

# A Study on impact of Job Motivation, Satisfaction and performance on Employee engagement in higher educational Institute.

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*“Connect the dots between individual roles and the goals of the organization. When people see that connection, they get a lot of energy out of work. They feel the importance, dignity, and meaning in their job.”*

**- Ken Blanchard and Scott Blanchard, Do People Really Know What You Expect from Them?, Fast Company**

## **ABSTRACT**

*Engaged employees are the pillars of any successful organizations. They are the major contributors for financial and market success of any organization. They give eminent performances by trying to reach next level of success and continuously striving to perform and set new standards of excellence in the assigned task. Globally enhancing employee engagement has made significant impact in business organizations. Employee engagement creates healthy work culture and communication practices, if employees get a platforms to express their concerns and opportunities to grow and develop their potential. Organizations high on their achievements are aware that employees motivation, satisfaction and performance are the most important elements of employee engagement. This study is based to examine the factors that contributes to the satisfaction level of employee to name a few are fit at the job, good communication, appreciation level and clear objectives.. Finally, this study discusses employee engagement and its various aspects of definitions, organizational success, and how to develop a successful employee engagement practice effectively and efficiently.*

**Keywords :** Employee satisfaction, job performance, job satisfaction, employee engagement, employee motivation

## **I. INTRODUCTION**

Employees, regardless of the nature of business, is the backbone of a company. Employee motivation is one of the most critical area in the field of Human Resource Management. It is of the great significance for the employees and the employers also. Every organization strives to motivate their employees to achieve the organizational objectives effectively and efficiently. To keep the motivational level on the higher side of employees is one of the challenges for the HR Professionals. They have to continuously strive for different methods to motivate the employees. Motivation is also directly related with the satisfaction of the employees. Researchers have proved a significant relationship between the employee motivation and employee satisfaction. High motivation level also leads to the higher satisfaction of the employees but this research paper is reviewing

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the impact of Employee engagement on Employee satisfaction and motivation. Kahn (1990) described employee engagement as psychological control of members of the organization on themselves while they perform their work roles. Frank et al (2004) defined employee engagement as emotional and intellectual commitment of employees to the organization or the amount of discretionary effort exhibited by employees in their job. This is a behaviour in which employees exhibit on the job. It's also defined as employee's positive and negative attachment with the job, other employees and work. Employees with positive bent of mind depict the positive outcome like high motivation and satisfaction. And employees with negative bent of mind exhibit lower motivation and lower satisfaction level. This study has been attempted to find out the possible relationship of employee engagement with Job Satisfaction and Motivation. Research pertaining to how organizations can become more competitive and profitable have been carried out from long ago. Findings of the previous research indicates that there are three main factors that successful companies follow:

- a) job satisfaction
- b) high performance for employees
- c) employee engagement

Job satisfaction is related to letting employees to be self-directed and strong relationship with fellow workers (Lin, 2007). Sometimes this requires a tweaking of organization goals to boost employee motivation (Kiviniemi et al., 2002).

Performance as defined by Campbell (1990) is "what the organization hires one to do and do well". Performing employees help leaders to create organizations rich in culture, work and sustainable environment in. There are factors that impact on job performance; one is education. According to Ng and Feldman (2009), having the right education can have a strong positive effect on employee job performance. There are times when a new employee is a good fit for a void that the organization needs to fill and improves performance in that job (Muchinsky and Monahan, 1987). If a person is in the right job, there is a direct link to performance (Edwards, 1991). There is more commitment, satisfaction, and motivation for the employee and better overall performance for the employee (Li and Hung, 2010).

Employee engagement is a broad topic that discusses the symbiotic relationship between employees and the organization. It also links employee satisfaction and performance. Engaged employees have a level of commitment and emotional attachment to the organization (Demovsek, 2008). Employees develop a bond with an organization and that creates better organisation. Emotional connection of employees with their career, relationships, other employees and the organization present, they tend to perform better and serve the organization better (Scarlett Survey).

