

Impact of Rewards and Recognition, Perceived Organizational Support and Work Culture on Employee Engagement in the Indian IT Industry

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Abstract

Objectives: *The study has been undertaken to find out the impact of Rewards and Recognition, Perceived organizational support and Work Culture on Employee Engagement in the Indian IT Industry.*

Methods: *The constructs chosen for the study are Rewards and Recognition (R&R), Work Culture (WC) and Perceived Organizational Support (POS) as talent management strategies, and employee engagement (EE). The data is taken from 300 respondents working in IT sector in Bangalore, India. The reliability has been checked using Confirmatory Factor Analysis. The theoretical model is tested using structural equation modelling (SEM). The testing of the hypotheses is done with the help of structural equation modelling.*

Findings: *The outcome indicates that there is a positive association between rewards and recognition, perceived organizational support, work culture and employee engagement. The present study has been undertaken in the IT sector in Bangalore India, the results cannot be generalized across the industry. Practical implication is the need for the managers to consider human capital as the one of the most significant strengths of the organizations in the context of resource-based view. The managers must implement the suitable strategies leading to employee engagement in the organizations which will create feeling of gratitude among the employees to respond based on the belief that organizations are concerned about their well-being. In addition, there is an urgent need that employee engagement should be integrated with firms' strategy. The research is unique in identifying that the impact of R&R, POS, WC and EE is highly significant and validating the relationship among the constructs with the help of empirical associations in the IT industry in India.*

Keywords: *Talent management, work culture, perceived organizational support, employee engagement.*

1. Introduction

Recent times have witnessed an enormous interest towards the field of employee engagement. Previous researchers have concluded that employee engagement is a predictor of organizational outcomes^{1,2}. It has been claimed that a decline has been witnessed, and disengagement is becoming a concern for most of the organizations². The concept of employee engagement initiated in the previous work of practitioners and consulting firms and over a period, it gained attention in theory. The main contributor in the field of employee engagement is said to be the first contributor to the literature on employee engagement³.

Employee engagement is a condition where employees develop the positive feelings work and are hopeful about their future assignments⁴.

Few researchers have defined engagement as employees' emotional pledge to the organization. Employee engagement has been defined as employees emotional and mental determination in helping an organization in achieving its goals⁵. Past research studies report paybacks of developing a workforce which is engaged and consequently organizations are trying to enhance employee engagement levels. Organizations are trying to acknowledge the idea, plan out strategies and survey employees to discover what steps required to be taken initially leading to engagement⁶. Previous studies also suggest that there are backgrounds of employee engagement and if organizations focus on those backgrounds it could lead to engaging employees⁷. Though there are some research studies which have focused on this area⁸, a void still exists in theory, research and practice. Past literature suggests that antecedents of employee engagement must be properly placed before organizations start reaping the payoffs⁹. Keeping into consideration the role of antecedents in the employee engagement, the present study has attempted to

empirically test the effect of rewards and recognition, perceived organizational support and work culture on employee engagement in IT Sector.

1.1 Indian IT Industry

IT industry's contribution has been quite significant in terms of economic growth and development. IT has been a priority sector and has received fiscal support from regional and national level governments. The economic transformation of India during 1980's was quite slow due to a debt crisis which led people believe in the presence of liberation in capitalism¹⁰. With reference to this, the exports of software services were considered to show comparative advantage of India in having a legacy of its skilled labor (Weede,2010)¹¹ and its potential to completely change the country's economic structure¹².

India's software and services revenue has crossed USD 150 billion. It is the largest export sector for India-comprising of 24% of the total exports. There is an expansion in GIC base with about 40 GIC's added in 2017. India is said to be fastest growing technology market. There are 5200 tech start-ups (NASSCOM 2017). IT and ITES industry in India have 1000 delivery centers across the globe. IT and ITES sector in India grew to \$167 billion in 2017-18. Industry exports have grown to \$ 126 billion and revenue from domestic market has grown to \$41 billion. The investments from venture capitalists and private equity in India's IT industry has reached \$ 7.6 billion in 2017 (NASSCOM 2018). Even though the industry is growing at the faster pace but at the same time there is a global shortage of tech talent. According to Capgemini study 50-60% of the organizations have revealed that there is a wide gap for STEM skills. (NASSCOM 2018). Gartner has estimated that by 2020, 28-30% of the technology jobs may not be filled due to non-availability of talent pool (NASSCOM 2018). The future has a great promise and peril of digital transformation- \$369.22 billion by 2020-at CAGR of 19.6%.

