

Factors Influencing Employees Engagement in Small Scale Industries in Kanyakumari Economy

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Abstract - Employee engagement is increasingly viewed as one component in measuring the health of an organization, along with the traditional measures of sales, income, cash flow and customer satisfaction. Although numerous studies have revealed the importance of employee engagement, the number of employees who are actively engaged in their work is relatively low. The study mainly based on primary and secondary data. The study followed stratified random sampling design. The total sample size was fixed at 300. Further, Mean Percentages, Standard deviation and Chi-Square test analysis were used to analyze and interpret the data.

Index Terms - Employees Engagement and Factors influencing and Small-Scale Industries.

1.INTRODUCTION

Engaged employees are not naturally born but can be developed by organizational support and practices. Engagement is not an event; rather it is a process and needs to be managed in a systematic way. Employee engagement strategies enable people to be the best they can at work, recognizing that this can only happen if they feel respected, involved, heard, well led and valued by those they work for and with. Engaged employees have a sense of personal attachment to their work and organization; they are motivated and able to give of their best to help it succeed and from that flows a series of tangible benefits for organization and individual alike. In particular, engagement is two way: organizations must work to engage the employee, who in turn has a choice about the level of engagement to offer the employer. Each reinforces the other. Employee engagement is increasingly viewed as one component in measuring the health of an organization,

along with the traditional measures of sales, profit, cash flow, and customer satisfaction.

2. OBJECTIVES

1. To examine the various factors of employee engagement and organizational effectiveness in small scale industries.
2. To analyse the agreement level of employee engagement and organizational effectiveness in small scale industries.

3.METHODOLOGY

The study was empirical in nature, therefore quantitative research was used for data gathering and analysis. To carry out the study, the structured questionnaire technique was used to gain an insight about the issues explored in the study. For the purpose of the study, both primary and secondary data were collected, to achieve the formulated objectives. The primary data was collected from SSIs employees in Kanyakumari district. The secondary data was collected from journals, books, and websites. The study followed stratified random sampling design. Further, Mean Percentages, Standard deviation and Chi-Square test analysis were used to analyze and interpret the data.

4.DATA ANALYSIS

4.1 Various Factors of Organizational Effectiveness

Table.1 Mean response of selected variables of Organizational Effectiveness.

No	Factors	Response		Mean (%)
		Mean	SD	
1	Company Image	72.37	0.6	88.5
2	Business Capability	57.32	0.6	82.0

3	Customer Satisfaction	55.27	0.6	82.0
4	Retention of Employees	49.62	0.7	77.1
5	Business Social Responsibility	47.77	0.7	75.8
6	Level of New Business	43.67	0.7	74.2
7	Level of Repeat Business	68.28	0.5	82.0
8	Superiority Cost	51.91	0.5	76.5
9	Income from the Business	39.65	0.8	62.9
10	Return on Investment	43.67	0.8	73.9
F- Value-8.21*, Overall mean percentage = 76.23 %				

Source: Primary data, * Significant at 5% Level, Min. Score = 1 Max. Score = 4

The table.1 reveals that the mean percentage showed highest in the aspects of company image (88.5%), business capability (82%), customer satisfaction (82%) and level of repeat business (80%) as compared to overall mean percentage. On the other hand, less mean percentage is observed in the factors of business social responsibility (75.8%), level of new business

(74.2%), return on investments (73.9%), and income from business (62.9%). The F-test indicate the significant difference in the mean practice of different factors of organizational effectiveness (F= 8.21*), which is significant at 5 percent level. The factors responsible for the differences in the mean percentage of organizational effectiveness are retention of employees, business social responsibility, level of new business, superiority costs, return on investments and income from the business. In the respondent companies' fluctuation is observed in retention of employees and fluctuation trend is observed in level of new business. Companies are more oriented towards external customer satisfaction and less oriented towards internal customer satisfaction which is also one of the reasons responsible for difference in mean percentage.

4.2 Agreement Level of Employee Engagement and Organizational Effectiveness:

Table.2 Classification of Respondents on the basis of Level of Employee Engagement and Organizational Effectiveness

Sl. No	Agreement Level on	Category			Total (%)
		Low	Moderate	High	
		Score			
		≤ 50 %	51-75 %	> 75 %	
1	Work Environment	2 (0.7)	246 (82.0)	52 (17.3)	300 (100)
2	Organization Culture	18 (6.0)	124(41.3)	158 (52.7)	300 (100)
3	Leadership Style	32 (10.7)	148 (49.3)	120 (40.0)	300 (100)
4	Job satisfaction & Involvement	4(1.3)	198 (66.0)	98 (32.7)	300 (100)
5	Resources Support	18 (6.0)	208 (69.3)	74 (24.7)	300 (100)
6	Compensation & Benefits	86 (28.7)	194 (64.7)	20 (6.6)	300 (100)
7	Co-employees Support	22 (7.3)	210 (70.0)	68 (22.7)	300 (100)
8	Senior Management	40 (13.3)	226 (75.4)	34 (11.3)	300 (100)
9	Company Policies & Procedures	42 (14.0)	216 (72.0)	42 (14.0)	300 (100)
10	Quality of Work life	2 (0.7)	208 (69.3)	90 (30.0)	300 (100)
11	Opportunities	24 (8.0)	234 (78.0)	42 (14.0)	300 (100)
12	Empowerment	26 (8.7)	264 (88.0)	10 (3.3)	300 (100)
13	Employee Engagement	0 (0.0)	222 (74.0)	78 (26.0)	300 (100)
14	Organizational Effectiveness	0 (0.0)	152 (50.7)	148 (49.3)	300 (100)

