CHAPTER TWO

REVIEW OF LITERATURE

2.1 Introduction

Chapter 2 starts with understanding employee engagement at a high level and its conceptualization. The chapter then explores the practitioner's view of employee engagement before examining the various academic models of employee engagement based on a thorough literature review. Once the various models of employee engagement in the practitioner world and academic literature have been reviewed, the chapter explores what the antecedents of employee engagement are based. Looking at the outcome variables of employee engagement follows this section. The relevant literature around each of the antecedents/drivers and outcome variables are reviewed. The various scales of measuring employee engagement is also looked at before discussing the research gap the researcher is exploring as part of this research before concluding the literature review chapter.

2.2 Understanding Employee Engagement

Employee engagement as a concept has got a lot of attention recently with a dramatic increase in discussions about employee engagement in both the practitioner world and the academic world. Organizations see this as a source of major competitive advantage that will help them to face challenges in the market place, as well as to increase productivity. AON Hewitt (2012), a human resources consulting firm, claims to have established a conclusive, compelling relationship between engagement and profitability through higher productivity sales, customer satisfaction and employee retention.
It has also been seen that engaged employees create engaged customers, which results in a huge leverage with respect to the bottom-line. Engagement has increasingly become the focus of building organizational values so that there is a culture, which then facilitates driving employee engagement. Creating an engaged workforce is one of the top management challenges today. In a study, 82% of the surveyed workforce said that employee engagement was one of the most important issues facing their company (Czarnowsky, 2008). Organizations need engaged employees (Bakker & Schaufeli, 2008), and progressive organizations are looking for methods to create such a workforce.

Over the last few years, employee engagement as a concept has increasingly come into focus, and the concept has seen significant developments in how it is defined, measured, and conceptualized. As mentioned earlier, these developments have been driven more by practice than by academics primarily because employee engagement developed as an independent construct only recently. For long, it was seen only as old wine in a new bottle (Saks, 2006) - a repackaging of other already-existing constructs under the new term engagement.

Any discussion of employee engagement has to look at both the practitioner view of employee engagement, as well as the academic, scholarly models, as academic interest in employee engagement had lagged behind practice. Saks (2006) says that as practitioners turned to academic literature for strategies on developing an engaged workforce, they were met with a gap. The attempt of the current research is to base itself on academic, scholarly work on employee engagement. However, any discussion of employee engagement is not complete without taking into account the practice view,
as it is closely intertwined with academic work in the development, evolution of employee engagement as a construct. Hence, this literature review covers the practice view of employee engagement as well because that makes the conceptualization and operationalization of employee engagement from an academic, scholarly way more precise and brings clarity to how employee engagement is defined in this study. The practitioner approach and the academic approach are very different in purpose and outcome (Macey & Schneider, 2008; Wefald & Downey, 2009), and therefore, it makes greater sense to review both perspectives before the employment engagement model for this study is proposed.

2.2.1 Practice View of Employee Engagement

As someone who has spent a lot of time in the IT industry working mostly in its human resources and operations areas, I believe it is important to study employee engagement from the practice perspective as well. ‘Employee Engagement’ as a term is used very loosely in practice as well as management/consulting circles, and the construct is defined and studied in different ways depending on the consulting firm, the audience, and the nature of the discussion. In my discussions with human resource practitioners or managers, I have found that the term is often used as a proxy for employee satisfaction, employee loyalty or employee commitment.

Aon Hewitt claims that their employee engagement model ‘goes beyond benchmarking employee satisfaction’ to measuring ‘the intellectual and emotional commitment of employees to their business’. They identify three ‘key behaviors’ that are assumed to indicate strong engagement (Aon Hewitt, 2013). These ‘key behaviors’, according to Hewitt, are ‘Stay: people have an intense desire to be a member of the organization; Say:
people consistently speak positively about the organization to co-workers, potential employees, and most critically customers (current and potential); and Strive: people exert extra effort and engage in work that contributes to business success.' The Aon Hewitt (2013) Engagement 2.0 Report says that the top 10% of engaged employees demonstrate better quality efficiency and customer outcome at a rate many multiples greater than the actively disengaged. Aon Hewitt proposes a model with six major categories containing 22 organizational antecedents that potentially drive an individual’s engagement (See Figure 2.1).

Figure 2.1: Aon Hewitt Engagement Drivers
Source: Aon Hewitt Website

Gallup defines engagement as ‘the involvement with and enthusiasm for work’. Gallup research also talks about engaged employees being more
productive, more customer focused, and more likely to stay longer (Gallup, 2013). According to them, the best performing companies know that developing an employee engagement strategy and linking it to goals is important for organizations to win. Their measure of engagement—Q-12 questionnaire responses—actually measures a lot of satisfaction. The core elements of Q-12 are expectations about one's work, having the resources to do the job, recognition, supervisor support, peer support, empowerment, mission of the organization, commitment of peers to do quality work, having a friend at work, and growth. According to the bestselling book *First, Break All the Rules*, based on Gallup's extensive program of research on engagement, less than one in every five workers is actively engaged in their work (Buckingham, 1999).

Towers Perrin defines engagement as 'the extent to which employees put discretionary effort into their work, beyond the required minimum to get the job done, in the form of extra time, brainpower or energy' (Vance, 2006). The consulting terms Think, Feel and Act are nothing but the rational, emotional, and motivational aspects of engagement. The Rational or Think aspect is the extent to which a person understands and fits into the goals and values of an organization. The Emotional or Feel part of engagement is attachment to the goals and values of the organization. The Motivation aspect covers the discretionary effort that employees are willing to put in. Towers Perrin sees engagement building as a process that is continuous and never-ending. Their research reiterates that building a meaningful and emotionally enriching work experience lies at the core of engagement building. In their numerous studies, the firm has seen that engaging employees is not about making people happy or paying them more money, but about accountability in one's job, autonomy, having a sense of control over one's work environment, a sense of shared destiny,
and opportunities for development and advancement. The emotional and rational components reiterate that employees, in order to be engaged, need to have a sense of mission, passion, and pride that motivates them to make that extra effort or discretionary effort and also tools, resources, and support from the organization. Many years of their consulting work have shown that only 17% of employees are highly engaged, while 19% are disengaged, with the rest falling somewhere in the middle. Towers Perrin also claim that they have evidence of engaged employees impacting customer satisfaction scores and revenue growth in a positive way and, hence, the importance of building a highly engaged work force (Towers Perrin, 2013).

![Engagement Model per Towers Perrin](www.towersperrin.com)

**Figure 2.2: Engagement Model per Towers Perrin**

*Source: www.towersperrin.com*

The Corporate Leadership Council (CLC) defines engagement as ‘the extent of employees’ commitment, work effort, and desire to stay in an organization’. They talk about employee engagement as being dynamic and
continuous in nature. CLC recommends that the core for employee engagement be built into a longer term, sustainable strategy.

The Institute of Employment Studies (IES) defines engagement as ‘a positive attitude held by the employee towards the organization and its values’. An engaged employee is aware of the business context and works with colleagues to improve performance within the job for the benefit of the organization.’ (Robinson et al, 2004). IES talks about willingness to go the extra mile, getting the bigger picture, working towards making things better, belief in the organization, and being respectful to colleagues as behaviours exhibited by engaged employees.

Conference Board defines engagement as ‘a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work’. As part of their meta-analysis, Conference Board identifies 8 broad buckets that drive engagement. Those are trust and integrity, nature of the job, line of sight between individual performance and company performance, career growth opportunities, pride about the company, coworkers, growth/development, and relationship with the manager.

Kenexa defines engagement as ‘the extent to which employees are motivated to contribute to organizational success and are willing to apply discretionary effort to accomplishing tasks that are important to the achievement of organizational goals’ (Kenexa, 2013). As part of their studies done across many countries, Kenexa reiterates that employee engagement can be measured, the drivers of employee engagement are more universal than country specific, and higher levels of engagement are associated with stronger financial performance.
In short, most consulting, management, as well as corporate, views of employee engagement talk about discretionary efforts, greater application, and dedication. Most of the models, across a spectrum of consulting companies, show that the key components of employee engagement are similar. Vance (2006), Robinson (2007), and Schneider et al (2009), all report that the common components include enthusiasm for work, pride in one's organization, commitment, employee alignment with organizational goals, and willingness to exert discretionary efforts.

