

Study of Relationship Between Employee Engagement, Organizational Commitment and Organizational Citizenship Behaviour

By

Eshwar Chandra Deshmukh

*Dissertation submitted for the partial fulfillment of the
MBA Human Resource Management in Health and Hospitals*

Academic year, 2015-2017



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TO WHOMSOEVER MAY CONCERN

This is to certify that DR ESHWAR CHANDRA DESHMUKH student of MBA Human Resource Management in Health and Hospitals from The IIHMR University, Jaipur has undergone internship training at "THE HIMALAYA DRUG COMPANY" from 1st February to 31st April 2017.

The Candidate has successfully carried out the study designated to him during internship training and his approach to the study has been sincere, scientific and analytical.

The Internship is in fulfillment of the course requirements.

I wish him all success in all his future endeavors.



Dr. Ashok Kaushik
Dean, Academics and Student Affairs
The IIHMR University, Jaipur



Dr. Chetan Choithani
Assistant Professor
The IIHMR University, Jaipur



The Certificate is awarded to

Dr. Eshwar Chandra Deshmukh

In recognition of having successfully completed his Internship at

The Himalaya Drug Company

and has successfully completed his Project on

A study of relationship between employee engagement, organizational commitment & organizational citizenship behaviour.

He comes across as a Committed, Sincere & Diligent person who has a strong drive & zeal for learning

We wish him all the best for future endeavours

A handwritten signature in blue ink, appearing to read "Srikanth", is written over the printed name "Dr. Srikanth".

Dr. Srikanth

National Manager Scientific Services

The Himalaya Drug Company

THE IIMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled "**A study of relationship between employee engagement, organizational commitment & organizational citizenship behaviour**" and submitted by **Dr. Eshwar Chandra Deshmukh** Enrolment No. **MBA HRM 04/004** under the supervision of **Dr. Chetan Choithani** for award of MBA in Human Resource Management in Health and Hospitals of the University carried out during the period from 1st February to 31st April embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute or other similar institution of higher learning.

Signature



Dr. Eshwar Chandra Deshmukh

THE IIMR UNIVERSITY, JAIPUR

CERTIFICATE BY SCHOLAR

This is to certify that all ethical issues have been considered while collecting data for my dissertation titled "A study of relationship between employee engagement, organizational commitment & organizational citizenship behaviour in sales personals at "The Himalaya Drug Company".



Signature of student

DR ESHWAR CHANDRA DESHMUKH

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A study of relationship between employee engagement, organizational commitment & organizational citizenship behaviour.

Dr Eshwar Chandra Deshmukh

MBA HRM in Health & Hospital

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1. INTRODUCTION

Now a days, society and industry are observing unparalleled change in terms of the globalization & workforce diversity. Organizations are moving forward into an across the world. Strategic importance of having the right candidate in right place at the right time, to achieve competitive advantage with organization performance & effectiveness work. For attainment competitive advantage, important to ability of attraction, engagement & retention of talented employees. So companies are always tried to attract talented high performance people in workplace. Organisations competing to attract employee who are having flexibility, innovatory, good compliance & contributory quality & dedication. Employee's engagement, organizational commitment & organizational citizenship behaviour, exhibits companies competitive advantage, productivity & low attrition rate. The employee's engagement, promotes extra effort & excellent job performance at the workplace & also employee's engagement may be more likely to long term organizational commitment. Higher level employee's engagement, contributed 1.3 folds high performance than less. Engagement of employees has appeared as important employee performance and organizational management subject. Therefore, it is judicious to state that to attain competitive advantage; organizations focus both employee engagement and commitment. Several studies have claimed that employee engagement expects employee outcomes, financial performance and organizational success. Organizational Engaged employees are more likely to stay and stay committed. Research shows that engaged and committed employees can lead to multiple beneficial outcomes, such as lower attrition rate and high level organizational growth & performance All engagement activities like rewards, recognition & skill development activities schemes are an important sign of commitment and lowers turnover rate. Several studies in western developed counties show that there is positive relationship between employee engagement and organizational commitment. In current years, an organizational citizenship behavior (OCBs) is very interesting topic. Several studies have focused to find out the antecedents of OCBs, this type of behaviour is functioning in the organization. OCBs as behaviour play major role in effective function of employee as well as role of employees in the organization. Similar statements regarding the importance of organizational citizenship behaviour, or other forms of prosaically organizational behaviour, to organizational effectiveness and success have also been provided by Smith et al.

