EMPLOYEE ENGAGEMENT AND INTENTION TO QUIT IN THE INDIAN IT INDUSTRY

ABSTRACT
THESIS
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Abstract

1. Introduction

Employee Engagement is a topic of enormous interest to both management practitioners and academicians alike as building an engaged employee base is the biggest differentiator for businesses. In India, employment numbers in industry and services is expected to grow from 223 M in 2010 to 319 M by 2020 as per the India Economic Survey 2012-2013. A person needs to be motivated to 'go beyond his/her brief' and 'step up'. To get to that stage, it becomes important to look at aspects of work that tells us how someone experiences her or his work and be engaged in work rather than look only at job satisfaction. Such experiences that drive an employee to be engaged have become really important for organizations to retain talent in a highly competitive world where there is a 'war for talent'.

India has built a strong identity as an IT powerhouse. Software and services have not only grown over the years to contribute significantly to the GDP growth of India, but have also been the largest employment generator. Indian IT industry has become the growth engine for the Indian economy (NASSCOM, 2012), and the Indian software exports industry is one among the most successful industries in the world (Dossani, 2005). In this context, engaging employees is one of the key challenges for any organization, especially for the Indian IT industry, which is on an upward slope of continuous growth and opportunities to scale. India’s Information Technology (IT) and Information Technology Enabled Services (ITES) have emerged as one of the most dynamic and vibrant sectors contributing and propelling the growth of Indian economy. As per NASSCOM, the Indian IT/ITES industry is expected to grow by 11-14% in FY2013.

Among the many challenges the Indian IT/ITES industry faces, talent is one of the greatest. The attrition rates in the industry are higher than in other industries, and there is always competition for talent. Any attrition, for whatever reason, brings huge costs to the organization, as it incurs up-front costs in recruiting, selecting, inducting, training and
deploying the resource. In the IT/ITES industry, attrition also means loss of that much institutional knowledge, even if the firm has great knowledge management procedures. Organizations have been focusing a great deal on efforts to reduce attrition.

2. Research Problem and Importance of the Study

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.

It is estimated that only 30% of those who work are engaged (Buckingham & Coffman, 1999; Harter et al., 2009) and engaged employees bring several attractive and important benefits to the organization (Crabtree, 2004). Engaged employees average 27% less physical absenteeism (Harter et al., 2009) than their peers and are five times less likely to leave than employees who are not engaged (Vance, 2004). It was seen that an engaged employee increases individual performance by 20% (Buchanan, 2004) and has fewer accidents on the job (Harter et al., 2009) reducing compensation claims. They also score 34% higher on customer satisfaction-rating scales (Vance, 2004). Moreover, there is evidence of a direct linkage between employee engagement and profits. It is seen that having a higher proportion of engaged employees has a positive correlation with a company’s profit margin (Ketter, 2008; Harter et al., 2009).

3. Research Objectives

The study is to examine a hypothesized employee engagement model by exploring the antecedents of employee engagement, the intention to quit as an outcome variable, and the relationship of the antecedents and intention to quit with employee engagement. This is explored in the context of the Indian IT industry.
The research objectives of this study are the following

i. To understand the basic concept of employee engagement and its measurement
ii. To identify the antecedents that contribute to employee engagement in the Indian IT industry.
iii. To examine the relationship of the antecedents of employee engagement to employee engagement in the Indian IT industry.
iv. To examine the relationship between employee engagement and employee intention to quit in the Indian IT industry.
v. To suggest effective employee engagement strategies for organization to practice to facilitate the creation of engaged employees in the Indian IT industry.

4. Literature Review

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. 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. 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.

Practice View of Employee Engagement

Aon Hewitt 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.'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). Their measure of engagement—Q-12 questionnaire responses—actually measures a lot of satisfaction. 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). Towers Perrin sees engagement building as a process that is continuous and never-ending. 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).

Scholarly/Academic View of Employee Engagement
As defined by Schaufeli (2002), engagement is the fulfilling, positive, work-associated state of mind that is categorized by dedication, absorption, and vigour. Across geographies and across organizations, managers are attempting resolve the issue of gaining highly engaged employees. Obviously, no one needs employees who are detached or indifferent towards their work. Employee engagement plays a critical role in both organizational success and individual wellbeing. High employee engagement levels have been associated with higher quality, greater innovation, lower levels of absenteeism, lower turnover, and increased advocacy of the organization.

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”. 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.

The Job Demands-Resources (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.
Antecedents/Key Drivers and Outcomes of Employee Engagement

Based on studies across 12 large studies of employee engagement, practitioners found 26 different drivers of engagement. 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 (Conference Board, 2006).

