

Relationship between Employee Engagement and Organizational Commitment A Qualitative Analysis

Dr. Anuradha Chavali, T. Thirumal Reddy

1 Asst. Professor Vignan Institute of Technology and Science

2 Asst. Professor Siva Sivani Institute of Management

Abstract:

With the dawn of technological progression, the Telecom Sector in India has been reckoned to be the fastest evolving one, thanks to the onset of the forces of globalization and liberalization. The telecommunications industry in India ranks among the world as the third largest network, not to forget that it is positioned to be the second in Asia. There is an ever increasing competition attributed to lessened tariffs as well as procedural liberalization, thus attracting new entrants. All this has led to a prolific price based battle for elevating the success figures. All this has eventually hit the players hard because of downward drift of revenues. One of the after effect of this has been the high rate of attrition among the employees working in telecom industry.

And one of the determinant for cutting across this competition is the existence of highly engaged and committed workforce (Agarwal and Bhargava, 2013). With the proliferation of organizations that are more knowledge intensive, a lot of importance has been attributed to the human resources that bring about a fit between the internal and external environment of the organization and contribute to development and sustainability (Arokiasamy, 2009). Since, people are the vital assets of any organization, as is the case with the telecom sector as well, there is a need for continued improved of the same in terms of knowledge and skills and more importantly the psychological attachment with the organisation (Rastogi, 2013). Contrary to this proposition, disengaged employees lack commitment and thus there is a rise in the rate of attrition, lowered productivity, more number of accident and wastages all of them attributing to cost diseconomies (Abidin et al; 2010).

The research paper in question tries to probe into the association between employee engagement and the various dimensions of commitment like commitment towards the profession, commitment towards the team and that towards the organization that they work for so as to understand if it can provide any solution to employee turnover in telecom sector. The study makes use of a multi-method research design. Initially about 300 employees of different firms in telecom sector in Telangana were surveyed. Then a smaller sample suitable for this purpose was drawn. Employees working in the Telecom Industry from Telangana at various capacities were interviewed to find out the determinants of engagement and its relationship with commitment and its type. Similarly focused group discussions were carried out to have further clarity on the problem in question. A special mention needs to be made about the exit interview data that was used for better understanding. Upon transcribing the responses obtained, what was found was a profound influence of demographic factors like gender, marital status and organizational factors like continued experience in the same organization on their level of engagement. Surprisingly, no correlation could be established between the level of functioning and the engagement and commitment of any kind towards the organization. Further, the research findings demonstrate link between engagement and commitment in a positive direction.

Keywords: Engagement Levels, Dimensions of Commitment, Telecom Industry, Sustainability, Organization Behavior

Introduction

There has been a massive growth in the telecommunications industry in the recent years and all the credit goes to the paradigm shift in the profile of the customers, nature of business, political steadiness. There has been an enormous growth in the number of telephone subscribers (TRAI Report- Quarter ending

March'2019). But a detailed analysis of the reports indicate that one of the alarming concerns pertaining to telecom industry in India has been the increase in employee turnover and horizontal shifts among the players, that pose a number of sustainability questions for the economy. There has been a change in the mindsets of the workforce in the recent times, with telecom employees being no exception. Employees not only look for a source of livelihood but also look forward to have a platform that would facilitate in providing them with the much needed opportunity to take the initiative to put their innate potential to work to the best of their individual and organizational interests and to have good formal as well as informal system in the organization that would satisfy their higher order as well as social needs (Schaufeli et al., 2002).

Literature Review

In order to sail through the sea of competition, it is very important to retain the existing employees and introduce interventions that would improve the engagement levels in the organization (Richman, 2006). The engagement gaps in the organization leads to attrition and decreased productivity (Kowalski, 2003)

Recent works on Engagement and Commitment

Engagement:

Bhatnagar,2007	High Engagement levels leads to higher retention
Srivatsava, 2008	Talent management improves productivity
Swarnalatha and Prasanna,2010	Engaged employees are committed employees
Walter et al., 2010	Correlation between engagement and commitment
Mani, 2011	Engagement leads to success of business
Abraham, 2012	Link between organization factors and engagement
Biswas et al; 2013	Organizational support and engagement
Bedarkar and Pandita, 2014	Engagement and Worklife balance
Popli and Rizvi, 2015	Engagement and Leadership
Ghosh et.al., 2016	Engagement and Turnover
Devendhiran et al.,2017	Engagement and Spirituality
Sahu et al., 2018	Transformational Changes and Engagement

Commitment:

Fisher, R., Boyle, M.V. Fulop, L.(2010)	Demographic factors and commitment
Filstad, C., 2011	Socialisation and commitment
Sowmya, K.R. &Panchanatham.N, 2011	Determinants of commitment
Koslowsky.M;Weisberg.J;Yanif.E and Speiser.Z, 2012	Commitment and rate of attrition
Cohen.A; Abedallah.A, 2013	Commitment and Work-life balance
Albdour.A;Altarawneh.I, 2014	Link between engagement and commitment
Yousaf..A; Sanders.K.; Abbas, 2015	Attrition and commitment
Bashir.N; Long.C.S, 2015	HR practices and commitment
Jernigan.E; Beggs.J.M; Kohut.G.F, 2016	Work environment and commitment
C.M.J. Buela; RajyaLakshmi.V.R, 2017	Commitment and Motivation

Research Design:

Objective:

To find out the relationship between employee and engagement and organizational commitment and its effect on turnover intentions of the employees of Telecom Industry

Hypothesis:

H1: There exists a positive relationship between the demographic and organizational factors and engagement and commitment

H2: There is a positive association between engagement and commitment

H3: High engagement leads to commitment and reduces attrition

Findings and Discussion

The data was collected religiously from the employees of different firms in telecom sector in Hyderabad and an analysis of the same was done as and when it has been collected so as to gain an insight into the elements that we have been working on (DiCicco-Bloom and Crabtree, 2006). Added to it, it is believed to be an unremitting process that continues till we reach at a deadlock, preventing further classification. The study in question has arrived at this juncture after conducting 26 interviews. At the end of 26th interview, it was found that no novel elements were come across worth contributing to the study.

There was a detailed transcription of the data so collected in the interview. All the common parameters were enumerated and grouped together. These were later considered as the parameters for addressing the problem statement in question as has been discussed earlier.

The researcher after interviewing the respondent about what reasons can be attributed to their commitment towards the organization, found that for most of them, their commitment came from their innate belief that they carry a responsibility not only towards their organization but also towards the society at large as they contribute to the economic growth and well-being. The moral obligation of the employees includes not only achieving organizational goals but also towards sector-wise economic development. What was surprising was that some employees had very strong bond with their coworkers with which they had strong formal as well as informal relationships. They were more inclined at maintaining the group cohesiveness, thereby exhibiting common patterns in work-place behavior. Upon close observation and after spending long hours in interviewing the employees, it has been found by the researcher that some of the employees were inclined towards the organization because of the work-life balance initiatives provided to them as well as providing them with the necessary autonomy to carry out their task to the best of their potential and providing for a safe, equitable and employee friendly work culture that not only helps satisfying the psychological needs but also provides for growth and development opportunities.

Given below illustrate the responses from the employees:

"It gives me immense pride in being associated with the organization as it satisfies my needs in terms of providing with the organizational support that I expect for my individual growth and helps me to get a satisfaction of contributing to the economic growth."

"I consider it to be my responsibility to do my bit to contribute towards the economic growth of the country and pave way for a better India"

"When I am with my workgroup, it satisfies my need for relatedness and belongingness for the team I am associated with and provides me with a sense of psychological satisfaction"

"There is a need for progressive development of all the sectors of the economy with telecom sector being no exception and I feel it is my responsibility to work towards that to the best of my abilities and opportunities"

In one of their studies, O'Reilly and Chatman, 1986, asserted that commitment is psychological construct

including both a mental as well as emotional orientation and attachment in line with the objectives of the organization and harnessing their loyalties towards the growth of the organization. Further, Meyer and Allen, 1997 put forth the opinion that commitment is mostly voluntary and it is the innate urge within the individual that forces him towards contribution for the organization. All this clearly indicate that many of the employees had the honest inclination of discharging their responsibility towards the organizational goals and thereby contributing to the growth of economy as well. A good number of the employees were of the opinion that provisions for helping them improving their educational as well as professional credentials will help them to upgrade themselves with the technological changes and would enhance their technical and behavioral skills as well. They themselves strive to walk that extra distance to bridge the gap between theory and practice by better industry-institution interaction. Similarly it is also evident from their responses that they were not only committed towards their organization and profession in general but also towards their workgroup.

All these revelations are in line with the results of the studies carried out by Bashir and Ramay, 2015 and those by Ashraf et al., 2012. All this calls for affirmation of the fact that the commitment of the employees in any organization can be measured from three dimensions: that is commitment towards the occupation, team and organization at large. The same can be tested empirically in further studies.

In addition, the researcher tried to know the influence of leadership, rewards and recognition, growth avenues, conducive work environment etc. on engagement levels in the organization.

When the respondents were asked about it, there came mixed responses from them like:

"More than financial support we look forward for cooperation and facilitation in the organization".

"Whenever our efforts are recognized and awarded, it motivates us to perform better".

"The support that is provided by the management and staff helps us to achieve our objectives in line with the objectives of the organisation".

"My innate norm of being loyal to my employer coupled with my passion towards my job takes me a long way to have high degree of engagement in the organization".

"It is my sense of moral obligation towards the society and the nation that I have high engagement levels in the organization".