2. OBJECTIVE

- To find out the level of employee engagement, organizational commitment & organizational citizenship behaviour in sales individuals at Himalaya Drug Company.
- To assess the relationship between employee engagement, commitment & organizational citizenship behaviour.

3. REVIEW OF LITERATURE

- ❖ **Sridhar A., Thiruvankadam T., (2014).** This study focuses on the impact of Employee Engagement on Organizational Citizenship Behaviour. No of sample was 194 out of total Population of a construction organization located in Chennai, India through simple random sampling. Regression, Correlation and Percentage Analysis like statistical tools have been used for analysis. They found results after study that Employee Engagement has positive relationship with Organizational Citizenship Behaviour.
- ❖ **Ariani D. W., (2013).** Has been conducted study to find out the relationship between EE, OCB and CWB Inclusion of 507 participants have been included in all scale in service industries in Yogyakarta, Indonesia. Validity and reliability tests were used to evaluate the questionnaire contents. Results reveals that found significantly positive relation between EE & OCB but found negative relationship between EE & CWB & between OCB & CWB.
- ❖ **Khalid A. & Waseem F. etall, (2015).** Have been conducted study to assess the relationship between Organizational Commitment, career satisfaction & EE. No of Sample has been chosen of 124 respondents. Valid & reliable Questionnaire has been used in the study. After statistical analysis found results shows that positive relationship between OC, CS and EE significantly but Organizational Commitment is closer than employee Engagement than Career Satisfaction.
- ❖ **Agyemang C. B. & Ofei S. B., (2013).** This study focuses to identify the relationship between employee work engagement and organizational commitment & comparative study between public & private organization. Total no of sample of 105 employees using non-random sampling. After analysis of collected data through statistical tools like correlation & t-test has been used. Study findings indicated that employee engagement positively & significantly related with employee commitment and huge difference of level of factors between private & public organization. Results also indicated no difference commitment levels between long-tenured and short-tenured employees.
- ❖ **JAJA S. A. & UKOHA O., (2017).** A cross-sectional study, to find the relation between EE and OCB in Maritime Firms in Onne, Rivers state, Nigeria. Inclusion of 193 participants consists of management and management trainees. Study findings indicated that Employee engagement has significantly positive relationship with Organizational citizenship behavior. Conclusion of study showed that Organizational citizenship behavior can be increased by activities of engagement among employees in Maritime firms.

- ❖ **Zayas-Ortiz M. & Rosario E., (2014).** The aim of this study is to find relationship between commitment and the behaviour of organizational citizenship among bank employees. Valid & reliable OCB scale and the OC scale developed by Rosario et al. (2004) used for data collection. Study findings showed that positive relationship in dimensions.

