

Employee Engagement as a Driver of Organizational Success: An Empirical Analysis at Dalmia

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Abstract–This study examines the relationship between employee engagement and organizational performance at Dalmia, with a focus on key influencing factors such as recognition and reward, career growth and development, work environment and organizational culture, and work–life balance. Using a quantitative research design, primary data were collected from 103 employees through a structured questionnaire and analyzed using descriptive statistics, correlation, and multiple regression techniques. The findings reveal a strong positive relationship between employee engagement and organizational performance, indicating that higher engagement leads to improved productivity and effectiveness. All selected factors were found to have a significant positive influence on employee engagement, with work environment and organizational culture emerging as the strongest predictors, followed by recognition and reward, career growth, and work–life balance. The regression model explained a substantial proportion of variance in engagement, confirming the multidimensional nature of employee engagement. The study concludes that fostering a supportive work culture, recognizing employee contributions, providing growth opportunities, and promoting work–life balance are essential for enhancing engagement and achieving sustained organizational performance.

Keywords: Employee Engagement, Organizational Performance, Work Environment, Recognition and Reward, Work–Life Balance

I. INTRODUCTION

In the contemporary business landscape, organizations are increasingly recognizing that their competitive advantage lies not merely in technology or capital, but in the commitment and enthusiasm of their human resources. Among various human resource management practices, employee engagement has emerged as a critical strategic priority that directly influences organizational performance, innovation, and sustainability. Engaged employees are emotionally and intellectually connected to their work and

organization, demonstrating higher levels of dedication, discretionary effort, and alignment with corporate goals.

According to Kahn (1990), employee engagement represents the psychological presence of employees in their work roles, encompassing physical, emotional, and cognitive involvement. It extends beyond mere job satisfaction or motivation, reflecting a deeper sense of purpose and belonging that drives individuals to perform beyond expectations. Global studies by Gallup (2017) have shown that organizations with high engagement levels outperform their peers in productivity, profitability, and customer satisfaction. In contrast, disengaged employees contribute to absenteeism, turnover, and reduced organizational effectiveness.

In the Indian corporate context, the relevance of engagement has gained momentum as firms strive to retain top talent and improve organizational agility amidst rapid technological and economic changes. Dalmia Group, a leading industrial conglomerate, provides a compelling case for studying employee engagement as it emphasizes human capital as a key enabler of business excellence. The company's emphasis on leadership-driven engagement programs, open communication, and recognition initiatives offers a unique opportunity to explore how engagement practices translate into measurable organizational outcomes.

This research, therefore, seeks to examine the relationship between employee engagement and organizational success at Dalmia, with a focus on identifying the key factors that drive engagement and evaluating their impact on productivity, retention, and overall performance. By empirically analyzing these linkages, the study aims to contribute to both theoretical understanding and practical implementation of engagement strategies within large-scale Indian organizations.

Ultimately, the findings of this study are expected to underscore that engagement is not a peripheral HR function but a strategic lever for organizational success, fostering a culture of commitment, innovation, and excellence that sustains long-term growth.

II. REVIEW OF LITERATURE

Employee engagement has evolved from being a motivational concept to a strategic tool for enhancing organizational performance. The relationship between engagement and performance outcomes is often mediated by various organizational factors such as recognition, growth opportunities, culture, and work-life balance. This section reviews the theoretical and empirical contributions related to these factors and their influence on productivity, employee turnover, and retention.

RECOGNITION AND REWARD

Recognition and reward are powerful determinants of employee engagement and organizational success. According to Herzberg's Two-Factor Theory (1959), recognition acts as a motivator that enhances intrinsic satisfaction and commitment. Empirical studies confirm that when employees perceive fair and consistent reward systems, their engagement levels rise significantly (Saks, 2006).

Kuvaas et al. (2017) found that recognition-based reward systems positively influence job satisfaction and discretionary effort, ultimately improving productivity. Similarly, Armstrong and Taylor (2020) emphasized that non-monetary recognition—such as praise, appreciation, and acknowledgment—has a profound impact on morale and retention. In the Indian context, Agarwal (2014) highlighted that recognition programs are essential for retaining talent in competitive industries, as they build a sense of belonging and loyalty.

Hence, recognition and reward are not merely transactional mechanisms but strategic drivers of engagement that foster higher productivity and reduce employee turnover.

CAREER GROWTH AND DEVELOPMENT OPPORTUNITIES

Opportunities for professional advancement and learning are central to sustaining engagement and reducing turnover. Kahn (1990) noted that when employees find their roles meaningful and perceive opportunities for growth, they invest more of themselves in their work. Schaufeli and Bakker (2004) also proposed that career development acts as a key "job resource," which enhances engagement and resilience.

According to Noe (2017), career development programs—such as training, mentoring, and internal promotions—contribute directly to organizational performance by improving employee capabilities and motivation. Memon et al. (2010) observed that employees with clear career pathways are more likely to remain committed, leading to lower turnover and higher retention rates.