2.2.2 Scholarly/Academic View of Employee Engagement

From a practitioner's perspective, the construct is examined for its usability and its actionable outcomes, such as increased productivity levels, lower attrition, and impact on financial parameters. The focus is typically on aggregated data view at a macro level to increase the effectiveness of workgroups (Wcchald & Downey, 2009). Although from one perspective, this approach blends a number of concepts, such as satisfaction, motivation, and commitment, and the reliability and validity of employee engagement as a construct is not readily available (Vance, 2006). In contrast, the academic approach to employee engagement is focused on employee engagement as an independent construct at the individual level. This helps in understanding the variables that drive employee engagement and how employee engagement can be influenced at the level of the individual employee.

Within the academic perspective, there are a number of approaches to defining the concept of employee engagement. A key part of this study is to understand what employee engagement is, and therefore, it is important to review all these approaches.
2.2.2.1 Need-Satisfying Approach to Employee Engagement

Kahn (1990) said that conditions of meaningfulness, safety, and availability were important to understand why someone is engaged in his/her work or not. Kahn (1990) defined meaningfulness as a positive ‘sense of return on investments in one’s role performance’. Safety was the absence of fear or worry about negative consequences to one’s status or self-image. Availability was having resources—physical, emotional and psychological—to complete one’s work.

An early definition of employee engagement by Kahn (1990) talks about ‘psychological presence’ in performing one’s job role. He says engaged employees “employ and express themselves physically, cognitively, and emotionally during role performances”. The physical aspect mentioned in his study is the physical energy that needs to be expended in accomplishing tasks. The cognitive aspect of employee engagement concerns employees’ beliefs about the organization, its leadership/leaders, and the given working conditions. The emotional aspect covers employees’ feelings about these factors and their attitudes toward the organization and its leaders. Kahn (1990) said that engagement is the degree and amount of involvement in the organization and disengagement is the degree of withdrawal.

Others have looked at employee engagement in the same way—Baumruck (2004), Richman (2006), and Shaw (2005) define employee engagement as the emotional and intellectual commitment to the organization, and Frank et al 2004 defines it as the amount of discretionary effort exhibited by employees in their job. Truss et al (2006) define employee engagement simply as the ‘passion for work’, which is a psychological state that covers all the three dimensions discussed by Kahn (1990).
Debs (2009) says each and every employee will have a different kind of psychological make up towards the organization. Their levels of commitment, job involvement, and emotional bonding towards the organization are based on their educational qualification, their needs, and their previous work experience. Their fulfillment levels will also vary depending on their basic needs.

Zellcs (2012), also on the basis of Kahn’s work, defines employee engagement in his research as a procedure for developing individuals so that they will express themselves physically, emotionally, and cognitively to the work and to the organization. In this definition too, the word ‘physical’ refers to employees’ commitment and their work for the organization, the word ‘emotionally’ refers to the attitude and behaviour of employees towards the management, and the word ‘cognitively’ refers to employees’ self-belief about the future of the organization. A few other studies on employee engagement along similar lines are elaborated below.

Cook (2008) describes employee engagement as the personified passion of every employee in an organization giving their commitment and their best effort to their organization to serve customers. It's simply all about the willingness of every employee to give their sustained discretionary effort in support of their organization, and employees express it by committing themselves to the organization's success. Employees who are engaged in this process feel inspired by their work, and they always think about the future of the company.

Walker (2012) defines employee engagement as the emotional and intellectual commitment of employees towards their organization, towards its success. Engaged employees will experience a compelling purpose and meaning in their work, and they will give their discrete effort to the
advancement of the organization towards its objective. The purpose and meaning that employees see in their job will engage all the employees to work for the organization’s success and enhance the performance of employees and the organization through employee management.

Bhatia (2008) says that employee engagement is the extent of the employee’s value. It can be either job satisfaction or an employees' emotional commitment towards the organization. For the management, it may be the retention of employees or satisfying customers. Employees who are engaged in the organization and its value are not necessarily planning to stick with their organization; they are just happy and proud to be associated with the organization. Employee engagement is the energy, passion, fire that an employee has for his/her organization. He too defines employee engagement as the positive attitude of employees towards their organization/company and the company’s core values. The employee who engages with the organization is aware of the business context of the company and will work along with his/her colleagues to improve overall job performance for the benefit of the company/organization. They will always do meaningful work for the company, focus on their work, and maintain good business relationships with people within and outside of the organization.

In a later (1992) article, Kahn went on to redefine psychological presence as an extension of meaningfulness, safety, and availability conditions. Kahn (1992) also says that if these three basic needs are not met, it was unreasonable to expect employees to be fully engaged in work.

An empirical study of Kahn’s 1990 conceptualization of employee engagement (May et al. 2002) on a sample of 203 employees from insurance firms indicated that engagement had a positive relation to
meaningfulness ($r=0.63$), availability ($r=0.29$) and safety ($r=0.45$). This study found job enrichment and role fit to be positive predictors of meaningfulness, rewarding coworker and supportive supervisor relations were positive predictors of safety, and resources were a positive predictor of psychological availability.

To summarize, across all the models reviewed in this section, employee engagement is a bond between the employee and the organization. There are, therefore, ways of influencing, building, and creating engagement through appropriate interventions if we know what specific antecedents drive employee engagement.

2.2.2.2 Burnout as the Opposite of Employee Engagement

Until 2001, Kahn's was the only published study on employee engagement. In 2001, Maslach, Schaufeli, and Leiter published their research on the concept of job burnout and positioned employee engagement as the opposite of burnout. Maslach et al. (2001) argue that engagement and burnout are two opposite poles of a continuum as measured by the Maslach Burnout Inventory (MBI-GS; Maslach & Leiter, 1997). In this approach, burnout is nothing but the antithesis to employee engagement. Burnout was theorized to be the erosion of engagement. According to Maslach et al. (2001), six areas of work-life lead to either burnout or engagement: workload, control, rewards and recognition, community and social support, perceived fairness, and values.

Schaufeli, Salanova, Gonzalez-Roma, and Bakker (2002) tested this framework using the MBI-GS and a refined definition of engagement as 'a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption'. Energy and identification form the core
of employee engagement, and these two are captured in the dimensions of vigour and dedication. Vigour refers to the energy and mental resilience of the employee at work and the willingness to invest extra effort in the job. The motivational aspects of employee engagement—arousal and direction of action—are captured under vigour.

Schaufeli et al. (2002) calls the state of engagement (Kahn, 1990) 'work engagement'. Their study suggests a negative relationship between burnout and work engagement. Welfad (2008) critically examines the concept of employee engagement and provides empirical evidence regarding its validity as a work-related concept by studying employees and managers in a mid-sized financial institution (N=382).

2.2.2.3 Satisfaction-Engagement Approach to Employee Engagement

Harter et al. (2002) looks at engagement as 'individual's involvement and satisfaction with as well as enthusiasm for work'. This approach has its roots in Gallup Research, as this study used the GWA (Gallup Work Audit) questionnaire responses for a meta-analysis of 7939 business units across multiple industries. This study furthered employee engagement, as it established that employee engagement has a positive relationship with important business outcomes, such as customer satisfaction, turnover, productivity, and profitability (Harter et al. 2002).

Luthans and Peterson (2002) further extended this approach as they concluded based on a study that 'the most profitable work units of companies have people doing what they do best, with people they like and with a strong sense of psychological ownership'. Findings from their research extended the current theory about a manager's role in creating a supportive climate (Brown & Leigh, 1996) and paralleled early theories of
engagement (Khan, 1990; Maslach et al. 2001) by suggesting that employees must have the job resources and support to complete their work.

Another study that falls within this approach is Stockley (2006), which defines engagement as 'the extent that an employee believes in the mission, purpose and values of an organization and demonstrates that commitment through their actions as an employee and their attitude towards the employer and customers. Employee engagement is high when the statements and conversations held reflect a natural enthusiasm for the company, its employees, and the products or services provided.'

Lockwood (2007) reports that employees who are engaged in the company or organization will have some type of heightened connection to their work, their company or organization, and to the people they work for. This makes them produce good results for the company/organization. It brings customer satisfaction to customers and job satisfaction to the employees, and they are inspired about themselves for what they do and for whom they do it. Ultimately, employee performance becomes excellent.

