CHAPTER-2

REVIEW OF LITERATURE
LITERATURE REVIEW

Taking the framework in consideration, review of literature for various facets of employee engagement, antecedents and consequences of employee engagement, working environment and talent retention has been done and gaps in the existing literature were identified.

Various models of employee engagement have been developed by many researchers and consulting groups till date. These researches revealed that there are no fixed all purpose list of engagement drivers. A brief discussion of some of these models is discussed below:

2.1 JD-R Model:

The concept of work engagement and its relationship with other factors was theoretically studied through JD-R Model. Specifically JD-R Model has been used to study the antecedents and consequences of employee engagement in academic context (JD-R; Schaufeli & Bakker, 2004; Meyer and Gagne, 2008; Jimmieson & Amiot, 2009; Allen & Mellor, 2002; Hakanen, Schaufeli & Ahola, 2008; Llorens et al., 2007; Mauno, Kinnunen, & Ruokolainen, 2007; Langelaan et al., 2006). The model given by (Bakker & Leiter, 2010, p. 187) shown below representing the relationships between job demands and job resources. A study done by Schaufeli & Bakker (2004), found that job resources were positively related to work engagement.

JD-R Model categorized job related factors into two groups i.e. job demands and job resources and its study is restricted to personal & organizational resources. According to this model job demands are those aspects which require physical and psychological skills, for example Job insecurity (Kinnunen, Mauno & Ruokolainen 2007), unfavorable organizational climate (Bakker & Demerouti, 2007). Job demand is something which reduces energy (vigor) and reduces dedication. On the other hand job resources are psychological, physical and organizational aspects of job that help employees to achieve goals. For example pay, career etc. According to JD-R Model various aspects of job demands and job resources are related with engagement and its dimensions i.e. vigor, dedication and absorption.
Figure 2.1 was extracted from Baker and Leiter (2010; p. 187)

2.2 Gallup Hierarchy Model

Gallup organisation is an international organizational research and consulting firm. It conducted the most influential surveys on employee engagement. It also developed employee engagement scale based on its studies from 1985. In 1988, Gallup had patent on its 12-item measure of employment engagement which is now known to be Q12 scale. Gallup Organisation found the links between employee engagement, customer loyalty and business growth. Gallup organization helped many companies worldwide to improve the performance through employee engagement. Gallup (1999) developed a model to examine the relationship of management and organization. It believes that combination of employee job fit with manager will lead to have engaged employee. Model reinforced the theory and emphasized that engaged employee impact business performance.
2.3 Hewitt Model on Drivers of Engagement:

According to Hewitt drivers of engagement are

i. People
ii. Compensation
iii. Processes and procedures
iv. Quality of life
v. Opportunities
vi. Work values

Studies done by Hewitt since 1994 suggest that there is correlation between employee engagement and sales growth, employee retention and productivity.

2.4 Robinson’s Model of the drivers of Employee Engagement:

Robinson et al (2004) stressed his focus on “feeling valued and involved” as a driver of engagement. Within this particular dimension there are so many elements that have varying influence on the feeling of valued and involvement. These elements are performance appraisal, communication, pay & benefits, co-operation, health & safety and many more. Findings of the study of Robinson et al (2004) suggest that many of the drivers of engagement are common to all organization’s irrespective of sector with some variation in the strength of each driver.

2.5 Penna’s Model on Hierarchy of Engagement:

Penna (2006) in his study presented a hierarchy of engagement factor which shows the impact of each factor has on engagement and retention of talent. In the hierarchy “meaning at work” is defined as the situation where the employee is being valued, appreciated, have sense of belonging with the organization and also they feel they are contributing to organization.

From the model below, it is clear that the factors like leadership, trust, respect, development, learning etc are making contribution towards increasing engagement. As the factor in the hierarchy ascends, the organisation becomes more engaging to its engaging staff.
2.6 Mercer’s model of Employee Engagement:

Studies conducted by Mercer (2007) was named as What’s Working studies. What’s Working survey was conducted through collecting data from 22 countries and four global drivers of employee engagement were identified namely recognition and rewards, communication, leadership and work itself.