Within Indian corporations, studies such as Nair (2018) and Jain & Sinha (2020) indicate that career growth opportunities significantly improve productivity and employee loyalty, particularly among knowledge workers in dynamic industries.

WORK ENVIRONMENT AND ORGANIZATIONAL CULTURE

The work environment and organizational culture play a foundational role in shaping engagement and performance. A supportive and inclusive work culture enhances employee well-being, collaboration, and innovation. Schein (2010) defined organizational culture as a set of shared values and norms that influence how employees perceive and respond to their work environment.

Harter, Schmidt, and Hayes (2002) found that a positive culture characterized by trust, open communication, and psychological safety leads to higher productivity and stronger employee commitment. Conversely, toxic or rigid environments contribute to disengagement and turnover.

Schaufeli and Bakker (2004) asserted that a healthy work environment provides essential job resources that buffer against burnout and sustain engagement. In the Indian context, Bhatnagar (2012) demonstrated that organizations fostering collaborative and value-based cultures exhibit higher retention and productivity levels.

Thus, an empowering culture and conducive work environment are critical to driving sustained employee engagement and organizational success.

WORK–LIFE BALANCE

Work–life balance has emerged as a crucial engagement factor in the 21st-century workplace. According to Greenhaus and Allen (2011), work–life balance reflects an individual’s ability to manage work responsibilities alongside personal and family roles. Poor balance can lead to stress, burnout, and disengagement, which adversely affect productivity and retention.

Saks (2006) identified work–life balance as a significant predictor of engagement, noting that employees who experience flexibility and organizational support demonstrate greater loyalty and reduced turnover intentions. Kalliath and Brough (2008) observed that balanced employees exhibit enhanced concentration and creativity at work.

Indian research by Chawla and Sondhi (2011) confirmed that organizations offering flexible working arrangements, wellness programs, and supportive policies report higher engagement scores and lower attrition rates.

Hence, work–life balance is not only a well-being concern but also a strategic determinant of productivity and employee stability.

EMPLOYEE PRODUCTIVITY, TURNOVER, AND RETENTION

Employee productivity, turnover, and retention are widely recognized as core indicators of organizational performance. Harter et al. (2002) found that engaged employees are 17% more productive and 21% more profitable than disengaged peers. Moreover, Saks (2006) established a negative correlation between engagement and turnover intention, suggesting that engaged employees are more committed and less likely to leave the organization.

Memon et al. (2010) and Agarwal (2014) further demonstrated that engagement initiatives centered on recognition, development, and culture

substantially improve retention rates in Indian firms. Productivity gains, reduced absenteeism, and enhanced customer satisfaction emerge as natural outcomes of engaged and motivated employees.

In essence, employee engagement—driven by recognition, career opportunities, a positive culture, and balanced work life—creates a self-reinforcing cycle that boosts both individual and organizational performance while minimizing turnover.

III. OBJECTIVE OF THE STUDY

- To examine the relationship between employee engagement and organizational performance at Dalmia.
- To identify key factors influencing employee engagement within the organization.

HYPOTHESIS DESIGN

H1: Employee engagement has a positive relationship with organizational performance at Dalmia.

H2: Recognition and reward positively influence employee engagement at Dalmia.

H3: Career growth and development opportunities positively influence employee engagement at Dalmia.

H4: Work environment and organizational culture positively influence employee engagement at Dalmia.

H5: Work–life balance positively influences employee engagement at Dalmia.

IV. RESEARCH METHODOLOGY

The present study examines the relationship between employee engagement and organizational performance at Dalmia, with special emphasis on key determinants of employee engagement such as recognition and reward, career growth, work environment, and work–life balance. Data were collected using a structured questionnaire administered to employees across departments with the sample size of 103 samples. Statistical analysis was conducted using SPSS to test the formulated hypotheses.

DESCRIPTIVE STATISTICS

Variable	Mean	Std. Deviation	Interpretation
Employee Engagement	3.78	0.62	High
Organizational	3.81	0.59	High

Performance			
Recognition & Reward	3.65	0.68	Moderate-High
Career Growth & Development	3.54	0.71	Moderate
Work Environment & Culture	3.72	0.63	High
Work-Life Balance	3.49	0.74	Moderate

Employee perceptions of organizational performance and engagement are generally positive, according to mean values. While work-life balance has room for improvement, the work environment and recognition stand out as comparatively stronger dimensions.

CORRELATION ANALYSIS

Pearson’s correlation coefficient was used to examine relationships between variables.

Variables	Employee Engagement
Organizational Performance	0.684**
Recognition & Reward	0.621**
Career Growth & Development	0.598**
Work Environment & Culture	0.657**
Work-Life Balance	0.572**

Higher levels of employee engagement are linked to better organizational outcomes, as shown by the correlation coefficient of 0.684, which shows a strong positive correlation with organizational performance. Additionally, every independent variable taken into account in the study demonstrates a statistically significant positive.

REGRESSION ANALYSIS

A multiple regression analysis was conducted to assess the impact of engagement factors on employee engagement.

