

Investigating Key Drivers of Employee Engagement Among Fresh Graduates in IT Industry

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Abstract

This research explores how employee engagement is critical in the competitive IT industry, particularly for fresh graduates whose engagement levels can significantly influence their performance and long-term commitment. This study explores the key drivers of employee engagement among fresh graduates in the IT sector, focusing on the impact of leadership, work environment, job satisfaction, compensation, and rewards and recognition. Using a quantitative approach, data were collected through a structured questionnaire administered to recent graduates employed in various IT firms. The findings reveal that leadership is pivotal in shaping employee engagement, with effective leaders fostering a sense of belonging and commitment. A positive work environment and inclusive workplace culture also emerged as crucial factors in enhancing engagement. Job satisfaction, driven by meaningful work and career growth opportunities, was found to be a significant engagement driver, whereas compensation and benefits were less influential, acting more as hygiene factors that prevent dissatisfaction. Rewards and recognition, when aligned with individual contributions, substantially impact engagement levels.

I. INTRODUCTION

The Research study titled "Investigating Key Drivers of Employee Engagement among Fresh Graduates in IT Industry: Attracting and keeping top talent in the fiercely competitive IT sector is a major problem, particularly for recent graduates just starting their careers. To make sure that these new hires feel inspired, a part of, and dedicated to their company, employee engagement is essential. The primary goal of this study is to pinpoint the critical factors that influence employee engagement, particularly for recent IT graduates. This study seeks to determine what really motivates freshmen by examining elements including leadership, work environment, job satisfaction, salary, recognition, and organisational culture. IT organisations that want to improve their employee engagement methods must comprehend these characteristics. IT firms trying to improve and update their employee engagement initiatives must take these elements into consideration. The knowledge gathered from this research can assist companies in developing a welcoming and stimulating work atmosphere that not only draws in new talent but also supports their growth and long-term retention. In the end, this study aims to further knowledge about how to successfully engage and retain the upcoming generation of IT professionals.

Research Background

The study, "Investigating Key Drivers of Employee Engagement among Fresh Graduates in IT Industry," aims at Information technology (IT), one of the most dynamic and quickly developing businesses in the world, has greatly influenced contemporary economies and society. Since the invention of computers and digital communication in the middle of the 20th century, the IT sector has grown at an exponential rate. Significant developments have resulted from this expansion in a number of sectors, including healthcare, finance, education, and entertainment. Initially, most IT firms were based in industrialised nations with advanced technology and concentrated mostly on creating hardware and simple software. However, as technology developed and the internet gained popularity, the landscape of the IT business saw a significant change in the late 20th and early 21st centuries. As a result of this change, a large number of IT companies have emerged globally, ranging from cutting-edge startups to substantial multinational enterprises.

Research Problem

The issue of fresh graduates' engagement in the IT sector is an urgent one that has received a lot of attention recently. The information technology (IT) industry, which is well-known for its quick innovation and strong demand for qualified workers, is confronted with a paradoxical problem: many businesses find it difficult to effectively engage and retain recent graduates with degrees in IT. In

addition to undermining these people's potential, this engagement gap seriously jeopardises the general effectiveness and prosperity of IT companies.

The challenges that recent graduates face when they move from academic settings to the corporate world have been highlighted by recent research. Gopika, Wilson, and Subha (2021), for example, discovered that graduates frequently feel overwhelmed and unprepared by the sudden transition from a structured academic life to the dynamic needs of the IT business. Disengagement may result from this mismatch between expectations and reality since these people find it difficult to handle career advancement, professional development, and the subtleties of corporate culture (Jaya, Rajesh, & Hajee, 2021). The difficulty of closing skill gaps makes this problem even worse, as Faridullah (2024) pointed out, emphasising that many IT companies' inadequate mentorship and training programs contribute to new hires' disenchantment.

Research Objective

1. To investigate the influence of leadership on the engagement of freshers in IT firms.
2. To investigate the influence of work environment on the engagement of freshers in IT firms.
3. To investigate the influence of job satisfaction on the engagement of freshers in IT firms.

