

STAFF ENGAGEMENT AS CORRELATES OF ORGANIZATIONAL PERFORMANCE IN COMPETITIVE BUSINESS ENVIRONMENT

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To cite this article (APA): Amoda, M. B., & Kokomo, Y. A. (2024). Staff engagement as correlates of organizational performance in competitive business environment. *AAU Journal of Business Educators*, 4(2), 215-222

Abstract

The study examined the extent of correlation between staff engagement and organizational performance in competitive business environment. Three research questions and three hypotheses guided the study. A correlational survey research design was used. The population of this study comprised all staff of Right Foods Limited, Osoa, Ijebu, Ogun State, Nigeria. A total of 90 staff/employees of Right Foods Limited were selected as sample size of the study. The authors used a structured questionnaire titled: Employee Engagement and Organizational Performance Questionnaire (EEOPO) with 0.88 as reliability coefficient for data collection. Research questions 1 and 2 were answered using mean and standard deviation, while research question 3 was answered using Pearson's Product Moment Correlation Coefficient. The findings indicated that poor cross-team communication, no clarity on who's doing what by when, workload imbalance, role-ability fit, lack of transparency and uninspiring leadership were among the factors affecting organizational performance. Fulfilling the responsibilities and duties outlined in the job descriptions, achieving performance standards, working efficiently to reduce the use of time and resources, promoting a positive work ethic and environment, active listening skills were among the factors enhancing organizational performance. Furthermore, completing special requests from management were among the contribution of staff engagement on organization performance. There was a positive correlation between staff engagement and organizational performance ($r = 0.230$, $P < .05$). The authors recommended, among others, that managers and leaders of organizations should endeavour to create working environment that foster staff engagement and job satisfaction, if they desire to achieve increased organizational performance.

Keywords: *Competitive Business Environment, Staff Engagement, Organizational Performance.*

Introduction

The desire of every organization is to achieved and sustained performance in a competitive business environment. Organization performance dictates the extent to which the firm can growth; the extent to which more people will be employed; and the extent to which shareholders can received dividend. Organizational performance entails the capacity of organizations to achieve stated objectives or set goals (Govender & Bussin, 2020). Performance involves the ability of the organization to achieve challenging goals and a measurement of productivity through the contribution of knowledge possessed by the employees (Kazimoto, 2016). Organizational performance is measured using different indices such as profitability, growth, productivity, efficiency, market share amongst others (Ahmed, Khan, Thitivesa, Siraphatthada & Phumdara, 2020).

In Nigeria, the management of job and human resources has not always been very efficient. Consequently, there has been a decline in the performance of some organizations. One of the main reasons for such low performance has been the decline in employee engagement at the workplace.

Accordingly, many employees are unable to take on extra duties, which negatively affect their productivity and performance of the organization. Many studies have been carried out to examine the relationship between employee or staff engagement and organizational outcomes, such as job performance (Al-Dalahmeh et al., 2018; Diaka et al., 2023; Oyebanji et al., 2023; Verčič, 2021).

In today's innovation-driven business settings, organizations are under intense pressure to survive and remain competitive. Business organizations all over the world are advancing through hyper competition where engaging employees is inevitable for their survival (Sinurat & Berampu, 2021). They are expected to properly utilize their resources in order to reach their desired targets and stated goals. Engagement is a workplace approach designed to ensure that employees are committed to their organization's goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being (Satata, 2021). Most organizations are highly involved in helping staff become more deeply engaged with their work and reduce the effect of job burnout (Satata, 2021). Therefore, staff engagement is desirable for organizations and it positively affects organizational outcomes such as low turnover retention, productivity and loyalty (Verčič, 2021).

Staff engagement is a precursor for fueling organizational success as engaged employees are motivated and strive to achieve organizational goals and objectives. To remain competitive in the global market, organizations must encourage competitive their staff to be engaged or engrossed fully on the job as a strategic tool for the attainment of competitive advantage. Organizations need their employees to be active, dedicated, and engaged fully on the job in order to help improve organizational performance (Reissová & Papay, 2021). Staff engagement has received considerable research attention. For instance, Ahmed et al. (2020) investigated staff engagement. More recent studies suggest that staff engagement is an important strategy for organizational performance (Sudiroa, Adia & Fakhria, 2021) through the creation of a resourceful working environment (for example, Edokpolor & Imeokparia, 2022; Edokpolor et al., 2022d; Edokpolor et al., 2024a; Edokpolor et al., 2024b). Staff engagement is a physical, emotional, and psychological work conditions related to work that helps organizations to achieve stated goals (Satata, 2021).

