
IMPACT OF EMPLOYEE ENGAGEMENT ON ORGANIZATIONAL PERFORMANCE IN HIGHER EDUCATION INSTITUTIONS

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Article Received: 7 May 2026

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Article Revised: 27 May 2026

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Published on: 17 June 2026

DOI: <https://doi-doi.org/101555/ijrpa.5891>

ABSTRACT

Employee engagement has been attracting a lot of attention as an important factor influencing institutional efficiency and long-term organizational success. Engagement is a key factor in higher education institutions where faculty and staff commitment is a key factor in performance. The present study examined the effect of employee engagement on organizational performance in higher education institutions using descriptive and analytical research methods. A structured questionnaire was developed using five point Likert scale and data were collected from 80 academic and administrative employees. The study investigates how leadership quality, work atmosphere, recognition systems and career growth opportunities influence the levels of engagement. The numerical investigation presented a strong positive correlation ($r = 0.72$) between employee engagement and organizational performance. Outcomes specify that more involved employees result in improved output, heightened organizational commitment and better retention. The learning highlights the need for strategic Human Resource Management interferences to develop an engaged workforce and improve institutional performance.

KEYWORDS: *Employee Commitment, Organizational Performance, Human Resource Management, Higher Education, Job Satisfaction, Employee Retention.*

I. INTRODUCTION

The modern educational landscape is quickly formed by globalization, technological development, and increasing stakeholder prospects. Today's institutions of higher education are not only centres of instruction but also knowledge-driven organizations that are expected

to foster invention, research and societal progress. In such conditions, human resources have become an important source of institutional strength.

The increasing importance of employee engagement in organizational behaviour and Human Resource Management is due to its direct associations with employee contribution and institutional effectiveness. Engagement is about the emotional connection, the commitment and the willingness of employees to go the extra mile to achieve the organization's goals. Job satisfaction is a measure of how happy an employee is with their job, while engagement is a measure of how much an employee is psychologically involved in their work.

Engagement is even more important in higher education institutions, where institutional outcomes rely heavily on human interaction and intellectual contribution. Faculty influence learning, research and academic mentorship; administrative personnel facilitate operational continuity and coordination. Thus, motivated and committed employees are critical to educational quality and organizational excellence.

Modern Human Resource Management has moved from routine personnel administration to a strategic function of attracting, developing and retaining capable employees. Increasingly, practices that enhance engagement include leadership support, employee recognition, career opportunities and healthy workplace environments. Previous research shows that engaged employees are more innovative, more committed and less absent and less likely to leave. However, research has been mainly on business organizations and educational organizations have been less explored.

In this regard, the present study assesses employee engagement in higher education institutions and examines its effect on organizational performance as well as key engagement drivers and HR-related interventions.

II. LITERATURE REVIEW

Employee engagement has been defined as a multidimensional construct that involves emotional, cognitive and behavioral investment in work roles.

Kahn (1990) described engagement as the psychological presence of employees in their roles and suggested that meaningfulness, safety, and availability are the basic conditions that support engagement. Employees who perceive their work as meaningful and feel psychologically safe tend to have higher levels of engagement.

Saks (2006) explained engagement by Social Exchange Theory which stated that employees reciprocate organizational support with loyalty and commitment. Similarly, Schaufeli and

Bakker (2004) defined engagement through the dimensions of vigor, dedication and absorption, emphasizing enthusiasm and focused participation.

Research keeps showing that employee engagement is key to company success. Gallup (2020) found that super engaged workers make their work stand out and take fewer sick days. Harter et al. (2002) linked higher engagement levels with better staff retention and overall org effectiveness.

HR practices heavily influence how involved employees are. Armstrong (2014) said recruitment, training, and reviews all boost involvement. Similarly, Dessler (2017) stressed clear comms, just reward systems, and chances for career progression.

Leaders play a big part too. When they show transformational leadership, it amps up worker motivation and loyalty. This is even truer in schools, where top-down support can supercharge teamwork and spirits.