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.

According to Saks (2006), job characteristics, perceived organizational support, rewards and recognition, procedural justice, and distributive justice are all factors that drive employee engagement. 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).

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 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).

Consequences or Outcomes of Employee Engagement

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.

Measuring Employee Engagement
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.

5. Research Methodology

Based on the literature review a model was proposed to be tested to study employee engagement, its antecedents and intention to quit as an outcome variable.

Proposed Conceptual Framework
The proposed conceptual framework for the current research based on the literature review conducted in the previous Chapter is given in Figure 5.1 and described below. The model that is proposed for the study below will be tested to meet the research objectives of this study.
Hypotheses of the Research

The null Hypotheses for the research explored in this study are the following

Hₜ₀₁: Vision of the organization has no relationship with employee engagement.

Hₜ₀₂: Leadership of the organization has no relationship with employee engagement.

Hₜ₀₃: Skill variety has no relationship with employee engagement.

Hₜ₀₄: Task identity has no relationship with employee engagement.

Hₜ₀₅: Task significance has no relationship with employee engagement.
H₀₀₆: Autonomy has no relationship with employee engagement.

H₀₀₇: Feedback from the job has no relationship with employee engagement.

H₀₀₈: Overload has no relationship with employee engagement.

H₀₀₉: Job security has no relationship with employee engagement.

H₀₁₀: Organizational support has no relationship with employee engagement.

H₀₁₁: Organizational control has no relationship with employee engagement.

H₀₁₂: Support of colleagues has no relationship with employee engagement.

H₀₁₃: Rewards have no relationship with employee engagement.

H₀₁₄: Growth has no relationship with employee engagement.

H₀₁₅: Intention to quit has no relationship with employee engagement.

H₀₁₆a: There is no significant difference in the mean scores of employee engagement between males and females.

H₀₁₆b: There is no significant difference in the mean scores of employee engagement between People Managers and Individual Contributors.

H₀₁₆c: There is no significant difference in the mean scores of employee engagement among employees based on education.
H₀₁₆d: There is no significant difference in the mean scores of employee engagement among employees based on total work experience.

H₀₁₆e: There is no significant difference in the mean scores of employee engagement among employees based on work experience in the organization.

**Pilot Study**

The proposed research questionnaire was pilot tested and on the basis, changes were made to the survey questionnaire before the final survey was conducted. The Exploratory factor analysis (EFA) resulted in a number of items getting dropped, modified, or grouped separately. The support of the supervisor was identified as an additional factor separate from organizational support, based on factor loadings in the exploratory factor analysis. Control as a variable was dropped based on the factor loadings. Overload was broken down into two factors—Role Stress and Overload—also based on factor loadings and EFA. Overall 16 items were dropped based on the pilot survey results, and the final questionnaire was revised to 72 items.

The pilot survey results and the modifications made to the questionnaire resulted in two additional hypotheses.

**H₀08.1: Role stress has no relationship with employee engagement**

and

**H₀10.1: Supervisor support has no relationship with employee engagement.**

Also Control as a factor was dropped due to cross loading with feedback of items there and hence hypothesis H₀₁₁ was dropped.
Data Collection and Analysis

A SurveyMonkey, web-based structured survey tool was used to administer the questionnaire, as it was both cost and time efficient. A total of 610 employees across Google India and Facebook India were emailed the SurveyMonkey link to the questionnaire. Of the 437 employees who attempted the survey, 26 left it incomplete; in other words they did not submit the survey even though they had started responding to survey items.

The survey responses obtained were analyzed using SPSS 21 and AMOS 16.0. The questionnaire was refined using factor analysis where the statements were reduced from 88 to 72 based on the factor loadings obtained in the EFA. These 72 statements were utilized to gather responses and compute results of statistical tests used in this research. Confirmatory Factor Analysis (CFA) was employed to confirm the relationship between observed variables and their underlying latent construct. For Hypotheses 16a to 16e as it entailed comparison of population means as a test of difference, t-test and ANOVA were used using SPSS. For the rest of the hypotheses, Structural Equation Model (SEM) was used. The path diagram was generated and the goodness of fit statistics was observed for the entire research model. For the structural equation model, maximum likelihood estimation (MLE) method was used.

