup>3</sup> Caterpillar Inc. set out to increase employee engagement and concluded that, its initiatives resulted in an 80% drop in grievances and a 34% increase in highly satisfied customers.<sup>4</sup> This indicates that engagement is linked to organisational performance. In contrast, job satisfaction, a term sometimes used interchangeably with employee engagement, is defined as how an employee feels about his or her job, work environment, pay, benefits, etc.

It is because of these facts, the attention of managers tilted significantly towards the human side of the organisation from pure technical or commercial aspects. Managers are under constant pressure to keep employees engaged in their job because they realize that through this they can create a more efficient and productive workforce and develop an edge over competitors in business.

Organisations are spending a huge amount of money, time and efforts to measure employee engagement and take services from various HR consulting organisations for this purpose. A number of engagement measurement scales are developed after extensive researches in the field of Employee Engagement. In most of these researches in the field of employee engagement, studies were conducted to

understand the theories of engagement and the possible causes of engagement. These possible causes are then confirmed based on the tested variables which best predict engagement. Based on the earlier studies a number of dimensions or factors of employee engagement are identified. In the existing methods to measure employee engagement, most of the organisations or consultants measure the perception of the employees through measuring the degree to which they are satisfied with the organization in those dimensions. Based on their responses, HR Professionals are developing strategies to maintain their HR Management Practices (HRMP) in the strongly rated dimensions and take extra efforts to modify the HRMP in the weakly rated dimensions to improve the engagement scores. This kind of study measures only the cognitive feelings of employees.

However through this kind of survey, the degree to which the dimension is important or critical for engagement in the view of the employee is not measured. This is very important to measure because, in the view of the employees if a dimension is not important or critical, any HR intervention to satisfy that dimension may not improve the engagement level substantially. Hence the outcome of such surveys fail to recommend the relative amount of focus HR Professionals should put in various dimensions. In this research, it is believed that, people differ in values, in their attitude towards work and their demands are different. Accordingly, the research methodology is designed to measure not only the degree of satisfaction of employees in different dimensions, but also measures the relative importance of the dimensions for the employees so that proper attention can be given on them which will stimulate the engagement scores.

The construct of Employee Engagement is very complex, vast and inadequately researched. In this paper an attempt was made to explore and understand the concept of employee engagement from the available literature. It further discusses the dimensions, factors and drivers of employee engagement to understand what engages people at work. The third section of the article examines the relative importance or various dimensions of EE as per the perception of different sections employees of the organisation under this study and study the variations in their perception. Finally strategies to improve employee engagement are suggested.

## **II. Understanding Employee Engagement**

The concept of engagement was first introduced by **W. A. Kahn** to explain how people are personally engaged and disengaged at work. He defined 'job engagement' as 'the harnessing of organisational members' selves to their work roles where people express themselves physically, cognitively, and emotionally during role performances' (Kahn 1990, p. 694). Thus, according to Kahn (1990), engagement means to be psychologically as well as physically present when occupying and performing an organisational role. Being 'present at work' requires a particular mental state. In order to be engaged, an individual has to think, feel and act on their job. In other words, this mental state constitutes a driving force which requires physical, cognitive and emotional resources. These resources can be enhanced in certain psychological conditions that are, meaningfulness which means feeling that one is receiving a return on the investment of the self in the work role performance, safety - a sense of being able to show and employ oneself without fear of negative consequences to one's self-image or status at work and availability - a sense of possessing the physical, emotional and psychological resources needed for investing oneself in the work role.<sup>5</sup>

**Maslach and Leiter (1997)** reintroduced the concept of engagement as an energetic state of involvement that is suggested to be the opposite of burnout. They asserted that, if an employee is not engaged, he or she will be more likely to move to the other end of the continuum and experience burnout. The state of engagement is characterised as having high energy (as opposed to exhaustion), high involvement (as opposed to cynicism) and efficacy (as opposed to lack of efficacy). This school of thought improved on Kahn's (1990) definition of engagement as being 'present at work' by adding these three dimensions.<sup>6</sup>

According to **Rothbard (2001)** engagement is measured as per the degree to which an employee is absorbed and putting attention into their role. From this perspective, attention is defined as the time spent thinking about the role and focusing on the role. On the other hand absorption is the intensity of one's focus, as an essentially emotional idea.<sup>7</sup>

