Augsburg University

Theses and Graduate Projects

2015

Employee Engagement's Impact on Organizational Performance Measures

John Robert Mason

Follow this and additional works at: https://idun.augsburg.edu/etd

Part of the Leadership Studies Commons

EMPLOYEE ENGAGEMENT'S IMPACT ON ORGANIZATIONAL PERFORMANCE MEASURES

JOHN ROBERT MASON

Augsburg College Lindell Library Minneapolis, MN 55454

Submitted in partial fulfillment of the requirement for the degree of Master of Arts in Leadership

AUGSBURG COLLEGE MINNEAPOLIS, MINNESOTA

2015

MASTER OF ARTS IN LEADERSHIP AUGSBURG COLLEGE MINNEAPOLIS, MINNESOTA

CERTIFICATE OF APPROVAL

This is to certify that the Master's Thesis (or) Leadership Application Project (or) Non-thesis Project (whichever applies) of

John Robert Mason

has been approved by the Review Committee for the Non-thesis Project requirement for the Master of Arts in Leadership degree

Date Non-thesis Completed: November 9, 2015 Committee: -1 Adviser Professor Norma Noonan Reader Professor Thomas Morgan

ACKNOWLEDGEMENTS

I would like to thank my advisor, Professor Norma Noonan for her advice, direction, and encouragement.

I would like to thank my reader, Professor Thomas Morgan.

DEDICATION

To my family, Jen, Ethan, Sam, and Anna

ABSTRACT

EMPLOYEE ENGAGEMENT'S IMPACT ON ORGANIZATIONAL PERFORMANCE MEASURES

JOHN ROBERT MASON

NOVEMBER 9, 2015

Thesis

Leadership Application Project

X Non-thesis (ML597) Project

Action Research (ML588) Project

Abstract:

The purpose of this research paper is to determine whether or not positive employee engagement scores correlate to higher achievement of organizational goals. In order to provide context a literature review was performed to understand the current definition of employee engagement, the relationship between engagement and goals as well as an understanding of how organizational goals impact employee engagement. A correlative study between surgeon engagement scores and organizational performance measures will be performed in order to understand the relationship between the two. The results of the study will be used to aid leaders in relying on engagement in order to improve organizational performance. Table of Contents:

| Introduction | Page 1 |
|-------------------------------|---------|
| Literature Review | Page 4 |
| Hypothesis | Page 12 |
| Methodology | Page 12 |
| Instruments | Page 16 |
| Statistical Analysis | Page 16 |
| Results | Page 17 |
| Research Finding and Analysis | Page 18 |
| Conclusions | Page 25 |
| References | Page 27 |

List of Tables:

Correlation Between Engagement and Access Page 20

Correlation Between Engagement and Patient Satisfaction.....Page 20

Introduction

Businesses and organizations are continually trying to improve upon the services and products they provide. In order to do so, they need to continually explore all options for improving efficiency and financial performance. As new opportunities for improving organizational performance are pursued, the role of the employee has become more and more critical to the success of the organization. There exists a school of thought that believes if the power of the employee is to be maximized there must be a certain level of commitment to the organization. This level of personal commitment to the organization is commonly referred to as employee engagement and has been defined as, "the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement" (Luthans, 2003, p.179).

Modern research on the importance of employee engagement and its relationship to organizational performance has been described as follows, "there has been an increasing interest in employee engagement, especially employee involvement and motivation, in recent times, which has probably been fueled by the even greater need to engage employees during times of economic hardship" (Gill, 2011, p. 256). Harnessing the engagement of the employee into the success of the organization is a valuable measure to ensuring good outcomes. In order to do so the interaction between the organization and its employees must be approached from the standpoint of a healthy relationship. Employee engagement to the organization and leadership's commitment to their employees should be mutually beneficial.

1

As organizational leaders continue to address economic hardship through more accurately identifying their key performance goals, meeting their goals will require the support and buy-in from the employees. If the goals ask for the employee to make adjustments to their processes or adopt new ways of performing their jobs, it will require the employee to exhibit a higher level of commitment to the organization. It is easy to envision a disgruntled or disengaged employee as not being very productive in the organization achieving their goals. Conversely, it is easy to envision an engaged employee making measurable beneficial contributions to the organization. "Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer" (Markos & Sridevi, 2010, p. 89). This dynamic has resulted in more emphasis being placed on employee engagement in the belief that it will result in improved organizational performance.

The purpose of this paper is to understand the relationship between employee engagement levels and organizational performance scores. In order to do so a case study will be performed on a group of clinicians belonging to a large healthcare organization. One of the questions that the study will investigate is whether positive surgeon engagement scores will correlate with positive organizational financial performance. The intention of the study is to add to the current understanding of the relationship between employee engagement and organizational performance.

