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An empirical investigation in analysing the key determinants of employee engagement in influencing the employee performance using multiple regression analysis approach

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Abstract--In the current business context, a highly engaged employees support in realising the organisational goals in an effective manner. An employee who is not engaged will lead the group to realised lower level of income, reduce the profitability and impact the business growth negatively. Hence, the top management need to focus in devising critical policies and procedures which will support in enhancing the employee engagement in the organisation. The competitive environment has compelled the management to implement various procedures and policies which support in retaining the best talent in the organisation and ensure that they perform their tasks effectively in order to enhance performance of the employees and organisation. The highly engaged employees provide better results to the company through enhancing their performance, these employees offer suggestions and methods which will lead to reducing the operational cost, create new process and methods in generating new services and products, identify ways in increasing revenues and also work collaboratively for realising sustainable growth and advantage. This study involves in using empirical investigation to understand the critical determinants of employee engagement practices in enhancing the performance of the individuals in the organisation. The researchers uses both primary data and secondary data for performing the study and SPSS data package is used to perform the detailed analysis.

Keywords--employee engagement, performance management, regression analysis, analysis variance.

Introduction

In the modern business environment, the top management across various industries have considered that the employees are the key resources for organisational performance and development. The increase in globalisation has enabled in focusing more to enhance the products and services offerings to the customers and also use the existing resources effectively for achieving sustainable growth and development. The management always wanted to hire and retain their best employees so as to compete effectively, however the employees who are highly engaged and motivated tend to support the organisational goals in an effective manner (Gutermann, 2017). The management has begun to realise that the ability to manage the association with the employees and make them engaged effectively tend to support in harnessing long term advantage among the competitors and also support in making the organisation to be more innovative and lead from the front in the industry where it operates.

The top leaders aware working with the human resource department in order to frame policies and procedures so as to enhance better employee engagement in the organisation (Nazli, 2018). The creation of friendly, cooperative and supportive environment will enable the employees to be more engaged, enhance their productivity and output, be more innovative and support in augmenting the performance so as to achieve the goals of the organisation. The employee engagement is stated as the critical approach employed by the management which will enable in motivating the employees to stay committed in realising the organisational goals by enhancing their productivity. It is broadly stated as the extent by which the employees are highly focused and invested in the work, place their efforts so as to complete the task effectively (Kašpárková, 2018). The highly engaged employees are highly motivated, support in being more collaborative and put the group goals at the front before the individual goals.

The highly engaged employees enable in performing their best each day at work place, highly innovative and share new ideas for betterment of the process and operations, the employees also support in enhancing the productivity in an effective manner, the current business environment expect their employees to be more proactive, be more committed, take utmost responsibility in developing their individual skills for achieving organisational goals and objectives (Alessandri, 2018). It has been argued by many researchers and business leaders that employee productivity is greatly achieved when the individuals at different levels are highly engaged. It has been regarded that whatever the policies and support which the top management renders to its employees, if they are not engaged then they cannot realise their individual goals or achieve productivity at work and thereby lack performance and output (Kapil, 2017). Therefore, employees who are highly engaged tend to focus in performing better, possess highly self-motivation and channelise their efforts in performing better, also support their team members to accomplish the task effectively for collective benefit. Hence, in this context it is highly important to understand the critical determinants of employee engagement practices implemented by the organisation which drives employee performance (Cesário, 2017).

Therefore, this study is more focused in analysing the key determinants of employee engagement in influencing the employee performance. The major factors which are influencing the performance of the employees are: to create self-efficacy and trust, role of organisational culture and leadership and support from managers and colleagues. These factors tend to influence the employee engagement which will lead to employee performance in the organisation.

Review of Literature

Studies of employee engagement have consistently shown that almost all employees are employed when they start working, but the proportion of these employees decreases dramatically thereafter. Six months after joining an organization, less than 40% of them say they are committed and their commitment decreases when they stay in the organization (Lathabhavan, 2017). After 10 years of service, they employ only 20% of their staff. Although we had expected a decline in initial enthusiasm to join the organization due to knowledge of tasks and routines, this significant decline can not only be attributed to the disappearance of innovation (Karatepe, 2016). Many managers obviously do not take the necessary steps to maintain their employees' original energy and commitment, and even worse, many do not realize that they play an important role in undermining employee engagement (Ayers, 2007). Managers play a key role in increasing employee engagement and, consequently, in improving employee performance (Eldor, 2017).

