

A STUDY OF EMPLOYEE ENGAGEMENT AND ORGANISATIONAL PERFORMANCE: IFB

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ABSTRACT

Employee engagement has emerged as a critical factor influencing organisational performance, employee productivity, retention, and overall workplace effectiveness. The present study examines the relationship between employee engagement and organisational performance at IFB Industries Limited. The study aims to analyse the factors influencing employee engagement, including organisational culture, human resource management practices, employee development programmes, compensation systems, communication processes, and growth opportunities. A descriptive research design was adopted, and primary data were collected through structured questionnaires administered to 100 employees selected through simple random sampling. Secondary data were obtained from company reports, journals, books, and organisational records. The findings indicate that effective HR practices, supportive organisational culture, career advancement opportunities, and employee recognition significantly contribute to higher engagement levels. Employees who perceive fairness, transparency, and participation in organisational activities demonstrate stronger commitment and improved performance. The study further reveals that employee engagement positively influences job satisfaction, productivity, innovation, and organisational effectiveness. The research concludes that organisations must continuously strengthen employee-centred policies, communication mechanisms, and developmental initiatives to enhance engagement and sustain competitive advantage. The findings provide valuable insights for managers and policymakers seeking to improve organisational performance through strategic employee engagement practices.

Keywords: Employee Engagement, Organisational Performance, HR Practices, Employee Satisfaction, Organisational Culture, Workforce Productivity, Employee Commitment, IFB Industries.

I. INTRODUCTION

Employee engagement has become one of the most significant determinants of organisational success in contemporary business environments. Engaged employees demonstrate enthusiasm, commitment, and emotional attachment toward organisational objectives, resulting in improved productivity and performance (Kahn, 1990) [1]. Employee engagement reflects the extent to which employees invest their cognitive, emotional, and physical energies in their work roles (Saks, 2006) [2]. Organisations increasingly recognise that engaged employees contribute to innovation, customer satisfaction, and organisational competitiveness (Harter et al., 2002) [3]. Effective leadership plays a crucial role in fostering employee engagement through communication, trust, and empowerment (Avolio & Bass, 2004) [4]. Human resource practices such as recruitment, training, performance

appraisal, and rewards significantly influence engagement levels (Armstrong, 2014) [5]. Organisational culture also shapes employee attitudes and behaviours by creating a supportive work environment (Denison, 1990) [6]. Research has consistently demonstrated that employee engagement positively affects organisational commitment (Meyer & Allen, 1997) [7], job satisfaction (Locke, 1976) [8], employee retention (Alnaqbi, 2011) [9], and workplace productivity (Bakker & Demerouti, 2008) [10]. Consequently, organisations invest considerable resources in developing engagement strategies that align employee aspirations with organisational goals (Robinson et al., 2004) [11]. Employee engagement is therefore considered a strategic asset for sustainable organisational growth (Schaufeli et al., 2002) [12]. Furthermore, technological advancements and changing workforce expectations have increased the need for organisations to create employee-centric workplaces that encourage participation and continuous development (Macey & Schneider, 2008) [13], while maintaining high standards of organisational effectiveness (Gruman & Saks, 2011) [14] and fostering positive workplace relationships (Maslach et al., 2001) [15].



In manufacturing organisations such as IFB Industries Limited, employee engagement is particularly important because operational efficiency depends heavily on workforce commitment and involvement. Employee perceptions regarding HR practices significantly influence organisational performance (Riet, 2016) [16]. Fair recruitment and selection systems enhance employee confidence and collaboration (Iqbal, 2016) [17]. Training and development programmes improve employee competencies and organisational outcomes (Saifalislam, 2014) [18]. Compensation and reward systems contribute to motivation and job satisfaction (Madanat & Khasawneh, 2018) [19]. Employee engagement is strengthened when growth opportunities are available (Boonen, 2018) [20]. Organisational culture influences employee loyalty and commitment (Barabasz, 2014) [21]. Positive workplace relationships enhance employee retention and organisational performance (Rahman, 2012) [22]. Effective communication promotes employee trust and participation (Fabiola Kavitha & Rani, 2017) [23]. Performance appraisal systems also influence employee perceptions and engagement (Tejeji, 2013) [24]. Studies have shown that employee engagement contributes to organisational effectiveness, innovation, and productivity (Soni, 2019) [25], while leadership quality strengthens employee commitment (Jarad, 2010) [26]. Diversity-inclusive cultures further improve employee perceptions (Aziz, 2015) [27]. Organisational support enhances employee performance (Boonen, 2018) [28], and adaptive organisational cultures improve job satisfaction (Dereje Mesfin, 2020) [29].

