

Examining the Influence of Employee Engagement on Employee Performance: A Case Study of the Dungun Municipal Council

Noor Emillia Kamarlis¹, Ahmad Suffian Zahari¹, Syahrul Hezrin Mahmud², Nor Intan Adha Hafit³ & *Muhamad Nasrullah Zamri⁴

¹Faculty of Business and Management,
Universiti Teknologi MARA (UiTM) Terengganu Branch
Dungun Campus,
23000 Dungun, Terengganu, Malaysia

²Faculty of Business and Management
Universiti Teknologi MARA (UiTM) Terengganu Branch
Kuala Terengganu Campus,
21080 Kuala Terengganu, Terengganu, Malaysia

³Faculty of Business and Management
Universiti Teknologi MARA (UiTM) Selangor Branch
Puncak Alam Campus,
42300 Puncak Alam, Selangor, Malaysia

⁴Department of Business and Management
Universiti Teknologi MARA (UiTM) Perak Branch
Seri Iskandar Campus,
32610 Seri Iskandar, Perak, Malaysia.

*Corresponding author's email: mdnasrullah@uitm.edu.my

Submission date: 6 March 2025

Accepted date: 26 May 2025

Published date: 29 June 2025

To cite this article: Kamarlis, N. E., Zahari, A. S., Mahmud, S. H., Hafit, N. I. A., Zamri, M. N. (2025). Examining the Influence of Employee Engagement on Employee Performance: A Case Study of the Dungun Municipal Council. e-Academia Journal of UiTM Cawangan Terengganu, 14 (1) 41-56, June 2025

ABSTRACT

Employee engagement is defined as the level of commitment and involvement an employee has towards their organization and its values. When an employee is engaged, he is aware of his responsibility related to the business goals and motivates his colleagues alongside him to achieve the organizational goals. This research was about a study on the effect of employee engagement and performance of employees in Dungun Municipal Council, Dungun, Terengganu. This study aims to examine the influence of key components of employee engagement, such as organizational commitment, job satisfaction, and intrinsic motivation, on employee performance in Dungun Municipal Council. This research was to determine the existence of an influence between these

variables. The type of research is correlation research. The sampling frame is the employees from all the departments of Dungun Municipal Council, which are 284 employees. Using the stratified sampling technique and referring to the Sekaran table, 162 employees were selected as the sample size. The unit of analysis was the individual, with the instrument being Likert Scale questions. The questionnaire was used to collect the data, and SPSS data analysis software was used to compute the influence of the variables. A series of statistical analyses was applied, including descriptive analysis, normality analysis, reliability analysis, correlation analysis, and multiple regression analysis. This research found that only organizational commitment positively affects employee performance. Meanwhile, organizational culture, intrinsic motivation, creativity, and job satisfaction have no significant effect on the employee performance of Dungun Municipal Council. This research may contribute to understanding the effect of the relationship between employee engagement and performance among the employees in the Dungun Municipal Council.

Keywords: *Employee Engagement, Organizational Culture, Intrinsic Motivation, Creativity, Job Satisfaction, Organizational Commitment*

1.0 INTRODUCTION

Employee engagement plays a crucial role in achieving and maintaining optimal employee performance. In the modern workplace, employee engagement is essential as it enhances employees' enthusiasm and dedication toward their tasks. It also significantly influences employees' happiness and loyalty to their organization (Ramalingam et al., 2020). Harter et al. (2002) describe employee engagement as a construct that fosters positive attitudes in individuals at work. Such insights suggest that employees are more likely to fulfill their work-related responsibilities effectively when they maintain a positive mindset. However, some leaders encounter challenges in ensuring all employees remain aligned with organizational goals. Hill and Birkinshaw (2012) highlighted that leaders often struggle to help employees adapt to organizational changes, particularly when their focus is restricted to existing products and processes.

