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ISSN (Online) : 2455 - 3662
SJIF Impact Factor :3.967

EPRA International Journal of
**Multidisciplinary
Research**

Monthly Peer Reviewed & Indexed
International Online Journal

Volume: 3 Issue: 6 June 2017

 **Published By :**
EPRA Journals

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A STUDY ON IMPACT OF EMPLOYEE ENGAGEMENT ON EMPLOYEE PERFORMANCE

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ABSTRACT

This paper describes the factors influencing employee engagement and their impacts are how the way it affect the employee performance in an organization. Employee engagement creates several impact on employee performance. The employee performance is directly and indirectly affect the individual and organizational growth and development. This study explains the factors contributing the employee engagement and the positive impact for an organization. In an organization the emerging human resource problem is employee engagement. This study was conducted in particular organization and the research design is used for this study is descriptive in nature .Primary data is collected in this study. The primary data collected through questionnaire among the employees. The tools were used for analyzing and evaluating the impact of employee engagement on employee performance.

KEY WORDS: *employee engagement, employee performance, productivity, turnover*

INTRODUCTION

Employee engagement provide more benefit to the organization, which is improve productivity, less turnover, supportive of the organization goals and values and also improve the employee performance. Engaged employees more attached to the organization. So the engaged employees improve their performance and the overall organization performance.

Employee engagement plays a major role, which is most significant in an organization. This study is carried out the BSNL office. Most of the organization facing problem in disengaged employees. It reduce the performance level of the employees. The impact of disengaged employees it indirectly affect the productivity, growth and development. This study is based on the impact of

engagement and how to improve the performance of employees.

REVIEW OF LITERATURE

Kahn. W.A(1990) defined employee engagement is the harnessing of organization members selves to their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performance.

Employee engagement has been shown to impact on business performance. Research by Gallup has found low to moderate correlations between employee engagement and a range of outcome measures are customer satisfaction, profit, productivity, turnover and safety (Harter et al, 2002). Since then, there has been a growing body of research on the links between employee engagement and key business metrics. This relationship is most noticeable when comparing units within one

organization; however it can be reliably generalized across companies and industries (Harter et al., 2009). Indeed, business units and organizations are almost twice as likely to be successful if they are above average in employee engagement (Harter et al., 2009).

Wellins and Concelman (2005) defined employee engagement as the amalgamation of commitment, loyalty, productivity and ownership.

Arnold B. Bakker and Evangelia Demerouti (2008) describes Work engagement as a state including vigor, dedication, and absorption. Job and personal resources are the main predictors of engagement; these resources gain their salience in the context of high job demands. Engaged workers are more creative, more productive, and more willing to go the extra mile.

Raida Abu Baker (2013) examines the factors that influence and shape employee engagement in the context of the financial sector in Malaysia. This is not studying multilevel factors at three levels, the individual, organizational and societal levels and it focuses on three increasingly prominent concepts: empowering leaders' behavior, high performance, work practices and the possible role of religiosity.

Preethi Takur (2014) defined the Effect of Employee Engagement on Job Satisfaction in Information Technology Sector. Primary as well as secondary data has been used to carry out the research. This study has been carried out on officers as well as the clerks of IT sector. The findings came out and this is identified that among the former work motivation could be improved through increasing job authority and accountability. At the clerical level,

rewards and sanctions are significantly associated with job involvement.

From the above definitions employee engagement is creating the impact of employee performance in different ways. I also analyze the impact of employee performance in a positive manner.

EMPLOYEE ENGAGEMENT

Employee engagement is the extent to which employees think, feel, and act in ways that represent high levels of commitment to their organization. Engaged employees are motivated to contribute 100% of their knowledge, skills and abilities to help their organization succeed. They involve deeply in to their company, it contribute to the success of the organization and achieve the organizational values and goals in a perfect manner.