**Schaufeli and Bakker (2001; 2004)** also conceptualised engagement as a 'positive, fulfilling work related state of mind that is characterised by vigour, dedication and absorption' (Schaufeliet. al., 2002). Vigour reflects the readiness to devote effort in one's work, an exhibition of high levels of energy while working and the tendency to remain resolute in the face of task difficulty or failure. Dedication refers to a strong identification with one's work and encompasses feelings of enthusiasm, inspiration, pride, and challenge. The third dimension of engagement is absorption. Absorption is characterised by being completely immersed in one's work, in a manner that time appears to pass rapidly and one finds it difficult to disengage oneself from work.<sup>8&9</sup>

**Saks (2006)** approached engagement from a social exchange perspective. According to him employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and physical resources is a very profound way for individuals to respond to an organization's actions.

It is more difficult for employees to vary their levels of job performance given that performance is often evaluated and used as the basis for compensation and other administrative decisions. Thus, employees are more likely to exchange their engagement for resources and benefits provided by their organization.<sup>10</sup>

Engagement has been defined **Gallup** as an individual's involvement, satisfaction and enthusiasm for work (Harter et al. 2002)<sup>11</sup>. This definition was derived from items in the Gallup Workplace Audit (GWA), developed by the Gallup organization. GWA questions are based on perceptions of work characteristics resulted in this definition having conceptual overlaps with job involvement and job satisfaction. A person who is involved in their job, finds their job motivating, is committed to their work and organisation and engages in professional relationships with co-workers (Brown 1996)<sup>12</sup>. Furthermore, this definition overlaps with the term 'job satisfaction'. Job satisfaction explains how content an individual is with his or her job; it is a pleasurable emotional state resulting from the appraisal of one's job (Locke 1976)<sup>13</sup>.

**Corporate Leadership Council (2004)** defined employee engagement as "the extent to which employees commit to something or someone in the organisation, how long they work and how long they stay as a result of that commitment" (Corporate Leadership Council, 2004, p. 3). In this definition, the word 'organization' was first included with respect to employee engagement. Secondly the importance of other human being or relationships was also recognized for the first time while understanding employee engagement.<sup>14</sup> The model provided by CLC provides two types of commitment while defining engagement they are, Rational Commitment which is the extent to which employees believe that managers, teams, or organizations are in their self-interest (financial, developmental, or professional). And the second one is Emotional Commitment which is the extent to which employees value, enjoy and believe in their jobs, managers, teams, or organizations.

**Towers Perrin in its 2003 Talent Report** has defined Engagement as employees' willingness and ability to contribute to company success. It is the extent to which employees put discretionary effort into their work, in the form of extra time, brainpower and energy. An engaged employee will exhibit extra effort beyond what is expected from him for the benefit of the organisation without expectation of reward or recognition.<sup>15</sup>

The **International Survey Research (ISR)** defined employee engagement as 'the degree to which employees support their employer's mission and values, feel a sense of pride in working there, plan to stay, and are willing to exert extra effort' (ISR 2004a, 2004b, 2004c). The ISR (2004a; 2004c; 2004b) provide a framework of engagement that encompasses cognitive, affective and behavioural components. They term this: thinking, feeling and acting, respectively.<sup>16</sup>

**IES** defines engagement as 'a positive attitude held by the employee towards the organisation 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 organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.' (Robinson et al. 2004)<sup>17</sup>

**BlessingWhite 2013 Employee Engagement Report** defines employee engagement as the intersection of job satisfaction and job contribution. BlessingWhite believes that aligning employees' values, goals and aspirations with those of the organization is the best method for achieving the sustainable employee engagement required for an organisation to reach its goals. Full engagement represents an alignment of maximum job satisfaction ("I like my work and do it well") with maximum job contribution ("I help achieve the goals of my organization").<sup>18</sup>

A well-rounded definition of engagement should cover all these aspects of engagement that are work, organisational, personal, role, and behavioural engagements. This follows the conceptualisation proposed by Schaufeli et al. (2006) where employee engagement was described as being both associated with work being done and with the organisation. Similarly, Saks (2006) investigated job and organisational engagement using the overarching definition provided by Kahn (1990), where engagement is the degree of self, brought into the work role and exhibited through psychological presence.