The objective of this study is to answer the following research questions:

- 1) Study and understand the factors influencing employee satisfaction and job performance and employee motivation.
- 2) Review the existing literature related to employee motivation, satisfaction and performance and employee engagement.

## II. LITERATURE REVIEW

Crant (2000) in his study explained the Employee Engagement as a range of constructs that are present in the organizational mentality (psychology). Kahn (1990) implies that, if the people like and dislike their work, that it affects the engagement of employees. According to Holbeche and Springett (2003), people used to share their destiny and objective that connects them at an emotional level. These personal aspirations raises the high levels of engagement at the workplaces. Kahn's (1990) describes in his study that there are the psychological conditions or antecedents that are compulsory for engagement, but they do not fully explain why individuals was reacting to these conditions. Kahn (1990) also mentioned that at people were differently engage as per their experiences of psychological meaningfulness, security and situations. According to (Robinson (2006), Employee engagement can be achieved through the creation of healthy organizational environment. Amabile (1994) stated that employee who have high level of job satisfaction was motivated by rewards, and rewards supported work engagement.. A. Furham et al. (2009). Ali and Ahmed, (2009) was found that there exists relationship between reward and recognition, between motivation and job satisfaction. Ali and Ahmed, (2009) stated that Variations in rewards and recognition can lead to a positive change in work motivation and job satisfaction of the employee. Harter et al (2002) and wangenheim et al (2007) studied that Organizations striving to improve the satisfaction level of their customers should focus more on internal factors related to employee's satisfaction and consider their employees as customer too. Balzar (1997),research conducted by the author stated that job satisfaction is a feeling of employess towards the work environment and its expectations towards the work. This implies that the culture of the organization creates value to the job satisfaction of the workers . This was studied that relationship between work adjustment and satisfaction which makes favorable strategies and rules for the employees related to policy development, pay scales, the work environment and staff input, may lead to satisfaction, employee engagement, and increased employee loyalty with the organization because satisfied employees are attentive while dealing the customers and the employees not satisfied with the job can makes customer unhappy. Hanif and Kamal (2009). According to Calisir (2011), it was found that a very strong influence of job satisfaction on organizational commitment whereas role ambiguity and job stress indirectly affects the willingness of employees to leave their jobs. Odom, Boxx and Dunn (1990) suggested that job satisfaction was important element of employees feeling that can be negative or positive to their responsibilities". Campbell, Fowles and Weber (2004) stated that job satisfaction could be enhanced with increasing participation in decision making and avoiding ambiguity in identifying responsibilities at workplace. Petty (1984) and Fisher (2003) stated that Job Satisfaction has been playing important role in management research, namely regarding the job satisfaction-job performance relationship. Schneider and Bowen, (1985) was found that Job satisfaction is an attitude that relates to overall attitudes towards life, or life satisfaction. Zaini et al. (2009) and Chew (2005) argues that job satisfaction is associated with the non monetary compensation and monetary compensation (pay, promotion, and bonus) is one of the most important explanatory variables in both the sectors .A. Furham et al. (2009) stated that there was a significant relationship found between reward and recognition, and between motivation & job satisfaction. Ali and Ahmed, (2009) stated that Variations in rewards and recognition can bring a positive change in work motivation and job satisfaction of the employee. Mullins (1996) described motivation as process which leads job satisfaction. but the relationship between motivation and job satisfaction was not clear, it can be illustrated by means of the motivational theories. For this different authors gave different theory for both. According to Luthan (1998) it was founded that motivation should not be thought of as the only explanation of behavior, since it

interacts with other mediating processes and with the environment. He also found that motivation as, “a process that starts with a physiological deficiency or need that activates a behavior or a drive that is aimed at a goal incentive”. It implies that psychology of employees play a crucial role to make the person motivated. Each and every employee has some ability that motivates them to perform and make satisfied with their job. If we see that intrinsic compared to extrinsic motivation and the factors that are used in both types of motivation enables one to understand the role that motivation plays with job satisfaction. Motivation researchers have recognized that the desire to make an effort can derive from different sources (Grant, 2008). Miner, Ebrahimi, and Watchel, (1995) was suggested that in a system sense, motivation consists of these three interacting and interdependent elements, i.e., needs, drives, and incentives. That’s mean all these elements are important for 71 motivation of employee. Hoy and Miskel (1987) was stated that employee motivation is the complex forces, drives, needs that directed towards the achievement of personal goals. They imply that there are some reasons, which helps the employee to do their work properly, and give them positive energy.