Staff engagement constitute the mechanism that act as a precursor for organizational performance (Oyebanji et al., 2023). With staff engagement being human resources' (HR) greatest concerns over the years, is the most critical factors in ensuring organizational performance. For an organization to thrive, evidence has shown that employee engagement is seriously considered as a major factor that affect organizations' daily operations and general performance (Edokpolor & Owenvbiugie, 2022). Clearly, there is no doubt that these factors significantly relate to human resources management (HRM) and combination of these factors significantly affect organizational performance. Employees possesses different specific human capital (that is, knowledge, skills, aptitude, and vigor) and these differences strongly influence their levels of performance on the job. This implies that employees use specific knowledge, skills, aptitude, and abilities they have acquired to perform their job activities. Thus, it is an obligation on HR managers to find ways of encouraging employees to exert higher levels of organizational performance. Therefore, the higher levels of organizational performance can be achieved through effective staff engagement. Engaged employees are motivated to come to workplace and carry out assigned tasks within their capacity to facilitate organizational success (Oyebanji et. al., 2023). For instance, if an employee is engaged on the job, they tend to provide high quality services which, in turn, improve performance.

The central point here is that staff engagement is key to organizational performance. When employees are engaged, not only will they be motivated to get their work done, they will also be mindful about the organization's success. Engaged employee may likely exchange their job engagement for benefits and incentives put in place by the organization. This helps to create value and sustain productivity in an increasingly dynamic work environment. Organization with who are engaged fully on the employees' job will be more effective in responding to changing environmental conditions and developing efficient workforce to achieve better performance (Oyebanji et. al., 2023). The opinion that staff engagement involves creating prospects for employees to attach with their managers, colleagues and organizations (Reissová & Papay, 2021). Staff engagement goes beyond job satisfaction, job

commitment, and job involvement. Staff engagement has been found to be related to employee corporation, involvement, satisfaction and commitment; all of which have been used as proxies for staff engagement. However, staff engagement involves some functional variables which are to be beneficial to both the organization and its employees but are not limited to them. These variables include employee voice, employee commitment, employee involvement, organizational citizenship (Reissová & Papay, 2021).

Statement of the Problem

Staff engagement seems to be a focus among business practitioners and academic scholars, as well as issues pertaining to modern business environment. Hence, some private organizations are striving to increase engagement of its employees. In the present turbulent and unpredictable Nigerian business environment, the non-availability of employee voice in some private organization has made turnover intention a major problem. The awareness of having a job but knowing that it is not secure is stressful and a burden on employees' shoulders. However, despite the critical role private organization play, the issue of engagement of employees by these organizations and how it affects performance has been less documented. Most employees in these organizations lack voice on matters of concern to them in the organization, which is an important factor in staff engagement. The lack of employee voice has made turnover intention inevitable in these organizations. These employees seem not to have an opinion on matters that affects them in the organization due to the salient reason that private organizations are un-unionised. As a result of this, they are being viewed as not been committed and this affects their intentions of staying in the organization. Employees in these organizations glamour for a voice in their job because of the added benefits such as job security, prestige and increased experience that is ensured by it. This study is an attempt to examine staff engagement as correlates of organizational performance in competitive business environment.

Purpose of the Study

The aim of the study was to examine staff engagement as correlates of organizational performance in competitive business environment. Specifically, the study examined:

1. the factor affecting organization performance.
2. the contribution of staff engagement on organization performance.
3. the relationship between staff engagement and organizational performance.

Research Questions

The following research questions guided this study:

Research Question 1: What are the factors affecting organization performance?

Research Question 2: What are the contribution of staff engagement on organization performance?

Research Question 3: To what extent does staff engagement relate to organizational performance?

Method

Research Design

The study used a correlational survey research design. This type of design help determines the extent to which two or more variables and constructs are related.

Population and Sampling Procedure

The population of this study comprised all staff of Right Foods Limited, Ososa, Ijebu, Ogun State, Nigeria. A total of 90 staff/employees of Right Foods Limited, Ogun State were selected as sample size of the study. Purposive sampling technique was used for the selection of the sample size.

