



## Impact of Employee Engagement on Productivity A Study with special reference to select IT & ITES Companies

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### ABSTRACT

*Although technology still dominates, human resources and how they are managed is receiving increased attention in the analysis of gaining competitive advantage. Yet, many complex questions remain. This study first examines the theoretical understanding of employee engagement. Our study discovers additionally demonstrate that the broadly perceived psychological condition of self-efficacy may give both comprehension and fortify the employee engagement-managerial adequacy relationship, and in this way, would appear to give increased the value of work environment results and administration advancement. Despite the fact that the discoveries did not help the administrator's self-efficacy as a complete go between of the employee engagement-managerial adequacy relationship, results did demonstrate that both enthusiastic and cognitive measurements of employee engagement had immediate and roundabout impacts through the director's self-efficacy on their apparent viability. The aim of the paper is to study the relationship between Employee Engagement and productivity. The respondents for the study are the employees of IT and ITES sector from Chennai and Bangalore. Questionnaire is used as the instrument for the study and respondents were taken. Likert's five scale were used and in the questionnaire there are two variables employee engagement and productivity. It was found that there is a close relationship between employee engagement and productivity.*

**KEYWORDS : Organizations ,psychological, employee engagement**

With globalisation and organizations in the rush to expand market share, the issue of employer employee relations have narrowed. Instead of getting bonded they have started performing in a transactional way. Where the aim is to merely attain targets rather than focusing on employee well being or so. It has once again switched back to piece rate concept of FW Taylor. Organizations have customarily depended upon money related measures or hard numbers to assess their implementation, worth, and wellbeing. In spite of the fact that measurements, for example, gainfulness, income, and income stay vital monetary markers of compelling execution, the so-called "delicate", human-oriented measures, for example, representative demeanor, attributes, and observations are additionally now being perceived as critical indicators of worker conduct and execution (Pfeffer, 1998). For example, scientists have discovered a critical constructive relationship between worker cognitive state of mind and execution (Petty et al., 1984; Ostroff, 1992), identity attributes and occupation execution (Barrick and Mount, 1991; Tett et al., 1991), and feelings and great employment results (Staw et al., 1994). In addition, a late meta-analysis directed by the Gallup Organization presumed that the most beneficial work units of organizations have individuals doing what they excel at, with individuals they like, and with a solid feeling of psychological proprietorship for the results of their work (see Harter,

Employee engagement, then again, concentrates on how the psychological understanding of work and work connections shape the methodology of individuals exhibiting and absents themselves amid undertaking exhibitions (Kahn, 1990). Also, as indicated by Kahn (1990), engagement is a multidimensional develop. Employees can be inwardly, cognitively, or physically captivated. For psychological engagement and hierarchical practices, the two noteworthy measurements are passionate and cognitive engagement. To be candidly captivated is to structure important associations with others (e.g. co-workers and chiefs) and to experience sympathy and sympathy toward others' emotions. Interestingly, being cognitively captivated alludes to the individuals who are intensely mindful of their main goal and part in their workplace. As indicated by Kahn (1990, 1992), employees can be locked in on one measurement and not the other. Notwithstanding, the more captivated an employee is on each one measurement, the higher his or her general individual engagement

As Kahn (1990) proposes, employees experience measurements of individual engagement (or disengagement) amid every day undertaking exhibitions. Engagement happens when one is cognitively vigilant and/or sincerely associated with others. For instance, employees

who realize what is anticipated from them, who structure solid associations with co-workers and supervisors, or who in different ways experience importance in their work, are locked in.

Withdrawn employees, then again, uncouple themselves from work parts and withdraw cognitively and inwardly. Withdrawn employees show inadequate part exhibitions and undertaking practices get to be smooth, programmed or mechanical (Hochschild, 1983). Disengagement may be a consequence of employees who need required social communication at work, who encounter little self-governance in work parts, or who feel their employments are immaterial.

Utilizing Kahn's (1990) meaning of engagement, discoveries have demonstrated that authoritative individuals who are by and by captivated (cognitively and/or inwardly) rather than withdrew are more fulfilled, as well as more gainful. This is like what Gallup has discovered utilizing their observationally accepted GWA instrument intended to quantify their conceptualization of engagement. By adroitly looking at the GWA (Buckingham and Coffman, 1999) with Kahn's (1990) hypothetically determined measurements of engagement, there is by all accounts a calculated fit, and consequently make hypothetical establishing for better comprehension of employee engagement and an approach to operationalise and measure it through the GWA

### Review of Literature:

Employee Engagement was defined by Kahn (1990, p. 694) as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances".