This paper will explore the relationship between employee engagement and the achievement of organizational goals. It will investigate the relationship between the two by trying to gain a better understanding of how employee engagement levels impact organizational performance and the achievement of organizational goals. The paper will

2

Employee Engagement's Impact on Organizational Performance Measures also explore a sample of current research that has addressed the question of employee engagement in its most prevalent definitions, both as a positive (engaged) and as a negative (burnout), and how they relate to the achievement of organizational goals. These relationships will be explored in order to provide an understanding of the impacts of emphasis on organizational goals and employee engagement.

The emotional commitment to one's work is what organizations hope to achieve through employee engagement. Maslach and Leiter (2008) offer the following definition: "engagement has been defined as an energetic state of involvement with personally fulfilling activities that enhance one's sense of professional efficacy" (p. 498). Much has been written about the topic the employees' engagement to the organization. For the purposes of this paper, engagement is described as how much the employees personally invest themselves in the organization. The degree to which the employee feels accountable for the performance of the organization is thought to correlate to how much they feel invested or engaged in the organization. To help give additional context to the overall conversation Gill (2011) describes his definition of employee engagement as the presence of a "passion for work" or otherwise defined; "It is most commonly defined as intellectual and emotional commitment to the organization or as the discretionary effort shown by employees in their work" (Gill, 2011, p. 257).

A literature review of both journals and scientific studies addressing the relationships between employee engagement and organizational performance will be used to help give context to the focus of this paper. Although the majority of these studies do not address the topic of clinician engagement as it pertains to organizational performance, many of the concepts that are discussed in the studies transfer across to different Employee Engagement's Impact on Organizational Performance Measures industries. These writings will provide an understanding of what variables impact engagement in order to set the framework and context for the overall paper.

Literature Review

The specific topics the literature review will address are how employee engagement is defined, how it is measured, how it is fostered, the possible negative effects goal setting has on the employee and its relationship with organizational performance. Studies that define employee engagement will be presented first, followed by studies addressing the relationship between employee engagement levels and how those levels impact organizational performance. Studies that address and analyze the measurement of engagement will be presented together. The studies the address the topic of burnout will be presented last. All of the categories within the literature review will provide insight into how employee engagement levels impact organizational performance.

In order to understand what impacts employee engagement it may be helpful to understand what variables define employee engagement on an individual level. Seppala, Mauno, Feldt, Hakanen, Kinnuunen, Tolvanen and Schaufeli (2008) propose a three dimensional scale to measure employee engagement. This scale is used to measure the level of engagement the employee has to the organization. The three dimensions consist of "vigor, dedication and absorption" (p. 460). These categories have their own definitions to help understand them:

"Vigor, refers to high levels of energy and mental resilience while working, the willingness to invest effort in ones work, and the persistence in the face of

difficulties. Dedication is characterized but a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption refers to being fully concentrated and deeply engrossed in one's work, and is characterized by time passing quickly and difficulties in detaching oneself from work" (p. 460).

Seppala et al (2008) discuss their uncertainty of being able to apply their model to different industries, "it is still unclear whether the theoretically based three-dimensional structure of the scale remains the same across different occupational groups" (p.460). They also call into question the importance or validity of tracking workplace engagement. "Furthermore, while the time invariance of the structure of the scale is uncertain, the assumed stability of work engagement remains without strong empirical evidence" (Seppala et al, 2008, p.460). The study found that due to the proportion of time an individual spends at work, work becomes an integral part to the individual's happiness (p. 478).

Salanova, Agut, and Peiro (2005) studied the link between employee engagement and performance in the service industry. They theorized that these two variables would have an impact on customer loyalty. "How climate is built also depends on how employees feel at work and their motivation. In this study, we included as predictors of service climate both HR practices perceived by employees as facilitating their work. (i.e., organizational resources) and employee motivation (i.e., work engagement)" (Salanova et al, 2005, p. 1218). Their article suggests that engaged employees can have a ripple effect on the organization around them. "When employees are engaged, it may be expected that during social interaction at work they will influence their coworkers to behave and feel in a similar way, thus also contributing to a united service climate" (p.1218). The authors Employee Engagement's Impact on Organizational Performance Measures hypothesized that "the better the service climate, the better would be the employee performance as perceived by the customers" (p. 1219). Their study focused on managers and supervisors from hotel front desks and restaurants, both groups were represented equally and the total sample was 120 work units. Questionnaires were administered to both the employees and the customers.

In a recent study performed by Markos and Sridevi (2010) the relationship between engagement and organizational performance was addressed. "Most drivers that are found to lead to employee engagement are non-financial in their nature. Therefore, any organization who has a committed leadership can achieve the desired level of engagement with less cost of doing it" (Markos, 2010, p.92). This should not be interpreted that engagement is not worth pursuing; although it may not translate directly to financial outcomes it can have other impacts. "Why should companies invest in employee engagement? The answer is because employee engagement is interwoven significantly with business outcomes" (p.92).

