International Journal of Research Publication and Reviews

The Impact of Employee Engagement on Individual and Organizational Performance

Monishaa N

Student, Pursuing MBA, PES University,
100 feet Ring Road, BSK 3Rd Stage, Bangalore-560085, Karnataka, INDIA
monishaan07@gmail.com

ABSTRACT

"In today's fast-paced and competitive business world, employee engagement plays a crucial role in determining an organization's success. The complex connection between employee engagement and performance—both individually and as an organization—is examined in this study." With the use of a combination of approaches, the research looks at the behavioural, cognitive, and emotional elements of employee engagement as well as how these relate to key performance measures.

This study looks for particular determinants of engagement and how they affect individual performance indicators like commitment, job happiness, and productivity. It does this by conducting in-depth interviews and thorough surveys with workers at different organisational levels. Simultaneously, the study investigates how individual engagement affects organisational performance indicators such as profitability, innovation, and general productivity.

Understanding the ways that organisational culture, communication tactics, and leadership styles contribute to and maintain employee engagement is another goal of this study. The study offers actionable advice for HR professionals and organisational leaders to improve employee engagement programmes by examining effective instances and best practices.

Finally, the results of this study add to the expanding volume of information regarding the strategic significance of employee involvement in attaining peak performance on an individual and organisational level. Businesses are facing an environment of constant change, and in order to remain competitive and successful over the long term, they must grasp and take advantage of the shifting patterns of employee engagement.

Key words: Employee Engagement, Job Satisfaction, Workforce Productivity, Organizational Culture, Performance Feedback, Adaptability, Talent Retention

INTRODUCTION

Within the field of organisational management today, employee engagement has become a critical component that impacts workplace performance on both an individual and group level. The need of developing a workforce who are not only dedicated but also actively engaged and inspired cannot be emphasised as organisations manage an environment that is constantly changing and competitive. The present study explores the intricate nature of employee engagement and reveals its significant influence on individual workers as well as the larger organisational framework.

Background:

A person's cognitive, psychological, and behavioural facets of their relationship to their profession and organisation are all part of the complex concept of employee engagement. In basic terms, motivated workers are individuals that have a strong sense of purpose in their jobs, show a sincere dedication to the objectives of the company, and actively use their abilities and skills outside of the scope of their jobs. Organisational ideology has evolved over the past few decades, with a growing recognition that employees being involved is a strategic necessity for long-term success rather than just a desirable quality.

Individual Performance:

Employee engagement has a significant and wide-ranging micro-level impact on each individual's performance. Employee engagement is reflected in increased levels of dedication to their roles, job satisfaction, and productivity. They develop a stronger sense of ownership and responsibility as a result of the emotional bond they have with their work. Engaged people are therefore more inclined to put in extra effort on their tasks, which promotes productivity and effectiveness at work.

Furthermore, there is a positive connection that goes beyond the quantitative domain between employee involvement and individual performance. A culture of creativity and adaptability is fostered within the company by engaged personnel, who often demonstrate an increased readiness to accept possibilities for ongoing learning and development. Designing focused interventions to improve workforce effectiveness as a whole thus depends on an understanding of the factors that influence engagement at the level of the individual.

Organizational Performance:

Extending the focus to the organisational level, the influence of retention is just as significant and linked to broad performance metrics. An organization's high-performance culture is built on its engaged workforce, which makes joint efforts achieve greater results than what they would have been individually. Evidence constantly shows an encouraging association between important organisational outcomes including higher profitability, higher customer satisfaction, and higher productivity amongst employees.

Strong employee engagement organisations frequently have lower turnover rates, which lowers the expense of hiring and training new employees. Positive ripple effects on the dynamics of teams and organisational culture result from an engaged workforce, which turns into a strategic advantage. In addition, motivated staff members are more inclined to share the mission and values of the company, which strengthens organisational integrity and endurance in the face of adversity.

Leadership and Organizational Culture:

The development of engagement among employees is a purposeful and strategic activity rather than an accidental result. The organisational culture, communication tactics, and leadership styles all have a significant impact on how employees perceive their work. Fostering participation can be effectively facilitated by effective leadership that prioritises open communication, empathetic awareness and empowerment. Similarly, an encouraging and diverse workplace culture creates the ideal environment for employee engagement.

In simple terms, it is critical for organisations to recognise and comprehend the influence of workforce involvement on individual and organisational success as they navigate the intricacies of the contemporary business environment. The purpose of this research is to add to the growing body of knowledge in this area by illuminating the complex dynamics that underlie the connection between engagement, efficiency, and long-term organisational success. Building a staff that is passionate is strategically critical for organisations hoping to lead their respective industries, not just survive in them, as the hunt for talent and competitive edge heats up.

