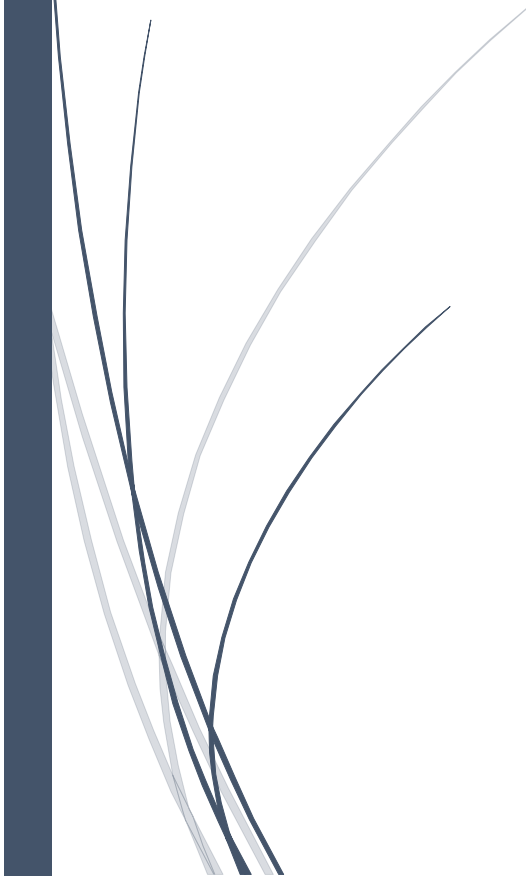




Final Project 2

PMG 497



Faculty of Management
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The Role of Employee Engagement in Enhancing Organizational Performance in Saudi Public Sector Organizations

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Final Project - 2

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Finally, I am grateful to all the individuals and organizations who contributed, directly or indirectly, to the completion of this study.

Dedication

To my beloved family, whose endless support and prayers were my strength.

This work is a small tribute to your unconditional love, patience, and belief in me.

I also dedicate this project to every passionate learner striving to make a difference in the world of management.

Abstract

Purpose:

This research aims to examine the impact of employee engagement on organizational performance within public sector organizations in Saudi Arabia. It seeks to understand how different dimensions of engagement—such as commitment, motivation, and involvement—can drive performance outcomes.

Methodology:

The study follows a quantitative research design using a structured questionnaire based on the Likert scale. Data will be collected from a sample of employees working in various Saudi public sector institutions. Statistical analysis will be conducted to test the hypotheses and explore the relationship between employee engagement and organizational performance.

Findings:

Expected findings suggest a positive correlation between employee engagement and organizational performance. High levels of engagement are anticipated to be associated with improved productivity, service quality, and employee retention.

Originality & Implication:

This study contributes to the understanding of human resource practices in the Saudi public sector. It offers insights for managers and policymakers aiming to improve organizational efficiency through employee-focused strategies.

Keywords:

Employee Engagement, Organizational Performance, Saudi Arabia, Public Sector, Human Resource Management.

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Chapter 1: Introduction

1.1 Research Background

In today's dynamic organizational environment, employee engagement has emerged as a critical factor influencing the success and sustainability of institutions across sectors. Engagement refers to the psychological and emotional investment employees place in their roles, leading to proactive behavior, dedication, and alignment with organizational goals. Globally, organizations have increasingly recognized that a disengaged workforce can directly impact productivity, service delivery, and overall institutional performance (Kahn, 1990). Moreover, employee engagement is seen as a driving force for digital transformation in the public sector. As government entities adopt emerging technologies and restructure service delivery, they increasingly depend on a committed workforce that embraces change, adopts new tools, and maintains service quality during transitions. This highlights the need to understand how engagement can be sustained in dynamic, high-pressure environments.

Within the public sector, especially in developing economies such as Saudi Arabia, the importance of engagement has become more evident amid national transformation initiatives like Vision 2030. These reforms emphasize enhancing government efficiency, citizen satisfaction, and service innovation. Accordingly, fostering employee engagement is no longer a luxury but a necessity for public institutions seeking to meet rising performance expectations and accountability standards (Alshahrani & Baig, 2021).

Unlike the private sector, public institutions in Saudi Arabia face unique challenges—rigid structures, limited career advancement, and bureaucratic inertia—which may influence engagement levels. At the same time, Saudi public organizations are undergoing substantial change management efforts focused on performance measurement, digital transformation, and human capital development. These reforms create a timely opportunity to assess the role of engagement in driving performance outcomes across ministries, agencies, and service entities.

Academically, the concept of employee engagement has gained traction in management literature, with studies highlighting its correlation with job satisfaction, organizational commitment, innovation, and performance (Bakker & Demerouti, 2008). However, most studies are centered on private organizations or Western contexts, leaving a gap in understanding engagement within the distinct structure and culture of the Saudi public sector. This study intends to bridge that gap by offering evidence-based insights grounded in the local context.

Accordingly, this research investigates the role of employee engagement in enhancing organizational performance within public sector organizations in Saudi Arabia, offering both theoretical contributions and practical implications.

(References: Kahn, 1990; Bakker & Demerouti, 2008; Alshahrani & Baig, 2021)

In addition to the organizational and academic significance, employee engagement is closely linked to broader socio-economic reforms. In Saudi Arabia, the shift towards a knowledge-based economy and the expansion of e-government services demand a proactive, empowered, and committed workforce. Engagement acts as a catalyst for digital adoption, innovation, and quality assurance in public service delivery. Moreover, as the government transitions from traditional administration to a more citizen-centric model, human capital becomes the most valuable asset.