Source: Primary data

The table.2 reveals that the level of agreement of 82.0 percent of the employees with regard to work environment was found to be at moderate level. It is evident that 52.7 percent of the employees had high level of agreement about Organization culture. Findings indicate that 49.3 percent of the employees had moderate level of agreement on leadership style. The study also shows that 66.0 percent of the employees had moderate level of agreement on job satisfaction. The study further indicates that 69.3

percent of the employees had moderate level of agreement about the resources support offered to them by the organization. Results depict that 64.7 percent of the employees had moderate level of agreement on compensation and benefits. Findings reveal that 70.0 percent of the employees had moderate agreement level on Co-employees support in the organization. The study indicates that the residual 75.4 percent of the employees had high level of agreement with regard to senior management support. The results indicate

that 72.0 percent of the employees had moderate level of agreement because of the company human resources policies and procedures. The level of agreement on Quality of work life has influenced to the tune of 69.3 percent employees having moderate level of agreement. Results depict that 78.0 percent of the employees had moderate agreement level about the opportunities offered by the company. The level of agreement on empowering employees has contributed to the extent of 88.0 percent of the employees with moderate agreement level. 74.0 percent of the employees had moderate agreement level on employee engagement. It is evident from the results that 50.7 percent of the employees had high agreement level with regard to Organizational effectiveness.

4.3 Relationship between Demographic Factors and Employee Engagement:

Table.3 Relationship between demographic factors and employee engagement (N = 300)

Sl. No	Demographic Factors	χ^2 Value	Table Value	Results
1	Age Group	9.12	5.991 (df=2)	Significant
2	Sex	10.14	3.841 (df=1)	Significant
3	Marital Status	13.26	5.991 (df=2)	Significant
4	Educational level	7.15	5.991 (df=2)	Significant
5	Work Experience	4.87	3.841 (df=1)	Significant
6	Self-Income/month	2.42	3.841 (df=1)	No Significant

Source: Primary data, * Significant at 5% Level

The table.3 reveals that there is a significant relationship between age group ($\chi^2 = 9.12^*$), sex ($\chi^2 = 10.14^*$), marital status ($\chi^2 = 13.26^*$), educational level ($\chi^2 = 7.15^*$), work experience ($\chi^2 = 3.69^*$) and employee engagement. On the other hand, there is no significant association between self-income and engagement levels of employees ($\chi^2 = 2.42$).

5.FINDINGS

- The study reveals that the mean percentage showed highest in the aspects of company image (88.5%), business capability (82%), customer satisfaction (82%) and level of repeat business (80%) as compared to overall mean percentage. The F-test indicate the significant difference in

the mean practice of different factors of organizational effectiveness ($F = 8.21^*$), which is significant at 5 percent level.

- The study expresses that 82.0%, 49.3%, 66%, 69.3%, 64.7%, 70%, 72%, 69.3%, 78.0%, 88.0% and 74.0% of the employees had moderate level of agreement on work environment, leadership style, job satisfaction, resources support, compensation and benefits, co-employees support, company human resources policies and procedures, quality of work life, opportunities, empowerment and employee engagement respectively.
- The study shows that 52.7%, 75.4% and 50.7% of the employees had high level of agreement about organization culture, senior management support and organizational effectiveness, respectively.
- The table.3 reveals that there is a significant relationship between age group ($\chi^2 = 9.12^*$), sex ($\chi^2 = 10.14^*$), marital status ($\chi^2 = 13.26^*$), educational level ($\chi^2 = 7.15^*$), work experience ($\chi^2 = 3.69^*$) and employee engagement. On the other hand, there is no significant association between self-income and engagement levels of employees ($\chi^2 = 2.42$).

6.CONCLUSION

The study concluded that employees are moderate level engaged because of factors such as discontentment regarding the organization culture, lack of resources support, lack of co-worker support, dissatisfaction of involvement, senior management activities, company human resources policies & procedures and distressing opportunities. Further, the results of the study would throw new light on the components of employee engagement and organizational effectiveness. The result of the study would also help organizations a great deal in formulating appropriate methods to improve organizational effectiveness. Finally, in Kanyakumari district, the employees in small scale industries are moderate level of engagement.

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