The Job Demands-Resources (JD-R) model by Demerouti, Bakker, Nachreiner, & Schaufeli (2001) also falls under this category. The JD-R model is based on the assumption that, in any type of work, psychological job characteristics can be divided into two categories—job resources and job demands. Job demands refer to the physical, psychological, social, or organizational features of a job that require physical and/or psychological effort from an employee and are related to physiological and/or psychological costs (for example, work overload, job insecurity, role ambiguity, role conflict). In short, job demands refer to those aspects of the job that need sustained physical and psychological efforts to get the job done; hence, there is a psychological cost associated with it. Job demands
can become negative job stressors when meeting the demands of the job requires a major effort from the employee who is already overburdened (Bakker & Demerouti, 2007). Job resources refer to the physical, psychological, social, or organizational features of a job that are functional in that they help achieve work goals, reduce job demands, and stimulate personal growth, learning, and development (job control, performance feedback, and social support). Job resources can result in intrinsic or extrinsic motivation at work. Intrinsic motivation is triggered when the basic psychological needs of autonomy, belongingness, and competence are met. Extrinsic motivation is triggered by resources that help an employee in meeting job demands and thereby in achieving their goals at work.

2.2.2.4 Multi-dimensional Approach to Employee Engagement

Employee engagement has almost always been treated as a very general concept that refers to all aspects of one's work situation. Saks (2006) hypothesized that employee engagement developed through a social exchange theory (SET). SET talks about how the resources from an external source (in this case an organization) result in employees feeling an obligation to reciprocate it through engagement related behaviours. Saks (2006) defined 'the emerging multidimensional concept of employee engagement' as a 'distinct and unique construct consisting of cognitive, emotional, and behavioral components which is associated with individual role performance'. This conceptualization extended the current thinking on the topic by developing a three-component model. Saks (2006) enrolled 102 working students in his study and reported a positive relation between the antecedent variables of job characteristics, perceived organization support, and procedural justice. He also studied perceived supervisor support and rewards and recognition as antecedent variables with no statistically significant relationship. He looked at outcome variables of job
satisfaction, organizational commitment, and intention to quit, and those showed a relationship that was significant. Based on this study similar to Schaufeli et al (2002), Saks views the development of engagement as the absorption of a person’s resources into the work they perform. In short, for employee engagement, an employee must readily have the physical, emotional, and psychological resources to complete their work, and the absence of that will result in burnout (Maslach et al. 2001; Schaufeli et al, 2002) and the employee will eventually disengage.

The conceptual work done by Macey & Schneider (2008) extended Saks (2006) model by suggesting that each preceding state of engagement (cognitive-emotional-behavioral) built on the next, eventually leading to complete employee engagement. Macey and Schneider (2008) view engagement as encompassing aspects of one’s tasks, work/job, and organization and being an ‘aggregate multidimensional construct’. They argue that behavioural engagement is ‘simultaneously citizenship behaviour (OCB), role expansion, proactive behaviour, and demonstrating personal initiative, all strategically focused in service of organizational objectives’.

2.2.2.5 Summary of Employee Engagement Approaches

Across the myriad definitions and discussions of employee engagement by practitioners, consultants, and researchers, the common aspects are that engagement is a positive work-related psychological state that is reflected in words like enthusiasm, energy, passion, vigour and that engagement is a motivational state that manifests itself in a genuine willingness to invest focused efforts for the success of the organization. As the term employee engagement is not used consistently, it is important to differentiate the concept from the drivers of engagement (like organizational, job, and personal resources) and the consequences of engagement (like discretionary
behaviour, task performance, proactive behaviour, and turnover intention). A detailed discussion of the drivers of engagement and the consequences of engagement is done later in this chapter.

2.3 Antecedents or Key Drivers of Employee Engagement

Having engaged employees is great for an organization; it is, therefore, important to understand what drives engagement and what levers can be used to create/manage employee engagement. Identifying the drivers of employee engagement is as tricky as looking for one concrete definition of employee engagement, as practitioners and researchers have identified a number of such drivers. As in the case of developing employee engagement as a construct, research lags behind practice in examining the drivers of engagement. In this section, the various approaches to and drivers of employee engagement are reviewed.

2.3.1 Practitioner View on the Drivers of Employee Engagement

In the research conducted by the Institute of Employment Studies (IES) (Robinson et. al., 2004), there is considerable variation in the views of the authors about what drives engagement. Robinson (2004) points out that one approach is to focus on a few levers to raise engagement and that a ‘one size fits all’ approach is ineffective. He proposed that drivers of employee engagement vary according to the organization, employee group, individual, and the job itself (Robinson, 2007). Employee engagement is likely, therefore, to be influenced by interrelated factors. Across 12 large studies of employee engagement, practitioners found 26 different drivers of engagement. This is evident in the models by Gallup, Aon Hewitt, and Tower Perrin when we discussed them in section 2.2.1 Among these the most common drivers are the nature of the job, growth opportunities, pride in the company, relationships with co-workers/team members, employee
development, and the personal relationship with the manager (The Conference Board, 2006, p. 6). In her 2007 paper ‘Employee engagement for competitive HR’s strategic role’, Lockwood suggests that engagement is nothing but the employee’s ‘emotional commitment to the organization’ and the ‘extent to which an employee derives enjoyment, meaning, and inspiration from something or someone in the organization’. Hence, it is not surprising that employee engagement is influenced by the culture of the organization, its leadership, the quality of communication, styles of management, levels of trust and respect, and the reputation of the organization. The antecedents of employee engagement based on studies in the consulting and practice world can be grouped under four categories as shown in the Figure 2.3. These antecedents are discussed further in detail in the sections below.

![Antecedents of Employee Engagement: The Practitioner Approach](source: Author)

**Figure 2.3: Antecedents of Employee Engagement: The Practitioner Approach Source: Author**
2.3.1.1 Work Place Environment and Culture

Employees join an organization for various reasons. Whatever their reasons or motivation, the work environment plays a very important role in nourishing and energizing them or frustrating them. Based on that they either stay with the organization and do their best or do the minimum required to survive there. Work environment plays an important role in employees' experiences that pushes them into either a state of engagement or that of disengagement. Every organization creates its own working environment, and a working environment that has open systems, open leadership structure and professional and supportive management promotes employee engagement. Thus, the culture of an organization, which is a sum total of all the factors mentioned so far and other aspects, plays a crucial role in building a work environment where employee engagement thrives. The experience that an employee goes through in an organization is key for engagement. Organizations considered to be best employers are likely to have a higher level of employee engagement as their workplace environments make employees feel respected and connected so that they are willing to exert discretionary effort in pursuit of its success (Joyce, 2004). Glen (2006) suggests that the work environment, along with organizational processes, role challenge, work-life balance, and management, plays a key role in predicting engagement.

2.3.1.2 Managers and Leadership

Effective leadership is a construct that enhances employee engagement. Employee engagement happens naturally when employees are automatically motivated by leaders to take charge and do more than required for the organization. A study by Corporate Leadership Council (CLC) that covered over 50,000 employees worldwide showed that 22 of
the top drivers of employee engagement were related to the manager. The research found a high correlation between engagement and the extent to which the manager clearly sets goals, the extent to which they set realistic performance, and the extent to which they are flexible to changing situations (Corporate Council, 2004). Another survey found that both large and small organizations rated the actions of senior leaders and direct supervisors as the most important drivers of employee engagement (McBain, 2007). A white paper released by Ixia Consultancy identifies three key critical drivers for employee engagement, namely the work undertaken, the managers, and the level of autonomy and control bestowed upon the individual.