Gallup (2022) reports in its State of the Workplace study that 60% of employees feel disconnected, while 19% are actively disengaged. In Sub-Saharan Africa, 21% of employees demonstrate active workplace engagement, 46% contemplate leaving their jobs, and 23% experience daily dissatisfaction at work. Highly engaged employees are more likely to find fulfillment in their tasks, foster strong relationships with colleagues, and exhibit a lower tendency to consider resignation (Bahri et al., 2020). Furthermore, Gallup (2017b) suggests that employees demonstrate higher levels of engagement when management prioritizes fundamental psychological needs for workplace engagement.

Moreover, the COVID-19 pandemic has significantly disrupted daily life and continues to impact society in 2022, leading to the emergence of a new normal. Organizational leaders have adapted by implementing strategies to ensure flexibility and resilience in uncertain conditions. In response to employee well-being, human resource departments have introduced hybrid work models to safeguard employees from the pandemic, support work-life balance, address mental health concerns, and alleviate stress caused by commuting challenges. Hence, a positive work environment increases productivity, fosters innovation, and reduces employee turnover (Harter et al., 2003).

The shift towards remote and hybrid work is evident in key workforce trends: 74% of U.S. companies have adopted a permanent hybrid work model, 44% of employees prefer hybrid work compared to 51% of employers, and 63% of high-growth organizations have embraced a "productivity anywhere" approach (McCain, 2022). Furthermore, 55% of employees desire remote work at least three days a week, while 59% are more inclined to choose employers that offer remote work opportunities. Given this shift, an essential question arises: Do employees feel engaged and supported in hybrid work environments? Employee feedback is crucial in driving organizational success, fostering innovation and enhancing overall performance (Perlow & Williams, 2003).

Moreover, a survey conducted by EY 2021 Work Reimagined Employee Survey (2021) revealed that only 22% of Malaysian employees prefer working from a physical office, while 23% are indifferent to their work location, 29% favor a hybrid or fully remote work arrangement, and 25% prefer working entirely remotely. These findings suggest that a majority of employees have grown accustomed to remote work and

are less inclined to return to physical office settings. This notion is further supported by Puan Juwariyyah Abd Aziz (2021), an administrative assistant at the Dungun Municipal Council, who noted that some of her colleagues experienced difficulties readjusting to office work after becoming accustomed to remote work during the pandemic. Remote work offers employees greater flexibility in managing their schedules, which may contribute to their preference for this arrangement.

One emerging issue associated with this shift is organizational cynicism, where employees exhibit negative behaviors such as tardiness, increased absenteeism, and disengagement (Mousa, 2017). A report by the United Nations Development Programme (UNDP) and Talent Corporation Malaysia (TalentCorp) (2021) indicates that 80% of Malaysian workers prefer working from home at least once a week. Additionally, the report highlighted that return-to-office policies have led to negative consequences, including heightened anxiety and work-related stress among employees. A survey conducted by One Future Forum Pulse further revealed that 10,818 employees expressed dissatisfaction with their current work environment compared to more flexible arrangements. In addition, Hossan et al. (2024) state that employee engagement in Malaysia dropped sharply from 80% in 2022 to 67% in 2023, resulting in a loss of RM 19.68 billion, which shows that many employees are becoming less motivated. Given these concerns, this study aims to address the issue and propose effective solutions.

2.0 LITERATURE REVIEW

2.1 Employee Engagement

Employee engagement is defined as the willingness of individuals to invest their time and effort in contributing to the success of their organization (Liu et al., 2014). Giurge and Bohn (2020) define employee engagement as "a positive, satisfying, work-related state of mind characterized by ability, commitment, and absorption." Kahn (1990) introduces a foundational theory on employee engagement, highlighting three primary dimensions: physical, cognitive, and emotional. He asserted that employee engagement is shaped by three psychological conditions—meaningfulness, safety, and availability—whereby employees exhibit greater engagement when organizations foster psychological meaningfulness and safety while ensuring their psychological availability. Furthermore, Suhaimi et al. (2024) emphasize that distinguishing between motivation and engagement and understanding their interrelationship enables organizations to implement strategies that sustain employee engagement. Recognizing the role of motivation in driving employees and engagement in enhancing performance allows organizations to develop more effective approaches to maintaining employee commitment and enthusiasm. This study identifies organizational culture, intrinsic motivation, creativity, job satisfaction, and commitment as key dimensions of organizational commitment to evaluate their influence on employee performance within the Dungun Municipal Council (DMC).

