

Key Dimensions of Employee Engagement A Study on Hyderabad Organized Retailing

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Abstract

Purpose – The paper is an attempt to measure the level of employee engagement in organized retail sector in Hyderabad. Also, to study the variation of employee engagement with the change in key dimensions such as work and personal life, stress and training.

Design/Methodology/Approach – The study is adopted structured questionnaire to collect the primary data. Gallup questionnaire is used to measure the level of employee engagement in organized retail sector in Hyderabad. Non-probability sampling is used for selecting the retail employees for the data collection. Correlation, Multiple Regression and Analysis of Variance are applied through SPSS and Excel.

Findings – Organized retail employees are able to balance work and personal life at 75.2% level and able to manage stress at 79.4% level. Retail stores are able to impart 78.4% in terms of skills-set which are required to do the job. Male employees are more engaged than female employees in the sector. The present level of employee engagement is 79.30% in Hyderabad organized retail sector. Work and personal life, stress and training are positively correlated with the employee engagement and statistically significant at one tail test.

Practical Implications – The study can help to understand how employee engagement varies with the change of key dimensions and present level of engagement. So that retail companies can focus on the key dimensions to improve the engagement level in enhancing customer satisfaction.

Originality/Value – This research paper tries to measure the level of employee engagement in Hyderabad organized retail sector. It explains the variation of employee engagement with work-life balance, stress and training and its impact on employee engagement.

Keywords – Organized retailing, employee engagement, Training, Work-life Balance, Stress.

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1. Introduction

India is undergoing sea changes in the organized retail scenario. The Indian retail has experienced high growth over the last decade with a noticeable shift towards organized retailing formats. Here, it is noteworthy that the retail sector of India contributes about 15% to the national GDP, and it is a second largest employer, next only to agriculture sector. AT Kearney (a globally famous international management consultancy) recognized India as the second most alluring and thriving retail destination of the world, among other thirty growing and emerging markets. The ongoing changes i.e., Foreign Direct Investment (FDI) in retail, especially allowing 100% FDI in single brand and multi-brand is making it the most happening sector in the Indian economy.

2. Literature Review and Significance of the study

History records that about 2300 years ago, Alexander (356BC-323BC) was able to march ahead and conquer unknown lands by battling for years across continents, miles away from home, because he had an engaged army that was willing to abide by its commander. He is known to have the engaged workforce that he spent face time with his men, listening and addressing grievance, ensuring on time payment of salary, dressing like the rest of his army and most importantly by leading from front. More recently, in World War II, American funded a lot of money for researching the behavior of its soldiers to be able to predict their battle readiness. History is dotted with examples of leaders who have led their men by building a psychological commitment between their men and their ideology to achieve greatness. In this psychological contract lies the root of today's employee engagement theories propounded by organizations.

According to Schmidt (1993), employee engagement is a modernized version of job satisfaction and it is a part of employee retention. Various consultancy companies and writers gave their opinion on engagement in many ways and few among which gives meaning to the today's retail environment engagement process. According to Harter (2002), engagement is an element of broader category of ideas known as well-being at work, which embraces emotional and cognitive elements. He views engagement as a driver of intermediate outcomes such as job satisfaction, commitment, fulfillment, caring and positive behaviors. Tower Perrin(2003) points out that engagement is an invoking emotion and rational factors relating to work and the overall experience of work: emotional factors are linked with 'staff satisfaction , a sense of inspiration and the affirmation they get from their work and from being part of the organization'. Rational factors relate to people's understanding of their job, the unit for which they work and how their performance relates to business performance. Training employees, especially those in the retail sector, can be a challenging task for companies. Due to the busy nature of retail, it is difficult to find time to train new employees, whether it is in the classroom or on the sales floor. As Obarski (2006) points out, "the average retail company spends less than \$100 per year per employee on training." This is a daunting fact that many retailers must realize and address. According to previous studies, work-life balance remains a priority for employees

despite the current economic climate. Working long hours is quite common for employees in retailing. So, balancing work and personal life is quite challenging task for retail employees and it leads to stress. Hence, it is inevitable to address these problems in the growing organized retail sector.

3. Objectives of the study

- To measure the level of employee engagement in organized retail sector
- To study the variation of employee engagement with the change of work and personal life, stress and training

4. Hypotheses

- H1: There is a significant correlation between Employee Engagement and Work Life in Organized Retail Sector in Hyderabad
- H2: There is a significant correlation between Employee Engagement and Training in Organized Retail Sector in Hyderabad
- H3: There is a significant correlation between Employee Engagement and Stress in Organized Retail Sector in Hyderabad
- H4: There is a significant impact of Work and Personal Life, Stress and Training on Employee Engagement in Hyderabad Organized Retail Sector.

