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Impact of Employee Engagement Strategies and Drivers on Organizational Performance: A Case Study of Webnotics Solutions Pvt. Ltd.

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Abstract: *Employee Engagement is now considered to be one of the key indicators of a successful organization in this fast paced competitive world. Companies are recognizing that employee engagement directly contributes to increased productivity, creativity, customer satisfaction, and ultimately improved long term viability. This research explores how employee engagement strategies and drivers influence organizational performance specifically through the lens of Webnotics Solutions Private Limited, an information technology (IT) firm based out of India working in both domestic and global markets. Using a combination of theory, empirical evidence, and case studies to examine current employee engagement practices at Webnotics Solutions Private Limited and their impact on the overall results of the organization, primary data was collected from 100 respondents within various industries including IT, banking and financial services, manufacturing, and services via a structured survey based upon a five point likert scale. The study identifies five core drivers of employee engagement which include; Leadership/Management Support, Recognition/Rewards, Learning/Career Development Opportunities, Work-Life Balance, Organizational Communication. In addition to descriptive statistics, correlational analysis, regression analysis and ANOVA statistical analyses were employed to analyze the data. The study finds that leadership support has the highest predictive value related to employee engagement, followed closely by career growth opportunities and recognition. Furthermore, work life balance had the lowest mean score among all dimensions of employee engagement. Additionally, due to high levels of stress reported, less than 33% of the employees sampled indicated they were highly engaged while approximately 22% were actively disengaged. The regression model accounted for 69.1 % of the variation in employee engagement supporting the importance of these five selected drivers. As a result, it is imperative for organizations to develop an integrated approach to engagement strategies. These strategies should emphasize leadership development, employee recognition systems, career advancement opportunities, transparent internal communications, and promoting employee well being. Ultimately, this research will provide practical recommendations to Human Resource Professionals and Organization Leaders who seek to improve employee engagement and organizational performance in the new post pandemic workplace.*

Keywords: *Employee Engagement, Organizational Performance, Work-Life Balance, Human Resource Management, IT Sector.*

I. INTRODUCTION

The modern business environment is characterized by technological disruption, globalization, demographic diversity, and increasing competition for talent. In this rapidly changing environment, organizations are increasingly recognizing employees as their most valuable strategic asset. Employee engagement has emerged as a central concept in Human Resource Management because of its direct influence on productivity, innovation, customer satisfaction, and organizational sustainability.

Employee engagement refers to the emotional, cognitive, and behavioral commitment employees demonstrate toward their organization and work roles. Engaged employees contribute discretionary effort, align themselves with organizational objectives, and actively participate in organizational success. Unlike job satisfaction, which focuses primarily on employee contentment, engagement reflects deeper psychological involvement and commitment to organizational goals.

Research by Gallup, Towers Watson, and Aon Hewitt consistently demonstrates that highly engaged employees improve organizational performance through increased productivity, reduced turnover, enhanced innovation, and better customer relationships. Conversely, disengaged employees contribute to absenteeism, poor morale, low productivity, and higher attrition rates. In knowledge-intensive industries such as Information Technology (IT), employee engagement becomes even more important because organizations rely heavily on intellectual capital and innovation.

The Indian IT sector has witnessed substantial growth over the past two decades, becoming one of the largest employment-generating industries in the country. However, the sector also faces challenges such as high work pressure, rapid technological changes, employee burnout, and increasing attrition rates. Organizations operating in this environment must develop effective engagement strategies to attract, retain, and motivate talented professionals.

This study focuses on Webnotics Solutions Pvt. Ltd., a globally operating IT company headquartered in Noida, Uttar Pradesh, India. The company provides end-to-end digital solutions and operates across multiple international markets. Its organizational culture, project-based work environment, and global workforce provide an appropriate context for examining employee engagement practices.

The primary objective of this paper is to analyze the impact of employee engagement strategies and drivers on organizational performance. Specifically, the study evaluates five major engagement drivers: leadership and management support, recognition and rewards, learning and career growth opportunities, work-life balance, and organizational communication. The paper also examines how employee engagement affects productivity and turnover intentions among employees.