2.1.1 Organizational Culture

Organizational culture is crucial in shaping human resources by influencing attitudes and behaviors to adapt to challenges. According to Schein, as cited in Titisari (2019), organizational culture refers to a shared system of meaning that is collectively accepted and internalized by members of an organization, thereby distinguishing one organization from another. This culture is typically shaped by the organization's vision and mission, which are developed to guide achieving the strategic goals. As each organization possesses a unique cultural framework, employees must adapt to their workplace's prevailing cultural norms and values. Organizational culture thus functions as a foundational element that influences employees' norms, attitudes, and behaviors, directing them toward attaining organizational objectives. According to Wahjoedi (2021), a strong organizational culture significantly impacts organizational behavior and employee performance. Irwan et al. (2020) further highlight that organizational culture, shaped by leaders, directly affects employees' strategies and performance. Previous research indicates that employees who actively engage in the organization develop a stronger sense of belonging, ultimately enhancing their commitment and contribution. As a result, it is hypothesized that:

H1: Organizational culture positively influences employees' performance.

2.1.2 Intrinsic Motivation

Siagian (2014) notes that intrinsic motivation is derived from within individuals. It is driven by personal goals related to job satisfaction and organizational objectives to achieve broader goals. This form of motivation is intrinsically linked to job satisfaction, as it reflects the individual's intrinsic desire to take responsibility for and effectively complete their tasks (Wibowo, 2016). Turner (2017) states that individuals are inherently driven by some form of motivation, whether intrinsic, extrinsic, or a combination of both. Simbula and Guglielmi (2013) argue that employees with positive attitudes toward their jobs are naturally motivated to engage in their tasks, ultimately enhancing their performance. Steer (1985) defines motivation as the internal force that drives individuals to complete assigned tasks, enabling them to achieve their goals and attain personal satisfaction. According to Sutirno (2017), intrinsic motivation shapes individual behavior and significantly impacts employee performance (Paais & Pattiruhu, 2020). Based on these insights, the following hypothesis is proposed:

H2: Intrinsic motivation positively influences employees' performance.

2.1.3 Creativity

Employee creativity is widely recognized as a critical factor in organizational innovation and performance. It is commonly conceptualized as the capacity to generate novel and useful ideas related to people, processes, and technologies (Tierney et al., 1999). Zhou and George (2003) define employee creativity as the extent to which individuals propose innovative ideas to enhance an organisation's products, processes, or services. Numerous scholars have highlighted the role of employee engagement in fostering creativity. Eldor (2017) emphasized that engaged employees are more adept at developing creative solutions, thinking innovatively, and applying flexible reasoning, especially in complex and dynamic organizational environments. Similarly, Eldor and Harpaz (2016) propose a theoretical link between employee engagement and creativity, asserting that employees who experience positive emotions—such as joy, interest, and enthusiasm—are more likely to be deeply engaged in their work. This engagement facilitates the expansion of cognitive and behavioral capacities, enabling employees to generate new resources and innovative ideas. In support of these theoretical perspectives, empirical findings by Wang and Noe (2010) confirm a positive association between creativity and employee performance, underscoring the importance of creative contributions to organizational success. Based on these insights, the following hypothesis is proposed:

H3: Creativity positively influences employees' performance.