Keeping the above- mentioned facts into view it can be said that there is a huge scope for new jobs which will increase wages and help in Indian growth and development significantly. In order to take benefits of current scenario of global IT space, there should be a focus on skill development and employee engagement¹³. In midst of huge opportunities lying ahead, attrition in IT sector is creating employee engagement problems.

According to Hay Group Report the attrition rate for 2013-2018 has averaged 23%. A survey of top ten companies has shown that the situation is awful. The average tenure of employees in Facebook is 2.02 years. Similarly, average employee tenure at Amazon is 1 year and Google it is 1.1 years¹⁴. Furthermore, Cognizant and Infosys have seen a very high attrition rate going above 20%. Similarly, Wipro has seen a turnover rate of 17 percent¹⁵. This high attrition can be attributed to low employee engagement across IT industry.

Over the years, many studies are conducted in EE in different sectors in India for instance, public sector banks¹⁶, Auto component sector¹⁷, BPO Sector¹³, Indian Public Sector¹⁸, Indian KPOs¹⁹. Previous research has investigated various aspects of employee engagement such as the effect of performance appraisal justice on EE²⁰, factors affecting EE²¹. This study on employee engagement in IT sector can help the academicians and practitioners to introduce the talent management strategies which will help organizations to arrest workforce attrition due to disengagement and leverage employee engagement as an advantage. Therefore, there exists a huge requirement of studying EE in IT sector.

The introduction is followed by review of literature including review of EE, R&R, WC, POS and on the basis of theoretical support the relationship has been established between the constructs. The review of literature is followed by Methodology which has information about procedure and participants and measures.

Results follow Methodology including descriptive statistics, convergent validity, discriminant validity and hypothesis testing. The Discussion part includes general discussion in the light of existing research and its implications. Discussion is followed by theoretical and practical implications. Lastly, implications for future research have been proposed.

2. Review of Literature

2.1 Employee Engagement

Employee engagement is defined as the emotive and cognitive attachment to the organization²² and the overall effort displayed by the workers while performing their jobs²³. Although there is a recognition and acknowledgement regarding the fact that EE has various dimensions associated with it. EE can be defined as a desire to show commitment towards work²⁴. Engagement as a optimistic, gratifying, job-related mindset that is symbolized by strength, commitment, and captivation²⁵. The employees who demonstrate engagement are unique to an organization and cannot be imitated. There are various dimensions of employee engagement, they can be engaged physically, emotionally or cognitively¹³. Even though EE has various dimensions it does not mean that employees can be engaged in all dimensions²⁶. They are engaged on one dimension only. Engagement looks at the reduction or enhancement in different roles²⁷. Disengaged employees display incomplete performance and are usually characterized by lack of effort and tend to be automatic²⁰. The connection between the business outcomes and employee engagement has been confirmed¹. The Gallup Organization²⁸ has found a strong connection between EE, business advancement and success. Towers Perrin (2005) reports that only 14% of the employees across the world showed engagement in their jobs. A research about the Gallup organization report of employee engagement in U.S. states that only 29% showed active engagement and 54% showed non- engagement whereas 17% showed disengagement²⁹. Despite the significance of EE in the current market scenario, there is no considerable research focused on competitive strategies of EE¹³. The antecedents of EE chosen for the present study are R&R, POS and WC. In order to determine which employee engagement strategies to be included in the study an elaborate literature review was done. The antecedents of EE are scattered through past research done³⁰ therefore, it won't be possible to consider each one of them. After reviewing the past literature rewards and recognition, perceived organizational support, work culture as these have been identified as the most significant antecedents of the construct by the past studies^{31, 26,7,32,33,34}. In addition to the studies mentioned above, few other studies have identified the role of work culture^{35,36} organizational support³⁷ rewards and recognition³⁸ in employee engagement. These three talent management strategies have not lost significance over a period and even recent reports have suggested their significance as drivers of employee engagement³⁹. Work Culture and Perceived Organizational Support are the prime drivers of EE⁴⁰. Additionally, work culture and rewards and recognition have been identified among top five reasons for employee disengagement and higher attrition rates¹⁴. Analyzing the significance of EE specifically in the IT sector and understanding gaps in the research the current study is an attempt to measure impact of R&R, POS and WC on employee engagement in IT sector in India.