Each model is different but they all acknowledge that there are several drivers present at the work place that enhance employee engagement. Also McBassi et al (2008) in his research found that there are not defined factors that drive engagement but every organisation has different culture, people, norms and so different factors that drive important outcomes.

2.7 CLC Model of Employee Engagement:

Corporate Leadership Council developed a model of engagement after a survey which studied 50000 employees in 59 organizations across the world. In this model CLC defines engagement as the extent to which employee is committed, make his efforts and so defines how long they stay with the organization.
Further various research papers were analyzed to identify the antecedents and consequences of employee engagement.

Empirical evidence shows that there are well researched axioms regarding the presence of employee engagement in organizations that is driven by various working environmental factors which in turn leads to retention of the employees. There are so many factors in the workplace which impact engagement level towards organization and also various factors of working environment were found by the researchers in different regions and different organizational set ups.

Hewitt and Associates (2004) described engagement as a measure of the energy and passion that employees have for their organizations. Engaged employees are those who act to improve business results for their organizations. They “stay, say, and strive- in terms that they stay with and are committed to the organization, they say positive things for their workplace, and struggle (strive) to go beyond to do extraordinary work.”

In reviewing the results of 12 major research studies Gibbons (2006) identified the top drivers of employee engagement which are as follows:
• trust and integrity
• nature of the job
• the association between individual and company performance
• career growth
• pride about the company
• attitudes and views of coworkers towards their jobs and the company;
• employee development – the extent to which efforts are made to develop the employee’s skills; and
• personal relationship with one’s manager – the extent to which the employee values this relationship.

Talent report by Tower’s Perrin (2003) identified some factors that were common with Robinson’s model which are to be considered for driving employee engagement. These factors included challenging work, employee’s well being and collaborative work environment, input on decision making.

Career development opportunity was added as the predictor of engagement by HR Anexi Blessing White employee engagement survey report (5 May 2008) Business World. “HR Special Survey for Indian workers - Engage the employee” The study concluded that career development opportunities are huge expectations of Indian employees which further helps sustain the engagement level of those who are already fully engaged. The findings of this report are as follows:

<table>
<thead>
<tr>
<th>Top 3 factors expected by Indian employees.</th>
<th>Fully Engaged</th>
<th>Almost Engaged</th>
<th>Disengaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career development opportunities and training</td>
<td>26%</td>
<td>27%</td>
<td>31%</td>
</tr>
<tr>
<td>More challenging work</td>
<td>16%</td>
<td>17%</td>
<td>25%</td>
</tr>
<tr>
<td>More opportunities to do what I do best</td>
<td>20%</td>
<td>19%</td>
<td>19%</td>
</tr>
</tbody>
</table>
Another study, Eileen Appelbaum and her colleagues (2000), found that high involvement practices leads to superior performances. Moreover, workers with high involvement plants showed more positive attitudes, trust, organizational commitment and enjoy work. This study was conducted on 15 steel mills, 17 apparel manufacturers and 10 electronic instrument and imaging equipment producers.

Moreover research also found that workplaces that focus on strategies regarding skill retention and employee engagement, achieve higher productivity and performance (Clayton Glen, 2006). He found 9 employee engagement predictors which in multiple combinations provide a powerful framework for skill retention across most organizations. Study was conducted to examine the value of assessment and feedback in talent engagement and retention. Study revealed that employee retention and motivation can be achieved more pleasingly and effectively by focusing on retention/motivation elements. These predictors included:

- organizational process;
- role challenge;
- values;
- work-life balance;
- information;
- stake/leverage/reward/ recognition;
- management;
- work environment; and
- product/service

In all cases, he found that the above predictors – in different combinations – cover all aspects of the businesses likely to impact on employee engagement and skill retention.

