

EXECUTIVE SUMMARY

This report outlines the main findings and methodology of a survey conducted in 2016 by the Postgraduate Institute of Management to produce industry information about “Employee Engagement in the Apparel Industry in Sri Lanka”.

Since the 1970s, Human Resource Management (HRM) has notable history and Employee Engagement (EE) is relatively new for HRM and there is not universally accepted definition for it. Further, EE is one of the provoking topics at any work place at the present time. In order to derive benefits through engaged employees, organizations must first measure the level of engagement, thereafter necessary measures could be taken to address any issues. However, the currently available tools, which are used to measure EE, are appearing to be unsuccessful. EE becomes crucial in the Apparel sector of Sri Lanka as the productivity and quality level of products are low, and the level of employee engagement directly attributes to the level of performance.

Numerous researchers and practitioners have developed many theories that highlight the factors affecting the EE. However, those factors are varying from industry to industry. The main objective of this study is to review the factors that affecting to EE in Apparel industry in Sri Lanka and to make recommendations to the industry and based on that enhance EE in the Apparel sector.

The team of researchers comprising of 6 members undertook to measure employee engagement in Apparel and ITC sector. Team one was working on the scale development on employee engagement while team two members attended on Apparel sector and team three attended on IT and KPO/BPO sectors to discover driving factors of employee engagement in both sectors. All the teams together collected 10,412 valid questionnaires from both the sectors using two questionnaires designed for executive and operational level employees. This report belongs to team two. Team two researchers were able to collect 4,362 valid questionnaires from Apparel sector representing five Export Processing Zones namely (Seethawaka, Biyagama, Katunayake, Koggala and Mirijjawila). The team was able to cover 30 Apparel companies in the sector and majority of them were large scale companies. Moreover, the team was able to collect 896 of English questionnaires and 2,456 Sinhala questionnaires.

Finally, the collected data was analyzed using Statistic Programme for Social Sciences (SPSS) version 20 and MS Excel 2013 version to approach descriptive statistics for both employee categories in Apparel sector. At the same time, team one researchers were able to come up with five new scale dimensions namely, Employee Confidence, Supportive leadership, Identification with the Organization, Identification with the Leader, and Meaningfulness. Ultimately, the findings from descriptive statistics used to provide conclusions, recommendations and to cover remarks with the future research.

The key findings of this survey indicate that Apparel employees are very aware about the outcomes that are to be achieved at work place, Apparel employees feel they are involved in decisions taken at work place and Apparel sector Executives have moderately less recognition for good work. Recommendations given by the team were to provide skill training and technological upgrading; Conduct continuous evaluations on incentives and continuous improvement of policies and performance management systems. Further, team was able to suggest industry recommendations separately.

Ultimately, the team was able to come up with key insights to the future scholars and research firms such as whether apparel employees are migrating within the industry or to another and why most of the employees represent millennial category.