ASPECTS OF EMPLOYEE ENGAGEMENT

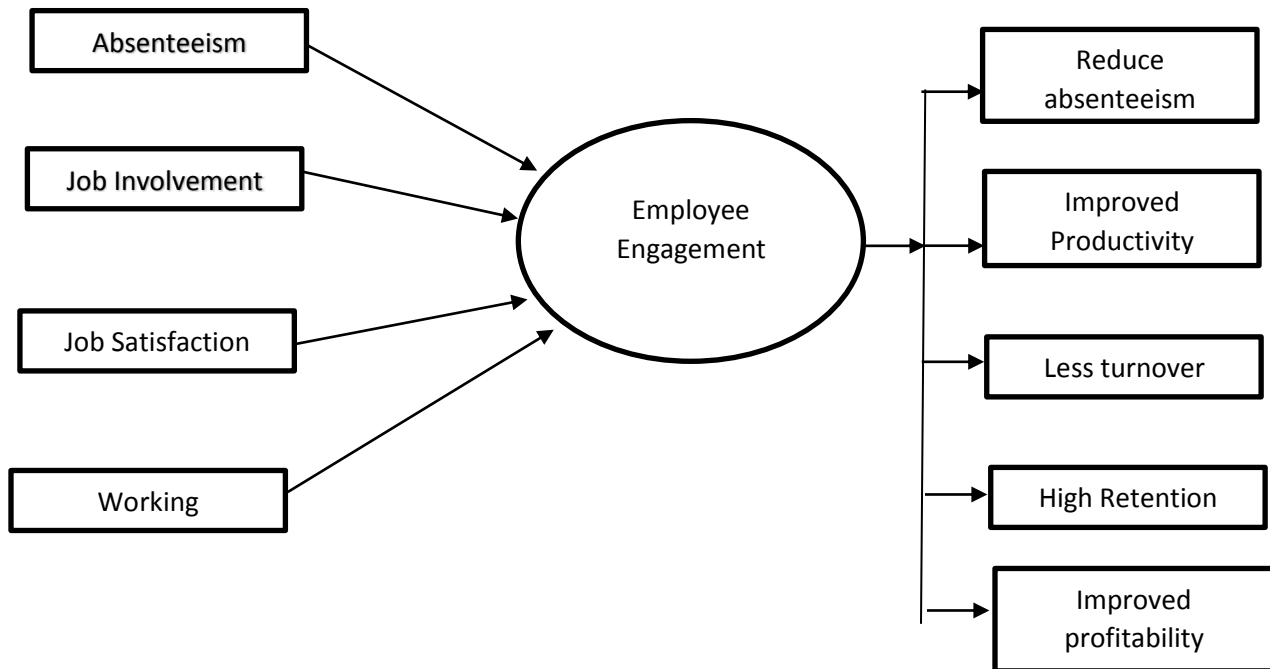
Three basic aspects of employee engagement are;

- The employees and their own unique psychological make up and experience.
- The employers and their ability to create the conditions that promote employee engagement.
- Interaction between employees at all levels.

IMPORTANCE OF ENGAGEMENT

Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute the success. Engagement motivate the better performance and also it ensure the profitability of the organization. Employee engagement builds passion, commitment and alignment with the organization strategies and goals and it increase employees trust in the organization.

Figure. 1 **EMPLOYEE ENGAGEMENT MODEL**



From figure 1, it had been inferred that basically four factors determine the employee engagement. They are Absenteeism, Job Involvement, Job Satisfaction and Working conditions. Thus the four factors influencing employee engagement and also it create the impact of individual and organizational performance. The outcome of the employee engagement is measured by the performance related factors such as reduce absenteeism, less turnover, High retention, improve productivity and improve profitability. The performance factor can be measured by the organization's productivity, profitability and individual performance.

OBJECTIVE OF THE STUDY

- To study the factors influencing employee engagement on employee performance
- To find out the impact of performance for an employee in an organization
- To study the effectiveness of employee engagement at BSNL

RESEARCH METHODOLOGY

The study covers the employees of BSNL office in Kaaraikudi, Tamil nadu, India. This study purely based on primary data. It is collected through structured questionnaire. The total population is 100 employees and the population survey is used for collecting data.

RESEARCH DESIGN

Research design is a plan to answer whom, where, and how the subject under investigation conceived so as to obtain answers to research questions. The type of research design is involved in this study is descriptive research studies.

Descriptive research is carried out with objective and the research problem is analyzed by the way of collecting data through questionnaire.

The scaling technique of the questionnaire is Likert five point scale. It is rated by the respondents on a 5- point Likert scale of "1=Strongly Agree" to "5=Strongly Disagree".

SAMPLING TECHNIQUE

In this study 100 samples are taken. Population survey method is used for collecting data. Both open ended and closed ended questions were used in the questionnaire. The information gathered is analyzed and test the association between two attributes by using chi-square test.

LIMITATION OF THE STUDY

The major limitations of the study are as follows;

- Finding of the study was based upon limited respondents.
- Some respondents were not willing to share their views and did not give any proper information.

HYPOTHESIS TESTING

The Hypothesis statements are given below

- Work Experience has association with Learning Opportunity.
- Gender has association with Work Environment Safety.
- Work Experience has association with Salary satisfaction.
- Marital Status has association with Salary satisfaction.
- Gender has association with Working hours satisfaction.