2.1.4 Job Satisfaction

According to Oktavianti (2020), job satisfaction refers to an individual's emotional response and overall sense of fulfillment derived from their work. Based on this perspective, it can be concluded that job satisfaction reflects an individual's positive or negative attitude toward their job and its associated activities. Irwan et al. (2020) stated that job satisfaction is a psychological factor influencing employees' behavior in completing tasks. They emphasized its significance, particularly in ensuring employees meet the quality standards expected by the organization. Sutrisno (2017) suggests that job satisfaction stems from employees' recognition and compensation for their efforts, encompassing psychological, physiological, social, and financial aspects. Furthermore, employee performance can be significantly improved if organizations implement strategies that foster higher job satisfaction by providing incentives tailored to employees' preferences. These incentives act as motivational drivers, enhancing employees' overall sense of fulfillment and engagement in their professional roles (Zamri et al., 2024). Thus, job satisfaction plays a crucial role in enhancing employee performance. Consequently, the following hypothesis is proposed:

H4: Job satisfaction positively influences employees' performance.

2.1.5 Organizational Commitment

Organizational commitment is a key concept in understanding employee behavior and performance. It refers to the extent to which individuals are emotionally attached to, involved in, and identify with their organization and their intention to remain within it. Wibowo (2014) defines it as the degree of identification and engagement an individual has with their organization, often accompanied by a reluctance to leave.

Similarly, Schermerhorn et al. (2012) describe organizational commitment as employees' loyalty and dedication toward their workplace. Wombacher and Felfe (2017) assert that organizational commitment is fundamental in explaining employee conduct. Das et al. (2017) highlight its association with dedication, willingness to exert extra effort, and long-term employment intentions. From the researcher's perspective, employees tend to perform more effectively when the organization supports their ability to complete tasks, which, in turn, enhances their commitment. Previous studies also indicate that committed employees are more likely to maintain high work quality and contribute positively to organizational outcomes. Consequently, the following hypothesis is proposed.:

H5: Organizational commitment positively influences employees' performance.

2.2 Employee Performance

According to Kurniawan et al. (2019), performance refers to the outcomes or the level of achievement demonstrated by an individual over a specific period when executing tasks, assessed against predetermined standards, targets, or criteria that have been mutually agreed upon. Similarly, Ardian (2019) defines performance as the tangible output of an employee, a managerial process, or an organization as a whole, emphasizing that performance must be evidenced through measurable results compared to established benchmarks. Vu (2022), as cited in Ramli et al. (2023), describes job performance as the actions, behaviors, and outcomes exhibited or accomplished by individuals that align with and support the organization's objectives. Existing theories suggest employee engagement enhances employee performance by fostering positive emotions and increasing motivation to fulfill responsibilities (Parker & Griffin, 2011). Additionally, Inuwa (2016) emphasizes that employee performance is a key factor in organizational growth and productivity. A study conducted by Adnan et al. (2018) demonstrates a positive relationship between employee engagement and performance, a finding further supported by Carter et al. (2018), who identify a significant correlation between these two factors. Previous research highlights the critical role of employee engagement in improving performance, with most studies consistently affirming a positive relationship between employee engagement and employee performance.

2.3 Research Framework

The engagement model developed by Schaufeli and Bakker (2004), commonly referred to as the Job Demands-Resources (JD-R) model, was selected for this study due to its comprehensive framework that facilitates a deeper understanding of how job characteristics impact employee performance. This model was deemed suitable for its strong theoretical foundation and practical applicability, particularly within the context of the Dungun Municipal Council (DMC). It offers valuable insights into how various dimensions of the work environment can be strategically enhanced to improve employee performance outcomes. The research framework was illustrated in Figure 1.