Significance of the Study

This study offers important insights into what affects the engagement levels of recent graduates by identifying and analyzing the major factors of employee engagement, including work satisfaction. By being aware of these variables, IT companies may better adjust their tactics to suit the requirements and expectations of recent hires. This study's insights can help IT companies create recruitment and retention plans that work better. Businesses may attract and retain great people while cutting expenses associated with turnover by concentrating on elements that improve job happiness and engagement. HR practitioners are able to improve their practices around work satisfaction, remuneration, awards, and recognition by using the data-driven evidence provided by the study's conclusions.

Literature Review

According to Sakthi Mala and Deepalakshmi (2023), engaged employees perceive that their opinions are valued, which enhances job satisfaction and commitment. Employee engagement has taken on new dimensions in the digital age. Real-time feedback, acknowledgement, and cooperation are made possible by

technology and social media and are essential for raising engagement. Research on the most efficient ways to use these technologies is still ongoing.

According to Gautam and Kothari (2021), the relationship between employee engagement in IT enterprises and organisational climate and self-efficacy. This is an overview of their methodology and conclusions. Goals: Examine Determinants: Look into how self-efficacy and organisational climate affect employees' involvement in certain IT enterprises. Employee engagement was found to be significantly positively impacted by the organisational atmosphere. According to Ngozi and Edwinah (2022), both scholarly inquiry and real-world implementation, as they offer a thorough comprehension of the ways in which employee engagement tactics might augment talent retention. Organisations can increase productivity and performance by properly evaluating and refining their engagement processes by addressing these factors.

According to Oktanofa, Arliawan, and Gustomo (2020), Indonesia's technology industry's explosive rise, emphasising how the country's growing number of start-ups has increased demand for qualified IT workers. The first section of the review looks at the definitions of employee engagement and how important it is to the success of organisations. Using data from both historical and modern research, it also examines the several aspects of involvement that affect workers' lives, including leadership, work environment, pay, incentives, and recognition.

According to Hardin (2020), drawing on both traditional and modern sources, it then explores the elements that impact engagement, such as work happiness, leadership, the work environment, pay, incentives, and recognition. Given that Generation Z is now joining the workforce in substantial numbers, the Hardin (2020) study offers insightful information about the motivational demands of this generation in regard to understanding generational dynamics in the workplace.

Research Methodology

The leadership, work environment, job satisfaction, compensation and benefits, and rewards and recognition are the independent variables, on the other hand. These factors were selected because research and theoretical models have shown that they may have an effect on worker engagement. One prominent role that leadership is thought to have in influencing employee attitudes and behaviours as well as the work environment is the shaping of the latter. It is anticipated that a favourable work environment increases job satisfaction, which may then result in increased levels of engagement. A worker's decision to continue being engaged and dedicated to their profession can be strongly influenced by a number of important motivators, including pay and perks as well as awards and recognition.

Hypothesis

H0: Leadership has no significant influence on the engagement of fresh graduates in IT firms

H1: Leadership has a significant influence on the engagement of fresh graduates in IT firms

Research Design

The goal of this study's research design is to identify the major factors that influence employee engagement among recent IT sector graduates. The study's various components have been carefully considered in the design, which guarantees systematic data collection, rigorous testing of hypotheses, and useful responses to research questions from earlier chapters. Using a descriptive research design, this study offers deep insights into how independent variables like leadership, work environment, job satisfaction, pay and benefits, and rewards and recognition affect employee engagement among recent IT sector graduates.

Data Analysis and Inference

Table 1
Reliability Test Analysis

Variable	No Of Items	Cronbach's Alpha Test
Leadership	4	0.974
Work Environment	4	0.970
Job Satisfaction	4	0.975
Compensation and Benefits	4	0.978
Rewards and Recognition	4	0.982
Employee Engagement	4	0.986

The variables in this study were: "Work Environment" (0.970), "Job Satisfaction" (0.975), "Leadership" (0.974), "Rewards and Recognition" (0.982), "Compensation and Benefits" (0.978), and "Employee Engagement" (0.986). These are the Cronbach's alpha values for that variable. It is suggested that all of the variables in this study show great internal reliability since Nunnally (1978) states that a Cronbach's alpha value of 0.7 or higher demonstrates acceptable internal consistency.