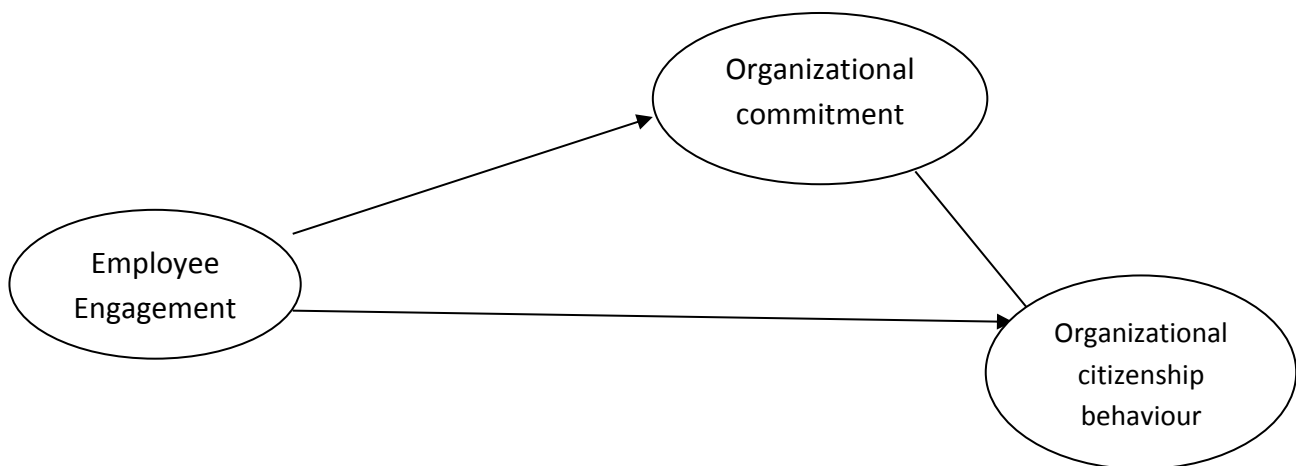
4. HYPOTHESIS

H0 – Hypothesis 1: There are no difference levels of employee engagement, organizational commitment & OCB on different age group & different experience group.

H0 - Hypothesis 2: There is no relationship between Employee's engagement & OC

H0 - Hypothesis 3: There is no significant relationship between Employee's engagement & OCB

H0 - Hypothesis 4: There is no significant relationship between OC & OCB



5. OPERATIONAL DEFINITION

5.1 Employee Engagement

Definition of employee engagement as “the individual's involvement and satisfaction with as well as enthusiasm for work”.

Another definition of engagement as “an energetic experience of involvement with personally fulfilling activities that enhance a staff member's sense of professional efficacy.”

Employee engagement concept is opposite of burnout. Engagement as “a positive fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption”.

5.2 Organizational Commitment

Employees' organizational commitment, employee committed with organization to attainment of goal & objective & also employee's involvement & loyalty. It is an emotional response that can be measured through people's behaviours, beliefs, and attitudes and can range anywhere from very low to very high. Three types of organizational commitment: **affective, continuance, and normative.**

5.3 Organizational Citizenship Behaviour

Organizational citizenship behaviour defines as employees' attitude & behaviour leads to organizational environment & culture favourable to other employees. OCB hasn't directly impact on organizational growth & performance but helps to develop good & healthy working environment & culture.

6. METHODOLOGY:

6.1 Sample and Procedure

A cross sectional quantitative study has been done in pharmaceutical industry "The Himalaya Drug Company". In this study has been used valid & reliable questionnaires were circulated through online to collection of data. The duration of study is 3 months. The sample consisted of 100 field employees of 120 employees from HQ of pharmaceutical industry in Raipur & Odisha territory. In 100 respondents, 18 were regional manager and 82 were PSOs. Judgmental sampling technique was used. An inclusion criterion for study includes employees who work with organization at least more than 1 year & payroll employees. Exclusion criteria for study recently recruited employees were excluded who work with organization below 1 year.

DEMOGRAPHIC DETAILS

AGE GROUP	>30 YEARS	56
	<30 YEARS	44
EXPERIENCE	>5 YEARS	53
	<5 YEARS	47

6.2 Measures

The instruments were taken from standard instrument tools, which have developed for assessment of individual employee of organizations. In the study each respondent was required to complete three measures: OCB, organizational commitment, and employee engagement. 5-point Likert Scale was used ranging from 1.

- *Organizational citizenship behaviour Podsakoff, MacKenzie, Moorman & Fetter, 1997.*
- *Employee engagement- The May et al.*
- *Organizational commitment- Meyer and Allen, (1997).*