Therefore, examining employee engagement at IFB Industries provides valuable insights into strategies for enhancing organisational performance and sustainable business success (Singh, 2009) [30].

II. LITERATURE SURVEY

Several researchers have investigated the influence of employee engagement on organisational performance. Kahn (1990) [1] introduced the concept of personal engagement at work. Saks (2006) [2] identified antecedents and consequences of employee engagement. Harter et al. (2002) [3] reported a strong relationship between employee engagement and business outcomes. Avolio and Bass (2004) [4] highlighted the role of transformational leadership in employee commitment. Armstrong (2014) [5] emphasised strategic HR practices as engagement drivers. Denison (1990) [6] established the connection between organisational culture and effectiveness. Meyer and Allen (1997) [7] demonstrated the importance of organisational commitment. Locke (1976) [8] explained how job satisfaction influences employee behaviour. Alnaqbi (2011) [9] found that workplace culture affects employee retention. Bakker and Demerouti (2008) [10] linked work engagement with productivity. Robinson et al. (2004) [11] suggested that employee engagement improves organisational competitiveness. Schaufeli et al. (2002) [12] developed engagement measurement frameworks. Macey and Schneider (2008) [13] differentiated engagement from satisfaction. Gruman and Saks (2011) [14] highlighted employee development strategies. Maslach et al. (2001) [15] examined burnout and employee well-being.

Subsequent studies focused on HR practices and organisational outcomes. Riet (2016) [16] examined employee perceptions of HRM effectiveness. Iqbal (2016) [17] found recruitment fairness enhances collaboration and knowledge sharing. Saifalislam (2014) [18] reported positive effects of recruitment and training on performance. Madanat and Khasawneh (2018) [19] established a strong relationship between HRM effectiveness and employee satisfaction. Boonen (2018) [20] demonstrated the influence of HR practices on employee performance. Barabasz (2014) [21] analysed organisational culture and employee loyalty. Rahman (2012) [22] linked HR practices with organisational commitment. Fabiyola Kavitha and Rani (2017) [23] identified communication and leadership as engagement factors. Tejeji (2013) [24] examined performance appraisal perceptions. Soni (2019) [25] found a positive impact of engagement on effectiveness. Jarad (2010) [26] highlighted culture-performance relationships. Aziz (2015) [27] emphasised diversity-inclusive cultures. Boonen (2018) [28] identified organisational support as a performance enhancer. Dereje Mesfin (2020) [29] linked culture and job satisfaction. Singh (2009) [30] concluded that strong organisational culture improves employee competencies and performance.

III. RESEARCH METHODOLOGY

The present study adopted a descriptive research design to analyse the relationship between employee engagement and organisational performance at IFB Industries Limited. Descriptive research was considered appropriate because it enables the systematic collection, analysis, and interpretation of employee perceptions regarding organisational practices and engagement levels. The study focused on understanding how factors such as HR

practices, organisational culture, communication systems, training opportunities, compensation, recognition, and employee development programmes influence engagement and organisational performance. The target population consisted of employees working in various departments of IFB Industries Limited. A sample size of 100 employees was selected using simple random sampling to ensure equal representation and minimise sampling bias. Primary data were collected through structured questionnaires containing both closed-ended and open-ended questions designed to capture employee opinions and experiences.

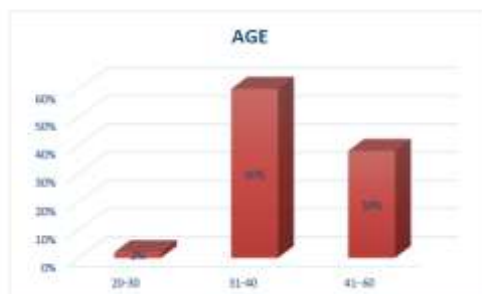
Secondary data were gathered from company reports, academic journals, books, websites, and previous research studies related to employee engagement and organisational performance. The collected data were organised, classified, and analysed using descriptive statistical tools such as frequency distributions, percentages, tables, and graphical representations. These analytical techniques facilitated the identification of trends and relationships among variables affecting employee engagement. Reliability and validity of the data collection instrument were ensured through expert review and pilot testing. Ethical considerations were maintained by ensuring respondent confidentiality and voluntary participation. The study examined key dimensions including employee satisfaction, growth opportunities, leadership effectiveness, communication quality, organisational culture, and HR practices. The findings were interpreted to assess their impact on organisational performance indicators such as productivity, commitment, retention, and effectiveness. The research methodology provided a structured framework for generating meaningful insights and practical recommendations for enhancing employee engagement and organisational performance at IFB Industries Limited.