Confirmatory Factor Analysis and Model Improvement

The initial measurement model fit was done along with the confirmatory factor analysis (CFA). In addition to the matrix of loadings and cross-loadings, Average Variance Extracted (AVE) is a method to test convergent and discriminant validity as proposed by Fornell and Larcker (1981). According to them, AVE should be more than 50% for each construct. Keeping this principle in mind, all items with correlation less than 0.7 (Bontis et al., 2002) to the construct are removed from further calculations so that the AVE is above 50%. Based on this criterion, the items were removed and the model fit was
checked again. Here we can see that the fit indices have improved based on the iteration that looked at the large error values and followed an iterative process which improved the fit indices to give a plausible model. See Table 5.1

Table 5.1: Measurement Model Fit (52 Items)

<table>
<thead>
<tr>
<th>Model</th>
<th>χ²</th>
<th>d.f.</th>
<th>CFI</th>
<th>IFI</th>
<th>TLI</th>
<th>RFI</th>
<th>GFI</th>
<th>AGFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fit indices</td>
<td>1859.27</td>
<td>1103</td>
<td>0.942</td>
<td>0.943</td>
<td>0.931</td>
<td>0.907</td>
<td>0.911</td>
<td>0.904</td>
<td>0.042</td>
</tr>
</tbody>
</table>

Where, χ² = Chi-square, d.f. = Degrees of freedom,
GFI = Goodness of fit index, AGFI = Adjusted goodness of fit index,
CFI = Comparative fit index, TLI = Tucker Lewis index,
IFI = Incremental fit index, NFI = Normed fit index,
RFI = Relative fit index and RMSEA = Root mean square error of approximation.

The impact of error co-variances and regression weights associated with the observed, endogenous variables was examined to determine any significant errors that warranted further refinement of the model. The CFA was also done to make sure that all items loaded satisfactorily onto their respective factors and that no cross-loading of items onto a different factor occurred. This affirmed that the items for each construct converged into their single factor model and that each measure is discriminated from the other in the overall model.

Structural Equation Modeling with Employee Engagement as a Second Order Construct.

Based on the discriminant validity analysis, it was decided to go ahead with the analysis of Employee Engagement as a second-order construct as it represents the hypothesis that these seemingly distinct but related factors—Vigour, Dedication, and Absorption—can
be accounted for by one or more common underlying higher order constructs (that is employee engagement). Structural equation modeling (SEM) was run again using AMOS 18.0 to test hypotheses H1 to H15, where the analysis treated Employee Engagement as a second order construct. The results obtained indicated an adequate fit between the data and the model as reflected in Table 5.2.

Table 5.2: Second Order Measurement Model Fit Statistics

<table>
<thead>
<tr>
<th>Model</th>
<th>( \chi^2 )</th>
<th>d.f.</th>
<th>CFI</th>
<th>IFI</th>
<th>TLI</th>
<th>RFI</th>
<th>GFI</th>
<th>AGFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fit Indices</td>
<td>1815.41</td>
<td>1052</td>
<td>0.94</td>
<td>0.94</td>
<td>0.93</td>
<td>0.848</td>
<td>0.944</td>
<td>0.044</td>
<td></td>
</tr>
</tbody>
</table>

Where, \( \chi^2 \) = Chi-square, d.f. = Degrees of freedom, GFI = Goodness of fit index, AGFI = Adjusted goodness of fit index, CFI = Comparative fit index, TLI = Tucker Lewis index, IFI = Incremental fit index, NFI = Normed fit index, RFI = Relative fit index and RMSEA = Root mean square error of approximation.

For an absolute or predictive fit, the Chi square index should be used to confirm the likelihood of the proposed model. The Chi-square value should be less than 4 and ideally less than 2. The Chi-square for the proposed model in Figure 5.1 is 1.73 with 1052 degrees of freedom and a p-value of \( p < .001 \). Therefore, this is a plausible model. The modifications made in the second order analysis are based on theoretical considerations (there was evidence in other studies of the multi-collinearity of factors of employee engagement and employee engagement has been used a single construct in other studies).
Figure 5.2: Hypotheses Testing through Path Analysis in SEM

(Note: Index for Path Directions: — Significant paths, .... Non-significant paths)
In order to test the hypotheses tests were done using t-Test and ANOVA (SPSS 21) to find whether there was any significant difference in employee engagement scores between groups as well as using the path analysis in SEM using AMOS 16. The hypotheses testing provided a Chi-value of 1.73, which is a very good measure with 1052 degrees of freedom. The tested model is shown in Figure 5.2 with estimated standardized regression coefficients in the path links in the SEM model with significant and non-significant paths as per SEM are shown in straight and broken lines, respectively.