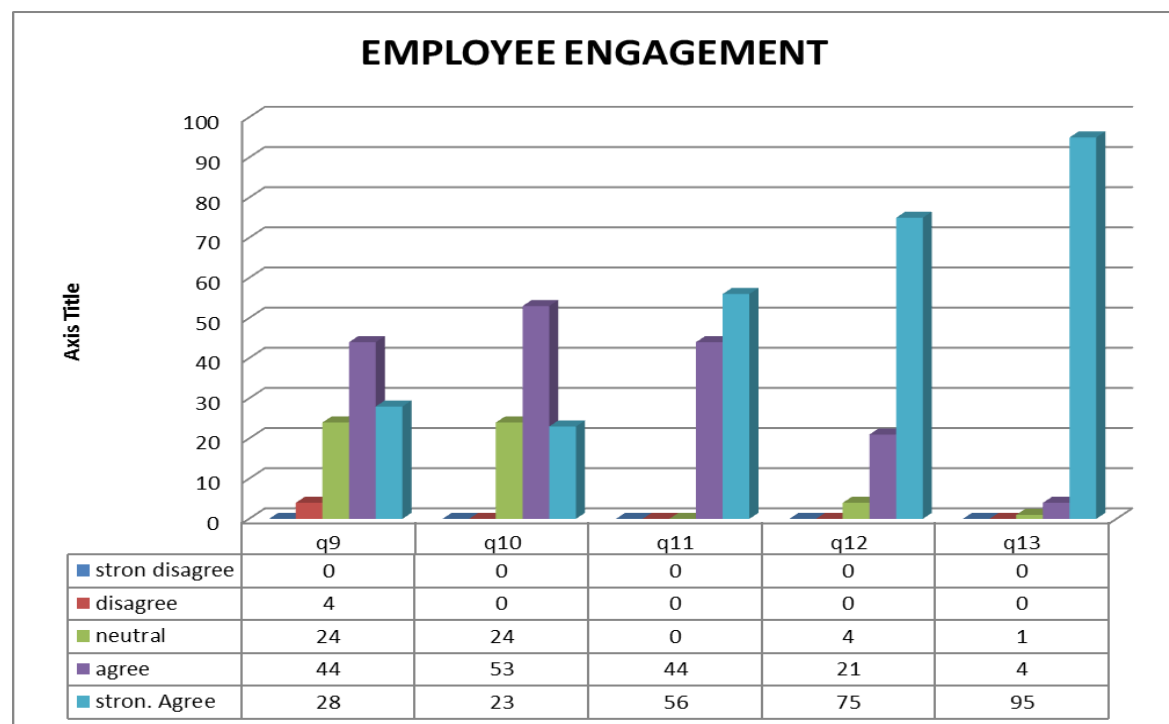
6.3 Reliability and Validity Analysis

Reliability test need to assess the reliability of to assess the reliability of all items of variables, an internal consistency check was carried out. The Cronbach alpha value is 0.716, means 18 items are reliable & valid out of 19 items.

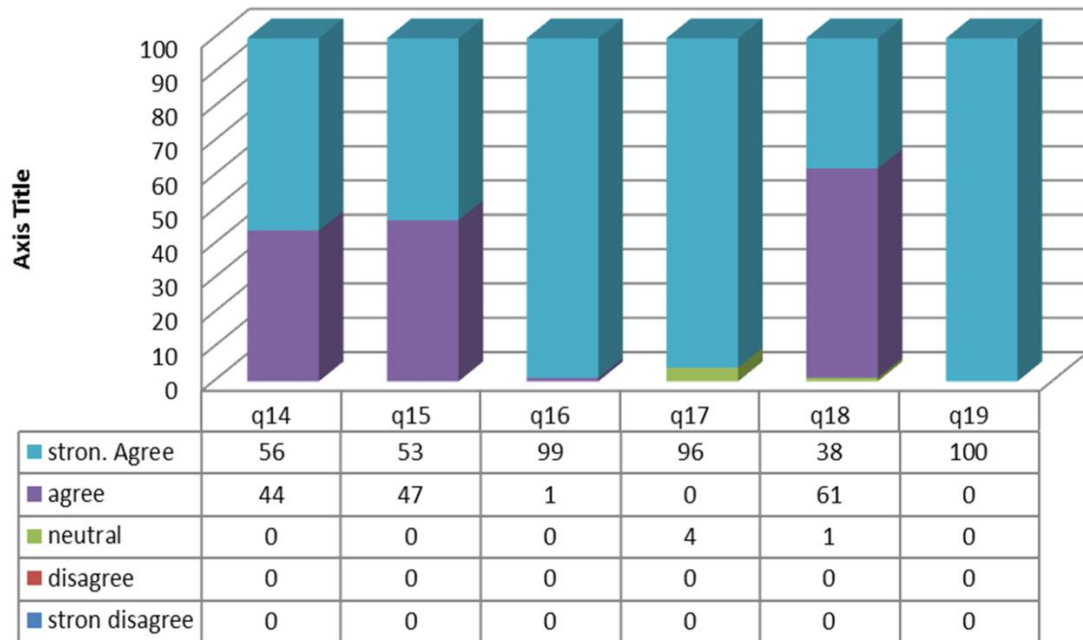
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
.716	.756	18

