Factors Influencing Employee centric performance in Industries: Lessons in Human Resource Management

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Abstract- Sustaining high performance among employees and driving their behavior towards change, resilience, commitment, proactiveness and work engagement have been identified as major challenges facing leaders and human resource management personnel in organizations. An important factor influencing such behavioural attitudes and inclinations is employee engagement. This study was carried out to determine factors influencing employee engagement and employee centric performance among 185 personnel working in various organizations, at various positions. The study identified the major factors underlined as employee commitment, readiness for change, proactiveness, behavior of resilience and employee engagement through a generation of excitement and self inspiration. The study recommends that leaders at various levels and human resource personnel should work towards facilitation of an environment and work conditions to generate drivers for work engagement.

I. Introduction and Review of Literature

The spectre of globalization, everywhere today, has driven organizations to change according to the needs and requirements of the environment. Research studies have shown how efficient organizations can be generated by successfully engaging and securing employee commitment. These factors have proven to result in higher levels of organizational performance as well as higher levels of job satisfaction, both of which are indispensable in organizations today. More and more organizations are experimenting with engaging their employees in everyday decision making and change to drive performance. A research study undertaken by Mckinsey and Co, to determine the meaning and value of employee engagement among 59 organizations and understand the primary drivers, underlined the appetite and ability of leaders at every level to engage their subordinates in every day decision making and change. Most scholars agree that job resources are the most important drivers of work engagement. Research has confirmed that career growth opportunities, supportive relationships with coworkers, performance feedback, and employee skill development facilitate engagement particularly when the job is challenging.

Given these findings, one may argue that the organization plays an important role in fostering engagement, through the provision of resourceful and challenging jobs.Zurch Edge, a consultant and researcher was known to invite 430 of its top people to Walt Disney World for a conference designed to generate ideas and help senior managers identify ideas from outside usual challenges. The key points about employee engagement were predominantly underlined in the form of change, commitment, resilience and proactiveness. Several organizations use organizational commitment and employee engagement as a model for creation of an organization to be more effective and efficient. When an organization makes fundamental changes, they become the most important element for the success of organizational change (Echols, 2005; Crabtree, 2005; Gubman, 2004). Employee engagement has been widely used as a popular term (Robinson et al, 2004). However, most of what has been written about employee engagement can be found in practitioner journals where it has its basis in practice rather than theory and empirical research. Employee engagement has been defined in different ways and definitions and measures often sound like better known and established constructs like organizational commitment and organizational citizenship behavior.(Robinson et al, 2004). emotional and intellectual commitment to the organization (Baumik, 2004; Richman, 2006; Shaw, 2005) or amount of discretionary effort exhibited by employees in their jobs (Frank et al, 2004).

Commitment

Organizational commitment is considered to be an individual's way of thinking how much of his/her value and goals are in line with the organization, how to overcome the conflicts and develop an attachment to the organization. Organization Commitment is the degree of affective or emotional attachment of an employee to the organization. Halaby (1986) view commitment as an emotionally neutral "intent to stay" that is the immediate precursor to leaving or staying. Commitment has its origins in sociology (Kanter, 1968). It is considered to be a potential predictor of employee turnover. Commitment is considered as a force that binds an individual to a course of action that is of relevance to a particular target (Meyer, 2001). Meyer and Allen, (1991), argued that commitment binds an individual to an organization and thereby reduces the likelihood of turnover. The mindset presumed to characterize commitment is the affective attachment to the organization, implying an obligation to remain and the perceived cost of learning. Affective commitment has been proved to have the strongest positive correlation with job performance, organization citizenship behavior and attendance, followed by normative commitment and continuance commitment.

Change

Change is considered commonplace in organizations. In order to strive for a competitive edge in a global marketplace, organizations may change strategy and processes, undergo mergers and acquisitions restructure or downsize or implement new technology. These changes have profound implications for employees. They are expected to cope with uncertainty and stress

associated with the changing work context and increased work demands. (Border, Hobman, Lones, Callan, 2004). Employees are the vital agents for the successful implementation of any change program.(Kotter, 1995). Axtell et al (2005) found that employees' exposure to similar changes in the past increased their knowledge and familiarity with the changed work systems and made them more open to future changes. An employee openness to change is vital for the success of most change efforts in organizations. Openness to change has two elements: willingness to support the change and a positive effect about the consequences of the change (Wanberg and Banasm, 2010, p 132) Armenakis et al, 1993, discuss how an individual readiness to change is reflected in the beliefs, attitude and intention of the member organization in relation with how much the change is needed and how much the capacity of the organization to make the successful change. Individual readiness for change is the comprehensive attitude that simultaneously was influenced by the content, process, context, and the characteristics of the individuals who are involved in the process of change. In which the total of it, reflecting the individual trend or a group of individuals that cognitively and emotionally adopted to plan to change the condition in a certain time and with specific objectives.