### **III. Understanding The Dimensions Of Employee Engagement**

In the previous section, an attempt was made on understanding what employee engagement is all about through discussing the various literature and contributions of academic scholars and consultants. However for all practical purposes, it is needed to understand what enables engagement or what infuses the enthusiasm and energy in an employee to do something good for the organization voluntarily which is not expected from his normal job. This is not an easy question to answer, because there is no single driving factor for employee engagement. Consultants and academicians have identified an array of drivers which triggers engagement. A group of relatively similar drivers form a factor which is a micro level force created in a person to encourage him to work towards excellence. These factors are the constituents of various dimensions at the macro level which are the positives in the organisation which create a conducive environment to enhance employee engagement. Thus when we refer that the engagement level in any organisation is very good, we actually mean that the various dimensions, their constituent factors and the minute forces which are called drivers are working

together well as a chain link. This study focus on such drivers which leads to factors which further creates dimensions supportive for employee engagement.

Different researchers and consultants has identified a number of drivers of engagement. There is a thin line of difference in most of the cases. Some of the drivers which are mostly common in most of the engagement scales are discussed below.

### **3.1. Workplace culture and being an employer of choice:**

Analysis of engagement within the NHS by IES (Robinson et al., 2004) indicated that opinion on and experiences of the different aspects of working life are strongly correlated with levels of engagement. Glen (2006) suggests that the work environment may play a key role in predicting engagement along with organizational processes, role challenge, values, work life balance, information, reward/recognition, management and product service.<sup>19</sup>

### **3.2. Participative leadership style and relationships:**

It is worth to mention here the work of Levinson (2007a) which suggests that an organizational culture in which there is a collaborative leadership style drives engagement.<sup>20</sup> Macey and Schneider (2008a) suggest that the nature of an organization's leadership and management can have an indirect impact on engagement behaviors demonstrated by employees, through leaders building trust in their staff.

### **3.3. Demonstrating commitment to employee well-being:**

The importance of displaying a genuine responsibility to employees and communities, and investing in CSR activities in order to secure engagement, is upheld by many researchers. When organizations demonstrate a commitment to 'improving the human or environmental condition, it creates meaning and value for employees, customers, and shareholders alike' and is most likely to encourage engagement in employees when they understand how this commitment is making a difference (Levinson, 2007b).<sup>21</sup>

### **3.4. Development opportunities:**

The importance of development opportunities in enabling engagement is a view upheld by many organizations. For instance, studies conducted by Gallup, Learning and Development Round Table, The Conference Board, and the Corporate Leadership Council, showed 'a cross validation for the link between employee development and high engagement. Melcrum's (2007) research found that opportunities for career advancement, and training and development, were important drivers of engagement. Moreover, Robinson et al. (2007) found several elements of performance management and development processes can have positive effects on engagement levels.

### **3.5. Pay, reward and working hours:**

Melcrum (2007) cites the importance of compensation, benefits and formal recognition in instilling employee engagement. In 2008, a survey by CHA asked one thousand employees what single action their employer could take immediately to help improve engagement during the economic downturn (CHA, 2008 cited in Peacock, 2008).<sup>22</sup> First and foremost, a pay rise including bonus or incentives was requested. Parallel to CHA's findings on the importance of flexible working, Lockwood (2007) also suggests that work life balance is an important lever for engagement, and that this has an impact upon staff retention. Blessing White (2008a) finds that rewarding efforts and encouragement are of great importance to employees.<sup>23</sup>

### **3.6. Linking performance to business outcomes:**

In a global study of engagement levels of 50,000 employees worldwide by the Corporate Leadership Council (2004), the top 25 drivers of employee engagement identified in the study all highlight the importance of employees' connection to the organization. The most important lever was the connection between the employee's job, organizational strategy and the employee understands of how important their job is to the organization's success.

### **3.7. Culture of meaningfulness:**

The researcher intends to refer Kahn (1990) here who found that people are more likely to engage in situations that are high on meaningfulness. This proposition is supported by Lockwood (2007) who suggests that organizations who build a culture of meaningfulness are more likely to have engaged employees. Meaningfulness represents the sense of a return on investing the self and exerting energies into a task, and occurs when people feel they are valued and making a difference. It is important that the task is challenging, offers some autonomy and ownership, has clearly defined goals, is creative and varied, demands both routine and new skills, and has some influence and ownership over the work.