Several government bodies, such as the Ministry of Human Resources and Social Development, have launched strategic workforce planning initiatives to increase public sector productivity. Yet, without fostering genuine engagement, these reforms may remain procedural rather than transformational. This underscores the urgency of examining not only the presence of engagement but also its practical effects on institutional outcomes such as responsiveness, accountability, and strategic alignment. By expanding the research lens to the public sector and grounding the analysis in Saudi Arabia's transformation agenda, this study contributes to filling a critical gap in the

global literature. It highlights how engagement is not just a human resources concern, but a national development imperative.

1.2 Research Problem

Despite the growing awareness of employee engagement's strategic value, many public sector organizations continue to struggle with embedding engagement into their core human resource practices. This disconnect between policy intention and organizational reality raises important questions about how engagement manifests in government institutions and whether it genuinely impacts performance indicators such as service efficiency, responsiveness, and internal innovation.

From a theoretical perspective, there is a lack of consensus on the conceptual boundaries of employee engagement, with scholars offering varied definitions and frameworks. Some emphasize its emotional dimensions, others its cognitive or behavioral aspects (Saks, 2006; Shuck & Wollard, 2010). As a result, it remains unclear which facets of engagement are most relevant to the unique context of public administration in Saudi Arabia.

From a practical standpoint, Saudi public sector organizations face high expectations under Vision 2030 to deliver measurable performance improvements. Yet, these goals may be undermined by disengaged employees, top-down communication styles, and insufficient investment in engagement strategies. Hence, there is a pressing need to examine whether, and how, employee engagement contributes to organizational success in this domain. Additionally, it remains unclear how cultural and hierarchical factors within Saudi public organizations influence employees' ability to engage meaningfully. Exploring this can offer insights into how engagement practices need to be localized and adapted to national administrative contexts.

This leads to the core research question:

How does employee engagement influence organizational performance in Saudi public sector organizations?

1.2.1 Theoretical Gaps

Although employee engagement is widely studied, most models and empirical findings are drawn from private sector or Western-based studies. There is insufficient research addressing how engagement operates in public bureaucracies where cultural norms, job security, and leadership structures differ significantly. Moreover, the literature is inconclusive about which specific dimensions of engagement—emotional, cognitive, or behavioral—most strongly predict performance outcomes in hierarchical public entities.

1.2.2 Practical Gaps

On the operational level, many public institutions in Saudi Arabia have yet to develop systematic tools to measure and enhance engagement. While strategic transformation initiatives are underway, the implementation of employee-centered practices often remains inconsistent. There is limited empirical evidence linking engagement levels to performance benchmarks such as service speed, policy execution, or innovation in public workflows.

Identifying these gaps emphasizes the value of this study in contributing both to scholarly understanding and practical solutions tailored to the Saudi administrative context.

1.3 Research Significance

1.3.1 At the Theoretical Level

This study contributes to the evolving literature by contextualizing the engagement–performance relationship within a Saudi public sector framework. It seeks to refine theoretical understanding by examining which engagement components are most impactful in non-Western, hierarchical, and government-led environments. The study also provides an evidence-based model that future scholars can build on in similar regional contexts.

Additionally, this research expands the application of the Job Demands-Resources (JD-R) model by testing its relevance in a public service setting, which differs significantly

from the corporate environments where the model is most commonly applied. It encourages a re-examination of how motivational and structural factors interact in bureaucratic systems to produce high-performance outcomes.

1.3.2 At the Practical Level

Practically, the findings of this research will be beneficial for decision-makers and HR departments in the Saudi public sector. By clarifying how employee engagement affects organizational outcomes, it can inform policy reforms, internal communication strategies, and capacity-building initiatives. The study supports public managers in aligning human resource development with national performance goals under Vision 2030.

Furthermore, this research equips public institutions with data-driven insights to justify investments in employee engagement initiatives. It empowers managers to move beyond intuition and apply empirical evidence to enhance workforce motivation, streamline services, and ultimately deliver better public value.

1.4 Research Questions

To guide the investigation, the study will seek to answer the following main and sub-research questions:

Main Research Question:

- How does employee engagement influence organizational performance in Saudi public sector organizations?

Sub-questions:

- What are the key dimensions of employee engagement most relevant to the public sector context?
- How do engaged employees contribute to improved performance metrics such as efficiency, innovation, and service quality?
- What organizational factors enhance or hinder employee engagement in Saudi public institutions?

1.5 Research Objectives

The primary objective of this study is to investigate the relationship between employee engagement and organizational performance in the Saudi public sector. Specific objectives include:

- To identify the dominant dimensions of employee engagement within public organizations.
- To measure the level of engagement among employees in selected Saudi government institutions.
- To analyze the effect of engagement on organizational outcomes such as productivity, service quality, and innovation.
- To provide recommendations for enhancing engagement to improve institutional performance.

1.6 Research Hypotheses

Based on the research questions and literature review, the following hypotheses will be tested:

H1: There is a statistically significant positive relationship between employee engagement and organizational performance in Saudi public sector organizations.

H2: Behavioral engagement has a stronger impact on performance than emotional or cognitive engagement in hierarchical public entities.

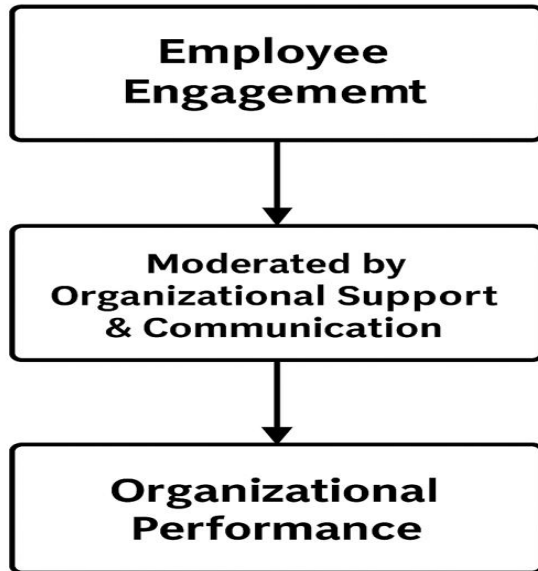
H3: Organizational support and communication positively moderate the relationship between employee engagement and organizational performance.