Proactiveness

Bateman and Crant (1993) identified proactive behavior as a personal disposition, or a relatively stable behavioural tendency. This concept of proactive personality was shown to be distinct from other personality concepts (such as need for achievement and locus of control), to be able to differentiate among individuals and to be significantly associated with an array of criterion variables (such as transformational leadership). They described the concept in the following way: The prototypic proactive personality as we conceive it, is one who is relatively unconstrained by situational forces, and who affects environmental change. Proactive people scan for opportunities, show initiative, take action and persevere until they reach closure by bringing about change. People who are not proactive exhibit the opposite patterns, they fail to identify, let alone seize opportunities to change things. They passively adapt to and even endure their circumstances. (p 105)

Bateman and Crant (1993) proposed that proactive people use problem focused strategies for coping with stressful demands (reactive coping) rather than emotion focused strategies. Work tasks and interactions that compose the days, the jobs, and ultimately, the lives of employees are the raw materials employees use to construct their jobs. Job boundaries, the meaning of work and work identities are not fully determined by formal job requirements. Individuals have the latitude to define and enact the job acting as "job crafters". Researchers define job crafting as the physical and cognitive changes individuals make in the task or regional boundaries of their work.

Resilience

Career resilience represents an ability to adapt to changes in work circumstances, including an openness to change, a willingness to take risks and confidence in handling problems. (London, 1985). Employees high in career resilience are more willing and able to accept job transitions that entail the

possibility of failure.(Latack, Knicki and Prussia, 1995) Career resilient people are likely to engage in self development activities that will enable them to take advantage of opportunities (London and Smither, 1999). Moreover, retrospective rationality, that behaviours and decisions influence perceptions about personal characteristics (resilience). (London, 1983), suggests that developing personal resources that help to cope with job changes will reinforce career resilience. Grotberg (2003: 3-4) has developed a 3 category framework for grouping the protective factors: external supports (good role models, trusted family and non family members), inner strengths (likability, optimism, empathy, a sense of purpose) and inter personal and problem solving skills like staying with the task until its finished, reaching out for help when needed and generating new ideas on how to do things. While these predictors and others were typically identified in studies of children, these predictors do offer some intriguing possibilities in applying resilience to employees and their leaders.

In this study I sought to determine the factors influencing work engagement of employees among manufacturing and service organizations in and around the industrial town of Pimpri and Chinchwad. Specifically the study aimed to find out factors that determine worker engagement , determine the extent to which the employees are satisfied through their willingness to accept change, take on new tasks when needed, take initiative to help their colleagues, proactively identify future challenges and opportunities, to keep going when the going is tough, adapt to situations, focus on job duties, give their best effort at work each day, involvement in work, get excited about going to work, and have self inspiration about meeting goals at work.

The study will identify the possible correlations among these variables related to worker engagement. It will also highlight the distinct factors related to employee engagement. The findings will be of immense value and benefit to human resource personnel and leadership in organizations to facilitate features in the work environment leading to the adoption of such measures by employees at all levels.

II. STUDY METHODOLOGY

A cross sectional design was used for the study. The target population for the study consisted of personnel working for 2 years and above at various manufacturing and service industries in the industrial township of Pune.The total numerical strength of the judgemental sample was 185 at the time of the study.

In this research, a structured questionnaire, adapted from the SHRM template, a body of Human Resource Management, consisting of 12 items was used as an instrument to collect data. The questions were in sections relating to personal details of respondents, factors influencing worker engagement. The questionnaire was personally administered to respondents for the sake of speed in response. In order to answer research questions related to work engagement, the following items were presented; to which the respondents were guided by a six point Likert Scale (strongly agree to strongly disagree):
Employees in my organization accept change
Employees are willing to take on new tasks
Employees take initiative to help colleagues
Employees proactively identify future changes and opportunities

Employees keep going when the going gets tough
Employees quickly adapt to difficult situations
I am focussed on my job duties
I give my best effort
I am totally involved in my work
I get excited about going to work
I am involved in my work
I am inspired to meet my goals at work

The questionnaire was coded in 5 point Likert scale before the administration to facilitate easy tabulation and analysis.

