

# Linking HR Practices to Employee Engagement: Evidence from India's Concreting Equipment Manufacturing Sector

Hemakumar.M

Research Scholar

Department of Lifelong Learning, Bharathidasan University, Khajamalai Campus, Tiruchirappalli

Dr. T. Kumuthavalli

Associate Professor and Head of the Department, Research Supervisor

Department of Lifelong Learning, Bharathidasan University, Khajamalai Campus, Tiruchirappalli

D.Thirumurugan

II year PMIR , MSSW

## Abstract

This study explores the influence of Human Resources Practices (HRPs) on Employee Engagement (EE) in a leading Indian concreting equipment manufacturing firm. Using a cross-sectional design, data were collected from 127 employees through convenient sampling. Findings reveal HRPs significantly influence employee engagement, gender does not differ with engagement, and the level of engagement varies across departments but perception of HRPs remain consistent.

Key words: HR Practices, Employee Engagement. Concreting equipment manufacturing

## Introduction

Human Resource Practices (HRPs) encompass processes such as recruitment, selection, training, performance appraisal, compensation system design, the establishment of transparent communication channels, facilitation of idea sharing, and implementation of decentralized decision-making. These practices are designed to enhance employees' skills, attitudes, knowledge, productivity, and professional growth. Becker et al.'s (1997). Perceived HR practices are more vital than the policies written themselves, so that it can be measured as per the perception of the employee. Employee engagement can be understood as emotional and psychological attachment of employees which develop towards their work, organization, and its goals. Engaged employees demonstrate commitment to their roles, display enthusiasm and dedication, and a willingness to go beyond the work routine to contribute meaningfully towards achievement of organizational objectives. Comprehensive HR policies and practices have been identified as a determinant that can influence organizational growth (Hallberg & Schaufeli, 2006; Paul & Anantharaman, 2003). While engaged employees are typically passionate and deeply involved in their work, this engagement does not always translate into consistent behaviors that benefit the organization (Alfes et al., 2013). Prior studies mainly focused on examining the effects of Human Resources Practices on organisation level outcomes by collecting data from the HR professionals (e.g. Huselid 1995; Datta, Guthrie and Wright 2005; Som 2008). According to Jose & Mampilly (2014), employee engagement levels tend to increase when employees are given opportunities to participate in organizational decision-making and to express their views to supervisors. Additionally, Tusi, Pearce, Porter, & Tripoli (1997) found that employees' desire to be involved in organizational decision-making also has an impact on them.

A very few study have explored in the Indian context especially in the manufacturing context. This study explores the relationship between, Human Resource Practices and employee engagement and department wise engagement level and HR practices, in the concreting equipment manufacturing company.

Based on the above the following research questions are formulated.

Does HR practices impact the employee engagement?

Does employee engagement differ based on gender and departments?

Do perceptions of HR practices vary across departments?

## Objectives

- To ascertain how Human Resource Practices impact Employee Engagement.
- To determine how demographic variables relate to employee engagement.

## Research Hypothesis

Based on the objectives, the following hypothesis are formed

- H0: HRPs do not significantly affect employee engagement.
- H1: HRPs significantly affect employee engagement.
- H0: No significant difference in employee engagement exists between males and females.
- H1: A significant difference in employee engagement exists between males and females.
- H0: No significant relationship exists between employee engagement levels and departments.
- H1: Employee engagement levels are significantly linked to departments.
- H0: No significant difference in perceptions of Human Resource Practices across departments.
- H1: A significant difference in perceptions of Human Resource Practices exists across departments.

