



## Impact of Employee Engagement on organization's Productivity

\* Dr.S.Shyam Sundar, Sr.Assistant Professor, School of Commerce & Management,

Mohan Babu University, Tirupathi

\*\*S.Sujatha, Assistant Professor, Department of Management Studies, Madanapalle Institute of Technology & Science, Madanapalle.

\*\*\*Dr.P.Akthar, Sr.Assistant Professor, School of Commerce & Management,

Mohan Babu University, Tirupathi

### ABSTRACT

Employee engagement refers to how people perform in their jobs. It is a relatively recent idea because in earlier times, employment positions were sometimes predetermined by the parent's line of work. Depending on their qualifications, many levels are accessible. Among these standards are pay and benefits, the company's advancement programme, the standard of working conditions, leadership qualities, and the job itself. The productivity of the organization is directly impacted by employee engagement initiatives. Customer happiness and financial success of a firm are both correlated with employee engagement. Engagement occurs when enough employees are interested in doing a good job, the goals of the organization, and the processes used to accomplish those goals. When people are happy in their professions, feel supported by their employers, and work with an effective HR manager, they are more likely to have a caring attitude and behaviour. This study aims to find out the impact of employee engagement on organization's productivity

**Keywords:** Employee Engagement, Organisation, Outcomes, Productivity

### INTRODUCTION

Employee engagement can be critical to a company's success because it is clearly linked to job satisfaction and employee morale. Communication is an important part of creating and maintaining employee engagement. Engaged employees are more likely to be productive and efficient. They also often show greater commitment to the company's values and goals. The key business outcomes of an organization are directly impacted by employee engagement. It aids in developing a talented, motivated, and dynamic workforce that is equipped to meet difficulties head-on. Also, a motivated workforce helps to enhance a company's reputation and makes it more appealing to potential employees.

The three facets of employee involvement are cognitive, emotional, and behavioural. The cognitive component focuses on how employees perceive and hold certain views about the company, its executives, and working conditions. The emotional component has to do with the employee's attitude towards the company and its leaders—whether it is favourable or unfavourable. The cognitive component has an impact on the emotional viewpoint. The behavioural component of engagement encourages the employee's willingness to put in discretionary effort in their work, providing the organisation with a value-added benefit.

Employee motivation, employee satisfaction, and corporate culture are all clearly different from employee engagement.

## **LITERATURE REVIEW**

**According to Maslach et al. (2001)** Burnout has three characteristics, including weariness, cynicism, and diminished professional efficacy. They also noted that engagement and burnout are two endpoints of a continuum.

**Harter et al. (2002)** pointed out that work environment, direct supervisor, senior management team. Colleagues have an influence on employee engagement

**Schaufeli and Bakker (2004)** stated that vitality and dedication are, respectively, the exact opposites of tiredness and cynicism. Two groups of opposing dimensions (emotional exhaustion-vigor, and cynicism-dedication) were expanded by González-Romá et al. (2006) as two distinct and latent dimensions (energy and identity).

**Demerouti et al. (2010)** weariness and vigour are not supported as two extremes of the "energy" dimension, although cynicism and devotion

**J. Adjetey and A. Preko (2013)** This study explores the interactions between employee engagement and loyalty as independent factors and how they impact commercial bank sales executives' performance. The study builds on the theories put out to show how each participant's unique performance contributions

**A. Chandani, M. Mehta, A. Mall, and V. Khokhar (2016)** To define employee engagement and why it is important (particularly in terms of employee Various engagement factors have been discussed, including those at the macro (organizational) and micro (individual) levels

**N. Voki and T. Hernaus (2017)** Work satisfaction is seen as a multifaceted factor that boosts employee loyalty, corporate profitability, and staff morale. Many definitions of employee engagement exist, and it is thought to generate value through job performance. Additionally, it has been demonstrated to boost employee satisfaction, loyalty, and even career fulfilment.

**Agbenyo, W., Frempong, L. N., and Darko, P. A. (2018)** found that there was at least a statistically significant relationship between human resource practices, job satisfaction, and loyalty/commitment in various industries. The study concluded that job satisfaction had a significant impact on loyalty and commitment in the manufacturing and mining sectors, and that there was a significant relationship between human resource practices, job satisfaction, and loyalty/commitment in various sectors, thereby validating various theories and studies.