### **3.8. Safeenvironment:**

Feeling able to express and employ oneself without fear of negative consequences to self-image, status or career is another key determinant of engagement according to Kahn (1990). People personally engage in situations perceived as safe, trustworthy, predictable and clear in terms of behavioral consequences. Safety is largely promoted by the quality of relationships with colleagues and managers, which need to be open, trusting and supportive (Kahn, 1990).

### **3.9. Work life Balance:**

'Physical, emotional and psychological resources are a necessary pre requisite for engaging at work' (Kahn, 1990, cited in Sonnentag, 2003 p. 519) Research has shown that having life work balance is an important factor in enabling engagement (Johnson, 2004a)<sup>24</sup> and that sufficient recovery during leisure time supports physical, and psychological well-being and equips people with the resources needed to be engaged and to show dedication, vigour and absorption at work (Sonnentag, 2003 p. 519). 'Life outside work has an impact on how one feels and behaves at work' (Sonnentag, 2003, p. 518). 'Vacations and other periods of rest decrease perceived job stress and burnout and can increase life satisfaction'. According to Sonnentag (2003), individuals who sufficiently recover 'experience a higher level of work engagement during the subsequent work day'.

### **1.3.10. Manager's influence:**

The researcher further found that the academic and the practitioner literature highlight the significant influence that management can have on engagement levels from the moment people are recruited into the organization. 'Employee engagement research shows that the right managers can have a direct impact on bringing people into the organization who are committed to doing quality work and facilitating a fun and caring atmosphere, which can nurture friendships among employees.' (Ott et al, 2007). The quality of the relationship that an employee has with his or her immediate manager is one of the most influential factors driving engagement and satisfaction.<sup>25</sup> A study by Kenexa Research Institute found that managers are critical to engagement, with effective managers having more engaged staff than ineffective (Kenexa, 2008 cited in WFC, 2008).<sup>26</sup> Managers' belief in their own capabilities can have a positive influence over the engagement of their staff. 'The line manager clearly has a very important role in fostering employees' sense of involvement and value.' (Robinson et al., 2004) If managers can enable their staff to feel involved and valued in their work, with freedom and support, then they play a very important role in nurturing engagement. This is explored further in the work of Saks (2008) who used the demands resource model, in attempting to explain engagement drivers. Saks proposed that when job demands are low (such as job security, undemanding workloads) and job resources are present (factors that promote work goals and stimulate personal development) employees are more engaged with their work.

## **IV. Changing degree of importance of Dimensions and Factors of EE with people**

In most of the researches in the field of employee engagement, studies were conducted to understand the theories of engagement and the possible causes of engagement. These possible causes are then confirmed based on the tested variables which best predict engagement. Based on the earlier studies a number of dimensions or factors of employee engagement are identified. In the existing methods to measure employee engagement, most of the organisations or consultants measure the perception of the employees through measuring the degree to which they are satisfied with the organization in those dimensions. Based on their responses, HR Professionals are developing strategies to maintain their HR Management Practices (HRMP) in the strongly rated dimensions and take extra efforts to modify the HRMP in the weakly rated dimensions to improve the engagement scores. This kind of study measures only the cognitive feelings of employees. However through this kind of survey, the degree to which the dimension is important or critical for engagement in the view of the employee is not measured. This is very important to measure because, in the view of the employees if a dimension is not important or critical, any HR intervention to improve satisfaction of that dimension may not improve the engagement level substantially. Hence the outcome of such surveys fail to recommend the relative amount of focus HR Professionals should put in various dimensions.

In this research paper, it is believed that, people differ in values, in their attitude towards work and their demands are different. Accordingly, the research methodology is designed to measure not only the degree of satisfaction of employees in different dimensions, but also measures the relative importance of the dimensions for the employees so that proper attention can be given on them which will stimulate the engagement scores.

## **V. Objectives of the research**

The main objectives of the research were

- a. To understand the engagement level of the various categories of officers of the organisation under study.
- b. Understanding the relative importance of different factors for employee engagement.

- c. Prioritising the various factors of employee engagement that need to be looked upon depending on the employee expectations.

## VI. Research Methodology

### 6.1. Organisation:

The research was conducted in TRL Krosaki Refractories Limited which is the premiere refractories manufacturing company in India having its main works at Belpahar, Odisha, India. More than 1300 employees are employed in the company including 320 executives (As on March 31, 2018). The company is investing a lot of capital for improving the quality of life of the employees and keeps it as one of its five year priorities. It intends to improve the engagement level of its employees and is planning to take various initiatives for fulfilment of it.

