EMPLOYEE ENGAGEMENT AND PERFORMANCE OF MIKAP NIGERIA LIMITED, MAKURDI

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ABSTRACT

The study examines the effect of employee engagement on the performance of Mikap Nigeria Limited, Makurdi. The study specifically examines the effect employee engagement dimensions (vigor, dedication and absorption) on the performance of Mikap Nigeria Limited, Makurdi. The study adopted a cross-sectional survey design and questionnaires were used for collection of data from employees of the company. The population of the study consists of 112 employees of Mikap Nigeria Limited, Makurdi and a census sampling approach was adopted for the study. The study used multiple regression analysis for data presentation and analysis and formulated hypotheses were tested at 0.05 level of significance using the Statistical Package for Social Sciences (SPSS Version 23). Findings revealed that vigor engagement has significant effect on organizational performance ($\beta = .173; P=.000$); dedication engagement has significant effect on organizational performance ($\beta = .301; P=.000$), and absorption engagement has significant effect on organizational performance ($\beta = .237; P=.012$). The study recommended amongst others that managers of organizations should improve vigor among employees since it improves staff performance and enhance organizational performance.

Keywords: Employee engagement, organizational performance, vigor, dedication, absorption
1. Introduction

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 to reach their desired targets and stated goals (Tshukudu, 2020). 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 employees become more deeply engaged with their work and reduce the effect of job burnout (Markos & Srive, 2010: Byrne, 2014: Mone & London, 2014).

Employee engagement is integral in driving organisational success as engaged employees are motivated and strive to achieve organisational goals and objectives. To remain competitive in the market, organisations must encourage positive employee engagement as a strategic tool to attain competitive advantage. Organizations need their employees to be active, dedicated, and fully engaged in their works to help improve organizational performance (Reissová & Papay, 2021). Employee work engagement has thus received considerable scholarly attention recently (Bery, Otieno, Waiganjo, & Njeru, 2015; Ahmed, Ahmad Jaaffar, 2017; Ahmed, Khanb, Thitivesab, Siraphatthadab & Phumdarab, 2020). Recent researches suggest that employee engagement is an important strategy for organizational performance (Sudiroa, Adia & Fakhria, 2021).

Employee engagement is a physical and psychological condition related to work that helps organizations to achieve stated goals (Satata, 2021). Othman and Mahmood (2019) stated that employee engagement is positively related to organizational performance and it includes three constructs; vigor, dedication and absorption. Vigor engagement is the high energy, resilience and a willingness to invest effort on the job, the ability not to be easily fatigued, and the persistence when confronted with challenges or obstacles (Obeidat, 2016). Dedication engagement is being strongly involved in one’s work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge (Reissová & Papay, 2021). Absorption engagement is the pleasant state of being immersed in one’s works, experiencing time passing by quickly and being unable to detach from one’s job (Obeidat, 2016). Employees who are absorbed in their jobs are characterized by being fully concentrated in their job and have difficulty detaching from work (Shekari, 2015). These dimensions affect the performance and continuity of business organizations.

Organizational performance entails the capacity of organizations to achieve stated objectives (Govender & Bussin, 2020). Kazimoto (2016) asserted that performance is the ability of the organization to achieve challenging goals and a measurement of productivity through the contribution of knowledge among employees. Organizational performance is measured using different indices such as profitability, growth, productivity, efficiency, market share amongst others (Ahmed, Khan, Thitivesa, Siraphathada & Phumdara, 2020).
Employee engagement is thus desirable for organizations and it positively affects organizational outcomes such as low turnover, retention, productivity and loyalty (Guan, Yeh, Chiang & Huan, 2020; Verčič, 2021).

In the manufacturing sector in Nigeria, the management of organisational resources, including the human resources has not always been very efficient. Consequently, there has been a decline in the performance of some manufacturing organisations. 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 on the relationship between employee engagement and organizational outcomes (Al-Dalahmeh, Masa’deh, Abu Khalaf & Obeidat, 2018; Kazimoto, 2016; Devi, 2017; Truss & Soane, 2013). Few studies however showed the link between employee engagement and organizational performance using the constructs of vigor, dedication and absorption (Devi, 2017). To fill the gap in literature, the current study investigates the effect of employee engagement on the performance of Mikap Nigeria Limited, Makurdi.

