

Linking Organization Culture (OC),
Motivation and Employee Engagement
(EE) in the Indian IT Sector A
Conceptual breakthrough

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Abstract

Background Objectives: The main objective of the study is to find the linkages between Organization Culture (OC), Motivation and Employee Engagement (EE) conceptually which ultimately turns out to be a key competitive advantage to the firm beating the competition in attracting top talent.

Methods/Statistical analysis: Review of Literature is extensively employed in this article because it is merely based on facts and theories on the concept Employee Engagement. Many Employee Engagement Culture and Motivation reports by Aon Hewitt, DUP, and Blessing White were reviewed to find the impact of Organizational culture and Employee Motivation on Employee Engagement.

Findings: Powerful Shifts in the global economy gained momentum for organizations to find contemporary ways to abode new technological, demographic and marketplace phenomenon. Due to these shifts companies are forced to work with costs, ensuring high performance and organizational success be maintained. The worlds most outstanding companies have known for years that business results depend on people: creating an environment in which employees show up every day, not only physically, but mentally and emotionally as well. Key to assure this is the introduction processes that will measure and improve employee engagement. By focusing on leveraging the right Organization culture, Employing motivational techniques, companies can improve retention and financial performance thereby paving way to lead a healthier competitive advantage.

Application/Improvements: This conceptual article mainly links Organization Culture, Employee Motivation and Employee Engagement. Through a proper constructed survey organizations can get to know the level of Engagement/Dis-Engagement of the employees and take necessary steps to increase engagement levels among Employees. It also measures employee sentiment on things such as being advocates, working with passion and pride, do they believe in the mission of the organization, and do they feel their work is valued and their talents are well utilized.

Key Words: Organization Culture, Employee Motivation, Employee Engagement, Instigating Force, Conceptualizing.

1 INTRODUCTION

India has matured into a highly profitable low-cost outsourcing country for many foreign firms during the last few years especially within the IT Sector. This trend invites more and more western companies to land their operations in India. The competition and need for talented work force is growing persistently. Today, attaining tough and highly competitive employees results in cost to the companies. The overall attrition figures in the sector have been between 20-30% which is really high compared to Western companies. This very same IT sector has helped the domestic economy

to integrate with the world economy. Though the sector has challenges and uncertainties, it has managed very well to score high on numbers. And one of its important drivers is their employees who are the main source of strength. Employees are an asset to an organization. Using the organizations intellectual capital has become an important source of competitive advantage (Harter, 1994, Becker and Huslid, 2000, Buckingham and Vosburgh,2001).One of the toughest challenges organizations face today is it can imitate its competitors in all the ways but cannot copy the Skills, Knowledge and Attitudes of the human resources of its competitor. Now the situation is very distressing as many organizations target the pool of talented and experienced employees across the globe. As the demand increases, the employees have got a strong bargaining power. In this scenario the concept of employee engagement is very important. According to the Conference Board (2016) Employee Engagement is a heightened emotional and intellectual connection that an employee has for his/her job, organization, manager, or co-workers which in turn influences him/her to apply additional discretionary effort to his/her work and according to Aon Hewitt (2016) Employee engagement is defined as the level of an employees psychological investment in their organization. It is a vital necessity for the companies to provide a supportive culture by motivating them well. According to 2016 Trends in Global Employee Engagement by Aon Hewitt, 65% of the employees are engaged in Asia, which is a 3 points increase from 2014. According to Stephen Hickey, Executive Sponsor of Employee Engagement for Aon Hewitt, Asia Pacific, Middle East & Africa, he says that Asia has got tremendous sign of an improved Employee Engagement. In-order to tap in the growth opportunities that exists, Asian organizations need to have a highly engaged and productive workforce. A 5% of regional growth rate through-out 2020, organizations needs employees who are strong brand advocates, committed to the organization, and willing to exert maximum effort.

2 Linking Culture and Motivation to Employee Engagement

Higher levels of Employee Engagement manifest positively on the bottom-line and productivity. Companies today feel a greater need to connect with employees to facilitate a higher level of engagement and help them identify with the organization. Successful firms display a high level of Employee Engagement, the indicators according to some surveys that point to high levels of Engagement-employees committed to their company and to stay on their jobs and willingness to exert and achieve targets beyond their job description and driven by the desire to give the competitive edge to their company. Such employees are vigorous advocates of their workplace and business which helps grab the attention of potential employees and customers. Such employees display a passion/energy in their work and identify with the organizational goals.

