

Examining Influence of Employee Engagement on Job Performance With Special Reference To Select Pvt Schools In Puducherry



Management

KEYWORDS : Employee Engagement, Job Performance, Correlation, Regression.

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ABSTRACT

Employee engagement is the feeling beyond commitment an employee has towards the organization in other words involvement an employee has towards their organization and its values. This study intends to find whether to ensure that the organization meets its commitment to cultivate a work environment in which people and performance flourish, to track key aspects of employee perceptions that impact key business measures, to determine how well employees understand and support the mission and strategies of the company. In order to find the relationship and significance of the variables the researcher uses correlation and regression for analyzing the data. The data was evaluated using SPSS tool data was analyzed to check for its correlation and regression. When taking relationship between employee engagement and job performance into consideration. It is found that employee engagement is positively correlated with job performance (0.653) and employee engagement influences 61% job performance of the employees in an organization.

INTRODUCTION

Employee engagement is a workplace emotional approach that an employee has to the organization's goals and values. It is not the same as employee satisfaction, though. The latter only depicts the level of content that employees have, but not the amount of motivation, personal involvement or emotional commitment they show on the job. For some workers collecting a pay-check is enough to make them happy at work. Others need to feel engaged, involved, or enthusiastic about their job, or valued at the workplace to be happy.

Experts say that employee engagement is not a simple or straightforward concept, since definitions vary in the weight they give to the individual and to the organization in creating engagement. Statistics say that on average employees use only around 55% of their skills and 75% of workers admit that they quit their bosses rather than their jobs. Those numbers clearly show the relationship between the employee engagement and the company (manager's) engagement. It means that organizations have to work really hard to engage their employees accordingly, who in return are able and eager to contribute to the company.

Engaged employees are said to be more creative, willing to undertake new challenges, more active and they achieve higher performance scores. Engaged companies, on the other hand, are viewed as more successful and profitable. They tend to be perceived as better places to work in, because their engaged workers care about both their work and the company. Apart from offering good salaries, engaged organizations provide their employees a good chance of self-development and personal involvement in the company's actions. Employee engagement constitutes a vital part of employee retention policy and it still remains an important tool for business success.

Employee engagement is the thus the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.' Thus Employee engagement is a barometer that determines the association of a person with the organization. Engagement is most closely associated with the existing construction of job involvement (Brown 1996) and flow (Csikszentmihalyi, 1990). Job involvement is defined as 'the degree to which the job situation is central to the person and his or her identity (Lawler & Hall, 1970). Kanungo (1982) main-

tained that job involvement is a 'Cognitive or belief state of Psychological identification. Job involvement is thought to depend on both need saliency and the potential of a job to satisfy these needs. Thus job involvement results form a cognitive judgment about the needs satisfying abilities of the job. Jobs in this view are tied to one's self image.

Engagement differs from job in as it is concerned more with how the individual employees his/her self during the performance of his / her job. Furthermore engagement entails the active use of emotions. Finally engagement may be thought of as an antecedent to job involvement in that individuals who experience deep engagement in their roles should come to identify with their jobs. Employees are your biggest investment and should bring the greatest reward. Yet even today, in too many organizations, employees are viewed as an asset to be managed rather than as individuals who can create the next innovation for success. Long-term engagement starts with good communication between employer and employees as well as among co-workers, fostering a positive working environment. Engagement is a positive emotional connection to an employee's work, Engagement is affective, normative, and continuance commitment, Engaged employees are inspired to go above and beyond the call of duty to help meet business goals

1.1 Evolution of Employee Engagement

Most references relate employee engagement to survey houses and consultancies. It is less taken as an academic construct. The concept is relatively new for HRM and appeared in the literatures for nearly two decades (Rafferty, Maben, West and Robinson, 2005; Melcrum Publishing, 2005; Ellis and Sorensen, 2007). The construct, employee engagement emanates from two concepts that have won academic recognition and have been the subjects of empirical research-Commitment and Organizational Citizen Behaviour (OCB) (Robinson, Perryman and Hayday, 2004; Rafferty et al., 2005). Employee engagement has similarities to and overlaps with the above two concepts. Robinson et al. (2004) state that neither commitment nor OCB reflect sufficiently two aspects of engagement-its two-way nature, and the extent to which engaged employees are expected to have an element of business awareness, even though it appears that engagement overlaps with the two concepts. Rafferty et al (2005) also distinguish employee engagement and the two prior concepts-Commitment and OCB; on the ground that engagement clearly demonstrates that it is a two-way mutual process between the employee and the organization.

