

ANALYSIS THE EFFECT OF TRAITS EMPLOYEE ENGAGEMENT IN ORGANISATIONAL PERFORMANCE IN AUTOMOBILE INDUSTRY AT CHENNAI

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Abstract

Employee engagement is a positive state of mind among employees which is characterized by vigor, dedication and absorption. Vigor needs high level of energy and mental resilience and flexibility during work and even in facing difficulties in work. Dedication needs complete enthusiasm and involvement in work, passion, respect and challenging task, absorption includes focusing deeply and engrossed in working job performance has been explained as the generally predicted significance of the behaviour of employees over a specific period. The association among the employee engagement and job performance is related with the commitment toward the organization. Thus this study observed the relationship between work engagement and job performance of the employees in auto mobile industry. Quantitative research was applied and correlation research design has been used. The sample of the study was 125 of employees working in automobile industry in Chennai. Data were collected through self administrated questionnaire. Mean and standard deviation, pearson movement correlation and multiple hierarchy was applied to examine the correlation between trait employee engagement with job performance. The finding of the study indicated that there is positive correlation and direct effect between work engagement and job performance of the employer in auto mobile industry.

Keywords : Trait engagement, psychological engagement, behavioural engagement, job performance, automobile industry employees in Chennai.

INTRODUCTION

Today people are living in an era of globalization where change is certain and the management of human capital is important for the success of the organization. Organizations are facing huge competitions, it has been realized the importance of making their employees

fully linked with the organizations and their job. Employee engagement is quite a new construct in HR literature. Engaging employees is a key to satisfy employer. HR consultants consider that the engagement is how employees feel about the work and how they are treated in the organization. Employee engagement viewed as the main aspect of productivity. A fully engaged employee brings enthusiasm and zeal to their work which is directly related to cohesive workplace culture and the extra efforts, better ideas and innovations that make organizations succeed. In recent years due to a slow economic recovery and uncertain economic conditions many organizations have limit their hiring processes, making employee engagement even more significant. Taking these things into consideration it is important to understand the culture, management and other factors that influence employee engagement. The importance of employee engagement is clear when looking at the differences in performance between work teams with high and low levels of employee engagement. Gallup (2013) find that employee engagement program is powerful evidence of the impact of employee engagement on the bottom line.

Review of literature

Kahn (1990) concluded that employees become emotionally and cognitively engaged when they know what is expected of them, have what they need to do their work, have opportunities to feel an impact and fulfilment in their work, perceive that they are part of something significant with co-workers whom they trust, and have chances to improve and develop. Engagement is the notion of psychological safety, which is a consequence of the amount of care and support employees' believe are provided by their organisation as well as their direct supervisors (Kahn). Employees feel safe in work environments that are characterized by openness and supportiveness. Such environments allow employees to experiment, to try new things and risk failure, without fear of the consequences. Kahn (1992) stated that occupational environment that is challenging, has variety and enables the use of different skills, personal discretion, and the opportunity to make important contributions. Job characteristics are rated highly on the core job characteristics provide individuals with the opportunity to bring more of their self in role into their work or to be more engaged. Maslach, Schaufeli and Leiter (2001) found that recognition and reward was important for engagement and conversely, a lack of rewards and recognition could lead to burnout. Fairness and justice was also one of the significant work conditions in their engagement model. Where fairness was perceived to be low, burnout was exacerbated, while positive perceptions of fairness increased engagement. May et al. (2004) found that rewarding co-worker and supportive supervisory

relationships were positive predictors of psychological safety, while adherence to co-worker norms and self-consciousness were negative predictors. They also found that job enrichment and role fit were positive predictors of meaningfulness; and the availability of resources was a positive predictor of psychological availability. Towers Perrin (2004) found that emotional factors such as feeling cared about and being supported, directly contributed to employees personal satisfaction and the sense of inspiration and affirmation they get from their work and from being part of their organisation. They state that retention and engagement are broadly similar and emphasize the emotional side of the equation. From the literature, it is able to understand compensation and benefits, organisational culture and good connections with other groups within the organisation skills, capabilities and equipment and leadership qualities are inducing the employees engagement.

Objective of the Study

- To determine the effect of traits engagement on performance of employees working in automobile industry.
- To assess the effect of psychological state engagement on performance of the employees working in automobile industry.
- To assess the effect of Behavioural engagement on performance of the employees working in automobile industry.

Test of Hypotheses:

The study was based on the hypothesized assumption that employee engagement influences organisational performance, to test the hypothesized relationship between the variables, correlation multiple and hierarchical regression analysis were conducted and the results interpreted using adjusted R² and corresponding P-values at $p < 0.05$ significance level.

Research Methodology

The study sought to investigate the influence of employee engagement on performance of automobile industry in Chennai city. The nature of research study was descriptive design. The target population consisted of the employees working as the managerial level in the automobile industry. A sample of 125 managers selected for this study. Questionnaire has been prepared for data collection. Employee engagement such as trait engagement, psychological state engagement and behavioural engagement. All three engagement measured with five statement each in the five point scale. Job performance has been measured with seven statement

in the five point scale. Where engagement treated as a independent variable and job performance taken as the dependent variable. Data was collected from employees of automobile industry in Chennai city.