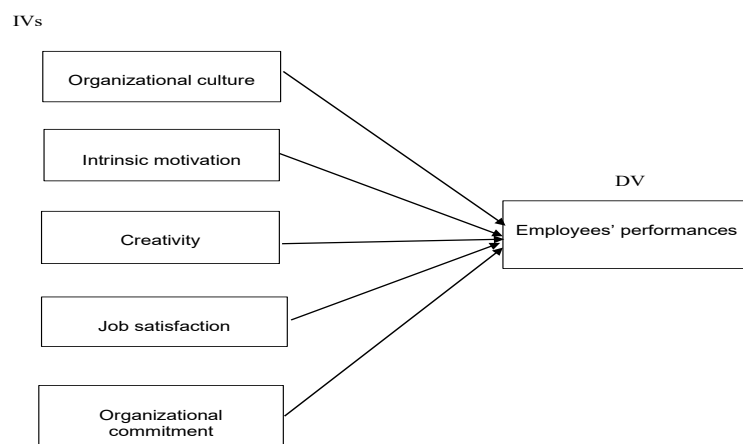


Figure 1: Research Framework adapted from Schaufeli and Bakker (2004)

3.0 METHODOLOGY

This study utilized a quantitative research approach, which analyzes numerical data to investigate the relationship between two or more variables through statistical methods (Sekaran & Bougie, 2013). Salkind (2014) states that correlational analysis determines how two or more variables are related, their similarities, and the extent to which a specific outcome can be predicted based on certain data points. In this research, the variables examined include organizational culture, intrinsic motivation, creativity, job satisfaction, organizational commitment, and employee performance. A questionnaire was used to collect the data from DMC employees. It consists of three sections: demographic background, employee engagement, and employee performance. The number of items per construct was five. All construct items were measured using a five-point Likert scale (ranging from strongly disagree to strongly agree). The definition of the structures, the number of items included in each construct, and the sources from which they were derived are shown in Table 1. Associate Professor Dr Ahmad Suffian bin Mohd Zahari, a UiTM Dungun academician, validated the content's validity. The pilot test involving 30 respondents was conducted to measure the questionnaire's reliability.

A probability sampling technique was applied in this study. According to Sekaran (2016), probability sampling involves selecting individuals from a defined population to represent the entire group. Specifically, the stratified sampling technique was employed, using a respondent list provided by the Administrative Service Department of DMC. A stratified name list was generated based on a stratified data formula. To determine the appropriate sample size for this correlational research, the study population consisted of 284 employees. Referring to the population sample table by Sekaran (2016), a sample size of 162 respondents was required for a population of 284. Thus, 162 questionnaires were distributed to the selected respondents, who were given one week to complete them. All 162 questionnaires were returned, but two were incomplete and excluded from the final analysis. Consequently, the final dataset comprised 160 valid responses. All responses were reviewed before being analyzed using the Statistical Package for Social Sciences (SPSS) to ensure data quality. Table 3 presents the sample selection process using the stratified random sampling technique, while Table 4 summarizes the survey response rate.

Table 1: Definitions of Constructs and Items

Construct	Definition	Items
Organizational Culture (OC)	Measure how the OC relates to employees (Cameron and Quinn 2006)	5
Intrinsic Motivation (IM)	Measure how IM affects the employees' tasks (Dysvik and Kuvaas 2011)	5
Creativity	Assess how creativity helps to perform the job (Ximenes et al. 2019)	5
Job Satisfaction (JS)	Identify how JS influence the employees (Wright and Cropanzano, 1998)	5
Organizational Commitment	Assess how the organizational commitment affects the employees (Al-Fakeha et al.2020)	5

Employee Performance (EP)	Measure how all construct items affect the EP	5
---------------------------	---	---

Table 2: Cronbach's Alpha Score for Pilot Test (n=30)

Variables	Number of Items (N)	Cronbach's Alpha
Organizational Culture	5	.841
Intrinsic Motivation	5	.811
Creativity	5	.826
Job Satisfaction	5	.718
Organizational Commitment	5	.707
Employee Performance	5	.716