1.2 Why should companies invest in employee engagement?

The answer is because employee engagement is interwoven significantly with important business outcomes. In this part we will see how employee engagement impacts organizational performance in the light of various research works done. Studies have found positive relationship between employee engagement and organizational performance

Outcomes: Employee retention, productivity, profitability, customer loyalty and safety. Researches also indicate that the more engaged employees are, the more likely their employer is to exceed the industry average in its revenue growth. Employee engagement is found to be higher in double-digit growth companies. Research also indicates that engagement is positively related to customer satisfaction (Coffman, 2000; Ellis and Sorensen, 2007; Towers Perrin Talent Report, 2003; Hewitt Associates, 2004; Heintzman and Marson, 2005; Coffman and Gonzalez-Molina, 2002).

Engaged employee consistently demonstrates three general behaviours which improve organizational performance:

- Say-the employee advocates for the organization to co-workers, and refers potential employees and customers
- Stay-the employee has an intense desire to be a member of the organization despite opportunities to work elsewhere
- Strive-the employee exerts extra time, effort and initiative to contribute to the success of the business(Baumruk and Gorman, 2006)

1.3 What will happen to an organization if its employees are disengaged?

Employees who are not engaged are likely to be spinning (wasting their effort and talent on tasks that may not matter much), settling (certainly do not show full commitment, not dissatisfied enough to make a break) and splitting (they are not sticking around for things to change in their organization), have far more misgivings about their organization in terms of performance measures such as customer satisfaction (Blessing White, 2006; Perrin Report, 2003). Meere (2005) based on the survey conducted by ISR on 360000 employees from 41 companies in the world's 10 economically strong countries finds that both operating margin and net profit margins reduced over a three year period in companies with low engagement, while these measures increased over the specified period in companies with high levels of engagement.

OBJECTIVES

Employee Engagement research serves as a feedback tool for management, providing baseline and on-going measures of employee perceptions. The major objectives focused on this study would be,

- To ensure that the organization meets its commitment to cultivate a work environment in which people and performance flourish.
- To track key aspects of employee perceptions that impact key business measures.
- To determine how well employees understand and support the mission and strategies of the company.

METHODOLOGY

How does an engaged workforce generate valuable business results for an organization?

The process starts with employer practices such as job and task design, recruitment, selection, training, compensation, performance management and career development. Such practices affect employee's levels of engagement as well as job performance. Performance and engagement then interact to produce business results.



FIGURE I. Function Module

Employee engagement in this study involves 3 major key attributes which contributes to job performance they are Autonomy, Job Satisfaction and thereby Recognition.

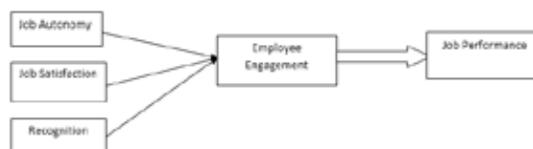


FIGURE II-Conceptual model for indicating Employee Engagement.