### 6.2. Samples:

Nearly 150 executives from various categories were taken as sample from across the departments out of which 134 responded to the questionnaire.

### 6.3. Instrument:

Based on the literatures and discussion with various leading academicians and practicing HR Managers in the field of employee engagement, it is conceived that there are 8 dimensions relating to employee engagement which are further split to 24 factors which again at next level converted to 72 identified micro elements termed as “drivers” of employee engagement. These drivers are used for framing the questionnaire in the form of statements along with perceptual statements attributing to degree of importance with respect to each of the 24 factors of employee engagement.

The questionnaire is designed as a five point Likert scale type. A sample questionnaire is given in the appendix of this report. The options and construct of 5 point Likert scale used for the present study are as follows:

StronglyDisagree	Disagree	Neutral	Agree	StronglyAgree
1	2	3	4	5

Persons scoring of 3.4 or more were considered to be engaged and average score of 4 or more given to questions on how important a factor for an individual are considered to be important.

There are 96 statements in the tool out of which 72 statements are relating to the various drivers of employee engagement which are relevant to the 24 factors and 8 dimensions of the employee engagement. There are another 24 statements relating to the perception of the employees on the relative importance of each factor of employee engagement.

Dimensions and Factors of Employee Engagement Given in the Questionnaire.

Dimension Number	8 Dimensions	Factor Number	24 Factors
D1	Organization Culture	F1	Values and Culture
		F2	Reputation
		F3	Vision
D2	Management Practices	F4	Senior Leadership
		F5	Decisions
		F6	Immediate Manager
D3	Policies and Practices	F7	Policies
		F8	Practices
		F9	People Services
D4	Work and Resources	F10	Work
		F11	Resources
		F12	Information
D5	People	F13	People
		F14	Fair Treatment
		F15	Worth feeling
D6	Opportunities	F16	Learning
		F17	Growth
		F18	Talent Management
D7	Compensation Management	F19	Performance Management
		F20	Compensation
		F21	Rewards
D8	Quality of Life	F22	Work life balance
		F23	Welfare
		F24	Work Environment

Table 1: Dimensions and Factors of Employee Engagement.

**6.4. Procedure:**

A questionnaire was distributed to the executives personally and anonymity was maintained.

**VII. Analysis and Result**

The data collected through questionnaire were decoded and a master table to capture all the data was prepared using MS Excel worksheet. These data were analyzed using average and ranking methods to identify the engagement level of employees, ranking the dimensions and factors on the basis of perception of the surveyed employees. Correlation analysis of average score of perception of employees on each factor and their engagement score is done to understand the relative importance of the factors for employee engagement.

**7.1 Analysis and Result of E1 level employees**

**7.1.1. Engagement Result**

From the survey it was found that the average engagement level of E1 level employees who are the junior most level executives of the company within the rank of Officer to Dy. Manager, the following conclusion can be drawn.

- i. 77.62% of the employees fall in to the category of Engaged that is scoring engagement value between 3.4 to 5.
- ii. 22.38% of the employees fall in to the category of Not Engaged that is scoring engagement value less than 3.4.

This shows that, majority of the E1 level employees are Engaged while a significant percentage that is 22.38% are not engaged in the company.

**7.1.2. Ranking of Factors on the basis of Employee Perception**

The average perception of the E1 employees for each factor and dimension was found and ranked in a descending order. The findings are given below.

Rank	EE Factor	Value	Correlation ( r )
1	Reputation	4.6	0.6
2	Work	4.3	0.6
3	Vision	4.2	0.5
4	Work Environment	4.2	0.6
5	Values and Culture	4.2	0.6
6	Welfare	4.1	0.6
7	Practices	4.0	0.6
8	People	4.0	0.6
9	Senior Leadership	4.0	0.7
10	Information	4.0	0.7
11	Performance Management	3.9	0.8
12	Talent Management	3.9	0.8
13	Worth feeling	3.8	0.8
14	Rewards	3.8	0.5
15	Growth	3.8	0.7
16	Decisions	3.8	0.3
17	Immediate Manager	3.8	0.7
18	Resources	3.8	0.6
19	People Services	3.7	0.7
20	Policies	3.7	0.5
21	Learning	3.7	0.8
22	Compensation	3.7	0.6
23	Work life balance	3.5	0.6
24	Fair Treatment	3.5	0.8
	Total	93.9	