2.2 Rewards and Recognition

2.2.1 Equity Theory of rewards and recognition

Equity theory as the perception of how an employee is being treated as compared to other employees and an employee will be happier and more satisfied if he thinks that he had been treated fairly⁴¹. This element of procedural justice in performance appraisals is a key to performance and motivation. Employees feel obliged and, in an attempt, to repay organizations they get actively engaged in their job roles⁷. Employee behavior is usually motivated extrinsically when an action is rewarded by enticements which are not integral to the task⁴². Compensation approaches are defined as careful use of pay system as a significant integrating phenomenon with the help of which the efforts of many people are directed towards accomplishment of the organizational strategies⁴³.

Almost every organization uses perks, raise and bonus and other kinds of rewards and recognition to inspire advanced level of output⁴⁴. One of the purposes of reward schemes is to offer an organized technique to deliver constructive outcomes. When organizations show concern towards the well-being of employees it would have an encouraging effect on the EE. In the light of equity theory and past literature, it can be concluded that Rewards and Recognitions as a talent management strategy has a significant and positive effect on EE.

Hypothesis 1: Rewards and Recognition has significant and positive impact on employee engagement.

2.3 Work Culture

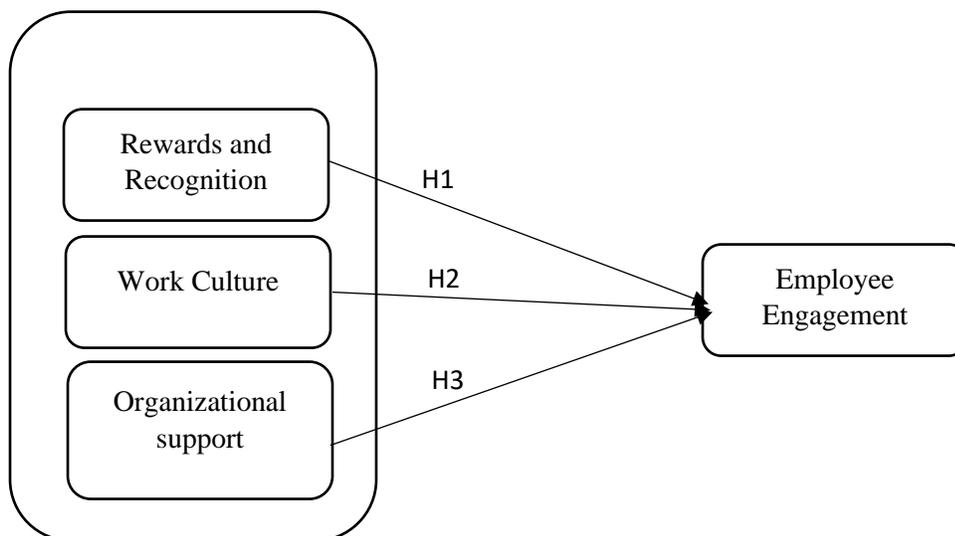
Research has proven that work culture drives EE⁴⁵. EE is likely to flourish in supportive and sociable work culture. Good corporate culture leads to employee engagement which yields a better organizational productivity⁴⁶. Past research has proven that there is a strong connection between corporate culture and EE^{47,48}. Social exchange theory justifies the connection between organizational culture and EE. There are different opinions related to the existence of social exchange theory, however most of the theorists conclude that social exchange comprises a sequence of exchanges that create obligations to pay back⁴⁹. There are three characteristics of social exchange- relationships, reciprocity and exchange⁵⁰. The relationship starts with one party benefitting other party. It the party which is getting benefitted reciprocates and series of exchanges takes place it creates mutual obligation between the two parties. When organizations provide strong and positive culture it generates a feeling of commitment among employees which leads to EE.

