Employee Engagement in Relation to Organizational Citizenship Behavior in Information Technology Organizations

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ABSTRACT—Organizations today realize that the level of job satisfaction of an employee merely reflects the superficial relationship between the employee and the employer. An engaged employee is one intellectually and emotionally bound with the organization, who feels passionate about its goals and is committed towards its values. This employee goes the extra mile beyond the basic job requirements. This article deals with two constructs relevant to employees’ organizational behavior namely employee engagement and organizational citizenship behavior which influences the organization’s performance. The aim of the research presented in this paper is to investigate which among the drivers of employee engagement has the highest influence on employee engagement. 235 employees were surveyed and a reliable and standardized instrument was adopted. The findings indicated moderate level of engagement and OCB experienced by employees and significant relationship was found between engagement and OCB. Current career intention, job satisfaction, pay & benefits, management, equal opportunities, and organization citizenship behavior had a significant influence on employee engagement. The detail findings and implications are discussed in the paper.

Keywords- Employee engagement, Organizational citizenship behaviour, Information technology, Job satisfaction, Organizational commitment.

1. INTRODUCTION

In the current scenario, every organization is striving to increase its profits, improve the quality of goods and services, and improve customer satisfaction with optimum resources. The IT Management has realized that having a strong brand, new products, and new technology alone does not help them get the winning edge over competitors. Organizations need the committed participation of a good majority of people so that the effectiveness and efficiency of the organization could be enhanced. The collective loss to Indian IT organization due to regularly losing its employees is mind boggling. In the last couple of years, companies have realized that wages are important to employees, but compensation alone cannot motivate the highly skilled and experienced workforce. Managers would agree upon the fact that employees make a critical difference when it comes to organizational performance, innovation and thus ultimately business success. Employees’ role has become crucial as there is a shift from industrial to knowledge based society. The HR managers are laying the road map for the right working conditions which would inspire the employees to be engaged, give their best, go their extra mile and persist in the face of difficulties. The challenge faced by the management is therefore not just in retaining the talented employees, but in engaging them. Thus the HR coined the term “Employee Engagement” when the organization takes measures for an engaged workforce, the profit and the productivity spikes.

On the other hand, disengaged employee are typically uninterested in the job or organization they work for. As a result, their productivity decreases, their negativity increases, and their poor attitude spread like a virus throughout the organization. In a decent economy, these employees typically find a new employer where they regain interest and their productivity spikes (until they become disinterested six months later). In a bad economy, many of these employees stay put. The second construct involved in this study is Organizational citizenship behavior which is an extra-role behavior that were not included in the formal job description, non-rewarded but which results in the effective running of the organization. More importantly, in keeping with Katz’s original definition, OCB’s has to be those behaviors that are ultimately beneficial to the effective functioning of the organization. While a worker could help his/her fellow employees, it would be considered as OCB if only it attempts to contribute to the effective functioning of the organization.

