

## A STUDY ON THE LEVEL OF EMPLOYEE ENGAGEMENT IN MANAGEMENT IN SPECIFIC REFERENCE TO SME IN INDUSTRIAL ESTATE IN CHENNAI

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### ABSTRACT

Employee engagement is a vast construct that touches almost all parts of human resource management. If every part of human resources is not addressed in an appropriate manner, employees fail to fully engage themselves in their job in response to such kind of mismanagement. Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer, going an extra mile beyond the employment contractual agreement. The objective of the project is to study the level of employee engagement in SMEs in Chennai Industrial Estate and the study has been carried out with a sample size of 148 respondents. The researcher used descriptive research design to find out the fact of respondent's attitude and opinion about employee engagement. This study adopted a descriptive research design and employed a simple random sampling. Primary data were collected from respondents using structured questionnaires. The data were analysed descriptively and presented through Simple percentage method; Chi-square method and ANOVA method were used to analyse data using SPSS and MS Excel. Employee engagement is stronger predictor of positive organizational performance clearly showing the two-way relationship between employer and employee compared to the three earlier constructs: job satisfaction, employee motivation and organizational citizenship behaviour. By this, it concludes that employee engagement in the organization is at fair level. The research findings can be used by the manufacturing industry to that organizations should empower their workforce and adopt fair reward system as such will ensure sustainability in the performance of the workforce.

**Keywords:** Human Resource Management, Employee Retention, Organisational Effectiveness.

### 1. INTRODUCTION

Employee engagement means involvement of employees in all the decision-making processes like policy formation, changes in policies and so on. The employee engagement activities are important because it helps not only the company to grow but also is very useful for the overall growth of the employees. When the subordinates are given a chance to get involved in a process of making decisions at all levels, it is known as employee participation. Also, it happens at group as well as individual levels. When the employees are allowed to participate, the common organizational goals are achieved in a better manner. The limitations of employee engagement strategy or initiatives may arise externally or internally depending on the participation of the employees.

### 2. LITERATURE REVIEW

Ram & Gantasala (2015): He investigated the antecedents and consequences of employee engagement in Jordanian Industry. Bhatla (2011) focused on the need for such employees and how their presence can improve the progress and work efficiency of the organization as a whole, also focused on the challenges faced by the HR managers to improve employee engagement for an organization's survival.

Schultz (2014): The training and development is a significant characteristic for enhancing workers engagement. Training enhances service correctness and, in that way, improves service performance and workers engagement. When employee undergo training and learning development programs their assurance develops on the area of training that motivates him to be more engaged in activities.

Fleming (2012): A totally busy worker is mentally and expressively bound with the organization, and gives 100 percent, feels overpoweringly about organizational goals and is dedicated to live by its principles. Academicians' depicted concentration in the concept to a larger extent only from 2006. The workers go beyond the basic job accountability to delight the clients and take the business further. Research shows that engaged workers execute their mandate better, put in extra efforts to help get the job completed, show a strong level of dedication to the organization, and are more motivated and optimistic about their work goals. Various studies advocate that the existence of advanced levels of workforce engagement extensively reduces turnover intention (Maslach et al., 2001).

Anand (2011) : He opines that employee engagement plays a crucial role in the management because it affects everything from retention and productivity to profitability and safety. There is an intrinsic link between employee engagement, customer loyalty and profitability.

Welbourne (2011): Research by Welbourne indicates that workers engagement occurs naturally when leaders are stimulating. Workforce feel occupied when their work is considered significant and important. The duty of leadership is therefore to guarantee that workers see how their specific jobs contribute to the generally business achievement. Authentic and supportive leadership is theorized to impact workers of followers in the sense of growing their participation, fulfillment and enthusiasm for jobs (Schneider, 2009). The leadership factor comprised indicators on effective leadership and perceived administrator support.

Fleming (2010): Fleming found that employee engagement is the capacity to impound heads, hearts, and souls of your workers to motivate and built in longing and enthusiasm for fitness.

