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Research Article

PERCEPTUAL STUDY ON CAUSATIVE FACTORS INFLUENCING MANAGERIAL PRACTICES ON EMPLOYEE ENGAGEMENT

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ABSTRACT

The primary purpose of every health sector is to provide and deliver quality healthcare services to its customers (patients). However effective delivery of these services cannot be achieved without effective employee engagement of health professionals. Constant pressure from the external and internal environment has posed more threats and opportunities on the HRM, in administering its practices and policies in the hospitals. This has brought about high disengagement of health workers. The objective of this paper was to examine the external factors influencing human resource management practices on employee engagement, and to examine the internal factors influencing human resource management practices on employee engagement. The sample size was 140 and systematic sampling technique was used. It was found out that; political, economic, social, technological factors influencing human resource practices had an impact on employee engagement. It was recommended that management must implement Work Behaviour Strategy (WBS) in the organization in order for employees to manage with the change associated with both the external and internal factors.

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INTRODUCTION

External and internal factors are one of the challenges associated with human resource management practices used in engaging health professionals. Management of health institutions have given less attention to these factors and have resulted to disengagement of health workers. External influences like political/legal factors, economic, socio cultural and technological factors and internal factors such as corporate strategy, organizational culture and size, etc. which are favorable to HRM practices influence employee engagement. However, factors that threaten HRM practices make employees' engagement practices very difficult. Harter et al., (2002), in their study posited that though HRM practices and external factors improve workers' engagement, yet it can also result to workers' job satisfaction and performance. Similarly Binfoh et al., (2016) found that social, technological, economic factors affect motivation of employees in an organization and this drive their level of engagement they have for the work. Research conducted by Becker & Huselid, (1998), Appelbaum, (2002); Tamkin, (2004) reported that effective HR practices act to build and develop employees self-confidence and flexibility and contribute to increase the level of motivation, morale and OCB hence engagement. Tom Brown (2015) again added that

the improvement of satisfaction from 1970 through to employee engagement in the 2000s was driven by the external factors acting on the today's business. It is speculated that changes which have taken place in today's work settings constitute the background for the emergence of effective engagement in organizations. There is the need to identify the causative factors that is affecting human resource management practices in employee engagement.

Objectives of the study

- To examine the relationship between the external factors influencing human resource management practices and employee engagement.
- To examine the impact of internal factors influencing human resource management practices on employee engagement in the organization.

Hypothesis

- H1= Political factors influencing HRM Practices have a positive impact on employee engagement.
H2= Economic factors influencing HRM Practices have a positive impact on employee engagement.
H3= Social factors influencing HRM Practices have a positive impact on employee engagement.

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- H4= Technological factors influencing HRM Practices have a positive impact on employee engagement.
- H5= Internal factors influencing HRM Practices have a positive impact on employee engagement.

LITERATURE REVIEW

Concept of Human Resource Management practices

Many researchers have explained the concept of human resource management practices in many ways. The appropriate HRM practices used effectively help to manage and influence the behavior of others towards engagement in achieving an organizational effectiveness and goals. Report according to Acquaaah (2004), suggested that human resource management practices improves the effectiveness of the organization and the performance by attracting, identifying, and retaining employees with knowledge, skills, and abilities, and getting them to behave in a manner that will support the mission and objectives of the organization. These aforementioned practices influence each individual’s employee’s level of engagement behaviour. HRM practices effectively executed continuously improve health professionals’ wellbeing, social wellbeing and ensured organizational outcome. Managers who strategically plan, organize, direct, coordinate, supervise employees with effective monitoring and controlling not only engages the minds of the employees, however place a life time value on employees life (ELTV) which results to retention, and quality delivery of healthcare service.

Employee engagement

The concept of employee engagement has gain maximum attention in today’s business organization.

This has also attracted academicians and researchers to investigate into this theory the idea of employee engagement built on the four theories such as commitment, job satisfaction, organizational citizenship behaviour, self - determination theory. Employee engagement as defined by Kahn (1990), as when members in an organization attached themselves to their work roles. He added that members expressed themselves physically, cognitively and emotionally to the role performance. To explain the concept of engagement further Harter et al., (2002), defined employee engagement with three key elements. They stressed on individual’s involvement and their satisfaction and enthusiasm they have for the job. Any individual who exert a discretionary effort in the role they play, is intrinsically motivated; with the mind, heart and energy.

