Drivers of Employee Engagement in Petroleum Industry - A Transformational Framework

Dr. Mu. Subrahmanian
Professor & Head
Department of Management Studies
Easwari Engineering College
Chennai – Tamil Nadu - India

Abstract
The high levels of work engagement are when employees are involved with, committed to, enthusiastic, and passionate about their work. This study emphasize that knowledge about engagement and understanding practical issues of engagement in the organisation are equally salient when thinking researching and practicing on the topic employee engagement. Engaged employees can help organization achieve its mission, execute its strategy and generate important business results. For this reason it is important to analyse this study and consider the findings and suggestions composition while paying attention on improving employee engagement decisions for any organisation during the suitable situation.

Introduction
Employee engagement is a valuable concept for understanding and improving individual and organizational performance. Employee Engagement is an attitude apprehended by the employees towards the organization and its values. It is rapidly gaining popularity, use and importance in the workplace and impacts organizations in many ways. Employees are the main assets of the organization. HR practitioners believe that the engagement has a lot to do with how employee feels about the about work experience and how he or she is treated in the organization. It has a lot to do with emotions which are fundamentally related to drive a foundational success in a company. There will always be people who never give their best efforts no matter how hard HR and line managers try to motivate them. This is because those employees do not enjoy their work or get engaged with the work. Reasons for disengagement might be their own attitude, matter of mismatched skills to do the work, less experience and work environment. Thus it is largely the organization’s responsibility to create better organization culture and work environment to keep employees committed for a win-win equation. Ultimately nurturing employee engagement is more powerful that helps employees contribute to something that is significant to organization. Thus, this employee engagement study is a barometer that determines a person’s association with the organization.

Problem Statement
Companies strive hard to keep up with competitors or gain a competitive advantage. In order to gain competitive advantage retention of employees is most important than acquiring new employees, so employee engagement is one of the driver behind retention and lower absenteeism because engaged employees are self satisfied and motivated and stay more committed to the organisation. Hence increase productivity, efficiency and effectiveness to achieve the primary goal of a company. Engaged employees are the natural pillars of an organisation. Who will stay within the company, be an advocate of the company, its products and services and contribute to the profit boosting business growth.

In order to attain these benefits organisation should see: What is the expectation of the employee at his work place? Is equal opportunity is given to everyone in their career growth? How to build the sense of trust and loyalty among the workers? How to recognize their work? How fairly they should be treated? How good the communication and employee relationship should be maintained in an organisation? These are to be concentrated only then the employee engagement will act as a best tool, for this reason
“Drivers of Employee Engagement in Petroleum Industry - A Transformational Framework” was done.

**Literature Review**


Much of the existing research on employee engagement is deficient in examining organizational actors' lived experiences of organizational engagement activities. This article, deriving from qualitative research in a public–private partnership organization, contributes to the current understanding of how employee engagement is generated through management communication activities seeking to promote engagement and employees' responses thereto. Also drawing on the literatures on organizational change, communication and culture, our research demonstrates that: (1) managers use both directive and discursive means of communication to create an environment in which employees may wish to engage; and (2) employees respond positively to such communication as it makes them feel valued and involved, which enhances their propensity to engage with the organization. However, contrary to widespread assumptions in the literature, the generation of employee engagement is far from straightforward; employees have an active role to participate in the engagement activities offered by managers.


Employee engagement has become a dominant part of the vocabulary of human resource management (HRM), yet there has been little investigation of the implications of this for HRM in organizations. This article analyses a case study of an initiative at New Zealand Post designed to improve the engagement and performance of supervisory staff. It makes two important contributions to the development of the nascent literature. First, it suggests that effective engagement initiatives require political astuteness and commitment on the part of HR. This is because they require a clear business case focused on performance, not merely engagement itself, and an evidence-based approach to design and implementation. This potential appears to be furthered by the commonly observed restructuring of HRM into a ‘business partner’ role. Second, a purposive approach to employee engagement involves HR interrogating the employment relationship to address fundamental issues of employee voice, work design and management agency. This can introduce complications, and resistance, into the partnership with management, but it also offers a means to reconcile ‘soft’ (employee-centred) HRM values to ‘hard’ (performance) concerns around specific change management initiatives. Employee engagement thus need not constitute unitarist subterfuge, but rather something of a ‘neo-pluralist’ turn in the values and activities of HRM.