Successful organizations depend on the high performance of their employees to meet their objectives. In order to achieve their strategic aims and keep their competitive advantage, their employees must perform at high levels (Lado and Wilson, 1994; Dessler, 2011). Organizational behavior philosophers believe that it is also crucial to have the right employees for the right jobs (Kristof-Brown et al., 2005). The person-job fit is important because it determines whether or not the employee is well-suited for the job (Zheng et al., 2010) and whether the employee will be committed and productive to the organization (Rousseau and McLean Parks, 1992). Examining job performance as a concept can be done in a number of ways including the ability of an employee to achieve their targets and organizational standards (Eysenck, 1998; Maathis and Jackson, 2000; Bohlander et al., 2001).

Campbell (1993) defined performance as “synonymous with behavior which is something that a person actually does and can be observed”. According to Campbell (1990), employees are hired to perform with efficiency and effectiveness (Aziri, 2011). Organizations need to understand that employees have their own requirements and personal wishes that need to be considered. This can determine if the employee feels positive or negative about the organization and needs to be treated individually (Schermernorn, 2010). How satisfied an employee is with his or her job depends on their values and motives (Siddika, 2012).

Researches in the past have examined a number of elements that can affect job performance. Jaramilloa et al. (2005) and Al Ahmadi (2009) showed that a crucial element is employees’ commitment to the job. There is also a strong connection between being satisfied at their job and their performance (Gu and Chi, 2009). Sarmiento and Beale (2007) and Al Ahmadi (2009) studied the connection between education and job performance and obtained a surprising result which was a negative connection. Ng and Feldman (2009) found the opposite that education was a positive influence on job performance. Other studies by Karatepea et al. (2006) and D’Amato and Zijlstra (2008) found that a person’s self-motivation and efficiency has a positive effect on job performance. The theoretical concepts of fit according to Kilchyk (2009) states that “either the supplementary versus complementary view or demands-abilities versus needs-supplies view is also known as supplies-values fit”. In an earlier research conducted by Muchinsky and Monahan (1987), they indicated that work can be divided into two extents of which “the first is the supplementary versus complementary while the second is the demand-abilities versus needs-supplies”. When a person’s distinguishing traits are similar to their organizational environment, then it is a supplementary fit (Sekiguchi, 2003). The fit is complementary when the traits of an individual fill the

vacuum or emptiness of an organization thus broadening the organization's capabilities (Muchinsky and Monahan, 1987).

Research in the 1990's focused on the person-job fit with regard to the employee's wishes employee related) and organizational mandates (job related). Edwards (1991) determined that employees with high person-job fit produce better results. There are a number of variables for person-job fit identified in the 1990's researches (Caldwell and O'Reilly, 1990; Edwards, 1996), including commitment to the job (Behery, 2009; Kristoff - Brown et al., 2005), job satisfaction (Erdogan and Bauer, 2005; Kristoff - Brown et al., 2005) performance and personality (Erdogan and Bauer, 2005).

Organizations must meet their strategic aims and advantage in the marketplace by employing and keeping high performing employees (Lado and Wilson, 1994; Dessler, 2011). In SMEs, the level of high performing individuals is lower because in many cases their employees may not have the right skills (Saleh and Ndubisi, 2006) and the ability to perform at high level standards (Aris, 2007).