1.1 Objectives of the Study

The main objective of this study is to examine the effect of employee engagement on performance of Mikap Nigeria Limited, Makurdi. The specific objectives of the study are to:

i. Determine the effect of vigor on performance of Mikap Nigeria Limited, Makurdi

ii. Ascertain the effect of dedication on performance of Mikap Nigeria Limited, Makurdi

iii. Examine the effect of absorption on performance of Mikap Nigeria Limited, Makurdi

1.2 Research Hypotheses

The following null hypotheses are set in line with the study objectives:

H01: Vigor has no significant effect on performance of Mikap Nigeria Limited, Makurdi.

H02: Dedication has no significant effect on performance of Mikap Nigeria Limited, Makurdi.

H03: Absorption has no significant effect on performance of Mikap Nigeria Limited, Makurdi.

2. Literature Review

2.1 Employee Engagement

Various authors in previous literatures have adduced various definitions of employee engagement have adduced various definitions of employee engagement. Employee engagement refers to the positive, affective psychological work-related state of mind that leads employees to actively express and invest themselves emotionally, cognitively, and physically in their role performance (Rurkkhum, 2010; Margaretha, Widiastuti, Zaniarti & Wijaya, 2018; Budriene & Diskiene, 2020). Employee engagement is therefore a psychological facet that encompasses energy, enthusiasm, and engrossed effort (Gruman & Saks, 2010). Engagement is a workplace strategy designed to ensure that employees are committed to the organization goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being (MacLeod & Clarke, 2009). It is the willingness to invest oneself and expand ones discretionary effort to help
the employer succeed, which is beyond simple satisfaction with the employment arrangement or basic loyalty to the employer. The concept of employee engagement can best be defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption

2.2 Dimensions of Employee Engagement

The concept of employee engagement is a multidimensional construct and an extremely vital criterion for determining organizational success. Employee engagement has been conceptualized in different ways (Sendawula, Kimuli, Bananuka & Muganga, 2018). Organizations measure engagement in different ways depending on their programmes or schemes to help enhance employee productivity and organizational performance. The most common and frequently used dimensions are vigor, dedication and absorption (Amahwa & Otuya, 2020).

Vigor

Vigor as a construct of engagement refers to the high energy, resilience and willingness to invest effort on the job, the ability not to be easily fatigued, and the persistence when confronted with challenges or obstacles (Obeidat, 2016). It usually involves high energy levels; mental resilience; willingness to invest effort; and the persistence in the face of challenges. All these factors are required in order for an individual to show vigor while performing a certain job (Schaufeli & Bakker, 2010; Shirom, 2010). Previous studies suggest that high levels of engagement are associated with high levels of individual performance, and hence, organizational performance (Christian, Garza & Slaughter 2011). Vigor engagement denotes a need of a person to perform particular activity because it gives inherent pleasure and satisfaction (Amahwa, & Otuya, 2020).

Dedication

Dedication engagement is being strongly involved in one’s work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge (Al-Dalahmeh, Masa’deh, Abu Khalaf & Obeidat, 2018). It entails the mental and emotional state that reflects a sense of significance, enthusiasm, inspiration, and pride on experience. A person cannot be labelled as dedicated without the presence of such factors. According to Mauno, Kinnunen, and Ruokolainen (2007), dedication engagement has conceptual similarities with job involvement, defined as a strong psychological involvement or identification with one’s work. Dedication has been described as the individual’s deriving sense of significance from work, feeling of enthusiasm and pride in the given job (Karatepe & Olugbade, 2009). Employees who experience dedication are thus motivated to achieve organizational goals and reach targets which will improve the performance of the organization as a whole.

Absorption

Absorption engagement is the third construct of employee engagement that entails the pleasant state of being immersed in one’s works, experiencing time passing by quickly and being unable to detach from one’s job (Truss, AlFes, Delbridge, Shantz & Soane 2013; Bakker & Leiter (2010). Bakker and Leiter (2010) stated that absorption may appear to be an outcome of vigor and dedication. This implies that an employee who is absorbed
in his or her job is characterized by being fully concentrated in his or her job, does not feel time passing by while performing the job, and has difficulty detaching or removing his or herself from work (Shekari, 2015; Rayton & Yalabik, 2014; Schaufeli & Bakker, 2010) and characterized by mentally being at work. Employees that experience absorption engagement gets themselves engrossed in their work and find it difficult to detach themselves from the job (Shekari, 2015; Rayton & Yalabik, 2014).

