

A STUDY ON FACTORS INFLUENCING EMPLOYEE ENGAGEMENT AND ITS IMPACT ON ORGANIZATIONAL PERFORMANCE IN SERVICE BASED ORGANIZATIONS

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ABSTRACT

Employee engagement is the important drive in an organization to achieve their premier goal. Engagement is an employees involvement with deep interest in the organizations principles. Engaged employees care about their work and about the performance of the company. The need for this study stems from the pivotal role that employee engagement plays in the success and sustainability of organizations. To study on factors influencing employee engagement and its impact on organizational performance. This research paper suggests the effective ways to improve the productivity by applying the better strategies of Employee engagement. The sample size for this study is determined using KREJCIE AND MORGON TABLE. Employee perception about Employee engagement was carried out among 210 employees of company. Descriptive research was applied. The study has found the employees agree the organizational communication channels, organizational leadership, behaviour and styles of employees, employee well-being and engagement contribute towards effective empowerment of employees. It is found that, employee rewarding strategy should be improved further more for increasing organizational success.

Key Words: Employee Engagement, Employee commitment, Organizational behaviour, Job satisfaction.

INTRODUCTION

The conception of hand engagement in mortal coffers (HR) refers to how enthusiastic and committed an hand is about their work. Workers that are engaged feel that their sweats matter and are concerned about both the company's performance and their job. An engaged worker is motivated by further than just a stipend and may see their own happiness as a direct result of their affair and a vital element of their association's success. Employee engagement can be critical to a company's success. Communication is a critical part of creating and maintaining hand engagement. Engaged workers are more likely to be productive and advanced performing. They also frequently display a lesser commitment to a company's values and pretensions. Employers can encourage hand engagement in numerous ways, including communicating prospects easily, offering prices and elevations for excellent work, keeping workers informed about the company's performance, and furnishing regular feedback. Engaged workers believe that their work is meaningful, believe that they're appreciated and backed by their administrators and that they have been entrusted with the success of their company. Hand engagement has been a considered part of operation proposition since 1990s and came extensively espoused in the 2000s. While it has its detractors, substantially grounded on how delicate it can be to measure, hand engagement has been set up to have direct links to a company's profitability and fiscal health.

REVIEW OF LITERATURE

Abdul Aziez (2022): Employees or human resources are a company's most valuable asset. Employee performance can be summed up as the extent to which employees are able to manage the business to meet objectives in a given time frame. A company's tendency will increase when its employees perform well.

Dr. R. K. Patra (2021): Employees are the brand ambassadors and the key touch points for the customers of any organization. Hence it becomes very important for organizations to understand how the employees feel working for the organization. Employee engagement helps in understanding the expectation of employees and sketches the path for the employers to deliver the expectations of employees.

Sasmita Choudhury, Manoj Kumar Mohanty (2019): In the era of rapidly changing globalization and diminishing value of geographical, political, and social boundaries, people are considered the only performing asset. Organizations have shifted from human resource model of operating to human resource management model, which takes care of each attribute of human value in terms of business performance.

Li Sun & Chanchai Bunchapattanasakda, (2019): Employee engagement is an important issue in management theory and practice. However, there are still major differences in the concept, theory, influencing factors and outcomes of employee engagement, and there is still no authoritative standard.

Blazej Motyka (2018): Scholars and practitioners indicate that low level of employee engagement at work is currently one of the most alarming global economic problems. The potential consequence of this phenomenon is declining work performance. Therefore, it becomes important to understand the concept of work engagement, its meaning for employees, and implications for employers.

Geethalakshmi pm, Lewlyn I.r. Rodrigues (2017): The objective of this research was to add value to the existing literature on engagement with a focus on individual. There are very few research studies applying grounded theory on employee engagement. This research study is an attempt to understand the phenomenon of employee engagement grounded in the experiences shared by the participants.

MEGHA, SWATI(2016): Hand engagement, across the globe came a buzzword for business houses and the conception is also gaining significance as numerous antecedents of hand engagement are honored, which are directly and laterally commensurable to company ' s profitability. Hence, hand engagement has come important source of competitive advantage and surfaced as a new exploration interest for academicians and interpreters.