5. Methodology

To fulfill the objectives of the study, primary data is collected from 86 employees of organized retail stores in Hyderabad by administering the structured questionnaire. The employees are selected by adopting the non-probability sampling technique. Majority of the respondents constitutes working employees of various retail stores in Inorbit mall, Hyderabad. Engagement, Work and personal life, training and stress related questions are included in the questionnaire by adopting Linkert 5 point scale (1-Strongly Disagree to 5-Strongly Agree). The secondary data is collected from various refereed journals. Gallup Questionnaire model is adopted to measure the level of employee engagement. Maximum score 60 (12x5) is assigned for calculating the level of employee engagement. Correlation, Multiple Regression and Analysis of Variance are using SPSS.

6. Results and Discussions

Table 1 represents respondents' age and gender classification. It also represents the mean values of employee engagement, work and personal life, stress and training based on the age group and gender classification. As per the finding, 31.4% and 52.33% of the respondents are in the age groups of less than 20 and 21 to 30 years respectively. It means 83.73% of the employees are less than 30 years. It implies that the industry employees are dominated by youth. Also, it can be

observed that 54.7% and 45.3% of respondents are female and male respondents. So, female employees are more in the industry according to the study.

Table 1: Cross Tabulation

Age Group (Years)	Gender		Employee Engagement	Work Life	Work Stress	Training
Less than 20	Male	2	37.5	2	4	3.5
	Female	25	44.04	3.64	4.04	3.68
21 to 30	Male	29	49.59	4	3.9	4
	Female	16	45.25	3.81	4.13	3.93
31 to 40	Male	5	39.2	2.8	3	3.2
	Female	4	41.75	4	3.5	3.5
40 to 50	Male	3	45.67	4.33	4	4
	Female	2	50	4	3	4.5

A. Correlation Analysis

Table 2 shows the mean, standard deviation and inter-correlation of the variables. The standard deviation clearly shows employees do not differ in their engagement levels, work and personal life, training and stress significantly. The findings from the study reflect that variables are positively correlated with each other. Firstly, work and personal life is correlated with employee engagement ($r = 0.317, p < 0.01$) providing the support for H1. Thus, it implies that balancing of work and personal life will result in improving their engagement levels. Secondly, it can be observed that stress is correlated with employee engagement ($r = 0.309, p < 0.01$). Therefore, it supports H3 and makes clear that stress influences for employee engagement. Thirdly, it can also observed that training is also correlated with employee engagement ($r = 0.369, p < 0.01$). Thus it supports H2 and makes it clear that training programs are very important and necessary for the improvement of employee engagement.

Table 2: Correlations^a

		Employee Engagement	Work Life	Work Stress	Training
Employee Engagement	Mean	47.5814	3.7558	3.9651	3.9186
	Std. Deviation	5.8741	0.96937	0.87377	0.96058
	Pearson Correlation	1	.317**	.309**	.369**
	Sig. (1-tailed)		0.001	0.002	0
	Sum of Squares and Cross-products	2932.93	153.209	134.744	177.07
	Covariance	34.505	1.802	1.585	2.083

** . Correlation is significant at the 0.01 level (1-tailed).

B. Regression Analysis

The Regression Analysis is performed to explain the amount of variation between employee engagement and the variables under the study. Using the step-wise regression analysis the following five models are obtained. In order to test the study hypothesis employee engagement is regressed simultaneously on work life, stress and training. As the results from table 3 indicate that work life, stress and training gives significant amount of variation in employee engagement and it supports H4. The variation is explained with the help of the regression equations given below and it is shown in the figure 1, 2, 3 and 4.

Model 1

$$\text{Employee Engagement} = 47.57581 + 0.001486 (\text{Work and Personal Life})$$

Model 2

$$\text{Employee Engagement} = 47.57521 + 0.001577 (\text{Training})$$

Model 3

$$\text{Employee Engagement} = 39.3485 + 2.07633 (\text{Stress})$$

Model 4

$$\text{Employee Engagement} = 38.73038 + 0.001261 (\text{Work and Personal life}) + 2.257507 (\text{Training})$$

Model 5

$$\text{Employee Engagement} = 47.30262 - 0.00015 (\text{Work and Personal Life}) + 0.030574 (\text{Training}) + 0.040231 (\text{Stress})$$

Table 3: Impact of key dimensions on Employee Engagement - ANOVA^b

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	692.476	3	230.825	8.448	.000 ^a
	Residual	2240.454	82	27.323		
	Total	2932.930	85			

- a. Predictors: (Constant), Work Stress, Training, Work and Personal life; Dependent Variable: Employee Engagment.

7. Findings of the Study

- Organized retail employees are able to balance work and personal life at 75.2% level and able to manage stress at 79.4% level.