Study on “The impact of emotionally intelligent leadership on talent retention, discretionary effort & employment brand” by Benjamin R. Palmer and Gilles Gignac, (2012) found emotional intelligence of a manager to have positive influence on the engagement of the staff. Also it was found that improved emotional intelligence of management have a positive impact on its performance & capacity to retain talent.
Karen Kelly Wollard and Brad Shuck (2011), on the basis of the review of 265 abstracts, identified 42 antecedents (individual as well as organizational) which make impact on the level of employee engagement among which half were empirically tested and half were conceptually tested. List of the individual antecedents and organizational antecedents which was given by the author is mentioned below:

<table>
<thead>
<tr>
<th>Individual Antecedents to Employee Engagement</th>
<th>Organizational Antecedents to Employee Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absorption</td>
<td>Authentic corporate culture</td>
</tr>
<tr>
<td>Available to engage</td>
<td>Clear expectations</td>
</tr>
<tr>
<td>Coping Style</td>
<td>Corporate social responsibility</td>
</tr>
<tr>
<td>Curiosity</td>
<td>Encouragement</td>
</tr>
<tr>
<td>Dedication</td>
<td>Feedback</td>
</tr>
<tr>
<td>Emotional fit</td>
<td>Hygiene factors</td>
</tr>
<tr>
<td>Employee Motivation</td>
<td>Job characteristics</td>
</tr>
<tr>
<td>Employee/work/family status</td>
<td>Job control</td>
</tr>
<tr>
<td>Feelings of choice and control</td>
<td>Job fit</td>
</tr>
<tr>
<td>Higher level of corporate citizenship</td>
<td>Leadership</td>
</tr>
<tr>
<td>Involvement in meaningful work</td>
<td>Level of task challenge</td>
</tr>
<tr>
<td>Balance between individual and organizational goals</td>
<td>Manager expectations</td>
</tr>
<tr>
<td>Self-esteem, self-efficacy</td>
<td>Manager self efficacy</td>
</tr>
<tr>
<td>Vigor</td>
<td>Mission and vision</td>
</tr>
<tr>
<td>Willingness to direct personal energies</td>
<td>Opportunities for learning</td>
</tr>
<tr>
<td>Work life balance</td>
<td>Perception of workplace safety</td>
</tr>
<tr>
<td>Core self evaluation</td>
<td>Rewards</td>
</tr>
<tr>
<td>Value congruence</td>
<td>Supportive organizational culture</td>
</tr>
<tr>
<td>Perceived organizational support</td>
<td>Talent management</td>
</tr>
</tbody>
</table>

May et al., 2004; Rich et al., 2010 found meaningful workplace environment as related to employee engagement. He found that perception of emotionally, culturally
and physically safe environment make influence on development of employee engagement.

Brown & Leigh, 1996; Shuck, Reio et al., (2011) indicated role of organizational culture as an antecedent of employee engagement. The research further suggested that supportive and positive work climate enhance the conditions of engagement

It has also been indicated that hygiene factors like fair pay, working conditions & degree of security drive conditions for engagement (Van Rhenen & Schaufeli, Taris, 2008; Shuck, Rocco, et al., 2011,). Some studies suggest that poor monitory structures can undermine organizational efforts for engagement (Cropanzano & Demmerouti, 2010; Sparrow & Balain, 2010)

Researchers C. Balakrishnan, Dr. D. Masthan, Dr. V. Chandra found communication, rewards and recognition, work environment as the strong predictors of employee engagement. Further, all these factors along with remuneration and compensation, relationships were found to be drivers of retention also.

McCashland 1999, Miles 2001 and Harter et al., 2002, Holbeche and Springett, (2003) indicated that certain aspects in workplace enhances employee engagement. It was also found that organizational environment including positive emotions like involvement & pride enhance employee engagement which in turn leads to lower employee turnover (Robinson, 2006)

Study on “Antecedents of employee engagement and their impact on employee performance” by Dr. J. Anitha found working environment as the best predictor of Employee Engagement.

Kahn (1990) indicated that trust in interpersonal relations with supportive team drives engagement in employees. It was found that relationships among employees and with employer at workplace have positive influence on employee engagement (May et al., 2004). May et al., (2004) and Rich et al., (2010) have established relationships between meaningful workplace environment and employee engagement.