Markos et al (2010) suggest a 10-component strategy for increasing employee engagement. This strategy includes recruiting the right types of people to fit into the culture of the organization. As well as a commitment from leadership to establish a clear mission, vision, and values. The establishment of which will provide employees with a construct that all levels of the organization will be held accountable to. Open communication is also required in addition to access to the appropriate tools and training to perform the job (p.93-94). They suggest that organizations should focus on their top employees in order to retain their best talent and maintain high engagement.

The goal of investing in the employee to increase engagement within the organization requires a certain level of commitment from leadership. The concept that leaderships' commitment to the organization is addressed in the Nasomboon's (2014) study which focused on the relationship of leadership commitment and its impact on organizational performance and engagement. Nasomboon suggest that leadership is a key variable in the achievement of employee engagement "Any organization requires effective leaders who can positively influence their followers by increasing employee engagement in order to support business performance. The potential variables associated with leadership behaviors might be significant" (Nasomboon, 2014, p. 77). The article goes further into describing the importance of the role leadership can have in developing employee engagement. "Leaders with a high commitment may be the key to development of an environment that provides organizational effectiveness" (p. 77).

One of the strategies Nasomboon (2014) proposes is to create a strong culture with which employees can identify with. The benefit of creating a strong culture is that it establishes a shared identity. When this shared identity exists it is more likely for employees to feel a connection with their organization. Nasomboon describes this situation as "employee branding," and is further defined as follows; "concept of employee branding that is to convince employees that their organization is a good place to work" (p.78). In addition to the concept of culture; goal setting, which contributes to the level of employee engagement, is also explored in the article. Nasomboon writes, "commitments to general targets with broadly defined focal behavior…may influence organizational performance as well as impact on the level of employee engagement" (p.

7

Employee Engagement's Impact on Organizational Performance Measures 79). The interplay of investment in employees can eventually create an environment in which goal setting and achievement of goals is more easily accomplished.

Mone, Eisinger, Guggenheim, Price, and Stine (2011) suggest that the manager's role is also important in fostering and developing employee engagement. In their study the authors describe the major components of performance management needed to engage staff, "each component frames a set of manager behaviors shown to drive engagement" (Mone et al, 2011, p.205). The strategy to achieve engagement that the article recommends is to bolster the training and coaching programs that can result in enhanced engagement. "From our perspective, managers like to know the kinds of training and development opportunities they should offer employees that meet both learning needs and foster engagement" (p.208). A result of more effective coaching training is management will be properly trained to respond to the needs of their employees. They offer coaching as a tool to enhance employee development. (p.208-209). Coaching would better prepare the employee to understand what should reasonably be required of them. "We suggest that the overall levels of engagement in the task and perception of fairness of evaluation and rewards should be measured after the individuals involved are provided with their overall evaluation and reward" (p. 209). The authors feel that surveying employees would be the most effective way to achieve reliable results.

We propose that a field study could help managers better face this challenge. Using a survey, employees can evaluate their managers on the extent to which they demonstrate the range of behaviors that demonstrate trustworthiness and empowerment; the survey would also incorporate a measure of employee engagement. (p.210) Employee Engagement's Impact on Organizational Performance Measures Providing opportunities for employee development by coaching and other methods is a path to increasing employee engagement. The authors suggest that thus does not need to be formalized in order to be successful, "evidence suggests that informal learning can promote engagement" (p. 208). They conclude that there is a need to further explore the relationship between performance management and employee engagement.

Gonzalez-Roma, Schaufeli, Bakker, and Lloret (2006) discuss the different statistical models available for analysis relationships of performance and engagement. Unlike the other studies referenced for this paper, the Gonzalez-Roma take a different approach to analyzing the topic of employee engagement. In their paper they analyze the opposite of engagement, which they term as "burnout." The explanation of the pros and cons of various statistical analyses are also explored. They suggest "if relationships among items are expected to not be linear, then factor analysis is not an appropriate technique for investigating whether items are scalable on a single underlying bipolar dimension. Instead, a scaling method that does not assume linear relationships must be used, such as the Mokken scaling technique" (Gonzalez-Roma et al, 2006, p. 167).

Their study focused on three separate study groups consisting of a telecom organization, and pension fund company, and an insurance company. The employees were given questionnaires to fill out and return as they completed them, the surveys were anonymous and they did not complete them while others were present. Once the survey was completed they were dropped in box. The sample size was substantial with over 1,200 respondents across the three responding organizations. The study looked at the relationship between exhaustion and cynicism and vigor and dedication.

When analyzing the relationship between organizational goals and employee engagement it is important to understand some of the potential unintended consequences of engaging employees in order to achieve organizational goals. Maslach and Leiter (2008) describe the negative consequences that organizational performance goals can have on the employee. The authors contend that these types of goals can create high pressure situations in which the employee may become overtaxed. "The worker's internal experience of strain is assumed to play a mediating role between the impact of external job demands (stressors) and work related outcomes (such as absenteeism or illness)" (Maslach & Leiter, 2008, p. 498). These types of unintended consequences need to be avoided in order to maintain employee engagement; further understanding of the conditions that lead to the potential for burnout is required.