Prior to the work of Kahn (1990) the term engagement was not utilized as a part of the same setting. The earliest works most presumably identified with engagement was on "embracement" which was utilized to depict the contributing of one's self and vitality. Role embracement was interpreted as an enunciated connection to the work part more like distinguishable speculation of consideration and exertion (Goffman, 1961). The building pieces of any employees are the employees. The essentialness of employees these days is to a great extent being felt by the employees the whole way across the globe. Case in point, the conviction of 'Customer First' is currently being supplanted by 'Employee First' (Nayar, 2010). The prime reason being the perspective which says that - without workers or to be exact captivated representatives; the employee capacities like a body without

a spirit. The joke is very evident then! Utilizing of the organisation's educated capital is promptly being made as the establishment of aggressive advantage (Becker & Huselid, 1998; Buckingham & Vosburgh, 2001), EE is the answer to the fruitful route of issues and building erudite capital in the organisation. It is all that much an organisation's self investment that can fabricate riches as quick as disappointed one can decimate it.

Macey and Schneider (2008) took a gander at engagement attitudinally and behaviourally. They recognized three wide conceptualizations of employee engagement, specifically state, quality, and behavioural engagement. Sarkar (2011) opined that employee engagement is a gauge that decides the affiliation of an individual with the association.

Catlette and Hadden (2001) have put it along these lines that an association's speculation toward oneself also mindfulness can achieve riches and foster advancement; in actuality unhappy employees can result in the greatest harm and demolition. So the thought is to realize a mindfulness in the employees with the goal that they are focused on the work endowed, inspired towards self as well as other people, loaded with energy and vitality levels, furthermore an energetic issue solver.

Gallup (2006) further examined on roughly 24,000 associations made a near investigation of the top quartile and base quartile monetary execution with engagement scores of the employees. Those associations which were having their employees in the base quartile reported 31-51% disturbed employee wearing down, 51% enlarged stock constriction, and 62% more employee mischances. On the opposite, the associations which emphasized in the top quartile reported 18% higher gainfulness, 12% increased benefit, and an expanded client promotion of 12%. Johnson (2011) attests that if connected effectively the engagement information can well go about as a cautioning framework for the association, the study reports a negative relationship between the particular cases of work spot deviations and levels of EE inside the association. The causal relationship measured through factual routines, between engagement and budgetary authoritative achievement has been accounted for by various studies. For example, Cedric (2011) declares in the report 'Employee Engagement Underpins Business', that associations with very captivated employees are much preferable off over those associations having less captivated employees as far as working salary, net pay development, and income every offer.

Maslach and Leiter (1997) in a completely distinctive research on EE, attest that the build of engagement is a pervasive condition of being. They clarify further by portraying a continuum in which one shaft speaks to burnout furthermore the other great shaft of the same continuum portrays engagement. They portray engagement to be the positive absolute opposite to burnout. The enthusiastic employee idea has been supported by Maslach and Leiter (1997) in which a captivated employee is eager to submit time and exertion on their employment, all the while feeling capable in the work they are pander to.

**Research Methodology:**

The aim of the paper is to study the relationship between Employee Engagement and productivity. The respondents for the study are the employees of IT and ITES sector from Chennai and Bangalore. Questionnaire is used as the instrument for the study and respondents were taken. Likert's five scale were used and in the questionnaire there are two variables employee engagement and productivity. So, these variables are compared through statistical tools and technique like regression and correlation to find the relationship between the variables.

The data is tested through Cronbach's Alpha and the reliability value is .794. Through correlation and regression we have found the relationship between employee engagement and productivity and it is found to be there exists a positive relationship with a significant value of .000 between the two variables.

**ANALYSIS:**

Reliability Statistics	
Cronbach's Alpha	N of Items
.794	32

**Inference:** The Cronbach's Alpha value is .794 which is greater than 0.6 where there is a good reliability.

**Correlation:**

To identify the relationship between Employee engagement and Productivity.

Variables	Productivity	
	Pearsons Correlation	Significance
Employee Engagement	.291	.000

**Inference:**

The significance value for correlation should be 0.05 and the value is .000 and so we are rejecting H0 and accept H1. There is a significance difference between organisational climate and work productivity.

**Regression:**

To identify the relationship between Employee engagement and Productivity.

Variables	Productivity			
	F	b	t	Significance
Employee Engagement	22.775	.291	4.772	.000

**Inference:**

The significance value for regression should be 0.05 and the value is .000 and so we are rejecting H0 and accept H1. There is a significance difference between organisational climate and work productivity.

**Chi Square:**

To identify the association between Employee engagement and Productivity.

Variables	Productivity	
	df	Significance
Employee Engagement	204	.000

**Inference:**

The significance value for chi-square should be 0.05 and the value is .000 and so we are rejecting H0 and accept H1. There is a significance difference between organisational climate and work productivity.