MODEL SUMMARY

R	R ²	Adjusted R ²	Std. Error
0.742	0.551	0.538	0.42

The model explains 55.1% of the variance in employee engagement, indicating a strong explanatory power.

REGRESSION COEFFICIENTS

Predictor	Beta (β)	t-value	Sig.
Recognition & Reward	0.287	4.12	0.000
Career Growth & Development	0.241	3.56	0.001
Work Environment & Culture	0.314	4.58	0.000
Work-Life Balance	0.198	2.89	0.004

The results show that organizational culture and the work environment have the biggest effects on employee engagement, emphasizing the value of a welcoming, inclusive, and organized workplace in raising employee involvement. Employee engagement is also greatly influenced by opportunities for career advancement and recognition, since employees are more driven when their efforts are valued and they see clear paths for advancement. Work-life balance continues to be

crucial for maintaining employee engagement and general well-being, despite having a statistically significant impact that is relatively smaller than that of the other factors.

V. FINDING

H1: Employee engagement has a positive relationship with organizational performance.

The correlation analysis revealed a strong positive relationship between employee engagement and organizational performance ($r = 0.684$, $p < 0.01$). This confirms that higher levels of employee engagement lead to improved organizational outcomes such as productivity, efficiency, and overall effectiveness. Hence, H1 is accepted.

H2: Recognition and reward positively influence employee engagement.

The regression results show that recognition and reward have a significant positive effect on employee engagement ($\beta = 0.287$, $p < 0.001$). This indicates that employees who feel recognized and rewarded for their contributions demonstrate higher engagement levels. Therefore, H2 is accepted.

H3: Career growth and development opportunities positively influence employee engagement.

Career growth and development emerged as a significant predictor of employee engagement ($\beta = 0.241$, $p < 0.01$). This finding confirms that opportunities for learning, advancement, and professional development enhance employees' motivation and involvement in work. Hence, H3 is accepted.

H4: Work environment and organizational culture positively influence employee engagement.

Among all variables, work environment and organizational culture showed the strongest impact on employee engagement ($\beta = 0.314$, $p < 0.001$). This highlights the importance of a supportive, inclusive, and well-structured workplace in fostering employee engagement. Thus, H4 is strongly accepted.

H5: Work-life balance positively influences employee engagement.

Although its impact was comparatively lower, work-life balance was found to be statistically significant ($\beta = 0.198$, $p < 0.01$). This indicates that maintaining a balance between professional and personal life contributes meaningfully to employee engagement. Therefore, H5 is accepted.

VI. CONCLUSION

The goal of the current study was to investigate the relationship between organizational performance and employee engagement at Dalmia, with an emphasis on the elements that affect employee

engagement, including work environment, career advancement, recognition and reward, and work-life balance. 103 employees provided primary data for the analysis, which was statistically tested using multiple regression, correlation, and descriptive analysis methods.

The study's conclusions unequivocally show that organizational performance and employee engagement are positively correlated. More engaged workers typically contribute to company objectives more successfully, which boosts output and overall performance. The study's main goal was validated by the correlation analysis, which showed a strong relationship between performance and engagement.

The study also showed that every one of the chosen factors has a major impact on employee engagement. A supportive, inclusive, and well-organized workplace is essential for employee motivation, as evidenced by the work environment and organizational culture emerging as the most significant determinants. It was also discovered that reward and recognition programs had a major influence on employee engagement levels, underscoring the significance of recognizing worker performance and contributions. Opportunities for career growth and development were found to be crucial engagement drivers because workers value education, skill development, and clear career progression. Despite having a relatively smaller impact, work-life balance was still statistically significant, highlighting its importance in maintaining long-term employee commitment and well-being.

The regression model was able to explain a considerable amount of variance in employee engagement, proving that the chosen variables are excellent predictors of employee engagement behavior. The acceptance of all five hypotheses proves that employee engagement at Dalmia is indeed multiple-dimensional, whereby it depends on both organizational and individual variables.

This paper has found that creating a positive work environment, recognizing workers, developing their careers, and striking a work-life balance are essential to boost employee engagement and, subsequently, organizational performance.

VII. RECOMMENDATION

The organization should further build its work environment and organizational culture by fostering transparency, teamwork, and open communications, since these emerge as the most influencing factors on employee engagement. Constructing a helping and friendly workplace environment will motivate employees to be attached to their jobs. Secondly, the recognition and reward system must be better-structured and more transparent to develop feelings among employees that their contribution and efforts are valued. Timely appreciation, performance-based incentives, and non-monetary rewards also play a crucial role in motivating and increasing job satisfaction. Thirdly, career growth and development must be emphasized by providing regular training programs, clearly defined promotion policies, and opportunities for skill enhancements to enable employees to visualize themselves growing long-term with the organization.

Moreover, despite having a less significant effect, work-life balance cannot be neglected as a consideration in maintaining employee well-being; thus, flexible working arrangements, employee leave programs, and stress management strategies need to be promoted. Finally, the organization should carry out employee engagement surveys to keep track of employee satisfaction levels and enhance areas where there may be a need to improve.

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