2.3 Organizational Performance

Organizational performance is the means through which firms achieve their set goals and it is usually measured using financial and non-financial indicators (Gibson, Ivancevich & Donnelly, 2010). Organizational performance refers to ability of a firm to achieve stated objectives such as profit, quality product, market share, employee productivity, business growth and survival (Lee & Whitford, 2013). Organizational performance in profit-oriented business can also be used to view how an enterprise is doing in terms of level of profit, market share and product quality in relation to other enterprises in the same industry.

Organizational performance is an intricate concept to measure hence several indicators is used in measuring the performance of organizations. Cappelli and Neumark (2001) measured organizational performance using productivity and growth. Lee and Whitford (2013) stated that organizations measure their performance using financial measures (sales growth, profit growth, and asset growth or capital growth) and non-financial measures (employee turnover, customer satisfaction, business growth and expansion and employee productivity).

The indices for measuring performance according to Azeem, Abrar, Bashir and Zubair (2015) include profitability, business expansion and sales turnover.

2.4 Employee Engagement and Organisational Performance

Previous literatures have demonstrated the relationship between employee engagement and organizational performance. An engaged employee is aware of business context and works with colleagues to improve performance within the job for the benefit of the organization (Ologbo & Sofian, 2013). Shantz, Alfes, Truss and Soane (2013) stated that engaged employees have a positive attitude and have work-related state of mind characterized by vigor, dedication, and absorption that make the employees psychologically present at work, which minimizes their possibility to do work-related mistakes and errors. Also, Gichohi (2014) found a positive relationship between employee engagement and performance through increased employee commitment.

A study by Obeidat (2016) established that there is a positive and significant relationship between vigour type of engagement and organizational performance. They found that highly engaged employees lead to increased innovation and productivity while at the same time helps in reducing costs for hiring new staff by retaining the old and talented ones. Previous studies by Koech and Cheboi (2018) and Chege, Muathe and Maina (2017) revealed that employee engagement significantly and positively correlates with employee performance. Their studies showed that vigor engagement is significantly related to organizational performance.
Alarcon and Edwards (2011) in their study on the influence of employee engagement on job satisfaction indicated that employee dedication engagement influences job satisfaction thereby increasing organizational performance. Eghlidi and Karimi (2016) sought to establish the relationship between the components of employee engagement and organizational commitment among female employees working in the university. The results obtained showed that among the variables of interest in the regression the best predictor of organizational commitment was dedication to work. Macey and Schneider (2008) also regarded dedication engagement as a force that motivates employees to achieve higher levels of organizational performance. Result of the study by Eghlidi and Karimi (2016) showed that absorption to work significantly affects the performance of organizations. This is supported by Devi (2017) who whose study revealed that employee absorption engagement is significantly related with organizational performance.

3. Research Methodology

The study adopted a survey research design which helps in the collection of respondents’ opinions on employee engagement and organizational performance. Primary data were collected through questionnaire administration. The population of this study consists of one hundred and twelve (112) staff of Mikap, Nigeria Limited, Makurdi. The target population includes 11 top management staff (executives), 22 middle management staff (departmental heads/supervisors) and 79 lower management staff (operatives). A census sampling approach was adopted for the study and the entire population constituted the sample size. Validity and reliability of the instrument was carried out using Factor Analysis and Cronbach’s Alpha respectively.

