

## Relationship between the psychological status and employee engagement and its effect on the job performance in select private and public electronic sectors in India

<sup>1</sup> Chitra CN, <sup>2</sup>SV Ravisekhar Rao

<sup>1</sup> Assistant Professor, Department of Commerce and Management, Jain College, R.R. Nagar, Bangalore, Karnataka, India

<sup>2</sup> Company Secretary, BEML Ltd, #23/1, 4<sup>th</sup> main, S.R. Nagar, Bangalore, Karnataka, India

### Abstract

Employee engagement is one of the significant issues in modern business world. The purpose of study is to identify the important dimensions in organizations which influence employee engagement, to overcome the difficulty while engaging employment and developing effective strategies by organizations. Through this study, the organizations not only can understand in depth the causes or effects of various influencing variables but also helps to refine current understanding and importance of employee engagement within an organization. Considerable attention has been given to the identification of driving force behind Employee Engagement and this study provide a new interpretation and dimension of variables influencing employee engagement for success of any organization in fruitful way. This study is an attempt to investigate the impact of important dimensions on employee engagement in organizations as well as the effects of organization on business outcome.

**Keywords:** psychological, electronic, employee, relationship, organization

### Introduction

Employee engagement is the level of commitment and involvement an employee has towards their organization and its values. It is “The degree to which an employee is emotionally bonded to his/her organization and is passionate about the work that really matters”. Each employee performs according to their own unique personality, attitude, past experiences, knowledge, expectations, current needs, priorities and interests. Employee Engagement is a psychological condition that leads to job performance rather than imposed by the organization. It is the extent to which people enjoy and believe in what they do and feel valued for doing it.

An aligned and engaged employee is aware of business context and works to improve performance within the job for the benefit of the organization and has a positive attitude towards the organization and its values. Organization can reach to its full potential through Employee Engagement. There is a strong correlation between Employee Engagement and business performance. Due to Employee Engagement there is a flow of series of tangible and intangible benefits of the organization. In the meanwhile, if the Organization cannot enhance the performance of an employee by creating happiness at work through initiating to provide the congenial environment which may lead to employee disengagement rather than Employee Engagement. Engaged Employees do transform the excellent performance and profitability into the business along with supporting inclusive growth and equitable development of all its stakeholders by respecting their interest and taking responsibility to create shared value for its stakeholders through meeting their expectations efficiently. On the other hand disengaged employees (Lack of enthusiasm and commitment to work) cost the organization economically and also negatively impacts on the employee happiness and overall work environment of the organization.

It damages the crucial performance outcomes and affects the productivity and profitability, customer satisfaction, turnover and overall growth of the business organization and hence this research is designed to help the organization to understand and foster the positive state of employee engagement, to gain a competitive edge, promote retention of talent, foster customer loyalty and improve organizational performance and stakeholder value. Employee engagement has emerged as a critical driver of business success in today’s competitive marketplace and thus, organizations are setting HR strategies for employee engagement and commitment.

### Statement of the Problem

Study on this topic becomes a vital one in the present competitive world, since highly engaged employees make a substantive contribution to the stake holders and organization due to their positive attitude, personality and behavior [psychological - mindset] towards the work which is most important for the success and growth of an organization. In the meanwhile, disengaged employees can be a serious liability. Lack of engagement affects large and small organizations all over the world causing them to incur excess costs, to underperform on crucial tasks to create wide spread customer dissatisfaction.

Surprisingly little academic and empirical research has been conducted regarding these issues and even there is no specific employee engagement strategies of defense electronics industries To address these problems more research should be under taken. It is thus today a leading agenda and top priority for electronics industries in India to drive the engagement levels at high rate which in turn improves the organization’s success rate.

In a world that is changing both in terms of the global nature of work and the diversity of the workforce empirical data are needed for the better understanding of employee engagement

and also to develop the managerial interventions and alternative strategies that fosters engagement and minimizes disengagement for electronic industry.

**Objectives of the Study**

1. To examine whether Job performance can be related to each employee’s psychological condition rather than enforced by the organization
2. To critically evaluate that business challenges in case of employee disengagement.
3. To suggest the management whether Employee Engagement & organizational performance demonstrate strategic plan for the organization.

**Hypotheses**

1. H<sub>1</sub>: Employee Engagement is positively related with each employee’s affective and normative commitment.
2. H<sub>2</sub>: There will be employee turnover, absenteeism and other negative impacts in case of employee disengagement.