7. DATA ANALYSIS

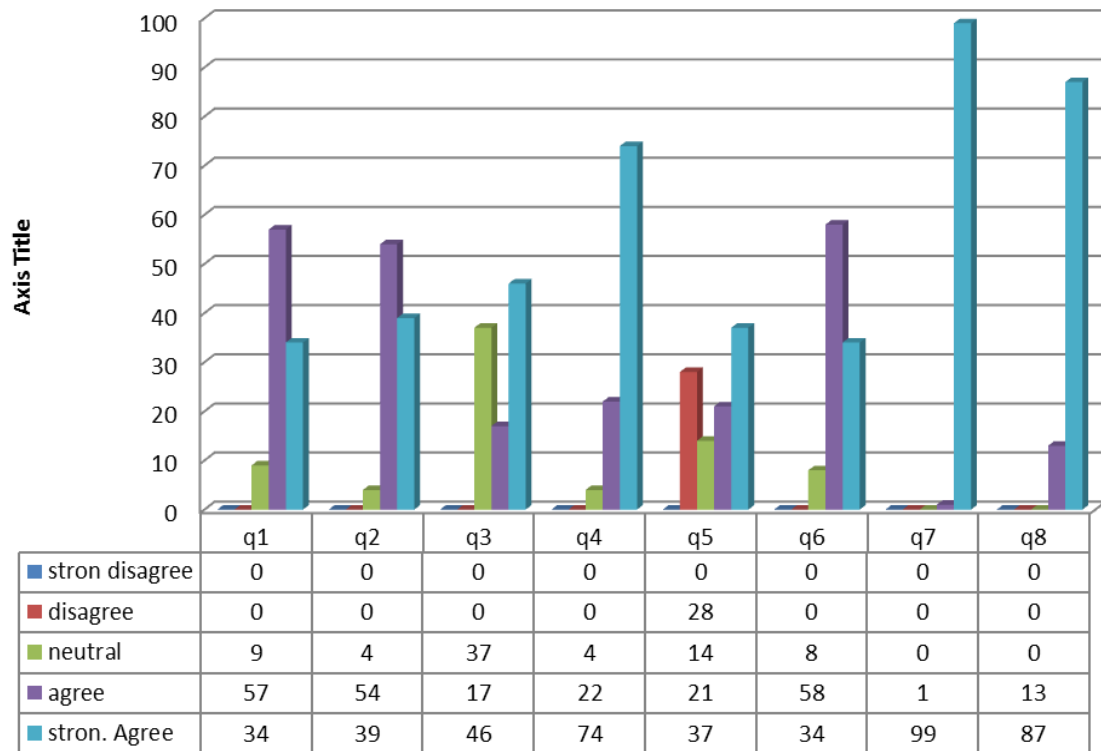
Data analysis with Reliability Testing, Regression Model through MS-Excel, SPSS analysis software etc.



ORGANIZATIONAL COMMITMENT



organizational citizenship behaviour



7.1 Descriptive Analysis

After descriptive analysis found results that level of Employee Engagement, Organizational Commitment & Organizational Citizenship Behaviour of sales personals of Himalaya Drug Company.

7.1.1 Mean of Employee Engagement 22.16+_{1.56}

	N	Min.	Max.	Mean	Std. Deviation
ENGAGEMENT	100	19.00	24.00	22.1600	1.54867
Valid N (listwise)	100				

7.1.2 Mean of Organizational Commitment 28.37+_{1.47}

	N	Min.	Max.	Mean	Std. Deviation
COMMITEMENT	100	26.00	30.00	28.3700	1.47474
Valid N (listwise)	100				

7.1.3 Mean of Organizational Citizenship behaviour 35.18+_{2.56}

	N	Min.	Max.	Mean	Std. Deviation
OCB	100	28.00	40.00	35.1800	2.56779
Valid N (listwise)	100				

Descriptive study shows that mean of Employees engagement 22+_{1.56} out of 25 mean of organizational commitment u

7.2 Hypothesis Testing

7.2.1 H0 – Hypothesis 1: There are no difference levels of employee engagement, organizational commitment & OCB between different age group & different experience group.