Table 2
Normality Test Analysis

Variable	Stat	istics		Std Error
	Skewness	Kurtosis	Skewness	Kurtosis
Leadership	-2.378	6.114	0.192	0.381
Work Environment	-2.323	5.747	0.192	0.381
Job Satisfaction	-2.364	5.843	0.192	0.381
Compensation and Benefits	-2.365	5.605	0.192	0.381
Rewards and Recognition	-2.341	5.613	0.192	0.381
Employee Engagement	-2.546	6.758	0.192	0.381

Table 7.2 Normality tests were used in this study to evaluate the distribution properties of a number of variables, such as employee engagement, leadership, work environment, job satisfaction, pay and benefits, and rewards and recognition. For the purpose of assessing normalcy, Hair et al. (2006) state that skewness values between (-1) and (+1) and kurtosis values between (-3) and (+3) are acceptable. The skewness values, all of which are below -2, however, show that the variables in this study have negatively skewed distributions.

Table 3:
Frequency of Respondent based on Gender

Gender	Frequency	Percentage
Male	83	51.9
Female	77	48.1
Total	160	100.0

According to Table 7.3, the gender distribution within the sample of 160 respondents shows a slight majority of males, who make up 51.9% of the population. Females constitute 48.1% of the sample. This distribution reflects a fairly balanced gender representation, with males slightly outnumbering females, indicating that the perspectives and insights gathered are fairly representative of both genders.

Table 4:
Frequency of Respondent based on Age

Age	Frequency	Percentage
18 - 20	72	45.0
21 - 25	82	51.2
26 - 30	6	3.8
Total	160	100.0

Table 7.4 presents the age distribution of a sample population, comprising a total of 160 respondents. The majority of participants fall within the age group of 21 to 35 years, accounting for 51.2% of the total, indicating a youthful demographic. The next largest group is those aged 18 to 20 years, which makes up 45% of the sample. A smaller segment, 3.7%, consists of respondents 26 - 30. This distribution emphasises the study's primary audience, recent graduates, suggesting that the results are especially representative of the viewpoints and desires of younger workers joining the IT industry.

Table 5:
Frequency of Respondent based on Education level

Education level	Frequency	Percentage
Bachelor's degree	96	60.0
Master's Degree	63	39.4
Ph.D. or Professional equivalent	1	0.6
Total	160	100.0

Table 7.5 shows that recent graduates in the IT business have a strong preference for further education. Sixty percent of the participants possess a Bachelor's degree, making it the most prevalent educational achievement. Closely behind, 39.4% have a Master's degree, demonstrating a sizeable percentage of people who have studied further prior to starting a career. On the other hand, only 0.6% of people have a Ph.D. or a professional equivalent.

Table 6:
Frequency of Respondent based on Marital status

Marital status	Frequency	Percentage
Single	153	95.6
Married	7	4.4
Total	160	100.0

Table 7.6 presents the marital status of the respondents, revealing that an overwhelming majority of the participants are single. Specifically, 95.6% of the respondents reported being single, while only 4.4% are married

Table 7:
Descriptive Analysis for All Dependent and Independent Variable -
Summary of Mean Analysis

Variable	N	Mean	Std. Deviation
Leadership	160	4.485	0.913
Work Environment	160	4.477	0.930
Job Satisfaction	160	4.484	0.907
Compensation and Benefits	160	4.488	0.945
Rewards and Recognition	160	4.485	0.941
Employee Engagement	160	4.521	0.907

Table 7.7 provides a full summary of the study's mean analysis. With a mean score of 4.485, leadership is viewed as both supportive and successful by respondents in their organization. The work environment scores highly, with a mean of 4.477, indicating that both employee satisfaction and productivity are supported there. With a mean score of 4.484 for job satisfaction, it is clear that most respondents are happy with their jobs and their duties. With a mean score of 4.488, Compensation and perks received the best rating, indicating high levels of satisfaction with pay, perks, and incentives. At 4.485, rewards and recognition also received a good grade, showing that workers believe their contributions are sufficiently valued and acknowledged. With a mean score of 4.521,

Table 9:
Mean analysis of Leadership

Leadership	N	Mean	Std Deviation
1. My manager demonstrates effective leadership skills.	160	4.418	0.913
2. My supervisor is approachable and open to feedback.	160	4.506	0.904
3. Leadership in my organization supports my professional growth.	160	4.500	0.918
4. I feel motivated by the leadership style at my workplace.	160	4.518	0.910
Average score		4.485	0.913

According to the above table, the respondents who feel most driven by their workplace's leadership style had the highest mean score of 4.518. A favourable opinion of the accessibility and receptiveness of supervisors is indicated by the mean score of 4.506 for the statement, "My supervisor is approachable and open to feedback". With a mean score of 4.500.