Hypothesis 2: Culture has a significant and positive impact on employee engagement.

2.4 Perceived organizational support

An association between EE and POS can be explained in terms of organizational support theory (OST). OST⁵¹ opines that to meet social and emotional requirements and also evaluate the payoffs of improved efforts, workers form an overall opinion concerning the extent to which organization acknowledges the involvement of employees and pays attention to their welfare. Such kind of perceived organizational support enhances employees' perceived responsibility to make organization reach its goals. Helpful and considerate settings let organizational members to test and innovative things and fail too without distress of the outcomes²⁶. Helpful and supportive relations with the supervisor were positively associated with psychological security⁵². In fact, it has been found that absence of supervisory support has a strong association with burnout. Additionally, immediate supervisors are assumed to be more significant for structuring EE and at the same time may be the primary reason for employee disconnect⁵³. Hence, if employees perceive the efforts of organizations positively in terms of support provided for employee career development, they incline to respond by getting deeply engaged in their jobs.

Hypothesis 3: Perceived organizational support for has a positive and significant impact on employee engagement.



Procedure, and information about the measures are clearly elaborated in respective sections.

3.1 Procedure and participants

Data collection was done with the help of structured questionnaire based on five-point Likert's scale. The study has been undertaken in IT sector in Bangalore, India. The research was conducted in 2018 in IT industry in Bangalore. Around 350 respondents were approached to fill the questionnaires. Out of 350 questionnaires, 300 completed questionnaires were received by the researcher showing a response rate of 85.71%. The sample consisted 53% of males and 47% of females. The minimum qualification of the respondents was graduation. The respondents comprised of team managers and technical heads, project heads, team developers and entry- level engineers. The sampling technique used for the study is convenience sampling depending upon the approachability of the respondents. An informal interaction with few team managers helped us in identifying which are the significant antecedents of EE and based on their responses the three constructs chosen for the study include rewards and recognition, work culture and organizational support.

The reason for conducting the study was elucidated to Human Resource Departments after taking appointments with them and e-mailing them. A set of instructions was provided to the respondents about how to answer the questions mentioned in the questionnaire. Table 1 shows, 53% of the respondents were males and 68% of the respondents shows age range of 26-45 years.

Table 1: Demographic Information of respondents

| Item | Contents | No. of samples | Percentage |
|-------------------|------------------|----------------|------------|
| Gender | Male | 160 | 53% |
| | Female | 140 | 47% |
| Age | 18-25 yrs. | 40 | 12% |
| | 26-35 yrs. | 110 | 36% |
| | 36-45 yrs. | 90 | 32% |
| | 46-55 yrs. | 40 | 12% |
| | 55-60 yrs. | 20 | 8% |
| Experience | Below 5 yrs. | 50 | 12% |
| | 5-10 yrs. | 180 | 68% |
| | 11 yrs and above | 70 | 20% |

Table 1: The demographic information reveals that majority of the respondents are males (53% of the total respondents). The age group which responded to the questions belongs to 26-35 years by 36% followed by 36-45 years band by 32%. This is inferred that the respondents were quite mature and experienced. This inference is supported by the fact that out of the total respondents 68% possessed an experience of 5-10 years.

3.2 Measures

1. **Rewards and Recognition:** To measure R&R, five item scale was adapted from Saks (2006). The scale was modified according to current study requirements. According to Saks (2006), the Rewards and Recognition Questionnaire has a Cronbach's alphas of over 0.80. The reliability of Rewards and Recognition scale used for this study is 0.77.
2. **Work Culture:** Work Culture has been measured with a five-item scale adapted from the Cameron and Quinn (2011), scale of organizational culture assessment instrument. The Cronbach alpha of the scale used for this study is 0.67

3. **Perceived Organizational Support:** To measure POS, five item scale was adapted from Rhoades, L., Eisenberger, R., & Armeli, S. (2001). The scale was modified according to current study requirements. This scale has a Cronbach's alpha of 0.89. The reliability of perceived organizational support scale used for this study is 0.77.
4. **Employee Engagement:** To measure Employee Engagement, five item scale was adapted from Gallup Scale⁵⁴. The Cronbach alpha for the scale used in this study is 0.61.