Saks and Rotman (2006) found recognition & rewards as the significant drivers of employee engagement. Various researches (Pitt-Catsouphes and Matz- Costa, 2008,
Woodruffe, 2005, Rama Devi, 2009, Pollitt, 2008) found organizational policies and procedures where employee is able to balance their work and home environment leads to higher level of engagement among employees.

Demerouti and Cropanzano, 2010 and Schaufeli and Salanova, 2008 found engagement as related with employee attitudes, employee psychological well being, psychological conditions etc. Working environment, including factors present at the workplace that gives satisfaction to the employees was found to be related with employee engagement.

Employee engagement was found as something that is produced by the working environment factors (Mc Cashland 1999, Miles 2001 & Harter et al., 2002, Holbeche and Springett, 2003)

Many research have established relationship between working environment and employee engagement as mentioned above but now the question arises is that whether working environment makes impact on retention rate or not and so research papers showing relationships between working environment and talent retention were reviewed.

Zhou Ying and James Fredericks Volkwein (2004) found compensation as the second strongest predictor of intention to leave. Study indicated that the faculties who have higher compensation are more satisfied and likely to stay in the organization. Moreover, study also found the seniority and rank as the predictor of intention to stay.

Deepti Sinha’s, Sachin Sinha’s Study on talent retention (Feb 2008) revealed that high performance organization give more importance to talent and goes all out to grow its talent pool. They found that most of institutes are experiencing recruitment difficulties followed by people leave their managers not their job. They concluded that in order to keep efficient people for a longer period institutes pay a higher price and a successful retention practice helps in developing a network of experience & talented employees in the institution.

N. Sylvia Naris and I.Wilfred Ukpere (June 2010) found effective retention strategies as a predictor of motivation of staff members & improved work
performance, which in turn results in attracting & retaining qualified people for the Institution. They identified various factors which were responsible for leaving the jobs through conducting the interview with top management, Registrar and staff members and challenging job content, opportunities to self development along with money were found to be an effective motivator to retain employees. Study also recommended the institution to develop strategy like personal and professional development, flexible working hours, time for research activities.

A study on Talent in emerging economies, Harvard Business Review, May 2010, concluded that to attract and keep talented women the organizations have to find talent early, mainly in Universities. Second was to build networks to fight isolation & gain visibility while achieving their business goals. Third was to give international exposure, and fourth was to build ties outside the organizations- to clients, customers & communities.

Verhaegen Paul (2005) found academic freedom, time for research work, geographic location and opportunities for professional development as the most important factors related with retention. Even when the sample was segmented as public vs. private, above four factors remained at the top of the list. Moreover, stimulating peer community, recognition for faculty’s research work and research climate also increases retention rate.

Deery Margaret (2008) reviewed the literature related to retention of good employees and the role that work-life balance (WLB) issues have in an employee’s decision to stay or leave an organization. He identified stress and various components of stress such as emotional exhaustion and job burnout as a significant cause of employee turnover. Also it was found that work life balance has an important role in an employee’s decision to remain with the organisation. Further, the role of recruitment and training was found important in improving job satisfaction and organisational commitment which in turn leads to employee intention to stay. Study indicated that work life balance issues are related with retention and also suggested Government to regulate, both for minimum and maximum hours of work as Relationships Forum Australia report by Shepanski and Diamond (2007) found more than 20% of employees work for 50 hours or more a week and more than 30% work on the weekend regularly. On the basis of his research, he suggested numerous actions to be
adopted for retention of good staff as well as assist in balancing work and family life. The actions may include:

- Providing flexible work arrangements
- giving training opportunities during work time;
- providing sufficient resources for staff
- allowing sufficient breaks during the working day;
- rewarding staff
- staff functions that involve families
- Implementing good management practices.

These recommendations were made to help organizations not only to retain their talented staff but also to provide a more holistic experience that includes a balance between their work environment and their home life.

Hughes Christensen Julia, Rog Evelina, (2008), on the basis of structured review of literature on talent management and its relation with recruitment and retention, found talent management (sourcing, developing and rewarding employees- perspective by Lewis and Hackman 2006) as the predictor of engagement and retention. It was found that if talent management strategy was implemented effectively, it will result into improved employee recruitment and retention rates.