In order to avoid burnout, Maslach and Leiter (2008) offer some insights into the causes that foster a burnt-out employee. If the organization sets its performance goals too high it can have the unintended effect of placing too much stress on the employee. This stress could lead to poor performance and lack of engagement in the organization as the employee may be feeling that the organization is not being sensitive to their individual needs. "The basic premise is that if an individual is experiencing early signs of burnout, then that information is sufficient for consideration of actions to prevent burnout and build engagement"(Maslach & Leiter, 2008, p. 498). It is important for leaders to recognize the potential for burnout so they can prevent it from occurring and if it does occur, to address it quickly before it spreads to other employees.

In an earlier study Leiter and Maslach (1988) suggest that burnout can be as much of a predictor for employee organizational commitment as engagement can be. The Employee Engagement's Impact on Organizational Performance Measures presence of burnout would have to be the result of the absence of engagement. "Burnout appears to be a response to interpersonal stressors on the job, in which an overload of contact with people results in a change in attitudes and behaviors towards them" (Leiter and Maslach 1988. p. 297). These findings suggest that it would be equally as beneficial for an organization to understand how burnt out its employees are as to how engaged they are. If there are certain levels of burnout present it may impact the rest of the work forces ability to be engaged in the goals of the organization. Further more, if there were precursors to burnout present, it would be prudent for leadership to remove them before placing emphasis on organizational goals.

These findings suggest that contact with people can be a major source of distress, frustration, or conflict in human services professions, and that such a negative experience can be an important element in an employee's satisfaction with the job and commitment to continue working in it. (p. 298)

These findings are particularly important for those organizations that are in pursuit of using their work force to its fullest potential. Leiter and Maslach's goal for this study "was to assess both positive and negative contacts on the job, and to investigate their separate contributions to burnout and organizational commitment" (p. 298). The discussion of the study clearly focused on the importance of the interactions between employees. Interactions should be as positive as possible if burn out is to be avoided and engagement is to be maintained, "while positive contact with a coworker might refer more to friendship, help, and comfort" (p. 298). Knowing the potential for burnout and what can be done in order to prevent it from infecting the employees and preventing the occurrence of positive engagement. Furthermore, the fact that emphasis on achieving

Augsburg College Library

Employee Engagement's Impact on Organizational Performance Measures organizational scores can result in burnout and is germane to understanding the relationship between performance goals and employee engagement.

Hypothesis

The aim of the study is to examine whether positive employee engagement scores correlate with positive organizational performance. This relationship will be measured by performing a correlation study between engagement scores and three different sets of organizational metrics. If this relationship can be demonstrated it can provide more of validation for providing resources to enhance employee engagement. "Employee engagement is stronger predictor of positive organizational performance clearly showing the two-way relationship between employer and employee" (Markos & Sridevi. 2010. p. 89).

The first hypothesis is that the higher the engagement scores the better the access score will be. The second hypothesis is that higher engagement scores will have a positive correlation with high patient satisfaction scores. The third hypothesis of this study is that higher engagement scores will correlate with stronger margin scores. These relationships will be further defined as they are addressed in the paper.

Methodology

The study described below was submitted and approved through an accredited IRB process. Permission from the organization was given in order for the use of following data for the purposes of this paper.

A specific correlation study was performed as part of this research paper. The correlation study addressed the relationship between employee engagement and

Employee Engagement's Impact on Organizational Performance Measures organizational performance. The employee group was comprised of clinicians from surgical departments within a large regional healthcare system in the Midwest. As employees of the healthcare system, the clinicians are asked to complete an annual engagement survey. These survey scores will serve as part of the correlation study. Performing a comparative analysis of employee engagement scores with that of organizational performance scores will constitute the study. The subjects will consist of surgeons and doctors from various specialty clinics from a healthcare organization within the Minneapolis area. The specialties represented are general surgery, neurosurgery, orthopedic surgery, podiatric surgery and medicine, ophthalmology, vascular surgery, plastic surgery, otolaryngology, and urology. The organization performs an annual engagement surgery in which each individual surgeon completes. These surveys are then aggregated and stratified by department.

These engagement scores will be compared against selected key organizational performance measures. These measures include metrics that are highly impacted by the clinicians' involvement and performance and include access, patient satisfaction, and direct margin. The engagement scores will be compared individually with each performance metric in order to determine the correlation relationship. The study is an attempt to measure and quantify the relationship between employee engagement levels and organizational performance group. The sample group is a random representation of the employee population in question. The results of this study will be discussed later in the paper.