1.1 H0- There is no difference level of employee engagement with different age group.

Group Statistics

AGE		N	Mean	Sig. (2-tailed)
ENGAGEMENT	1.00	44	22.0000	.362
	2.00	56	22.2857	.350

Interpretation- due to p value more than 0.05, accept null hypothesis.

1.2 H0- There is no difference level of organizational commitment with different age group.

Group Statistics

AGE		N	Mean	Sig. (2-tailed)
COMMITEMENT	1.00	44	28.0455	.051
	2.00	56	28.6250	.049

Interpretation- due to p value slightly more than 0.05, accept null hypothesis.

1.3 H0- There is no difference level of OCB with different age group.

Group Statistics

AGE		N	Mean	Sig. (2-tailed)
OCB	1.00	44	35.5909	.157
	2.00	56	34.8571	.130

Interpretation- due to p value more than 0.05, accept null hypothesis.

1.4 H0- There is no difference level of employee engagement with different experience group.

Group Statistics

EXP		N	Mean	Sig. (2-tailed)
ENGAGEMENT	1.00	47	22.1064	.746
	2.00	53	22.2075	.746

Interpretation- due to p value more than 0.05, accept null hypothesis.

1.5 H0- There is no difference level of organizational commitment with different experience group.

Group Statistics

EXP		N	Mean	Sig. (2-tailed)
COMMITMENT	1.00	47	28.1064	.092
	2.00	53	28.6038	.090

Interpretation- due to p value more than 0.05, accept null hypothesis.

1.6 H0- There is no difference level of OCB with different experience group.

Group Statistics

EXP		N	Mean	Sig. (2-tailed)
OCB	1.00	47	35.2553	.784
	2.00	53	35.1132	.776

Interpretation- due to p value more than 0.05, accept null hypothesis.

As shown in the table, hypothesis 1 was supported because p value in all analysis more than 0.05 so accept null hypothesis.

7.2.2 Hypothesis 2: There is no significant relationship between Employee's engagement & organizational commitment.

Regression analysis showing the relationship between Employee's engagement & organizational commitment.

Table 2.1

Model	Sum of Squares	df	Mean Square	F	Adjusted R Square	Sig.
Regression	43.031	1	43.031	24.478	.192	.000^a
Residual	172.279	98	1.758			
Total	215.310	99				

Interpretation- after analysis, found p value 0.00, so Null Hypothesis rejected, indicated significant positive relationship between employee's engagements with organizational commitment.

7.2.3 Hypothesis 3: There is no significant relationship between Employee's engagement & organizational citizenship behaviour.

Regression analysis showing the relationship between Employee's engagement & OCB

Model	Sum of Squares	df	Mean Square	F	Adjusted R Square	Sig.
Regression	100.038	1	100.038	17.737	.145	.000
Residual	552.722	98	5.640			
Total	652.760	99				

Interpretation- after analysis, found p value 0.00, so Null Hypothesis rejected, indicated significant positive relationship between employee's engagements with organizational citizenship behaviour.

7.2.4 Hypothesis 4: There is no significant relationship between organizational commitment & OCB.

Regression analysis showing the relationship between organizational commitment & OCB

Model	Sum of Squares	df	Mean Square	F	Adjusted R Square	Sig.
Regression	163.003	1	163.003	32.617	.242	0.000
Residual	489.757	98	4.998			
Total	652.760	99				

Interpretation- after analysis, found p value 0.00, so Null Hypothesis rejected, indicated significant positive relationship between Organizational commitment with organizational commitment.

8. DISCUSSION OF FINDINGS

“Growth of Himalaya & growth of Himalayans” this is aim of Himalaya Drug Company. Himalaya Drug Company always focuses employee engagement activities & develops Employee value proposition through excellent HR policy. Mean of employee engagement of **22.16+_1.5**, level of organizational commitment is **28.37+_1.47** & level of organizational citizenship behaviour is **35.18+_2.56**. Employee engagement, organizational commitment and organizational citizenship behavior is an important attitude in organization, the study based on survey method through online self-administered online questionnaire, 83% responded out of 120 sample. The study based on mainly field staff because, they face every day challenges & difficulties in field & tolerate much of pressure of sales. This study analyse effect of age & experience on employee engagement, organizational commitment & organizational citizenship behavior, results reveals that there is no significant changes of levels of EE, OC & OCB in different age & experience group & also indicates significant positive relationship between employee engagement, Employee commitment & Organizational citizenship behaviour.