Through one of the most extensively done researches, Gallup highlights the importance of managers in employee engagement when they reiterate that employees leave managers and not organizations. The single most important variable in employee engagement is reported to be the quality of relationship between the employee and the direct supervisor. The Gallup study identifies a few qualities that most employees' value in their immediate manager. These are the interest shown by direct managers in employees, how managers or supervisors set clear and consistent expectations, how they value employees' strengths, how they provide feedback and recognition for good work done, and how they encourage and support employees' growth and development. Managers or supervisors who demonstrated the above-listed values were successful in creating a high level of employee engagement and were better at retaining their employees. Also, the quality of the managers and leaders of an organization creates the right work environment, which is very important for employees to apply themselves and provide discretionary efforts.
2.3.1.3 Growth and Development

Most employees in any organization desire to improve and update their skills, and they want opportunities to do so. Almost all of the practitioner research, including Gallup, Corporate Leadership, and Towers Perrin, talks about development and growth opportunities enabling employee engagement. Levinson (2007) finds that employees who have a development plan and access to development have high levels of employee engagement. McBain (2007) shows that opportunities for career training and development are key drivers of employee engagement. DDI’s study found that a good number of employees leave their jobs due to opportunities to learn in the new place. Employees want to keep their day-to-day jobs interesting by learning new approaches and building new skills. Organizations can create a learning culture and a learning environment by actively encouraging employees to learn so that they are prepared for future opportunities that may come up. Also, this promotes creativity and innovation at the work place. Employees want to use their best skills and will be engaged when the organization recognizes their strengths. Especially for employees in the knowledge sector, where their employability is a function of their learning, skills, and knowledge, it is a strong need for employees to be challenged in their work so that they get to learn new things. Development for them is the acquisition of new skills, which helps them to grow in their careers and develop into a professional. Any great place to work, where employee engagement is high, will therefore need to have a strategic road-map to develop and grow employees.
2.3.1.4 Rewards and Recognition

Wyatt (2007) found that having clear expectations and rewards linked with performance goals is key to employee engagement. Their study found that 69 percent of employees who report that employers set clear expectations and deliver on promises are more engaged compared to 25 percent where employers have no clear rewards for achieving goals. Blessing White (2008) reports that encouragement and rewards for efforts are drivers of engagement. Rewards and recognition act as effective motivators that will push the employee engagement up.

Practitioner recommendations on developing a rewards and recognition program starts with providing employees with rewards and recognition that are culturally and personally meaningful. Also, it has to be timely, and the guidelines and linkages with performance or goal achievement transparent so that employees see the fairness of the rewards and recognition schemes. Aligning rewards and recognition to behaviours that are driving results is also key to building employee engagement. The companies the researcher has been involved with in the last decade or so use peer-to-peer recognition schemes to drive employee engagement. This is very effective in an environment where employees need to collaborate with each other and more often than not work in teams that may consist of employees from different departments. A peer-to-peer recognition and rewards scheme results in discretionary behaviour and sends a strong signal of timely, transparent, and effective recognition.

2.3.2 Academic Perspectives on Drivers of Employee Engagement

Early work by Kahn (1990) provided the background to understanding what drives employee engagement. As mentioned earlier, Kahn (1990) says
meaningfulness, safety, and availability are the three psychological conditions that influence people to personally engage in their work and their absence results in employee disengagement. Saks (2006) did pioneering research that looked into the antecedents and consequences of employee engagement. These studies added academic rigour to the practitioner/consulting body of information that linked empirically the drivers of engagement to employee engagement. In the model proposed, Saks (2006) talks about job characteristics, perceived support by the organization, perceived support by the supervisor, rewards and recognition, procedural justice, and distributive justice as antecedents to employee engagement. Schaufeli & Salanova (2007) suggests that the antecedents of employee engagement consist of variables that influence the salient characteristics of the job, the type of climate an employee works in, and the emotional climate of a workplace. Armstrong (2012) reports that enriched and challenging jobs, quality improvement in the organisational relationship with the employees, quality improvement in the employee-top management or supervisor relationship, and fairness in processes are the major contributors towards employee engagement. Some of the major theories and studies around antecedents/drivers of employee engagement are discussed in detail in the following sections.

2.3.2.1 Meaningfulness, Safety, and Availability in Kahn (1990)

Work environment plays an important role in employees' work-related experiences that can push them into a state of either engagement or disengagement. Kahn (1990) says that it is ‘organizational contexts that enhance or undermine people’s motivation and sense of meaning at work’. Kahn (1990) found that workers were more engaged at work when they were in situations that offered them more psychological meaningfulness and psychological safety and when they were more psychologically
available. An empirical test of Kahn’s model (May et al., 2004) found that meaningfulness, safety, and availability have a significant influence on engagement. This study provided early inputs into factors or drivers that resulted in meaningfulness, safety, and availability and hence employee engagement. The relationship that was tested by May et al. (2004) is given in Figure 2.3.

**Job enrichment** is the management’s attempt to make the work interesting and make the employee fit his role. This generates meaningfulness for the employee. The job characteristics model provides job enrichment and hence meaningfulness. Enriching one’s job is an important part of any job design to make the job use the skills of the employee adequately and in that process provide him a meaningful existence in the organization.

![Figure 2.4: An Empirical Test of Kahn’s Model](image)

Source: May et al. (2004)

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Work role fit or job fit: Researchers who have analyzed job fit suggest that a perfect job fit offers employees opportunities to do consequential work independently (Jimminson et. al., 2004) and that the meaningfulness of the job affects employee engagement. Based on their experiences of work and job fit, employees build up job-related attitudes that, in turn, impact the intention to quit, performance, and commitment (Guy & Beaman, 2005; Jimminson et. al., 2004).

A work role in a firm is generally a composite of various activities, each of which has expected outcomes that are described by the superiors of the role. Under ideal circumstances, these expected outcomes would be described without a specific person in mind, and then, the procedure of advertising and interviewing follows to fill the role. Prior to the procedure of hiring, therefore, a procedure takes place that first sets out the outcomes expected from the actions carried out by the role and then sets out the preferred qualities of the perfect individual to fulfill the role (Schaufeli et al., 2002).

Coworker relations: Employees find meaning in the work environment when they have rewarding interpersonal interactions with their colleagues (Locke & Taylor, 1990). This is because when employees are treated with dignity and respected for their contributions, they experience meaningfulness due to the resulting social identity. Kahn (1990) talks about meaningfulness and a sense of belonging as being the foundation of employee engagement, and those are provided to an individual through their interactions with their colleagues.

Superior relations: In their empirical test of Kahn’s model, May et al. (2004) found that supportive supervisor relations was positively related to psychological safety. Supervisors who are supportive and trusting generate feelings of psychological safety (Kahn, 1990; May et al., 2004). May et al.,
(2004) mentions five categories of such behaviours—behavioural consistency, behavioural integrity, sharing and delegation of control, accurate and open communication, and a demonstration of concern that trusting supervisors demonstrate. Such behaviours lead to feelings of psychological safety and therefore enhance the willingness among employees to invest themselves at work (and hence employee engagement).

**Coworker norms:** Norms are informal rules that are not mandated by any authority but accepted by a group or team of employees. Such norms could affect the flexibility experienced by the employee. A lack of flexibility and rigid norms can result in employees’ feeling that they are less psychologically safe and hence lower employee engagement.

**Self-consciousness:** Being self-conscious naturally has an influence on how employees view their roles. Self-conscious employees seem to be affected by job security, the pressure to look good to others, and the impression they leave about themselves. All these impact how psychologically available an employee is (and hence lower employee engagement). May et al. (2004) found that self-consciousness is a negative predictor of employee engagement as it consumes psychological safety.

**Resources:** Availability of resources, whether it is physical, emotional, or cognitive, results in greater employee engagement. Lack of resources leads to stressful situations, and the scarcity of resources by itself can hold back employees from being engaged and drive them to disengagement. Social Exchange Theory (SET) also says that when employees receive physical, emotional, and cognitive resources from their organization, it is quite natural for them to feel obliged to give back with greater levels of engagement (Saks, 2006).
Outside activities: Other activities of an individual employee can impact his/her psychological availability, which is a necessary condition for employee engagement. Hence, this is all about psychological availability and where energies are spent.

2.3.2.2 Drivers of Employee Engagement per Saks (2006) Model

Saks (2006), in addition to talking about job engagement and organization engagement, proposes a model that talks about the antecedents and consequences (discussed in section 2.2.2 this chapter) of employee engagement. According to him, job characteristics, perceived organizational support, rewards and recognition, procedural justice, and distributive justice are all factors that drive employee engagement. The part of the model that talks about the antecedents as per Saks (2006) is given in Figure 2.5.