This paper assesses the role of work engagement in the relationships between affective commitment, job satisfaction and two employee outcomes – supervisor-rated job performance and self-reported intention to quit – using a cross-lagged research design. Our evidence supports the discriminant validity of work engagement, job satisfaction and affective commitment, and explores the temporal relationships between these constructs. Our findings suggest that work engagement mediates the relationships from affective commitment to job performance and intention to quit. Work engagement also mediates the relationship from job satisfaction to job performance, and partially mediates the relationship from job satisfaction to intention to quit.

The development of mainstream human resource management (HRM) theory has long been concerned with how people management can enhance performance outcomes. It is only very recently that interest has been shown in the parallel stream of research on the link between employee engagement and performance, bringing the two together to suggest that engagement may constitute the mechanism through which HRM practices impact individual and organizational performance. However, engagement has emerged as a contested construct, whose meaning is susceptible to ‘fixing, shrinking, stretching and bending’. It has furthermore not yet been scrutinised from a critical HRM perspective, nor have the societal and contextual implications of engagement within the domain of HRM been considered. We review the contribution of the seven articles in this special issue to the advancement of theory and evidence on employee engagement, and highlight areas where further research is needed to answer important questions in the emergent field that links HRM and engagement.


The paper reviews the organizational paradigms of employee engagement in context of its organizational outcomes and aims to unlock the relationship between engagement and perceived organizational effectiveness. The study was designed to generate and test two hypothesized models colligating between engagement and the constituents of organizational effectiveness. The results of structural equation modeling suggest that engagement is significantly associated with perceived organizational effectiveness in that it also entails a positive impact upon the organizational effectiveness. The results encourage organizations to consider the potential significance of employee engagement towards organizational effectiveness and also exemplify the role of HR managers in delineating the psychological fabric of the organization and conditions for high engagement. The paper adds useful insights while articulating that engagement is an expedient phenomenon that drifts organizational effectiveness.


Poor workforce engagement can be detrimental to organizations because of the ensuing decrease in employee well-being and productivity. The purpose of the present study was to investigate the degree to which psychological workplace climate was associated with personal accomplishment, depersonalization, emotional exhaustion, and psychological well-being, and whether employee engagement moderated these relations. A sample of 216 health care employees from the United States, Canada, and Japan completed an online survey. Regression results suggested that psychological workplace climate was significantly related to each outcome variable; engagement moderated relations between workplace climate and each of the four dependent variables. ANOVA results revealed that high engagement group employees demonstrated higher psychological well-being and personal accomplishment, whereas low engagement group employees exhibited higher emotional exhaustion and depersonalization.


Orientation: Engaging individuals at work plays an important role in retaining them. Job security and leadership empowerment behaviour are antecedents of employee engagement. Research purpose: The objective of this study was to investigate the relationship between job insecurity, leadership
empowerment behaviour (as perceived by the employees who report to leaders), employee engagement and intention to leave their jobs in a petrochemical laboratory. Motivation for the study: Knowledge of the effects of job insecurity and leadership on employee engagement and turnover intention will contribute to improved talent management. Research design, approach and method: A correlational design was used. A total of 169 employees in a petrochemical laboratory were studied. The measuring instruments included the Job Insecurity Index, the Leadership Empowerment Behaviour Questionnaire, and the Utrecht Work Engagement Scale. Two questions were used to measure intention to leave. Main findings: The results showed that job insecurity was not statistically significantly related to employee engagement and turnover intention. Leadership empowerment behaviour contributed statistically significantly to employee engagement and low turnover intention. Employee engagement partially mediated the relationship between leadership empowerment behaviour and turnover intention. Practical implications: Leaders should be developed to show empowerment behaviour, because it affects employee engagement, which in turn affects their turnover intention. Contribution: This was the first study that demonstrated the effect of empowerment behaviour of leaders on the engagement and turnover intention of employees.

The banking sector in India is witnessing several changes due to increased competition, advancement of technology and changing regulations. The Indian banking sector has a mix of foreign banks, Indian private banks, nationalized banks and co-operative banks. Engaging employee’s skill help in increasing customer engagement and triggering innovation. It will help in taking these banks to greater heights of excellence. This paper explores the various employee engagement initiatives in the banking sector. These best practices will help banking organizations design their own fit of employee engagement initiatives.

Objectives of the Study
• To analyze the degree of engagement by the employees towards their organization.
• To determine the behavioral competency of the engaged employees.
• To measure the impact that results due to employee engagement.
• To evaluate the drivers leading to employee engagement.