1.7 Research Model

The conceptual framework of this study proposes that employee engagement (independent variable) affects organizational performance (dependent variable). Additionally, organizational support and communication serve as moderating variables that can strengthen or weaken this relationship.

The model builds upon existing theories of engagement and performance—particularly the Job Demands-Resources (JD-R) model—and adapts them to the specific characteristics of Saudi public institutions.

Figure 1: Conceptual Research Model



1.8 Scope of the Study

The study focuses on public sector organizations operating in major urban centers of Saudi Arabia, including Riyadh, Jeddah, and Dammam. It targets full-time employees across various hierarchical levels—from frontline staff to senior managers—working in government ministries, public service agencies, and administrative bodies.

The research is limited to a quantitative cross-sectional design using a structured questionnaire. It does not cover qualitative insights, longitudinal trends, or comparisons with the private sector. However, the study lays the groundwork for such future explorations by offering empirical evidence on the engagement–performance relationship within a specific national and sectoral context.

In light of the outlined objectives and the proposed model, the following chapters are organized to ensure a logical progression from theoretical foundations to practical

implications. Each section builds on the previous to maintain alignment with the study's central research question.

1.9 The Project Structure

This project is organized into five main chapters as follows:

- Chapter One: Introduction
Introduces the research background, defines the problem and its significance, presents research questions, objectives, hypotheses, model, and outlines the study's scope and structure.
- Chapter Two: Literature Review
Explores theoretical definitions and previous research related to employee engagement and organizational performance, including the relationship between the two constructs.
- Chapter Three: Research Methodology
Details the methodological framework, including research design, variables, sample, data collection tools, and statistical analysis procedures.
- Chapter Four: Statistical Analysis and Findings
Presents the results of data analysis, including descriptive statistics, hypothesis testing, and a discussion linking findings to the literature.
- Chapter Five: Conclusion and Recommendations
Summarizes the research, outlines practical recommendations, discusses limitations, and suggests directions for future research.

Chapter 2: Literature Review

2.1 Introduction

This chapter presents a critical review of the existing literature related to the key constructs of this study: employee engagement and organizational performance. It outlines the theoretical foundations, historical development, and dimensions of each variable. In addition, it explores how the relationship between the two variables has been conceptualized in previous research and identifies gaps that justify the current study.

A comprehensive literature review serves three main purposes: (1) to establish what is already known about the subject, (2) to clarify the theoretical models and frameworks relevant to the variables, and (3) to highlight areas where evidence is lacking or inconclusive, particularly within the context of public sector organizations in Saudi Arabia.

Employee engagement has received increasing attention from scholars and practitioners in recent years due to its potential to influence a wide range of organizational outcomes, including job satisfaction, innovation, productivity, and performance. Meanwhile, organizational performance remains a central concern for both private and public institutions, especially in regions undergoing structural reforms like Saudi Arabia under Vision 2030.

This review will be organized into four major sections: the independent variable (employee engagement), the dependent variable (organizational performance), the relationship between the two, and a concluding section summarizing the theoretical implications and research gaps.

2.2. The Independent Variable: Employee Engagement

Employee engagement has evolved into a prominent construct in organizational behavior and human resource management. It refers to the degree to which employees are psychologically and emotionally invested in their work roles (Kahn, 1990). Engagement is not merely job satisfaction or organizational commitment—it

encompasses active involvement, passion, and discretionary effort that employees exert in their jobs.

Kahn (1990), in his foundational work, defined engagement as “the harnessing of organization members’ selves to their work roles.” He identified three psychological conditions necessary for engagement: meaningfulness, safety, and availability. Since then, multiple theoretical models have been developed to further define and measure engagement.

One of the most widely used frameworks is the **Job Demands-Resources (JD-R) Model**, proposed by Bakker and Demerouti (2008). This model suggests that engagement arises when job resources (e.g., autonomy, recognition, feedback, and supervisor support) are high and job demands are manageable. According to the JD-R, engaged employees are characterized by:

- **Vigor:** High levels of energy and mental resilience at work.
- **Dedication:** A strong sense of significance, enthusiasm, and pride in one's job.
- **Absorption:** Being fully concentrated and happily engrossed in work.

Another perspective is provided by Macey and Schneider (2008), who distinguish between:

- **Trait engagement** (individual disposition),
- **State engagement** (temporary psychological state), and
- **Behavioral engagement** (observable actions such as initiative and persistence).

In the Saudi context, employee engagement in the public sector is gaining attention due to its linkage with Vision 2030 reform goals. However, cultural factors such as hierarchical authority, limited upward feedback, and centralized decision-making may affect how engagement is perceived and expressed. These contextual variables make it essential to examine engagement not only as a universal concept, but also through a localized lens.

2.3. The Dependent Variable: Organizational Performance

Organizational performance is a multidimensional concept that reflects how effectively an organization achieves its goals and fulfills its mission. In the context of the public sector, performance goes beyond profitability or market share, focusing instead on service delivery, citizen satisfaction, operational efficiency, and accountability (Boyne, 2002).

