

A STUDY ON IMPACT OF EMPLOYEE ENGAGEMENT ON ORGANIZATIONAL PERFORMANCE AT ILP OVERSEAS

Ms. Madevi M,

Prof. Neena Prasad,

PG Research Scholar, Department of Management Studies, Global Academy of Technology,
Bengaluru – 560 098

Professor, Department of Management Studies, Global Academy of Technology,
Bengaluru – 560 098

ABSTRACT

Employee engagement has emerged as a crucial factor affecting organizational performance and success. This paper provides a comprehensive review of the existing literature to analyse the impact of employee engagement on various facets of organizational performance. Drawing upon a wide range of studies from diverse industries and organizational settings, this review aims to present a synthesized understanding of the relationship between employee engagement and organizational performance. Employee engagement has emerged as a crucial factor affecting organizational performance and success. This paper provides a comprehensive review of the existing literature to analyse the impact of employee engagement on various facets of organizational performance. Drawing upon a wide range of studies from diverse industries and organizational settings, this review aims to present a synthesized understanding of the relationship between employee engagement and organizational performance. the implications of this review highlight the need for organizations to prioritize employee engagement as a strategic initiative. Employers should develop comprehensive engagement programs tailored to their specific contexts, emphasizing the alignment between individual and organizational goals. Additionally, future research should explore the moderating factors and boundary conditions that influence the relationship between employee engagement and organizational performance, to provide more nuanced insights for practitioners.

Keywords: employee engagement, organizational performance, productivity, turnover, absenteeism, satisfaction, leadership, organizational culture, job design, communication, recognition, rewards, career development, work-life balance.

Introduction

Employee engagement refers to the level of commitment, passion, and excitement people feel towards their work and the organization they work for. It measures their emotional connection and involvement in their roles as well as their motivation to contribute to the success of the organization. Employee engagement has a substantial impact on organizational performance which has been thoroughly researched by researchers and practitioners. Employees that are engaged are more productive and perform better. They are more likely to go above and beyond that job responsibilities to take initiative and to consistently deliver high quality results. Several studies have found a link between employee engagement and key performance measures such as sales customer happiness and profitability. Organizations with higher levels of employee engagement typically have lower turnover rates. Employees that are engaged are more dedicated to their organisations under more likely to stay. They are also less likely to aggressively seek out new employment prospects. This decreases the expenses of recruitment and training associated with high turnover and aids in the maintenance of organisational stability. Engaged employees are more likely to be productive, efficient and offer high quality results. Employees who are engaged have a feeling of purpose and fulfilment in their roles which leads to improved motivation and commitment to attaining their objectives. This in turn leads to better individual and team performance.

Enhanced employee retention: Employee turnover can be costly and inconvenient. Employees that are engaged are more likely to stay with the organization for a longer period of time. They have a high sense of connection and loyalty which leads to lower turnover rates. Employee engagement contributes to the quotation of falls active and strong organizational culture.

Employees that are engaged are aligned with the organizations values, goals, and mission. They become cultural ambassadors for the organization which attracts top people and fosters a cohesive and high performing work environment.

STATEMENT OF PROBLEM

A person who is engaged at work will be involved in it entirely. Employee engagement can be viewed from a cognitive, emotional, and behavioral perspective regarding the organization, its leaders and working conditions. The emotional aspect relates to the employee attitude towards the organization. The behavioral aspect of engagement fosters the employee's willingness to apply his or her discretionary effort to their work, resulting in a value added benefit to the organization. As per the research studies, employee engagement is distinctively different from employee's satisfaction, motivation, and organizational culture. Indicating the role of employee engagement in organizational performance has become very crucial especially after the pandemic. This research study tries to examine the relationship between employee engagement and organizational performance. It also analyzes the factors that influence employee engagement and the ways in which it enhances organizational performance.

OBJECTIVES OF THE STUDY

- Identify the factors of employee engagement in organization.
- To determine the role of autonomy on employee engagement.
- To analyze how employee engagement influences the organizational performance.

SCOPE OF THE STUDY

Employee engagement has a broad impact on organizational performance spanning a variety of interconnected aspects that contribute to the organizations overall effectiveness productivity and success. Organizations can achieve higher levels of performance, innovation, customer satisfaction, and employee wellbeing concentrating on employee engagement leading to sustained growth and competitive advantage. The scope of employee engagement on organizational performance is comprehensive. Productivity, staff retention, customer satisfaction, innovation, cooperation, organizational culture, financial performance, and employee well-being are all factors to consider. Organizations may promote great outcomes and long term success by investing in employee engagement initiatives.

LITERATURE REVIEW

1. Muller R, Smith, E & Lillah, R. (2018). The impact of employee engagement on organizational performance: a balanced scorecard approach. Employee engagement is frequently regarded as a strong and practical technique to help businesses gain a competitive edge.