LITERATURE REVIEW

"Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis - This meta-analysis examines the relationships between company performance and workforce involvement and satisfaction. It has appeared in the Journal of Applied Psychology.

Bakker, A. B., & Demerouti, E. (2008). Towards a model of work engagement. - This research, which can be found in the journal Career Development International, offers a model of how employee engagement affects both individual and organisational results.

Macey, W. H., & Schneider, B. (2008). The meaning of employee engagement. - This paper, which has appeared in Industrial and Organisational Psychology, explores the definition and assessment of employee engagement.

Saks, A. M. (2006). Antecedents and consequences of employee engagement. - Employee involvement is examined in this study published in the Journal of Managerial Psychology, looking at both its causes and its consequences.

Bakker, A. B., Albrecht, S. L., & Leiter, M. P. (2011). Key questions regarding work engagement. - This article tackles important issues surrounding work engagement and has appeared in the European Journal of Work and Organisational Psychology.

Harter, J. K., & Schmidt, F. L. (2006). In praise of the 'F' word. - This paper, which has appeared in the Journal of Management Inquiry, addresses the significance of feedback in terms of employee engagement.

Macey, W. H., Schneider, B., Barbera, K. M., & Young, S. A. (2011). Employee engagement: Tools for analysis, practice, and competitive advantage. - This book offers helpful advice and techniques for assessing and promoting employee engagement.

Rich, B. L., Lepine, J. A., & Crawford, E. R. (2010). Job engagement: Antecedents and effects on job performance. - The causes and consequences of job engagement are examined in this study, which was published in the Academy of Management Journal.

Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. - This recognised work, which was published in the Academy of Management Journal, discusses the idea of personal engagement and the psychological circumstances around it.

Bakker, A. B., & Leiter, M. P. (2010). Work engagement: A handbook of essential theory and research. - This extensive guide covers the key ideas and studies about employee engagement at work.

Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. - This study, which was published in the Journal of Organisational Behaviour, examines the connections between burnout, engagement, resources, and work expectations.

Salanova, M., Agut, S., & Peiró, J. M. (2005). Linking organizational resources and work engagement to employee performance and customer loyalty: The mediation of service climate. - This study explores the role that service atmosphere plays as a mediator in the relationships that exist between organisational resources, work engagement, staff performance, and customer loyalty. It was published in the Journal of Applied Psychology.

Shuck, B., & Wollard, K. (2010). Employee engagement and HRD: A seminal review of the foundations. - This paper, which was published in Human Resource Development Review, examines the fundamentals of employee engagement and how HRD is related to it.

Xanthopoulou, D., Bakker, A. B., Demerouti, E., & Schaufeli, W. B. (2009). Reciprocal relationships between job resources, personal resources, and work engagement. - The reciprocal linkages between job resources, personal resources, and work engagement are examined in this study, which was published in the Journal of Vocational Behaviour.

May, D. R., Gilson, R. L., & Harter, L. M. (2004). The psychological conditions of meaningfulness, safety and availability and the engagement of the human spirit at work. - The psychological factors that support availability, safety, and purpose at work are examined in this Journal of Occupational and Organisational Psychology article along with how they affect worker engagement.

Saks, A. M., & Gruman, J. A. (2014). What do we really know about employee engagement? - Printed in Human Resource Development The paper, which analyses the state of the art on employee engagement every quarter, is crucial.

Bhatnagar, J. (2007). Talent management strategy of employee engagement in Indian ITES employees: Key to retention. - This paper, which was released in the Journal of World Business, focuses on the employee engagement talent management approach in the Indian ITES industry.

Wright, T. A., & Cropanzano, R. (2000). Psychological well-being and job satisfaction as predictors of job performance. - The factors of job performance, such as psychological well-being and job satisfaction, are examined in this study, which was published in the Journal of Occupational Health Psychology.

Shuck, B., & Reio Jr, T. G. (2014). Employee engagement and well-being: A moderation model and implications for practice. - This paper explores a moderate approach to employee engagement and well-being and was published in the Journal of Leadership & Organisational Studies.

Macey, W. H., Schneider, B., & Barbera, K. M. (2009). The meaning of employee engagement in business-unit performance. - The performance of business units and employee engagement are examined in this study, which was published in the Human Resource Management Review."

RESEARCH METHODOLOGY:

This study of research technique is crucial since it offers a structure for designing, evaluating, and carrying out the study. This will help with the formulation of a rational and thorough strategy to deal with the problem statement of the research paper.

Objectives:

- Examine the variables affecting each employee's level of involvement.