**Table 2:** Ranking of factors on the basis of employee perception of E1 level Employees

From the above table it is evident that all the 24 factors have a significant correlation with the employee engagement score with  $r \geq 0.5$  except in case of the Decision Factor. Performance management, Talent Management, Worth Feeling, Learning and Fair Treatment are the factors which are having strong correlation with the engagement score with  $r = 0.8$ . However three out of the above five that are Worth Feeling, Learning and Fair Treatment are the factors which are in the bottom 12 and Performance Management and Talent Management are only in 11<sup>th</sup> and 12<sup>th</sup> rank respectively. This is a matter of great concern for the

management that all the factors which have strong correlation with engagement score are in the bottom of the rank.

## 7.2. Analysis and Result of E2 level employees

### 7.2.1. Engagement Result

From the survey it was found that the average engagement level of E2 level employees who are the Middle level executives of the company within the rank of Manager to DGM the following conclusion can be drawn.

- i. 76.79% of the employees fall in to the category of Engaged that is scoring engagement value between 3.4 to 5.
- ii. 23.21% of the employees fall in to the category of Not Engaged that is scoring engagement value less than 3.4.

This shows that, majority of the E2 level employees are Engaged while a significant percentage that is 23.21% are not engaged in the company. This figure is higher than that of E1 level employees.

### 7.2.2. Ranking of Factors on the basis of Employee Perception

The average perception of the E2 employees for each factor and dimension was found and ranked in a descending order. The findings are given below.

Rank	EE Factor	Value	Correlation ( r )
1	Reputation	4.5	0.7
2	Values and Culture	4.4	0.6
3	Vision	4.3	0.5
4	Work	4.3	0.8
5	Senior Leadership	4.1	0.7
6	People	4.1	0.7
7	Worth feeling	4.1	0.7
8	Work Environment	4.0	0.7
9	Welfare	3.9	0.7
10	Practices	3.9	0.7
11	Talent Management	3.9	0.7
12	Learning	3.8	0.7
13	Performance Management	3.8	0.8
14	Information	3.8	0.7
15	Rewards	3.8	0.7
16	People Services	3.7	0.8
17	Growth	3.7	0.8
18	Decisions	3.7	0.7
19	Fair Treatment	3.6	0.7
20	Resources	3.5	0.8
21	Immediate Manager	3.4	0.6
22	Policies	3.4	0.6
23	Work life balance	3.3	0.5
24	Compensation	3.3	0.7
	Total	92.5	

**Table 3:** Ranking of factors on the basis of employee perception of E2 level Employees

From the above table it is evident that all the 24 factors have a significant correlation with the employee engagement score with  $r > 0.5$ . Work, Performance management, People Service, Growth and Resources are the factors which are having strong correlation with the engagement score with  $r = 8$ . However four out of the above five that are Performance management, People Service, Growth and Resources are the factors which are in the bottom 12 and Work is in 4<sup>th</sup> rank that is in a strong position. This is a matter of great concern for the management that all most all the factors which have strong correlation with engagement score are in the bottom of the rank.

## 7.3. Analysis and Result of E3 level employees

### 7.3.1. Engagement Result

From the survey it was found that the average engagement level of E3 level employees who are the Top level executives of the company or the Department Leadership team within the rank of General Manager to Senior General Manager the following conclusion can be drawn.

- i. 84.62% of the employees fall in to the category of Engaged that is scoring engagement value between 3.4 to 5.
- ii. 15.38% of the employees fall in to the category of Not Engaged that is scoring engagement value less than 3.4.



This shows that, vast majority of the E3 level employees are Engaged while the percentage of employees who are not engaged in the company is just 15.38%. This shows that, the engagement level of E3 level employees is the highest in the company.

### 7.3.2. Ranking of Factors on the basis of Employee Perception

The average perception of the E3 employees for each factor and dimension was found and ranked in a descending order. The findings are given below.

