

**A Study of Engagement Factors in
Embedded Industry with Specific Reference to
Tier-1 Service Company**

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Comments by the Faculty

MBED Tech (the name of the company has been disguised to maintain confidentiality) is the embedded technology arm of a major business group. The company believes in its leadership in hard-core technology and strength in design. It possesses a highly motivated, skilled workforce and ethical business practices, which is very essential for any company to flourish. From automotive to aerospace, enterprise to consumer electronics, entertainment to FMCG, media to storage, it provides customized design solutions to companies across the globe. There have been a number of issues and concerns identified in the company, especially at the junior level, in terms of compensation (most of the engineers were not satisfied with their pay) and resource allocation (delay in the allocation of tools required for the project). In the light of the above, the primary objective of this study was to find out whether employee engagement factors differ across various levels (junior, middle and senior levels) in the organization, in the Trivandrum, Kerala branch.

One-on-one interactions with employees and HR personnel were carried out for the above purpose and a questionnaire was prepared. It was found that the employee factors vary not only across various levels in the organization, but also, between male and female employees, and also, with marital status. So, the appropriate measures need to be taken to keep people engaged, keeping their various motivational needs in mind.

Overall, the student has been provided with a unique opportunity to deal with various factors which are responsible for employee engagement in an organization. The student has also learnt to develop a questionnaire and interpret the raw data to address the concerns of the company, in regard to employee engagement. Moreover, the present study has been a great value addition for the student, as it helped her to develop people skill to deal with noitalies sensitive HR issues, such as, employee engagement. The student also experienced the process of implementing the conceptual learning, according to the requirement of the management for the better functioning of the company.

Mousumi Sengupta

A Study of Engagement Factors in Embedded Industry with Specific Reference to Tier-1 Service Company

Introduction

MBED Tech (the name of the company has been disguised to maintain confidentiality) is the embedded technology arm of a major business group. The company believes in its leadership in hard-core technology and strength in design. It possesses a highly motivated, skilled workforce and ethical business practices, which is very essential for any company to flourish. From automotive to aerospace, enterprise to consumer electronics, entertainment to FMCG, media to storage, it provides customized design solutions to companies across the globe.

The company operates under 4 key divisions:

- ◆ Embedded Product Design (EPD)
- ◆ Industrial Design (ID)
- ◆ Visual Computing Labs (VCL)
- ◆ Systems Integration (SI)

Employee engagement: The Concept

Employers today are trying to find ways in which to keep employees focused, involved and content with the work they do. This is simply because of the fact that, an employee who is focused and content with the work he does, will be more productive than the ones who are not. Thus companies are trying to find a win- win situation in which the employees are kept happy while the organization's goals are also met. This situation happens when the organization's goals are aligned with that of the employees. Employee engagement is a measurable degree of positive or negative emotional attachment to one's job, colleagues and organization, which profoundly influences ones willingness to learn and perform at work (www.scarlettsurveys.com). It also represents the energy, effort and initiative employees bring to their jobs (Nohria, 2008).

Objective of study

There have been a number of issues and concerns identified in the company, especially at the junior level, in terms of compensation (most of the engineers were not satisfied with their pay) and resource allocation (delay in the

allocation of tools required for the project). In the light of this, the primary objective of this study is to find out whether engagement factors differ across various levels (junior, middle and senior levels) in the organization, at their Trivandrum, Kerala branch.

In case of such differences, the study proceeded further, to find out the major factors that keep people engaged and stick to the organization. At the same time, the factors, responsible for employees to be disengaged were also found out

Methodology

As part of the initial groundwork for the study, one-on-one interactions were carried out with a small group of employees. This exercise was done with about 40 employees in an effort to get a general idea of the work culture and their perceptions about the company. Inputs were also taken from other employees who have excelled in their positions. All these interactions with different kinds of employees at MBED Tech gave an insight to identify the top five factors that were prerequisites for employees to be engaged at junior, middle and at senior level.

The data thus, gathered, was used to develop the questionnaire. It was used to understand what factors would be responsible to keep an employee engaged. And this data was used to create a modified version of the Gallup Q-12 (It is a standard instrument used to measure employee engagement conditions, using 12 items that were found to be actionable at the manager level- role clarity, resources, satisfaction, pride and so on, ref: Harter, 2009).