Catherine Bailey, Adrian Madden, Kerstin Alfes, Luke Fletcher(2015): The claim that high situations of engagement can enhance organizational performance and individual well- being has not preliminarily been tested through a methodical review of the substantiation. To bring consonance to the verbose body of literature on engagement, the authors conducted a methodical conflation of narrative substantiation involving 214 studies concentrated on the meaning, antecedents and issues of engagement.

Sadia Cheema, Asia Akram, Farheen Javed (2015): In this study, there is examined the impact of employee engagement and visionary leadership on customer and employee satisfaction. The data was collected through questionnaire from sample of 22 restaurants and through customer response. The results showed the significant relationship of employee engagement, vision guiding and emotional commitment on customer and employee satisfaction.

Hester Nienaber Nico Martins (2014): Employee engagement is important as it contributes to an organization's competitive advantage and improved performance. Despite heightened attention different conceptualizations, measures and explanations of 'engagement' exist. Research findings in connection with 'engagement' are not unanimous, leaving room for further investigation.

OBJECTIVES OF THE STUDY

- To study the factors influencing employee engagement and its impact on organizational performance in Service Based Organization.
- To know the influence of organizational communication channels and practices on employee engagement levels.
- To analyse the relationship between employee well-being, including physical and mental health, and levels of engagement.
- To find the impact of employee recognition and rewards programs and their effect on key performance indicators.
- To study the influence of leadership behavior towards productivity, teamwork and innovation thereby fostering employee engagement.

NEED OF THE STUDY

The need for this study stems from the pivotal role that employee engagement plays in the success and sustainability of organizations. Engaged employees are not only more committed and motivated to contribute their best efforts to organizational goals but also exhibit higher levels of job satisfaction and loyalty. Employee engagement is the level of employee's commitment and participation towards their organization and its value. The organizational success depends on employee's productivity which is accelerated through employee's commitment towards his organization. The organization attempted to analyze the relevance of engaged employees for the growth and development of organization and its success.

SCOPE OF THE STUDY

The scope of the study on the factors influencing employee engagement and its subsequent impact on organizational performance within organization. This will involve conducting a thorough examination of various dimensions, including leadership styles, organizational communication, recognition practices, employee well-being initiatives. By utilizing a combination of quantitative data analysis techniques and qualitative methods such as surveys, interviews, and focus groups, to identify key drivers of employee engagement and assess their relationship with organizational performance metrics such as productivity, employee retention, and financial performance. It also explore how demographic factors such as age, gender, and job role may influence levels of engagement.

RESEARCH METHODOLOGY

The research design adopted in this study is Descriptive Research. Descriptive research is a search method describing the characteristics of the population or phenomenon studied. The primary data collection techniques used in this study is QUESTIONNAIRE METHOD. In this study, the major questionnaire technique used is Close Ended Questions. The sampling method used in this study is PROBABILITY SAMPLING. Probability sampling is a sampling technique where a researcher selects a few criteria and chooses members of a population randomly. The sampling technique used in this study is Simple Random Sampling. The sample size for this study is determined using KREJCIE AND MORGON TABLE. The sample size for this study is 210, which is derived from the total number of employees in the organization, i.e., population(N) of 460. The collected data has been analyzed by the following statistical tool:

- 1) Mann-Whi-tney U Test
- 2) Kruskal Wallis H Test

DATA ANALYSIS AND INTERPRETATION

MANN-WHITNEY U TEST

MANN-WHITNEY U TEST WITH GENDER AS GROUPING VARIABLE

Hypothesis:

H0: There is no significant difference between the mean rank of male & female with respect to the variables.

H1: There is a significant difference between the mean rank of male & female with respect to the variables.

TABLE SHOWING U TEST SIGNIFICANCE WITH GENDER AS GROUPING VARIABLE

Test Statistics^a

	Organizational Communication Channels and Practices	Employee Well-being and Engagement	Employee Recognition and Reward Programs	Leadership Behaviours and Styles
Mann-Whitney U	4574.000	4893.000	5102.500	5020.000
Wilcoxon W	11955.000	12274.000	12483.500	12401.000
Z	-1.868	-1.133	-.650	-.840
Asymp. Sig. (2-tailed)	.062	.257	.516	.401

a. Grouping Variable: Gender

INTERPRETATION

The Mann – Whitney U test was conducted on the sample data, and it is found that the significance value (P value) for all the variables is more than 0.05 i.e., $P > 0.05$. . There is no statistically significant difference between the mean rank of male & female with respect to the Organizational Communication Channels and Practices, Employee Well-being and Engagement, Employee Recognition and Reward Programs, Leadership Behaviours and Styles.