Performance in public institutions can be assessed through various indicators, including:

- Quality and timeliness of service delivery
- Responsiveness to citizens' needs
- Achievement of strategic goals and KPIs
- Innovation in internal processes and external services
- Employee productivity and retention

A widely accepted framework for evaluating organizational performance is the **Balanced Scorecard**, developed by Kaplan and Norton (1996), which evaluates performance across four perspectives:

1. **Financial** – budget management and cost-efficiency
2. **Customer/Citizen satisfaction** – quality of service from the user's perspective
3. **Internal business processes** – operational efficiency and workflows
4. **Learning and growth** – employee development, innovation, and organizational culture

In the Saudi public sector, performance has become a top priority due to the emphasis placed by **Vision 2030** on increasing government effectiveness, transparency, and citizen-centric service. The launch of initiatives such as performance evaluation units, national indicators, and digital dashboards has increased the pressure on public institutions to deliver measurable results.

Yet, despite these reforms, challenges persist. These include resistance to change, limited strategic alignment between departments, and low motivation among employees—factors that are directly influenced by engagement levels. Therefore, understanding and improving employee engagement is critical to enhancing the overall performance of public sector organizations.

2.4. The Relationship Between the Independent and the Dependent Variables

The relationship between employee engagement and organizational performance has been extensively explored in the organizational behavior literature, especially in the context of private firms. However, there is growing recognition that this relationship is equally important in public sector organizations, where performance is often driven by non-financial metrics such as service quality, policy outcomes, and citizen satisfaction. Numerous empirical studies have shown that engaged employees tend to demonstrate higher productivity, lower absenteeism, better teamwork, and stronger commitment to institutional goals (Harter et al., 2002; Saks, 2006). These behaviors directly support performance dimensions critical to public administration, such as responsiveness, accountability, and innovation.

In particular, behavioral engagement—which includes initiative, perseverance, and extra-role behaviors—has been found to have the strongest link to performance outcomes (Gupta et al., 2015). Employees who go beyond their formal job descriptions are more likely to contribute to efficiency gains, problem-solving, and process improvement within bureaucratic environments.

Moreover, the presence of organizational support and internal communication has been shown to strengthen this relationship. When employees feel supported by leadership and are kept informed about organizational priorities, their engagement translates more directly into meaningful performance improvements.

Despite the growing body of literature, research in the Saudi public sector remains limited. Most available studies focus on Western or corporate contexts, with few

addressing the unique structural and cultural dynamics of Middle Eastern government institutions. This study aims to fill that gap by empirically testing how engagement affects performance specifically within Saudi Arabia's public institutions, where reforms under Vision 2030 demand high levels of organizational responsiveness and workforce motivation.

2.5. Conclusion

This chapter has provided a comprehensive review of the key concepts and literature related to employee engagement and organizational performance. It began by defining employee engagement, its dimensions, and its theoretical underpinnings, particularly within the Job Demands-Resources (JD-R) model. It then outlined the scope and criteria for measuring organizational performance in public sector settings, with a focus on the Balanced Scorecard framework and Vision 2030 reforms in Saudi Arabia.

The literature clearly supports a positive and statistically significant relationship between employee engagement—especially behavioral engagement—and various aspects of performance, such as productivity, service quality, and innovation. The chapter also emphasized that this relationship is strengthened when moderated by organizational support and effective communication.

Despite this, a notable gap exists in localized research addressing how engagement functions in Saudi public institutions. Most existing studies are drawn from private sector or Western contexts, which differ considerably in terms of cultural norms, structural hierarchies, and operational challenges. This gap reinforces the importance and timeliness of the present study, which aims to provide empirical insights tailored to the Saudi administrative environment.

The next chapter will describe the methodology adopted to test the proposed hypotheses and conceptual model.

While employee engagement is widely researched in Western private-sector contexts, the academic literature remains underdeveloped regarding engagement dynamics in

hierarchical and bureaucratic systems like those in Saudi Arabia. This gap emphasizes the importance of contextualized research models that account for cultural norms, decision-making centralization, and institutional rigidity typical of public administration environments.

Chapter 3: Research Methodology

3.1. Introduction

This chapter outlines the research methodology adopted to examine the relationship between employee engagement and organizational performance in Saudi public sector organizations. It presents the operational definitions of the study's variables, the philosophical foundation and research design, sampling strategy, data collection methods, and the statistical analysis techniques used.

The study is based on a quantitative research approach, which allows for objective measurement and statistical testing of the proposed hypotheses. The methodology is guided by a positivist paradigm, which emphasizes observable, measurable facts, and relies on structured tools to collect data from a sample of public sector employees.

The selection of this methodology is appropriate given the study's aim: to determine the strength and direction of the relationship between engagement and performance. Quantitative methods, particularly those involving survey instruments, are widely used in engagement research and have proven effective in identifying trends across large populations.

The chapter is structured as follows: Section 3.2 defines the study variables operationally, Section 3.3 explains the overall research design using the research onion model, and Sections 3.4 through 3.7 provide details on sampling, data collection, types of data, and statistical procedures. The chapter concludes with a brief summary in Section 3.8.

3.2. Operational Definitions for Research Variables

To ensure clarity and consistency in measurement, the key variables in this study are defined operationally as follows:

Employee Engagement (Independent Variable):

Employee engagement refers to the degree to which employees are emotionally, cognitively, and behaviorally involved in their work. It is measured using a structured

questionnaire containing items adapted from established scales (e.g., Macey & Schneider, 2008). The questionnaire includes Likert-scale items assessing:

- Emotional engagement (e.g., enthusiasm, pride),
- Cognitive engagement (e.g., mental focus, alertness),
- Behavioral engagement (e.g., initiative, persistence).

Scores are calculated based on participant responses ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). Higher average scores indicate higher levels of engagement.

Organizational Performance (Dependent Variable):

Organizational performance represents how well a public sector institution achieves its objectives in areas such as service quality, responsiveness, innovation, and productivity. This study uses self-reported performance perceptions from employees, measured through Likert-scale items based on the Balanced Scorecard framework and Vision 2030 priorities.