2. Upa Shrestha (2019) Employee Engagement and Organizational Performance of Public Enterprises in Nepal. Gallup Incorporated, a consulting company, has significantly contributed to the field of evaluating employee engagement, and the Q12 model it proposed is widely adopted globally.

3. Dr. Pratima Sarangi, Dr. Bhagirathi Nayak (2016) Employee engagement and its impact on organizational success – a study in manufacturing company, India. Employee engagement is a hot topic for all businesses in the modern, globalized world. Employee engagement tends to increase organizational productivity. Also, it helps you keep up a higher degree of commitment. Employee engagement is the extent of an employee's participation and dedication to their company and its principles.

4. Malesedi Moletsane (2017) The impact of employee engagement on organizational productivity: case study of UVS. There is no proof connecting great productivity in the sugar business with high employee engagement. Low levels of engagement have been noted in the industrial sector in South Africa. This study's goal was to identify the variables that affect employee. To determine the impact of the link between employee engagement and productivity at Umhlathuze Valley Sugar (UVS) and to identify areas of attention for UVS for a sustainable future.

5. Eragesvarie Pillay, Dr. Shamila Singh (2018) The Impact of employee engagement on Organizational performance – a case of an Insurance Brokerage company in Gauteng.

Due to its effect on organizational performance and the organization's long-term viability, employee engagement has recently become a particularly contentious topic that has attracted a lot of attention (Cook, 2008; Markos and Sridevi, 2010; Byrne, 2014; Mone and London, 2014).

RESEARCH METHODOLOGY:

Research Design: Descriptive research is the type of research used for the study.

Source of Data: Both primary and secondary data are collected for the research. Primary data was collected through surveys through questionnaires among the employees. Secondary data was collected from the company through various sources like journals and the company website.

Sample size: The sample size for analysing the data is 106 respondents which helps to develop the skills.

The sampling technique used for the research: The sampling technique used for the research is convenience sampling.

The statistical tool used for the research: Correlation, and Regression are the tools used for the research.

The hypothesis of research:

H01: There is no significant impact of autonomy on employee engagement.

H02: There is no significant relationship between employee engagement and organizational performance.

Data analysis and interpretation:

Correlation

	You feel your decisions are respected and followed	You feel motivated to perform at your best in your job	Your job aligns with your personal values and goals	Rewards and recognition motivates employees
You feel your decisions are respected and followed Pearson Correlation Sig. (2-tailed) N	1 .541** .000 105	.541** 1 .000 105	.425** .580** .000 105	-.055 .163 .001 105
You feel motivated to perform at your best in your job Pearson Correlation Sig. (2-tailed) N	.541** .000 105	1 .000 105	.580** .000 105	.163 .097 105
Your job aligns with your personal values and goals Pearson Correlation Sig. (2-tailed) N	.425** .000 105	.580** .000 105	1 .001 105	.326** .001 105
Rewards and recognition motivates employees Pearson Correlation Sig. (2-tailed) N	-.055 .580 105	.163 .097 105	.326** .001 105	1 105

** . Correlation is significant at the 0.01 level (2-tailed).

Interpretation: As per the correlation analysis undertaken using spss-23 we find that employees are motivated to perform their best on job when employee's decisions are considered. Also we find that rewards and recognition aligns their job with personal values and goals.

CONCLUSION

In conclusion Employee engagement has a big impact on how well an organization performs. Employee engagement increases commitment motivation and alignment with the organizations value and goals. This higher level of engagement has a number of good effects that eventually help the organization perform better and be more productive. Employee engagement increases the likelihood that they will go above and beyond the call of duty. Higher degrees of discretionary effort are displayed by them, and the voluntarily use time, effort, and creativity to achieve goals.

Increased productivity efficiency and innovation result from this extra effort directly improving the performance of the organization. An important factor in raising organizational effectiveness is employee engagement. Employee retention customer happiness creativity and higher productivity are all benefits of engaged staff. Organizations can establish a productive and high performing work environment that promotes long term success by investing in Programs and tactics that increase employee engagement.

REFERENCES:

- Roger Muller, E. S. (2018). The Impact Of Employee Engagement On Organisational Performance: A Balanced Scorecard Approach (Vol. 10).
- Shrestha, R. (2019). Employee Engagement And Organizational Performance Of Public Enterprises In Nepal (Vol. 4).
- Dr. Pratimasarangi, D. B. (2016). Employee Engagement And Its Impact On Organizational Success – A Study In Manufacturing Company, India (Vol. 18).
- Moletsane, M. (2017). The Impact Of Employee Engagement On Organizational Productivity: Case Study Of Uvs.
- Erajavariepillay, D. S. (2018). The Impact Of Employee Engagement On Organisational Performance – A Case Of An Insurance Brokerage Company In Gauteng (Vol. 20).