- Examine how fulfilment at work affects each person's level of participation.

- Examine the relationship that exists between individual involvement and employee recognition.

- Examine the impact of programmes for appreciation and performance feedback on overall involvement.

Need:

- Need: Organisations want to raise output and general performance. Employee engagement increases the likelihood that they will make discretionary effort, which improves performance and increases productivity.

Justification: By implementing measures to promote satisfaction with work, inspiration, and commitment, organisations may ultimately enhance productivity by having a better understanding of the elements that are essential to employee engagement.

- Need: One of an organization's biggest concerns is attracting and keeping outstanding people. A positive organisational reputation and reduced turnover rates are frequently associated with high employee engagement, which facilitates the recruitment of highly talented personnel.

Justification: By examining the factors that influence employee engagement, companies may lower recruitment expenses, foster organisational stability, and design an atmosphere for work that draws and keeps great talent.

- Need: Organisations are realising the value of their employees' happiness and well-being more and more. Increased levels of satisfaction with work are typically experienced by engaged employees, which enhances general wellbeing.

Justification: Studies pertaining to employee engagement might offer valuable perspectives on the elements that foster job happiness and overall health. Having this information is essential for creating policies and initiatives that put workers' physical and mental health first.

Primary Data:

This data was circulated among Individuals working in organizations on various levels.

Analytical Tool:

SPSS is the tool used to get the solution; different regressions have been utilised and produced.

Sample Size:

Over 163 people who work for the company in a variety of professions have contributed data to the collection.

DATA ANALYSIS:

Approximately 200 respondents received the primary survey for this study report, and 163 of them have provided their responses. The primary focus of the research is on employees' progress and satisfaction professionally. The primary objective of this study is to examine and evaluate its significance, as well as how an organisation might contribute by providing specific seminars or career development opportunities.
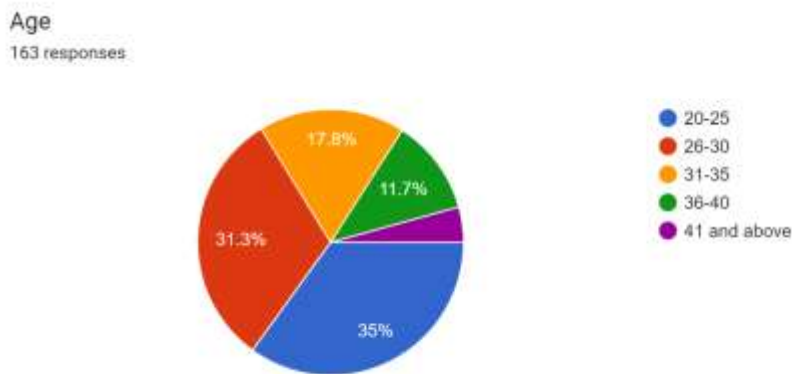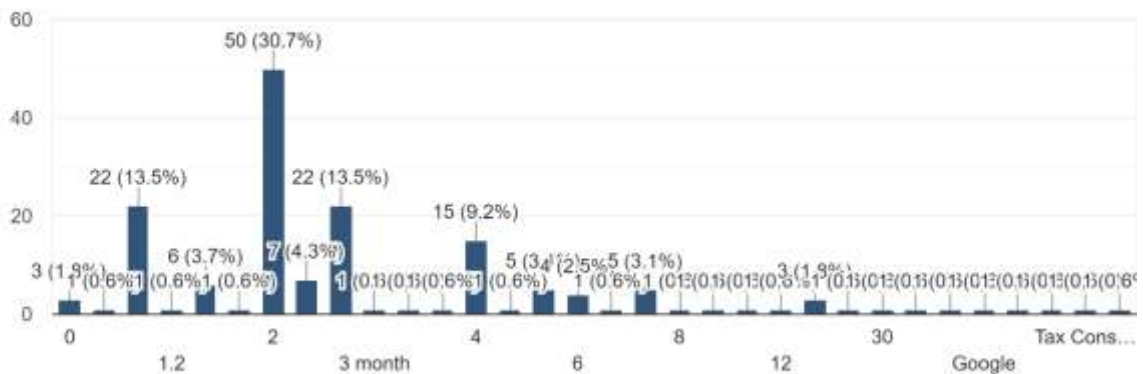

Interpretation:

This graph provides us with an overview, showing that 35% of the data came from people in the 20-25 age range. 31.3% of the population is between the ages of 26 and 30, with the remaining 17.8%, 11.7% and 4.2% falling into the 31–35, 36–40 and, 41 & above age groups, respectively.
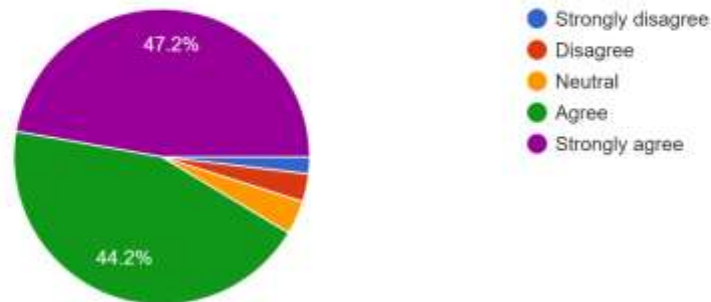

Interpretation:

From 4 months of experience to 12 years of experience have been recorded by the responders in their current organization.

Overall Engagement: a. I find meaning and purpose in the work I do.
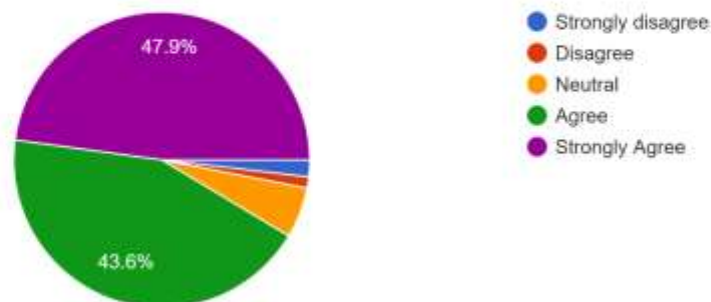163 responses

Interpretation:

A large proportion of the data, or 47.2%, strongly agree with the statement, "I find meaning and purpose in the work I do." according to this chart. Approximately 44.2% of them agree, whereas 3.7% neutral and 3.1% disagree.

b. I am proud to be a part of this organization.
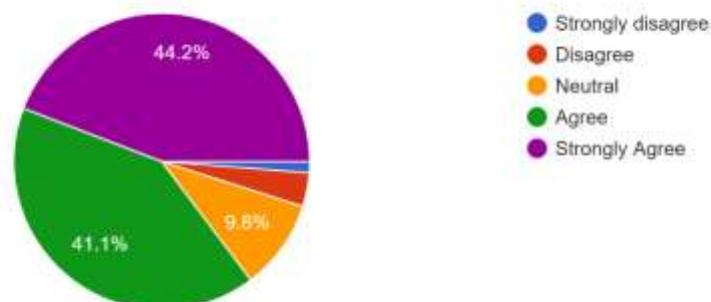163 responses

Interpretation:

A large proportion of the data, or 47.9%, strongly agree with the statement, "I am proud to be part of this organization." according to this chart. Approximately 43.6% of them agree, whereas 5.5% neutral and 1.8% disagree.

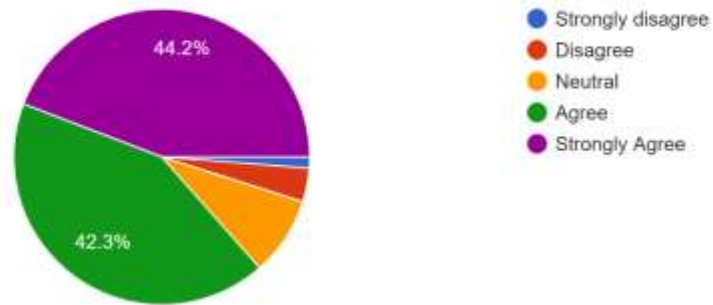## Job Satisfaction: a. I am satisfied with the overall nature of my job.
163 responses

Interpretation: A large proportion of the data, or 44.2%, strongly agree with the statement, "I am satisfied with the overall nature of my job", according to this chart. Approximately 41.1% of them agree, whereas 9.8% neutral and 3.7% disagree.

b. I feel challenged and stimulated by the tasks I perform.
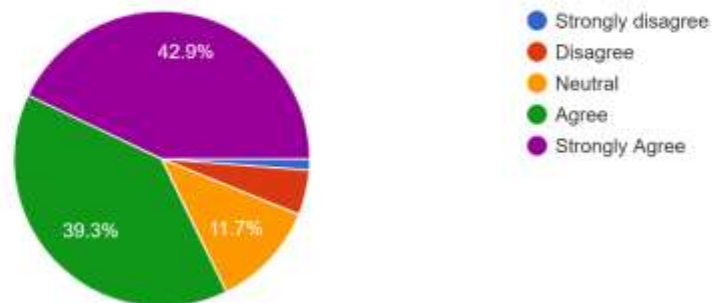163 responses

Interpretation:

A large proportion of the data, or 44.2%, strongly agree with the statement, " I feel challenged and stimulated by the tasks I perform." according to this chart. Approximately 42.3% of them agree, whereas 8.6% neutral and 3.7% disagree.