According to Saks (2009): The environment of workers engagement is comprised of job characteristics, apparent organizational support, noticeable supervisor support, rewards and appreciation, practical justice and distributive fairness. And the penalty of engagement was job satisfaction, organizational declaration, intention to quit and organizational citizenship behaviour.

Truss et al (2008): Define employee engagement as a "passion for work ", which encompasses the three elements of engagement, previously discussed by Kahn (1990) in one psychological state.

Robinson (2008): Employee engagement can be achieved through the creation of an organizational environment where positive emotions such as involvement and pride are encouraged, resulting in improved organizational performance, lower employee turnover and better health. Leadership was the subsequent main issue acknowledged to be an essential factor in employee engagement. Successful leadership is a higher order multidimensional construct comprising of self-awareness unbiased dispensation on information, relational transparency and internalized ethical principles (Gardner, 2005).

Baumruk (2008): Employee engagement has been defined within the confines of emotional and intellectual commitment to the organisation or the quantity of discretionary effort, defined by Yankelovich and Immerwahr (1984), as the voluntary effort employees provide above and beyond what is required by employees in their job (Frank et al 2004).

Hewitt (2007): Identified employee engagement as the situation in which individuals are psychologically and rationally committed to the organization or group as considered by three primary behaviors: say, strive and stay. This is explained as that the engaged employee will say positively about the organization to his fellow employees and the potential employees of the company; he will be eager and has a intense desire to work in the organization in spite of various opportunities available to him; the employee exerts the effort and exhibits behaviors that contribute to business success.

May et al (2007): He was the first empirical study to test Kahn"s: (2005) model. May et al (2007) establish that, in line with Kahn"s: (1990) study, meaningfulness, safety and availability is strongly positively correlated to engagement. Job enrichment (the development of increasing intrinsic job elements and down-grading attention of extrinsic factors).

### 3. OBJECTIVE OF THE STUDY

**Primary Objective:** The Primary Objective of the Project is to study the level of workers participation in Management in SME in Chennai Industrial Estates.

**Secondary Objectives:**

- To study the various factors that determine employee engagement in organization.
- To find the level of involvement of the employee towards their job.
- To study the impact of Performance Appraisal on employee engagement.
- To study the relationship between superior and subordinates.
- To study about the work place environment of the employee

### 4. RESEARCH METHODOLOGY

**Research Design:**

The study was carried out with a descriptive research design , where in the research tries to find answers to questions related to who, what, where when and how. Descriptive Research is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way. Since there has been various research

conducted on rewards and recognitions by various researchers the descriptive design was adopted as the researcher intended only to project the scenario and describe the phenomenon.

#### Population, Sample Size and Sample Design:

**Population :** The target population for the intended study is workers who are employed in SMEs in the various industrial estates in Chennai region.

**Sample Size:** Keeping the scope and limitations of the project and the time available to complete the project it was decided to do a sample based study and the sample size was determined and was limited to 140.

**Sampling Design:** The study was carried out using Non Probability Sampling Design and using Convenience Sampling Technique.

**Data Collection:** A well designed questionnaire was developed keeping in view the research objectives and was used for the purpose of collecting the data through a field survey method. The data was collected by the researcher by personally visiting the industrial estates and trying to meet the employees and collect the data by interview method.

## 5. FINDINGS AND DISCUSSIONS

The data has been collected using a questionnaire and by conducting direct interviews with the employees working in SMEs in Chennai industrial estates. The data collected has been collated using SPSS and MS Excel and the data has been analysed for further findings. The findings of the data analysis is shared in this section of the paper. The initial analysis of the demographics of the respondents has been given in the below table.

Demographic Profile of the Respondents		
Gender	Frequency	Percent
Male	118	79.7
Female	30	20.3
<b>TOTAL</b>	<b>148</b>	<b>100.0</b>
Age Group	Frequency	Percent
20 – 30	26	17.6
31 – 40	43	29.1
41 – 50	63	42.6
51 – 60	16	10.8
<b>Total</b>	<b>148</b>	<b>100.0</b>

From the table its can be understood that majority of the respondents 79.70 % are male and 20.30 % of the respondents are female. Among the respondent's majority of them 42.6 % respondents are in the age group 41 – 50 year-old, and 29.1 % of the respondents are in the age group 31 - 40 years of age and 17.6 % of the respondents are in the age group 20 - 30, and 10.8 % of the respondents are in the age group 51 -60 years.

