

Determinants Of Employee Engagement Practices In IT Sector

Hafiz Ali Hassan, Sayyed Khawar Abbas, Seharish Iftikhar, Nouman Waqar, Ali Waris

Abstract: The information technology sector plays a pivotal role in the development and growth of any country. It has become the foremost communication channel between people over the globe. The inducement of infrastructural advancements such as China Pakistan Corridor (CPAK) and other agreements has made IT role more significant in the development of Pakistani economy. Employee engagement is a crucial element in the performance of an organization. It also directly correlates with job satisfaction. The proposed research is aimed to find out the determinants of employee engagement such as work environment, self-evaluation, organizational treatment and work engagement and their impact on job satisfaction in the information technology sector of Pakistan.

Index Terms: Employee engagement, work environment, self-evaluation, organizational treatment, work engagement, IT Sector, Employee Treatment

1 INTRODUCTION

In this modern era, organizations are contracting with new challenges in the form of undisputed competition. The challenges include workforce performance pressure, fulfillment of organizational objectives, the introduction of latest technologies and business globalization. The business requirements have been changed so far in relation to consumer needs and demands. Contemporary consumer demands, a wide range of variety, durability, quality, convenience, and customization of products. This has led the severe competition among companies and business processes due to the availability of more choices (Danish, Ahmad, & Khan, 2014). Due to the recent slump in the global economy, organizations have been forced to cut their costs by refining their business procedures, management structures and downsizing in relation to their prices reduction. Moreover, the labor trends have changed as well. Employees are being forced for maximum performance at the workplace and expected to produce high-quality job standards. Consequently, workers are facing a high amount of pressure during job and expected to work for long hours as well. The subsequent change has forced the organizations to improve their work procedures with the inducement of latest technology and standards. In this scenario, intellectual capital has become a crucial element in the retention of competitive advantage (Rasheed, Khan, & Ramzan, 2013). This proposed study is about factors which are account for employee engagement.

It is further argued that these factors are drivers of employee engagement (Chandani, Mall, & Khokhar, 2016). Employee engagement has become a major factor in leadership priority due to the need for which experts and policymakers are continuously finding new ways to engage employees with their parent organizations. The fierce competition among firms and increasing employee turnover rate is responsible for this abrupt need. According to Danish et al. (2014), employee engagements and commitments are very important for profitability and organizational performance. The involvement of trust, optimism and employee engagement lead towards better performance and optimal production of the organization. Lots of researchers have been completed on an exploration of positive and negative concepts and emotions of organizational behavior including job satisfaction, turnover, alienation, work environment, and burnout. Resultantly, the concept of Employee engagement has gained popularity and considerable value in the modern era of Human Resource Management and emerged as a key influential factor in business success (Richman., 2006); (Chandani, Mall, & Khokhar, 2016).

2 LITERATURE REVIEW

According to Anitha J (2014), the level of involvement and commitment of an employee towards his organization is employee engagement/ involvement. When an employee is involved and engaged positively with his job; he will not only responsible towards his duties and assignments but he will work effectively and efficiently. The positive reinforcement of job environment leads to job satisfaction and more production. Studies have demonstrated, the positive employee engagement directs towards the achievement of excellence (Pun, Chin, & Gill, 2001). Kahn & William (1990), first presented the concept of employee engagement in management theory. They suggested three conditions of employee engagement including (meaningfulness) work elements, (safety) social elements, management style, organizational norms and (availability) individual directions. Later on, Buckingham and Coffman (1999), came up with their popular description describing employee engagement as "the right people in the right jobs with right managers". The concept of employee engagement was very popular during 1999 to 2005 amongst managers, policymakers, and consultants. Welch (2011), stated academicians became more interested in the subject after 2006 when a no of studies extended the

- Hafiz Ali Hassan has done his M.Phil. degree program in Finance from Hailey College of Commerce, University of the Punjab Pakistan. E-mail: alihasanfarani@gmail.com
- Sayyed Khawar Abbas has done his M.Phil. degree program in Finance from Hailey College of Commerce, University of the Punjab Pakistan.,E-mail: sayyedkhawarabbas@gmail.com
- Seharish Iftikhar has done his M.Phil. Program in finance from Hailey College of commerce University of the Punjab.
- Nouman Waqar has done his MBA from Univesity of Gujrat
- Ali Waris has done his MS Accounting and Finance from University of Lahore, Chenab Campus, Gujrat

