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Critical Review of the Factors Affecting Employee Engagement with Emphasis on the Indian IT industry

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ABSTRACT

The research study investigated the different factors that influence employee engagement with focus on the Indian IT industry. Secondary data was used for the study. Literature analysis was done to gather relevant data from credible and authentic sources during the study period. Thematic analysis was done to identify and assess interesting themes, patterns and trends associated with the factors that influence employee engagement. The study was designed to address the research gap identified in the current literature, specifically focusing on the lack of research regarding the factors influencing employee engagement within the Indian IT industry. Based on the study it was seen that the major factors that influence employee engagement in the Indian IT industry are career prospects, compensation, work environment, support of the leadership and empowerment.

Key words: Employee Engagement, Factors, Influence, Indian IT Industry

Introduction

Employee have a major role in an organization in building competencies and functional capabilities that are essential to create a leading edge in the competitive markets. The value created by the firm is proportional to the contributions made by the employee. Alnuaimi (2022) pointed out that only an engaged employee could contribute progressively to the firm and yield rich benefits in line with the organizational goals. Engaged employees often perceive their organization to be their own and take conscious efforts to perform to the potential to attain individual and organizational goals and objectives. According to Pincus (2023), engaged employees were found to have outperformed less engaged employees in multiple organizational settings. This necessitates organizations to identify the factors that can foster employee engagement within the firm and to implement it without fail. Firms need to strategize their initiatives to create an environment that is conducive for employee engagement. As employee engagement is an important consideration across industries including the IT industry due to it linkages to organizational productivity and employee turnover rates, the study was designed to investigate on the factors that influence employee engagement. The study provides insights on the specific factors that influence the employees of the IT industry of India.

Literature Review

Defining employee engagement

Researchers have defined employee engagement from diverse perspectives and so two definitions that appear to be more enticing and were aligned to the research context were selected. Employee engagement is "the employee's active involvement in work and the state of full physiology, cognition, and emotion that accompanies the work engagement, including three dimensions: work engagement, organizational recognition, and sense of work value" (Cha, 2007, p. 63). According to Saks (2006, p. 602) employee engagement is a "different and unique concept which is composed of knowledge, emotion and behavior".

Employee engagement in an organizational framework

Pincus (2023) opined that though employee engagement is purely an individual based perspective, it can bring about remarkable changes at collective levels as well. That is, organizations can imbibe the benefits of employee engagement if they adopt appropriate measures to nurture engaged employees. In agreement with the views of Pincus (2023), Muzeyin et al. (2022) considers that engaged employees take extra efforts to ensure that the organizational goals are attained. Employees remain committed to the organization and they strive hard to elevate their performances in alignment with the organizational objectives.

Employee engagement is considered as a positive state of mind where the employees are motivated to perform to their potential and take conscious effort to attain the goals of the firm (Satata, 2021). This provides the motivation to the employees to remain absorbed and committed to the organizational purposes and they work hard to achieve it with greater perfection and accuracy. As a result of which the quality of the work performed would be relatively high and is beneficial both individually and collectively (Satata, 2021).

Factors affecting employee engagement

Employee engagement is influenced by multifarious factors and the most relevant of them are the conditions available at the work places, attitude of the management, colleagues, reputation of the work place, treatment at work places, opportunities available at work places, pay benefits, empowerment sessions and other related aspects that affect the employee functioning (Chandani et al., 2016). Chandani et al. (2016) reiterated the fact that the employees contribute more to the organization if they are engaged and committed to the organization. According to Yao & Methavasaraphak (2023), factors like growth prospects, pay benefits, satisfaction of the employees, nature of the work place, approach of the leadership are some of the relevant aspects about the work place or work environment that make it conducive for building relationships with the employees. Both Chandani et al. (2016) and Yao & Methavasaraphak (2023) agrees to the fact that the working environment as well as the approaches of leadership appears to be crucial in developing more engaged employees and to bring down employee turnover rates considerably.

Kamble (2020) is of the opinion that the employee's perception about the work place as well as the approach of the employer and top management is found to influence the attitude of the employee towards the organization. It is seen that employees remain attached to the organization and they perform well if they get opportunity to express their ideas and get the recognition they deserves. In unison with the views of Kamble (2020); Nongrum (2020) also claims that the extent of engagement of the employees is dependent on the level of satisfaction the employees have about the work place as well as the job prospects. The attitude of the employers towards the organization and the approaches of the leadership also appears to be an important aspect that influences employee engagement. Employees like to get associated with the work places where they are valued and they get opportunity to grow and communicate effectively. Nevianto et al. (2021) also stressed the fact that employee engagement is reliant on the work environment, attitude of the leadership and considerations towards the employees with regard to compensation and welfare activities.