All these statements clearly indicate that factors like supportive leadership, work-life balance strategies, good communication and feedback mechanism, opportunities for growth, recognition, financial and non-financial benefits, conducive work environment have some relationship with the extent of engagement of the employees in the organization. These determinants needed to be tested empirically. The same has been reported by Kahn, 1990 where he found that engagement is a function of peoples' perception of the benefits that they receive from their job role. Similarly, it is concluded by Mason, 2001 that recognition of the efforts of the employees lead to willingness to take challenges and innovativeness among the employees. Only meeting the financial needs is not sufficient to engage people in the organization (Stone et al., 2010). It is equally important that there is a good organization culture that fosters supportive leadership by the superiors which will inturn improve engagement (Maslach et al., 2001). Good academic environment will contribute to excellence and elevate engagement (Kataria et al., 2013 and Schaufeli, 2007 and Salanova, 2006)

In order to understand the relationship between gender and engagement, the respondents were asked about their perception about the same and this generated such responses:

"We have never come across gender discrimination in the organization and there are equal opportunities for

men and women alike”.

“Engagement in our organization has more to do with technology, knowledge transfer and hence it is not gender that influences engagement in the organization”.

These responses were consistent with the findings of Gladies J and Kennedy V, 2013.

In order to probe into the influence of age on engagement, some questions were asked to which the respondents provided mottled answers as mentioned below:

“In any profession, there is an acquisition of knowledge over a period of time, so is in this sector”.

“With age, the employee tends to attain some sort of intellectual and emotional equilibrium that affects his engagement in the organization”.

“ As age progress, there is a elevation in the level of functioning as well. This leads to job enrichment and adds to improved levels of engagement in the organization.

An examination of these responses clearly indicate that one needs to quantitatively measure the correlation between age and engagement levels in the organization. Gladies J and Kennedy V, 2013 in their study took age as a control variable which showed that it has an influence on teacher engagement. Hence this needs further investigation.

In order to find out the association between their affiliation with the current organization and their engagement levels therein, following were some of the responses:

“ It is the kind of experience that determines the performance and productivity. More number of years in the same organization would add to improvement in productivity and provide cost economies”.

“ It is not only experience but it is more of value addition in terms of enrichment of working knowledge and improvement in educational and professional credentials that puts an extra impetus on engagement”.

“More are the number of years spent with the organization, there is a sort of comfort zone that is created and an emotional attachment that leads to compel us to be more engaged and committed”.

As is evident from this discussion, as they put on more number of years in the same organization, the employees become familiar with the practices in the organization and somehow tend to adopt to the existing systems and procedures thus elevating their engagement levels as well. Experience in the current organization can thus considered as one of the vital factors that can be put to empirical validation in the future studies on employee engagement and commitment.

It has been found out that the employees exhibited mixed responses on the question as to the level of their functioning in the organization and its effect on their engagement levels as they rendered the following responses:

“The level at which we function, speak about the kind of experiences that we have in the organizational life”

“I do not find any discrimination based on the levels of functioning. We all are provided with access to the information that is necessary for performing our tasks and are given equal opportunities for growth and development as deemed fit”.

“When we work at higher capacities, we have access to diverse information with regards to the administrative issues in the organization and those at the lower levels tend to have more information about the operational issues.”

Gladies J. and Kennedy V, 2013 in their work, asserted that the level at which one functions in the organization has a positive impact on engagement of employees. Thus, this determinant can be further validated by empirical research.

Conclusion:

The research study in question reconnoiters the liaison between the engagement of employees working in telecom sector with their commitment towards their occupation, team and organization. In this study, the engagement of the employees that has been taken as an independent variable and the commitment in line with the occupation, team and organization that have been taken as dependent variables have been analyzed qualitatively and validated by the existing literature in this arena to trace the interdependency between them if any and the solution that it provides to the problem of employee turnover in the telecom sector in the state of Telangana. As is evident from the findings of this study, there is an insightful link between the factors like gender, marital status and the experience on the job with the level of engagement of the employees. But an interesting point found here is that the cadre in which the employee is working has no bearing with either engagement or commitment of any kind. Added to it, the study establishes that there is a positive correlation between employee engagement and commitment. This study reiterates the fact that the number of female employees in telecom industry is relatively less as compared to engineers of other branches. To reduce the divide further, there should not be discrimination on the basis of gender in the telecom industry. In order to elevate women participation, the workplace needs to be more women safe and women friendly on one hand and fair and equitable on the other. This would not only attract more women to this stream but will also improve the commitment levels in the organization. Employee empowerment in the form of freedom of decision making would provide the much needed solution to the problem of heightened attrition among telecom employees and would provide them a platform for showcasing their latent innate potential that would provide the impetus to work towards achieving their self-actualisation need and at the same time contributing towards the organizational goals. It has been found that ignoring the importance of experience can be detrimental for an organization. Experienced people are an asset to the organization and should be given the role of mentoring and motivating the younger staff members. This study facilitates determining the engagement strategies for improving the commitment of the employees and thereby reducing employee turnover.