2. EMPLOYEE ENGAGEMENT, COMMITMENT AND JOB SATISFACTION

The origins of engagement could be traced back from various research literatures. Three promising antecedent variables are significant in the context of employee engagement. (Brown & Leigh, 1996; Harter et al., 2002; Harter et al., 2003; Resick et al., 2007; Rheades et al., 2001) These antecedent variables were job fit (Resick et al., 2007), affective commitment (Rhoades et al., 2001), and psychological climate (Brown & Leigh, 1996). Though there appears to be overlaps in the concepts of employee engagement, commitment and job satisfaction. Commitment and engagement are not considered to be one and the same, whilst commitment is an important element of engagement, engagement is considered to be more than just employee commitment. The closest relationship with engagement is ‘affective commitment’ as explained by Silverman(2004). This type of commitment emphasizes the satisfaction people get from their jobs and their colleagues and the willingness of employees to go beyond the call of the duty for the good of the organization. This point is expanded upon by Meere(2005) who highlights that organizations must look beyond commitment and strive to improve engagement. An engaged employee is committed with the organization which is out of excitement and with a sense of pride and joy whereas a committed employee is bound with the organization which could be an implication of being impelled and not out of voluntary choice. Commitment lacks a number of qualities commonly associated with engagement such as absorption and self expression. Fernandez (2007) shows the distinction between job satisfaction and
engagement. Job satisfaction is a part of engagement, but it can merely reflect a superficial, transactional relationship that is only as good as the last round of perks and bonuses; engagement is about passion - the willingness to invest oneself and expand one’s discretionary effort to help the employer succeed which is beyond simple satisfaction with the employment arrangement or basic loyalty to the employer (Erickson 2005; Macey and Schneider 2008). However satisfied employees do not necessarily perform to the best of their abilities. Personal satisfaction is an internal emotion that need not relate in any direct way to engagement. Levinson (2007) also suggests that employees who are happy in their work are more likely to stay in the organization. Blessing White (2008) reports that 85 per cent of engaged employees plan on sticking around compared to 27 per cent of disengaged employees.

3. DRIVERS OF EMPLOYEE ENGAGEMENT

After a wide range of study, the Institute of Employment Studies have found various drivers for engagement. Pay and benefits, equal opportunities, feeling valued and involved, stress and work pressure, career development, management, colleagues, feedback, communication training and development are considered the important drivers of a culture of engagement. As a HR manager, one needs to ensure that the key drivers are actively used for better engagement. The purpose of this study is to evaluate if the construct organizational citizenship behavior could be a significant driver for engagement.

4. ORGANIZATIONAL CITIZENSHIP BEHAVIOUR

Organizations comprise individuals whose behavior range from the least possible contribution just to maintain an affiliation with the organization to others who go the ‘extra mile’; discretionarily involving in extra role behavior for the benefit of the self and the organization. These behaviors are termed as organizational citizenship behavior or OCB (Bateman and Organ, 1983). These behaviors are termed extra role because they are not defined in the job description because of which the absence of these behaviors cannot be penalized. Some of these behaviors include voluntarily helping peers, taking personal initiatives for the development of the team, volunteering innovation; not wasting time and performing extra duties without complaint. These behaviors are believed to be instrumental for the effective functioning of the organization.(Organ, 1983).

The main conclusion of the studies by Mackenzie, Podsakoff, Karambayya(1990), Turnipsed and Murkinson are that citizenship behaviors are positive for organizations and they simultaneously benefit the employees and the managers. The impact of OCB is that they promote the effective functioning of the organization.

The research by Turnipsed has found that citizenship behavior is indeed linked to performance. However, there are inconsistency in the link between OCB and performance. Podsakoff et al(2000) report that helping OCBs sometimes increase and at other times decrease the quantity of performance.

5. NEED AND RATIONALE

Engaging employees of an organization is critical to the organization’s success. Employee Engagement is often the most significant differentiator between competing IT organizations. This is true particularly for service based IT companies as revenues are directly proportional to number of engaged workforce in the organization. Research has suggested that investment in employee engagement activities significantly improves the overall performance of the business unit. OCB is an informal and voluntary behavior in which employee goes beyond contractual obligations towards the wellbeing of the organization and people involved in it. OCB drives the culture in the organization. Majority of researches on employee engagement from survey houses and consultancies have established the relationship between employee engagement, financial business performance and profitability. Interestingly, there are very few academic literatures on engagement. Several literatures on OCB have highlighted the relationship between OCB and productivity, in-role performance, and business unit performance. However there has been no research established to find out if there is any influence of OCB on employee engagement.

Organizations are focusing on employee engagement initiatives to increase the productivity and overall bottom line success of the company. Research from Dily’s Robinson Institute of Employment studies (2009) found from their studies that there are several drivers which influence employee engagement. The drivers of engagement being pay and benefits, colleagues, management, equal opportunities, stress and work pressure, current career intentions, job satisfaction, training and development, feeling valued and involved . When the engagement initiatives are framed, it becomes pertinent to focus on the driver which would influence engagement to the highest extent. Thus we propose the hypothesis: H1: The drivers of Engagement (pay and benefits, colleagues, management, equal opportunities, stress and work pressure, current career intentions, job satisfaction, training and development, feeling valued and involved influence Employee Engagement to the same extent.

