

## Relationship between Organizational Benefits and Employee Job Engagement

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### Abstract

Current research explores the association of components of organizational benefits i.e. employee empowerment and employee compensation with employee job engagement. The current investigation does not only discover the relationship of these variables with employee job engagement but at the micro level this study incorporates the actual concept of employee job engagement (Khan 1990 model) i.e. physical engagement, emotional engagement and cognitive engagement. A designed questionnaire with 23 items was utilized for collection of primary data. 312 fully completed questionnaires were utilized in the final analysis. Results of current research validate that employee empowerment has low positive impact on employee job engagement and employee compensation has a prominent positive influence on employee job engagement. The result reports that employee empowerment has a minor positive effect on physical engagement. Additionally, employee compensation benefits have remarkable effect on physical engagement. Results impart that employee empowerment has a positive but very insignificant effect on emotional engagement. Employee compensation benefits have a positive momentous effect on emotional engagement. Lastly the influence of employee empowerment and Compensation Benefits on cognitive engagement demonstrates that both variables have a predominant influence on cognitive engagement.

**Keywords:** Organizational Benefit, Employee Empowerment, Employee Compensation Benefits, Employee Job Engagement, Physical Engagement, Banks, Lahore, Pakistan

### Introduction

Employee job engagement is considered as the main element of organizational behavior research. Employee job engagement is also reflected as a critical variable in management studies (Wildermuth, 2008). Similarly, this idea has been extensively utilized by human resource consultation firms (Wildermuth, 2008). Frank et al., (2004), argued that employee job engagement remains the utmost challenge encountered by the organizations of the modern age (p.15). Furthermore, Welbourne (2007) stated that employee job engagement is the hot topic of management sciences (p. 45). Currently number of researches emerges regarding employee job engagement and investigators are forfeiting considerable responsiveness to the features of employee job engagement for accomplishment of a competitive advantage and firm performance (Kular et al., 2008). Employee engagement is mentioned as a “new and emerging area” of the 21<sup>st</sup> century (Saks, 2006). According to Rich (2006), employee engagement is considered as the variable of interest by different researchers but there is still space for further academic studies.