Managerial Implications:

The research paper tries to address the rate of attrition of employees in telecom sector by identifying the various dimensions of commitment and making a review of the studies in this direction. This research work gives the telecom industry an answer to their problems of economic growth and sustainability by improving productivity on one hand and improving commitment on the other hand. The study in question would facilitate managerial decision making in the organizations and would help in formulation of engagement models and interventions that would provide meaningfulness to the job and would improve the employee engagement levels on the job thereby making them passionate towards their occupation and enable them to take pride in being a part of their organization. This study would provide treasured inputs to the engineering education in India for improving the curriculum and content of telecommunication engineering in a way that would provide judicious mix allude to assortment of information, technological expertise, innovation and creativity so as to tailor fit it to the requirements of the corporate world.

Limitations and Scope for Future Research:

The scope of this study is confined to the engagement and commitment of the employees working in telecom sectors only. However, this can be extended to engineers working in other functional areas as well as in cross functional areas in manufacturing and service sector. Care has been taken to incorporate employees from different telecom companies across Telangana State. The sample size has been restricted to employees of different age groups working at various capacities in different firms. As an extension to it, studies can be carried out with larger sample size covering other states in India. The researcher has made an attempt to study commitment in line with commitment towards the profession, team and towards the organization. But, there is a need to study commitment along other dimensions along with the measurement of employee engagement as well in further research. Though it is evident that attrition rate in telecom industry is very high, yet very little has been done in this direction. Future studies should concentrate on the linkages between job satisfaction and commitment of telecom employees in line with the engagement interventions administered in the companies. New engagement models that would measure the effectiveness of engagement interventions in improving the retention of employees need to be developed and validated empirically. Similarly, there is a need for future studies that try to correlate turnover intentions with stress and burnout.

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34. The primary areas of concern for the telecom sector is the spiraling attrition rate that is currently hovering around the 25% mark. Employee turnover (ET)

is often utilized as an indicator of corporate performance and can easily be observed negatively towards the organizations efficiency & effectiveness. Talent shortages, high levels of mobility are thus key challenges in the telecom industry. Employee engagement is thus today a leading agenda and top priority for telecom companies in India. "In a world that is changing both in terms of the global nature of work and the diversity of the workforce, engaged employees may be a key to competitive advantage." Companies that understand the conditions that enhance employee engagement will have accomplished something that competitors will find very difficult to imitate. In fast-changing environments, it becomes all the more difficult to precisely specify roles and responsibilities. To the extent that employees are likely to be faced more frequently with unanticipated and ambiguous decision-making situations, organizations must increasingly count on employees to act in ways that are consistent with organizational objectives. In addition, many employees are looking for environments where they can be engaged and feel that they are contributing in a positive way to something larger

The Indian telecom industry has witnessed tremendous growth in the last 10 years due to the liberal policies of the government and the extensive need for communication. The conducive business environment, favorable demographic outlook and the political stability enjoyed by the country have contributed to the growth of the industry. The number of telephone subscribers in India increased from 787.28 million in December 2010 to 846.32 million at the end of March 2011. This amounts to a sequential growth of 7.50% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 36.22% over the same quarter of last year. The overall Teledensity in India has reached 70.89 as on 31st March 2011. Subscription in Urban Areas grew from 527.50 million at the end of Dec-10 to 564.08 million at the end of Mar-11, taking the Urban Teledensity from 147.88 to 157.32. Rural subscription increased from

259.78 million to 282.23 million, and the Rural Teledensity increased from 31.18 to 33.79. The share of rural subscribers has increased to 33.35% in the total subscription from 33% at the end of December 2010.

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RESEARCH PROBLEM

The telecom industry in India (as well as global) outlook has been diminishing over the last one year, after being in the lime light over a decade. The high capital expenses due to spectrum license fees, 3G service launch, higher number of players and the resultant price wars and lower revenues per customers have all contributed to this decline.

The Average Revenue per User (ARPU) for GSM service declined by 4.52%, from INR 105 in the quarter ending December 2010 to INR 100 in QE Mar-11, with Y-O-Y decrease of 23.7%. 10. This corresponds in a drop in Minutes of Use (MOU) MOU per subscriber for GSM as well as CDMA services. The ARPU for CDMA service declined by 3.79%, from INR 68 in quarter ending December 2010 to INR 66 in the quarter ending march 2011. ARPU for CDMA has declined by 13.81% on Y-O-Y basis. The access service, which has been steadily growing, has contributed 74.87% of the total revenue of telecom services. This has also been due to the increase in license fees for these services. The table 1 below provides a current snapshot of the Indian Telecom Industr

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