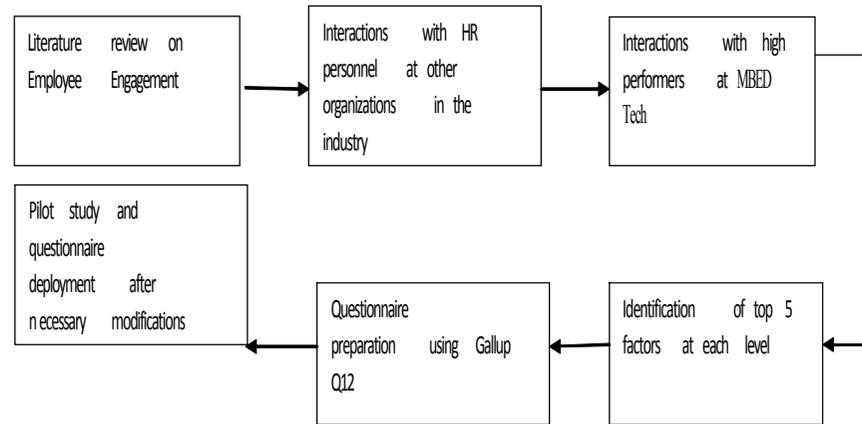
HR executives at various organizations in the same industry also provided the relevant information to find out the major activities (or HR practices), that are carried out to keep their respective employees engaged. These business practices were then mapped back to the specific employee engagement factors, and were also measured in the survey.

The following are various methods implemented for getting a representative figure of the number of respondents:

1. Direct contacts.
2. Telephone conversations.
3. Mails (Google docs).
4. Personally reminding them through IP messenger.

The step-by-step procedure carried out in the study, before arriving at the results is shown in the figure below:

Figure 1



(Ref: Author's interpretation)

Employee Classification Based on Engagement Levels

The questionnaire for measuring Employee engagement at MBED Tech was based on a modified version of the Gallup Questionnaire. Because of this, the results of the survey are also classified into a model which is based on the Gallup System of measuring Employee Engagement.

The Gallup System (Gallup Consulting, 2011) divides employees into three distinct groups, based on their levels of engagement as measured by the results of the Gallup Q-12 survey. The three levels are:

1. Engaged: This is the highest level and constitutes the employees, who have scored the highest. These are the kind employees that every organization would love to have. These employees would normally be:
 - i. Committed
 - ii. Highly productive and
 - iii. Less likely to leave the company.

They use their talents, develop productive relationships, and multiply their effectiveness through those relationships. They perform at consistently high levels. They drive innovation and move their organization forward.

2. Not Engaged: This is the second level of the employees in terms of engagement level. This does not mean that they are disengaged; they are actually a group of people who are neither too positive nor negative about their company. They basically take a wait-and-see attitude toward their job, their employer, and their co-workers. They hang back and don't commit themselves (Gallup). These employees are more tasks oriented than goal oriented. This is because they don't have productive relationships with their managers or with their co-workers.
3. Actively Disengaged: This the lowest group in terms of level of engagement. These are employees who are unhappy with their work and show/act it. They are acting out their unhappiness. They are discontent, less productive with work and more likely to leave. They may even become a problem for other workers.

Employee Engagement Measured at MBED Tech

Initially, all the employees are divided into 3 levels, as it was observed that, there were different engagement factors that were important for employees at various levels. To examine this, human resource at MBED Tech was divided into:

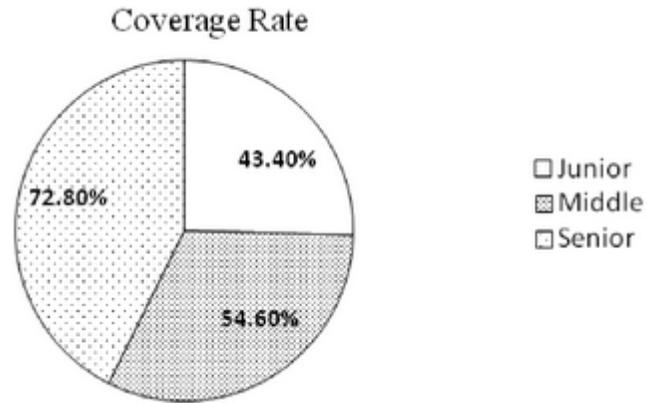
1. Junior level – people with 0-5 years of total experience in the industry
2. Middle level- people with 6-10 years of total experience in the industry
3. Senior level- people with more than 10 years of total experience in the industry

After interactions with employees of MBED Tech, it was possible to sort out the 5 factors of highest priority for majority of employees at each level. Also, some common and important factors were also considered while designing the questionnaire, so that the basic factors of engagement do not go neglected.

Coverage Rate of Employees at MBED Tech

The questionnaire was prepared based on the factors identified through interactions with employees at MBED Tech and a pilot study was conducted. Later, the questionnaire was rolled out for the entire employee base at Trivandrum and the following was the coverage rate:

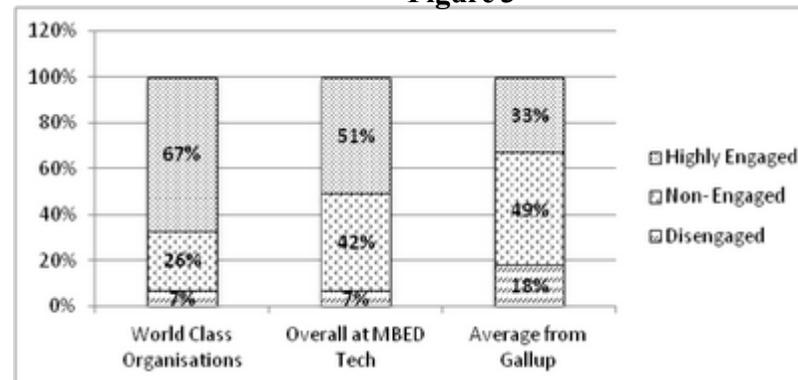
Figure 2



(Reference : Research data, based on the information available in the company database)