**Research Method used**

The Research Programme is done by using analytical, descriptive survey and empirical research, using a primary data with a structured questionnaires, observation, direct and indirect interview with all the levels of management of selected private and public sector electronics industries and Secondary data collected from reading journals, textbooks, previous research publications, magazines, reports and websites etc.

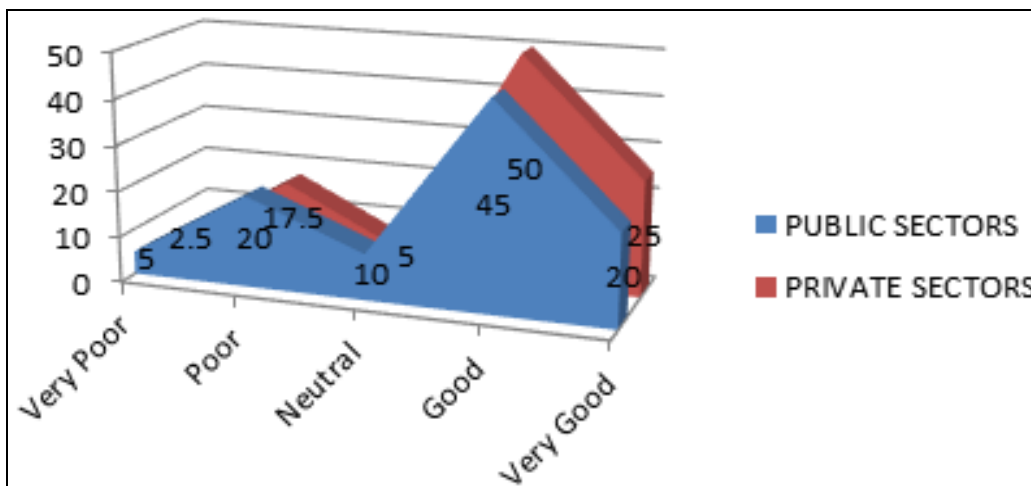
**Sampling design**

Stratified random sampling is used in selecting respondents from the sample frame to ensure that each member of the target population has an equal and independent chance of being included in the sample of this study. To effectively study the statement of the problem, four defence electronic industries were selected from both public and private sector respectively with the total sample size of 200.

**Data Analysis & Interpretation**

**Table 1:** Do you think Organizational goals and Personal goals should match for Focused & energetic performance at work?

Responses	Public Sectors		Private Sectors	
	Frequency	Percentage	Frequency	Percentage
Strongly disagree	10	5	05	2.5
Disagree	40	20	35	17.5
Neutral	20	10	10	5
Agree	90	45	100	50
Strongly agree	40	20	50	25
Total	200	100	200	100



**Fig 1**

**Table 2:** Do you have Obligation to stay in your organisation just because you owe a great deal?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Strongly disagree	10	5	10	5
disagree	25	12.5	30	15
Neutral	25	12.5	40	20
agree	98	49	85	42.5
Strongly agree	42	21	35	17.5
Total	200	100	200	100

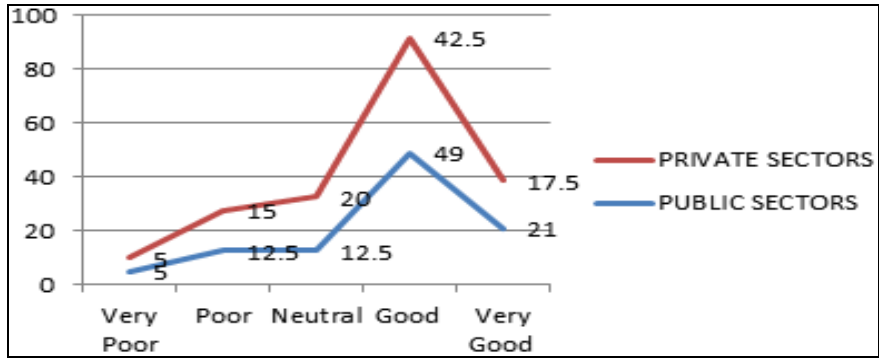


Fig 2

Table 3: What is the level of Cooperation over Competition in your organisation? Are the employees willing to help others?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Very Poor	5	2.5	10	5
Poor	10	5	25	12.5
Neutral	15	7.5	30	15
Good	90	45	95	47.5
Very Good	80	40	40	20
Total	200	100	200	100

