Impact of Occupational Self-efficacy on Employee Engagement: An Indian Perspective

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The aim of this study is to analyze the impact of occupational self efficacy and its factors on employee engagement. The survey was completed by 78 middle and senior level executives in select Indian organizations from both private and public sectors. The Utrecht Work Engagement Scale and Occupational Self-Efficacy Scale were used. The results clearly show that occupational self efficacy is correlated positively and is a significant predictor of employee engagement. The six factors of occupational self efficacy were all significantly related to employee engagement. Of the six factors of occupational self efficacy confidence was found to be most strong predictor of employee engagement. The small sample size of poses a limit to the extent, to which results can be generalized. This study has demonstrated the importance of occupational self efficacy in enhancing the engagement level of employees. Thus the managers can plan the interventions accordingly to enhance the employee engagement. This paper enhances one’s knowledge of factors linked to employee engagement.

Keywords: Employee engagement, occupational self efficacy,

In the current dynamic and volatile business environment the organizations are consistently looking for the ways to gain and maintain sustained competitive advantage. Of all the resources in the organizations, the importance of human resources or the workforce in gaining the competitive advantage cannot be disregarded. The organizations have always been interested in the approaches which help them improve business performance. Recently the construct of employee engagement has received considerable attention as the key determinant of performance (Macey, Schneider, Barbera, & Young, 2009). A number of studies have linked high level of employee engagement with talent retention, improved stakeholders value and organizational performance (Bates, 2004; Baumruk, 2004; Harter, Schmidt, & Hayes, 2002; Richman, 2006).

Quantum workplace, a market research company has recently reported employee engagement to predict the directional movements in Dow Jones industrial average. The high employee engagement index was followed by profitable movement in Dow Jones in four months (Harris, 2009). Thus having engaged employees is closely related to excellent performance and superior business results. The organizations today are increasing looking for the pathways to foster the engagement level of their employees. “Engagement is important for managers to cultivate given that disengagement, or alienation, is central to the problem of workers’ lack of commitment and motivation” (May, Gilson, and Harter, 2004). However, in a global workforce survey conducted by Towers Perrin, a global professional services firm, in 2007 just 21% of the employees surveyed worldwide was found to be engaged.

Employee Engagement:

Given the importance of employee engagement and the reported decline in the engagement level (Bates 2004 and Richman 2006), a clear understanding of the concept