Table 3: Total Respondents Based on Department

Department	Total Staff (each department)	Population	Sample Size	Total Respondents (after stratification)
Administrative Service	48	284	162	27
Financial	28	284	162	16
Development Planning and Landscape	40	284	162	23
Asset Assessment and Property Management	34	284	162	19
Engineering	25	284	162	14
Health	44	284	162	25
Enforcement and Licensing	43	284	162	25
Citizen Development	22	284	162	13
Total	284			162

Table 4: Survey Response Rate

Questionnaires Distributed	Questionnaires Collected	Percentage Returned (%)	Number of questionnaires	Percentage valid (%)
162	162	100.0	160	98.8

4.0 RESULT AND DISCUSSION

This section presents the demographic profile of the respondents, including their department, gender, age, education level, income level, and years of service at DMC. Sekaran (2016) defines frequency analysis as the computation of the number of occurrences within different sub-categories of a variable. In this study, frequency analysis was conducted to assess the demographic characteristics of each respondent.

4.1 Demographic Profile of Respondents

Table 5 summarises the characteristics of the total sample of respondents who participated in the study.

Table 5: Demographics of Respondents (n=160)

No.	Demographic	Frequency	Percentage (%)
1.	Department		
	Administration Services	25	15.6
	Finance	16	10.0
	Development and Planning Landscape	23	14.4
	Asset Assessment and Property Management	19	11.9
	Engineering	14	8.8
	Health	25	15.6
	Enforcement and Licensing	25	15.6
	Community Development	13	8.1
2.	Gender		
	Male	85	53.1
	Female	75	46.1
3.	Age		
	< 20	4	2.5
	21-30	86	53.8
	31-40	35	21.9
	41-50	15	9.4
	>51	20	12.5
4.	Education Level		
	SPM	55	34.4
	Diploma	88	55.0
	Bachelor's Degree	13	8.1
	Master's Degree	3	1.9
	PhD	1	0.6
5.	Income Level		
	< RM2000	57	35.6
	RM2001-RM3000	66	41.3

	RM3001-RM4000	23	14.4
	RM4001-RM5000	9	5.6
	>RM5001	5	3.1
6.	Year of Services		
	<1 year	6	3.8
	1-5 years	61	38.1
	6-10 years	56	35.0
	11-20 years	26	16.3
	>21 years	11	6.9

4.2 Reliability Analysis

Reliability refers to the degree of consistency and accuracy in measurement (Byrne, 2010). George and Mallery (2010) defined reliability as a test or measure of stability and consistency. A measurement is considered reliable if repeated tests yield similar results and the measured attribute remains unchanged. Salkind's (2010) Reliability Rule of Thumb states that a Cronbach's Alpha value exceeding 0.6 indicates a strong relationship. Based on this criterion, the data collected in this study demonstrated a significant reliability value for the actual research. Consequently, ensuring the accuracy and consistency of the survey or questionnaire is a fundamental aspect of research methodology, specifically in data reliability and validity. The reliability statistics for employee engagement and job performance are presented in Table 6.

Table 6: Cronbach's Alpha Score (n=160)

Variables	Number of Items (N)	Cronbach's Alpha
Organizational Culture	5	.632
Intrinsic Motivation	5	.711
Creativity	5	.632
Job Satisfaction	5	.647
Organizational Commitment	5	.660
Employee Performance	5	.648

As shown in Table 6, most of the Cronbach's Alpha values for the independent variables in this study fall within the moderate range, below 0.7. The Cronbach's Alpha for organizational culture is 0.632. Meanwhile, intrinsic motivation recorded the highest reliability score among all variables, with a Cronbach's Alpha of 0.711. The reliability coefficient for creativity is 0.632, job satisfaction is 0.647, and organizational commitment is 0.660. For the dependent variable, employee performance, the reliability test result is 0.648. Based on these findings, the Cronbach's Alpha values indicate that the instrument used in this study is both reliable and valid.