3.3 Analytic approach

The hypothesis has been tested with the help of structural equation modelling. SEM has been shown empirically showing the relationship among the constructs. Many indices like chi-square, incremental fit indices and absolute fit indices were assessed.

4. Results

4.1 Descriptive statistics

The descriptive statistics and correlation coefficients have been given in Table 2. The results demonstrate that there is a significant and positive correlation among the constructs.

4.1.1 Descriptive and correlation results

| | Mean | SD | Correlations | | | |
|-------------------------|------|------|--------------|---------|---------|------|
| | | | RR | WC | OSCD | EE |
| Rewards and Recognition | 5.59 | 1.09 | 1.000 | | | |
| Work Culture | 5.31 | 0.84 | 0.539** | 1.00 | | |
| Organizational support | 4.69 | 0.66 | 0.519** | 0.865** | 1.00 | |
| Employee Engagement | 5.74 | 1.32 | 0.495** | 0.513** | 0.393** | 1.00 |

Note: ** denotes significance level of 0.01

4.2 Construct Validity

The construct validity is shown with the help of convergent validity and discriminant validity. The scales were adopted from the literature review to establish face validity. The Cronbach's alpha is 0.89, showing the reliability of the instrument. CFA was used to approximate the discriminant validity, convergent validity and goodness of fit statistics. The convergent validity is indicated with the help of factor loadings, AVE and CR. The results shown in Table 3 predict that the standardized factor loading of the items of the constructs are in the range of 0.471 to 0.965 and are statistically significant (P-values). The AVE is ranging from 0.577 to 0.777. The squared sum of factor loadings for each construct and the sum of the error variance terms for all construct which is CR range from 0.866 to 0.946.

Convergent Validity

| Constructs | Measurement Items | Standardized Estimates | AVE | CR | p-value |
|------------------------------|-------------------|------------------------|-------|-------|---------|
| Rewards and Recognition (RR) | RR1 | 0.918 | 0.769 | 0.943 | .000 |
| | RR2 | 0.899 | | | .000 |
| | RR3 | 0.884 | | | .000 |
| | RR4 | 0.841 | | | .000 |
| | RR5 | 0.840 | | | .000 |
| OrganizationalSupport | OSCD1 | 0.947 | 0.770 | 0.944 | .000 |

| | | | | | |
|--------------------------|-------|-------|-------|-------|------|
| | OSCD2 | 0.927 | | | .000 |
| | OSCD3 | 0.880 | | | .000 |
| | OSCD4 | 0.892 | | | .000 |
| | OSCD5 | 0.723 | | | .000 |
| | WC1 | 0.866 | | | .000 |
| | WC2 | 0.695 | | | .000 |
| Work Culture (WC) | WC3 | 0.802 | 0.577 | 0.871 | .000 |
| | WC4 | 0.735 | | | .000 |
| | WC5 | 0.685 | | | .000 |
| | EE1 | 0.651 | | | .000 |
| | EE2 | 0.636 | | | .000 |
| Employee Engagement (EE) | EE3 | 0.879 | 0.617 | 0.888 | .000 |
| | EE4 | 0.888 | | | .000 |
| | EE5 | 0.843 | | | .000 |

A construct having a standardized loading estimates of 0.5 and above holds significance⁵⁵; AVE of 0.5 shows enough convergence suggests high reliability. The goodness -of -fit statistics indicate a good fit data ($\chi^2=519.257$, df 259, p 0.05, CFI 0.976, GFI 0.0.894, TLI 0.957, and RMSEA 0.057, CMIN/df 1.96.). Therefore, the model reflects a good construct validity.