**Syahrizal, S., and D. Patrisia (2019)** revealed that Employee loyalty is influenced by two factors: employee engagement and work satisfaction. The goal of this study is to determine how employee loyalty, job happiness, and engagement are related.

**N. M. Bustamam, N. F. C. Choh, J. Shaari, and R. Muda (2020)** proved that the employee's performance is not much impacted by training or rewards. The research argues that improving work-life balance causes workers to be more engaged in their jobs. His or her performance consequently improves, which helps the organisation operate more effectively.

## **EMPLOYEE ENGAGEMENT ENHANCING FACTORS**

### **1. Training and Development**

It helps to increase employee engagement. One of the reasons for employee turnover has been noted as redundancy of skills, demonstrating the need for training, retraining, and multi-skill training. The knowledge and abilities required to do their tasks will be acquired by new and existing employees through training.

### **2. Health & Safety**

Degrees of engagement were found to be correlated with a feeling of security at work. Thus, all businesses need to have the proper processes and procedures in place to guarantee the wellbeing of their employees. Employee involvement in the public sector is found to be predicted by working hours as well as health and safety.

### **3. Compensation**

Pay has a big impact on how committed and engaged employees are. While some compensation factors encourage company commitment, others boost employee engagement. Although it is typically ideal to stimulate both, it is possible to excite one but not the other. For instance, a company that offers a high-performance incentive system but no retirement plan will probably see extraordinary engagement from its staff; yet, in time, they might decide to join another organisation that does offer superior retirement plans and schemes. While waiting for retirement benefits, employees who work for a company with substantial retirement benefits but a standard seniority-based pay grade structure could perform mediocrely

### **4. Job Satisfaction**

Engagement begins with satisfaction, so it's crucial for a business to match the employee's unique desires with employment objectives so that he feels content with his work. Workers who

have higher levels of self-efficacy are more likely to be engaged at work because they are more likely to have the disposition to put in extra effort and energy to complete tasks, which leads to greater absorption and participation. Effective employees are more likely to control their motivation by setting challenging goals, which increases their likelihood of being engaged.

## 5. Fair treatment

When an employer or supervisor gives every employee an equal chance to advance and flourish, employee engagement rises. Pay structures have an impact on employee involvement in the company. More perceived fairness among employees is associated with better organisational engagement levels in return

## Organisational Outcomes of Employee Engagement

Engagement of employees is essential to the success of any firm. The success of the firm, employee outcomes, and financial performance are all predicted by employee engagement. The results for the organization's clients, employee retention rates, organisational culture, and productivity can all be indicators of employee engagement or disengagement. A framework encompassing the organisational outcomes of employee engagement and the elements influencing employee engagement is displayed in the figure 1.