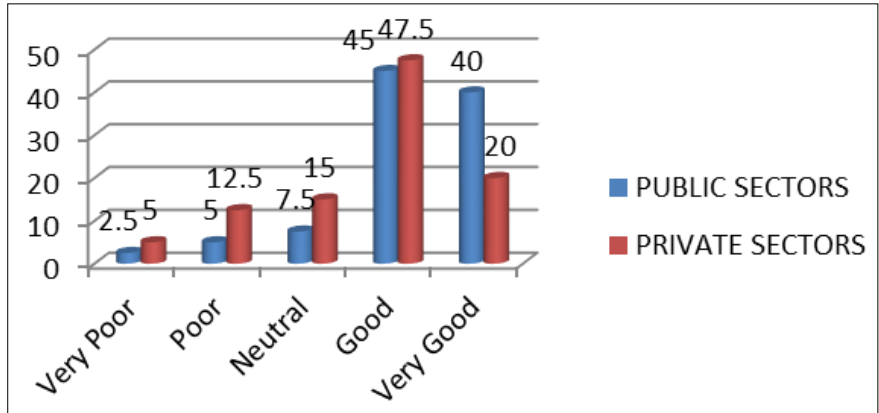


Fig 3

Table 4: Is your level of trusting peer / superiors satisfactory? Are you Friendly & helpful towards your co-workers and are Interested to know about them?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Very Poor	10	5	15	7.5
Poor	35	17.5	40	20
Neutral	35	17.5	45	22.5
Good	70	35	70	35
Very Good	50	25	30	15
Total	200	100	200	100

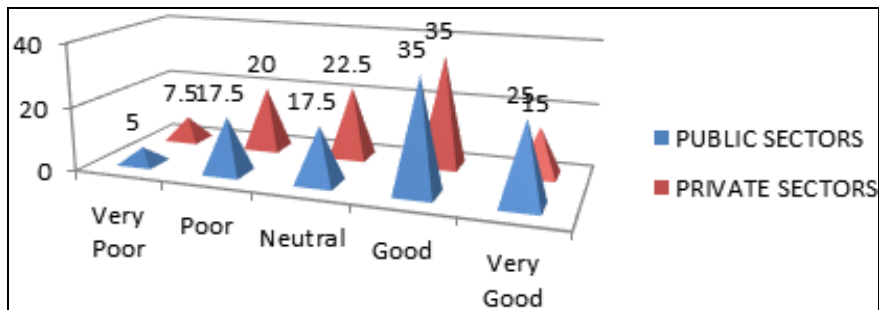
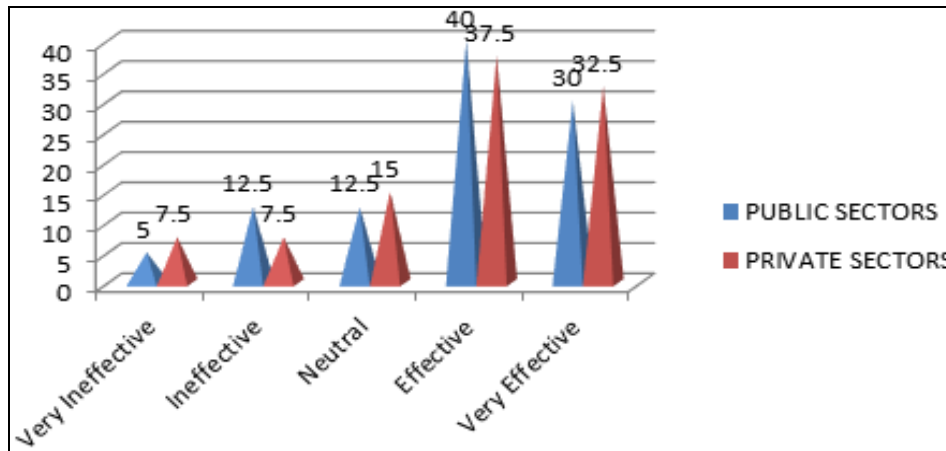