II. LITERATURE REVIEW

A. Concept of Employee Engagement

The concept of employee engagement was first introduced by William Kahn (1990), who defined engagement as the simultaneous employment and expression of a person's preferred self in work roles. According to Kahn, employees become engaged when they experience psychological meaningfulness, psychological safety, and psychological availability.

Schaufeli et al. (2002) conceptualized engagement as a positive and fulfilling work-related state characterized by vigor, dedication, and absorption. Their Utrecht Work Engagement Scale (UWES) became one of the most widely used instruments for measuring engagement.

Harter, Schmidt, and Hayes (2002) defined employee engagement as the involvement, satisfaction, and enthusiasm employees feel toward their work. They found significant relationships between engagement and productivity, profitability, customer satisfaction, and turnover reduction.

Saks (2006) distinguished between job engagement and organizational engagement, arguing that employees may feel connected to their work tasks but not necessarily to the organization itself. This distinction highlights the importance of organizational culture and management practices in fostering engagement.

B. Theoretical Foundations

The three conditions (Meaningfulness, Safety & Availability) were presented by Kahn as necessary psychological conditions for achieving employee engagement. Psychological Meaningfulness is defined by the degree to which employees view their jobs as significant, beneficial, and worthwhile. As employees begin to see that their contributions make a positive difference to the success of the organization while at the same time giving them personal satisfaction, they will be more likely to be involved and invested in their job. Employees experience greater levels of psychological meaningfulness through performing engaging tasks that require effort, receiving recognition and rewards for those efforts, and seeing the value of what they do. Examples include contributing to innovative projects or providing customer service. Organizations can create meaningful work through matching employee capabilities to assigned responsibility, providing career growth opportunities, and recognizing individual accomplishments. Employees who see meaning in their work tend to have higher levels of motivation, productivity and attachment to the organization. Psychological Safety defines the freedom from fear of criticism, discipline, or penalty for sharing opinions, asking questions, giving suggestions or taking action. The safest workplace is one where there is a climate of trust and open communication. Leadership behaviors are critical to developing this type of environment. Leaders who empower employees, support two-way communication, treat employees with dignity and respect and hold others accountable for doing so all contribute to creating a safe and collaborative environment. Inversely, organizations that operate in an atmosphere of fear, intolerance, excessive criticism etc., produce less than optimal results including employee disengagement and stress. When employees feel psychologically safe they are more likely to be active participants in contributing new ideas, developing their own skills and abilities and committing to organizational objectives.

Psychological Availability describes the extent to which employees have the physical, emotional and mental capacity to meet the demands of their job. Employees need to have enough physical strength/energy, confidence and emotional well-being to perform. Excessive workload, stress/burnout, personal issues and poor work life balance are examples of factors that impede psychological availability and subsequently reduce employee engagement. Conversely, organizations that offer supportive work cultures, wellness programs, flexible work arrangements and adequate resources to their employees enable these employees to maintain a level of

physical/mental readiness for meeting the demands of their jobs. Programs that enhance employee training and development assist in increasing employee confidence and capability to contribute to their organizations.

Kahn's theory illustrates that employee engagement does not occur naturally but instead occurs based upon how employers create favorable work experiences for their employees and how they address specific aspects of their employment environment. Employers that successfully create conditions of meaningfulness, safety and availability are more likely to develop highly engaged employees whose collective contributions will result in superior business outcomes. Kahn's theory is particularly applicable to contemporary employment environments where there exists extreme pressure/stress, rapid changes in operations/business models and fierce competitive environments within which employee motivation/commitment are key contributors to long term sustainability.

C. Job Demands-Resources (JD-R) Model

Bakker and Demerouti (2007) proposed that job resources such as autonomy, feedback, support, and development opportunities positively influence engagement, while excessive job demands contribute to burnout. The model suggests that organizations can improve engagement by strengthening supportive work resources.