Educational Qualification	Frequency	Percentage
Graduate	31	20.9
Post Graduate	15	10.1
Professionals	27	18.2
Diploma	51	34.5
Others	24	16.2
<b>Total</b>	<b>148</b>	<b>100.0</b>

The above table represents the educational level of the employees, and the data shows that 20.9 % of the respondents are graduates and 10.1% of the respondents are post graduates and 18.2 % of the respondents are professionals and 34.5% of the respondents are professionals and 16.2 % of the respondents have stated others as their education qualification, which included ITI and other vocational courses. The below states the level of agreement of the respondents towards the freedom to make decisions to do their job in the organisation. The data reveals that 4.1 % of the respondents Strongly Disagree that they have the freedom to make decisions and 6.1% of the respondents have said that hey disagree with the statement and 8.1% of the respondents are neutral to the statement and 52.0% of the

respondents have said that they agree that they have the freedom to make decisions to do their job and 29.7% of the respondents have replied that they strongly agree that they have the freedom to do make decisions to do their job in their organisation.

Table shows the freedom to make decisions to do the job in the organisation.		
Level of Agreement	Frequency	Percentage%
Strongly Disagree	6	4.1
Disagree	9	6.1
Neutral	12	8.1
Agree	77	52.0
Strongly agree	44	29.7
<b>Total</b>	<b>148</b>	<b>100.0</b>
Table showing the satisfaction level of working in the organisation.		
Level of satisfaction	Frequency	Percentage (%)
Fully satisfied	38	25.7
Satisfied	83	56.1
Neither satisfied nor dissatisfied	12	8.1
Dissatisfied	9	6.1
Fully dissatisfied	6	4.1
<b>TOTAL</b>	<b>148</b>	<b>100.0</b>

The above table shows the level of employees satisfaction level working in their present organisation. The study reveals that 25.7 % of the respondents are fully satisfied with their existing organisation and 56.1 % are satisfied and 8.1% of the respondents are neither satisfied nor dissatisfied and 6.1% of the respondents are dissatisfied and 4.1 % of the respondents are fully dissatisfied with their existing organisation.

The other major findings of the study are as below:

- Maximum number of respondents agree that amount of work expected from them is reasonable.
- Maximum number of respondents agree that were satisfied with employer employee relationship.
- Maximum number of respondents were neutral that their physical environment enables them to work well.
- Maximum number of respondents strongly agree that they feel their job is secure.
- Maximum number of respondents strongly agree that their superiors recognize their efforts.
- Maximum number of respondents strongly agree that they feel the amount of work is reasonable.
- Maximum number of respondents strongly agree that safety at work.
- Maximum number of respondents agree and strongly agree that company provides health insurance.
- Maximum number of respondents agree that satisfaction with organization's policies.
- Maximum number of respondents agree that aware of EFAP.
- Maximum number of respondents agree that promotion is based on performance appraisal.
- Maximum number of respondents strongly agree that they see a positive career growth in organization.
- Maximum number of respondents strongly agree that they have adequate opportunities to develop their skills.
- Maximum number of respondents strongly agree that organization supports work related training and development.
- Maximum number of respondents strongly agree that their manager is interested in their progress.
- Maximum number of respondents agree that they are committed towards their job.

## 6. CONCLUSION

The ultimate aim of every organisation is to earn profit by sustaining the market. But to achieve it, human resource support is highly required which can be obtained by effectively conducting employee engagement activities. From the study, it is inferred that employee engagement activities in SMEs in Chennai industrial Estates are effectively

implemented. The reward programs motivate them to work better. Majority of the employees are satisfied with their job. By fulfilling the expectations of employees, company can make the employees emotionally attached with the company. Employees life style and their expectations will change periodically, identifying those changes and making them more comfortable in their work, company can sustain in long run with huge profits.

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