DATA ANALYSIS AND INTERPRETATION

The study explore with data analysis using the tool factor analysis. The factor analysis reduce the dimension of factors where variables are grouped for rotated component matrix. The matrix is given below. Then the chi square test is used to find out the association between those variables for which the cross tabulation is mentioned below.

FACTOR ANALYSIS

Rotated Component Matrix

	Component									
	1	2	3	4	5	6	7	8	9	10
Clear.about.job	.887	-.015	.038	-.040	.048	.133	.057	-.041	.124	.065
Absenteeism.Policy	.796	-.036	.150	.205	.041	.007	-.027	.056	.141	.217
Work.Satisfaction	.782	.077	.003	-.072	.010	.144	.016	-.012	.006	-.199
Work.Environment	.450	-.046	.021	-.330	.312	.016	-.099	.209	.261	-.438
Work.Qualification.Skills	-.053	.813	.006	-.026	.077	.243	.066	.107	.154	.042
Statisfaction.with.top.Mgmt	.003	.791	.071	.147	-.014	-.108	-.013	.045	.126	-.066
Supervisors.Response	.087	.622	-.090	-.004	.118	.032	-.101	.062	-.198	.235
Working.Hours.Satisfaction	-.011	.599	.290	.275	.154	.037	.065	-.114	-.158	-.049
Experience.Sharing	.059	-.017	.806	.146	-.135	-.051	.022	.031	.074	.106
Appreciation.are.achieved	.049	.012	.772	.065	.034	.221	.145	.018	-.121	-.046
Counselling.Programs	.142	.266	.612	.013	.260	-.053	-.257	.020	.096	-.153
Culture.is.positive	-.034	.122	.096	.811	.102	.005	.144	.191	.135	.021
Good.Communication.to.employe es	.030	.192	.075	.699	.107	.144	-.127	-.166	.127	-.219
Pride.in.my.work	-.060	-.232	.150	.416	.318	.095	.101	.310	.361	.242
Career.Discussions	.137	.245	-.068	-.030	.769	-.008	.154	-.045	-.041	-.095
Safe.Work.Environment	.075	.020	.136	.347	.693	.080	.030	-.125	-.193	-.011
Welfare.Facilities.Satisfaction	.105	.073	.336	-.009	.008	.755	-.091	-.098	.009	.135
Recognize.your.work	.299	.015	-.029	.299	.116	.711	.045	.186	-.156	-.046
Salary.Satisfaction	.110	.075	-.219	.009	-.025	.699	.128	.460	.105	-.104
Career.Prospect	-.134	.081	.426	-.226	.355	.456	.103	-.217	-.006	-.010
Training	-.025	-.010	.285	.096	-.116	.067	.817	.070	-.158	-.006
Tools.and.Resources	.082	-.024	-.114	-.070	.193	-.030	.796	-.030	.049	.066
Learning.Opportunity	-.076	.099	-.135	.067	.508	.049	.572	.068	.340	-.038
Overall.Satisfaction	.150	-.044	-.064	.071	.019	.183	.061	.784	-.023	-.169
Breaks.on.job.Duty	-.153	.203	.120	-.020	-.114	-.048	-.034	.665	-.078	.198
Opportunity	.161	-.030	-.025	.094	-.101	-.011	.046	-.104	.803	-.053
Provide.Input	.277	.153	.045	.431	-.034	-.069	-.158	.034	.564	.006
Reason.for.Leave	.096	.105	-.057	-.207	-.110	-.040	.083	-.040	-.013	.791
Honest.Feedback	-.116	-.009	.122	.182	.464	.218	-.135	.182	.018	.519

The factor analysis is used to reduce the dimensions. The above analysis is made with 32 variables which is compressed as 10 factors namely “**Job involvement, working culture, Safety, Career development, Job satisfaction, Absenteeism, Job Requirements, Work Environment, Learning Opportunity and Training and development**”.

HYPOTHESIS FRAMEWORK

HYPOTHESIS 1(Work Experience and Learning Opportunity)

HO: There is no significant association between work experience and learning opportunity.

H1: There is significant association between work experience and learning opportunity.

Work.Experience * Learning.Opportunity Crosstabulation

Count

		Learning.Opportunity					Total
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	
Work.Experience	Less than 1 year	4	7	0	0	0	11
	1-2 years	4	29	5	1	0	39
	2-3 years	5	10	5	0	1	21
	3-4 years	4	6	1	0	0	11
	Above 5 years	3	13	2	0	0	18
Total		20	65	13	1	1	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.706 ^a	16	.474
Likelihood Ratio	16.363	16	.428
Linear-by-Linear Association	.001	1	.974
N of Valid Cases	100		

a. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .11.