![Figure 2.5: Antecedents of Employee Engagement](source: Saks (2006))

Job Characteristics

Job characteristics, such as skill variety, task variety, task significance, autonomy, and feedback, offer the opportunity for employees to get engaged in the work and to the organization. Job characteristics were designed with the aim of describing the relationship between job
characteristics and individual responses to the work itself (Hackman & Oldham, 1976). Employee engagement can be enhanced by one’s experience of the job as a presentation of all five dimensions of job characteristics, such as skill variety, task significance, task-identity, and autonomy. As per this model, positively experienced job characteristics will bring about three critical psychological states, namely, experienced meaningfulness of work, experienced responsibility for work outcomes, and knowledge of work results (Johari et al., 2009). People’s experience of their work environment or the perceptions they build are dependent on the nature of the work that drives job satisfaction and well-being. For example, task variety and the opportunity for control are seen as positively related to employee well-being and satisfaction (Warr, 2007).

Jobs that are high on the core job characteristics provide employees with motivation to be more engaged (Kahn, 1992). Maslach et al. (2001) model also suggests the importance of job characteristics for engagement, as feedback and autonomy are negatively related to burnout. This is true from the Social Exchange Theory (SET) perspective as well, as employees, when provided with challenging and enriched jobs, feel obliged to respond with higher levels of engagement.

**Perceived Organizational Support and Supervisor Support**

According to the organizational support theory (Eisenberger et al., 2002), an organization’s ability and capability to reward employees develops beliefs concerning the extent to which the organization values employee contributions and cares about their well-being. Perceived organizational support (POS) is also valued as assurance that assistance will be available from the organization when it is needed to carry out one’s job effectively and to deal with stressful situations (Eisenberger et al., 2002).
psychological safety (Kahn, 1990) aspect of safety arises from the extent of care and support employees perceive as provided by their organization, as well as their direct supervisor. It is theorized that supportive and trusting interpersonal relationships, as well as a supportive management, promote psychological safety, as employees felt safe in work environments that are open and supportive. It allows employees to experiment and to try new things and even fail without the fear of consequences (Kahn 1990).

Social support is one of the conditions in the Maslach et al (2001) model too that predicts employee engagement, and a lack of social support has been found to be related to burnout. Social support is based on Social Exchange Theory (SET). Employees who have organizational support will be more engaged in their jobs as per the reciprocity norm of SET in order to help the organization reach its objectives (Rhoades et al., 2001). When employees believe that the organization is concerned about them and cares about their well being, they are likely to respond by doing their job and being more engaged. Supervisor support is seen as a part of the environment created in an organization, and hence, supportive supervisors are likely to be a key predictor of employee engagement. Lack of support from supervisors has been found to be an important factor linked to burnout (Maslach et al., 2001). In addition, first-line supervisors are believed to be especially important in building engagement and to be the root of employee disengagement (Bates, 2004; Frank et al., 2004). Also, as employees notice and tend to reflect or imitate the characteristics of their leaders, it may be difficult for employees to engage if the leaders of the organization do not demonstrate positive behaviours associated with employee engagement (Kerfoot, 2008).
Rewards and Recognition

Being rewarded and recognized for one's job is an important aspect that affects employees. Rewards, both extrinsically and intrinsically, are important. Rewards could be pay as per market, bonus, or benefits related, and recognition can be a pat on the back by the supervisor or colleague or a call out by anyone for a job well done. Kahn (1990) reported that people vary in their engagement as a function of their perceptions of the benefits they receive from doing a role. If employees perceive a greater amount of rewards and recognition for their role performances, it is quite natural that they are more engaged compared to employees who do not see that link. Maslach et al. (2001) has also suggested that while a lack of rewards and recognition can lead to burnout, appropriate recognition and reward is important for engagement. Also, as per the Social Exchange Theory (SET), when employees receive rewards and recognition from the organization, they will feel obliged to respond with higher levels of employee engagement.

Procedural Justice and Distributive Justice

It is the perception of fairness that employees have. Distributive justice is concerned with ends (what the decisions are) or the content of fairness, whereas procedural justice is concerned with the means used to get to those ends (how decisions are made) or the process of fairness. One of the dimensions of employee engagement—the safety dimension identified by Kahn (1990)—involves social situations that are predictable and consistent. It is really important for organizations to be both consistent and predictable, for example, about the distribution of rewards and the procedures for allocating them. Justice is one of the work conditions in the Maslach et al. (2001) engagement model, where it is argued that a lack of fairness can
exacerbate burnout, while positive perceptions of fairness can improve employee engagement (Maslach et al., 2001). In other words, employee perceptions of justice—both procedural and distributive justice—can play an important role in an employee's well-being in an organization. Just the perception that he is in an unfair place, even if that is not true, can impact the extent of stress an employee feels.

### 2.3.2.3 Drivers of Employee Engagement as per the Job-Demands-Resources (JD-R) Model

Most research on engagement as an experience of work activity has used the Job Demands-Resources (JD-R) model (Demerouti, Bakker, Nachreiner & Schaufeli, 2001; Hakanen et al., 2008), and the Conservation of Resources (COR) theory (Hobfoll, 2001) to study the antecedents of engagement. As mentioned earlier, the Job-Demands-Resources (JD-R) Model (Bakker & Demerouti, 2008) is one of the most often used models to explain engagement.

Job resources refer to the resources that cover the physical, social, or organizational aspects of the job that may: (a) reduce job demands and the associated physiological and psychological costs; (b) be functional in achieving work goals; or (c) stimulate personal growth, learning, and development (Bakker & Demerouti, 2008). Some studies have already shown that having job resources increases employee engagement (Christian, Garza & Slaughter, 2011). One of the assumptions of the model is that resources in the job, such as social support from colleagues and supervisors, performance feedback, skill variety, and autonomy, start a motivational process that leads to higher employee engagement. Job resources may be located at the level of the organization (for example, job security, salary, and career opportunities), interpersonal and social relations.
(for example, supervisor support and support from colleagues), the organization of work (for example, role clarity), and the level of the job (for example, skill variety, task significance, task identity, feedback, and autonomy). Job resources and demands at the end of the day sums up the forces in an organization that aids the employee to meet the expectations at the job.

Job demands refer to aspects of the job that require sustained physical and/or psychological effort and that are therefore associated with certain physiological and/or psychological costs (for example, work pressure and role overload). Job demands can strain an employee if they go beyond what the employee can handle. These could be physical, social, or organizational aspects of the job that require either or both physical and psychological efforts on the part of the employee. The JD-R model recognizes that demanding characteristics of the working environment—work-pressure, overload, emotional demands, and poor environmental conditions—may lead to the impairment of health and ultimately to absenteeism (Schaufeli & Bakker, 2004). Job resources have a motivational aspect in the presence of huge job demands as the resources help employees to meet the demands. Absence of job resources result in lower employee engagement, whereas job resources to meet the demands of the job help in building employee engagement.

Rothmann et. al. (2006) developed a questionnaire to measure job demands and resources as per the JD-R model. They categorized job demands and resources under five heads—overload, job insecurity, growth opportunities, advancement, and organizational support. The amount of work, mental load, and emotional load fall under overload here. Job insecurity is the insecurity about the future of the job. Growth opportunities are the
opportunities to learn and advance in terms of career. Organizational support is about the climate that consists of the relationship with the supervisor, relationship with co-workers, and access to information and existing communication channels.

Job resources play either an intrinsic motivational role (by fostering the employee’s growth, learning, and development) or an extrinsic motivational role (by being instrumental in achieving work goals) (Bakker et al., 2008). Xanthisopoulos et al. (2007) expanded the JD-R model and showed that employees who have personal resources, such as higher self-esteem, optimism, and self-efficacy, can mobilize more resources and hence be more engaged in their work.

The COR theory (Hobfoll, 1998) is a relevant theory that helps us understand the effects of job resources (or its absence) on employees. This theory is based on the premise that employees always tend to strive to obtain, retain, and protect the things they value. When there is a lack of resources and job demands are low, individuals will try and minimize ‘losses’, resulting in reduced discretionary efforts in job.