D. Herzberg's Two-Factor Theory

Herzberg differentiated between hygiene factors and motivators. Hygiene factors such as salary and working conditions prevent dissatisfaction, while motivators such as recognition, achievement, and responsibility actively enhance engagement and performance.

E. Self-Determination Theory

Deci and Ryan's Self-Determination Theory emphasizes three psychological needs:

- Autonomy
- Competence
- Relatedness

Employees experience higher engagement when organizations support these needs through empowerment, skill development, and collaborative culture.

F. Drivers of Employee Engagement

- 1) Leadership and Management Support: Leadership quality is widely recognized as the strongest driver of employee engagement. Employees who receive guidance, support, feedback, and recognition from managers are more likely to remain engaged. Transformational leadership particularly enhances engagement through vision, motivation, and individualized consideration.
- 2) Recognition and Rewards: Recognition practices positively influence employee morale and commitment. Both financial and non-financial rewards contribute to engagement. Employees who feel valued and appreciated are more motivated to contribute beyond minimum expectations.
- 3) Learning and Career Growth: Continuous learning opportunities and career advancement strongly affect engagement, especially among younger employees and IT professionals. Organizations investing in employee development create stronger loyalty and retention.
- 4) Work Life Balance: The theory behind Work-Life Balance is primarily based on the Work-Family Border Theory and the Job Demands-Resources (JD-R) Model. These theories explain how balancing professional and personal responsibilities influences employee well-being, satisfaction, and engagement. Work-life balance refers to the ability of employees to effectively manage work responsibilities along with personal and family life without experiencing excessive stress or conflict. According to Work-Family Border Theory, employees constantly move between work and personal life domains. When the boundaries between these domains become unclear due to excessive workload, long working hours, or constant connectivity, employees experience stress, emotional exhaustion, and burnout. This negatively affects their mental health, job satisfaction, and overall engagement levels. The Job Demands-Resources Model further explains that high job demands such as pressure, deadlines, and workload can lead to physical and emotional strain if adequate organizational resources are not available. Resources like flexible work arrangements, supportive leadership, counseling services, wellness programs, and paid leave help employees manage stress effectively and maintain balance.

- 5) In the post-pandemic era, remote and hybrid work models have increased the importance of work-life balance. Organizations that support employee well-being through flexibility and mental health initiatives create healthier, more motivated, and highly engaged employees, leading to improved organizational performance and retention.
- 6) Organizational Communication: Transparent communication fosters trust, collaboration, and alignment with organizational goals. Employees who are informed and involved in organizational developments feel more connected and committed.
- 7) Employee Engagement and Organizational Performance: Much evidence has been collected showing that there is a strong connection between high levels of employee engagement and organizational success. High levels of employee engagement can positively affect an organization's overall performance, as well as improve performance at the individual level. Research conducted by Gallup found that organizations with a large number of employees that were "highly" engaged had a significant advantage over organizations whose employees were "low" in terms of their engagement. Highly engaged employees are typically committed to performing their job duties to the best of their ability; they are usually highly motivated to meet or exceed all organizational objectives and will often take on other assignments, projects or initiatives (beyond what was originally assigned) to help the organization succeed.

Due to employees' increased motivation and enthusiasm for doing a good job, organizations with highly engaged employees generally experience better financial returns than those with fewer engaged employees. Employees that are engaged are able to complete their daily tasks more quickly and efficiently, which contributes to enhanced business results. The increased level of engagement from employees also enhances their productivity. Employees that are motivated tend to be more creative, focused and dedicated to their work. Engaged employees are also much less likely to have absences from work due to emotional connections that they feel towards their organization and general satisfaction in their job. The loss of a single employee can result in a significant amount of time and money spent on recruiting and training a new employee. Organizations with engaged employees will have less turnover in comparison to organizations with disengaged employees. When employees feel appreciated and supported by their employer, they are less likely to seek employment elsewhere. Highly engaged employees will also provide superior customer service quality, have a greater willingness to interact positively with customers, and will be more inclined to assist in meeting customer requirements. In addition to these benefits, organizations with highly engaged employees may develop greater innovative solutions to business problems, foster teams working together effectively, and exhibit greater resilience during times of transition or challenge.