5.1 Sample Size

Participants were 235 employees from Information technology organizations both MNC and Indian companies operating in India. The IT professionals were from companies where Employee Engagement activities were prevalent.

5.2 Measures

The following tools were used to measure the variables of the study.


2. Organizational citizenship Behavior questionnaire developed by Podsakoff (2000).

The reliability of the measure of Employee Engagement (Cronbach’s alpha) was found to be .880 and the reliability of Organizational Citizenship Behavior (Cronbach’s alpha in the pilot study was found to be .703.

6. RESPONDENT PROFILE

A sample consisting of 235 IT professionals from both Indian and MNC IT companies operating in India. The IT professionals were from companies where Employee Engagement activities were prevalent. The respondents selected for the study were drawn from varied backgrounds. It was found that, there was a larger percentage of male (68.5%) than female (31.5%) participants in the sample.

7. FINDINGS AND DISCUSSION

Table 1 indicating percentage of the sample drawn based on gender.
In terms of age, 17% of the respondents were in the 21-25 year age group, 35.7% of the respondents were in the age group 26-30 years, 34% of the respondents were in the age group 41-45 years, and 1.3% were in the age group 46-50 years. It was found that in terms of qualification, 49.7% of the respondents were graduates, 47.7% were post-graduates and 2.6% were doctorates. It was found that in terms of type of IT companies, 55.7% of the respondents were from Indian IT companies, and 44.3% were from MNC IT companies. In terms of work experience, 83.8% of the respondents had a work experience of less than or equal to five years, 41.1% of the respondents had a work experience of between five and ten years, 21% had a work experience of between ten and fifteen years. These indicate the length of service of the employees in the current organization they were employed in.

8. RESULTS

HYPOTHESIS 1: The drivers of Engagement (pay and benefits, colleagues, management, equal opportunities, stress and work pressure, current career intentions, job satisfaction, training and development, feeling valued and involved and Organizational Citizenship Behavior) influence Employee Engagement to the same extent.

To analyze the influence of the drivers of engagement (pay and benefits, colleagues, management, equal opportunities, stress and work pressure, current career intentions, job satisfaction, training and development, feeling valued and involved and OCB) on engagement, multiple regression was performed. The results indicate that the null hypothesis has to be rejected and the alternative hypothesis accepted as there is a variation in the level of influence caused by the drivers of engagement on employee engagement.

It was found that the variable with highest influence on employee engagement was current career intentions, followed by job satisfaction, pay & benefits, management, equal opportunities, and organization citizenship behavior. The other variables were found not to have a significant influence on Employee Engagement. The regression of the level of engagement on the independent variables was found to be significant, explaining 60.7% (R Square = .607) of the variation in engagement. However, feeling valued and involved, training and development, colleagues, stress and work pressure, communication did not have a significant influence on Employee Engagement.

While there are consistent literatures which bring out the links between Employee Engagement and business unit performance, Organizational Citizenship Behavior (OCB) and business unit performance, it appears that in the Indian IT scenario, Organizational Citizenship Behavior (OCB) influences Employee Engagement to the lowest extent when compared with other drivers like pay and benefits, job satisfaction, equal opportunities and management. Although both the constructs have relationship with business unit performance, the results of the study indicate that the influence of OCB on employee engagement is the lowest. So the HR managers should take a wise decision before taking OCB into consideration for performance evaluation.

9. DISCUSSION AND IMPLICATIONS

This study in IT industry, has found low significant relationship between employee engagement and OCB. For example, a helping hand between peers or voluntarily helping the other drivers like pay and benefits, job satisfaction, equal opportunities and management. Although both the constructs have relationship with business unit performance, the results of the study indicate that the influence of OCB on employee engagement is the lowest. So the HR managers should take a wise decision before taking OCB into consideration for performance evaluation.

