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## **An empirical study on employee engagement in private sector banks**

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### **Abstract**

In recent years, there has been a great deal of interest in employee engagement. Employee Engagement is the extent to which employees think, feel, and act, in ways that represent high levels of commitment to their organization. Engaged Employees are motivated to contribute 100% of their knowledge, skills, and abilities to help their organization succeed. High level of Employee Engagement increases the growth of the organization and acts as an effective retention strategy. It benefits both the organization and the employees. From the data analysis and findings, we can say that the employees are not satisfied about various factors like demographics, working environment, job satisfaction, etc. These factors influence Employee Engagement and it means that Employee Engagement level in private banks is very much non-satisfactory. Employee engagement refers to the emotional attachment of the employees towards the organization. Employee engagement is about creating the passion among the employees to do things beyond what is expected from them. Employee engagement creates engaged employees. Engaged employees will have high involvement and commitment in their job. This paper analyses an empirical study on employee's opinion on employee engagement and its influence on their performance in private sector banks.

**Keywords:** Employee engagement, job satisfaction, abilities, skills etc.

### **1. Introduction**

In recent years, there has been a great deal of interest in employee engagement. Employee Engagement is the extent to which employees think, feel, and act, in ways that represent high levels of commitment to their organization. Engaged Employees are motivated to contribute 100% of their knowledge, skills, and abilities to help their organization succeed. They care deeply about their company, want to contribute to its success, and regularly have peak experiences at work.

The concept of employee engagement is widely discussed and is the subject of numerous books, websites, research papers, conferences and so on. Confusion is sometimes caused by people using the term interchangeably for other constructs, such as employee commitment, job satisfaction, employee happiness or internal communication. Along with enhanced technology and streamlined work processes, gained employees' discretionary effort, so called engagement, may be one of the most effective ways to increase productivity and improve business results. In fact, many literatures have claimed that employee engagement predicts employee outcomes, organizational success, and financial performance. As innovation, speed to market, and the need for ever-increasing efficiency define the competitive, edge, organizations around the globe are counting on motivated workforces to help them succeed. However, it has been reported that employee engagement is on the decline and there is a deepening disengagement among employees worldwide today.

The notion of employee engagement has sparked widespread interest over the last decade. While research findings vary slightly, most of these studies share a similar conclusion: that engaged employees seem to be an important source of organizational competitiveness. Engaged employees are those who give full discretionary effort at work, and are highly vigorous and dedicated to their job, while disengaged employees are those who are motivationally disconnected from work, who do not have the energy to work hard and who are not enthusiastic at work. By most accounts, employee engagement affects productivity, profitability, and employee retention and customer services. Even so, not much is offered in

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The current body of knowledge concerning how best to stimulate employee engagement. One of the most significant proposals for achieving employee engagement is to engage in HRM programs, which generally refers to the activities of organizing work and managing people to achieve organizational goals. A problem lies in the fact that HR professionals and managers are constantly being confronted with the pressing challenge as to how they can engage the workforce. For instance, a recent study by a global consulting firm found that four employees out of ten are not engaged worldwide.

Mostly in banking sector, employee engagement plays a very crucial role. Because employees' who were working inside the banking sector are handling risky task in their daily job. Some of them were engage with their job and some others disengage with job due to improper relationship, stress and so on. This paper tries to address these problems and fill the existing gaps in employee engagement in banking sectors.

## 2. Objectives

To know the demographic factors of employees in private sector banks.

- To know the conducive working environment in private sector banks.
- To find out the measures on employee engagement level in private sector banks.

## 3. Review of Literature

A literature review is a body of text that aims to review the critical points of current knowledge and methodological approaches on a particular topic. Literature review are secondary sources, and as such do not report any new or original experimental work, most often associated with academic- oriented literature, such as these, a literature review usually precedes a research proposal and result section. Its ultimate goal is to bring the reader up to data with current literature on a topic and forms the basis for another goal, such as future research that may be needed in the area. A well-structures literature review is characterized by a logical flow of ideas, current and relevant referencing with consistent, appropriate referencing style, proper use of terminology, and an unbiased and comprehensive view of the previous research on the topic.

**Mary St. Bernard Johnson (2010)** 44, Organizations need leaders who are capable to go beyond their core responsibilities if the organization is to remain viable in the competitive global economy. This requires an *engaged leadership team*. There is no magic formula for engagement, but engagement requires commitment from the top of the organization that will surely be a long journey for most organizations.

**Solomon Markos, M. Sandhya Sridevi (2010)** 45, in this literature study states that employee disengagement mainly provokes due to *mismanagement*. Thus it has led to less work commitment. Therefore researcher found a way to solve this disengagement by implementing some strategies,

- Start it on day one
- Start it from the top
- Enhance employee engagement through two way communication
- Give satisfactory opportunities for development and advancement
- Give employees' appropriate training
- Have strong feedback system

- Build a distinctive corporate culture
- Focus on top performing employees

**Padmakumar Ram; Gantasala V. Prabhakar (2011)** 46, Predictors offers HR a way to better understand what practices and policies in their organization effectively promote employee motivation, attendance, retention and productivity. By using a matrix of engagement predictors (organizational process, values, management, role challenge, work/life balance, information, reward/recognition, work environment and products/services), HR can help the organization better manage engagement and ultimately *foster motivation, productivity and retention*. The level of engagement determines whether people are productive and stay with the organization—or quit and perhaps join the competitors. The extent to which employees are connected to the organizational strategy and goals, acknowledgment for work well done, and a culture of learning and development foster high levels of engagement.