Successful organizations make sure that there is a good match between the employee and the job (Kristof-Brown et al., 2005). SME tends to experience lower production by employees. It may be necessary to see if there is not a good employee fit for the job or there are other reasons like not having the right skills that creates the lower performance (Edwards, 1991). Lawrence (2004) found that the right person-job fit may also be tied to the knowledge and skill set of the employee. Not having the right skills may contribute to lack of employee engagement. Employee performance

According to Gallup, employees who are highly engaged in their organization produce high levels of customer care, retention, productivity and generate higher profits (Luthans and Peterson, 2002). The poll also revealed that employees the bottom 25% had lower sales, more issues with customers and increased staff turnover vs the top 25% who had much higher and positive scores (The Gallup Organization, 2004). Those employees that have a rational commitment are less likely to be top producers. It is in employers's best interest to have as many "true believers" as they can (Buchanan, 2004). These people tend to produce more for the organization than those who have low engagement and may contribute to a loss. The Gallup Organization did a survey in 2004 on the effects of engaged and unengaged workers. In the UK, unengaged workers cost their companies \$64.8 billion a year. In Japan, the loss in productivity was \$232 billion due to a low engagement ranking of 9%.

An engaged employee or employees can be valuable assets to the organization when it comes to competitive strength (Joo and Mclean, 2006). Productivity and employee retention increases with employee engagement (Lad and Wilson, 1994). In 2006, a groundbreaking survey of 664,000 employees globally was conducted on employee engagement by the Society for Human Resource Management (SHRM). The study revealed that there was a differential of 52% for increased operational income from those organizations who had poorly engaged employees and those having highly engaged employees. Another survey was conducted in 2006 that surveyed on 7939 business units in 38 countries and showed that customer satisfaction, profitability, turnover of staff and less work mishaps were due to a higher satisfied and engaged staff (Norwack, 2006). Engaged and satisfied employees tend to be top performers who are committed to the organization (Woodruffe, 2006; Lockwood, 2006). When an employee is engaged they serve customers better and therefore contribute more to the organization's ongoing profitability.

Employee engagement is an “emergent working condition and a positive cognitive, emotional and behavioral state directed toward organizational outcomes” (Shuck and Wollard, 2009). Another definition describes employee engagement as the readiness of workers and their skills to help their organization be successful by being flexible in indifferent situations (Perrin’s Global work study, 2003).

Shuck and Wollard (2009) also define employee engagement as a growing working state in which the employee’s perceptions, feelings and behaviors are aimed at the desired organization results. One more definition comes from Maslach et al. (2001) who views employee engagement as an energetic state of involvement with personally fulfilling activities that enhances one’s sense of professional efficacy.” Their opposites are “burnout dimensions of exhaustion, cynicism and inefficacy (Maslach and Leiter, 2008). Employee’s connection and commitment to the organization are also key to employee engagement (Demovsek, 2008).

True engagement occurs when all employees in an organization are passionate about the business strategy and are committed to its success (Right Management, 2006). Employees have more than work satisfaction, they are gratified to serve and are promoters of the products and brand name. There is evidence that employee engagement increases productivity and overall performance, creates a better and more productive work environment, reduces non-attendance and employees leaving (Caplan, 2013). In a study in the GCC countries it was discovered that when employees are engaged, they tend to produce more and put in more effort to help their organizations (Singh et al., 2012). There are however challenges faced by employers to determine what employee engagement is and what values create it as there are many theories that are unclear concerning the subject (Saks and Gruman, 2014). Studies were conducted in 2010 in India to determine the levels of engagement of employees during that year (Blessing and White, 2011). Their research revealed that 37% of the employees were engaged. These numbers varied among gender, job functions, structure and size of organizations. Older and married employees were more engaged than their younger counterparts. There was also a correlation between industry and engagement. Banking employees had low engagement and those working in healthcare and chemicals were highly engaged. Having the right success factors in the job were seen as motivators by Indian managers. The first was having a career development path including training (28%), being able to do what an employee does best was second (21%) and the final was challenging work (15%) (Blessing and White, 2011).