**Discussions:**

By correlation, regression we have found that there is a relationship between employee engagement and productivity and so productivity of the organisation is influenced by employee engagement.

Our study discoveries additionally demonstrate that the broadly perceived psychological condition of self-efficacy may give both comprehension and fortify the employee engagement-managerial adequacy relationship, and in this way, would appear to give increased the value of work environment results and administration advancement. Despite the fact that the discoveries did not help the administrator's self-efficacy as a complete go between of the employee engagement-managerial adequacy relationship, results did demonstrate that both enthusiastic and cognitive measurements of employee engagement had immediate and roundabout impacts through the director's self-efficacy on their apparent viability.

Extensive research by Bandura (1997) and others have unmistakably showed that self-efficacy can be expanded in four noteworthy ways. The most evident is through enactive dominance (fruitful direct encounters in a preparation setting or at work), vicarious learning (displaying in a preparation connection or on-the-job through coaching/shadowing projects), basic verbal influence and social backing for lower level employments and technique improvement for larger amount occupations. Interestingly, the slightest perceived data into self-efficacy, psychological arousal, may be most nearly connected with the cognitive and passionate engagement of the administrator's subordinates. At the end of the day, a significant info into expanding supervisors' self-efficacy may be the engagement of their employees due to its impact on the psychological arousal of the administrators: the chiefs get to be excited about their captivated employees which then improves their viability. At the end of the day, they feel great and effectual about having the capacity to assemble a captivated work group/bunch.

Employees who have compelling enthusiastic binds to their directors, who feel that their feelings number, and who accept their supervisors have an enthusiasm for their improvement (i.e. enthusiastic engagement) are more inclined to absolutely react to their directors and produce good results that help the chiefs to be more viable. This achievement thusly assembles the chief's self-efficacy. Additionally, employees who recognize what is anticipated from them, comprehend their motivation or mission, who are offered chances to exceed expectations and develop, and who are always looking for data with respect to how to enhance their advancement (i.e. cognitive engagement) are more prone to experience achievement. This obviously prompts the improved self-efficacy of their supervisors. As it were, the cognitive and passionate engagement of employees prompts the upgraded self-efficacy of their administrators through experienced achievement and psychological arousal.

The converse is likewise genuine. The expanded self-efficacy of the chiefs additionally prompts the upgrade of their employees' engagement and viability. This positive winding in employee engagement and supervisor self-efficacy appears to give new knowledge and imperative handy rules for successful administration practice and improvement.

Since self-efficacy as of now has a broadly perceived hypothetical establishment and is by and large thought to be one of, if not the best observational indicator of work-related execution (Stajkovic and Luthans, 1998a, b), its part in employee engagement as at any rate an incomplete middle person to sought results, for example, managerial adequacy appears to be extremely profitable to determination and improvement. In particular, not just ought to administrators strive to have their employees gotten to be locked in, yet ought to likewise be chosen for their self-efficacy, and not at all like created "Huge Five" identity characteristics, for example, scruples, have their adequacy created. For instance, Bandura (2000) has as of late given three particular ways to how to create self-efficacy in rehearsing supervisors.

First and foremost, is the thing that he calls guided authority which incorporates educational displaying to secure an expertise or competency, guided ability flawlessness, and afterward exchange the preparation again to the occupation to protect self-directed managerial achievement. Second, is for the more perplexing, however progressively basic in the cutting edge working environment, approaches to improve a chief's adequacy for decision-making and critical thinking. He calls this cognitive authority demonstrating to learn thinking abilities and how to apply them by watching the choice standards and thinking techniques effective models use as they touch base at answers for issues and settle on viable choices. Case in point, one study taught directors how to create thoughts to enhance the nature of authoritative working and client benefit by giving them rules and practice in creative problem-solving (Gist, 1989). At last, he recommends the improvement of self-regulatory abilities (i.e. self-motivation or self-management). The advancement of this inexorably vital self-management includes a mixed bag of interlinked self-referent methodologies, for example, self-monitoring, self-efficacy examination, individual objective setting, and utilization of self-motivation impetuses.

### Conclusion:

Whether utilizing the more sober minded preparing went for improving the four sources (i.e. dominance encounters, vicarious learning/ displaying, social influence/criticism, and physiological/psychological arousal) or the more refined methodologies as recommended above, there is demonstrated adequacy of this advancement of supervisor self-efficacy and the potential for the future appears boundless. At the end of the day, both employee engagement and supervisor self-efficacy can be produced, and, as this study has demonstrated, each one can decidedly influence the other to lead in a synergistic, spiralling manner to better, more effective management of today's employees.

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