IV. RESULTS & DISCUSSION

The findings of the study indicate a significant relationship between employee engagement and organisational performance at IFB Industries Limited. Analysis of the responses revealed that employees perceive organisational culture, HR practices, compensation systems, communication channels, and career development opportunities as critical determinants of engagement. A majority of respondents expressed positive perceptions regarding growth opportunities and employee development initiatives, suggesting that professional advancement contributes substantially to workforce commitment. The results further indicate that effective HR practices positively influence employee motivation, productivity, and job satisfaction. Employees who reported satisfaction with training programmes, recognition systems, and workplace relationships demonstrated higher levels of engagement and organisational commitment.

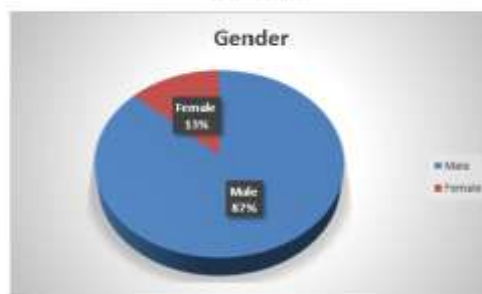
Particulars	No of Respondents	Percentage
20-30	2	2%
31-40	60	60%
41-60	38	38%
Total	100	100

GRAPH - 4.1



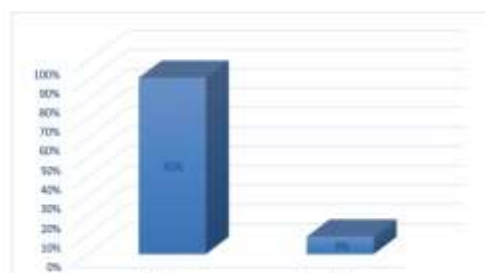
Particulars	No. of respondents	Percentage
Male	87	87%
Female	13	13%
Total	100	100

GRAPH - 4.2



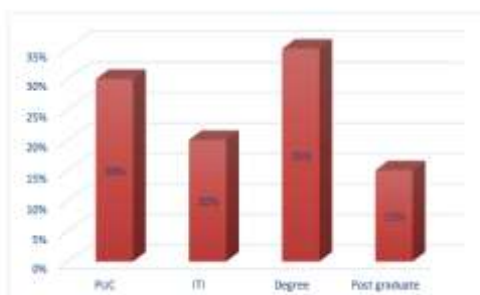
Particulars	No Of respondents	Percentage
Married	91	91%
Unmarried	9	9%
Total	100	100

GRAPH - 4.3



Particulars	No Of respondents	Percentage
PUC	30	30%
ITI	20	20%
Degree	35	35%
Post graduate	15	15%
Total	100	100

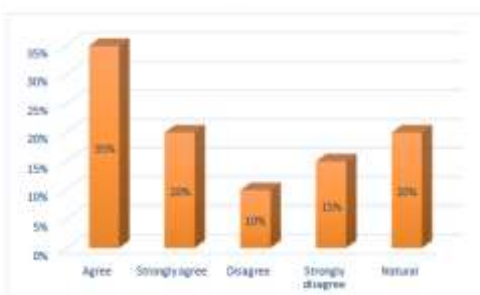
GRAPH - 4.4



The study also found that supportive leadership and transparent communication improve employee trust and participation in organisational activities. Conversely, dissatisfaction with certain HR programmes and organisational processes was associated with lower engagement levels. Statistical analysis showed that engaged employees are more likely to exhibit higher productivity, stronger organisational loyalty, reduced absenteeism, and greater willingness to contribute beyond formal job requirements. Organisational culture emerged as a significant predictor of engagement, highlighting the importance of creating an inclusive and employee-friendly work environment. The findings align with previous research indicating that employee engagement serves as a strategic driver of organisational effectiveness. Therefore, organisations seeking sustainable performance improvements should prioritise employee engagement initiatives through continuous training, recognition programmes, leadership development, and transparent communication practices. These efforts can enhance workforce morale, strengthen organisational commitment, and ultimately improve overall organisational performance.

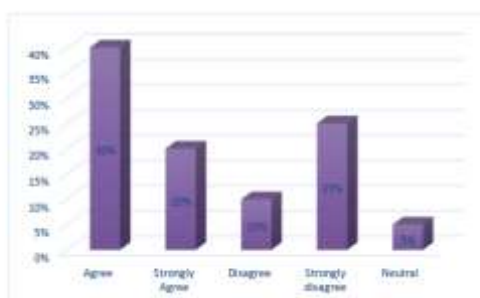
Particulars	No Of respondents	Percentage
Agree	35	35%
Strongly agree	20	20%
Disagree	10	10%
Strongly disagree	15	15%
Neutral	20	20%
Total	100	100%