### c. I receive constructive feedback on my work regularly.
163 responses

Interpretation:

A large proportion of the data, or 42.9%, strongly agree with the statement, "I receive constructive feedback on my work regularly." according to this chart. Approximately 39.3% of them agree, whereas 11.7% neutral and 4.9% disagree.

Leadership and Supervision: a. I feel comfortable approaching my supervisor with questions or concerns.
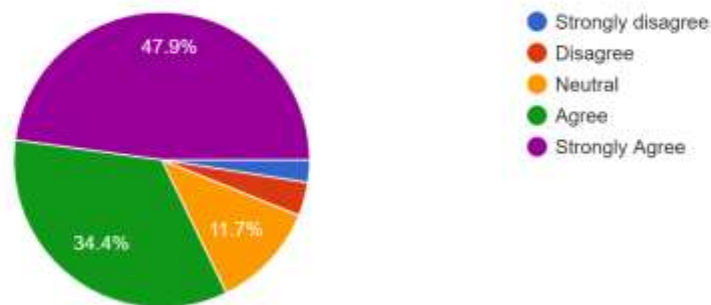
163 responses
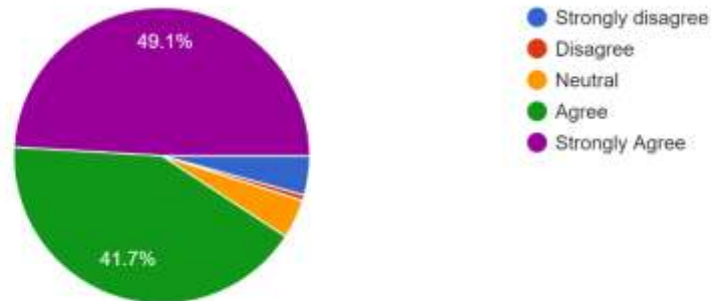
Interpretation:

A large proportion of the data, or 49.1%, strongly agree with the statement, "I feel comfortable approaching my supervisor with questions or concerns." according to this chart. Approximately 41.7% of them agree, whereas 4.3% neutral and 4.3% strongly disagree.

b. My supervisor recognizes and acknowledges my contributions.

163 responses

Interpretation:

A large proportion of the data, or 47.9%, strongly agree with the statement, "My supervisor recognizes and acknowledges my contributions." according to this chart. Approximately 34.4% of them agree, whereas 11.7% neutral and 3.7% disagree.

Team and Collaboration: a. There is open and effective communication within my team.
163 responses
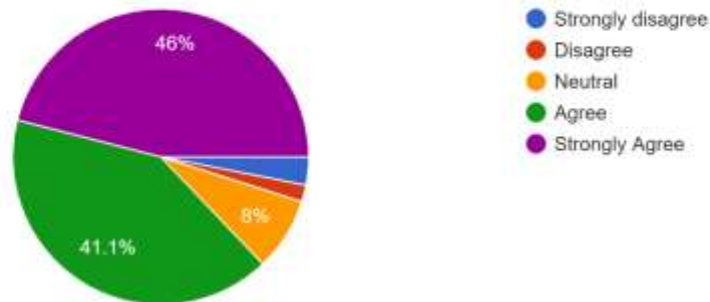
Interpretation:

A large proportion of the data, or 46%, strongly agree with the statement, "There is open and effective communication within my team", according to this chart. Approximately 41.1% of them agree, whereas 8% neutral and 3.1% strongly disagree.

b. I am comfortable sharing my ideas and opinions with my team.
163 responses
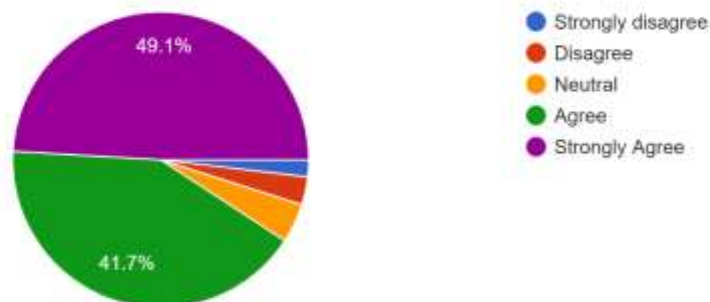
Interpretation:

A large proportion of the data, or 49.1%, strongly agree with the statement, "I am comfortable sharing my ideas and opinions with my team.", according to this chart. Approximately 41.7% of them agree, whereas 4.3% neutral and 3.1% disagree.
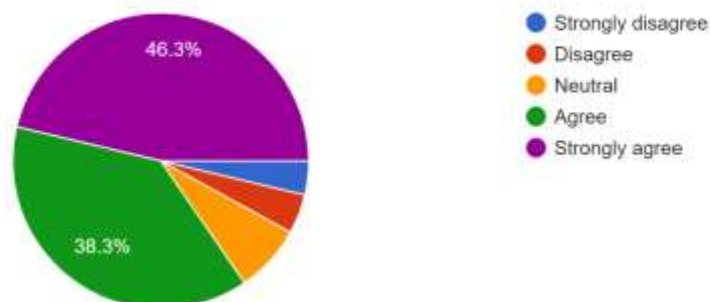
I am satisfied with the benefits offered by the organization.
162 responses

Interpretation:

A large proportion of the data, or 46.3%, strongly agree with the statement, "I am satisfied with the benefits offered by the organization", according to this chart. Approximately 38.3% of them agree, whereas 7.4% neutral and 4.3% disagree.

There is clear and transparent communication from the organizational leadership.
163 responses

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

38.7%
46.6%
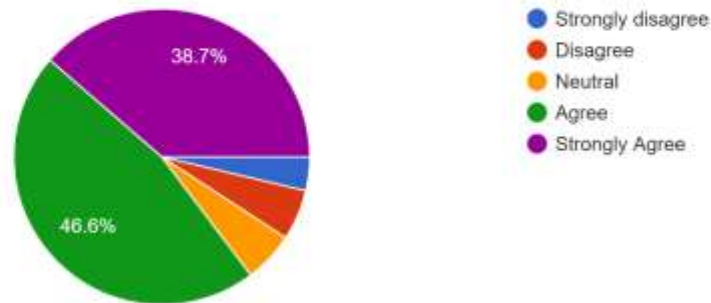
Interpretation:

A large proportion of the data, or 46.6%, agree with the statement, "I find meaning and purpose in the work I do." according to this chart. Approximately 38.7% of them strongly agree, whereas 5.5% neutral and 5.5% disagree.

Overall, I am engaged and satisfied with my experience at this organization.
163 responses

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

46.6%
41.7%
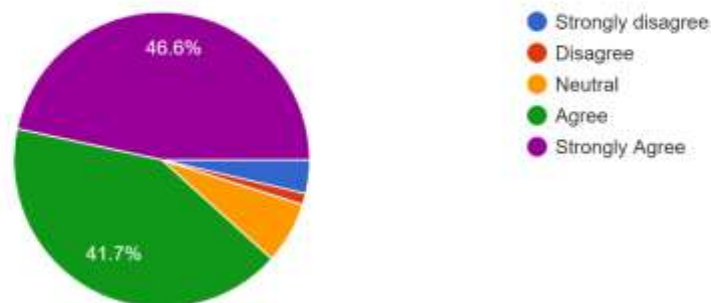
Interpretation:

A large proportion of the data, or 46.6%, strongly agree with the statement, "I find meaning and purpose in the work I do." according to this chart. Approximately 41.7% of them agree, whereas 6.7% neutral and 3.7% strongly disagree.

REGRESSION:

Descriptive Statistics

	Mean	Std. Deviation	N
Overall Engagement: a. I find meaning and purpose in the work I do	3.32	.839	162
b. I am proud to be a part of this organization.	3.35	.792	162
Job Satisfaction: a. I am satisfied with the overall nature of my job	3.23	.867	162
b. I feel challenged and stimulated by the tasks I perform.	3.25	.857	162
c. I receive constructive feedback on my work regularly.	3.18	.912	162
Leadership and Supervision: a. I feel comfortable approaching my supervisor with questions or concerns	3.31	.928	162
b. My supervisor recognizes and acknowledges my contributions.	3.22	.963	162
Team and Collaboration: a. There is open and effective communication within my team	3.25	.914	162
b. I am comfortable sharing my ideas and opinions with my team.	3.33	.848	162
I am satisfied with the benefits offered by the organization.	3.19	1.006	162
There is clear and transparent communication from the organizational leadership.	3.11	.997	162
Overall, I am engaged and satisfied with my experience at this organization.	3.27	.924	162