Drivers of Employee Engagement
1. Organizational Practice
2. Performance Management
3. Collaborative Team
4. Job & Career Satisfaction
5. Organizational Citizenship Behaviour

Propensity Model of Employee Engagement, a Transformational Framework
The shown diagrammatic developmental model enlarges the reach of understanding employee engagement topic by all of us that suits to any organization. In this model there are typically 5 major drivers (Organizational Practice, Performance management, Collaborative team, Job and Career satisfaction, Organizational Citizenship Behaviour) with its prone antecedents (20 antecedents), as Engagement drivers that can potentially drive an individual’s engagement. The drivers with its respective antecedents are listed within the model diagram which explains the transformational framework of Employee Engagement. This framed model is thought-out for the study “Drivers of Employee Engagement in Petroleum Industry”
Methodology
For the study a questionnaire was developed for the data collection. Existing, tested scales were used for most of the variables, though in some cases the scales were shortened. The questionnaire was checked by three academic researchers from three different universities. This was done to refine the questionnaire so respondents would have no problems in answering the questions. This resulted for example in changing some words for others that are easier to understand. Furthermore, a pilot test by experts was done, and their suggestions were used to improve the content validity and the structure of the questionnaire. Samples of 20 were investigated to assess the suitability of the questionnaire design. Based on the response same questionnaire was found to be suitable for the study. The Alpha value found was 0.87 using Reliability Calculator by Del Siegle is greater than 0.5, Hence Reliability is acceptable of this study.

Data collection was done in three different organizations of Petroleum industry on employee engagement. Based on a dataset of 173 respondents, the analysis made for overall employee engagement.

Results and Discussion
- It was found that respondents has Ranked the scheduled parameter to their etiquette and according to them this is how the organisation gives importance. Majorities Rank 1 as Pay, Benefits and Rewards, Rank 2 is Participative Management, Rank 3 is Challenging Nature of Job, Rank 4 is Training and Development and Rank 5 is Career growth.
It was found that the correlation value is 0.9 which lies between ± 1. Thus, there lies 0.9 a high degree of correlations between the two variables motivational support and the career promotion.

The significance of variance (i.e.) the p value given under the heading sig is 0.000. Since the significance value is 0.000 is lesser than 0.005 [p<0.05], Thus, it is proven that Employee Engagement variables with respect to the respondent’s age differs from each other significantly.

**Hypothesis**

**H₀**: There is no significant difference between the Employee Engagement variables with respect to the respondent’s age. (H₀: μ₁ = μ₂ = μ₃)

**H₁**: There is significant difference between the Employee Engagement variables with respect to the respondent’s age. (H₁: μ₁ ≠ μ₂ ≠ μ₃)

**TABLE: ANOVA Test**

<table>
<thead>
<tr>
<th>TABLE: ANOVA Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANOVA</td>
</tr>
<tr>
<td>COMMUNICATION</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>INNOVATION</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>TARGETS</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>REWARDS</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>RESPONSIBLE</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

The significance of variance (i.e.) the p value given under the heading sig is 0.000. Since the significance value is 0.000 is lesser than 0.005 [p<0.05], Thus, it is proven that the experimental condition between the mean of variables differ each other significantly.

**Multiple Regressions**

The main objective of regression analysis is to explain the variation in one variable (dependent variable) based on the variation in one or more other variables (independent variables). The variables are explained below:
1. Dependant Variable : Employee Engagement Y
2. Independent Variable :
   1. Organization Practices X1
   2. Collaborative Team X2
   3. Performance Management X3
   4. Job and Career Satisfaction X4
   5. Organization Citizenship Behaviour X5

3. R Square Value : 0.875
4. F Value : 93.3777
5. P Value : 0.000**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.935(a)</td>
<td>.875</td>
<td>.865</td>
<td>.539</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>5</td>
<td>27.107</td>
<td>93.377</td>
<td>.000(a)</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>67</td>
<td>.290</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>72</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Independent Variables</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Constant)</td>
<td>-.714</td>
<td>.235</td>
<td>-3.035</td>
<td>.003</td>
</tr>
<tr>
<td></td>
<td>ORG.PRACTICES</td>
<td>-.473</td>
<td>.202</td>
<td>-.282</td>
<td>-2.335</td>
</tr>
<tr>
<td></td>
<td>COLLABORATE TEAM</td>
<td>1.201</td>
<td>.248</td>
<td>.519</td>
<td>4.847</td>
</tr>
<tr>
<td></td>
<td>PERFORMANCE MGMT</td>
<td>-.379</td>
<td>.268</td>
<td>-.150</td>
<td>-1.418</td>
</tr>
<tr>
<td></td>
<td>JOB AND CAREER</td>
<td>.508</td>
<td>.269</td>
<td>.326</td>
<td>1.887</td>
</tr>
<tr>
<td></td>
<td>ORG.CITIZENSHIP</td>
<td>.791</td>
<td>.229</td>
<td>.542</td>
<td>3.451</td>
</tr>
</tbody>
</table>