Data Collection Instrument

The authors used a structured questionnaire titled: Employee Engagement and Organizational Performance Questionnaire (EEOPQ) for data collection. The questionnaire solicited responses from the respondents on a four (4) – point scale format which was a modification of 5-point Likert scale. The questionnaire was divided into 2 sections vis-a-vis sections A and B. Section A focused on demographic characteristics of the respondents while sections B examine items on staff engagement as correlates of organizational performance in competitive business environment.

Data Collection Instrument Validity and Reliability

A copy of the instrument was made available to the three experts, two in business education and one in measurement and evaluation to ensure the face and content validity in terms of content, grammar and structure of the instrument. All the corrections were effected on the final draft of the instrument. In this case, copies of the instrument were administered on 10 staff of Coca-Cola, Lagos State. The collected data were analyzed using Pearson's Product Moment Correlation Coefficient and the reliability yielded a coefficient alpha value of 0.88.

Data Collection Procedure

A letter of introduction was collected from the Head of Business Education Department, Tai Solarin University of Education, Ijagun, Ogun State presented to the Right Foods Limited, Ososa, Ijebu, Ogun State to show researcher interest. The consent of the selected employees was sought to participate in the study.

Data Analysis

Research questions 1 and 2 were answered using mean and standard deviation, while research question 3 was answered using Pearson's Product Moment Correlation Coefficient.

Result

Research Question 1: What are the factors affecting organization performance?

Table 1: Descriptive statistics on the factors affecting organization performance.

Items	Mean	SD	Remark
Poor cross-team communication	2.98	.775	Agreed
No clarity on who's doing what by when.	2.67	.893	Agreed
Workload imbalance.	3.10	.568	Agreed
Role-ability fit,	2.84	.736	Agreed
Lack of transparency	2.81	.732	Agreed
Uninspiring leadership	2.83	.673	Agreed
Cluster Mean	2.87	-	-



Figure 1: Pie-chart showing employees factor affecting organization performance

Table 1 revealed that cluster mean was 2.87 and the bench mark mean of 2.50. Since, $2.87 > 2.50$; this implies that poor cross-team communication, no clarity on who's doing what by when, workload imbalance, role-ability fit, lack of transparency and uninspiring leadership were among employees' factor affecting organization performance.

Research Question 2: What are the contribution of staff engagement on organization performance?

Table 2: Descriptive statistics on the contribution of staff engagement on organization performance.

Items	Mean	SD	Remark
Fulfilling the responsibilities and duties outlined in the job description.	3.08	.599	Agreed
Achieving performance standards.	2.80	.867	Agreed
Working efficiently to reduce the use of time and resources.	3.23	.601	Agreed
Promoting a positive work ethic and environment.	3.11	.621	Agreed
Active listening skills enhance organizational performance.	2.99	.896	Agreed
Completing special requests from management.	2.59	.973	Agreed
Cluster Mean	2.54	-	-

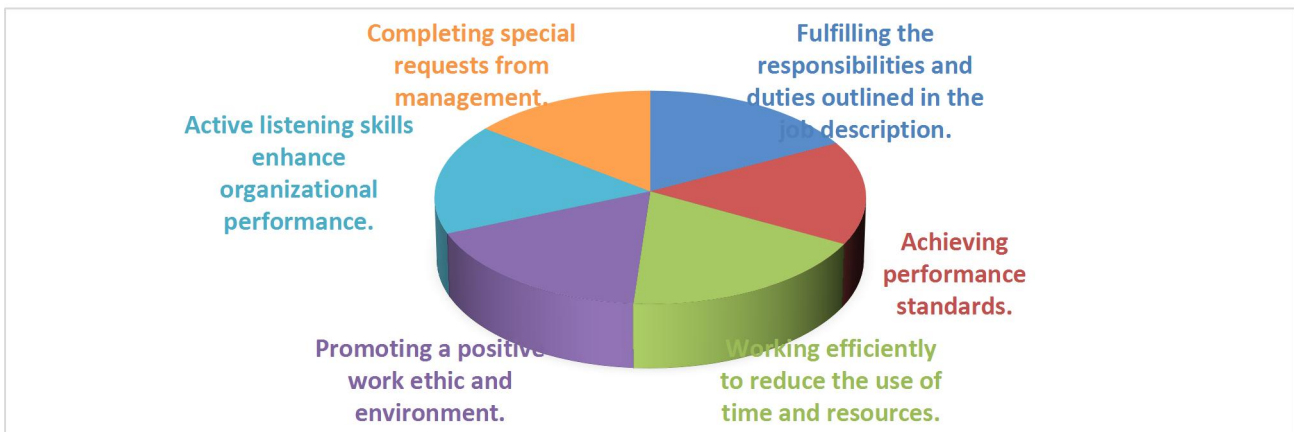


Figure 2: Pie-chart showing the contribution of employees' engagement on organization performance.