III. RESEARCH GAP

Although much research has been done to examine the relationship of employee engagement and performance within organizations; there are many areas of concern that need to be researched in this area, specifically concerning India. The majority of prior research was based upon large multi-national corporations operating within developed countries. There is limited research available regarding how employee engagement functions within Indian IT companies as well as other emerging work-place issues. Most of the existing research provides an examination of employee engagement within a single industry; however, comparative studies examining employee engagement among various industries (i.e., IT, BFSI, Manufacturing, and Service) remain underdeveloped. In addition, very few studies have used both empirical survey analysis along with a case-study methodology. A significant gap also exists due to the limited amount of research examining employee engagement during the current post-pandemic workplace, including remote work arrangements, hybrid work models, increasing levels of employee mental health issues and changes in employees' expectations of their employers. Lastly, very little research has examined the combined effects of leadership, recognition, work-life balance, career development, and communication on organization-wide performance. Thus, this study will attempt to fill some of those research gaps by conducting a comprehensive assessment of the drivers of employee engagement at Webnotics Solutions Pvt. LTD.

IV. RESEARCH METHODOLOGY

The study adopts a descriptive, analytical, and empirical research design. A quantitative research approach was used to analyze employee engagement levels and their determinants.

A. Data Collection

Primary data was collected through a structured questionnaire administered to 100 employees across IT, BFSI, Manufacturing, and Service sectors. The questionnaire used a five-point Likert scale to measure responses related to employee engagement drivers and overall engagement.

Secondary data was collected from academic journals, books, company reports, HR publications, and organizational documents.

B. Sampling Technique

The study used purposive sampling and snowball sampling techniques. Respondents were selected based on relevance to the research objectives and availability.

C. Data Analysis and Findings

Demographic Profile

The sample included:

- 62% male respondents
- 36% female respondents
- Majority aged between 25–35 years
- 30% IT sector employees
- 48% postgraduate degree holders

The workforce profile reflects the characteristics of India's knowledge-based industries.

D. Leadership and Management Support

Leadership support recorded a composite mean score of 3.48, indicating moderate engagement support. Employees appreciated clear goals and expectations but expressed concerns regarding senior leadership communication and employee well-being.

Correlation analysis showed leadership support had the strongest positive relationship with employee engagement ($r = 0.724$, $p < 0.001$). Regression analysis further confirmed leadership as the most significant predictor of engagement.

E. Recognition and Rewards

Recognition and rewards scored a composite mean of 3.23. Employees reported dissatisfaction with non-monetary recognition systems. Informal appreciation and acknowledgment practices were found insufficient.

Recognition demonstrated a strong positive correlation with engagement ($r = 0.681$).

F. Learning and Career Growth

Learning and career growth received the highest composite mean score of 3.55. Employees positively perceived opportunities for learning new skills and taking on challenges. However, clarity regarding long-term career paths remained moderate.

The IT sector particularly valued continuous learning and technological development opportunities.

G. Work-Life Balance

Work-life balance recorded the lowest mean score (3.18). Excessive work stress emerged as the most critical challenge, with a mean score of 2.89.

Employees expressed concerns regarding workload pressure, mental health, and burnout. These findings highlight the growing importance of employee well-being initiatives in modern organizations.

H. Overall Engagement Levels

The study categorized employees into three engagement groups:

- Highly Engaged: 32%
- Moderately Engaged: 45%
- Actively Disengaged: 23%

The findings indicate that a large proportion of employees remain only moderately engaged, representing a major opportunity for organizational improvement.

I. Engagement and Productivity

Highly engaged employees reported an average productivity rating of 8.6 out of 10, compared to 4.8 among actively disengaged employees.