In addition to the annual engagement survey the organization also tracks key performance indicators. One of the performance indicators is the availability of Employee Engagement's Impact on Organizational Performance Measures appointments for new patients is tracked. This performance measure is referred to as "access." Access measures the amount of time in between the appointment request is made and when the appointment occurs. The goal for this measure is to have availability for a patient to be seen within 14 days of the request for non-emergency needs and within 2 business days for emergencies. It is the surgeon or provider who can affect the access to the clinic depending on how much clinic time they decide to make available. This is an important indicator as strong performance in this area is a way to prevent losing customers to a competitor. The access scores will be compared with the engagement scores in order to understand how they correlate with each other.

The second measure tracked by the organization is that of patient satisfaction. Patient satisfaction is recorded through a 3rd party vendor. The vendor sends surveys out to patients and asked them to rate the visit. Embedded within these scores are questions that ask the patient to rate their clinician. These surveys are taken throughout the year and an annual score is reported at the end of the year. Patient satisfaction scores are important because they give the organization insight into how the patients perceive the organization and more specifically their clinician. The patient satisfaction scores will be compared with the engagement scores in order to understand how they correlate with each other.

A final key indicator is that of profit margin. This indicator is a measurement of how much the department contributes to the overall financial performance of the organization. Similar to the other two measurements the profit margin is tracked throughout the year and a final measurement is taken at the end of the year. The direct margin scores will be compared with the engagement scores in order to understand how they correlate with each other.

This first component of the study was a comparative analysis between the engagement scores and the access measures. The first hypothesis is that the higher the engagement scores the better the access score will be. Access can be an indicator of engagement due to the physician being willing to open more time on their schedule in order to see patients in a timely matter. This can be accomplished by adding clinic days or by offering more appointments on an existing day. Further measures can be taken to provide better access and would need to include process and efficiency improvement. This commitment to process improvement would suggest a higher degree of engagement from the clinician.

The second component of the comparative study was a comparative analysis between the engagement scores the patient satisfaction scores. The patient satisfaction score reflects the quality of the patient care provided by the clinician as perceived by the patient. One of most highly weighted questions on this survey is; "Would you refer someone to your clinician?" In theory, if one of the goals of the organization is to achieve high patient satisfaction scores and the physician is engaged in the performance of the organization, this dynamic should correlate in achievement of this goal. In the context of this study, the clinician group consists of the surgeons of the healthcare system. If the surgeon is engaged in the organization and its performance measures, strong performance within these areas should trickle down to the patient and be demonstrated during the visit. If the patient feels the physician is engaged within the visit it should correlate to high patient satisfaction scores.

The third component of the study was a comparative analysis between the engagement scores and direct margin. As stated earlier the margin is a measurement of

15

Employee Engagement's Impact on Organizational Performance Measures the financial performance of the department. All three of the studies use organizational performance data collected in 2013 and 2014. This data is reported at the end of each year. The engagement scores are also recorded annually.

Instruments

The patient satisfaction scores were obtained from the 3rd party contractor. The 3rd party is contracted by the healthcare system to collect and calculate patient satisfaction scores through the use of mailed surveys. These scores are collected on a monthly basis and reported on annually. Sample sizes are variable depending on the number of respondents. Scores are not reported as valid until an appropriate sample size has been gathered.

The patient access measures are collected through the electronic scheduling system that the healthcare clinician uses. The measures are standardized across departments. Each department tracks the amount of time between the patient's request for an appointment and the date of the appointment. Appointments that fall within the organizational goal are tracked as an operational performance measure.

Statistical Analysis:

The statistical analysis used was to calculate a correlation value between the clinician engagement scores and select organizational performance measures. The formula used to perform the calculation is as follows:

$$Correl(X,Y) = \frac{\sum (x-\overline{x})(y-\overline{y})}{\sqrt{\sum (x-\overline{x})^2 \sum (y-\overline{y})^2}}$$

Employee Engagement's Impact on Organizational Performance Measures This equation provides a comparison between the one performance metric(x) against engagement score(y) in order to understand if a correlation exists. Correlations are defined as, "a statistical measure of the degree to which two or more variables are related" (Dane, 2011, p.98).

Results

Scores were organized and compared as displayed in tables 1 and 2. Table 1 illustrates the comparative analysis between clinician engagement score by department and the access measures for the same fiscal year. The difference between the engagement score and the access score for like departments ranged from 0.32-52.92. This is quite a large range and introduces high variability within a relatively small sample size. The range of clinician engagement scores was 73-97 and the access scores ranged from 44.08-89.5.

| Correlation Between Engagement and Access | Engagement Score | Picker Score |
|---|------------------|--------------|
| Group 1 | 81 | 88.6 |
| Group2 | 83 | 90.5 |
| Group 3 | 73 | 86 |
| Group 4 | 83 | 87.5 |
| Group 5 | 83 | 87.3 |
| Group 6 | 78 | 92.7 |
| Group 7 | 84 | 87 |
| Group 8 | 79 | 90.6 |
| Group 9 | 87 | 89.2 |
| Group 10 | 97 | 84.7 |
| Group 11 | 77 | 87.9 |
| Group 12 | 83 | 93.1 |
| | Correlation | -0.30 |

The table above illustrates the comparative analysis between clinician engagement score by department and the patient satisfaction measures for the same fiscal year. The comparison resulted on a -0.3 correlation. This result suggests that there is no correlation

between positive employee engagement scores and positive patient satisfaction scores.