## Methodology

Descriptive cross-sectional research design in nature was used to complete the study. The population included employees from heavy engineering industry and different levels of the departments. Individual employee was the sampling element. Respondents were chosen using a convenience-based sampling technique, which falls under non-probability sampling. The sample size was 127 respondents. Standardized questionnaires were used for measuring the Human Resource Practices and Employees Engagement. Data were collected on a likely type of scale, where 1 stand for Strongly Disagree and 7 stands for Strongly Agree in Human Resource Practices on Employees Engagement. Items to total correlation was applied to check the internal consistency of the questionnaires. The measures were standardized through computation of reliability and validity. Human Resource Practices scale (HRPs) were used from **Julian Gould-Williams & Fiona Davies (2005)** and Employees Engagement scale adapted from **Rich, B. L., Lepine J. A., & Crawford, E. R. (2010)**

**Table 1: Gender-wise differences in Employee Engagement**

Gender	N	Mean	Std.Deviation	Std.Error Mean
Male	92	5.38	0.421	0.044
Female	35	5.37	0.340	0.058

### Independent Sample t-Test

Levene's Test for Equality of Variances	t-test for Equality of Means
F=3.369 Sig.= 0.069	T(125)=0.178, p=0.859

An independent samples t-test was conducted to determine if employee engagement differed significantly between males and females. The results showed that there was no statistically significant difference in engagement between males and females. Since Levene's test did not yield a significant result, the assumption of equal variances between groups holds. The 95% confidence interval of the mean difference includes zero, indicating no statistically significant difference between the groups. This suggests that there is no observed difference between genders in perceptions of employee engagement.

**Table 2: Regression Analysis – Effect of HR Practices on Employee Engagement Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.473 <sup>a</sup>	.224	.218	.353	.224	36.071	1	125	.000

a. Predictors: (Constant), HR\_PRACTICES

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.490	1	4.490	36.071	.000 <sup>b</sup>
	Residual	15.558	125	.124		
	Total	20.048	126			

a. Dependent Variable: EMPLOYEEENGAGEMENT

b. Predictors: (Constant), HR\_PRACTICES

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.348	.339		9.875	.000
	HR_PRACTICES	.041	.007	.473	6.006	.000

a. Dependent Variable: EMPLOYEEENGAGEMENT

#### Interpretation

The model accounted for approximately 22.4% of the variation in employee engagement, and the results were statistically significant which indicated that HR Practices significantly predicts Employee Engagement. The positive coefficient for HR practices suggests that a one-unit increases in HR practices leads to a 0.041 increases in Employee engagement which explains that when HR practices increases, employee engagement increases positively with significant relationship.

**Table 3: Department \* Level of EE Cross tabulation**

			Level of Employee Engagement			Total
			Low	Medium	High	
Department	Customer Support	Count	0	4	1	5
			0.0%	80.0%	20.0%	100.0%
	QC	Count	3	2	1	6
			50.0%	33.3%	16.7%	100.0%
	Production & Maintenance	Count	3	5	5	13
			23.1%	38.5%	38.5%	100.0%
	Stores	Count	6	11	3	20
			30.0%	55.0%	15.0%	100.0%
	Logistics	Count	2	2	1	5
			40.0%	40.0%	20.0%	100.0%

	Sales	Count	4	5	3	12
			33.3%	41.7%	25.0%	100.0%
	HR	Count	0	4	2	6
			0.0%	66.7%	33.3%	100.0%
	Purchase & Sourcing	Count	6	4	3	13
			46.2%	30.8%	23.1%	100.0%
	IT	Count	2	4	1	7
			28.6%	57.1%	14.3%	100.0%
	Service & Projects	Count	8	4	5	17
			47.1%	23.5%	29.4%	100.0%
	Accounts & Commercial	Count	3	5	5	13
			23.1%	38.5%	38.5%	100.0%
	R&D	Count	1	2	2	5
			20.0%	40.0%	40.0%	100.0%
	Planning	Count	1	1	3	5
			20.0%	20.0%	60.0%	100.0%
Total		Count	39	53	35	127
			30.7%	41.7%	27.6%	100.0%

### Interpretation

The above table presents the distribution of EE levels across the departments. Nearly less than half of the respondents (41.7%) feel that their engagement level within the department is medium and one fourth of the respondents (27.6%) feel that they have high engagement level. However, most of the employees fall within the medium range of engagement across all the departments. The departments such as Customer support has relatively good engagement and QC department employees have low engagement whereas production and maintenance, stores and accounts and commercial has a balanced engagement and service and projects has a higher proportion of low engagement and R & D and Planning employees have the highest proportion of high engaged employees.