Table 2 indicated that cluster mean was 2.54 and the bench mark mean of 2.50. Since, $2.54 > 2.50$; this implied that fulfilling the responsibilities and duties outlined in the job description, achieving performance standards, working efficiently to reduce the use of time and resources, promoting a positive work ethic and environment, active listening skills enhance organizational performance and completing

special requests from management were among the contribution of staff engagement on organization performance.

Research Question 3: To what extent does staff engagement relate to organizational performance?

Table 3: Pearson's correlation on the relationship between staff engagement and organizational performance.

Variables	Mean	SD	r-value	df	p-value	Remark
Staff engagement	36.2714	7.920	.230	88	.000	Sig.
Organizational performance	48.1686	14.666				

Table 3 shows Mean, Standard Deviation and zero order correlation between the variables. It was observed that there was significant relationship between independent variable (staff engagement) and dependant variable (organizational performance) in the order of ($r = 0.230$, $P < .05$).

Discussion

The findings of the study revealed that poor cross-team communication, no clarity on who's doing what by when, workload imbalance, role-ability fit, lack of transparency and uninspiring leadership were among employees' factor affecting organization performance. Fulfilling the responsibilities and duties outlined in the job description, achieving performance standards, working efficiently to reduce the use of time and resources, promoting a positive work ethic and environment, active listening skills enhance organizational performance and completing special requests from management were among the contribution of staff engagement on organization performance. There was significant relationship between independent variable (staff engagement) and dependent variable (organizational performance) in the order of ($r = 0.230$, $P < .05$). The above findings were in support to Oyebanji, et al., (2023) who investigated the relationship between employee engagement, job satisfaction and organizational performance and indicated that employee engagement and job satisfaction have positive significant relationships with organizational performance. Diaka, et al., (2023) examined the effect of employee engagement on the performance of Mikap Nigeria Limited, Makurdi and revealed that vigor engagement has significant effect on organizational performance dedication engagement has significant effect on organizational performance and absorption engagement has significant effect on organizational performance. Egonwanne and Okundalaiye (2022) examined impacts employee engagement with emphasis on some selected Nigerian indigenous upstream oil and gas companies and task culture showed significant relationship with vigour and absorption only. Orogbu, et. al., (2021) ascertained the extent to which employee involvement correlates with goal achievement in Anambra State Civil Service and showed that employee involvement has a significant positive relationship with goal achievement in the selected ministries. Olatunji, et. al., (2019) examined the significance of employee engagement and individual well-being on organisational performance and shows that employee engagement and individual well-being has a significant effect on efficiency and effectiveness which has strong ability to enhance organizational performance.

Conclusion

The following conclusions were drawn based on the findings of the study that: poor cross-team communication, no clarity on who's doing what by when, workload imbalance, role-ability fit, lack of transparency and uninspiring leadership were among employees' factor affecting organization performance; fulfilling the responsibilities and duties outlined in the job description, achieving performance standards, working efficiently to reduce the use of time and resources, promoting a positive work ethic and environment, active listening skills enhance organizational performance and completing special requests from management were among the contribution of staff engagement on organization performance. There was relationship between the independent variable (employee engagement) and the

dependent variable (organizational performance) in the order of ($r = 0.230$, $P < .05$).

Recommendations

The following recommendations were provided for the study:

1. Managers of organizations should create the working environment that foster staff engagement and job satisfaction, if they desire to achieve increased organizational performance.
2. Managers of organizations should improve vigor among employees since it improves staff performance and enhance organizational performance.
3. It was recommended that organization performance depends on staff engagement, and this must be taken into account by the company's authorities and policies makers when creating their organizational cultural policy.
4. Organization should engage in induction training to specify work roles to each employee, encourage involvement of employees in decision making and feedback should be given on their performance with commensurate reward.
5. It was also recommended that the top management of organizations should keep in mind staff engagement various drivers such as empowering the employees, providing full information, support from the top management, aligning efforts with strategy while planning to engage their employees to ensure efficiency and improved performance in their organization.

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