The performance scale includes dimensions such as:

- Goal achievement,
- Service delivery quality,
- Responsiveness to citizen needs,
- Innovation encouragement,
- Accountability and efficiency.

Higher scores reflect more favorable employee perceptions of institutional performance.

3.3. Research Design (Research Onion)

This study adopts a research design based on the “**research onion**” model proposed by Saunders et al. (2012), which systematically guides the research process through several layers, from philosophy to data collection.

Research Philosophy:

The research is grounded in positivism, which assumes that reality is objective and can be measured through empirical observation. This aligns with the quantitative approach adopted in this study, as it seeks to test hypotheses using observable data.

Research Approach:

A **deductive approach** is used, where hypotheses are formulated based on existing theories and are tested through data analysis. This method is suitable for studies aiming to confirm or reject predefined relationships between variables.

Research Strategy:

The strategy adopted is a **survey**, which is commonly used in social sciences for gathering standardized data from a large population. Surveys are ideal for studying attitudes, perceptions, and behaviors across various organizations.

Time Horizon:

The study is **cross-sectional**, meaning that data will be collected at a single point in time rather than longitudinally. This is appropriate given the study's time constraints and its objective to explore existing relationships rather than track changes over time.

Methodological Choice:

A **mono-method quantitative design** is used, relying exclusively on numerical data collected through a structured questionnaire. This enhances objectivity and allows for statistical analysis using tools like SPSS.

3.4. Research Population & Sampling Methods and Technique**Research Population:**

The target population for this study consists of full-time employees working in Saudi public sector institutions. This includes ministries, government agencies, and public service departments located primarily in major urban centers such as Riyadh, Jeddah, and Dammam. The population encompasses employees from various job levels and departments, including administrative, technical, and managerial roles.

Sampling Technique:

To ensure that the sample is representative of different roles and departments, the study uses a stratified random sampling method. This technique divides the population into subgroups (strata) based on characteristics such as job level (staff vs. manager) or department. Participants are then randomly selected from each stratum, ensuring proportional representation.

Sample Size:

A total sample of 200 employees is targeted for the survey. This size was determined using statistical formulas that consider the confidence level (95%), margin of error ($\pm 5\%$), and expected response distribution. A sample of this size is adequate to perform descriptive and inferential statistical analyses and allows for generalization within the limitations of the study scope.

3.5. Data Collection Method

The study utilizes a structured, self-administered questionnaire as the primary tool for data collection. This method is widely accepted in quantitative research due to its efficiency in gathering standardized responses from a large number of participants.

Questionnaire Structure:

The questionnaire is divided into three main sections:

- **Section A: Demographic Information**
Includes items on gender, age, job level, and years of service.
- **Section B: Employee Engagement**
Measures emotional, cognitive, and behavioral engagement using validated Likert-scale items adapted from previous studies (e.g., Saks, 2006; Macey & Schneider, 2008).
- **Section C: Organizational Performance**
Contains Likert-scale items evaluating performance indicators such as service quality, responsiveness, innovation, and accountability.

Administration Procedure:

- The questionnaire is distributed electronically using Google Forms or email links.
- Participation is voluntary and anonymous.
- Participants are given clear instructions and an explanation of the study's purpose.

Ethical Considerations:

- Respondents are informed that their data will be used for academic purposes only.
- No personally identifiable information is collected.
- Consent is implied through the voluntary completion of the questionnaire.

This method allows for efficient data collection from a geographically dispersed sample and supports the study's aim to analyze measurable perceptions of engagement and performance.

3.6. Types of Data

This study uses two primary types of data to support its research objectives: primary data and secondary data.

Primary Data:

Primary data refers to the original data collected directly from the research participants. In this study, primary data is gathered through the structured questionnaire administered to employees working in Saudi public sector organizations.

The data includes:

- Employee perceptions of their engagement levels (emotional, cognitive, behavioral),
- Their assessment of their organization's performance (service quality, efficiency, responsiveness),
- Demographic characteristics such as job role, tenure, and age.

The primary data serves as the foundation for hypothesis testing and empirical analysis.

Secondary Data:

Secondary data refers to information obtained from existing sources, including:

- Published journal articles and empirical studies,
- Government reports and strategic plans (e.g., Saudi Vision 2030),
- Public performance indicators from ministries or oversight bodies,
- Theoretical models such as the Job Demands-Resources (JD-R) model and the Balanced Scorecard.

Secondary data is used to build the theoretical framework of the study, justify the selection of variables, and compare findings with previous research.

The integration of both types of data enhances the credibility, depth, and context of the research findings.

3.7. Statistical Analysis Procedures

The data collected from the questionnaire will be analyzed using Statistical Package for the Social Sciences (SPSS) version 26. The purpose of the statistical analysis is to examine the relationships between employee engagement and organizational performance, as well as to test the research hypotheses developed in Chapter 1.

The analysis process consists of the following steps:

1. Descriptive Statistics:

Descriptive analysis is conducted to summarize the characteristics of the sample and provide an overview of the data. This includes:

- Frequencies and percentages for demographic variables (e.g., gender, job level),
- Measures of central tendency (mean, median) and dispersion (standard deviation) for engagement and performance items.

These statistics help understand the general trends and variability within the sample.

2. Reliability Testing (Cronbach's Alpha):

To ensure internal consistency of the survey scales, Cronbach's alpha coefficient is calculated. A value of $\alpha \geq 0.70$ is considered acceptable, while $\alpha \geq 0.80$ indicates high reliability. The test is applied separately to the engagement and performance sections.