9. CONCLUSION

Given our findings from the Himalaya drug company, Bengaluru HO, Chhattisgarh & Odisha HQ state on relationship between dependent & independent variable in pharmaceutical industry, this study concludes that age & experience are not effect employee engagement, organizational commitment & organizational citizenship behaviour. This study reveals that there is positive relationship between employee engagement, organizational commitment & organization citizenship behaviour. Himalaya Drug Company exhibits excellent HR Policy & good HR management practices. Engaged employees will put extra effort to performance of organization, they focus not only his own performance rather, focus over all organizational growth & development. Engaged employee also committed to organization so we could retention of highly productive employee through engagement. Engaged & committed employees also have organizational citizenship behavior. Organizational behaviour is not direct effect on organization growth & performance but helpful for develop favourable working environment. This study highly recommends to organization for develop OCB by focusing on employee engagement & organizational commitment.

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ANNEXURE

DATA COLLECTION INSTRUMENT-

The May et al. Engagement Measure (2004), May et al. (2004) Engagement Scale.

Cognitive engagement	Performing my job is so absorbing that I forget about everything else
Emotional engagement	I am rarely distracted when performing my job I really put my heart into my job
Physical engagement	I feel emotionally attached with my job I exert a lot of energy performing my job I stay until the job is done

Affective, Normative, and Continuance Commitment: Meyer and Allen (1997)

1=strongly disagree

5=strongly agree

Affective Commitment Scale Items

1. I would be very happy to spend the rest of my career in this organization.
2. I really feel as if this organization's problems are my own.
3. I do not feel like "part of the family" at my organization.
4. I do not feel "emotionally attached" to this organization.
5. This organization has a great deal of personal meaning for me.
6. I do not feel a strong sense of belonging to my organization.

Continuance Commitment Scale Items

1. It would be very hard for me to leave my organization right now, even if I wanted to.
2. Too much of my life would be disrupted if I decided I wanted to leave my organization right now.
3. Right now, staying with my organization is a matter of necessity as much as desire.
4. I believe that I have too few options to consider leaving this organization.
5. One of the few negative consequences of leaving this organization would be the scarcity of available alternatives.
6. One of the major reasons I continue to work for this organization is that leaving would require considerable personal sacrifice; another organization may not match the overall benefits I have here.
7. If I had not already put so much of myself into the organization, I might consider working elsewhere.

Normative Commitment Scale Items (Revised)

1. I do not feel any obligation to remain with my current employer.
2. Even if it were to my advantage, I do not feel it would be right to leave my organization now.
3. I would feel guilty if I left my organization now.
4. This organization deserves my loyalty.

5. I would not leave my organization right now because I have a sense of obligation to the people in it.
6. I owe a great deal to my organization

Organizational Citizenship Behavior: Podsakoff, MacKenzie, Moorman & Fetter, 1997

1=strongly disagree

5=strongly agree

Altruism items:

1. I help others who have heavy workloads
2. I am always ready to lend a helping hand to those around me
3. I help others who have been absent
4. I willingly help others who have work-related problems
5. I help orient new people even though it is not required

Conscientiousness items:

1. I feel that I am one of the most conscientious employees
2. I believe in giving an honest day's work for an honest day's pay
3. My attendance at work is above the norm
4. I do not take extra breaks
5. I obey company rules and regulations even when no one is watching

Sportsmanship items:

1. I am the classic "squeaky wheel" that always needs greasing
2. I consume a lot of time complaining about trivial matters
3. I tend to make "mountains out of molehills"
4. I always focus on what's wrong, rather than the positive side I
5. I always find fault with what the organization is doing

Courtesy items:

1. I try to avoid creating problems for co-workers
2. I considers the impact of my actions on co-workers
3. I do not abuse the rights of others
4. I takes steps to try to prevent problems with other employees

5. I am mindful of how my behavior affects other people's jobs

Civic virtue items:

1. I keep abreast changes in the organization
2. I attend meetings that are not mandatory, but are considered important
3. I attend functions that are not required, but help the company image
4. I reads and keep up with organization announcements, memos, and so on