**Table 5.3 Summary of Hypotheses Tested Through Path Analysis using SEM**
(Note: Results Supported at Significance Level: p = .001, p = .01 and p = .05)

<table>
<thead>
<tr>
<th>H</th>
<th>Paths</th>
<th>SEM Output</th>
<th>Accept* or Reject Alternate Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Beta</td>
<td>S.E.</td>
</tr>
<tr>
<td>H01</td>
<td>V --&gt; EE</td>
<td>-0.033</td>
<td>0.043</td>
</tr>
<tr>
<td>H02</td>
<td>L --&gt; EE</td>
<td>0.251</td>
<td>0.082</td>
</tr>
<tr>
<td>H03</td>
<td>SV --&gt; EE</td>
<td>0.026</td>
<td>0.052</td>
</tr>
<tr>
<td>H04</td>
<td>TI --&gt; EE</td>
<td>0.047</td>
<td>0.054</td>
</tr>
<tr>
<td>H05</td>
<td>TS --&gt; EE</td>
<td>0.058</td>
<td>0.074</td>
</tr>
<tr>
<td>H06</td>
<td>A --&gt; EE</td>
<td>-0.015</td>
<td>0.088</td>
</tr>
<tr>
<td>H07</td>
<td>FD --&gt; EE</td>
<td>0.076</td>
<td>0.052</td>
</tr>
<tr>
<td>H08</td>
<td>O --&gt; EE</td>
<td>-0.092</td>
<td>0.054</td>
</tr>
<tr>
<td>H08.1</td>
<td>RS --&gt; EE</td>
<td>-0.102</td>
<td>0.032</td>
</tr>
<tr>
<td>H09</td>
<td>JS --&gt; EE</td>
<td>0.275</td>
<td>0.113</td>
</tr>
<tr>
<td>H10</td>
<td>OS --&gt; EE</td>
<td>0.032</td>
<td>0.052</td>
</tr>
<tr>
<td>H10.1</td>
<td>SUP --&gt; EE</td>
<td>-0.006</td>
<td>0.067</td>
</tr>
<tr>
<td>H11</td>
<td>CG --&gt; EE</td>
<td>0.034</td>
<td>0.043</td>
</tr>
<tr>
<td>H12</td>
<td>CS --&gt; EE</td>
<td>0.309</td>
<td>0.083</td>
</tr>
<tr>
<td>H13</td>
<td>RW --&gt; EE</td>
<td>-0.646</td>
<td>0.076</td>
</tr>
</tbody>
</table>

The summary of the hypotheses testing is in Table 5.3 for H01 to H015 and is discussed below.
Vision and Leadership had significant correlations and were also loading as one factor. This, in retrospect, is not unusual as both the target companies are very strongly founder led, where the vision of the organization and the leadership are seen by employees as one and the same. Caution may be applied here as to how this may not be true for organizations that are not very actively founder led and managed.

The results of hypotheses (H01 to H15) testing are shown in Table 5.3. The path coefficients of the SEM, along with their p-values, provide direct evidence of whether the hypotheses are accepted or rejected (as shown in Table 5.3). The p-values shown in Table 5.3 are associated with the standardized path coefficients. According to the results in Table 5.3, the path coefficients are significant between:

- Skill Variety and Employee Engagement (p<0.01),
- Role Stress and Employee Engagement (p<0.01),
- Job Security and Employee Engagement (p<0.01),
- Organizational Support and Employee Engagement (p<0.05),
- Growth and Employee Engagement (p<0.001), and
- Intention to Quit and Employee Engagement (p<0.001).

This supports hypotheses H03, H08.1, H09, H10, H14, and H15.

The summary of the Hypotheses tested for demographics is given in Table 5.4

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Demographics</th>
<th>Failed to Reject or reject Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>H160a</td>
<td>Gender</td>
<td>Failed to Reject</td>
</tr>
<tr>
<td>H160b</td>
<td>Role</td>
<td>Reject</td>
</tr>
<tr>
<td>H160c</td>
<td>Education</td>
<td>Failed to Reject</td>
</tr>
<tr>
<td>H160d</td>
<td>Total Work Experience</td>
<td>Failed to Reject</td>
</tr>
<tr>
<td>H160e</td>
<td>Work Experience in organization</td>
<td>Failed to Reject</td>
</tr>
</tbody>
</table>
The hypothesis testing resulted in failing to reject hypotheses on significant differences in employee satisfaction scores on the basis of gender, education and work experience. The hypothesis H16b was rejected and it indicated that people managers have a significant higher engagement score than individual contributors.

6. Findings of the Research

H03: Skill Variety has a significant relationship with Employee Engagement as per this research. This relationship is in the positive direction.

H08.1: Role Stress has a significant relationship with Employee Engagement. This is in the negative direction.

H09: Job Security has a significant relationship with Employee Engagement. This is in the negative direction. The requests in the survey were measuring for lack of job security. Hence, the conclusion is that, in the absence of job security, employees will be less engaged.