Correlations

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.138	.209		.660	.510	-.275	.552					
	b. I am proud to be a part of this organization.	.132	.073	.125	1.812	.072	-.012	.277	.624	.148	.087	.487	2.053
	Job Satisfaction: a. I am satisfied with the overall nature of my job.	.171	.069	.177	2.473	.015	.034	.308	.656	.198	.119	.450	2.220
	b. I feel challenged and stimulated by the tasks I perform.	.098	.064	.100	1.520	.131	-.029	.224	.581	.123	.073	.539	1.856
	c. I receive constructive feedback on my work regularly.	.032	.072	.035	.447	.655	-.110	.174	.615	.036	.022	.360	2.633
	Leadership and Supervision: a. I feel comfortable approaching my supervisor with questions or concerns.	.073	.067	.081	1.087	.279	-.060	.205	.606	.088	.052	.421	2.375
	b. My supervisor recognizes and acknowledges my contributions.	-.039	.072	-.045	-.548	.585	-.181	.102	.605	-.045	-.026	.342	2.927
	Team and Collaboration: a. There is open and effective communication within my team.	.012	.075	.013	.159	.874	-.136	.160	.630	.013	.008	.345	2.897
	b. I am comfortable sharing my ideas and opinions with my team.	.121	.063	.122	1.923	.056	-.003	.245	.533	.155	.093	.574	1.743
	I am satisfied with the benefits offered by the organization.	.079	.065	.095	1.225	.223	-.049	.208	.649	.099	.059	.383	2.614
	There is clear and transparent communication from the organizational leadership.	.075	.071	.089	1.054	.294	-.065	.215	.655	.086	.051	.325	3.073
	Overall, I am engaged and satisfied with my experience at this organization.	.222	.066	.244	3.362	<.001	.091	.352	.674	.265	.162	.439	2.280

a. Dependent Variable: Overall Engagement:
  a. I find meaning and purpose in the work I do

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.808[a]	.653	.627	.512	.653	25.647	11	150	<.001	1.743

a. Predictors: (Constant), Overall, I am engaged and satisfied with my experience at this organization., b. I am comfortable sharing my ideas and opinions with my team., b. I feel challenged and stimulated by the tasks I perform., Leadership and Supervision:
a. I feel comfortable approaching my supervisor with questions or concerns., b. I am proud to be a part of this organization., Job Satisfaction
:a. I am satisfied with the overall nature of my job., c. I receive constructive feedback on my work regularly., I am satisfied with the benefits offered by th
e organization., b. My supervisor recognizes and acknowledges my contributions., Team and Collaboratio
n:a. There is open and effective communication within my team., There is clear and transparent communication from the organizational leadersh

b. Dependent Variable: Overall Engagement:
  a. I find meaning and purpose in the work I do

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	73.976	11	6.725	25.647	<.001[b]
	Residual	39.333	150	.262		
	Total	113.309	161			

a. Dependent Variable: Overall Engagement:
  a. I find meaning and purpose in the work I do