4.3 Common Method Bias

Common method bias can be attributed to the measurement method. The results of the empirical studies⁵⁶. Because of this bias, problems of the measurement error are elevated, which results in perplexing the empirical results. In order to handle Common Method Bias⁵⁷ have proposed the following tactics:

- (1) provide an explanation of why self-reports are suitable;
- (2) The evidence of construct validity;
- (3) items of the different constructs should not overlap; and
- (4) indication that enough steps were taken to moderate coercions of Common Method Bias.

Our respondents comprised of team managers and technical heads, project heads, team developers and entry- level engineers. While collecting the responses important directions were given and the importance of research as well as responses were communicated to respondents. Hence, we assume that responses taken from respondents are appropriate to respond about R&R, WC, POS and EE. Items of the questionnaire were also evaluated to make sure that there was no overlapping. The steps mentioned above helped in minimizing the effects of Common Method Bias.

Discriminant Validity

| | Rewards and Recognition (RR) | Organizational Support for Career Development (CD) | Work Culture (WC) | Employee Engagement (EE) |
|-------------------------|------------------------------|--|-------------------|--------------------------|
| Rewards and Recognition | (0.760) | | | |
| Organizational Support | 0.414 | (0.877) | | |
| Work Culture | 0.364 | 0.536 | (0.867) | |

| | | | | |
|---------------------|-------|-------|-------|---------|
| Employee Engagement | 0.342 | 0.611 | 0.700 | (0.785) |
|---------------------|-------|-------|-------|---------|

Notes: Values in diagonal represent the squared root estimate of AVE

4.4 Test of Hypotheses

The theoretical model suggests that R&R, POS and WC has an influence on employee engagement. Structural equation modelling is used to test the theoretical model. SEM is used in simultaneous testing of the hypothesized model which helps in assessing that the hypothesized model has consistency with data⁵⁸. The results suggest a satisfactory model fit ($\chi^2 = 538.096$, df 261, CFI 0.95, GFI 0.88, TLI 0.94 and RMSEA 0.060, CMIN/df 1.96.). R^2 value is 0.77 indicating that all hypotheses are significant and accepted. The hypothesis H1_a assumed a true relationship between R&R and EE has been supported significantly with Beta Coefficient 0.414 with p-value (0.00). Similarly, H1_b and H1_c showing a Beta Coefficient of 0.399 and 0.157 supporting the association between POS, WC and EE.

Testing of Hypotheses

| Hypotheses | Relationship | Beta Coefficient | <i>p</i> value | Result |
|------------|------------------------------|------------------|----------------|----------|
| H1a | Rewards and Recognition → EE | 0.414 | *** | Accepted |
| H1b | Organizational Support → EE | 0.399 | *** | Accepted |
| H1c | Work Culture → EE | 0.157 | *** | Accepted |

*** implies significance at 0.001 level.

5. Discussion

A lot of attention has been given by academicians and practitioners to employee engagement in the recent literature. Even after realizing the significance of employee output and business performance there has not been much emphasis on the researching this significant variable and there is less empirical evidence to suggest that EE determines organizational performance. The current study is undertaken to test the association between R&R, POS and WC and EE in the light of already existing literature and resource-based view. IT industry has shown a considerable contribution towards the economic progress of India. Indian IT industry is currently the fastest growing segment with over 30% annual growth. (IBEF,2017). The digital segment has already contributed 20% of IT industry's total export revenue and the growth of exports has reached to U.S. \$ 25 billion in 2018 (IBEF, 2017). Even though India is having a talent pool, but everyone is not ready for the industry in terms of skill set requirement. There are huge gaps at the management levels and situation is worsened by attrition in the industry which is creating problems in terms of EE. Irrespective of the fact that EE has a huge significance in IT industry there is scarcity of research in this area. Over a period very less research has been done in the western context²⁷. In the Indian context also, few studies are carried on antecedents of EE^{16,17,13}. But there is no evidence of an empirical study exploring the association between R&R, POS, WC and EE in Indian IT sector.