Relationship between external and internal factors affecting human resource management practices on employee engagement

Though numerous researchers have shown that, employee engagement must solely emanate from the individual employee. However in today’s contemporary time, employee level of engagement is driven by both external and internal trends that evolve as human resource management administer its practices. The effectiveness of these practices and employee engagement depend on what these factors bring; either threat (negative) or opportunities (positive) in the organization.

Tiwari and Saxena (2012), study discovered that HRM practices, policies and activities formation and implementations should be in line with the legislation and regulations of countries. Thus If national health policies are related to the HRM practices, strategies and policies it can influence the morale of the employees.

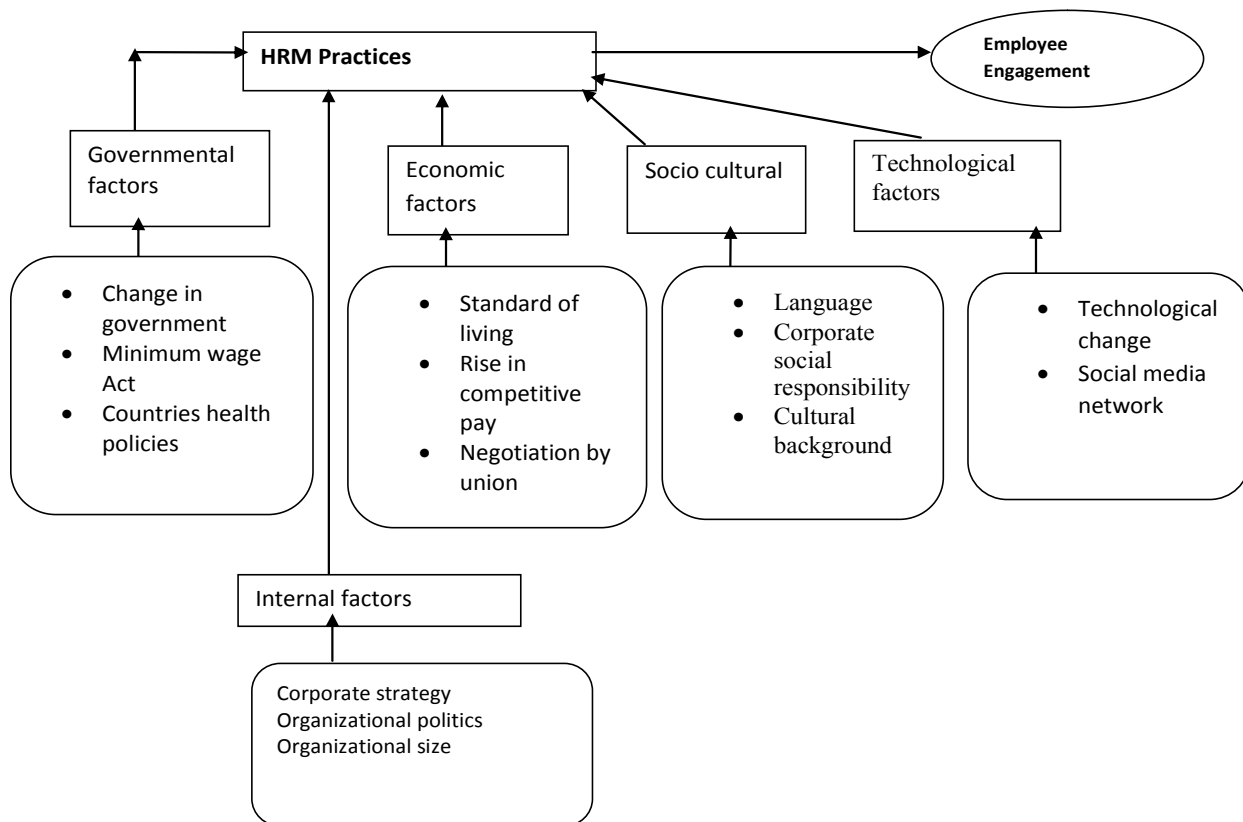


Fig 1 Model developed for the study

Provincial human rights codes demand management to equally treat their organizational members fairly, without any discrimination. Compliance to these codes by management makes employees happy, feels cared for, satisfied and valued. This stimulates organization citizenship behavior and ensures Employee Lifetime Value (ELV). Feigenbaum (2017), explained in his article that recession and economic downturn in years ago affected employee and the stability of organizations performance. This external trend put much pressure on management to cut pays of employees and to also downsize most of their employees. These demoralized employees hence they detach themselves from the work. Pressure from socio-cultural factors can also not be left out when it comes to HRM practices and decisions. It can be predicted that high living standard in a particular economy affect the salary administration of HRM. Especially if there is limited funds, management wouldn't be able to increase the pay of employees and these result to job dissatisfaction. On the other hand management, who increase employees pay and other incentives in order to cope with the standard of living makes employees fulfilled, improved wellbeing and social wellbeing. Mello (2006) recommended that, management must make future prediction and effectively plan the functions because economic conditions might have an important impact on labor force, by changing the right number of personnel required. Turker, (2008), explained societal demands make many organizations to engage highly in corporate social responsibility for sustainable development. Organization who involves its employees in these activities influence employees' morale, commitment and stimulate their level of engagement.

Hung et al, (2012) revealed that, the advent of technology has made internal communication easier to both employees and management in the organization. Internet, intranet and social media platforms make the sharing of information and communication easier and timely. The use of social media platform makes work flexible, less stressful and helps balance work-life. The consistency of these improves HRM practices and organizational employee's activeness and commitment which in turn increase engagement. Ged Nichols (2013), cited MacLeod (2009) Report that, effective employee engagement is when managers listen and heed to employee's voice. Regarding internal factors, Kelvin Martin (2013), proposed that employee engagement is the result of alignment of organizational culture, strategy, employees' capabilities and performance.