3.1 Autonomy

Forty-seven percent of employees indicated that autonomy and independence were very important contributors to job satisfaction. Even though management may establish goals and objectives for the organization, giving employees the freedom and flexibility to decide how and when they complete projects may improve employee satisfaction and engagement. Holding employees accountable for their work outcomes motivates them to produce better results. Although previous research has shown that autonomy has small direct relationships with performance (Fried & Ferris, 1987; Liden, Wayne, & Sparrowe, 2000). Autonomy presents incumbents the opportunity to perform more tasks. Thus, employees with job autonomy, higher levels of cognitive ability, and higher levels of job-related skill will broaden their roles, leading to higher ratings of individual job performance. Job autonomy was measured with three items adapted from Hackman and Oldham (1980); "I have significant autonomy in determining how I do my job"; "I can decide on my own how to go about doing my work"; "I have considerable opportunity for independence and freedom in how I do my job"). Incumbents rated these items on a 5-point scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Job Satisfaction

Although HR professionals typically rated job satisfaction items higher in terms of importance, the aspects that employees rated higher in importance were predominantly compensation aspects. The results of this survey are quite clear on what is driving employees' job satisfaction at the moment. Compensation/pay is typically a top priority, as it was in 2013, but many workers are also motivated and inspired by the relationships they have with colleagues and supervisors, and the ability to use their skills in their jobs. Yet even during a climate of economic expansion and low frequency of the large-scale layoffs that characterized the Great Recession, workers remain very worried about job security: 56% had some level of concern about the safety of their job, according to this survey. Consequently, many workers value job security highly as it relates to job satisfaction (59% overall). Employees' concerns and struggles with job satisfaction are, in fact, being

recognized, according to other SHRM research. Nearly all of HR professionals (99%) said their employees had some level of frustration with getting things accomplished at their organization, according to a May 2013 SHRM survey in collaboration with Globoforce.²² The answer to allaying those concerns may lie with renewed efforts on employee engagement.

3.3 Recognition

Rewards and recognition with reference to Kahn (1990) reported that people vary in their engagement as a function of their perceptions of the benefits they receive from a role. Furthermore, a sense of return on investments can come from external rewards and recognition in addition to meaningful work. Therefore, one might expect that employee’s will be more likely to engage themselves at work to the extent that they perceive a greater amount of rewards and recognition for their role performances. Maslach et al.(2001) have also suggested that while a lack of rewards and recognition can lead to burnout, appropriate recognition and reward is important for engagement. In terms of SET, when employees receive rewards and recognition from their organization, they will feel obliged to respond with higher levels of engagement.

Both qualitative anecdotes and quantitative research indicate that organizations realize positive outcomes from employee engagement. For example, a best-practice organization is of “Rewarding, Engaging, and Retaining Key Talent” study found that high levels of employee engagement have been correlated with high levels of quality, productivity and attendance. Another has correlated higher levels of employee engagement with higher levels of new product innovation. And a third has observed some very positive business outcomes, in large part because of its focus on employee engagement over the past four years, including a reduction in team member turnover of 19 percent, a reduction in workers’ compensation claims of 27 percent, an increase in net revenue of 22 percent, and an increase in earnings before interest, taxes, depreciation and amortization of 43 percent. Quantitative research reinforces the relationship among customers, employees and the bottom line. For example, the classic 1994 Harvard Business Review article “Putting the Service Profit Chain to Work” establishes relationships among profitability, customer loyalty, employee satisfaction and productivity. A 2003 article from Journal of Applied Psychology—“Which Comes First: Employee Attitudes or Organizational Financial and Market Performance?”—found consistent and significant positive relationships over time between overall job satisfaction and financial and market performance (as well as reciprocal relationships).

In this study questionnaire was given to 20 Educational Institutions and data was collected after a period of time. The questionnaire sought to determine whether there was a significant relationship between employee engagement with its key attributes Autonomy (A), Job Satisfaction (JS) and Recognition(R) and its impact on Job Performance (P). In order to find the relationship and significance of the variables the researcher uses correlation and regression for analyzing the data. The data was evaluated using SPSS tool data was analyzed to check for its correlation and regression.

RESULTS AND DISCUSSIONS

Engagement is not “one size fits all.” Drivers of engagement may differ across employee groups in other words, what is important to one group of employees may be unimportant to others. And these differences do not necessarily follow demographics such as gender or age, so subgroups of employees should be identified with business and strategic objectives in mind. For example, an employer may benefit from understanding the specific drivers for high-potentials, or how drivers for a job with chronically high turnover or high productivity differ from the rest of the organization.