2.3.2.4 Other Research/Studies about Antecedents/Drivers of Employee Engagement

Welbourne (2007) suggests that the antecedents for engagement comprise variables that manipulate prominent characteristics of work, the kind of climate in which the employee works, and the touching atmosphere of a workplace. Work environment is one of the most significant factors in employee engagement (Harter et al., 2002 and Holbeche & Springett, 2003). The importance of work environment in enabling employee engagement has been emphasized by May et al., (2004) and Rich et al.,
(2010) as well. From an individual perspective, employee engagement is the degree to which an individual believes in and enjoys what he/she does and feels appreciated for doing it. At an individual level, employees might get more satisfaction and pleasure from what they do (and so be more engaged) if they are in roles or jobs that match both their skills and their interests and they feel that they are doing consequential contribution to their organization, job, and society on the whole. Hence, employee engagement has also been defined as an employee being involved in, enthusiastic about, and satisfied with his or her work (Seijts et al., 2006; Harter, Schmidt, & Hayes, 2002; Gubman, 2004; and Harrison, 2007).

**Shared Vision and Mission:** If employees feel that they are making consequential contribution to their organization, job, and society on the whole, they might tend to be more engaged. The association between what an individual does everyday and the vision, mission, and goals of the firm is vital to engage. ‘Making the world more open and connected’ is the mission of Facebook Inc., and it is not uncommon to see many people in the organization really engaged because of this mission. Similarly, during the six years the researcher worked at Google, there was a large number of employees whose discretionary efforts led to new product ideas and innovation driven by the mission of Google Inc. ‘to organize the world’s information and make it universally accessible and useful’. The communication network that exists within an organization aids shared vision. Debs (2009) says that if any organization wants to have greater employee engagement, they should have an open communication system between all levels of employees. Every employee must feel free to share their thoughts to all levels of employees. There should not be any barriers between the top management and all levels of employees, which will make the employees feel trusted and a part of the organization.
Leadership: The top leadership and how they set the vision for the organization can result in discretionary efforts, as employees see how they are contributing to the big picture. Research suggests that transformational leaders are key resources in developing employee engagement as well (Tuck et al., 2009). The role of leaders and leadership becomes more important as employee engagement needs to be disseminated by members of work teams (Bakker et al., 2006). Debs (2009) says that employee engagement motivates employees and promotes the second line of leaders in the organization. Employee engagement occurs naturally when employees automatically inspire themselves to be and act like leaders (and take charge of situations); engaged employees stand up and be counted when required and hence form a second line of leaders for the organization. Deb (2009) also emphasized that every organization has its own unique approach to employee engagement and that makes the role of leaders very important. The psychological contract between employees and employers is the foundation for employee engagement. From the organization's perspective, the psychological bond is more than the written contract (offer letter, job description, goals, etc.); it is a long-term psychological bond between the employee and organization. The results of this bonding leads to increased levels of employee engagement and aids in creating positive, fulfilling, dedicated, and vigorous working minds.

2.4 Consequences or Outcomes of Employee Engagement

It has been seen that employee engagement has a number of favourable outcomes, both at the individual level and at the organizational level (Bakker & Salanova, 2007 and Lockwood, 2008). Sachs (2006) opined that the popularity of employee engagement is due to the fact that it creates
positive consequences at an individual level, as well as at the organizational level.

Outcomes and consequences of employee engagement are related to individual attitudes and behaviours. Kahn (1990) does not include any outcomes in the initial exploration of employee engagement, but Kahn (1992) proposes that employee engagement leads to individual outcomes and organizational outcomes. Individual outcomes are said to be the quality of work and the employee’s own experience doing that work, while organizational outcomes are growth and productivity of the organization. The Maslach et al. (2001) model suggests outcomes, such as increased withdrawal, lower performance, lower job satisfaction, and lower commitment in the absence of employee engagement or when employees are burned out. Saks (2006) states that employee engagement gives the following outcome to the organization—job satisfaction, organizational commitment, lower intention to quit, and organizational citizenship behaviour as indicated in Figure 2.6.

![Figure 2.6: Consequences of Employee Engagement](source: Sacs (2006))

Saks (2006) also differentiates between two kinds of engagement—organizational engagement and job engagement—that he argues are
associated but different constructs. He further argues that the associations between the organizational and job engagements and their consequences and antecedents vary in numerous ways, signifying that the emotional circumstances that guide the organizational and job engagements and also their impacts are not the same. Academics and practitioners are inclined towards accepting that the consequences of employee engagement are optimistic (Saks, 2006).

The performance of employees at work gets a boost in case they are engaged. There is a widespread conviction that there is an association between business outcomes and employee engagement, and a meta-analysis carried out by Harter et al. (2002) authenticates this association. It is concluded that employee engagement and job satisfaction of the employee are associated with meaningful business results to the extent that is significant for most firms. Employee engagement is a construct at the individual level, and if it does show the way to desirable business outcomes, it must first impact individual level results. Though neither May et al. (2004) nor Fulmer, Gerhart, & Scott (2003) comprised results in their works, it is proposed by Fulmer et al. (2003) that the greatest levels of engagement result in optimistic outcomes for both individuals (for instance, the quality of work of individuals and their own experience in doing that work) and the organization (for instance, the productivity and growth of the organization).

As mentioned earlier, Bakker & Demerouti (2008) empirically show that engaged employees are more productive, more creative, and more willing to expend discretionary effort than unengaged workers. The meta-analysis by Harter et al. (2002) based on data of over 36 companies and 8,000 business units supports the relationship of employee engagement and
performance parameters like productivity, profits, and customer satisfaction. Armstrong (2012) says that employee engagement increases quality and productivity and motivates employees to stay with the organization forever.

The consequences and outcomes of employee engagement are summarized under four sections: intention to quit, job satisfaction, organizational commitment, and organizational citizenship behaviour.

2.4.1 Intention to Quit as an Outcome Variable

Woolf (2006) observes that the intent to quit is influenced by a set of factors, such as individual employee characteristics, individual values, labour market expectations, organizational factors, and job related expectations. If the quitting behaviour of employees is to be influenced, it should be by making sure that the circumstances that create the intent to quit is managed and controlled at an early stage. The factors that influence the turnover intentions of employees are classified into two broad groups—organizational factors and individual factors. The individual factors that lead to the intention to quit refer to the personal uniqueness of an employee in an organization. These features could be either ingrained in the individual, such as personality, or learnt like abilities, skills, etc. The Sartain and Schumann (2006) as part of the discussion of two-factor theory of motivation lists an array of features, such as recognition, responsibility, salary, job security, technical supervision, administration, personal life, achievement, work itself, possibility of advancement, possibility of growth, interpersonal relationship, agreement with company policy, and work condition, that gives rise to job satisfaction, in turn influencing the intentions of the employee to quit or stay on in his/her organization.
Individuals who are greatly engaged are likely to be in a very trusting and great-quality association with their employer and would, hence, be much more likely to account optimistic intentions and attitudes toward the firm. A number of studies have established the relationship between employee engagement and low turnover intentions. Hence, employees who have higher levels of employee engagement are more likely to stay with the organization, and that benefits the organization through fewer disruptions to work, lower hiring costs, and a less loss of institutional knowledge (Roberts & Davenport, 2002). Development Dimensions International (DDI, 2004), a consulting firm, established that employees were less likely to leave an organization if their employee engagement scores were high. Schaufeli and Bakker (2004) found that employee engagement was negatively associated with the intention to quit and arbitrated the association between job resources and the intention to quit.

Any efficient strategy to attract and retain employees has to be based on the understanding of employee engagement. Employers require employees who would perform their best at their jobs to assist the organization attain its goals. Employees require good jobs that are meaningful and challenging. A phrase that is increasingly utilized to explain this win-win situation is an engaged workforce. According to Blessing White (2008), there is an obvious association between retention, attraction, and engagement, and any efficient strategy to attract and keep employees in an organization has to be based on an understanding of employee engagement.

2.4.2 Organizational Commitment as an Outcome Variable

Employee engagement results in organizational commitment, which is defined as ‘a desire and/or an obligation to maintain membership in the organization’ (Meyer & Allen, 1991, p. 62). Research by Richardsen,
Burke, & Martinussen (2006) shows a positive relationship between employee engagement and organizational commitment. The term commitment could be explained in different ways. For instance, O'Reilly et al. (2008) focuses on the psychological union that binds the employee to the firm. This union has three parts—internalization, identification, and compliance. In the same way, Meyer & Allen (1991) propose a three-component model that spotlights affective commitment (individuals need to be involved in the organization), normative commitment (individuals feel and sense they have to remain with the organization), and continuance commitment (individuals feel and sense they require to be emotionally involved in the organization). These diverse kinds of commitments would have unreliable effects on the performance of the organization, and a person could exhibit features of all of them (Lockwood, 2007). For instance, employee engagement has been found to be positively associated with organizational commitment (Schaufeli and Bakker, 2004). Schaufeli and Bakker (2004) argued that employees with high levels of employee engagement—which is a result of positive experiences at the job—feel obligated by the exchange theory to reciprocate that with increased organizational commitment.