The study was conducted within the Chennai automobile industry classified under research and training category. This segment of Chennai was selected based on the fact that very few previous studies have been based on it yet it has a critical role to play in achieving the organization performances. It has been established that the return on investment for research generally range between 20-40 percent, while increased life expectancy and increased production may be attributed to investment in research and hence the need to assess the effect of an engaged workforce on performance of such automobile industry.

Results and Discussion

Table – 1 : Traits of Employee Engagement

| Employee Engagement | Mean | Std. Deviation |
|--------------------------------|-------------|-----------------------|
| Trait Engagement | 3.96 | 1.26 |
| Psychological Trait Engagement | 4.12 | 1.02 |
| Behavioural Engagement | 4.28 | 0.92 |

Employee engagement has been analysed with three dimensions namely traits, psychological and behaviour. Each dimension has been analysed with five statements. Further data were collected from sample respondents and analysed with mean and standard deviation. From the mean values it is inferred that employees have highly perceived behavioural engagement (mean = 4.28, $\sigma = 0.92$) followed by psychological trait engagement (mean = 4.12, $\sigma = 1.02$) and trait engagement (mean = 3.96, $\sigma = 1.26$). It shows that auto mobile sector employees are having higher level of behavioural engagement than trait engagement. Hence employees tend to be happy and productive, feel engaged on day to day basis. Employees have general positive attitude towards work. That is a basis for behaviour rather than a trait.

Table – 2 : Engagement and Employees Performance

| Engagement | Job Performance | |
|-------------------|------------------------|----------------|
| | r-value | p-value |
| Trait | 0.628 | 0.001 |

| | | |
|---------------|-------|-------|
| Psychological | 0.72 | 0.001 |
| Behavioural | 0.826 | 0.001 |

Table – 2 explains the relationship between dimensions of employee engagements and their performance in auto mobile industry. It is hypothesized that employee engagement have been related with job performance. Pearson correlation test is applied to test the above stated hypothesis. The correlation R-values lie between 0.628 and 0.826 and the corresponding P-values are 0.001 which are significant. Hence the hypothesis is accepted. It is inferred that engagement dimensions have related with job performance of the employees working in automobile industry. From the R-value it is inferred that behavioural engagement is highly related with job performance followed by psychological engagement. It is found that trait engagement is least related with job performance of employees in automobile industry. The result of correlation analysis generally supported the other researchers previous study.

Table 3. Multiple regression results on influence of employee engagement on organisational performance

| Goodness of Fit | Test Statistics | P-value | |
|--------------------------------|------------------------|---------------------|----------------|
| Adjusted R squared | 0.426 | 0.001* | |
| R squared | 0.433 | 0.001* | |
| F-statistics | 61.86 | 0.001* | |
| Regression Results | | | |
| | Coefficient | t-statistics | P-value |
| Constant | --- | 3.62 | -- |
| Traits Engagement | 0.333 | 5.26 | 0.000** |
| Psychological State Engagement | 0.233 | 3.72 | 0.000** |
| Behavioural Engagement | 0.243 | 4.26 | 0.000** |

The direct relationship between traits, psychological state and behavioral engagement and organisational performance, was tested using multiple regressions as specified in the regression model. The regression test results are presented in Table 3. It indicates that the adjusted R² is 0.426. This implies that the three independent variables jointly explain 43 percent of the variance in the dependent variable while the rest are explained by the error term. The F statistic is 61.86 with a corresponding p-value of 0.000 which implies that the influence of the three independent variables on the dependent variable is significant; ($P < 0.05$), hence the null hypothesis was rejected.

Further, the coefficient for traits engagement is 0.33 with a corresponding p-value < 0.05 , coefficient for psychological state engagement is 0.23 with a corresponding p-value < 0.05 and the coefficient for behavioral engagement is 0.24 with a corresponding p value < 0.05 . The result implies that each of the three independent variables is positively related to organisational performance. A unit increase in any of them would result in proportionate increase in performance of automobile industry.

Recommendations

- ❖ The automobile industry may provide resources to faster the employees trait engagement and thus the job performance.
- ❖ The automobile manufacturing sector may increase the cooperation among employees in order to increase the relationship among the employees and thus increasing the behavioural engagement.
- ❖ Further the management may be helpful, supportive and developing understanding. This will ultimately increase the performance level of employees and thus maximise the satisfaction of the worker.
- ❖ The reward advantages might be included in the form of allowances of employees, increments in pay, permits in the form of gift and recreation for the creative work of employees.

Conclusion

Research and training in automobile industry are expected to play a major role in this endeavor by generating new ideas, informing policy decision and retraining the public service with new work values and ethics. This has resulted in the increased interest in the performance of automobile industry in research and training. These studies have mostly focused on the direct

relationship between; employee engagement and job performance; organisational commitment and job performance. However rarely have both variables been used in the same study to link them with organisational performance.

The objective was to investigate the influence of traits engagement on performance of research and training of automobile industry in Chennai. The study concluded that traits engagement affects organisational performance and hence should be an important consideration in recruitment, promotion and assigning of responsibilities to employees in any organisation.

The Employees who are committed to an organisation accept its norms and values and are willing to exert extra effort on behalf of the organisation. State corporations and the public sector in general should develop human resource policies that not only promote employee engagement but also deepen levels of organisational commitment if they hope to improve job performance.

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