TABLE I – Relationship between employee engagement and job performance

Correlations			
		EE	JP
EE	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	46	
JP	Pearson Correlation	.653	1
	Sig. (2-tailed)	.001	
	N	46	46

The above table shows relationship between employee engagement and job performance. It is found that employee engagement is positively correlated with job performance (0.653).We infer from the table, when the employee engagement activity is enhanced by the organisation it shows good outcomes in job performance.

TABLE II – The Impact of Employee Engagement on Job Performance

Model Summary				
Model	R	R Square	Adjusted Square	Std. Error of the Estimate
1	.763 ^a	.680	.610	10.62013

a. Predictors: (Constant), JP

The above table shows the Impact of Employee Engagement on Job Performance and it is found that employee engagement is influenced by job performance by 61% of the employees in an organization.

Many organizations focus on the implementation of engagement strategies without evaluating their effectiveness. Having an engagement strategy as the key; however, you must also determine whether it is making a difference. An organization’s values often determine what is critical to measure. Focus on a few facets of engagement to build a strategy. Certain facets of engagement may not fit with your organization, market or industry, so carefully define the scope of your efforts. Use restraint when identifying key drivers of engagement and rational strategies for moving the needle. Do not consider engaging employees an “initiative”. Engaging employees is a business function that should become part of the culture, as integral to business as sales or accounting. Organizations that treat it as just an initiative often fail to reap the rewards of engagement efforts.

When considered under theoretical point, it is inferred that the psychological well-being and positive job and work attitudes, although related, are distinctive constructs and show different relationships with productivity. Evidence from other areas of study suggests a high correlation between self-report measures of performance and other objective measures (Hurst et al., 1996); nevertheless, it will be important to conduct longitudinal studies with independent measures of the outcome variables, such as performance or productivity, before the findings of the current study can be confirmed as reliable. Other possible limitations of the current study concern the use of a single item to measure productivity and a relatively small number of items to measure positive job and work attitudes. Given the large sample size and the reliability of the positive job and work attitudes scale the authors feel that these limitations are unlikely to have had a significant impact on the validity of the findings. The role of psychological well-being in causing, rather than simply predicting variance in productivity is also worthy of further exploration. Individuals whose psychological well-being is higher appear to behave differently and display better psychological resources – they are more optimistic, more resilient in the face of setbacks and have a stronger belief in their own ability to cope with things (Avey et al., 2010). Indeed there is a substantial amount of research evidence showing that higher levels of psychological well-being are associated with a range of positive life

and career outcomes – and behavioral differences (Lyubomirsky et al., 2005). It seems quite plausible that these kind of behavioral differences are part of the causal mechanism that links improvements in well-being with improvements in individual performance and hence organizational effectiveness. Research focused specifically on the causal mechanisms that link employee psychological well-being with beneficial organizational outcomes such as performance would be also useful. As research reviewed earlier (e.g. Harter et al., 2003) reveals, good levels of positive psychological well-being in a workforce have not only been linked to employee performance but to a much wider range of organizational outcomes such as customer satisfaction and employee turnover. Understanding the causal processes that link psychological well-being with these outcomes (e.g. evaluating the extent to which the more positive behavior of employees with high levels of well-being is the primary causal factor) will provide important additional information of practical and theoretical interest.

CONCLUSION

Employee engagement is a vast construct that touches almost all parts of human resource management. Employee engagement is stronger predictor of positive organizational Performance clearly showing the two-way relationship between employer and employee compared to the three earlier constructs: job satisfaction, employee commitment and organizational citizenship behavior. Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer, going extra mile beyond the employment contractual agreement. This study intends to ensure that the organization meets its commitment to cultivate a work environment in which people and performance flourish, to track key aspects of employee perceptions that impact key business measures and to determine how well employees understand and support the mission and strategies of the company. The results show employee engagement activities when carried out in an effective manner will reflect in a considerable increase in the job performance of employees in an organization and it is also found that that employee engagement is influenced by job performance by 61%. Research on engagement is still on its infancy, attempting to come up with more clear-cut and acceptable definition.

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