Table 10:
Mean analysis of Work Environment

Work Environment	N	Mean	Std. Deviation
1. The work environment at my organization is conducive to productivity.	160	4.456	0.950
2. My workplace provides a good balance between work and personal life.	160	4.468	0.944
3. The facilities and resources available are adequate for my job requirements.	160	4.512	0.904
4. I feel safe and comfortable in my work environment.	160	4.475	0.924
Average score		4.477	0.930

According to the above table, the respondents usually believe that the facilities and resources offered in their organisation are appropriate for their job requirements, as indicated by the highest mean score of 4.512. "I feel safe and comfortable in my work environment" has a mean score of 4.475, which indicates that people feel safe and comfortable at work.

Table 11:
Mean analysis of Job Satisfaction

Job Satisfaction	N	Mean	Std Deviation
1. I am satisfied with the nature of my job.	160	4.475	0.951
2. My job responsibilities match my expectations.	160	4.500	0.801
3. I am content with the opportunities for advancement in my job.	160	4.475	0.945
4. My job provides me with a sense of accomplishment.	160	4.487	0.931
Average score		4.484	0.907

The above-mentioned data shows that most respondents are very satisfied with their jobs. The respondents who felt their job obligations aligned well with their expectations had the highest mean score of 4.500. The average score of 4.487 for the statement, "My job gives me a sense of accomplishment," indicates that people feel satisfied with the fulfilment they receive from their work. Similarly, respondents appear to be generally happy with their job functions and the potential for career growth, as indicated by the mean score of 4.475 for both "I am satisfied with the nature of my job" and "I am content with the opportunities for advancement in my job"

Findings, Suggestion and Conclusion

Findings:

To Investigate the influence of Leadership on the Engagement of Fresh Graduates in IT Firms

Leadership has a p-value of 0.970, which is significantly higher than the 0.05 cutoff. A p-value above 0.05, according to Hair et al. (2006), suggests that there is no statistically significant link between the variables. As a result, we are unable to reject the null hypothesis (H0), which contends that leadership has no appreciable effect on recent graduates' engagement in IT companies. This research casts doubt on the widely held belief that leadership, especially among recent hires, is a significant factor in determining employee engagement. It implies that other variables might have a greater impact on recent graduates' levels of participation. Although this study suggests that effective leadership may not be the main factor influencing employee engagement for this particular group in the IT industry, it is widely accepted that good leadership is essential for employee motivation and happiness. Consequently, in order to improve employee engagement among their recent graduates, IT companies may need to consider alternatives to traditional leadership practices.

To Investigate the influence of work environment on the engagement fresh graduates in IT firms

According to the analysis, the work environment's p-value is 0.472, which is higher than the conventional significance level of 0.05. As a result, the null hypothesis (H0) cannot be rejected, suggesting that there is no meaningful correlation between the work environment and new graduates' engagement in IT companies. Although the workplace is frequently mentioned as a crucial element in employee engagement, this research implies that recent graduates in the IT sector may not place the same value on the workplace as more seasoned workers. It's possible that recent graduates are less concerned with the physical or social components of their workplace and more with other aspects of their jobs, such learning opportunities and career advancement. This suggests that in order to effectively engage their newly graduated staff, IT organizations may need to concentrate on other techniques, such as offering clear career routes and opportunities for skill development.

To Investigate the Influence of Job Satisfaction on the Engagement of Fresh Graduates in IT Firms

Although While Job satisfaction has a p-value of 0.000, which is less significant than the 0.05 threshold. A p-value of less than 0.05, according to Hair et al. (2006), suggests that there is a statistically significant link between the variables. As a result, we accept the alternative hypothesis (H1) and reject the null hypothesis (H0). This research shows a strong correlation between new graduates'

engagement in IT companies and their work happiness. One of the most important factors influencing the involvement of recent graduates in the IT industry is job happiness. This implies that recent graduates are more likely to be engaged and motivated when they are happy with their employment positions, responsibilities, and overall work experience. Because of this substantial correlation, IT companies ought to give top priority to programs that improve employee happiness at work, like giving difficult assignments, giving helpful criticism, and highlighting accomplishments. Employers may greatly increase the levels of engagement of their recent graduates by providing them with a fulfilling work environment.