Factors affecting employee engagement in the Indian IT industry

Ranjan et al. (2021) claims that even though the employees at the IT industry gets carried away by the pay packages, the work environment, approaches of the management and the opportunities for growth are important factors that influence the level of engagement of the employees. The employees feel committed and engaged if they feel that they are valued and due considerations are given to them by creating proper work environment and enhancing their opportunities to growth. Sathyanarayana et al. (2017) considers that building good relationship with the employees is integral to developing and maintaining more committed and engaged employees. These engaged employees would ultimately become more loyal and could result in lesser turnover rates. If the employees have good perception about the organization, they could act as promoters of the employer brand as well.

It was seen that the work policies and the working conditions along with leadership influences, employee welfare, rewards and growth opportunities forms the major motivating factors for the employees of the Indian IT industry (Kaaviyapriya & Xavier, 2020). Based on the studies on the employees in the ICT sector in Kerala, Sabu & Manoj (2020) opined that working conditions, support of the authorities and compensation were found to be important in creating more engaged employees. Similar views were also expressed by Purushothaman and Kaviya (2020). In addition to the factors mentioned by Sabu and Manoj (2020), cooperation of fellow employees was also pointed out in this article.

Observations made by Kumari (2021) showed that career prospects as one of the vital factor that affect the employee engagement in the IT industry employees. So she explored this component alone and its impacts on employee engagement factor. On the other hand, Tiwari & Lenka (2020, p. 251) found out that the communication, "intrapreneurship", "learning environment" and knowledge exchange as the key aspects that have impact on the employee engagement. It was seen that opportunities for career development, proper treatment and recognition of talent, approach and attitude of the leadership and policies, values and practices of the company were considered as the key influential factors (Suhasini & Kalpana, 2018). Ahmad et al. (2018) and George et al. (2021) found that growth prospects, empowerment opportunities, leadership behavior and pay packages had a vital influence on the employees.

Research Gap

Literature analysis of the relevant research in the context of the study revealed numerous studies associated with the factors affecting employee engagement. But there appear very limited studies about the factors that influence the employees in the IT industry of India. Identifying the research gap, the study investigated the factors that influenced employee engagement in the Indian IT industry.

Research Aim

The main aim of the research is to explore the different factors affecting the employee engagement with focus on the Indian IT industry.

Research Question

What are the different factors that are affecting employee engagement with focus on the Indian IT industry?

Research Objectives

The objectives of the study are,

- To understand the concept of employee engagement

- To assess the various factors that influence employee engagement

- To evaluate the different factors that influence employee engagement with focus on the Indian IT industry

Research Methodology

The research study is purely based on the qualitative research principles. Only secondary data from relevant sources that are appropriate in the research context are selected for the study. Secondary data that were relevant to the research context were collected from research articles, journals, books and other credible sources published during the selected period of study. Literature Analysis was used for the study. Literature Analysis is considered as an effective method to investigate on the specific phenomena and gain deeper insights on it (Williams et al, 2021). Thematic analytical method was applied as it helps in identifying and assessing interesting themes, patterns and trends associated with the topic investigated.

For the study about ten research articles that were published during the period from 2016 to 2023 and were found to be relevant to the investigation on the factors affecting employee engagement in the IT industry of India were selected. The themes and patterns were identified form these credible sources. Though there were more articles on the topic only ten articles that were found to be highly aligned to the research objectives were selected for the study. The key words used for the searches were "Employee Engagement", "IT Industry" "Factors", "India". Only those articles that had all the four keywords were only selected for the study.

Data analysis

About 10 articles from 2016 to 2023, which were found to be relevant to the research context based on the key theme, factors influencing employee engagement in the Indian IT industry were assessed and the various themes and patterns identified are discussed in the table (1).