Rank	EE Factors	Value	Correl ( r )
1	Work Environment	4.6	0.8
2	Work	4.5	0.9
3	Senior Leadership	4.5	0.8
4	Reputation	4.5	0.7
5	Performance Management	4.5	0.4
6	Values and Culture	4.4	0.7
7	Vision	4.4	0.9
8	People	4.4	0.2
9	Information	4.4	0.6
10	Practices	4.4	0.8
11	Work life balance	4.3	0.7
12	Rewards	4.3	0.8
13	Decisions	4.3	0.2
14	Worth feeling	4.3	0.8
15	Learning	4.3	1.0
16	Resources	4.2	0.8
17	Talent Management	4.2	0.9
18	Immediate Manager	4.2	0.6
19	Fair Treatment	4.1	0.4
20	Welfare	4.1	0.5
21	People Services	4.1	1.0
22	Growth	4.0	0.8
23	Compensation	3.9	0.5
24	Policies	3.9	0.5
	Total	102.7	

**Table 4:** Ranking of factors on the basis of employee perception of E3 level Employees

From the above table it is evident that out of the 24 factors, 20 have a significant correlation with the employee engagement score with  $r \geq 0.5$ . Performance management, People, Decision and Fair Treatment are the factors which do not have a significant correlation with the engagement score with  $r < 0.5$ . There are as many as 12 factors which have very high correlation with the engagement score with  $r \geq 0.8$ . Six of these factors are in the Top 12 and six are in the bottom 12 factors. The top three ranked factors i.e. Work Environment, Work and Senior Leadership have very high correlation which is a good thing. However three out of four factors that are Performance Management, People and Decisions are in the top 12 rank but they have very low correlation with engagement score.

The distinct correlation observed in case of E3 respondents can be because of the similarity of their age, experience, role, etc. and their number is also very small. While in E1 and E2 cases, the number of respondents are comparatively big and the age, experience and role profiles of the respondents are diverse.

## VIII. Summery, Conclusion and Recommendations

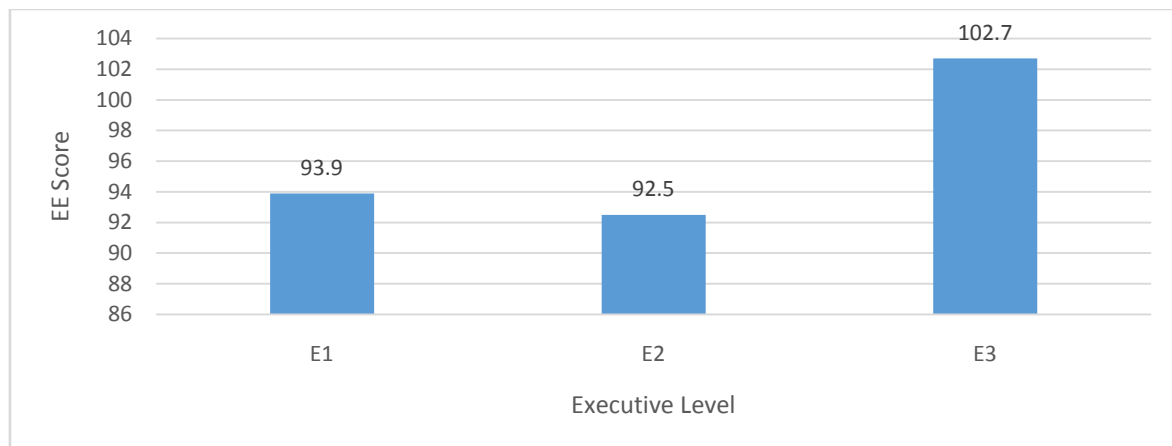
From the analysis of Engagement Scores of the company, it is found that, 78% of the officers of TRL Krosaki Refractories Limited are engaged with engagement scores equal to or more than 66% out of 100 and 22% are not engaged with engagement scores less than 66%. This is a very healthy employee engagement scenario for the company. The average engagement score of the company was found to be 3.9 in a 5 point Likert scale which is 78% out of 100. This score is one of the best among the Indian companies. Factors like Vision, Values and Culture, Reputation, Work, Working Environment, People, Practices and Senior Leadership are among the top 12 factors that are common in all the three levels of executives. It clearly shows that employees of the company understood and endorsed the vision of the company. The culture of any company plays a significant role in employee engagement. In this study the employees have shown their full satisfaction on the culture of the company and are willing to adopt a common culture. The culture of performance, customer satisfaction and ethical behavior exists both in letter and spirit. The employees feel very proud of their company and believe that they enjoy a better social status for being a member of the company. High scores in Vision, Values and Culture and Reputation makes TRL Krosaki a company of choice which is reflected in its high employee engagement level.