Table 1: KMO and Bartlett's Test

<table>
<thead>
<tr>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</th>
<th>.789</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approx. Chi-Square</td>
<td>835.121</td>
</tr>
<tr>
<td>Bartlett's Test of Sphericity</td>
<td></td>
</tr>
<tr>
<td>Df</td>
<td>10</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000</td>
</tr>
</tbody>
</table>


The construct validity of each variable was done to measure Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA). The result in Table 1 shows the Bartlett’s test of Sphericity at 1% level of significance showed that the items were highly significant (p<0.001). The results of KMO and Bartlett’s Test was .789 with Approx. Chi-square= 835.121 and sig = .000. A pilot test was conducted on 20 staff of Mikap Nigeria Limited, Makurdi.
Table 2: Reliability Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vigor</td>
<td>0.892</td>
</tr>
<tr>
<td>Dedication</td>
<td>0.881</td>
</tr>
<tr>
<td>Absorption</td>
<td>0.879</td>
</tr>
<tr>
<td>Performance</td>
<td>0.864</td>
</tr>
<tr>
<td><strong>Average Reliability</strong></td>
<td><strong>0.879</strong></td>
</tr>
</tbody>
</table>

*Source: Researchers’ Computation, 2021.*

The result in Table 2 showed an overall Cronbach’s Alpha value of 0.869 indicating that all the constructs were consistent and above the recommended threshold of 0.70. The data collected from the respondents were presented using regression analysis and formulated hypotheses were tested at 5% level of significance with the aid of the Statistical Package for Social Sciences (SPSS Version 23).

### 4. Data Presentation and Analysis

Responses collected from the respondents on the variables are presented in model summary, analysis of variance and coefficients tables.

Table 3: Descriptive Statistics Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Standard Dev.</th>
<th>Skewness</th>
<th>Kurtois</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>3.73</td>
<td>.545</td>
<td>1.692</td>
<td>2.880</td>
</tr>
<tr>
<td>Vigor</td>
<td>3.69</td>
<td>.569</td>
<td>1.934</td>
<td>4.181</td>
</tr>
<tr>
<td>Dedication</td>
<td>3.56</td>
<td>.648</td>
<td>2.054</td>
<td>4.647</td>
</tr>
<tr>
<td>Absorption</td>
<td>3.87</td>
<td>.629</td>
<td>2.433</td>
<td>4.340</td>
</tr>
</tbody>
</table>

*Source: Authors’ Computation from SPSS Output, 2021*

From the result in Table 3 performance is the dependent variable and all other variables, vigor, dedication, absorption are the independent variables. For performance we have mean value 3.73(SD=0.545); vigor has mean value of 3.69 (SD=0.569); dedication has a mean value of 3.56 (SD=0.648) while absorption has a mean value of 3.87(SD=.629) indicating that most of the respondents agreed they are factors affecting performance of Mikap Nigeria Limited, Makurdi.

Table 4: Model Summary

<table>
<thead>
<tr>
<th>R</th>
<th>R-Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>.885a</td>
<td>.735</td>
<td>.718</td>
<td>182.089</td>
<td>1.766</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Absorption, Dedication, Vigor*
b. **Dependent Variable: Organisational Performance**  
**Source**: Field Data, 2021.

The result from Table 4 shows that coefficient of determination (R square) explains the variation in the dependent variable due to changes in the independent variable. The R square value of 0.735 is an indication that there was 73.5% variation in performance due to changes in vigor, dedication and absorption. Also, the value of R shows that there was a strong positive relationship between the study variables as shown by 0.885.

**Table 5: Analysis of Variance (ANOVA)**

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>132.607</td>
<td>3</td>
<td>44.202</td>
<td>13.332</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>431.031</td>
<td>108</td>
<td>3.316</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>563.638</td>
<td>111</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Absorption, Dedication, Vigor  
b. Dependent Variable: Organisational Performance  
Source: Field Data, 2021.*

The result in Table 5 indicates that the model was fit in explaining relationship between the variables (F=13.332, P=.000). This implies that vigor, dedication and absorption significantly affect the performance of Mikap Nigeria Limited, Makurdi.