Table 1. Thematic analysis of the literature

S. No.	Article title	Author and year	Themes / Patterns identified
1.	A study of factors influencing employee engagement among Information Technology employees.	Ranjan, Pandya & Ahuja (2021)	• Work environment • Approaches of the management • Opportunities for growth
2.	Determinants of employee engagement in Indian IT sector.	Sathyanarayana, Gargesa, & Bellave (2017)	• Building good relationship with employees • Work environment where employees can express their opinion freely • Recognition and rewards
3.	A study about the factors affecting employee engagement and its outcomes.	Kaaviyapriya & Xavier (2020)	• Employee friendly work policies and working conditions • Leadership influences • Employee welfare and pay benefits • Opportunities
4	The effect of employee desire and employee engagement on organizational performance: Evidence from ICT sector in Kerala, India.	Sabu & Manoj (2020)	• Working conditions • Support from the authorities • Employee benefits and welfare

| 5	A study on employee engagement in an IT Company.	Purushothaman & Kaviya (2020)	• Working conditions • Support from the authorities • Employee benefits and welfare • Cooperation of colleagues
6.	Effect of career determinants on employee engagement in the Indian IT sector: Gender as a moderator.	Kumari (2021)	• Career prospects
7.	Employee engagement: A study of survivors in Indian IT/ITES sector.	Tiwari & Lenka (2020)	• Proper communication • Intrapreneurship • Knowledge exchange • Learning environment
8.	A Study on Factors Affecting Employee Engagement in Indian IT Industry	Suhasini & Kalpana (2018)	• Career development opportunities • Proper treatment and recognition of talent • Approach and attitude of the leadership • Policies, values and practices of the company
9.	Driving performance and retention through employee engagement.	Ahmad, Kumar & Rafi (2018).	• Empowerment • Growth prospects • Pay packages • Leadership behavior
10.	The impact of employee engagement and work culture on the productivity of employees in the IT industry in India.	George, Suppramaniam & Arumugam (2021).	• Trainings • Scope for growth • Compensation • Leadership styles
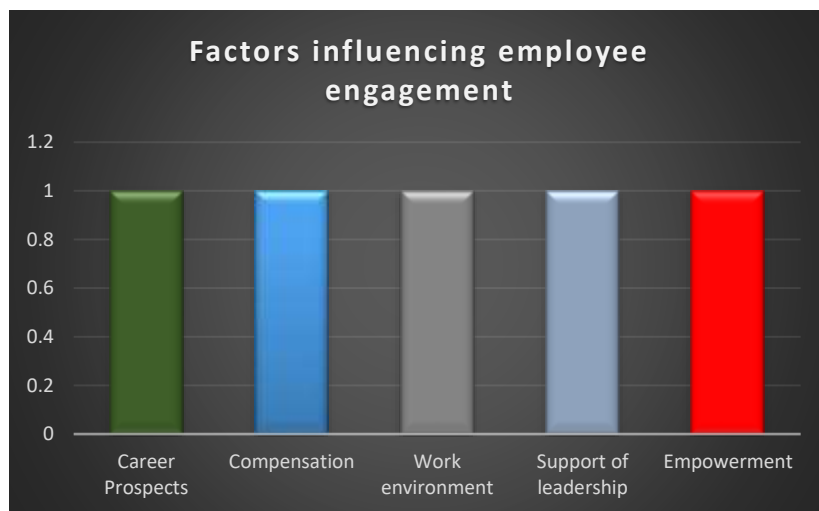
Figure 1. Major factors influencing employee engagement

Based on the assessment of the factors influencing employee engagement in the IT industry of India it was seen that career prospects, compensation, work environment, support of the leadership and empowerment had major impacts on the employee (Fig 1).

Results and findings

The research study showed that employee engagement is an important concept that needs to be considered across industries as engaged employees add value and have considerable influence on the organizational productivity. Employee engagement is considered as an important aspect that build competency and has a major role in today's highly competitive environment. Satata (2021) considers that engaged employees are highly beneficial to the organization especially with regard to attaining organizational goals as well as in retaining talent. Engaged employees were found to consider the organization as their own and would take progressive steps to perform to their potential and contribute considerably to the organizational productivity.

Studies showed that there are certain key factors that foster employee engagement across industries. Organizations need to strategies their initiatives to nurture these qualities in view to develop more engaged employees. There are no major variations in the factors that influences employee engagement in IT industry of India in relation to other industries. It was seen that career prospects, compensation, work environment, support of the leadership and empowerment had major impacts on the employee engagement in the IT industry of India. It was seen that all the researchers except Tiwari & Lenka (2020) considered one or more of these factors relevant for enhancing employee engagement. While on the other hand, Tiwari & Lenka (2020) claimed that communication, "intrapreneurship", "learning environment" and knowledge exchange as the key factors to influence employee engagement.

Conclusion

The research study investigated the different factors affecting the employee engagement with focus on the Indian IT industry and it was seen that career prospects, compensation, work environment, support of the leadership and empowerment had major impacts on the employee engagement. The study also reiterated the fact that the concept of employee engagement has a crucial role in organizations across industries including the IT industry of India as it add value and competencies at organizational levels. So it is important for organizations to adopt appropriate strategies to nurture employee engagement.

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