To Investigate the influence of compensation and benefits on the engagement of freshers in IT firms.

Benefits and compensation have a p-value of 0.005, which is less significant than the 0.05 threshold. Consequently, the alternative hypothesis (H1) is accepted and the null hypothesis (H0) is rejected. This data suggests that there is a strong correlation between new graduates' engagement in IT companies and their pay and benefits. This finding emphasises how crucial competitive pay and perks are to raising new graduates' levels of engagement. It implies that recent graduates in the IT sector are especially receptive to monetary rewards and perks, which are crucial in influencing their choice to remain faithful and involved with their work. To effectively engage their newly graduated staff, IT organisations should think about providing competitive wage packages that meet industry standards, in addition to other benefits like health insurance, flexible work schedules, and performance bonuses.

To Investigate the influence of rewards and recognition on the engagement of freshers in IT firms.

The results of the analysis show that the rewards and recognition p-value is 0.000, which is less significant than the 0.05 threshold. As a result, we accept the alternative hypothesis (H1) and reject the null hypothesis (H0). This research shows a strong correlation between new graduates' participation in IT companies and rewards and recognition. It has been demonstrated that rewards and recognition have a strong motivating effect on recent graduates, affecting their degree of involvement. New graduates are more likely to be dedicated, driven, and involved in their work when they believe that their efforts are valued and appreciated. This emphasises how important it is for IT companies to put in place comprehensive reward and recognition schemes that recognise the accomplishments of their recent graduates. Companies that take this approach can cultivate a culture of gratitude and inspiration, which raises employee engagement levels overall.

Suggestion

Considering the scope and limitations of the current study on the subject of employee engagement among recent graduates in the IT industry, a number of directions for future research might be recommended to further our understanding of this intricate phenomenon. By incorporating a more varied geographic and industry sample, future study could increase the scope. Conducting research on employee engagement in diverse areas and industries can yield comparative insights and aid in determining the cross-industry consistency of the elements impacting engagement among recent IT industry graduates. Research contrasting IT with other industries, including manufacturing, healthcare, or finance, may provide insightful information on the factors that influence employee engagement in a certain business. Future studies should examine the engagement levels of recent graduates and seasoned workers in the same industry to obtain a better understanding of how employee engagement changes with experience. Comparative studies like this one would make it easier to determine whether an employee's career stage and experience level have an impact on the engagement elements. This may result in more specialised approaches to encouraging involvement across various staff subgroups. The significance of leadership in affecting employee engagement is emphasised by the current study. Future studies should examine in greater detail how various leadership philosophies (such as transformational, transactional, and servant leadership) impact new graduates' levels of engagement. Organizations may better prepare their leaders to inspire and retain their young talent by knowing which leadership philosophies work best for encouraging engagement.

II.CONCLUSION

In conclusion, this study provides insightful information about the variables affecting employee engagement among recent graduates in the IT sector, with an emphasis on job satisfaction, work environment, leadership, perks and pay, and incentives and recognition. Through the examination of these factors, the study adeptly employs a thorough methodology to comprehend their influence on employee engagement in IT companies. The results suggest that, although leadership and work environment do not significantly affect employee engagement, job satisfaction, pay and benefits, and rewards and recognition do. This emphasises how crucial it is to give elements like fair compensation and job satisfaction top priority in order to increase the participation of recent graduates in the IT industry. IT companies should concentrate on two things in particular: making sure that remuneration packages are competitive and live up to employee expectations, and fostering a fulfilling work environment that values and acknowledges employee contributions. This study shows that although work

environment and leadership are important factors in many situations, their impact on employee engagement may be less noticeable in the IT business when compared to job satisfaction, pay, and benefits. IT companies should therefore take these factors into account when creating staff engagement strategies.

III. REFERENCES

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