III. OBJECTIVES OF THE STUDY

- To measure Employee Engagement at the higher education sector.
- Examine the connection between engagement of employees and performance of your organization.
- For academic and administrative employees to identify the factors affecting their engagement.
- To study the role of Human Resource Management practices to engagement.
- To suggest measures for improving engagement and organization effectiveness.

IV. HYPOTHESES

The hypotheses in the study are:

- H1: Employee engagement has a positive and significant impact on organizational performance.
- H2: The efficacy of management significantly influences employee engagement.
- H3: There is a negative association between employee engagement and turnover intention.

V. CONCEPTUAL FRAMEWORK

The study's conceptual framework: the relationship between organizational factors, employee engagement, and organizational performance

Independent Variables

- Leadership Effectiveness
- Work Environment
- Rewards and Recognition
- Career Development Opportunities

Mediating Variable

- Employee Engagement

Dependent Variable

- Organizational Performance

The framework presumes that engagement (or illiquidity) as impacted by leadership, workplace environment, rewards and career development are driving organizations performance due to employee's engagement.

VI. RESEARCH METHODOLOGY

The study had a descriptive and analytical design to comprehend employee engagement and its correlation with organizational performance. Data collection was done from primary and secondary sources. Data were collected primarily by means of structured questionnaires administered to both faculty and administrative staff, with secondary data being gathered from books, journals, institutional documents, and scholarly databases.

The subjects were employees at colleges and universities. The sample consisted of 80 respondents who were selected through the method of convenience sampling characterized by ease of accessibility as well as availability and willingness to respond. A questionnaire with a five-point Likert scale addressing items related to leadership, work environment, recognition, career development, engagement and organizational performance.

To measure the reliability of the instrument, Cronbachs Alpha (0.78) was used which showed that Internal consistency was satisfactory version of the tool Content validity was determined through literature review and expert assessment. Data analysis was conducted using percentage, descriptive & correlation statistics.

VII. DATA ANALYSIS AND INTERPRETATION

For this study data analyses were done to look for (a) respondent demographics, (b) employee engagement–level of employee engagement among the employees and (c) association between employee engagement and organizational performance. It was carried out through

percentage and correlation techniques based on responses obtained from 80 faculty members/administrative staff.

Demographic Profile of Respondents

With this, respondents can be analysed in terms of basic characteristics and it will help understand the population diversity of the study.

Table 1: Demographic Profile of Respondents

Category	Percentage
Male	55%
Female	45%
Experience <5 yrs	40%
Experience >5 yrs	60%

Interpretation: The demographics suggest a good gender balance; 55 per cent of respondents to the survey are male, while the remaining 45 per cent are female. Using this balanced representation enhances the reliability and inclusiveness of results.

In terms of work experience, 60 percent had more than five years and 40 percent less than five years of experience. An experienced workforce will enhance the quality of answers, employees with a deeper comprehension of organizational.

Leadership effectiveness has a great impact on employee engagement H2

Table 2: Correlation matrix for Leadership Effectiveness & Employee engagement.

Variables	Correlation Coefficient (r)	Significance (p-value)	Interpretation
Leadership Effectiveness vs Employee Engagement	+0.65	<0.05	Moderate to Strong Positive Correlation

Interpretation: The correlation coefficient ($r = +0.65$) depicts moderate to substantial positive relationship between leadership effectiveness and employee engagement. The p-value ($p < 0.05$) indicates that supportive and effectual quality leader behavior benefits the motivation, dedication and participation of employees in organizations.

Employers Turnover Intention & negatively related to employee engagement H3

Table 3: Correlation Analysis for Employee Engagement and Turnover Intention. (H3)

Variables	Correlation Coefficient (r)	Significance (p-value)	Interpretation
Employee Engagement vs Turnover Intention	-0.58	<0.05	Moderate Negative Correlation

Interpretation: The correlation coefficient ($r = -0.58$) indicates a moderate negative relationship between employee engagement and turnover intention. The statistically significant result ($p < 0.05$) implies that employees demonstrating higher engagement are less likely to express intentions to leave the institution.

Table 4: Mean Scores of Engagement Drivers.