III. DATA COLLECTION AND ANALYSIS

The researcher assured all respondents of confidentiality. All the questionnaires administered were returned after being fully completed. Initially the item analyses for the 12 items of the employee engagement scale were carried out. The item remainder correlations for all items were satisfactory and statistically significant. The Cronbach Alpha too was quite high at 0.660, which implies the internal consistency of items.

IV. FACTOR ANALYSIS OF THE EMPLOYEE ENGAGEMENT SCALE

In order to understand the structure of the Employee Engagement scale, the factor analysis of this scale was carried out. The correlation matrix was visually scrutinized for its suitability for factor analyses. Bartlett's test of sphericity was also computed which yielded a test statistic of (chi square 280.279,) indicating that the obtained correlation matrix significantly departs from the identity matrix, thus indicating its suitability for factor analysis. Kaiser Meyer Olkin measure of sampling adequacy has also been calculated which turned out to be 0.667

The correlation matrix was subjected to Principal Component Analysis (PCA) and a varimax rotated five factor solution was obtained. The five factor solution was found to be more interpretable and the same is reported in the following Table No 2. Table 1 reports the correlations among the various scales.

TABLE 1: Correlations
Correlations

		chnge	opnns	ini	chlng	red	adapt
chnge	Pearson Correlation	1	.146[*]	.112	.137	.068	.201[**]
	Sig. (2-tailed)		.048	.130	.062	.358	.006
	N	185	185	185	185	185	185
opnns	Pearson Correlation	.146[*]	1	.182[*]	.173[*]	-.067	.309[**]
	Sig. (2-tailed)	.048		.013	.019	.366	.000
	N	185	185	185	185	185	185
ini	Pearson Correlation	.112	.182[*]	1	.047	.025	.222[**]
	Sig. (2-tailed)	.130	.013		.521	.740	.002
	N	185	185	185	185	185	185
chlng	Pearson Correlation	.137	.173[*]	.047	1	.128	-.051
	Sig. (2-tailed)	.062	.019	.521		.082	.488
	N	185	185	185	185	185	185
red	Pearson Correlation	.068	-.067	.025	.128	1	.083
	Sig. (2-tailed)	.358	.366	.740	.082		.261
	N	185	185	185	185	185	185
adapt	Pearson Correlation	.201[**]	.309[**]	.222[**]	-.051	.083	1
	Sig. (2-tailed)	.006	.000	.002	.488	.261	
	N	185	185	185	185	185	185
foc	Pearson Correlation	.059	.166[*]	.093	.155[*]	-.050	.056
	Sig. (2-tailed)	.423	.024	.210	.035	.497	.449
	N	185	185	185	185	185	185
opt	Pearson Correlation	-.078	.098	.068	-.080	.075	.209[**]
	Sig. (2-tailed)	.294	.185	.356	.278	.313	.004
	N	185	185	185	185	185	185
inv	Pearson Correlation	.142	.145[*]	.142	-.015	.057	.238[**]
	Sig. (2-tailed)	.053	.049	.053	.843	.441	.001
	N	185	185	185	185	185	185
exct	Pearson Correlation	.139	.176[*]	.304[**]	.008	.104	.244[**]
	Sig. (2-tailed)	.059	.017	.000	.918	.158	.001

	N	185	185	185	185	185	185
stinv	Pearson Correlation	-.021	.106	.290**	.082	.059	.149*
	Sig. (2-tailed)	.777	.151	.000	.266	.421	.044
	N	185	185	185	185	185	185
slfin	Pearson Correlation	.085	.137	.106	.072	.116	.113
	Sig. (2-tailed)	.248	.063	.152	.328	.117	.126
	N	185	185	185	185	185	185