2.4.3 Job satisfaction as an outcome variable

Locke (1990) defines job satisfaction as a pleasurable or positive emotional state created for employees through their job, as well as experiences at job. Employee engagement results in employees’ feeling a positive work-related experience (Schaufeli and Bakker 2004), resulting in job satisfaction. The positive experiences and emotions are likely to result in positive work outcomes. Koyuncu, Burke, and Fiksenbaum (2006) find a consistent and positive relationship between engagement and job satisfaction similar to
Saks (2006). Job satisfaction is a usual expression of the positive attitude workers have built up towards their work. Employees maintain a perspective towards their work as an outcome of various features, such as their social status, work, what they have achieved in their work, and their experience of their work environment. Besides responding to the individual requirements of security and psychological well being, if the work also affects a person's values and feelings in an optimistic way, then it could be said that there is job satisfaction. Job satisfaction has been a topic of scientific research since the widely known studies of "Hawthorne" during the 20th century. Job satisfaction is explained as the positive or pleasurable emotional state that is an outcome of an assessment of the work or work experiences. Parsley (2006) describes the term job satisfaction for salesman as a strait connecting being satisfied with the conferment, emotional devotion, and all characteristic factors comprising job surroundings and the work itself.

2.4.4 Organizational Citizenship Behaviour (OCB) as an Outcome Variable

Organizational Citizenship Behaviour (OCB) refers to a universal set of behaviours shown by employees that are supportive, discretionary, and go beyond normal job requirements (Organ, 1988). These behaviours need not be part of a formal job description but are helpful to the organization. OCB is not mandated formally and demanded from employees (and hence its absence is not penalized), but it has been established that organizational citizenship behaviours (OCB) contribute to the effective functioning of an organization. A study by Crawford et al. (2010) shows that employee engagement fosters employee organizational citizenship behaviours directed at the customer. Bakker, Demerouti and Verbeke (2004) shows
that engaged employees receive higher ratings from their colleagues on in-role and extra role performance, indicating that engaged employees go the extra mile and exhibit behaviours that are consistent with citizenship behaviours.

2.4.5 Other Research/Studies about Outcomes of Employee Engagement

In a study by Fernet et al. (2012), employee engagement is defined in terms of the great internal state of motivation. In the same way, Dvir, Eden, Avolio, and Shamir (2002) define employee engagement in their study in terms of greater levels of responsibility, initiative, and activity. Employee engagement at a job is conceptualized by Crabtree (2004) as the binding of the members' selves in an organization to their job roles. Another construct related to employee engagement is the idea of flow conceptualized by Leuchars, Harrington, & Erickson (2003). They define flow as the 'holistic sensation' that employees and the team feel as they act with overall involvement when they apply themselves in the organization. When individuals are in the flow state, little conscious control is required for the flow to sustain. Employee engagement is thus the point of involvement and commitment an employee has towards their firm and its values.

Self-efficacy as an outcome was supported empirically to be positively related to employee engagement (Salanova, 2007). Bakker et al. (2006) conducted a study among school principals and reported that there are significant and positive associations between school principals' employee engagement scores and teacher ratings of performance and leadership. Salanova et al. (2005) in a study among employees working in a Spanish restaurant reported that employee engagement scores predicted service climate which in turn predicted employee performance and customer
loyalty. Sanchez (2006) suggests that employees with high levels of engagement recommend their organization to other people (advocacy), have enormous pride in their organization, and believe that their organization helps them to do their best work that provides them with a sense of achievement. Again, engaged employees are interested in the future of the organization, and that motivates them to put in additional discretionary efforts whenever required. They go beyond their formal job duties and give extra time, efforts, and initiative to contribute to the success of the business and advocate for the organization to co-workers (Baumruk & Gorman, 2006). Engaged employees are also dependable, communicative, and highly involved, with a good attitude and the willingness to do the work right (Zeidan, 2006).

A highly engaged employee constantly goes beyond expectations for the organization. Also, employee engagement creates a positive consequence among employees that leads to enhanced results for both the individual and organization and also leads to decreased intention to quit.

2.5 Measuring Employee Engagement

If there are different ways of looking at employee engagement, it is only natural that there are different approaches to measuring employee engagement. Most efforts to measure employee engagement have been at the level of the individual worker, which are then aggregated to get employee engagements scores at a business unit or organizational level. Any measures of employee engagement has to be based on a theoretical foundation, supported by established reliability and validity norms, and need to provide the right insights for the context in which we are measuring employee engagement. Within the practitioner world, as well as in the academic/scholarly world, there are a number of ways to measure employee
engagement. Most measurement in practitioner/consulting studies is proprietary—a good example is Q12 or Gallup Organization’s Gallup Workplace Audit (GWA) approach. Other such measures are employee engagement measures by Towers Perrin, Aon-Hewitt, Development Dimensions International (DDI), Corporate Leadership Council (CLC), and Kenexa (Vance, 2006).

Of the various practitioner/consulting measurements of employee engagement, one of the most popular empirically devised scale for measuring employee engagement is Q12 (Gallup’s twelve questions part of the Gallup Workplace Audit (GWA)). Gallup uses the propriety 12 questions—Q12—to identify feelings of employees that together they term as employee engagement. Sample items from Q12 include: ‘In the last seven days, have you received recognition or praise for doing good work? At work, my opinions seem to count. Is there someone at work who encourages your development?’ Q12 attempts to dig deeper than how employees are satisfied at work and looks at how the needs of employees are met at the workplace and what emotional ties they have to the workplace. Harter et al. (2002) establishes through their research Q12’s concurrent criterion-related validity for important organizational outcomes, such as productivity, profit, etc. Coffman (2002) uses the Gallup research data to show that business units with employee engagement scores in the top two quartiles have on an average a 33% higher profitability outcomes, 56% higher customer loyalty scores, 44% lower staff turnover, and 50% productivity outcomes. Another practitioner/consulting approach to measuring employee engagement is that of Corporate Leadership Council. They use questions around advocacy—how proud is one about his/her organization—where satisfaction and retention together become an indication and measure of employee engagement. Another example of
measurement comes from Development Dimensions International (DDI) that assesses three key elements of employee engagement—individual value, focused work, and interpersonal support.

One of the two most recognized measurement scales used for measuring employee engagement is the Job Engagement Scale (JES) (Rich et al., 2010 and Carrig & Wright, 2006) based on Kahn’s (1990) conceptualization of engagement. The other is Utrecht Work Engagement Scale (UWES), which considers employee engagement as more than just the opposite of burnout. These two scales are based on the two most popular and widely cited theories of employee engagement.

2.5.1 Job Engagement Scale

Rich et al. (2010) based on Kahn’s (1990) definition of employee engagement and its three dimensions—physical, cognitive, and emotional engagement developed Job Engagement Scale (JES). Each dimension is represented by six questions in the survey. Participants of the survey rate their levels of employee engagement on a 5-point Likert scale on items, such as ‘I work with intensity on my job’ (physical), ‘I am enthusiastic about my job’ (emotional), and ‘At work, my mind focuses on my job’ (cognitive). This scale is based on one’s psychological presence and hence has the preferred style approach. It looks at employee engagement as something employees enter into when they find meaningfulness, safety and availability in their work roles. The fact that employees ‘choose’ to enter a state of engagement based on their preference makes measurement of employee engagement using this scale more suited for a longitudinal approach of research. Also the way, employee engagement is defined based on Kahn’s approach to engagement as psychological presence made the
establishment of reliability and validity of this scale dependent on psychological type of the individual.