Fig 4

**Table 5:** Do you prefer challenging job and believe in task importance and wish to contribute to the maximum extent?

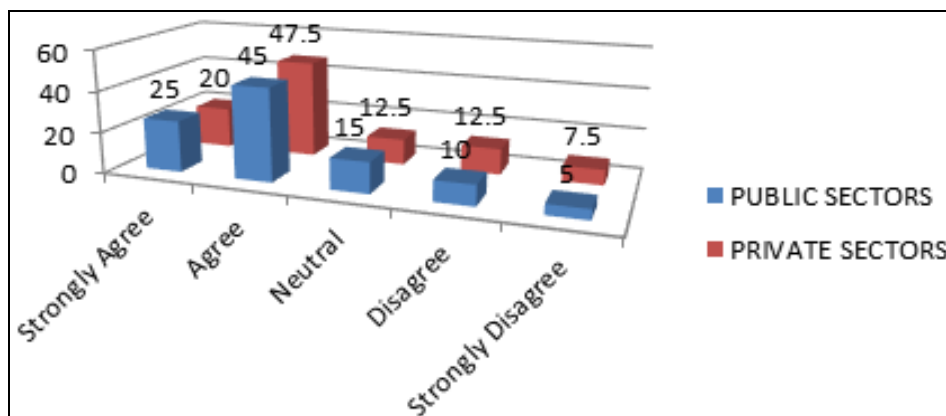
Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Very Ineffective	10	5	15	7.5
Ineffective	25	12.5	15	7.5
Neutral	25	12.5	30	15
Effective	80	40	75	37.5
Very Effective	60	30	65	32.5
Total	200	100	200	100



**Fig 5**

**Table 6:** Do you have a learning environment and Opportunity for career development in your organisation?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Strongly Agree	50	25	40	20
Agree	90	45	95	47.5
Neutral	30	15	25	12.5
Disagree	20	10	25	12.5
Strongly Disagree	10	5	15	7.5
Total	200	100	200	100



**Fig 6**

**Table 7:** Do you think Poor relationship between management and workforce leads to employee disengagement?

Responses	Public Sectors		Private Sectors	
	Frequency	Percentage	Frequency	Percentage
To Full Extent	60	30	50	25
To a Great Extent	100	50	100	50
To a Moderate Extent	20	10	30	15
To Some Extent	15	7.5	20	10
Not At All	5	2.5	00	00
Total	200	100	200	100

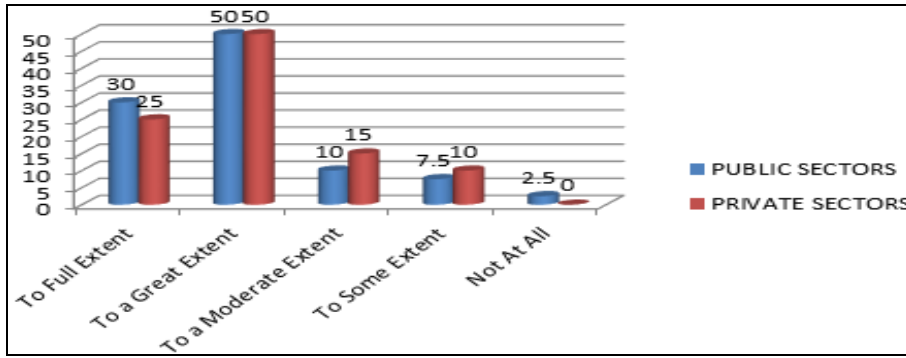


Fig 7

Table 8: Disengaged employees Resist organisational Changes and are least bothered about the progress of the company. Do you agree?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
To Full Extent	35	17.5	30	15
To a Great Extent	75	37.5	80	40
To a Moderate Extent	50	25	60	30
To Some Extent	30	15	20	10
Not At All	10	5	10	5
Total	200	100	200	100

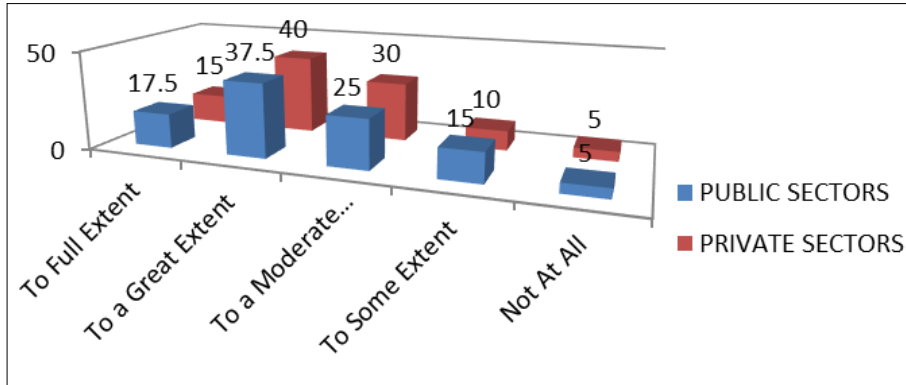


Fig 8

Table 9: Employee disengagement leads to Diminishing market share, High overall cost, and Poor financial performance. Do you agree?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Strongly Agree	50	25	45	22.5
Agree	80	40	85	42.5
Neutral	40	20	55	27.5
Disagree	20	10	10	5
Strongly Disagree	10	5	5	2.5
Total	200	100	200	100