**Table 4: ANOVA test for HR practices and departments**

HRPR

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.079	12	.340	1.356	.198
Within Groups	28.579	114	.251		
Total	32.658	126			

### HRPRACTICES ACROSS DEPARTMENT

Duncan<sup>a,b</sup>

Department	N	Subset for alpha = 0.05
		1
QC	6	5.26
Service & Projects	17	5.27
IT	7	5.29
Accounts & Commercial	13	5.32
R&D	5	5.33
Purchase & Sourcing	13	5.38
Logistics	5	5.40
Sales	12	5.48

Production & Maint	13	5.54
Stores	20	5.66
Planning	5	5.69
HR	6	5.81
Customer Support	5	5.84
Sig.		.061

## Interpretation

The ANOVA test shows no significant different in Human Resource Practices scores across departments and the Duncan test confirms that all department means belong to the same group which depicts that employees across all departments perceive Human Resources Practices similarly.

## Discussion and conclusion

This study empirically examined the link between HR practices and employee engagement. The findings align with previous research Pradhan, R. K., Dash, S., & Jena, L. K. (2019). The perception of employees who are working in the various departments do not vary towards HR practices of the organisation despite small variations in QC department. Further, the engagement level of different departments varies but there is no extreme skewness but some departments show a higher risk of engagement which could impact performance and retention. Interestingly, the gender does not differ with engagement. All though HR practices show correlations with employee engagement and HR practices, the level of engagement varies across departments. This variation cannot be explained by HR practices alone, as these practices do not differ significantly across departments. When organizations adopt employee-friendly HR practices, employees viewed this as a demonstration of organizational commitment, which in turn encourages them to engage more actively within the workplace (Bowen & Ostroff, 2004; Kinnie, Hutchinson, Purcell, Rayton, & Swart, 2005). However, despite the adoption of such HR practices in this organization, employee engagement levels vary across departments, raising concerns. While the extent of HR initiatives is important, it remains essential to ensure that employee engagement strategies are consistently balanced throughout all areas of the organization.

## References

1. Alfes, K., Shantz, A. D., Truss, C., & Soane, E. C. (2013). The link between perceived human resource management practices, engagement and employee behaviour: a moderated mediation model. *The international journal of human resource management*, 24(2), 330-351.
2. Becker, B.E., Huselid, M.A., Pickus, P.S. and Spratt, M.F. (1997), "HR as a source of shareholder value: research and recommendations", *Human Resource Management*, Vol. 36 No. 1, pp. 39-47.
3. Bowen, D.E. & Ostroff, C. (2004). Understanding HRM-firm performance linkages: The role of the strength of the HRM system. *Academy of Management Review*, 29(2), 203–221.
4. Datta, D.K., Guthrie, J.P., and Wright, P.M. (2005), 'Human Resource Management and Labor Productivity. Does Industry Matter?' *Academy of Management Journal*, 48, 135–145.
5. Gould-Williams, J., and Davies, F. (2005), 'Using Social Exchange Theory to Predict the Effects of HRM Practice on Employee Outcomes,' *Public Management Review*, 7, 1–24
6. Huselid, M.A. (1995), 'The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance,' *Academy of Management Journal*, 38, 635–672.
7. Hallberg, U.E. & Schaufeli, W.B. (2006). Same same: but different? Can work engagement be discriminated from job involvement and organizational commitment? *European Psychologist*, 11(2), 119–127.
8. Jose, G. & Mampilly, S.R. (2012). Satisfaction with HR practices and employee engagement: A social exchange perspective. *Journal of Economics and Behavioral Studies*, 4(7), 423–430.
9. Pradhan, R. K., Dash, S., & Jena, L. K. (2019). Do HR practices influence job satisfaction? Examining the mediating role of employee engagement in Indian public sector undertakings. *Global Business Review*, 20(1), 119-132.
10. Rich, B. L., Lepine, J. A., & Crawford, E. R. (2010). Job engagement: Antecedents and effects on job

performance. *Academy of management journal*, 53(3), 617-635.

11. Tusi, A.S., Pearce, J.L., Porter, I.W., & Tripoli, A.M. (1997). Alternative approaches to the employee–organisation relationship: Does investment in employees pay off? *Academy of Management Journal*, 40(5), 1089–1121.