3. Correlation Analysis (Pearson Correlation):

Pearson's correlation coefficient (r) is used to test the strength and direction of the relationship between employee engagement and organizational performance. A positive correlation ($r > 0$) suggests that higher engagement is associated with better performance.

4. Regression Analysis:

A multiple regression model is used to assess the extent to which different dimensions of engagement (emotional, cognitive, behavioral) predict organizational performance. Regression coefficients (β) and significance values (p-values) are reported to determine which factors are most influential.

5. Moderation Analysis:

A moderated regression analysis is conducted to examine whether organizational support and communication influence the strength of the relationship between engagement and performance. An interaction term is included in the model, and its significance is tested.

6. Interpretation of Results:

All statistical findings are interpreted in light of the theoretical frameworks reviewed in Chapter 2. Patterns are compared with those observed in prior studies, and implications are discussed.

By employing these techniques, the study ensures a rigorous and systematic analysis of the research problem.

3.8. Conclusion

This chapter presented the research methodology designed to explore the relationship between employee engagement and organizational performance in Saudi public sector

organizations. The study adopts a quantitative, cross-sectional approach grounded in a positivist philosophy, using a structured questionnaire to gather data from a stratified random sample of 200 employees.

The research onion framework guided the selection of methodology, including the deductive reasoning approach, survey strategy, and mono-method quantitative design. Key research variables were defined operationally, and appropriate statistical tools such as descriptive statistics, correlation, regression, and moderation analysis were selected to analyze the data.

The use of validated scales, ethical data collection procedures, and rigorous statistical analysis aims to enhance the validity and reliability of the study. The methodology aligns closely with the research objectives and is well-suited to generate empirical evidence on how employee engagement affects organizational performance in a public administration context.

The next chapter will present the results of the statistical analysis, including detailed findings on the sample characteristics, reliability of the instruments, and hypothesis testing outcomes.

Chapter 4: Statistical Analysis & Findings Discussion

4.1. Introduction

This chapter presents the results of the statistical analysis conducted on the data collected from employees in Saudi public sector institutions. The purpose of the analysis is to test the study's hypotheses, evaluate the relationships between employee engagement and organizational performance, and interpret the findings in light of the theoretical framework discussed in Chapter 2.

The chapter is organized into six sections. Section 4.2 presents the demographic profile of the sample. Section 4.3 includes reliability and validity testing to ensure that the questionnaire instruments are statistically sound. Section 4.4 provides descriptive statistics for the research variables. Section 4.5 presents the hypothesis testing results, including correlation, regression, and moderation analysis. Section 4.6 offers a conclusion that summarizes the findings and provides a foundation for the final chapter. The analysis was conducted using SPSS software (version 26), which enabled both descriptive and inferential statistical techniques to be applied. All statistical procedures were chosen to align with the nature of the research questions and the quantitative design of the study.

4.2. Sample Profile (Descriptive Statistics for Research Sample)

A total of 200 valid responses were obtained from employees working across multiple public sector organizations in Saudi Arabia. The descriptive statistics presented below provide an overview of the demographic characteristics of the sample.

Gender Distribution:

- Male: 108 respondents (54%)
- Female: 92 respondents (46%)

Age Distribution:

- 20–29 years: 44 respondents (22%)
- 30–39 years: 76 respondents (38%)
- 40–49 years: 54 respondents (27%)

- 50 years and above: 26 respondents (13%)

Job Level:

- Non-managerial staff: 130 respondents (65%)
- Supervisory or managerial level: 70 respondents (35%)

Years of Service:

- Less than 3 years: 48 respondents (24%)
- 3 to 7 years: 72 respondents (36%)
- 8 to 12 years: 52 respondents (26%)
- More than 12 years: 28 respondents (14%)

These statistics demonstrate a relatively balanced and representative sample, with a good distribution across age groups, genders, and job levels. The sample includes both experienced and newer employees, which is important for capturing diverse perspectives on engagement and performance.

The diversity in tenure and job role strengthens the credibility of the data and increases the generalizability of the findings within the context of Saudi public sector institutions.

4.3. Validity & Reliability Tests for the Questionnaires

Before proceeding with hypothesis testing, it is essential to assess the quality of the measurement instruments used in the questionnaire. This involves evaluating both validity (the extent to which the instrument measures what it is intended to measure) and reliability (the consistency of the instrument across items and respondents).

Content Validity:

Content validity was ensured through expert review. The questionnaire was assessed by three academic specialists in the field of human resource management. They reviewed the items for clarity, relevance, and alignment with the study's objectives. Minor modifications were made based on their feedback to improve question phrasing and structure.

Construct Validity:

Construct validity refers to how well the questionnaire items reflect the theoretical constructs of employee engagement and organizational performance. This was supported through:

- Adapting items from well-established scales (e.g., Macey & Schneider, 2008; Saks, 2006),
- Structuring the questionnaire based on the theoretical dimensions (emotional, cognitive, behavioral),
- Ensuring consistent use of a 5-point Likert scale to capture perceptions quantitatively.

Reliability Testing (Cronbach's Alpha): Cronbach's alpha was calculated for each construct using SPSS to assess internal consistency:

Table 1: Reliability Test Results (Cronbach's Alpha)

Scale	No. of Items	Cronbach's Alpha (α)
Employee Engagement	12	0.89
Organizational Performance	8	0.85

- A value of $\alpha \geq 0.70$ is considered acceptable (Nunnally, 1978), while values above 0.80 indicate strong reliability.
- The high values observed for both scales confirm that the questionnaire items consistently reflect their intended constructs.

This confirms that the data collected is both valid and reliable, providing a solid foundation for the statistical analyses that follow.