The result needed to be in closer to 1.0 to indicate a positive correlation:

The table below illustrates the comparative analysis between clinician engagement score by department and the access measures for the same fiscal year:

| Correlation Between | | |
|-----------------------|------------------|--------------|
| Engagement and Access | Engagement Score | Access Score |
| Group 1 | 81 | 86.1 |
| Group2 | 83 | 73.6 |
| Group 3 | 73 | 92 |
| Group 4 | 83 | 89.5 |
| Group 5 | 83 | 56.6 |
| Group 6 | 78 | 88.5 |
| Group 7 | 84 | 83.68 |
| Group 8 | 79 | 54.72 |
| Group 9 | 87 | 82.7 |
| Group 10 | 97 | 44.08 |
| Group 11 | 77 | 58.7 |
| Group 12 | 83 | 85.3 |
| | Correlation | -0.44 |

The prior tables illustrate the comparative analysis between clinician engagement score by department and the patient access measures for the same fiscal year. The comparison resulted in a -0.44 correlation. This result suggests that there is no correlation between positive employee engagement scores and positive access scores. The result needed to be in closer to 1.0 to indicate a positive correlation.

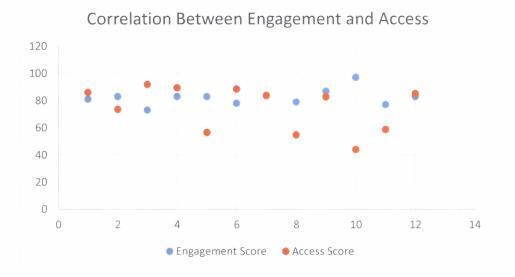
Research Findings and Analysis

The correlation study yielded negative relationships to weak relationship for all three of the comparison groups. A correlation score of 1 indicates that two variables are positively correlated. If one variable is high the other should also be expected to be high. Conversely a correlation score of -1 suggests a negative correlation, in this circumstance if one variable is low it can be expected that the other variable will be high. The correlation score between clinician engagement and the patient satisfaction score equaled

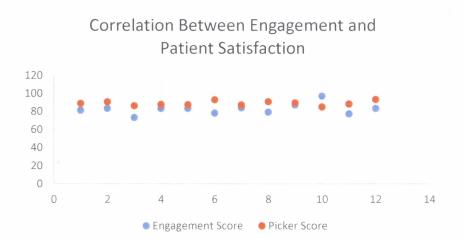
-0.44. The correlation score between the clinician engagement scores and the access score equaled -0.33. The correlation between direct margin and clinician engagement score equaled .04. Given the hypothesis that higher clinician engagement scores would correlate with higher performance goals, these results are somewhat surprising. One reason it is surprising is that it is assumed that an employee exhibiting high engagement would provide a higher level of service. So much so that the customer would recognize it as a superior experience. This assumption resulted in the hypothesis that positive engagement scores would indicate positive patient satisfaction scores. Precipitated on positive patient satisfaction scores indicating that the customers were happy with the overall care they received, and that they would be more likely to return or recommend the services to someone else. The value in understanding the correlation allows for leadership to better understand where to apply their resources when planning to meet organizational goals.

One of the reasons that this is surprising is the due to the clinicians' influence on access. In the organization in question, the clinicians who have equal control with leadership for when deciding to open up more time on their schedules in order to meet increased demand. They also heavily influence the decision of whether or not to bring on more partners in order to meet increased demand. It would be a logical conclusion that clinicians that are more engaged in the organizational goal of access will be more likely to have higher organization engagement scores.

Employee Engagement's Impact on Organizational Performance Measures Graph A: is a scatter graph that illustrates the margins between the engagement and access scores that yielded a negative correlation.



Graph B: is a scatter graph that illustrates the margins between the engagement and patient satisfaction scores that yielded a negative correlation.



Employee Engagement's Impact on Organizational Performance Measures Both graphs show the relationship between the two sets of variables. Even though the scores look to fall in a tight range, the range is great enough to yield negative correlations scores. Leaders when evaluating their organizational performance should take this in mind. Even though the scores are fall within the same range, they cannot be assumed to be indicators for other performance metrics.

The results of the correlation study might support one of the theories mentioned in Seppala's (2008) study as described earlier. The author noted that there was not strong statistical evidence to strengthen the importance of employee engagement. "Furthermore, while the time invariance of the structure of the scale is uncertain, the assumed stability of work engagement remains without strong empirical evidence" (Seppala, 2008, p.460). The results of this study reflects the previous statement.