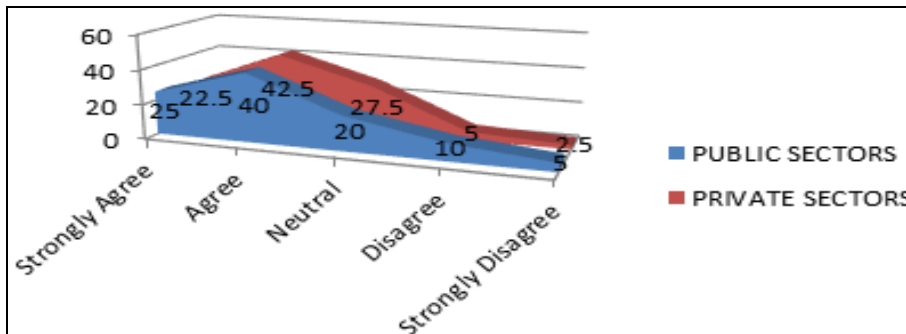
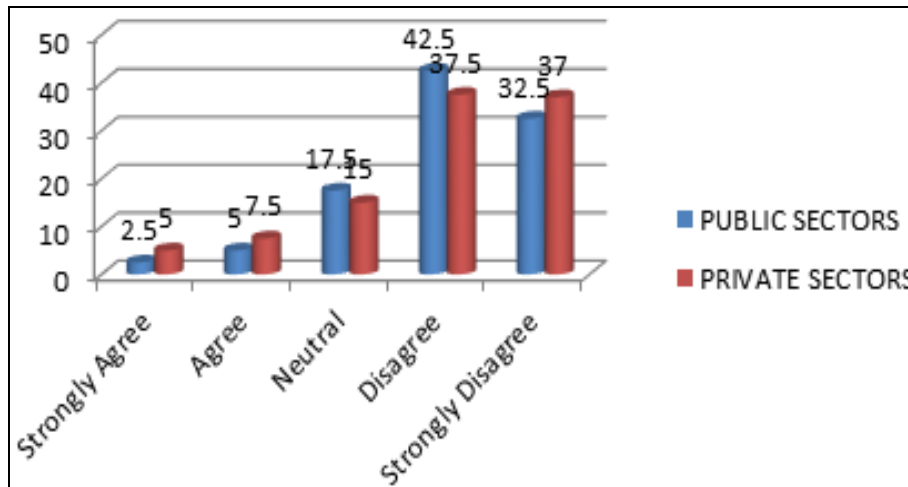


Fig 9

**Table 10:** Disengagement leads to employee turnover, absenteeism and other negative impacts. Do you agree?

Responses	Public sectors		Private sectors	
	Frequency	Percentage	Frequency	Percentage
Strongly Agree	5	2.5	10	5
Agree	10	5	15	7.5
Neutral	35	17.5	30	15
Disagree	85	42.5	75	37.5
Strongly Disagree	65	32.5	70	37
Total	200	100	200	100



**Fig 10**

**Table 11**

Statistical Analysis --Objective 1	Private Sector	Public sector
Mean	4.293142857	3.865714286
SD	0.659228571	1.037942857
Cronbach's Alpha	0.913	0.857
Hotelling's T-Squared	1441.603	1991.921
F	48.45	52.12
df1	34	34
df2	266	266
Sig	0	0
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.795	0.809
Bartlett's Test of Sphericity		
Approx. Chi-Square	11199.168	6394.61
Df	595	528
Sig.	0	0
PCA (Component values)	9	9

**Table 12**

Statistical Analysis --Objective 2	Private Sector	Public sector
Mean	4.293142857	3.865714286
SD	0.659228571	1.037942857
Cronbach's Alpha	.963	.883
Hotelling's T-Squared	1991.921	00
F	52.12	
df1	34	
df2	266	
Sig	0	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.795	Not positive definite matrix
Bartlett's Test of Sphericity		
Approx. Chi-Square	11199.168	
Df	595	
Sig.	0	
PCA (Component values)	9	8