Table 2 indicating percentage of employees based on age

Table 3 indicating percentage of employees based on qualification

Table 4 indicating percentage of employees based on type of company

Table 5 indicating percentage on the length of service of employees in the organization

Table 6 indicating the regression of Employee Engagement on Independent Variables

* Significant at the 0.05 level.

** Significant at the 0.01 level.
common to find companies which give huge referral bonuses. Therefore it should not be surprising to find employees voluntarily helping the organization in terms of recruiting new hires as employees are directly benefited monetarily. So high levels of OCB does not indicate high levels of engagement. According to Turnipseed and Rassuli some employees may be adept at impression management and therefore give a false impression of OCB. Employees in IT industry exhibit OCB because they are aware that the OCB levels are accounted for in the performance evaluations. These OCBs may contribute to better performance evaluations and in some cases better work outcomes but these behavior impact Employee Engagement to a lesser extent. The Regression analysis shows that the variable with highest influence on engagement was current career intention, followed by job satisfaction, pay and benefits, management, equal opportunities and organizational citizenship behavior. The research also highlights that current career intention followed by job satisfaction has the highest influence on employee engagement. The HR managers should do well to focus their initiatives on employee retention and on job satisfaction. Human Resources professionals need to understand that the job satisfaction, pay and benefits, satisfaction with management, equal opportunities in the organization and organizational citizenship behavior influence employee engagement. But the highest significant driver is the current career intention which indicates that if an employee has no intention to stay with the organization even after being provided with all the benefits, such an employee is inconsistent with the values and beliefs of the organization, he is a job-hopper who may spread negative vibrations in the company.

10. LIMITATIONS
The primary limitation of this study is the self report on Organizational Citizenship Behavior by the employees. So there are chances for biases in the reports. Employees with less than two years of experience were also considered for the study. This factor could be one reason for the moderate level of employee engagement of the employees. This study is confined to Information Technology Organizations.

11. SUGGESTIONS FOR FURTHER RESEARCH
The limitations in this research suggest several prospects for future research. Different organizations have different needs, and levels of Employee Engagement and Organizational Citizenship Behavior may vary according to their specific industries. As this work focuses on IT industry only, it may lack validity in other industries. However since both employee engagement and OCB are critical to other industries as well, understanding their relationship in other industries is surely a good subject for research. A research to establish a causal relationship between current career intentions and Employee Engagement can be undertaken. Additional study is required to identify manageable workplace antecedents of Employee Engagement in order to guide manager interventions which is lacking in academic literature. Managers’ evaluation of Organizational Citizenship Behavior may give a different and unbiased perspective of Organizational Citizenship behavior of employees and its influence on Employee Engagement.

12. CONCLUSION
Employee Engagement is critical to business success is well understood by the Human Resource Professionals in the Information Technology Organizations. The study has brought in a new variable Organizational Citizenship Behavior which drives employee engagement. The IT industry Human Resource professionals should understand that unlike other industries where studies which reveals a significant relationship between employee engagement and business outcomes, Organizational Citizenship Behavior and performance, in IT industry, Organizational Citizenship Behavior has the lowest influence on employee engagement. This indicates that managers should not consider Organizational Citizenship Behavior for performance evaluation and measuring level of Employee Engagement based on the extra role behavior because it could be an act of impression management. Rather, the willingness of the employee to stay with the company and his job satisfaction levels indicate the level of employee engagement to a higher extent. Good employee retention techniques, Challenging job, good pay and benefits package, improved managerial system with unambiguous evaluation feedback, equal opportunities in internal vacancies, followed by enhancing the Organizational Citizenship Behavior could improve the levels of employee engagement. Managers and researchers should search for ways to increase the employee engagement activities to increase the frequency and intensity of Engagement levels among employees which would bring superior business results.

13. REFERENCES