A high score in Senior Leadership shows that, the employees consider the leadership of the company to be committed, having clear vision and growth oriented. Leadership and future of the company mostly go hand in hand and a big contributor of employee engagement. Leadership set the vision and make policies and procedures for establishing a good culture. This can be observed in the organisation under study as the Procedure is also a factor which is highly rated. Employees find the procedures of the company to be simple, people friendly and timely actions are taken. The high satisfaction on procedures factor is also a reason for high employee engagement level.

In the work life of an employee factors like work, peer and work environment plays a very major role. Majority of the employees of TRL Krosaki find their work to be meaningful, exciting and challenging. They find their work to be important and are very clear about their roles and deliverables. Employees also expressed their high level of satisfaction towards the peer with whom they work and believe that their team is working as a family and help each other. They have many personal friends in their work-place they help fulfil their family needs also. This creates a good social work environment. The physical work environment is also a factor which is rated very high by the employees. They find their work environment to be safe, healthy, technology enabled and comfortable. This is also a prime reason for the high engagement level.

### 8.1. Conclusion

From the above summary it can be concluded that, TRL Krosaki Refractories limited is one of the Indian Companies with very high Employee Engagement Score of 78% out of hundred and 78% of its executives are engaged. The mean Employee Engagement Scores of all the three levels of executives of TRL Krosaki Refractories Limited is given in Figure 1 which show that the senior executives of the company are most engaged followed by the junior most executives and the middle level executives are the least engaged in the company. The relative importance of the factors contributing engagement in each level is discussed in section 7.



**Figure 1:** Employee Engagement Level of Different Group of Executives

### 8.2. Recommendations

One of the objectives of the study is to prioritizing the factors of employee engagement that need to be looked upon based on the perception of the employees. Based on this the following recommendations are made for preserving and improving further the employee engagement level of the company.

- i. The company should continue its programmes for orientation of its employees for making them understand, adjust and adopt the company's Vision, Values and Culture and encourage them to enhance the reputation of the company.
- ii. The company should identify future leaders of the company and arrange for coaching and mentoring programmes for them to hone the qualities of a good leader and ensure a leadership pipeline.
- iii. Team building exercises, social celebrations and functions at work, etc. should be continued and efforts should be made for work and work environment surveys for improving work experience further.
- iv. Fair Treatment and Worth Feeling are two of the priority factors for the E1 employees but they have scored the less on it. The management should focus on establishing and implementing a performance based reward and promotion system to get rid of any kind of bias or favourism which may exist. Further, the managers in all the leadership positions in a department should demonstrate that every member of the department is important for its success. The company should encourage suggestion giving programmes, involve the junior most employees in department meetings and encourage them to participate and recognize junior officers in a suitable ways for their contributions.

- v. Efforts should be made for identification training needs of the E1 employees objectively and the HR department should make a strategy to involve the individuals while capturing their training needs.
- vi. The E2 level employees have prioritized Resources More, but it finds a low score by them. The company should focus on establishing simple and flexible procedures for resource allocation and the Department Heads should involve their middle level managers while estimating and making resource procurements.
- vii. The company may devise an open door grievance redressal system for E2 level executives. Senior Leadership should listen and address the grievances that is arising in the minds of the middle level executives. The HR, Administration and Finance Departments are people service departments. They should be more open and approachable to the employees in general and E2 level employees in particular.
- viii. The company should focus on developing a performance linked Individual Development Plans (IDP) and succession planning for E2 level executives. Such plans encourages high growth oriented and high performing E2 level executives to give their best and motivate them to have a long career in the organisation.
- ix. For the senior management level executives, the company should focus on developing better facilities in accommodation, travelling and office facilities. Efforts should be made to modernize their offices and adequate support and empowerment should be provided to get the resources they want in time and without procedural delay.
- x. The company should engage a professional HR agency for conducting Assessment of the E3 employees and develop a robust Leadership Development Programme (LDP) for fulfilling their individual training needs. Professional Leadership Coach should be hired for developing them for Organisational Leadership Positions.

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IOSR Journal of Business and Management (IOSR-JBM) is UGC approved Journal with SI. No. 4481, Journal no. 46879.

\* Santosh Kumar Mishra. " Factors of Employee Engagement and their Relative Importance: A Study of Employees' Perception in an Indian Company". IOSR Journal of Business and Management (IOSR-JBM), Vol. 21, No. 10, 2019, pp. -46-57