GRAPH - 4.5



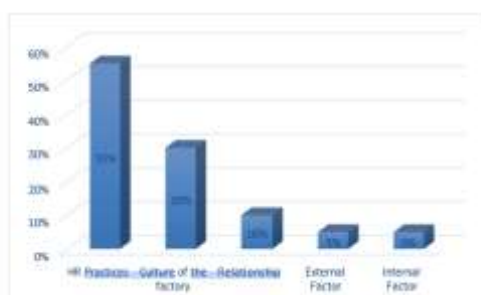
Particulars	No Of respondents	Percentage
Agree	40	40%
Strongly Agree	20	20%
Disagree	10	10%
Strongly disagree	25	25%
Neutral	5	5%
Total	100	100%

GRAPH - 4.7



Particulars	No Of respondents	Percentage
HR Practices	55	55%
Culture of the factory	30	30%
Relationship	10	10%
External Factor	5	5%
Internal Factor	5	5%
Total	100	100%

GRAPH - 4.8



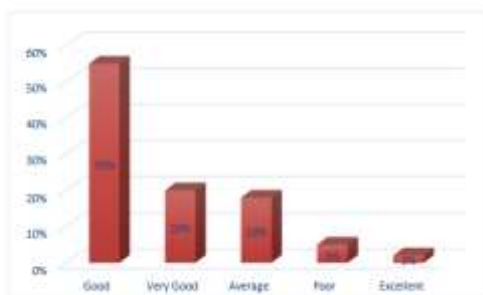
Particulars	No Of respondents	Percentage
Salary	55	55%
Management	20	20%
Welfare benefits	10	10%
Working conditions	11	11%
Culture of the factory	4	4%
Total	100	100%

GRAPH – 4.10



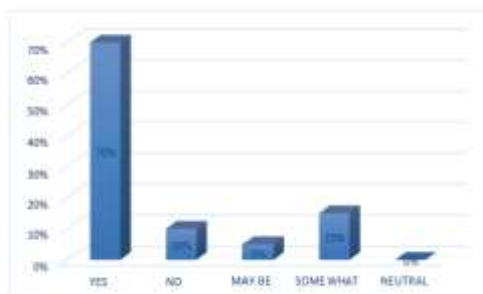
Particulars	No Of respondents	Percentage
Good	55	55%
Very Good	20	20%
Average	18	18%
Poor	5	5%
Excellent	2	2%
Total	100	100%

GRAPH – 4.14



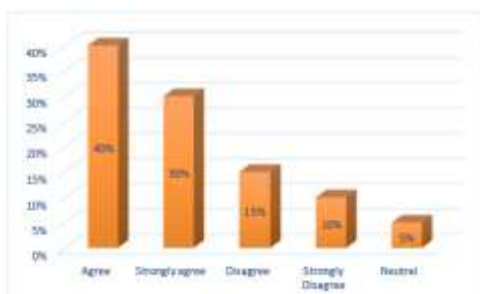
Particulars	No Of respondents	Percentage
YES	70	70%
NO	10	10%
MAY BE	5	5%
SOME WHAT	15	15%
NEUTRAL	0	0%
TOTAL	100	100%

GRAPH – 4.16



Particulars	No Of respondents	Percentage
Agree	40	40%
Strongly agree	30	30%
Disagree	15	15%
Strongly Disagree	10	10%
Neutral	5	5%
Total	100	100%

GRAPH – 4.19



V. CONCLUSION

The study concludes that employee engagement plays a vital role in enhancing organisational performance at IFB Industries Limited. Engaged employees exhibit higher levels of commitment, motivation, productivity, and job satisfaction, which collectively contribute to organisational success. The findings demonstrate that human resource practices, organisational culture, leadership effectiveness, communication quality, compensation systems, and career development opportunities significantly influence employee engagement. A positive and supportive work environment encourages employees to align their personal goals with organisational objectives, resulting in improved operational efficiency and organisational effectiveness. The study further reveals that organisations capable of fostering trust, participation, recognition, and continuous learning are more likely to achieve sustainable competitive advantages. Employee engagement not only improves individual performance but also strengthens teamwork, innovation, customer satisfaction, and employee retention. The results suggest that

management should continuously evaluate and enhance HR policies, employee development programmes, performance management systems, and communication strategies to maintain high engagement levels. Special attention should be given to addressing employee concerns, promoting workplace inclusiveness, and providing opportunities for professional growth. The study contributes to the growing body of knowledge on employee engagement by highlighting its direct impact on organisational performance within the manufacturing sector. Future research may explore additional variables such as digital transformation, employee well-being, and leadership styles to gain deeper insights into engagement dynamics. Overall, the study confirms that employee engagement is a strategic organisational resource that significantly contributes to long-term productivity, sustainability, and business excellence.

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