1. The sample co-efficient of determination R Square or \( R^2 \) (\( R^2 \) is commonly used in simple regression analysis while \( R^2 \) is approximately reserved for multiple regression analysis). It measures the goodness – of – fit of the estimated SRP in terms of the proportion of the variation in the dependent variable explained by the fitted sample regression equation or SRP. Thus, the value of \( R^2 = 0.875 \) simply means that about 87% of the variation of overall opinion of the evaluation of Employee Engagement or accounted for by the estimated SRP that uses General Evaluation of X1, X2, X3, X4, and X5, as the independent variables. The information is quite useful in assessing the overall accuracy of the model. This model is significant at 5% level.

2. Coefficient Table T-Test of the Significance of the Regression Coefficients

   This table contains the estimated regression coefficients Employee Engagement Y = - 0.714 (Constant) - 0.473 (Org.practices) + 1.201 (Collaborative team) - 0.379 (Performance mgnt) + 0.508 (Job career satisfaction) + 0.791 (Org. citizenship behavior) hence, the estimated SRP or Sample Regression Equation can be written as:

   \[ Y = -0.714 \times X - 0.473 \times X_1 + 1.201 \times X_2 - 0.379 \times X_3 + 0.508 \times X_4 + 0.791 \times X_5 \]
The independent variables such as \( X_2, X_4 \) and \( X_5 \) represent the partial effect on overall opinion, holding other dimensions of independent variables constant. The estimated positive sign implies that such effect is positive while the absolute value implies that the variables such \( X_2, X_4 \) and \( X_5 \) (Collaborative Team, Job and Career Satisfaction, Organisation Citizenship Behaviour) will improve the overall Employee Engagement of the organisation.

The independent variables such as \( X_1 \) and \( X_3 \) represent the partial effect on overall opinion, holding other dimensions of independent variables constant. The estimated negative sign implies that such effect is negative while the absolute value implies that the variables \( X_1, X_3 \) (Organisation Practices, Performance Management) will decline to the overall Employee Engagement. Hence these variables should be improved to embrace employees engaged in the organisation.

**Recommendations**

- A Petroleum company’s Image and its Ethical standards, also boost engagement of an individual. Employees need to feel the vision, mission and core values for which the organisation standby unambiguously. Management can communicate well and keep continuously reminding them about the ultimate mission and goals.
- Since majority of the employees feels that they have extensive access, the Petroleum companies can pay attention to the employees who feels that they don’t have access to the organization strategic plans.
- Disputes and disagreements only lead to stress and nothing productive comes out of it. Disputes can be solved without any delay among any employees so that employees will have a warm and healthy relationship among themselves.
- The team leader can try to understand his/her members well. Do not think to assign anything which the employee would not find interesting. Effective talent management can be ensured so that the skills & interest of the employees matches with their assigned work and may provide a platform for them in bringing more innovation in doing their task, encourage your team members to think out of the box than their usual and also encourage them in giving & getting opinions/ideas which enable cooperation.
- The Petroleum companies can figure out the correlation between motivational support and promotion of employees and may allow promotion irrespective of their age and experience considering the timely factor based on their performance to those who delegate authority and autonomy among all employee to make best decisions in organization.

**Conclusion**

Finally, this study helps to review the extreme of employee engagement in the Petroleum companies and can be helpful in determining what is really working and what is not. The data analysis has satisfied the objectives and brought out various real facts and findings. The finding has also brought some suggestions for the Petroleum company. These findings can be used for future research which is based on employee engagement. Predictors offers HR a way to better understand what practices and policies in their organization effectively promote employee motivation, attendance, retention and productivity. By defined engagement predictors (organizational practices, collaborative teams, performance management Job and career satisfaction and organisation citizenship behavior). HR can help the organization better manage engagement and ultimately foster motivation, productivity and retention. The level of engagement determines whether people are productive and stay with the organization or quit and perhaps join the competitors. The extent to which employee’s are connected to the organizational strategy and goals, acknowledgment for work well done, and a culture of learning and development foster high levels of engagement.
References