Calculated Value 15.706 < Tabulated Value 26.296

The analysis showed that maximum number of respondents expressed the Agree opinion for working experience and learning opportunity. Hence it is concluded that null hypothesis is accepted and so there is no association between working experience and learning opportunity.

HYPOTHESIS 2(Gender and Work Environment Safety)

H0: There is no significant association between Gender and work environment safety.

H1: There is significant association between Gender and work environment safety.

Gender * Safe.Work.Environment Crosstabulation

Count

		Safe.Work.Environment					Total
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	
Gender	Male	13	31	5	1	0	50
	Female	12	24	13	0	1	50
Total		25	55	18	1	1	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.486 ^a	4	.166
Likelihood Ratio	7.389	4	.117
Linear-by-Linear Association	1.769	1	.183
N of Valid Cases	100		

a. 4 cells (40.0%) have expected count less than 5. The minimum expected count is .50.

Calculated Value 6.486 < Tabulated Value 9.448

The analysis showed that maximum number of respondents expressed the Agree opinion for Gender and Work environment Safety. Hence it is concluded that null hypothesis is accepted and so there is no association between Gender and Work Environment Safety.

HYPOTHESIS 3(Work Experience and Salary Satisfaction)

H0: There is no significant association between work experience and salary satisfaction.

H1: There is significant association between work experience and salary satisfaction.

Work.Experience * Salary.Satisfaction Crosstabulation

Count

		Salary.Satisfaction				Total
		Strongly Agree	Agree	Neutral	Disagree	
Work.Experience	Less than 1 year	1	7	3	0	11
	1-2 years	9	24	5	1	39
	2-3 years	2	16	2	1	21
	3-4 years	3	7	1	0	11
	Above 5 years	3	11	4	0	18
Total		18	65	15	2	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.602 ^a	3	.457
Likelihood Ratio	3.353	3	.340
Linear-by-Linear Association	1.932	1	.164
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .90.

Calculated Value 2.602 < Tabulated Value 7.815

The analysis showed that maximum number of respondents expressed agree opinion for Marital Status and salary satisfaction. Hence it is concluded that **null hypothesis is accepted** and so there is **no association between Marital status and salary satisfaction.**

HYPOTHESIS 4

H0: There is no significant association between Marital status and Salary satisfaction.

H1: There is significant association between Marital status and Salary satisfaction.

Marital.Status * Salary.Satisfaction Crosstabulation

Count		Salary Satisfaction				Total
		Strongly Agree	Agree	Neutral	Disagree	
Marital.Status	Married	10	29	6	0	45
	Unmarried	8	36	9	2	55
Total		18	65	15	2	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.602 ^a	3	.457
Likelihood Ratio	3.353	3	.340
Linear-by-Linear Association	1.932	1	.164
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .90.

The analysis showed that maximum number of respondents expressed agree opinion for Marital Status and salary satisfaction. Hence it is concluded that null hypothesis is accepted and so there is no association between Marital status and salary satisfaction.

HYPOTHESIS 5 (Gender and Working Hours Satisfaction)

- HO: There is no significant association between Gender and Working hour’s satisfaction.
- H1: There is significant association between Gender and Working hour’s satisfaction.

Gender * Working.Hours.Satisfaction Crosstabulation

Count		Working.Hours.Satisfaction				Total
		Strongly Agree	Agree	Neutral	Disagree	
Gender	Male	11	33	6	0	50
	Female	5	36	8	1	50
Total		16	69	14	1	100

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.666 ^a	3	.300
Likelihood Ratio	4.109	3	.250
Linear-by-Linear Association	2.912	1	.088
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is .50.

Calculated Value 3.666 < Tabulated Value 7.815

The analysis showed that maximum number of respondents expressed agree opinion for Gender and Working hour's satisfaction. Hence, it is concluded that null hypothesis is accepted and so there is no association between Gender and Working hour's satisfaction.

CONCLUSION

The prime focus of this study is to identify the factors influencing employee engagement and also what are the impacts it create on employee engagement on employee performance. This study provides the outcome and the effect of employee engagement on employee performance. The effect of employee engagement is surely affect the employee performance. The Engaged employees were improve the productivity of the organization, improve the individual and organizational performance and also reduce the absenteeism. The disengaged employees were lack in their performance. So, the employee engagement is more important in the organization growth and development. Disengaged employees are identified and improve their engagement to the organization. It is more beneficial to the organization.

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