**Neeta Bhatla (2011)** 47, it reveals Organizations have to give their employees the freedom to make their work exciting and an environment having an en-gaged work life. With increase in responsibilities at home and a desire to *excel in their careers*, employees often get distracted from their work which needs to be taken care of.

**Maryana Sakovska (2012)** 48, shown that employee engagement is influenced by three conditions: meaningfulness, safety and availability. Results have shown that employees perceive their job as meaningful, that they have a *sufficient amount of autonomy and the opportunity for development*. The only factor in the meaningful category which lies in the non-engaging zone is “3.performance feedback”. This means that managers need to change the frequency and the manner in which they deliver performance feedback, and to make it part of their daily managerial tasks.

**Catherine Truss; Amanda Shantz; Emma Stone (2013)** 49, the development of mainstream human resource management (HRM) theory has long been concerned with how people management can enhance performance outcomes. It is only very recently that interest has been shown in the parallel stream of research on the link between employee engagement and performance, bringing the two together to suggest that engagement may constitute the mechanism through which *HRM practices* impact individual and organizational performance. However, engagement has emerged as a contested construct, whose meaning is susceptible to ‘fixing, shrinking, stretching and bending’.

**Kerstin Alfes; Rick Delbridge (2013)** 50, this special issue contributes to these emerging concerns with seven articles that advance scholarship at the nexus of HRM and employee engagement. Their diverse perspectives on ‘doing’ engagement and ‘being’ engaged highlight the way that engagement has been subject to ‘fixing, shrinking, stretching and bending’ as the construct develops. Crucially, the authors challenge the view that engagement can invariably be a ‘win-win’ scenario for both employees and employers as the micro-level enactment of engagement within the wider organizational context forefronts the ideological divide, power relationships and contextual constraints experienced in ‘doing’ engagement and ‘being’ engaged.

**Neeta Bhatla (2013)** 51, suggests Organizations have to give their employees the freedom to make their work exciting and an environment having an en-gaged work life With increase in responsibilities at home and a desire to excel in their

careers, employees often get distracted from their work which needs to be taken care of. Employees are the assets of the organization and if they are not given a space whereby they can make a perfect blend of both work, fun, *optimum performance* from them may be difficult. Employee engagement emphasizes the importance of *employee communication* on the success of a business.

### Research Methodology

Research methodology is the way of systematically solving the research problems. It is a science of studying how research is conducted scientifically.

### Research Design

Research design is the conceptual structures within which research is conducted. It constitutes the blueprint for the collection, measurement and analysis of data. In the present study, the pre-determined objectives have been focused; the relevant data have been collected by the structured questionnaire. The collected data are processed with the help of the study consists of many implied hypothesis. All these hypotheses are tested with the help of appropriate statistical test. Hence the present study is purely descriptive in nature.

### Source of Data

This study pertains to collection of data from primary and secondary sources.

### Primary Data

Data are collected from the private sector bank employees in Thoothukudi by administering a well-structured questionnaire.

### Population

The population of private bank employees is 172 in Thoothukudi. Therefore the researcher has decided to go for census study.

### 4. Findings

- ✓ In this study 52 per cent of the respondents belong to the age of below 30 & 8 per cent of the employees belong to 51 and above. So, the most of the employees are very young.
- ✓ Gender wise analysis shows that the 73 per cent of the respondents are male and 27 per cent are female. It shows that male employees are more than female employees in private banks.
- ✓ Based on the qualification 72 per cent of the respondents are in the level of under graduate, only 3 per cent of employees have completed schooling.
- ✓ 47 per cent of the employees have less than one year experience and only 4 per cent of employees were having experience more than 25 years in private sector banks.
- ✓ 46 per cent of the employees get married and 54 per cent of the employees are unmarried. Therefore majority of the employees are unmarried in private banks.
- ✓ Majority of the employees give their rank to definite organization goals of their bank and their job was more challenging for a good working environment.
- ✓ Most of the employees are less satisfied with their welfare facilities provided by their banks.
- ✓ Based on feedback of the employees in private bank reveals that job satisfaction among those people is less.
- ✓ Based on the variance conclude that experience and

educational qualification has the major difference with employee engagement & interpersonal relations

- ✓ Majority of the respondents may agree that job rotation is a huge barrier for their work and it leads to mental stress.
- ✓ Based on the chi-square findings (12.6%) reveals that there is a significant association exist between level of engagement factors and age.
- ✓ The association between level of employee engagement and experience has 27.39% differences.
- ✓ There is no significant association exists between the level of employee engagement and educational qualification.

### 5. Conclusion

High level of Employee Engagement increases the growth of the organization and acts as an effective retention strategy. It benefits both the organization and the employees. From the data analysis and findings, we can say that the employees are not satisfied about various factors like demographics, working environment, job satisfaction, etc. These factors influence Employee Engagement and it means that Employee Engagement level in private banks is very much non-satisfactory. So, the management can still work in increasing the present level of Employee Engagement prevailing in their organization.

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