Towers Perrin (2005) found opportunities to learn and develop new skills, salary, manager support, satisfaction with organization’s decisions, retirement benefits, acts of senior management to ensure organization’s long-term success, fair compensation, decision-making authority to do job well and reputation of organization as a good employer as top retention drivers for Canadian workers in his international study of full-time employees (approx 86000) from 16 countries and four continents. Retention strategies found to be important in other countries included: inspiring enthusiasm (Brazil, France, Netherlands), treating people with respect and trust (Japan), conducting effective performance reviews (Italy) and holding people accountable for performance goals (South Korea).

Study by Doh.P Jonathan, Stephen. A. Stumpf. A. Stephen, Tymon Jr.G.Walter, (2011) analyzed the impact of HR dimension of responsible leadership on talent retention which further included three elements like perception of CSR as the
stakeholder culture component, HR management component and managerial support component. The study found significant correlation of all above three factors with intention to leave and actual turnover. Study also found that employee’s perception regarding fair HR practices and support from the management has negative relationship with intent to leave and turnover. HR practices included the items for performance appraisal system, compensation programs where as management support included the approach of immediate manager to lead and develop people. The result indirectly reveals that workplace practices and relationships have influence on intent to leave and turnover.

Eva Kyndt & Filip Dochy & Maya Michielsen & Bastiaan Moeyaert (2009) indicated that both organizational and personal factors contributed towards retention. Study found quality of work climate as a strong predictor of employee intentions to remain with their current employer. Also it was found that appreciation and stimulation have a strong positive influence on employee retention. Another aspect of this study was pressure of work, which indicated to have a significant negative relationship with employee retention. The findings suggested that inclusion in workplace norms and practices, rich array of opportunities for learning may well assist increasing the retention of skilled workers. Besides the organizational factors, this study revealed that individual differences can enhance or reduce employee retention. Among those one was seniority which was positively related with employee retention. Also the result revealed that respondents with a longer career within the company feel more strongly connected to the company and tend not to leave. The level of education and readiness and initiative to learn was negatively related to employee retention. A negative relation between the level of education and employee retention was in line with the findings of Angle and Perry (1983) and Glisson and Durick (1988)

Demody et al. (2004) found that incentive pay programs and through innovative benefits such as bonuses, flexible work and mentoring practices have influence on motivation and attraction of employees towards industry

Study by John F. Ryan, Richard Healy, Jason Sullivan found stress and satisfaction as the predictors of faculty intent to leave. Further the dimensions of satisfaction were job constraints- Salary, teaching load, autonomy etc, Institutional environment-relationships with administration, administrative support, Quality of students,
professional relations, social relations with faculty etc which were found to be the predictors of faculty intent to leave.

Foster and Krolik (2008) identified the factors that pose challenges to IT employee retention and found poorly communicated organization as one of the important factor among them. Author suggested communicating with the employees matters a lot for the employee retention. Also opportunity to give performance feedback and discussing with them about their career development also impact talent retention. Brown (1967) made a survey on 10000 faculties and identified seven major factors influencing intention to leave and all were related to work environment. Among these salary and good relations with colleagues were also important. According to Stein (2000); Beck (2001); Clarke (2001); Parker and Wright (2001) factors like working environment, support from superior, remuneration, reward and recognition influences employee retention. Meyer and Allen (1991); Solomon (1992); Snell and Dean (1992) suggested that retention may be improved by good HR practices like compensation, reward, supervisor’s support, Culture and work environment.

Wiesenberger and Associates (1993) found relation with supervisor is a point of concern to enhance retention. With this recognition from bosses, team, co-workers also enhance retention.

Working environment is considered as one of the important factors which lead to talent retention (Zeytinoglu & Denton, 2005) and people intent to stay with organizations that provide good working environment (Ramlal 2003). Study of Wiesenberger and Associates (1993) found that recognition from bosses, colleagues and co-workers enhance the loyalty and retention.

Kirby, Berends and Naftel (1999) in his study conducted on Texas teacher found that a $1000 increase in salary resulted into reduced attrition which was consistent with the study of Mont & Roes (1996) who found that higher salaries were associated with lower attrition. Brewer (1996) also suggested that higher salary levels encourage teachers to stay in their profession.