The reasons for the weak relationship between positive engagement scores and positive performance scores may be a result of other uncontrolled variables. The economic environment may have also played a factor in the results. A very low access measure could be indicative of more demand than the clinic has capacity for and not necessarily a lack of physician engagement. In further analysis only departments that are staffed appropriately should be included in the study.

A second variable that may have influenced the outcome of the study are the other employee groups within the departments studied. More specifically the role of the manager as it pertains to the achievement of performance goals. Mone et al (2011) suggested in their article that it was the role of management that resulted in a significant impact on engagement. Perhaps this can also be correlated to the organizational Employee Engagement's Impact on Organizational Performance Measures performance measures. If the clinician group does not correlate with the organizational performance outcomes perhaps the role of the manager makes a larger impact?

The failure for the data to support the hypothesis suggests implies that the relationship between physician engagement and organizational performance goals is not related. There may be many reasons why. The first of which may be the presence of the manager.

As Mone et al (2011) suggested in their study the manager can play a significant roles in the performance of a team. The physicians in the group relay heavily on the role of the manager to manage the day to day operations of their clinics. "Leaders get things done through using their power. They influence, motivate and inspire people to do- or much better, to want to do- what needs to be done by using various forms of power" (Gill, 2011, p. 266).

In the context of this study, "power" may include being involved in goal setting and tracking as well as performance management to meet the goals. A further study might want to compare the level of managerial engagement as it relates to organizational performance. Managing in the healthcare environment is particularly challenging as the manager is asked to lead highly educated and technically trained staff.

"Thanks to technology, nowadays business companies are making use of advanced techniques of operation. As sophistication of technologies continues to evolve, they pose more challenges for managers because organizations will have to need more number of employees with increased technical and professional skills. These knowledge workers cannot be managed with old styles of totalitarian Striking the balance to achieve performance goals and maintaining an environment where employees are engaged becomes particularly challenging. The results of this study may be indicative of this dynamic of finding a balance between engagement and performance.

An alternative reason as to why the data did not support the hypothesis is that the correct variables were not analyzed. Patient satisfaction may not be a product of physician engagement, as the physician may not need to be engaged in the organization to give good care. Recall the definition of engagement provided by Maslach & Leiter earlier, "engagement has been defined as an energetic state of involvement with personally fulfilling activities that enhance one's sense of professional efficacy" (Maslach & Leiter, 2008. p. 498). This professional efficacy could be used to describe the elinicians' responsibility to provide quality care, thus supporting the hypothesis that it would be positively correlated with patient satisfaction.

Perhaps there is still a commitment to the patient in the absence of a high level of organizational engagement. Although it can be assumed that a high engagement score and patient satisfaction score could be correlated, the gray area of the clinicians' duty to give quality care could be an explanation as to why the correlation was not validated. It is worth considering this finding, as it was a strong assumption that the two would be correlated prior to the study.

If this study were to be performed again it would benefit from a larger sample size. The sample size of this study may have been a limiting factor, although there would

Employee Engagement's Impact on Organizational Performance Measures have to be a dramatic change to the scores within a larger sample size to see a shift towards positive correlation between the variable groups described in this study.

Given the results of this study it is worth considering what other methods might be beneficial in understanding how to measure the impacts of engagement. In Mone et al's (2011) article they suggest a more direct method for understanding this relationship.

One way to empirically examine the relationship between engagement and stretch goals is through a study that engages different participants in tasks that have various degrees of difficulty, and then measuring the extent to which the participants felt engaged by the demands of the task. (Mone et al, 2011, p.207)

A study such as this in the context of a physician's work would be interesting to explore. One of the risks of associating organizational engagement with the task is that the two could be potentially mutually exclusive. The act of treating a patient or performing a procedure may not elicit a high degree of engagement. But the engagement could just as easily be attributed to other reasons such as a sense of duty to the patient, pride in ones work as it could be attributed to being engaged in the higher-level goals of the organization.

The notion that investing in employees on a more individual level in order to tap into what motivates them intrinsically is also supported in Salanova et al (2005). There does seem to be a theme presenting itself in the literature that supports investing in this approach. "How climate is built also depends on how employees feel at work and their work motivation" (p. 1218). Although this does not directly address the question of how engagement levels correlate to the achievement of organizational goals, it does give Employee Engagement's Impact on Organizational Performance Measures valuable insights into what is needed in order for engagement to occur; which is the environment in which an employee feels invested. Therefore they will invest themselves in the organization. "It would be expected that when employees feel vigorous, involved and happy in the workplace (i.e. engaged), they may experience positive perceptions about their work characteristics and service climate" (p. 1218). In this scenario the "work characteristics" can draw a parallel to the performance goals of the organization. Thus supporting the approach to invest in the employee in order for them in reinvest into the organization.