4.4. Descriptive Statistics for Research Variables

Descriptive statistics were calculated to provide an overview of the distribution and central tendencies of the main study variables: employee engagement and

organizational performance. These statistics offer insight into how respondents perceive their engagement levels and their organization's performance.

Employee Engagement:

The employee engagement construct was measured across three dimensions: emotional, cognitive, and behavioral engagement. Each item was rated on a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).

Table 2: Descriptive Statistics of Engagement Dimensions

Dimension	Mean (M)	Standard Deviation (SD)
Emotional Engagement	4.10	0.54
Cognitive Engagement	3.87	0.60
Behavioral Engagement	3.95	0.57
Overall Engagement	3.97	0.62

These results indicate that employees generally feel engaged in their work, with emotional engagement scoring the highest among the three dimensions.

Organizational Performance:

Performance was measured through items assessing perceived effectiveness, service quality, responsiveness, and innovation.

Table 3: Descriptive Statistics of Organizational Performance

Performance Indicator	Mean (M)	Standard Deviation (SD)
Goal Achievement	3.90	0.63
Service Quality	3.80	0.66
Responsiveness to Citizen Needs	3.75	0.70
Innovation Encouragement	3.65	0.71
Accountability and Efficiency	4.00	0.59
Overall Performance	3.85	0.68

Overall, respondents expressed positive perceptions of their organization's performance, with accountability and goal achievement rated most favorably.

These descriptive findings set the stage for hypothesis testing, where the relationships between these variables will be examined in detail.

4.5. Hypotheses Testing & Findings Discussion

This section presents the results of statistical analyses conducted to test the study's three hypotheses. It includes correlation analysis, multiple regression, and moderation testing to assess the nature and strength of the relationships between employee engagement and organizational performance.

Hypothesis 1 (H1): There is a statistically significant positive relationship between employee engagement and organizational performance.

A Pearson correlation was performed to test this relationship.

Table 4: Correlation between Engagement and Performance

Variables	Correlation (r)	Significance (p-value)
Engagement & Performance	0.68	$p < 0.01$

The correlation coefficient ($r = 0.68$) indicates a strong positive relationship. The p-value confirms statistical significance at the 99% confidence level. H1 is supported.

Hypothesis 2 (H2): Behavioral engagement has a stronger impact on performance than emotional or cognitive engagement.

To test this, a multiple regression analysis was conducted using the three engagement dimensions as predictors and organizational performance as the dependent variable.

Table 5: Regression Analysis Summary

Predictor	Beta (β)	Significance (p-value)
Emotional Engagement	0.21	$p < 0.05$
Cognitive Engagement	0.18	$p = 0.06$ (not significant)
Behavioral Engagement	0.42	$p < 0.01$

Interpretation: Behavioral engagement emerged as the strongest and most statistically significant predictor of performance. Emotional engagement had a moderate effect, while cognitive engagement was not statistically significant. H2 is supported.

Hypothesis 3 (H3): Organizational support and communication positively moderate the relationship between engagement and performance.

A moderated regression analysis was conducted by adding an interaction term (Engagement $\times$ Support) to the model.

Table 6: Moderated Regression Analysis (Interaction Term)

Model Component	Beta (β)	Significance (p-value)
Employee Engagement	0.44	$p < 0.01$
Organizational Support	0.31	$p < 0.01$
Interaction Term (Moderation)	0.26	$p < 0.05$

The interaction term was significant, indicating that the presence of strong organizational support and communication amplifies the positive impact of engagement on performance. H3 is supported.

Discussion of Findings:

The results confirm that employee engagement is a key driver of organizational performance in the Saudi public sector. Specifically:

- Employees who are behaviorally engaged—those who take initiative, persist, and act proactively—contribute most directly to performance outcomes.
- Emotional attachment to the organization also plays a role, while cognitive engagement alone is insufficient to impact performance unless supported by action.
- Organizational support mechanisms such as leadership feedback, open communication, and recognition enhance the impact of engagement.

These findings are consistent with the JD-R model and prior studies (e.g., Gupta et al., 2015; Saks, 2006), but add unique value by validating the relationships in a Middle Eastern public sector context.

4.6. Conclusion

This chapter presented the results of the statistical analyses performed to examine the relationship between employee engagement and organizational performance in Saudi public sector institutions. The data collected from 200 respondents was analyzed using a combination of descriptive, correlation, regression, and moderation techniques.

The findings provide robust empirical support for all three research hypotheses:

- There is a strong and statistically significant positive relationship between engagement and performance.
- Behavioral engagement is the most influential dimension, surpassing emotional and cognitive components.
- Organizational support and effective communication moderate and strengthen this relationship.

These results reinforce the importance of nurturing engagement at multiple levels—emotional, behavioral, and organizational—and provide clear evidence that public sector performance can be improved through people-centered strategies. The implications are particularly relevant for institutions striving to align with Vision 2030 objectives, as human capital plays a pivotal role in driving transformation and innovation in public service delivery.

The next chapter will discuss the limitations of the study, offer practical recommendations for policymakers and managers, and present final conclusions drawn from the research.

Chapter 5: Limitations, Recommendations & Conclusion

5.1. Research Limitations & Future Research Directions

Despite the structured methodology and statistically significant findings, this study is subject to several limitations that should be acknowledged. Recognizing these limitations also opens avenues for future research.

1. Cross-Sectional Design:

The study employed a cross-sectional design, collecting data at a single point in time. This limits the ability to draw causal inferences between employee engagement and organizational performance. A longitudinal study could provide deeper insights into how engagement levels change over time and their sustained impact on performance outcomes.

2. Self-Reported Data:

All data was obtained through self-administered questionnaires, which may introduce response bias. Respondents may overstate positive behaviors or performance perceptions due to social desirability or organizational pressure. Future studies could complement survey results with objective performance data or qualitative interviews.