2.5.2 Utrecht Work Engagement Scale (UWES)

Utrecht Work Engagement Scale (UWES) uses a 17-item scale where participants rate themselves on a 7-point Likert scale (Schaufeli et al., 2002). UWES is the most widely cited and the most widely used measure for employee engagement. The scale measures employee engagement across the three dimensions of employee engagement defined by vigour, absorption, and dedication. Dedication is defined as being proud of one’s job, enthusiastic of one’s work, and finding one’s work challenging. Dedication is measured by items such as ‘I find the work that I do full of meaning and purpose’ and ‘I am enthusiastic about my job’. Absorption is the perception of being carried away by the job, lost to everything else in the environment, looking at the watch to find that the coffee break has come and gone. Absorption in employee engagement is thought to be the opposite of professional inefficacy and is characterized by being immersed in one’s work as per Schaufeli (2001). Items like the ‘Time flies when I’m working’ and ‘When I am working, I forget everything else around me’ are used to measure absorption. Finally, vigour is defined as being completely charged with energy and flexible in one’s job even on a ‘dull’ day when nothing particular happens. Vigour is measured by another set of items that refer to high levels of energy and resilience. Items like ‘At my work, I feel bursting with energy’ and ‘At my job, I feel strong and vigorous’ are used to measure vigour.

The construct validity of the Utrecht Work Engagement Scale (UWES) has been recognized in a number of studies, and its factorial soundness tested across cultures, countries, and occupational groups (Hallberg, 2005). In
2006, Schaufeli et al. developed a 9-item version of UWES (UWES-9, Schaufeli et al., 2006), which has been used in some subsequent studies. They have also hypothesized a three-factor model. Schaufeli and Bakker (2010) say that an overall score of employee engagement is useful in empirical research rather than scores across the three dimensions in UWES.

Before Utrecht Work Engagement Scale (UWES), Macgowan (2000) created an engagement scale where employee engagement was conceptualized as a group level occurrence demonstrated by factors, such as interpersonal relationships and attendance. As it was looking at employee engagement at the group level, it was not used as widely as measurement scales looking at employee engagement at an individual level, like the JES and UWES. In another attempt to measure employee engagement, Rothbard (2001) created an 18-item questionnaire and defined engagement as the attention devoted to and absorption in work and family. Nevertheless, JES and UWES remain the measures grounded in theory, and UWES continues to be the more widely used method to measure employee engagement.

2.6 Research Gap

The detailed literature review in the previous sections has reinforced the prevailing view that employee engagement has been conceptualized in many ways and there is no single universally agreed and accepted definition. It is important to note that different organizations may define employee engagement differently (Lockwood, 2007) and that the definitions used are frequently ambiguous (Macey & Schneider, 2008). Research has also shown that employee engagement is defined as a multifaceted construct (Kahn, 1990). The various conceptualizations of employee engagement, as well as the fact that practice leads academic literature, make the state of knowledge on employee engagement
complicated and even puzzling. Even so, employee engagement as a construct has enormous implications for organizations.

The lack of empirical studies on employee engagement as a construct is also partly because of the non-converging views on employee engagement as a construct. In addition, there is a lack of clear distinctions between employee engagement and other constructs, such as job satisfaction, organizational citizenship behaviour, and the closely related organizational commitment. Saks (2006) argues that there are sufficient grounds for agreeing that employee engagement is related to some of these constructs but is distinct from them. For example, Saks (2006) says that organizational commitment differs from employee engagement as the former refers to employees' attitudes and attachment to their organization, whilst employee engagement is not merely an attitude, but the degree to which individuals are attentive to their work and absorbed in the performance of their roles.

There are various antecedents or drivers of employee engagement and also various consequences or outcomes. There are only a small number of empirical studies on the antecedents or drivers of employee engagement, although across the various practitioner/consulting and theoretical models, we can identify drivers and antecedents. Employee engagement is a result of the employee experiences at the work place and is based on the vision of the organization, leadership, job characteristics, growth, development, workplace, environment, supervisory support, support from colleagues, compensation, benefits, and recognition and rewards. How these experiences drive employee engagement is something that needs to be evaluated further.
This is true of the consequences or outcomes of employee engagement. Impact of employee engagement on a number of outcomes needs to be studied more across industries and regions. How does employee engagement impact the intention to quit, make employees more involved in their jobs, make employees more committed, and thus impact profitability are all questions that need more support empirically.

In addition, empirical studies on employee engagement in the Indian context are limited. Empirical studies, specifically on employee engagement in the IT Industry, which has grown into a 100 B USD business and expected to grow and employ millions of employees, are led by practice. It is high time that there are studies that not only identify the drivers of employee engagement in the Indian IT industry, but also contribute to helping the industry build more employee engagement and thus reduce the intention to quit among IT employees, which is one of the key challenges the Indian IT industry faces.

2.7 Significance of the Research

Given that management and business communities seek to identify best practices for increasing employee engagement, this study creates a better understanding of how to measure employee engagement and what factors contribute to employee engagement in the Indian IT industry. This research aims to provide more data about employee engagement in the Indian IT industry so that organizations and managers can understand what works and what does not when they have to build better employee engagement.

While going through the maze of definitions and references on employee engagement subscribed to by various consultants, organizations, and researchers, a few common themes emerge as to what drives employee
engagement. These antecedents of employee engagement have not been studied in detail in India and within the IT industry. It is important to research these themes further so that the interrelationships can be better understood in the Indian IT industry.

One of the biggest challenges faced by the IT industry in India is employees' intention to quit. From theory, it can be hypothesized that employees' intention to quit will be lower if they are highly engaged. Some researches and studies (for instance, Sonnentag, 2003; Schaufeli and Baker, 2004) clearly depict a negative association between employee engagement and employee intentions to quit. No study has focused on the IT Industry in India and investigated these factors in detail. Understanding how employee engagement impacts the intention to quit in the Indian IT industry is another research gap this study attempts to address. Further, testing and validating an employee engagement scale to measure employee engagement is another outcome expected from this research.

2.8 Conclusion

Kahn’s (1990) employee engagement theory identifies three psychological conditions that have an impact on an individual’s engagement—psychological meaningfulness, psychological safety, and psychological availability. Kahn (1990) focuses on employee engagement as an extension of the self, whilst the work engagement model of Schaufeli and Bakker (2004) focuses on work activities from a social exchange theory perspective (Bakker et al., 2008). Based on the perspectives of Kahn (1990) and Schaufeli et al. (2002), it can be concluded that employee engagement comprises the following three dimensions.
a) A physical component (where the employee is physically involved in a task and showing vigour)
b) A cognitive component (where the employee is alert at work and experiences absorption and involvement), and
c) An emotional component (where the employee is connected to one’s job/others and shows dedication and commitment).

Demerouti et al. (2001) developed the Job Demands-Resources (JD-R) model. One central assumption of the JD-R model is that, although every organization may have its own specific work characteristics associated with well-being, it is still possible to model these characteristics under two broad categories, namely job demands and job resources. The job-demands-resources, such as organizational support, growth opportunities, overload, job insecurity, relationship with colleagues, control and rewards, etc., offer opportunities to the employees to get engaged in the work and to the organization.

Schaufeli et al. (2002) improved on the conceptualization of employee engagement as the opposite of burnout. Employee engagement is made up of three components: vigor, dedication, and absorption, the opposites in burnout literature of exhaustion, cynicism, and inefficacy, respectively. Schaufeli & Bakker (2003) and Schaufeli et al. (2002) define employee engagement as “a fulfilling work-related state of mind characterized by feelings of vigour, dedication, and absorption”.

The antecedents of employee engagement are leadership and vision, job characteristics, perceived organizational support (rewards, recognition, resources), perceived supervisor support, support from colleagues, and rewards and recognition. The consequences of employee engagement are
positive, and there is a growing conviction that there is an association between business outcomes and employee engagement.

The Utrecht Work Engagement Scale (UWES), one of the most widely used measures of employee engagement, is a measure with superior construct validity confirmation. UWES measures three aspects of employee engagement: dedication, absorption and vigour. Engaged employees stay with the organization; advocate for the firm, its services, and products; and offer discretionary efforts compared to disengaged employees. Studies have established that employee engagement is negatively associated with the intention to quit. Individuals who are greatly engaged are likely to be in a trusting association with their employer and would, hence, be much more likely to stay longer with the organization. Employee engagement has not been studied extensively in the Indian IT industry. Understanding what drives employee engagement in the Indian IT industry and how one can create a set of engaged employees and address the challenge of staff turnover in the Indian IT industry is the key focus of this research.