b. Predictors: (Constant), Overall, I am engaged and satisfied with my experience at
  this organization., b. I am comfortable sharing my ideas and opinions with my team.,
  b. I feel challenged and stimulated by the tasks I perform., Leadership and
  Supervision:
  a. I feel comfortable approaching my supervisor with questions or concerns., b. I am
   proud to be a part of this organization., Job Satisfaction
  :a. I am satisfied with the overall nature of my job., c. I receive constructive feedbac
  k on my work regularly., I am satisfied with the benefits offered by the organization., b
  . My supervisor recognizes and acknowledges my contributions., Team an
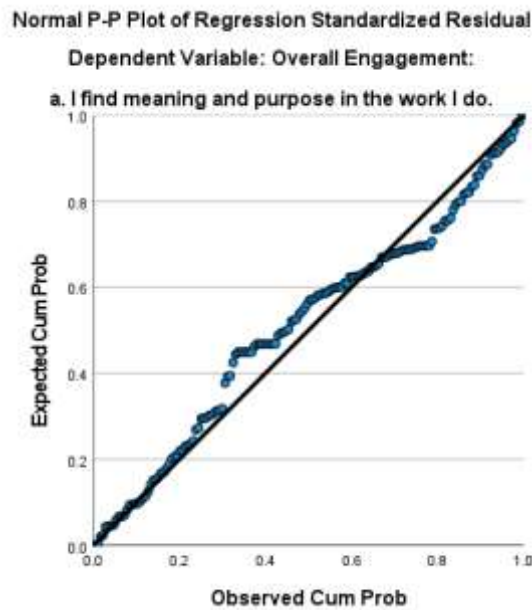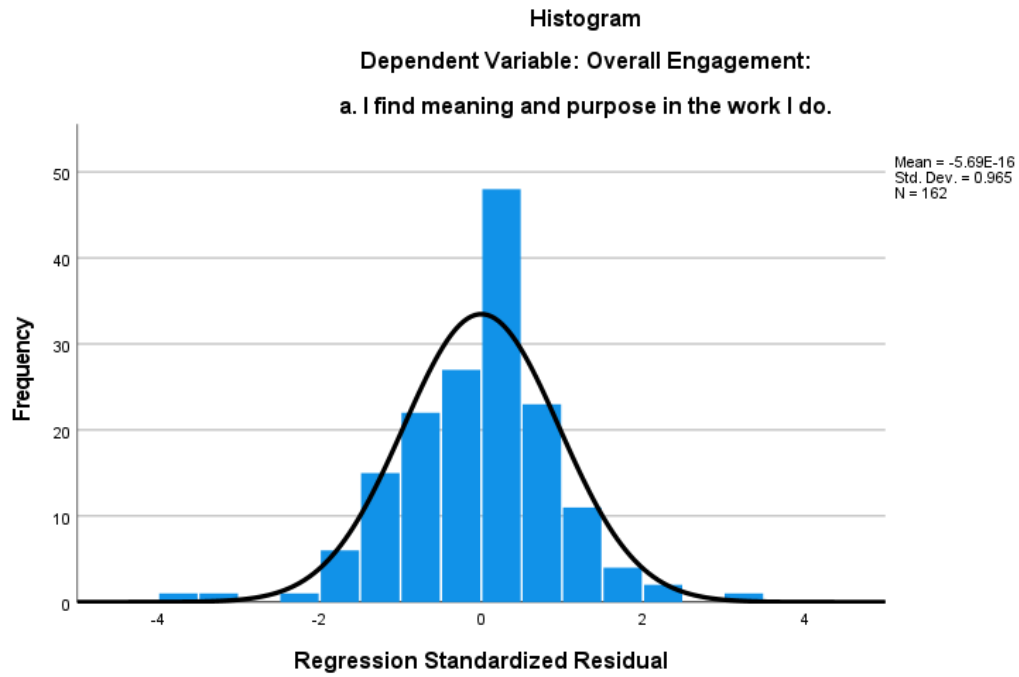 d Collaboratio
  n:a. There is open and effective communication within my team., There is clear a
  nd transparent communication from the organizational leadersh

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	.14	4.07	3.32	.678	162
Residual	-1.914	1.703	.000	.494	162
Std. Predicted Value	-4.696	1.103	.000	1.000	162
Std. Residual	-3.737	3.326	.000	.965	162

a. Dependent Variable: Overall Engagement:
  a. I find meaning and purpose in the work I do

Histogram

Dependent Variable: Overall Engagement:

a. I find meaning and purpose in the work I do.

Mean = -5.69E-16
Std. Dev. = 0.965
N = 162

Regression Standardized Residual

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Overall Engagement:

a. I find meaning and purpose in the work I do.

Observed Cum Prob

CONCLUSION:

In conclusion, research on employee engagement is essential for creating a dynamic and long-lasting workplace, both at the individual and organisational levels. The study objectives that have been identified span a wide range, from organisational culture and technological consequences to human well-being, highlighting the multifaceted character of involvement. Organisations stand to gain from understanding and improving employee engagement in a number of ways.

The primary outcomes associated with high employee engagement include increased output, retention of talent, and recruitment success. Developing adaptability in employees through engagement turns into a strategic advantage as businesses navigate fast change. The study highlights the significance of a thorough approach to human resource management by addressing the crucial relationship between employee happiness, satisfaction, and organisational success.

In the end, engaged individuals weave together a strong organisational culture that emerges as a keystone. Organisations may establish work environments where people are not just motivated and dedicated but also contribute to an atmosphere of creativity, cooperation, and resilience by thoroughly assessing and addressing the demands outlined in this study. This study provides actionable ideas for creating work environments that not only draw top people but also foster the organization's continued success and progress. It acts as an outline for companies looking to maximise their human resources.

REFERENCES:

https://www.researchgate.net/profile/Chandra-Sekhar-Patro/publication/281967834_The_Impact_of_Employee_Engagement_on_Organization's_Productivity/links/55ffe1bd08aec948c4f9c08a/The-Impact-of-Employee-Engagement-on-Organizations-Productivity.pdf

https://sobiad.org/eJOURNALS/journal_IJEF/archieves/IJEF_2018_2/r-muller.pdf

https://everyonesocial.com/blog/impact-of-employee-engagement/

https://engagedly.com/blog/impact-of-employee-engagement-on-productivity/

https://www.irmi.com/articles/expert-commentary/employee-engagement-and-organizational-performance

https://hbr.org/sponsored/2016/04/the-impact-of-employee-engagement-on-performance

https://meetsalmela.com/employee-engagement-organizational-performance/