It is clear from the research that employee job satisfaction is essential to employee engagement. In India, Blessing White (2011) conducted a survey to determine employee engagement among employees. The results revealed that 37% were engaged in India and this level varied across India as “they also vary across organizations, organization size, gender, workplace structure, and functions. Younger employees are less engaged as compared to older and married employees. Employees in healthcare and chemicals had maximum engagement levels while banking and financial services had the least.” In those surveys, managers of Indian firms showed three factors that determined employee engagement:

1. Career development activities and training 28%
2. More opportunities to do what one does best 21%
3. More challenging work 15%

Further, it is determined that when employees are content, it could be beneficial for management to improve employee enhancement through a new program. According to the Journal of Economic Development, Management, IT, Finance and Marketing (2012) the following are suggestions to improve engagement:

1. Communication activities
2. Reward schemes
3. Activities to build the culture of the organization
4. Team building activities

In order to achieve employee engagement, there must be employee performance. There is proof that employees who are engaged are better workers and top performers. Gibbons (2006) in 12 different research studies concluded the following to be top motivators for employee engagement. Identification with the organization and emotions can be essential factors in employee engagement (Towers Perrin, 2003). Being part of an organization, being stimulated and acknowledged creates a sense of engagement. Emotions and the feelings of personal satisfaction also create stronger engagement. Other research suggests that there is also a constructive effect on employee engagement due to happy customers, high production, staff retention, the success of the organization and strong earnings (Richman, 2006; Baumruk, 2004). In order to have employee engagement, there must be 'meaningful business results and performance in many organizations' (Harter et al., 2002). There is a research that found that employee engagement is the degree to which employees are focused and immersed in their jobs (Saks, 2006). According to his research, there are "two types of employee engagement: job engagement and organizational engagement". How engrossed employees are with their own performance is job engagement. Organizational engagement is the "extent to which an individual psychologically present as a member of an organization".

This can also contribute to overall job satisfaction, better performance, less days off, better health, proactivity and more motivation. Organizational commitment has two components that impact on engagement (Hakanen et al., 2006; Saks, 2006; Demeroutiet al., 2001; Maslach et al., 2001; Brown and Leigh, 1996) and need to be addressed. They are continuance commitment and normative commitment. An interesting theory was developed by Konrad (2006) that engaged employees are those who are involved in the creation and application of workplace processes and workplace change. His research also found that engagement of employees reduced employee turnover. Effective management also made a difference in high performance by involving their employees their jobs (Ruth and Ruth 1998).

There are other factors as well that influence employee engagement including proper selection of employees, effective training, sharing of power, sharing information and reward systems for good performance systems, Vance and Mathieu, (1999). Having a participative work environment was also important to employee engagement. The effectiveness of human resource management (HRM) and the "context of high involvement work practices" according to Boon et al. (2005) and Saima (2011) can significantly influence employee engagement. (HRM) practices were studied and their effectiveness in employee engagement reviewed. It was determined that teamwork, empowerment, reward and communication had a very positive effect on engagement. An organization's willingness to care for her employees strongly influences engagement. Effective communication with employees, as Saunders (2008) indicated makes them feel as if they are part of the organization and valuable.

Listening to employees effectively is an effective way to make people feel more engaged. According to CIPD (2011), if an organization truly listens to their employees, they will feel more valued and this can be a strategic instrument for employee engagement. In the research by Daprix and Faghan (2011), transparent communication is critical for employee engagement and employees trust in management. This contributes also to a positive corporate culture. The employee engagement program according to Shuck (2011) must be championed by HR and connect business goals to employee performance. This is done by attracting the right employees and making the environment positive so employees want to stay. HR can facilitate the process by providing assistance to managers to ensure that employee engagement is effectively implemented (Shuck, 2010).

### III. Conclusion

Analysis that emerged from the literature review was that employees are simply human beings with increasing levels of needs. These needs must be met to achieve their highest potential and job satisfaction. The literature review demonstrated that when employers are successful in meeting employee needs, employee engagement is positively affected. The relationship between job satisfaction and employee engagement have been studied and reported by many researchers. Additionally, job satisfaction can be an antecedent and a consequence of employee engagement. An attempt is made here to SSA Employee Engagement and Job Satisfaction highlight a few of the studies to support the present study. Through a literature review, these formative elements of job satisfaction can be linked to employee engagement. The study also found a positive moderate relationship between job satisfaction and work engagement. Human resource development managers while working on employee engagement can focus on job satisfaction of employees, particularly managers at different hierarchies.

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