H10: Organizational Support has a significant relationship with Employee Engagement as per this research. This relationship is in the positive direction.

H14: Growth has a significant relationship with Employee Engagement as per this research. This relationship is in the positive direction.

H15: Intention to Quit has a significant relationship with Employee Engagement as per this research. This relationship is in the negative direction.

H16b: There is a significant difference in the mean scores of employee engagement between People Managers and Individual Contributors as seen in this research. This
needs to be further checked in the context of other studies as we have failed to accept the null hypotheses here.

7. Significance and Implications of the Research
This is the first time that a study of employee engagement, its antecedents, and intention to quit as an outcome variable has been done for the Indian IT industry. This study contributes not only to our knowledge of employee engagement as a construct, but also to the testing and validation of the UWES in the Indian market.

Creating a set of engaged employees is key to the success of any organization. This is especially true of human capital-intensive industries, such as the IT industry.

Implications for Literature
That a number of theoretical relationships proposed achieved empirical validation through this study would be of interest to academic practitioners. Numerous studies have suggested that higher levels of employee engagement significantly reduce turnover intention (Maslach et al., 2001; Saks, 2006). This study corroborates it. Among the various antecedents and drivers of employee engagement, this study highlights growth of the employee as a significant factor. The process of engaging employees has to have a growth dimension, as employees should be able to see themselves in a better role in the future. This study emphasises the necessity of enabling personal growth, and ensuring development opportunities (Hackman & Oldham, 1974) is an important part of work design in the first place. Hence, it is not surprising that skill variety has emerged as a significant antecedent of employee engagement.

One of the areas where this study was not able to find a significant relationship is supervisor support. The role of the supervisor is critical in an organization, as supervisors are agents of the organization and they have a significant impact on how employees perceive the work place. Gallup research gives a lot of credit to the supervisor for
contributing to employee engagement, and hence, the relationship seen in this research is contrary to the literature (even though there aren’t many empirical studies that look at the path from supervisor support to employee engagement). It is important to note here that in the Job-Demands-Resources model (Rothmann et al., 2006), supervisor support is not a separate factor but part of the organizational support dimension. Here, it is considered a separate factor based on how it loaded as a separate factor in the pilot study analysis.

Implications for Practice/Managers

The implications of this study for managers largely emerge from the practical insights into keeping employees engaged. The quantitative findings on factors that are significant in driving employee engagement can reduce the intention to quit, helping organizations to get the best from its human resources and build a strategic advantage over competition. Based on the findings of this study, organizations can build an environment where employees contribute more than what their role stipulates and hence contribute to the growth of the organization. Managing the growth of employees, ensuring skill variety, organizational support, and job security; and reducing role stress will help organizations to increase employee engagement levels.

9. Limitations of the Study

Although employee engagement is an issue faced by every industry, this study has been deliberately delimited to one industry. Further, it was defined as part of the research to study only one outcome variable of employee engagement, considering that this outcome variable is extremely important for the industry. Future research can look at more outcome variables of employee engagement. The study is also limited by the fact that the Utrecht Work Engagement Scale (UWES) for measuring employee engagement has not been used before in any known research in India.
10. Suggestions for Future Research

The study took theoretical assertions from a developed country context and applied them to an emerging market context. Further, the assertions were applied to one of the most dynamic industries. While the study validates the proposed model of employee engagement, some of the findings still need to be verified by follow-up studies across industries and markets. Outcome variables other than the intention to quit need to be explored by future studies. Job involvement could be one such outcome variable as engaged employees are probably more involved in their jobs. In exploring the antecedents and drivers of employee engagement, this study has not examined the role played by personality factors. The relationship can be either mediating or moderating, but personality factors could have an impact on how different sets of people are engaged based on the antecedents identified in this study.

11. Conclusion

To conclude, this research has proposed a model of employee engagement in the Indian IT industry after reviewing the various existing employee engagement related literature. Further, the employee engagement model has been tested and validated, following the steps for defining model constructs, stating the relationships among these constructs, developing appropriate measures for the constructs, gathering data, and analyzing the data using established statistical methodology. This research confirms that engaged employees have lower intention to quit. This opens the way for further research in this area that will help in understanding employee engagement better and taking appropriate steps to build better-engaged employees. Specifically, for the Indian IT industry, this research helps to reduce the actual turnover of employees—which is one of the biggest challenges faced by the industry—through appropriate interventions to build employee engagement further. Also, for the measurement of employee engagement, UWES was tested and validated in an emerging market context.
REFERENCES