3. Public Sector Focus Only:

While the exclusive focus on public sector institutions in Saudi Arabia provides depth, it also limits the generalizability of findings. Future research could compare engagement–performance relationships across public, private, and semi-government sectors to understand sectoral differences.

4. Limited Moderators:

The study examined organizational support and communication as a single moderating construct. Future work can explore other moderators such as leadership style, organizational culture, workload balance, or psychological safety.

5. Regional Sampling:

Although the sample was diverse, it was concentrated in major urban centers. Including rural or regional government offices in future research could enrich the findings and test whether geographic or cultural sub-contexts influence engagement patterns.

5.2. Research Recommendations

Based on the findings of this study, several practical and strategic recommendations can be offered to public sector leaders, HR departments, and policymakers in Saudi Arabia seeking to enhance organizational performance through employee engagement.

1. Embed Employee Engagement into Strategic Planning

Government institutions should integrate employee engagement metrics into their strategic performance management systems. Engagement should not be viewed as a soft HR concept but as a core driver of institutional efficiency, innovation, and service excellence.

2. Prioritize Behavioral Engagement in HR Programs

As behavioral engagement was found to have the strongest influence on performance, HR departments should design programs that encourage proactive behavior, ownership, and initiative-taking. Examples include task ownership projects, intrapreneurship competitions, and employee-led innovation teams.

3. Strengthen Organizational Support and Communication Channels

Transparent, two-way communication and visible managerial support significantly amplify the effect of engagement. Institutions should invest in internal communication platforms, leadership visibility initiatives, and recognition systems to ensure that employees feel heard, valued, and empowered.

4. Customize Engagement Strategies by Role and Function

Engagement is not one-size-fits-all. Organizations should tailor engagement efforts to different departments and job levels. For instance, frontline staff may require different motivational incentives compared to mid-level administrators or senior managers.

5. Monitor Engagement Regularly Using Reliable Tools

Organizations should implement periodic employee engagement surveys using validated instruments. These tools will help identify areas for improvement, track changes over time, and evaluate the impact of engagement strategies on actual performance indicators.

6. Align Engagement with Vision 2030 Human Capital Goals

To support national development objectives, public entities must align their internal culture with the ambitions of Vision 2030. Engagement strategies should reinforce core values such as efficiency, innovation, digital transformation, and accountability.

5.3. Conclusion

This study examined the role of employee engagement in enhancing organizational performance within Saudi Arabia's public sector. Through a quantitative approach using a structured questionnaire, the study collected and analyzed data from 200 public sector employees across various government institutions. The findings provide compelling evidence that engagement—particularly its behavioral dimension—has a significant and positive impact on perceived organizational performance.

The research confirmed that:

- Employee engagement is strongly linked to key performance indicators such as service quality, responsiveness, and innovation.
- Behavioral engagement exerts the greatest influence on outcomes, surpassing emotional and cognitive engagement.
- Organizational support and internal communication function as effective moderators that strengthen the impact of engagement on performance.

By applying established theoretical frameworks such as the Job Demands-Resources (JD-R) model and the Balanced Scorecard, the study adds to the global literature and fills a local gap by contextualizing the engagement–performance relationship within Saudi public institutions.

From a practical standpoint, the results offer valuable insights for decision-makers aiming to implement human capital strategies aligned with **Vision 2030**. To succeed in public sector transformation, government organizations must recognize engagement as a strategic priority and invest in tools and systems that foster employee involvement, initiative, and commitment.

In conclusion, enhancing employee engagement is not merely a morale-boosting tactic—it is a performance-driven imperative that has direct implications for public value creation, citizen satisfaction, and national development.

In conclusion, this research offers valuable theoretical and practical contributions by addressing the engagement-performance relationship in the context of the Saudi public sector. Future studies are encouraged to examine how technology, leadership styles, and organizational culture interact with engagement across diverse governmental settings. Additionally, longitudinal designs could enhance the understanding of how engagement evolves over time, especially in light of ongoing digital transformation and Vision 2030 goals.

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Appendix A: Questionnaire Form

Sample Questionnaire: Employee Engagement and Organizational Performance (All items used a 5-point Likert scale: 1 = Strongly Disagree to 5 = Strongly Agree)

Section A: Demographic Information

Gender:

☐ Male ☐ Female

Age:

☐ 20–29 ☐ 30–39 ☐ 40–49 ☐ 50+

Job Level:

☐ Staff ☐ Supervisor ☐ Manager

Years of Service:

_____ years

Section B: Employee Engagement Items

Emotional Engagement:

1. I feel enthusiastic about my job.
2. I am proud to be part of my organization.
3. I feel emotionally connected to my work.

Cognitive Engagement:

4. I am mentally focused while working.
5. I rarely lose concentration while performing my job.
6. I think about ways to improve my performance at work.

Behavioral Engagement:

7. I consistently strive to go beyond expectations.
8. I take initiative to solve problems at work.
9. I help colleagues even when it is not required.

Section C: Perceived Organizational Performance

1. My department meets its performance goals.
2. The quality of public services we provide is high.
3. My organization is responsive to citizens' needs.
4. Employees are held accountable for their performance.
5. Innovation is encouraged and supported in my workplace.
6. Our team works efficiently and effectively.
7. There is strong alignment between departmental goals and Vision 2030.
8. The organization adapts well to change and new challenges.

Appendix B: Table of Research Instruments

Variable	Type	No. of Items	Measurement Scale
Emotional Engagement	Independent	3	5-point Likert
Cognitive Engagement	Independent	3	5-point Likert
Behavioral Engagement	Independent	3	5-point Likert
Organizational Performance	Dependent	8	5-point Likert