Wellins (2009) in his study stated that if there is a match between employer and employee, the attrition rate of faculty is low. Research done by Pit Catasouphes (2009) found that 59% of the respondents of his study gave value to meaningful &
purposeful work. Also they gave importance to flexible work timings and learning and development opportunities in their retention.

Connolly, R.A.(2000) has tried to find out the reason for high turnover and retention among beginners in this field and found that environment was the prime reason for higher attrition rate.

Johnsrud, L.K., & Heck, R.H. (1998) found in his study that faculty who leave voluntarily mention factors like relationship with colleagues as reasons for their departure.

Arthur Diane (2001) found that the attitude of Generation Y has changed and they are less likely to be loyal towards their employer. According to the author, they prefer to be with employers who allow them to innovate the things and also give priority to work life balance i.e. a fine balance between work and family lives.

As per the research of Mercer Human Resource Consulting (2004), communication, work life balance, quality of colleagues are some key factors for the employees which impact the commitment level of employees. Also the relationship and rapport of employee with the manager and opportunities were found to be significant in motivating the employees.

Ahlrichs (2000) found “policies exist at the workplace” as a good indicator of how long the employees will not leave the job. And so he suggested the employer to take initiative for encouraging their employees.

Gruman & Saks (2011) found performance appraisal systems as an important factor for improving retention. Also they suggested that educational institutions to implement good performance management system so that the retention rate of the faculty can be improved.

Hemlata Agarwal & Pooja Patel (2011) concluded that compensation is the most important reason for the attrition of teaching faculty with other factors like work life balance factors, lack of mentoring etc. Author also suggested creating exciting opportunities for the faculty in order to retain competent faculty in a Business School.
Study of Whelan Eoin, Carcary Marian, (2011) addressed the gap in the literature by examining how different talent management practices can be used to deal with five key knowledge management concerns i.e. identifying key knowledge workers, creating knowledge, developing knowledge competencies, knowledge sharing and knowledge retention. As far as knowledge retention is concerned study found that knowledge loss resulting from employee turnover exposes an organization to risk and found environmental related factors as strong predictors of talent retention. The study focused on talent management literature available on factors contributing to talent retention. Tymon et al. (2010) found that the key predictors of employee’s intention to leave are satisfaction with and pride in the organization and perception of being socially responsible. Also it was found that hygiene factors (i.e. compensation, benefits, location) directly effect career success, and career success and intrinsic rewards are the indirect predictors of talent loss reduction. Other important factor was open communication channels into the employer-employee relationship (Frank and Taylor, 2004) which also nurtures employee engagement (Schuler and Tarique, 2010). The study found that one of the talent management initiatives that were found important in preventing knowledge loss was reward and recognition programs: Failing to give recognition to key knowledge holder’s results in leaving the firm. Several reward and recognition models along with traditional compensation packages, perks, and informal and formal recognition (Debowski, 2006; Inskeep and Hall, 2008) resulted with the intention to not to leave firm. For some employees, recognition may take the form of providing career development programs that match the individual’s career aspirations (Lazarova and Tarique, 2005).

Further, extensive review of literature reveals that employee engagement level towards the organisation makes impact on their intention to leave and retention.

Survey by Corporate Executive Board (2009) found that disengagement is negatively related with employee engagement and retention. Study also found that talented staff significantly effects the performance of business. This survey studied more than 20,000 employees in more than 100 organizations worldwide and revealed out that one in four intended to leave their employer within one year, one in three admitted to not to put his effort into his job. One in five believed that there is imbalance in their personal aspirations and the organisation planning for them.
Studies also indicated that HR practices like person-organization fit (P-O fit), effective remuneration and recognition, challenging assignments and training and career development have influence on organizational commitment and intention to stay (Chan C.A. Christopher, 2008). The results of this study revealed that organizational commitment and intention to stay were significantly related to P-O fit which was consistent with previous research (Abbott et al., 2005; Finegan, 2000; Kristof-Brown et al., 2005; Schneider, 1987). Research done by Chan C.A. Christopher (2008), suggested that the organization should match the job requirements with the person’s skills and abilities and also carefully match the person’s personality and values with the organization’s values and culture.