This demonstrates the strong positive relationship between engagement and organizational performance.

J. Engagement and Turnover Intention

Actively disengaged employees were significantly more likely to plan resignation within six months compared to highly engaged employees. The results highlight the financial and operational consequences of disengagement, particularly in high-turnover industries such as IT.

The strongest predictors were:

- 1) Leadership and management support
- 2) Recognition and rewards
- 3) Learning and career growth
- 4) Organizational communication
- 5) Work-life balance

V. DISCUSSION

The findings of the study reinforce existing literature emphasizing the importance of leadership quality, recognition systems, and development opportunities in driving employee engagement. Leadership emerged as the strongest engagement driver, consistent with previous studies demonstrating the influence of managerial support and communication on employee motivation.

The relatively low scores for work-life balance reflect growing concerns regarding employee stress and burnout in the IT industry. The shift toward hybrid work and continuous digital connectivity has blurred work-life boundaries, increasing psychological pressure on employees. The moderate engagement levels identified in the study indicate that organizations still struggle to create fully engaging work environments despite implementing HR initiatives. Many employees perform their tasks adequately but lack emotional commitment to organizational goals. The case study of Webnotics Solutions highlights both strengths and challenges within the organization. The company offers meaningful work, entrepreneurial culture, and learning opportunities, which positively influence engagement. However, improvements are needed in career clarity, formal recognition systems, and employee well-being support.

The strong relationship between engagement and productivity confirms that engagement should not be viewed merely as an HR concept but as a strategic business priority affecting overall organizational performance.

VI. RECOMMENDATIONS

The following recommendations for improving employee engagement and overall organizational performance are based upon this study's results. The first is that all organizations need to develop their leaders by establishing training programs that will help them improve their communication skills, develop empathetic relationships with employees, mentor employees, and implement supportive practices toward employees. Developing effective leadership is an essential factor in developing trust among employees, motivating employees, and increasing employee commitment to the organization.

The second recommendation is that organizations should establish strong recognition and reward systems. These systems should include financial and non-financial ways of appreciating employees' efforts. Employee recognition can increase morale, motivation, and job satisfaction. In addition, personalized rewards and public acknowledgement may motivate employees to do their best.

The third recommendation is that organizations should create clear pathways for career development by establishing formal promotional policies, continuing education programs, skill-enhancing training programs, and frameworks for career advancement. When employees have a sense of long-term opportunities for growth within the organization, they become more engaged.

In addition to creating these opportunities, organizations must recognize the importance of achieving a balance between work and personal life by implementing flexible work arrangements, providing stress management initiatives (e.g., wellness programs), and establishing mental health support systems. Reducing overwork and burnout can greatly affect employee well-being and level of engagement. The final recommendation is to establish or enhance transparency in communications and provide continuous feedback to employees. To measure the effectiveness of these processes and identify areas where employees may require additional support or encouragement, organizations should use employee listening strategies (e.g., pulse surveys) and continue to develop ongoing feedback platforms.

VII. CONCLUSION

Leadership support, recognition, career development opportunities, effective communication and a healthy work life balance all have an impact on the level of employee engagement in the organization. This is evident from the data collected which showed a large portion of employees were moderately engaged at best with some being actively disengaged. From the survey, it was clear that leadership had the largest positive impact on employee engagement. Also, there was no doubt that stress due to work related issues was the greatest barrier to employee engagement.



If organizations want to achieve sustainable competitiveness and long term success they need to implement comprehensive employee engagement plans that address employee wellness, creating meaningful jobs for their employees, recognizing individual contributions, and providing opportunities for professional advancement. Engagement needs to become a priority for every organization and not just something that an HR department does periodically. A unique contribution this study made to existing literature was combining an empirical analysis with a case study of a specific Indian IT company.

Future studies could investigate ways to utilize technology (digital) to engage employees, examine the effectiveness of remote/hybrid workplaces for employee engagement and develop new models for engaging employees based on industry.

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