By using the already discussed factors, separate questionnaires were prepared for each category, to understand the factors that keep them engaged at MBED Tech. After giving appropriate weightage to each question in the questionnaire and finding out the number of employees at each engagement level, it was observed that MBED Tech was on the verge of achieving the world-class average of engagement level (according to Gallup survey on employee engagement) among employees. The below graph depicts that MBED Tech has a good number of engaged employees and it also has the high possibility of increasing the number, as there are many employees who can be changed as engaged ones, provided that they are treated rightly.

Figure 3



(Reference : Author's observation)

Results

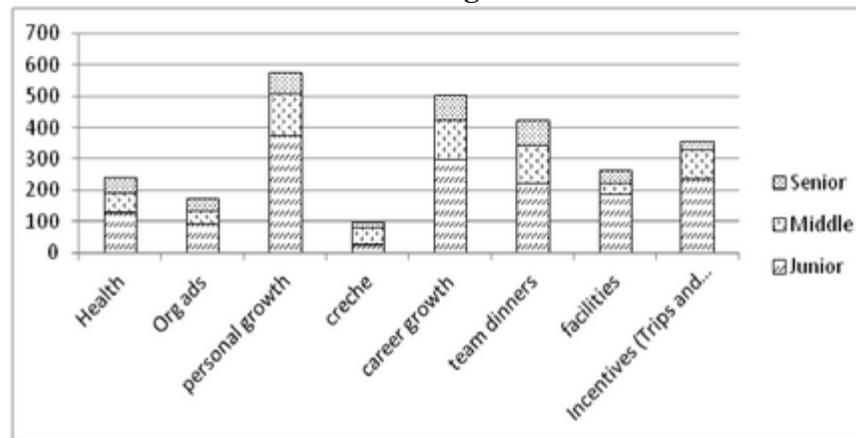
ANOVA (Analysis of Variance) was used to meet the first objective of the study (Zikmund, 2011), where the null hypothesis and alternate hypothesis was as follows:

H_0 : Engagement factors do not vary across different levels in MBED Tech

H_a : Engagement factors vary at least across two different levels at MBED Tech

The data used to test the hypothesis is as follows:

Figure 4



(Ref: Author's observation)

After using ANOVA (using critical value approach) to test the null hypothesis with 95% confidence that the data was significant to represent the entire population at MBED Tech, Trivandrum, the p-value obtained is 0.000195, which is very less when compared to the level of significance ' α ' (0.05). So, we concluded that, the null hypothesis had to be rejected, which meant that there was significant variation in engagement factors at least across two different levels at MBED tech.

The above hypothesis testing did not show us whether there was a significant difference across all the 3 levels or any of the two levels. So, to find out this, hypothesis testing was done for two different levels at a time. By this test, it was observed that there was a difference in the engagement factors at each level in MBED tech.

Table 1

| Levels | p-value |
|----------------|----------------|
| Junior- Middle | 0.001974 |
| Middle-Senior | 0.01256 |
| Junior-Senior | 0.003754 |

(Reference : Author's interpretation of data)

Using SPSS, the major factors were found, that made engaged employees happy, and those responsible for disengagement of people at disengaged category. The factors are:

Table 2

| | Major factors for Highly Engaged people | Factors affecting Disengaged people |
|---------------|--|--|
| Junior | Resources, Communication, Growth | Compensation, Growth |
| Middle | Participative management, Support teams/Resources, Meeting Organizational and personal goals | Resources/ Support team |
| Senior | Exposure, Demanding role, Team Relationship | Challenging task, Work-life balance (female) |

(Reference : Author's interpretation of data)

Learning from the Study

It is learnt that the employee factors vary not only across various levels in the organization, but also between male and female employees and also with marital status. So, the appropriate measures should be taken to keep people engaged, instead of believing that one size fits for all.

Recommendations

Based on the identified engagement factors, some of the best business practices for each level at MBED Tech are recommended below:

Table 3

| Level | Business Practice |
|--------------|--|
| Junior | Fun activities on Fridays Utilizing breaks to interact with other team members Soft skill trainings Point system (like GEM system in TCS) |
| Middle | Environment to incubate and implement ideas Utilizing breaks to give feedback to team members on the day's work. kids @ work/ children's camp. Team to prioritize the requirement of tools for each team, so that the delay in approving tools can be reduced. |
| Senior | Strategy meets with top management of MBED Tech Leadership trainings at IIMs Stress management initiatives (free coupons for spas etc.) Paid trip with family |

Conclusion

This study dealt with employee engagement and the factors responsible for it, by dealing with the factors in a broader perspective. This can further be continued by understanding what each identified engagement factor means to each employee at different levels.

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