KRUSKAL WALLIS H TEST

Hypothesis:

H0: There is no significant difference between the mean rank of the employees age with respect to the variables.

H1: There is a significant difference between the mean rank of the employees age with respect to the variables.

TABLE SHOWING H TEST SIGNIFICANCE WITH AGE AS GROUPING VARIABLE

Test Statistics^{a,b}

	Organizational Communication Channels and Practices	Employee Well-being and Engagement	Employee Recognition and Reward Programs	Leadership Behaviours and Styles
Chi-Square	4.181	6.335	11.258	3.061
df	4	4	4	4
Asymp. Sig.	.382	.175	.024	.548

a. Kruskal Wallis Test

b. Grouping Variable: Age

INTERPRETATION

The Kruskal Wallis H test was conducted on the sample data, and it is found that the significance value (P value) for all the variables is more than 0.05 i.e., $P > 0.05$. There is no significant difference between the age of the employees with respect to the Organizational Communication Channels and Practices, Employee Well-being and Engagement, Employee Recognition and Reward Programs, Leadership Behaviours and Styles.

FINDINGS

It is found that 57.6% of the respondents are male. 32.4% of the respondents belong to the age group of 36-45 years. 66.2% of the respondents are Married. 35.7% of the respondents are UG. 32.9% of the respondents have experience of 10-15 years with the company. 55% of the respondents agree that the organizational communication channels contribute towards effective empowerment of employees. 60% of the respondents agree that the organization effectively prioritizes employee well-being and engagement. 52% of the employees does not agree that the organization have effective employee recognition and rewards programs in place. It is found that 57% of the respondents agree that the organizational leadership demonstrates effective behaviour and styles of employees. The Mann – Whitney U test is found that there is no statistically significant difference between the mean rank of male & female with respect to the Organizational Communication Channels and Practices, Employee Well-being and Engagement, Employee Recognition and Reward Programs, Leadership Behaviours and Styles. The Kruskal Wallis H test is found that there is no significant difference between the age of the employees with respect to the Organizational Communication Channels and Practices,

Employee Well-being and Engagement, Employee Recognition and Reward Programs, Leadership Behaviours and Styles.

SUGGESTIONS

Implement more interactive and transparent communication platforms like town hall meetings, regular newsletters, or intranet updates. Establish regular feedback loops to continuously improve communication practices. Introduce or enhance wellness programs, mental health support and flexible working arrangements. Develop a comprehensive recognition program that includes both monetary and non-monetary rewards, peer recognition, and public acknowledgments. Provide leadership training and development programs focused on empathy, communication, and inclusive leadership styles. Regularly assess leadership effectiveness through 360-degree feedback and other evaluation tools. Ensure diversity and inclusion initiatives are robust and address any underlying issues not captured by the quantitative data. Keep track of gender and age group-related feedback through anonymous surveys and focus groups to identify subtle trends and issues. Use pulse surveys, annual employee engagement surveys, and exit interviews to gather comprehensive data. Implement suggestion boxes, regular improvement meetings, and innovation contests to gather and implement employee ideas. Offer diverse training programs, mentorship opportunities, and career development paths tailored to various employee segments. Monitor the impact of these programs through regular assessments and adjust strategies accordingly.

CONCLUSION

In conclusion, the findings of this study score well in the critical importance of employee engagement in driving organizational performance and success. Through a comprehensive analysis of various factors influencing engagement, including leadership styles, communication practices, recognition initiatives, employee well-being programs, and technological advancements, we have gained valuable insights into the dynamics at play within our organization. It is evident that engaged employees are not only more productive and committed to their work but also contribute positively to customer satisfaction, innovation, and overall organizational effectiveness. Furthermore, our research highlights the need for organizations to tailor their engagement strategies to the specific needs and preferences of their workforce, taking into account demographic differences and evolving trends in the workplace. By investing in initiatives that foster a culture of engagement and empowerment, organizations can create environments where employees feel valued, motivated, and inspired to excel. Moving forward, it is imperative for leaders and managers to prioritize employee engagement as a strategic imperative, recognizing it as a key driver of sustainable growth and competitive advantage in today's dynamic business landscape. Through continuous efforts to cultivate a culture of engagement and support employee well-being, organizations can position themselves for long-term success and prosperity.

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