Variable	Mean
Leadership	4.1
Work Environment	3.9
Rewards & Recognition	3.8
Career Development	3.7

Hypothesis Testing Discussion

Hypotheses were tested against the backdrop of empirical evidence and supporting literature.

Hypothesis 1

H1: Organizational performance can be predicted by employee engagement positively.

The plus 0.72 correlation coefficient shows that there is a strong positive relationship between the engagement and the organizational performance

Result: Given the strong positive correlation coefficient ($r = 0.72$), H1 is supported.

It proves that employed individuals who are actively participating account for crucial roles in institutional performance, productivity and functional efficiency.

Hypothesis 2

H2: Leadership effectiveness largely determines employee engagement.

Survey results and literature reveal that the way leaders execute their plans has a significant effect on motivation, trust and involvement.

Employees who had perceived supportive leadership, on the other hand, exhibited higher levels of engagement.

Result: H2 is accepted because the influence of leadership practices on employee engagement in organizations are fairly significant.

That makes leadership one of the largest drivers of engagement at all educational institutions.

Hypothesis 3

Hypothesis 3 (H3): There is a negative relationship between employee engagement and turnover intention.

The results suggest employees who are highly engaged have higher levels of organizational commitment and lower turnover intentions.

People need to feel appreciated and believe that their careers will have opportunities further down the track, leading to more periods of service with the institution.

Since higher Employee engagement has an association on lower Turnover Intention, **so H3 is accepted.**

This is consistent with the previous studies looking for an association between engagement and retention.

Table 5: Summary of Hypothesis Testing.

Hypothesis	Variables	Statistical Test	Result	Decision
H1	Employee Engagement → Organizational Performance	Correlation	$r = +0.72, p < 0.05$	Accepted
H2	Leadership Effectiveness → Employee Engagement	Correlation	$r = +0.65, p < 0.05$	Accepted
H3	Employee Engagement → Turnover Intention	Correlation	$r = -0.58, p < 0.05$	Accepted

VIII. FINDINGS OF THE STUDY

- Employee engagement positively influences organizational performance.
- Leadership effectiveness emerged as a significant engagement driver.
- Recognition and developmental opportunities support stronger commitment.
- Higher engagement corresponds with lower turnover intention.
- HR practices contribute substantially toward workplace motivation and engagement.
- Engagement strengthens productivity, innovation, and institutional effectiveness.

IX. DISCUSSION

The study backs up previous research on employee engagement too. According to Kahn's (1990) theory, workers feel more engaged when their jobs are meaningful, they have supportive leaders, and their workplaces are nice. It also fits with Saks' (2006) Social Exchange Theory, showing that when organizations look after their staff, employees tend to give back by being more committed and involved.

The link between engagement and how well an organization does ($r = 0.72$) matches what Harter et al. (2002) and Gallup (2020) found – engaged workers help boost productivity and keep the good results coming.

In higher education, keeping employees engaged really matters. Since a university's success hinges on brainpower and the people they've got, both faculty and admin staff need to be pumped up. They don't just do regular tasks; they come up with fresh ideas, work together,

and make services great. So, the study drives home the point that keeping staff engaged is key for any organisation to thrive.

X. LIMITATIONS OF THE STUDY

This study has some limits. We only had 80 participants, making broad generalizations tough. Plus, using convenience sampling might bring bias. Self-reports were relied on too, which can be unreliable. Lastly, the research just covered a few universities, so it doesn't speak for all of education.

XI. CONCLUSION

The study confirms that employee engagement constitutes a critical factor influencing organizational performance in higher education institutions. Leadership, workplace conditions, recognition, and career growth opportunities collectively shape engagement levels and organizational commitment. Employees who experience supportive institutional environments are more productive and less inclined toward turnover.

The findings reinforce the strategic importance of Human Resource Management in designing engagement-oriented policies and leadership practices. As educational institutions operate in increasingly competitive environments, sustainable development depends not only on infrastructure or reputation but also on the commitment and involvement of employees. Therefore, institutions should prioritize engagement-focused interventions to strengthen long-term organizational performance.

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