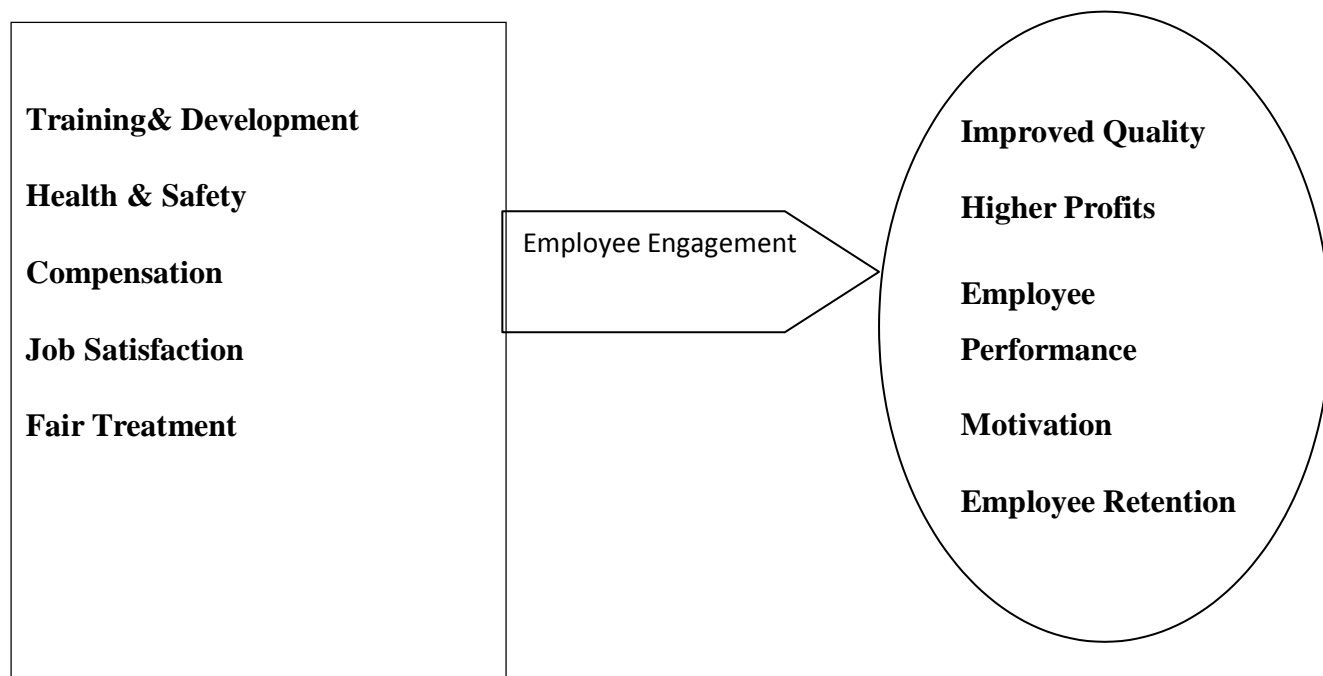


Figure.1 Framework of Factors and Outcomes of Employee Engagement

## CONCLUSION

After reviewing the results of the various studies and surveys on employee engagement, it is clear that high levels of employee engagement will result in improved employee commitment and involvement towards the workplace and, as a result, create a motivated workforce that will cooperate to achieve the organisational goals. In today's dynamic economy like ours, hiring qualified labour is simply not enough; much more must be done to keep them engaged and motivated to support the organization's objectives. Hence, engagement is a state in which a person is not only emotionally invested in his or her work but also intellectually devoted to it, going above and beyond the call of duty to advance the interests of the firm. The Organization should give their workers the freedom to make their work fascinating and an environment where they may say goodbye to a monotonous job in addition to superb infrastructure and other resources. As a result of three HR priority areas, such as employee motivation, career advancement and reward, and compensation, they should concentrate on retention. As a result, an employee's level of engagement increases when they work in a secure and collaborative workplace.

## REFERENCES

- 1 Maslach, C., Schaufeli, W. B., & Leiter, M. P. (2001). Job burnout. *Annual Review of Psychology*, 52, 397–422
- 2 Harter, J., Schmidt, F., & Hayes, T. (2002). Business - unit - level relationship between employee satisfaction, employee engagement, and business outcomes: A meta - analysis. *Journal of Applied Psychology*, 87(2), 268 - 279.
- 3 Schaufeli, W. B., Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior*, 25(3), 293-315.
- 4 Demerouti, E., Mostert, K., & Bakker, A. B. (2010). Burnout and work engagement: A thorough investigation of the independency of both constructs. *Journal of Occupational Health Psychology*, 15(3), 209–222
- 5 J. Adjetey and A. Preko (2013) *International Journal of Business Research and Management (IJBRM)*, 2013, vol. 4, issue 2, 51-62
- 6 Chandani, M. Mehta, A. Mall, and V. Khokhar (2016) *Employee Engagement: A Review Paper on Factors Affecting Employee Engagement*, *Indian Journal of Science and Technology* Vol 9 (15)
- 7 N. Voki and T. Hernaus (2017) *Engaging employees through internal communication*, *Public relation review*, 43(5)

- 8 Frempong, L. N., Agbenyo, W., & Darko, P. A. (2018). The Impact of Job Satisfaction on Employees' Loyalty and Commitment: A Comparative Study among Some Selected Sectors in Ghana. *European Journal of Business and Management*, 10, 95-105.
- 9 Syahrizal, S., and D. Patrisia (2019) *Advances in Economics, Business and Management Research*, volume 97
- 10 NM Bustamam, NFC Choh, J Shaari, R Muda(2020) *International Journal of Modern Trends in Social Sciences* 3 (11), 69-79