Model developed for the study

METHODOLOGY

The total population used for the study was 161 and the target sample size was 140. Thus the target sample size was obtained by the use of systematic sampling since it was a large sample.

Thus $S=P/TS$, $161/140= 1.15$. Every 1st person in the management department stood a chance of been selected. A regression analysis was the statistical tools used to analyze the data.

Data Analysis

Firstly, the regression table on political/legal factors was reported that there is a strong positive correlation between the dependent variable and independent variables as the correlation coefficient 'R' = .817. Employee engagements had a positive relationship with political/legal factors. It has an R² Value of .668 meaning that 66.8% of variance in employee engagement was accounted for by political/legal factors like Country's Health Policies, Change in Government and Minimum Wage Act 1948. The F- test value of 91.200 has a significant level .000 and it is less than 0.05. The alternative hypothesis supported; that political factors have a positive impact on employee engagement. Thus the regression model was valid.

Secondly, the regression table on Economic factors shows a Regression coefficient 'R' =0.856 or 85.6% this indicate a strong relationship between the dependent variable and the independent variables. The coefficient of determination 'R²' = .733 it shows a 73.3% of the variation in employee engagement was explained by the economic factors (high standard of living, unfavorable economic conditions, effective negotiation by union group and a rise in competitive pay). The F-test value = 92.703 was significant at .000 and p<.05. All the independent variables in the Coefficient table show a significant value therefore the regression model was valid and the alternative hypothesis supported. This shows that economic factors affecting Human resource management practices have a strong impact on employee engagement.

Thirdly, the regression table on Socio cultural factors recorded that correlation coefficient 'R' = .912 shows strong positive relationship between employee engagement and social factors. The coefficient of determination value 'R²' = .832, Thus, 83.2% of the variance employee engagement was explained by social factors (Language barrier, corporate social responsibility, differences in employee cultural background and socio cultural values). The F-test value = 166.867 has significant at .000. p< .05. The regression model was valid. This relationship implies that, Language barrier, corporate social responsibility, differences in employee cultural background and socio cultural values have a strong effect on employee engagement. Therefore the alternative hypothesis supported the claim.

Fourthly, the regression analyses of Technological factors was recorded that the correlation coefficient 'R' = .808, means there was strong positive relationship between employee engagement and technological factors (Technological change and social media network).