Conclusions

The relationship between employee engagement and organizational performance was not demonstrated in this study. In all comparisons there was no strong positive correlation between any of the comparative groups. The literature suggested that it would have been reasonable to expect to see a correlation between high engagement scores and high organizational measures, but in this circumstance it did not yield true. These results may call into question the importance for pursuing employee engagement, but this conclusion should be cautioned against without further considerations. The relationship between high organizational performance and a high engagement in the organization may have been complicated by a number of factors.

One of the factors that impact engagement is the role of the manager, particularly when analyzing organizational goals such as financial performance. Since it is the manager that also plays a key factor in the financial management of a department. Another factor that may have impacted the study was the role of outside factors on the Employee Engagement's Impact on Organizational Performance Measures access measures. If a department had highly engaged physicians but lacked the resources to meet the demands of their clinic they would not be able to achieve the access goal. This would result in a circumstance where engagement and organizational performance will not correlate regardless. The existence of these other variables may have contributed in the result of the study.

It is also important to consider the level of burnout that is present within an organization, as the research showed that levels of burnout can become pervasive throughout the whole organization. It is also important to consider the unintended consequences of added stress that can result from performance goals. These stressors will make it more difficult for the employee to become engaged within the organization. In the context of understanding how organizational performance goals impact engagement scores, it is important to consider that placing high emphasis on organizational goals can have the unintended consequence of contributing to employee burnout.

The results of this specific study should not be a deterrence from pursuing employee engagement in order to improve operational performance. Research of the literature addressing the benefits of employee engagement to the organization strongly suggest that it is a worthwhile endeavor. Investing in the employee in the form of educational opportunities and coaching creates a relationship with leadership that transcends the underlying transactional relationship between an employer and employee. This transcendence will create an environment in which staff will be more intrinsically motivated to perform at their organization. This motivation will need to be fostered and sustained by leadership programs that are designed to invest in their employees.

References:

- Dane, F. (2011) Evaluating research: methodology for people who need to read research. Los Angeles. Sage Publications
- Gill, R. (2011). Theory and practice of leadership.London: SAGE Publications Ltd
- Gonzalez-Roma, V., Schaufeli, W., Bakker, A., & Lloret, S., (2005). Burnout and work engagement: Independent factors or opposite poles? Journal of Vocational Behavior 68, 165-174
- Harter, J.K., Hayes, T.L., & Schmidt, F.L., (2002), Business-Unit-Level Relationship Between Employee Satisfaction, Employee Engagement, and Business Outcomes: A meta- analysis. Journal of Applied Psychology, Vol 87, No 2, 268-279
- Leiter, P., & Maslach, C., (1988). The impact of interpersonal environment on burnout and organizational commitment. Journal of Organizational Behavior Vol 9 297-308
- Leiter, P., & Maslach, C., (1998). Burnout. In H. Friedman (Ed.), *Encyclopedia of mental health* (pp. 202-215). New York: Academic Press.
- Luthans, F. (2003), Positive organizational behavior (POB): Implications for leadership development and motivation, in Steers, R.M., Porter, L.W. and Bigley, G.A. (Eds), Motivation and Leadership at work, McGraw-Hill, New York, NY, pp178-95
- Maslach, C., and Leiter, P., (2008). Early Predictors of Job Burnout and Engagement. Journal of Applied Psychology Vol 93. No. 3, 498-512
- Mone, E., Eisinger, C., Guggenheim, K., Price, B., and Stine, C., (2011, May 13).
 Performance Management at the Wheel: Driving Employee Engagement in Organizations. Published online, Springer Science +Business Media LLC
- Markos, S. & Sridevi (2010). Employee Engagement: the Key to Improving Performance. International Journal of Business and Management, Vol. 5, No. 12 89-96
- Nasomboon, B. (2014, Aug 25). The Relationship among Leadership Commitment, Orgaizational Performance, and Employee Engagement. Published online. Graduate School of Commerce, Burapha University Thailand
- Salanova, M., Agut, S., & Peiro, J., (2005). Linking Organizational Resources and Work Engagement to Employee Performance and Customer Loyalty: The Mediation of Service Climate. Journal of Applied Psychology, Vol 90, N0.6, 1217-1227
- Salanona, M., Baker, A.B., & Lorens, S., (2006). Flow at Work: Evidence for an upward spiral of personal and organizational resources. Journal of Happiness Studies, 7:1-22 DOI 10.1007/s10902-005-8854-8

- Schaufeli, W.B., Leiter, M.P., & Maslach, C., (2009). Burnout: 35 years of research and practice. *Career Development International*, 14(3), 204-220. Doi:http://dx.doi.org.ezproxy.augsburg.edu/10/1108/13620430966406
- Seppalal, P., Mauno, S., Feldt, T., Hakanen, J., Kinnuunen, U., Tolvanen, A., and Schaufeli, W., (2008, May 06). The Construct Validity of the Utrecht Work Engagement Scale: Multisample and Longitudinal Evidence. Published online, Springer Science +Business Media LLC
- Simpson, M. R., (2009). Engagement at work: a review of the literature. International Journal of Nursing Studies 46, 1012-1024