4.3 Correlation Analysis

The primary objective of correlation analysis is to determine the relationship between employee engagement and employee performance among the employees of Dungun Municipal Council in Dungun, Terengganu, Malaysia. Pearson's correlation coefficient assessed the correlations and indicated how the linear link between two variables was directed and strengthened (Sekaran, 2003). The correlation analysis results are displayed in Table 7.

Table 7: Correlation Analysis Between Dimensions of Employee Engagement and Employee Performance (N=160)

	Organizational Culture	Intrinsic Motivation	Creativity	Job Satisfaction	Organizational Commitment
Employee Performance	0.333**	0.375**	0.289**	0.437**	0.487**
Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Table 7 presents the correlation analysis results between all independent variables and the dependent variable, employee performance. The findings indicate that all independent variables—organizational culture, intrinsic motivation, creativity, job satisfaction, and organizational commitment—significantly correlate with employee performance ($p < 0.01$). Organizational culture shows a weak positive correlation ($r = 0.333$, $p < 0.05$), while intrinsic motivation also demonstrates a weak positive relationship ($r = 0.375$, $p < 0.05$). Creativity has the lowest correlation with employee performance ($r = 0.289$, $p < 0.05$), indicating a weak relationship. Meanwhile, job satisfaction exhibits a moderate positive correlation ($r = 0.437$, $p < 0.05$), and organizational commitment records the strongest correlation ($r = 0.487$, $p < 0.05$), though still within the moderate range. Overall, the analysis confirms that all independent variables are significantly associated with employee performance, with varying degrees of correlation strength.

4.4 Multiple Regression Analysis

Multiple Linear Regression was employed to determine which aspects of employee engagement are associated with employee performance. This analysis generates Beta Weights, a standardized measure that indicates the strength of the relationship between each component of employee engagement and performance.

Table 8: Model Summary of the Investigated Variables

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.455 ^a	.207	.181	.30676

a. Predictors: (Constant), Organizational_Commitment, Organizational_Culture, Creativity, Intrinsic_Motivation, Job_Satisfaction

b. Dependent Variable: Employee_Performance

As presented in Table 8, the R^2 value represents the coefficient of determination, which indicates the proportion of variance in the dependent variable explained by the model. This value helps summarize the extent to which the independent variables contribute to variations in employee performance. As outlined in Table 4.9, the summary model results reveal that the combined multiple correlation coefficient (R) for all predictors is 0.455, while the R^2 value stands at 0.207. This finding suggests that 20.7% of the variance in employee performance can be attributed to organizational culture, intrinsic motivation, creativity, job satisfaction, and organizational commitment. The R^2 value is also higher than the Adjusted R^2 (0.181).

4.5 Multiple Linear Regression

Table 9: Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	2.466	.399		6.185	.000
Organizational Culture	.036	.073	.038	.496	.621
Intrinsic Motivation	.014	.063	.017	.220	.826
Creativity	.067	.038	.135	1.770	.079
Job Satisfaction	.092	.076	.107	1.198	.233
Organizational Commitment	.254	.066	.323	3.878	.000

Table 9 presents the analysis results, indicating that organizational culture does not significantly affect employee performance ($B = 0.038$, $p > 0.05$). It is essential to highlight that, in multiple regression analysis, a significance value (p) must be less than 0.05 to establish a meaningful relationship. Although a positive organizational culture is generally expected to enhance employee performance, the findings of this study suggest that organizational culture is not a determining factor in influencing employee performance. Organizational culture and performance of employees, which have been analysed in multiple regression analyses, show no positive effect on both variables. The employees of Dungun Municipal Council agreed that organizational culture does not affect their work performance. The related questions, such as on leadership, characteristics of organization management, how the management represents the organization, and organization success, could not satisfy most employees. This result is similar to Wahjoedi (2021), who finds that organizational culture has no significant effect towards employee performance. Consequently, Hypothesis 1 is rejected.