Extensive research shows that frequent, open and honest communication between management and employees is crucial for building trust and high organizational efficiency. Organizations that have won the "Best Job" award have senior executives who attract their employees through personal contacts and communication (Bailey, 2017). These managers often and personally communicate with employees. talk to them directly, openly and honestly. they are easily accessible to employees and provide clear guidance. A comparison of the most and least committed federal authorities showed that the leaders and managers of the four high-level committed organizations communicate much better with their employees and match their actions with their words. Senior executives create the work environment and connect employees with the larger organization, which helps them understand how their individual results lead to the company's goals (Zhong, 2016). They provide assignments, provide advice and feedback and review employees' work. Managers can make the big job frustrating and the bad job bearable with their actions or passivity (Dash, 2016).

When employees are not involved in work decisions that directly affect them, they often feel weak and their commitment to work can decrease (Chong 2017). They may also feel that their ideas are not respected or valued. In addition, by not involving employees in these decisions, managers do not utilize the knowledge of employees. Employees are often closer to the job than managers and can offer valuable insights and knowledge. Management should plan how it can encourage and use employee feedback when considering the change (Kulikowski, 2017). They must also explain the reasons for the decisions made so that the employees understand managerial thinking. The basis for recognizing good work is responsibility. The principle of human behavior is that people repeat behaviors

that have positive consequences and avoid behaviors that have negative consequences (Medlin, 2016). Responsibility in the workplace refers to people's obligation to take responsibility for their work and apply appropriate consequences for their performance: the positive consequences for good performance and the negative consequences for poor performance. Positive consequences are events that are well appreciated by the employee. Examples are a coveted job, a thank you note or a pay rise. Negative consequences are events that an employee considers to be negative. Examples include low performance results, disclaimers or lack of salary increases.

Objectives of the study

The basic purpose of the study is to investigation in analysing the key determinants of employee engagement in influencing the employee performance.

The main objectives of the study are stated as:

To understand the influence of involvement of top management to create self-efficacy and trust in enhancing employee performance

To apprehend the role of organisational culture and leadership in supporting the employee performance in the organisation

To investigate the support from managers and colleagues in influencing the employee performance.

Methodology

This paper is focused in understanding the role of employee engagement practices influencing the employee performance in the organisation, for this purpose the researchers has used both primary data and secondary data for the study. The primary data is collected through the use of questionnaire and respondents are the employees who are working in leading companies. The respondents are chosen using convenience sampling and nearly 165 samples were collected for the purpose of the study. The secondary sources are mainly collated for understanding the previous study conducted in the similar area of research, the major secondary data source used are ProQuest, Google scholar and other published Scopus indexed journals.

Data Analysis

This section deals in present the detailed analysis based on the data collected by the researchers, the major analysis used are frequent analysis, regression analysis and Chi square test.

Percentage rate analysis

Table 1: Percentage rate analysis

Gender	Frequency	Percent
Male	90	54.5
Female	75	45.5
Age	Frequency	Percent
Less than 30 years	56	33.9

31 - 40 years	54	32.7
41 - 50 years	24	14.5
Above 50 years	31	18.8
Nature of Industry	Frequency	Percent
Manufacturing Companies	68	41.2
Service-related Companies	97	58.8
Currently living in	Frequency	Percent
Metro City	77	46.7
Non-Metro City	88	53.3
Level of Management	Frequency	Percent
Lower-Level Management	97	58.8
Middle Level Management	39	23.6
Top Level Management	29	17.6
Work experience	Frequency	Percent
Less than 5 years	49	29.7
5 - 10 years	59	35.7
10 - 15 years	30	18.2
Above 15 years	27	16.4
Total	165	100

Based on the percentage rate analysis it has been identified that 54.5% of the respondents were male and remaining were female, 33.9% of them were in the age group of less than 30 years and the next highest were 32.7% of the respondent in the age group between 31 - 40 years. 41.2% were working in manufacturing companies and others are in service-related sector. 53.3% of them were living in non metro city. 58.8% were performing their job in the lower-level management, 23.6% were in the middle level management and 17.6% were in the top-level management. 35.7% possess experience between 5 - 10 years whereas 29.7% were possessing experience of less than 5 years.

Effect of Employee engagement policies in the organization

The second part of the task is intended to analyse the effect of employee engagement policies among the employees, the critical aspects considered are higher self-motivation and employees' nature on whether the management policies are good.

Table 2: Effect of employee engagement policies

Effect of Employee Engagement Practices	SDA	DA	N	A	SA
Higher Self-Motivation	12	10	21	47	75
Management policies are good	12	19	19	69	46

From the analysis, it has been described that the majority of the respondents have stated that the policies of management towards employee engagement enable in higher self-motivation, and also management policies of the organisation are good.

Regression analysis

The next part of the study is involved in analysing the association between the independent variables and dependent variable. The independent variables are Self-efficacy and Trust; Better culture and Leadership and Support from managers whereas the dependent variable Employee performance.