- Organized Retail employees are imparted training (Skill-set) at the level of 78.4%.
- Male employees are more engaged than female employees in the sector.
- The present level of employee engagement is 79.30% in Hyderabad organized retail sector.
- Work and personal life, stress and training are positively correlated with the employee engagement and statistically significant at one tail test.
- There is no significant difference of work-life balance and stress between gender and age group.
- There is a significant difference of skills-set by training between age groups.
- The variation of employee engagement with work life, stress and training is highly significant.

Conclusions

The study reveals that the organized retail employees are moderately engaged i.e., at 79.30% in Hyderabad. The analysis of variance and regression proved that there is a highly significant variation of employee engagement with work-life balance, stress and training. Hence, there is a significant impact of key dimensions on employee engagement.

Appendix

Figure 1

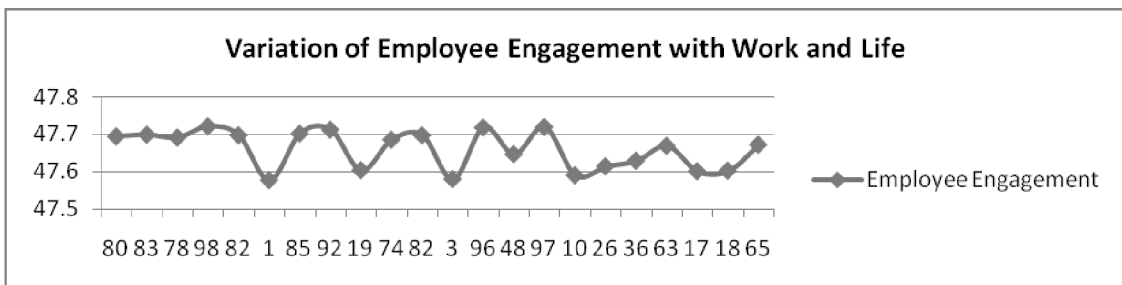


Figure 2

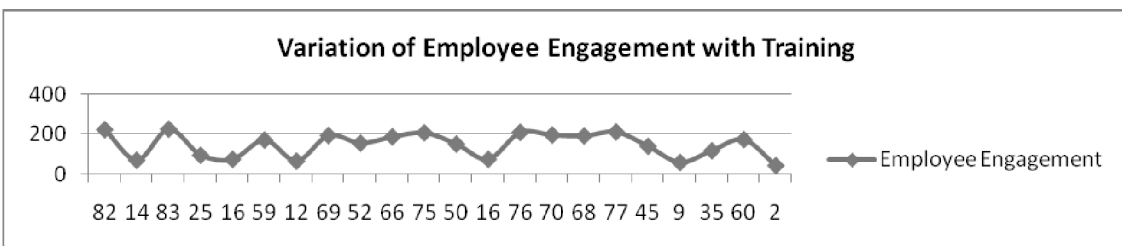


Figure 3

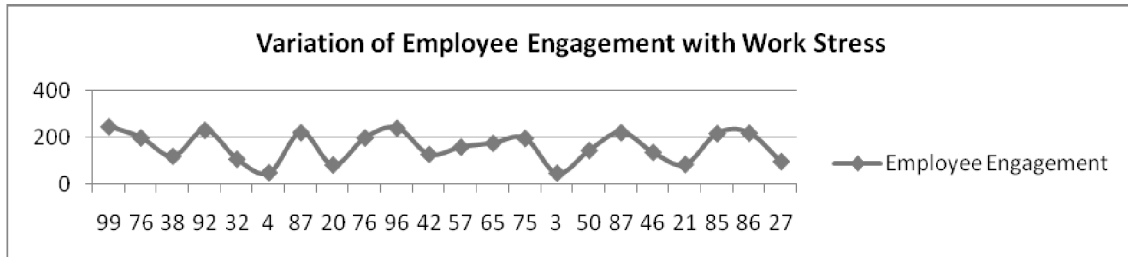
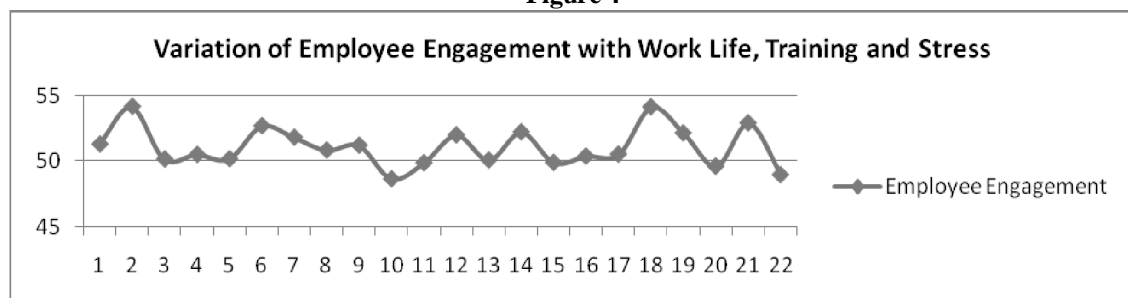


Figure 4



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