Correlations

		foc	opt	inv	exct	stinv	slfin
chnge	Pearson Correlation	.059	-.078	.142	.139	-.021	.085
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	N	185	185	185	185	185	185
chlng	Pearson Correlation	.155*	-.080	-.015	.008	.082	.072
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	N	185	185	185	185	185	185
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	Sig. (2-tailed)	.497	.313	.441	.158	.421	.117
	N	185	185	185	185	185	185
adapt	Pearson Correlation	.056	.209**	.238**	.244**	.149*	.113
	Sig. (2-tailed)	.449	.004	.001	.001	.044	.126
	N	185	185	185	185	185	185
foc	Pearson Correlation	1	.291**	.251**	.205**	.278**	.143
	Sig. (2-tailed)		.000	.001	.005	.000	.052
	N	185	185	185	185	185	185
opt	Pearson Correlation	.291**	1	.378**	.247**	.181*	.100
	Sig. (2-tailed)	.000		.000	.001	.014	.177
	N	185	185	185	185	185	185
inv	Pearson Correlation	.251**	.378**	1	.166*	.177*	.290**
	Sig. (2-tailed)	.001	.000		.024	.016	.000
	N	185	185	185	185	185	185
exct	Pearson Correlation	.205**	.247**	.166*	1	.391**	.199**
	Sig. (2-tailed)	.005	.001	.024		.000	.007
	N	185	185	185	185	185	185
stinv	Pearson Correlation	.278**	.181*	.177*	.391**	1	.415**
	Sig. (2-tailed)	.000	.014	.016	.000		.000
	N	185	185	185	185	185	185
slfin	Pearson Correlation	.143	.100	.290**	.199**	.415**	1
	Sig. (2-tailed)	.052	.177	.000	.007	.000	
	N	185	185	185	185	185	185

*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

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TABLE 2
Factor Analysis

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	Component				
	1	2	3	4	5
stinv	.808	.169	-.145	.158	
exct	.665	.163	.208		
ini	.638	-.124	.325	-.104	-.125
slfin	.504	.241		.246	.285
opt	.107	.797		-.163	
inv		.720	.228		.131
foc	.204	.555		.457	-.288
chnge			.672	.227	.204
adapt	.212	.247	.671	-.280	
opnns	.156	.135	.589	.252	-.346
chlng		-.110	.142	.831	

V. FACTOR ANALYSIS

Using 0.35 as cut off point, it is noted that each of the Factors is defined by the following items:

Factor 1: Employee Engagement
11.I feel completely involved in my work(0.80)
10. I get excited about going to work (0.665)
3. Employees in my organization take the initiative to help other employees (0.638)
12. I am inspired to meet my goals at work (0.504)

Factor 2: Commitment
8 I am determined to give my best effort at work each day (0.797)
9. I am so involved in my work that the day goes of very quickly (0. 720)
7. When at work, I am completely focused on my job duties (0.555)

Factor 3: Change
1. Employees in my organization willingly accept change (0.672)
6. In my organization, employees adapt to difficult situations (0.671)
8. I am determined to give my best effort at work (0.589)

Factor 4: Proactiveness
7 When at work, I am completely focused on my job duties (0.457)
1. Employees in my organization willingly accept change (0.831)

Factor 5: Resilience
5. Employees here keep going when the going gets tough (0.863)

VI. DISCUSSION

The research shows that there is a positive correlation between organizational commitment, employee engagement and individual readiness to change. This finding is partly in line with other research that has been done which shows that commitment, identification with an organization loyalty, and employee involvement has positively correlated with individual readiness for change. (Madsen, 2011). The correlations among all the elements related to employee engagement show a positive trend. The factors determined relating to employee engagement distinctly show engagement, commitment, change and readiness to do so, proactiveness and resilience. The above mentioned research studies support the findings of this analysis. These elements are considered commonplace in organizations today, as various research studies indicate. The study has shown that getting higher productivity from the workforce in organizations is possible only with the facilitation of the work environment where the employees feel engaged and treat their organizations as their own. Moreover, these will help to garner their sense of commitment, create a character of openness to change, make them proactive to help and assist colleagues through team work and sharing expertise and ultimately these will build a sense of resilience among the workforce to cope with the volatile changes and complexity so rampant in organizations today.

VII. CONCLUSION

This study will conclude by making some recommendations to the leaders and human resource personnel of organizations working towards people centric environments for building and developing employee engagement, commitment, change and resilience. The policy designers and human resource personnel should create policies and systems to foster s spirit of freedom

and innovation among the workforce, build the culture of team working from cross functional areas to encourage proactive behavior, train members to be open to change in these volatile times and ultimately steel employees for the uncertainty in the future and build their spirit of resilience.

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