IT Companies start engagement at an early stage, i.e., recruitment stage itself because potential employees should be given a realistic job preview and once selected the new employees should go through an induction on-boarding that helps them know the organization well. This should be followed by regular and continuous updates on technology and training, soft skills to benefit both new and existing employees.

2.1 Linkages of Organizational Culture and Employee Engagement

According to Global Talent Management Rewards Study (2014) it is outlined that employers are having a tough time in retaining key talent including top performers and highly potential employees. In order to attain this business objective of retaining talented human resources, the organization should ensure that they are highly engaged. Engagement is the heightened emotional commitment one has towards their organization; it is a highly energized feeling one has towards his job. Aon Hewitts Engagement process goes one step beyond employee happiness or satisfaction by focusing on behaviors that produce results. Work engagement is most often defined as . . . a positive, fulfilling, work related state of mind that

is characterized by vigor, dedication, and absorption (Schaufeli & Bakker, 2010; Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002, p. 74). The Deloitte University Press Global Human Capital Trends 2015 reports that in an era of heightened corporate glassiness, greater workforce vigor and severe skills shortages, culture, engagement and retention have emerged as top issues for business leaders. DUP also reports that Culture and Engagement is the most predominant business issues not merely a HR Problem that companies face around the world. 87% of organizations echoes Culture and Engagement as their top HR Challenge and 50% of organizations call the problem as "very important". Whichever business firms that want to have sustainability in the long-run or that wants to excel in the long-run should create a culture of high performing best practices, challenging work, deep employee engagement, good leadership, recognition, QWL, Good Interpersonal relationship with Superiors/Subordinates, Camaraderie and Flexibility in management. Hewitt research report 2009 also denotes that Culture and Engagement has a close relationship with a company's financial performance.

2.2 Linkages of Employee Motivation to Employee Engagement

Employee Motivation is more important to the organization because of the relationship with Employee Engagement. According to (Meija, Barkin & Cardy, 2004) Motivation can be stated as the human behavior which is thrilled, aimed and is continuous. Whereas, Tyson (2006) argues that motivation is a force inside the human beings which pushes them to behave in variety of ways. Robbins and Judge (2008) swear that motivational process reports how much a person tries hard and for how long he tries to achieve a beneficial goal. Motivation in employees fulfills as a competitive advantage in many of the successful organizations.

Intrinsic Motivation:

Intrinsic motivation arises from the intrinsic value of the work for the individual (for example, its interest value), whereas, extrinsic motivation arises from the desire to obtain some outcomes (for example, as rewards) that are apart from the work itself (Amabile, 1993, p.186). Intrinsic motivation refer to perform a behavior for

one own sake for pleasure and satisfaction, whereas, extrinsic motivation refers to perform a behavior for instrumental values such as monetary rewards, that are apart from the behavior (Young, 1961, p. 171; Deci and Ryan, 1987, p.1026).

Some of the Intrinsic factors that affect Employee Engagement are Interesting work, Achievement, Recognition, Promotion, Opportunities for growth.

Extrinsic Motivation:

Extrinsic motivation comes from outside of the individual. Common extrinsic motivations are rewards like money and grades, coercion and threat of punishment. Extrinsic motivation is when a person is motivated to do something based on external factors, such as the expectation of rewards or fear of punishment.

Some of the Extrinsic factors that affect Employee Engagement are Pay Benefits, Work Conditions, Company Policy and Administration, Job Security, Interpersonal relationships between Superiors & Peers.

3 Conclusion

Economic disruptions may come and go but the way businesses react to economic cycles often predicts how well they succeed or if they will survive. During times of turmoil, many organizations have been less targeted on how to manage their talent and engage their employees, instead focusing on how to reduce costs by cutting salaries, incentives, bonuses, fringe benefits, rewards and development costs. Employee engagement makes employees motivated and they are passionate and enthusiastic in their involvement. When employees are passionate they can invest more energy on performance. Employee Engagement makes the employees to know how their outputs are connected to organizations objectives and it makes them more focused on the relevant activities with full commitment. Managers can trust them and they will deliver more. An engaged employee will display not only better performance but also will be intrinsically motivated. They will have strong commitment and willingness to contribute more voluntarily. Engaged employees take more initiative and put an extra effort in their task oriented activities and this is very important in the area like IT Sectors as it is a

part of service industry which is dealing with clients with varying culture and social backgrounds.

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