**Table 6: Regression Coefficients**

<table>
<thead>
<tr>
<th>Model Decision</th>
<th>Unstandardized Coefficients</th>
<th>Standardized</th>
<th>B Std. Error</th>
<th>Beta t Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>6.521</td>
<td>.771</td>
<td>8.457</td>
<td>.000</td>
</tr>
<tr>
<td>Vigor</td>
<td>.685</td>
<td>.314</td>
<td>.173</td>
<td>1.225</td>
</tr>
<tr>
<td>Significant</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dedication</td>
<td>.769</td>
<td>.336</td>
<td>.301</td>
<td>1.988</td>
</tr>
<tr>
<td>Significant</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Absorption</td>
<td>.593</td>
<td>.314</td>
<td>.237</td>
<td>1.195</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Organisational performance  
Source: Field Data, 2021*

From the data in Table 6 the established regression equation is presented thus:

\[ Y = 6.521 + 0.685(\text{vigor}) + 0.769(\text{dedication}) + 0.593(\text{absorption}) \]

The regression equation above revealed that holding vigor, dedication and absorption to a constant zero, performance of Mikap Nigeria would be 6.521, a unit increase in vigor would affect performance by 68.5%, a unit increase in dedication would affect performance by 76.9% and a unit increase in absorption would affect performance by 59.3%. The result also found that the p-values vigor,
dedication and absorption (0.000, 0.000 and 0.012) respectively were less than 0.05. The result further indicates that dedication has the highest effect on the performance of Mikap Nigeria Limited, Makurdi.

**Hypotheses Testing**

**H01: Vigor has no significant effect on performance of Mikap Nigeria Limited, Makurdi**

Using the regression coefficient values in Table 3, the findings showed that p-value = 0.002 which is less than α = 0.05). This implies that we reject the null hypothesis which states that vigor has no significant effect on performance of Mikap Nigeria Limited, Makurdi. Therefore, the study concludes that vigor has significant effect on the performance of Mikap Nigeria Limited, Makurdi.

**H02: Dedication has no significant effect on performance of Mikap Nigeria Limited, Makurdi**

Using the regression coefficient values in Table 3 the study also revealed that p-value = 0.000 which is less than α = 0.05 indicates that we reject the null hypothesis that states that there is no significant effect of dedication on the performance of Mikap Nigeria Limited, Makurdi. Therefore, the study concludes that dedication has significant effect on the performance of Mikap Nigeria Limited, Makurdi.

**H03: Absorption has no significant effect on performance of Mikap Nigeria Limited, Makurdi**

Using the regression coefficient values in Table 3, the result showed that absorption significantly affects organizational performance as shown by p-value = 0.000 which is less than α = 0.05. This gives enough evidence to reject the null hypothesis hence we conclude that absorption has significant effect on the performance of Mikap Nigeria Limited, Makurdi.

**Findings**

The results of the study showed that employee engagement significantly affect organizational performance in Mikap Nigeria Limited. The finding agrees with Ahmed, Khan, Thitivesa, Siraphatthada and Phumdara (2020) who found that employee engagement has a significant and positive impact on organizational performance in higher education institutions. The result of test of hypothesis one indicated that vigor has significant effect on organizational performance. These findings agree with Obeidat (2016) who found a positive and significant relationship between vigour type of engagement and organizational performance. This finding also agrees with Chege, Muathe and Maina’s (2017) who found out that through vigor together with other constructs, employee engagement is significantly related to organizational performance of selected State Corporations in Kenya.

Findings of the study also indicated that dedication has significant effect performance of Mikap Nigeria Limited. This finding is in agreement with that of Devi (2017) which sought to establish the impact of employee engagement on organizational performance in selected private sector banks in India and found that the impact of vigor on organizational performance. Finally, the result revealed that absorption has significant effect on organizational performance. This finding is consistent with that of Koech and Cheboi(2018) which established that
through the constructs of absorption, dedication and vigor, there is a positive and significant relationship between employee engagement and the performance of organizations.

5. Conclusion and Recommendations

This study examined the effect of employee engagement on performance of Mikap Nigeria Limited, Makurdi. Findings of the study indicated positive and significant relationship between employee engagement and organizational performance. Employee Engagement is found to be characterized by vigor, dedication, and absorption. The study concluded that vigor engagement significantly affects organizational performance. The study further concluded that dedication engagement positively affects organizational performance. Finally, the study concluded that engagement through absorption affects organizational performance. Maintaining and improving high level of work engagement not only contributes toward employee productivity but holistically affects performance of the overall organization. The study therefore recommended that managers of organizations should improve vigor among employees since it improves staff performance and enhance organizational performance; management of organizations should promote dedication among employees by rewarding dedicated employees by promoting them. Also, organizations should design employees job schedules in such a way that they can be absorbed in the work that they do to help improve performance.

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