The study also found that remuneration and recognition are positively related with organizational commitment and intention to stay. Since money have an impact on behavior but a fair remuneration is the foundation of the implied agreement between employees and employers (Parker and Wright, 2000). According to a study by Mercer Report (2003), if employees are rewarded fairly and adequately, they tend to remain with the organisation. Also they are likely to stay with organisation when they feel their potentials and efforts are recognized and appreciated (Davies, 2001).

This study also examined the role of providing a challenging assignment on organizational commitment and intention to stay. Study found that there is positive relationship between challenging assignment and organizational commitment which was consistent with past studies (Ferguson, 1990; Furnham, 2002; Walker, 2001), but an employee’s intention to stay was not significantly influenced by the degree of challenge provided by the assignment. On the other hand some studies revealed that employees often commit to a firm that enables them to best utilize their skills and abilities and to an organization that provides an environment that appropriately matches their personal attributes (Kristof, 1996; Withers, 2001).

Kanwar Y.P.S. ,Singh A.K. ,Kodwani Deo Amitabh (2012) found job satisfaction and organizational commitment to be positively related in both IT and ITES sectors. Further, the study found that both factors were negatively related to turnover intention which was in consonance with previous findings of Griffeth et al., 2000; Currivan, 1999; and organizational commitment is negatively related to intention to quit (Griffith and Horn, 1995; Zajac and Mathieu, 1990; Mowday et al., 1982). This study
therefore suggested organizations to take steps to ensure enhancement of job satisfaction and organizational commitment to retain their employees. Comparative study of the two sectors, i.e., ITES and IT showed that job satisfaction and organizational commitment in the ITES sector are relatively higher compared to the IT sector. Reason being employees in the IT sector are highly qualified and so the expectations are high as compared to the ITES sector and when those expectations are not met, they experience lower job satisfaction and exhibit lower organizational commitment. This means high qualification may lead to more expectations fulfillment of which leads to retention. The study also shows that male employees are more satisfied compared to their female counterparts. The female employees with family responsibilities, conflicting roles, etc., find it difficult to manage the family and job responsibilities together, leading to lower satisfaction and hence have higher turnover intent. Study also revealed that both job satisfaction and organizational commitment contribute to turnover intent but the latter is the dominant factor. This is in line with the literature on turnover research (Griffeth et al., 2000) which indicated that organizational commitment predicts turnover better than job satisfaction.

Jyotsna Bhatnagar in her study (2008), which was an investigation on talent management and employee engagement found employee dialogue practice as a predictor of employee engagement. Study was done in an international organisation and indicated that an interesting environment is positively related with employee’s performance which in turn leads to retention. The study finally found the level of engagement as a predictor of retention.

Gallup Management Journal’s latest National Study- “Happy and engaged employees are better equipped to handle work place relationships and stress” found as happy and engaged employees are much more likely to have a positive relationships with their boss, are better prepared to handle new challenges and changes. Also findings were that engaged employees feel they are more valued by their employees, handle stress more effectively and are much more satisfied with their lives.”

Numerous studies showed empirical evidence that higher levels of engagement reduces turnover intention significantly (Maslach, Schaufeli, & Leiter, 2001; Saks, 2006; Shuck, Reio, & Rocco, 2011)
Saket Jeswani and Souren Sarkar (2008) found talent engagement as the best strategy which as used for performance and retention. The research indicated that an engaged workforce in an organization is a loyal workforce and makes extra efforts and contributes in performance and retention.

Research by Hinkin Timethy, Tracey Bruce (2000) stated that an effective retention strategy had a significant influence on employee engagement, attrition and financial performance.

It is clear from the above mentioned researches that there exists relationship between working environment and employee engagement and in between employee engagement and talent retention. But empirical evidences are also found which showed that there exists relationship among these three variables (Walker, 2001) i.e. employee engagement is driven by working environment which in turn leads to talent retention.