Table 1 The regression analyses that predict Employee Engagement and External factors affecting HRM Practices

External Factors influencing HRM practices (Independent)	Employee Engagement (Dependent)	Regression Coefficient (R)	R square	F-value	Sig. p value	Hypothesis
Political/legal factors	Employee Engagement	.817	.668	91.200	.000	Accepted
Economic factors	Employee Engagement	.856	.733	92.70	.000	Accepted
Socio cultural factors	Employee Engagement	.912	.832	166.87	.000	Accepted
Technological factors	Employee Engagement	.808	.653	128.965	.000	Accepted

The coefficient of determination value ‘ R^2 ’ = .653 explains that 65.3% of the variance employee engagement was explained by technological factors (technological change and social media network). The f-test value = 128.965 was significant at significant level of .000, where $p < .05$. However, it can be explained that, the regression model was valid and the alternative hypothesis supported. Thus technological factors affecting HRM practices have a positive impact on employee engagement.

Internal factors influencing HRM practices have a positive impact on Employee Engagement

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854 ^a	.729	.723	.37491

a. Predictors: (Constant), Organizational Size, Organizational Politics, Corporate Strategy

ANOVA ^b						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	51.420	3	17.140	121.940	.000 ^a
	Residual	19.116	136	.141		
	Total	70.536	139			

a. Predictors: (Constant), Organizational Size, Organizational Politics, Corporate Strategy

b. Dependent Variable: Employee Engagement

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.684	.275		6.124	.000
	Corporate Strategy	1.304	.109	1.338	11.967	.000
	Organizational Politics	-.196	.082	-.124	-2.393	.018
	Organizational Size	-.401	.091	-.499	-4.430	.000

a. Dependent Variable: Employee Engagement

The above table also shows that, correlation coefficient ‘R’ = .854, shows a positive relationship between employee engagement and internal factors (corporate strategy, organizational politics and size of the organization). ‘ R^2 ’ value = .729, it means that 72.9% of the variance in employee engagement was explained by internal factors (corporate strategy, organizational politics and organizational politics). The F-test value = 121.940, had a significant level of .000. This was less than .05. This means that the regression model was valid. The internal factors like corporate strategy, organizational politics and size of the organization had a strong impact on employee engagement. Therefore the alternative hypothesis supported the claim.

FINDINGS AND CONCLUSION

The study reveals that political/legal factors like change in Government, Minimum wage Act 1948 and Country’s health policy have strong effect on employee engagement. A change in government has strong effect on employee engagement performance. Agreeing to Minimum Wage Act 1947 had a

strong effect on employee engagement as this improves employee’s morale. Alignments of employee training programs to country’s Health policies have a strong effect on engagement as this increases employees satisfaction. The study also showed that socio cultural values affect the recruitment of more female employees than male employees yet, according to management perspective, recruitment of employees was not based on cultural values but on employees’ qualification. It was found that Economic Crises causing Management to lay off its employees strongly affect employee’s level of engagement. Anytime there is Unsuccessful Negotiation between union and management it strongly affects engagement of employees leading to pen down strike. It was also found that there was strong employee engagement, when management increases the salary and other incentives of employees to meet the standard of living in the economy. Again management who increases employees pay as due to a rise in competitive pay enhances the engagement of employees. It was also discovered that giving employees’ technological update and training to cope with the trend of change this had an impact on employee engagement. However the proliferation of technology and its social media network platforms had no significant impact on employee engagement from management point of view. Internal factors such corporate strategy; culture and organizational size had a positive impact on Employee Engagement. In conclusion, the study revealed that all the factors had an effect on the human resource management practices which intended to affect employees’ level of engagement. It is therefore recommended that the policies and regulations concerning HRM practices must constantly be checked, monitored and renewed since employer/management and government seek to improve the wellbeing of employees. Employee engagement which leads to productivity and wellbeing should be the ultimate key. Managements have no control on the external forces, however to maintain and manage these factors and its behavioral changes towards employee engagement. Management should not only be aware of what is happening in the environment, instead make effective plan and strategies such as Work Adjustment Behavior Strategy (WABS) example (counseling, continuous education and learning, effective change agent, engagement program) for its employees. In order to curtail the situations and employees counterproductive behavior of disengagement; when these strategies are effectively carried out, it will help improve employees’ morale and engagement during an economic recession.

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