## Findings

1. The employees agree that a matching between the organizational and personal goals leads to a highly focused and energetic performance at work.
2. Employees feel obligated to stay in the organisation as they owe a great deal towards it. It indicates employees are physically, cognitively and emotionally involved in their role performance.
3. The level of cooperation is high in the organisation and the employees are willing to help others. It indicates affective commitment among the employees.
4. Most of the employees trust their peer / superiors, and are interested to know about each other. It indicates their cordial interpersonal relationship and the emotional bonding which has positive impact on their performance.
5. Many employees prefer challenging jobs and believe in task importance to achieve their personal and organisational goals.
6. Employees feel their Salary and Responsibilities are matching hence leading to a learning environment. They feel that they have opportunity for career development also. It indicates that when employees job engagement increases, the continuance commitment decreases.
7. Employees agree that when there is no Job enrichment and Welfare facilities, it results in poor relationship and conflicts between management and workforce causing employee disengagement.
8. Employees agree that when they are disengaged they resist to organisational Changes due to a mismatch between what they expect with what actually given.
9. As per the opinion of executives disengagement leads to, Diminishing market share, High overall cost, Poor financial performance & low earnings per share.
10. Other negative impacts due to disengagement can be identified as employee turnover, absenteeism and lack of commitment among the employees.

Over all findings of the study proves the fact that engaged employees are more likely to have a greater attachment, loyalty and commitment towards their organisation.

## Suggestions

Hence the employee engagement dimensions are positively related to affective and normative commitment and negatively related with continuance commitment, as per the result obtained through statistical tools, it is suggested that there is a strong need of affective and normative commitment from an employee for the success and growth of an organisation. When employees hold a positive attitude and attachment towards their organisation, they show higher levels of affective commitment and this will lead to expected business outcomes.

## Conclusion

Employee engagement has become a dominant part of the vocabulary of human resource management, yet there has been little investigation of the implications of this for HRM in organisations. This article analyses the relationship between employee's psychological condition and their job performance. It strongly proves that performance of an employee is related with his psychological condition rather than enforced by the organization. The study also critically

evaluates the business challenges in case of employee disengagement. It suggests that effective engagement initiatives require political astuteness and commitment on the part of HR. This is because they require a clear business case focused on performance, not merely engagement itself, and an evidence-based approach to design and implementation. Employee engagement involves HR interrogating the employment relationship to address fundamental issues of employee voice, work design and management agency. This can introduce complications, and resistance, into the partnership with management, but it also offers a means to reconcile employee-centred HRM values to performance concerns around specific change management initiatives. There is a clear need for further research that advances our understanding of the psychological processes underpinning engagement, the precise meaning and status of the engagement construct, the lived experiences of 'doing' engagement and 'being' engaged, issues of power and engagement, and the micro- and macro-level processes round the enactment of engagement within organisational settings.

## References

1. Snape E, Redman T. 'HRM Practices, Organizational Citizenship Behaviour, and Performance: A Multi-Level Analysis,' *Journal of Management Studies*. 2010; 47:1219-1247.
2. Employee voice and engagement: connections and consequences, Chris Reesetal. *The International Journal of Human Resource Management*, 2013.
3. Engagement keeps the doctor away a happy employee is a healthy employee, according to a GMJ survey. *Gallup Management Journal*, 13th January. Available at: [www.gmj.gallup.com](http://www.gmj.gallup.com). Accessed, 2012.
4. Kahn WA. Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*. 1990; 33(4):692-724.
5. Employee Engagement: A Literature Review. Kingston Business School, Kingston University Working Paper Series, 2008.
6. Employee Engagement, Saaransh, *RKG Journal of Management*, 2012, 3(2).
7. Leveraging Employee Engagements for Competitive Advantage: HRs Strategic Role. *HR Magazine*. 2007; 52(3):1-11,
8. Working Today: Understanding What Drives Employee Engagement, in [www.towersperrin.com](http://www.towersperrin.com). Accessed, 2012.
9. Employee engagement engaging the 21st century workforce. *Asian Journal of management Research*, 2012, 170-189.
10. High-involvement work practices and employee engagement, Sowath Rana, *Human Resource Development International*, Published online, 2015.
11. Work engagement: An emerging concept in occupational health psychology, Arnold B. Bakker *et al.* *Work & Stress*, Published online, 2008.