Hay Group Study (2011) indicated that working environment, rewards and recognition, compensation/ remuneration and employee- organization match influences engagement. Report of CLC (2004) suggested that if the organizations are highly engaged, they have the probability of turnover reduction by 87%. It was also observed that employee engagement drives employee retention. Working environment is considered one of the important factor to enhance employee retention (Zeytinoglu & Denton, 2005).

Alok Kumar Goel, Namita Gupta and Renu Rastogi (2013), found certain organizational aspects, such as communication, supervisory relationships, empowerment, as the predictors of employee engagement which further had influence on productivity and talent retention (Bhatnagar, 2007). Study also found that employees feel engaged when they receive interpersonal support and get efficient work environment and demonstrated the importance of recognition and rewards, working environment and employee’s relationship with the managers in engaging the employees.

Walker (2001) identified seven factors which lead to improvement in employee engagement and in turn improves retention. These factors were:
- Compensation and Appreciation
- Work Environment
- Prospects for growth & learning opportunities
- Pull factors in Organization
- Rapport with Co-employees
- Work Life Balance
- Communication Channels

It was found that if employees feel supported and valued are likely to reflect organisation commitment which in turn impacts employee retention (Bentein, Vanderberg, & Stinglhamber, 2005). Consistent with this finding the research of Stinglhamber & Vanderberghe, 2004 found that if employees feel that they are competent and get opportunities to grow they feel responsible for their organization. Also relationships play a very important role in developing such feeling which leads to high retention.

Empirical evidence shows that there are well researched axioms regarding the presence of employee engagement in organizations that is driven by various working environmental factors. Also studies reveals that employee engagement level towards the organisation makes impact on their intention to leave and retention. On the basis of literature reviewed the paper proposes that working environment and employee engagement has a significance influence on talent retention and developed the model keeping in view the same.

The researcher has taken the idea to develop the frameworks from framework of Schaufeli et al.’s (2002) work engagement and from the conceptual framework of Shirom’s (2003) Vigor which later on explored by Remo, Neli (2012).

2.8 Conceptual Framework

A theoretical framework represents the belief of the researcher on how certain variables are related with each other. Based on the literature review, following theoretical framework has been suggested. The figure below conceptualizes the different relationships that the researcher would like to explore in this research. The focus of the study is to prove that work environment is a predictor of employee
engagement and talent retention is the consequence of employee engagement. The overall model of the study is as follows:

![Overall model of the study](image-url)

Fig. 2.4 Overall model of the study
The study was categorized into three parts. So, separate model for each study was developed.

![Diagram of Employee Engagement Model](image-url)
Impact of Employee Engagement on Talent Retention Among Academicians In Professional Colleges

**Fig 2.6 Model for Study-2**

**Fig 2.6 Model for Study-3**
2.9 Defining Variables used in the Study:

1. Employee Engagement: Employee engagement is the extent to which workforce is committed both emotional and intellectual exists relative to accomplishing the work, mission and vision of the organization. Schaufeli et al (2002) defined work engagement as “a positive, work related state of mind that is characterized by vigor, dedication & absorption”

2. Vigor: Vigor is further characterized as highly energetic and high level of mental resilience while at work (Bakker and Demerouti, 2008). It is featured by willingness to make efforts in work.

3. Dedication: Dedication is characterized as highly involved in work, strong identification with work and also includes feelings of pride, enthusiasm (Chughtai and Buckley, 2008)

4. Absorption: Absorption means highly concentrated and happily immersed in work in which feeling that time passes quickly (Bakker and Demerouti, 2008)

5. Working Environment: The term working environment refers to the surroundings within which employee work. It includes the physical, social and psychological conditions and all other factors that influence work. Working environment also includes supervisory support, recognition programs, communication practices etc.

6. Talent Retention: Talent may be defined as the inherent ability of an individual to do a particular task in particular way (Sinha, 2008). Talent is any inbuilt capacity that enables an individual to display high performance that requires special skills & training (Simonton, 1999). Talent retention refers to various practices of the organisation which lead to employees stick to organisation for long.

7. Academicians: Academicians in this study refers to all teaching faculties working in Government and private institutes or colleges.
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