concept of employee engagement to work engagement, job engagement, and organizations engagement. Furthermore, Saks (2006), included job characteristics, perceived supervisor support, recognition and reward, perceived organizational support and procedural justice as an antecedent of employee engagement. Similarly, employee engagement account for job satisfaction, employee involvement, organizational commitment and intention to quit (Sara Aslam, 2015). Afterward, Paul Maku (2014), stated, the different definitions were given and each definition presented a unique perspective of context, field, and disjointed approaches while defining the employee engagement. Furthermore, Chandani et al, (2016) described, an engaged employee is the one who produces results, does not frequently switch the job and also performs as an ambassador of the organization. Moreover, job satisfaction is positively correlated with employee engagement. Similarly, multiple research findings concluded that various factors which are responsible for employee engagement lead to more job satisfaction, more productive results, increase profitability and reduce turnover rate. Rath & Harter (2010), work environment refers to the facilities provided by the organization to employees on the job. Danish et al. (2014), stated service environment of the organization consists of psychological climate an individual perceives from his observation and interpretations from the organizational environment. Various studies showed it is a significant factor which determines engagement level of an employee (Richman, 2006; Saks, 2006; Danish, Ahmad, & Khan, 2014; Chandani et al. 2016. Pun, et al. 2001). Self-evaluation termed as bottom line evaluations individuals held about themselves. It is the basic assumption that holds people towards functionality, capability, and worthiness on the workplace. Studies found people with positive core self-evaluations are more responsible and accountable during job (Anitha J, 2014), (Rich, Lepine, & Crawford, 2010). According to Chandani (2016), successful organizations usually treat their employees with immense respect irrespective of their designation and pay structure. Various Public sector studies have shown fair treatment among employees fosters the development of employee engagement (Karim & Rehman, 2012). It is further argued the employees witnessed informational and distributive justice are more engaged with job status (Mr., 2014). According to (1990), people are engaged in the workplace if they are cognitive, emotionally and physically attached. Various factors determine work engagement including family, work-related stress and personal relationship at work environment (Chandani, Mall, & Khokhar, 2016).

3 RESEARCH METHODOLOGY

Survey technique is used for the data collection to conduct this cross-sectional study. The population of the study is Pakistani service sector employees. Sample space is the major cities of Pakistan (Islamabad, Karachi, and Lahore). The rationale to select this sample space is the majority of the population living with maximum diversification. The questionnaire is adapted from (Danish, Ahmad, & Khan, 2014). As minimum sample size required 385 (Smith, 2013) to ensure the significance of the study. 655 questionnaire distributed only 391 responses founded useful. Moreover, Reliability test shows that all variables reliability around 0.70 so data is acceptable to run the test. Researchers'

interaction was minimal and setting of the study was non-contrived. Variables collected upon 5 points Likert scale.

Model for research is constructed as:

$$EE = \alpha + \beta_1 SE + \beta_2 FTE + \beta_3 SEO + \varepsilon$$

Where

EE= Employee Engagement

SE= Self-Evaluation

FTE= Fairness and treatment of employees

SEO= Services environment of the organization

4 RESULTS

Constructs measured on a Likert scale so OLS regression is used to analyze the study. Following tables shows the OLS regression results.

<i>REGRESSION TABLE</i>				
VARIABLES	B	STD ERROR	T VALUE	SIG.
SELF-EVALUATION	.205***	.051	7.0453	.001
FAIRNESS AND TREATMENT OF EMPLOYEES	.313***	.029	6.2212	.003
SERVICES ENVIRONMENT OF ORGANIZATION	.175**	.041	4.5421	.023
(CONSTANT)		.121	2.7123	.002

NOTE: ***, **, * INDICATE SIGNIFICANT AT 1%, 5% AND 10% LEVEL OF SIGNIFICANCE.

It can be seen Self-evaluation (+.205) and Fairness and treatment of employees (+.313) are highly significant at the level of 1% level of significance. Whereas Services environment of organization (+.175) having a strong relationship with employee engagement at 5% level of significance. This shows that self-evaluation and fairness & treatment of employees having more impact on employee engagement within an organization than services environment. But over model was fit and all independent variables explain employee engagement with the values of R Square is .59, which shows 59% impact over employee engagement of self-evaluation, Services environment of organization and fairness & treatment of employees. Study results are consistent with (Danish, Ahmad, & Khan, 2014).

5 CONCLUSION AND FUTURE DIRECTION

It can be inferred from current research, as developing country like Pakistan whose poverty headcount ratio @ \$1.90 a day Abbas et al. (2018). Employee engagement is very important and crucial factor in an organization performance. To enhance the employee engagement it is very important to create the self-evaluation set-up for employees in which employee evaluate their self. Treatment to employees must contain fairness and there should be better services and environment to employees. This can create an immense situation and could enhance employee engagement. This study having implications for organization and policymakers. The future researcher can study the moderating effect of Self- Evaluation along with Services environment of the organization and Fairness & Treatment of Employees simultaneously.

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