To understand the impact of R&R, POS and WC on EE the present study has been undertaken on a sample of 300 IT professionals in Bangalore, India. The results show the positive and significant correlation between R&R, POS, WC and EE authenticating the fact that when organizations focus on the overall development of employees, they reciprocate by being highly engaged in their jobs yielding better business results. Rewards and Recognition in this study is measured in terms of pay raises, promotion, job security, public recognition and token of appreciation. The association between R&R and EE has already been explored in the existing research studies^{16,33}. The present study shows a correlation coefficient of 0.414 which indicates positive relationship between R&R and EE. The association between POS and EE has been studied in the already existing research^{13,17}. The results of the present study exploring the

association between POS and EE are consistent with the previous studies. The present study shows a correlation coefficient of 0.399 between POS and EE indicating a positive relationship between two constructs. The association between WC and EE has been explored in the previous studies⁵⁹. The present study also explores the relationship between work culture and EE and shows a positive relationship between the two constructs. Finally, the results of the present study suggest that EE can be described in terms of resource-based view. The resource-based view focusses on the fact that the organizational competitive advantage can be sustained by owning human capital, which is exceptional^{60,61}.

6. Theoretical Contribution

Employee engagement is a significant construct in Indian industries. There has been very less focus on researching this construct particularly in the academic research. In order to fill this gap in the academic research this study is an attempt to study the relationship between R&R, WC, POS and employee engagement. The results of the study validate the theoretical assumption of esteemed researchers^{33,16}. The study makes few contributions to the respective theory. Though the antecedents of EE are recognized by the past research but the impact of three strategies viz, R&R, POS and WC on EE in Indian IT sector has not been explored well. Drawing the support from social exchange theory showed that WC, R&R and POS leads to EE. Moreover, WC and POS lead to employee engagement and creates a positive attitude among employees reducing the likelihood of attrition⁶². Findings of the empirical studies which are established once must be validated again and again in various contexts so that their generalizability can be proved. In this study the conceptual model has been tested in Indian IT industry due to which the study has provided new evidence of associations between the variables chosen and has also validated the already existing relationship among them.

7. Practical Implications

One of the most significant concerns before organizations is how employee engagement can be promoted. The reason behind employee engagement gaining attention is the fact that it is a determinant of the performance of employees⁶³. Employee engagement has been associated with employee retention, company repute and customer approvals⁶⁴. Considering the payoffs of employee engagement, the present study has noteworthy implications for organizations. Overall, the results of the study can be explained in terms of social exchange theory which is based on the reciprocal relationship between employees and organization and employee perception on good work culture, organizational support and appropriate rewards and recognition strategy leads to higher levels of EE⁷. Therefore, organizations should focus on the programs that demonstrate support (flexible work arrangements, day care facilities, educational opportunities, retirement programs, employee assistance programs). Similarly, equity-based reward and recognition strategy may help the organizations in enhancing employee engagement. Managers should make a provision for benefits and resources which are valued by the employees so that a sense of gratitude can be created among the employees which is reciprocated by engagement. Also, organizations should acknowledge employee engagement as a continuous process which needs continuous exchanges over time so that obligations can be generated⁶⁵. EE culture should be inculcated throughout the organization²³. Furthermore, organizations need to identify an engaged workforce and the engagement can be triggered with the help of a continued encouraging employee relationship. Proper HR interventions have to be designed which keep employees engaged and a culture has to be inculcated based on a relational requirement between organization and employees and not a transactional one.

8. Limitations and Future Implications

This study has certain limitation. Only three talent management strategies viz, rewards and recognition, perceived organizational support and work culture have been considered in this study. The study was undertaken in IT sector in Bangalore, India, the results cannot be generalized across the industry. Second the data collection was done with the help of a questionnaire, there is a probability of social desirability bias⁶⁶. Third only few demographic variables like gender, age and experience have been taken into

consideration in this study, ignoring other variables like education and income levels. Taking same constructs into consideration future research can be undertaken in different industries. Further studies may look into the relationship between other strategies such as selection, performance management, career development, leadership development, succession planning and employee engagement and establish empirically the associations among the constructs.

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