Table 3: Regression analysis

Regression Format	Values	SE	t	Sig.
(Constant)	0.23	0.15	1.539	0.13
Self-efficacy and Trust	0.388	0.075	5.198	0.00
Better culture and Leadership	0.277	0.079	3.508	0.00
Support from managers	0.256	0.066	3.892	0.00
R Squared	0.815			
Adj. R Squared	0.812			

From the regression analysis, it has been identified that the R squared value is .815 or 81.5% which shows that the model is a good fit and further processing analysis can be performed. The regression equation is framed as
 Employee performance = 0.23 + 0.38 x Self-efficacy and Trust + 0.27 x better culture and Leadership + 0.26 x Support from managers.

Hypothesis measurement

The critical understanding is to measure the hypothesis using Analysis of variance (ANOVA)

1st hypothesis

H0: There is no difference in means between the influence of involvement of top management to create self-efficacy and trust in enhancing employee performance

Table 4: ANOVA between influence of involvement of top management to create self-efficacy and trust in enhancing employee performance

Self-efficacy and Trust	SS	df	MS	F	Sig.
Between Groups	182.171	4	45.543	275.909	0.00
Within Groups	26.41	160	0.165		
95% CI - Bound	Lower	Upper			
Fixed Effects	4.1	4.23			
Random Effects	2.15	6.18			

Based on table, it is noted that the sig value is 0.00 which is lower than threshold level of 0.05 hence it can be stated that there is a difference in means between the influence of involvement of top management to create self-efficacy and trust in enhancing employee performance

2nd hypothesis

H0: There is no difference in means between the role of organisational culture and leadership in supporting the employee performance in the organization

Table 5: ANOVA between the role of organisational culture and leadership in supporting the employee performance in the organisation

Better culture and Leadership	SS	df	MS	F	Sig.
Between Groups	228.933	4	57.233	485.524	0.00
Within Groups	18.861	160	0.118		
95% CI - Bound	Lower	Upper			
Fixed Effects	4.21	4.31			
Random Effects	2	6.52			

Based on table, it is noted that the sig value is 0.00 which is lower than threshold level of 0.05 hence it can be stated that there is a difference in means between the role of organisational culture and leadership in supporting the employee performance in the organisation.

3rd hypothesis

H0: There is no difference in means between support from managers and colleagues in influencing the employee performance.

Table 6: ANOVA between support from managers and colleagues in influencing the employee performance

Support from managers	SS	df	MS	F	Sig.
Between Groups	179.326	4	44.832	150.48	0.00
Within Groups	47.668	160	0.298		
95% CI - Bound	Lower	Upper			
Fixed Effects	3.91	4.08			
Random Effects	2	5.99			

Based on table, it is noted that the sig value is 0.00 which is lower than threshold level of 0.05 hence it can be stated that there is a difference in means between support from managers and colleagues in influencing the employee performance. The increasing globalization has enabled us to focus more on improving the range of products and services we offer our customers and on efficiently using existing resources to achieve sustainable growth and development. Management has always wanted to hire and retain the best employees for effective competition, but highly committed and motivated employees often effectively support the organization's goals. Management is beginning to realize that the ability to manage effective employee collaboration and commitment often supports the long-term advantage of competing with competitors and helps the organization become more innovative and groundbreaking in the industry in which it operates. By creating a friendly, cooperative and supportive environment, you can make your employees more engaged, improve productivity and efficiency, become more innovative and increase productivity to achieve company goals. Employee engagement is a critical management approach that encourages employees to remain committed to achieving the organization's goals by improving their productivity. They usually define the extent to which employees focus and invest in their work and present their efforts so that they can get the job done effectively.

Highly committed employees are highly motivated, encourage collaboration and set team goals above individual goals.

Many researchers and business leaders claim that employee productivity is greatly achieved when people at different levels are hard-working. It was judged that regardless of the policy and support that top management provides to employees, if they are not engaged, they will not be able to achieve their individual goals, will not be able to achieve productivity at work and therefore lack performance and efficiency. . As a result, highly committed employees tend to focus on better performance, have strong personal motivation and direct their efforts towards better performance, and support their team members in effectively completing the project for collective benefit. Therefore, in this context, it is very important to understand the critical determinants that affect employee engagement practices used by the organization and that drive employee performance.

Conclusion

An employee who is not employed leads the Group to a lower income level, reduces profitability and has a negative effect on the company's growth. Therefore, top management must focus on developing critical policies and procedures that promote employee organizational commitment. The competitive environment has forced management to apply a variety of processes and policies to improve employee and organization performance that support the retention of the best talent in the organization and ensure that they perform their roles effectively. Committed employees deliver better results for the business, improve its performance, offer proposals and methods that reduce operating costs, create new processes and methods for creating new services and products, find ways to increase revenue and collaborate. to achieve sustainable development and benefits.

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