The following discusses how intrinsic motivation affects employee performance. The findings indicate no significant or positive impact ($B = 0.017$, $p > 0.05$). It is possible to say that most of the employees of Dungun Municipal Council disagreed that intrinsic motivation would be able to influence them positively in terms of job performance. Hayati & Caniago (2012) support the statement by stating that intrinsic motivation does not affect employees' job performances. Therefore, Hypothesis 2 is also rejected.

Similarly, the multiple regression analysis results for creativity and employee performance reveal no significant effect ($B = 0.135$, $p = 0.079$). The reason behind this is the nature of the work in DMC, which does not require the employees to be creative. Dungun Municipal Council is an organization that provides services towards the local society, focusing on public facilities. Thus, all the work procedures must be based on the rules and regulations decided by the local government. It is possible to say that the nature of work in DMC constrains employees from being creative in completing their tasks. Hence, employees are not trained to show their creativity because they are bound to follow all processes required, according to the rules of the local government. This lack of training explains why creativity has no significant effect towards the performance of employees in this study. Thus, Hypothesis 3 is rejected.

Furthermore, the multiple regression analysis indicates no significant impact of job satisfaction on employee performance within the Dungun Municipal Council (DMC). The results ($B = 0.107$, $p > 0.05$) suggest that job satisfaction does not substantially influence employee performance in this context. The

result is supported by (Yusuf, 2021; Henis *et al.*, 2016), whereby both researchers find that there is no significant effect between job satisfaction and employee performance. The researcher believes this is due to the lack of one important element in job satisfaction: reward. In this study, the researcher only focuses on job satisfaction regarding the feeling towards the job, the co-workers, supervision, the salary and promotional opportunities. It is possible to say that even the employees' paychecks or salaries are one of the most important criteria in determining job satisfaction among employees. Still, the organisation cannot satisfy employees with only one element (paychecks or salary). Since the significance value exceeds 0.05 ($p = 0.233$), Hypothesis 4 is also rejected.

In contrast, the multiple regression analysis examining the relationship between organizational commitment and employee performance reveals a significant positive effect within the Dungun Municipal Council ($B = 0.323$, $p < 0.05$). The significance value of 0.00 confirms a strong association between organizational commitment and employee performance. The employees believe that the commitment shown by the organization would help them increase their job performance. As the p-value is below the 0.05 threshold, Hypothesis 5 is accepted.

5.0 CONCLUSION

Based on the findings, it was found that 4 out of 5 elements of employee engagement have no positive effects towards the performance of employees in Dungun Municipal Council. The findings can support the theories, which show that only organizational commitment can positively affect employee performance. In this study, it was found that organizational culture, intrinsic motivation, creativity, and job satisfaction have no effect towards it. Generally, the results gained can differ from the previous studies due to the different places where research was conducted and the different demographics of employees' backgrounds. Besides that, it is possible to say that the different cultures of the organization might also influence the result obtained in this study.

Hence, it is suggested that employee engagement be enhanced to improve performance among employees in Dungun Municipal Council. Companies should consistently train employees through formal and informal programs to foster a strong organisational culture. These programs encourage employees to embrace the culture, making them feel valued and motivated to perform better. Additionally, clear guidelines should be provided to ensure employees understand workplace expectations, helping to establish a positive organizational culture. Leaders and employees should create a workplace prioritizing motivation beyond financial incentives to enhance intrinsic motivation. Organizations can achieve this by designing comfortable and productive workspaces, making employees feel confident and engaged. Schwartz (2015) supports this, stating that a meaningful work environment enhances motivation and performance.

Encouraging creativity requires training and empowerment programs for employees across all departments. Nawaz & Bahauddin (2014) found that employees feel valued and more engaged when trained and given decision-making authority. This engagement fosters creativity, allowing employees to develop innovative solutions to workplace challenges. Therefore, the Dungun Municipal Council should prioritize creativity as a key aspect of employee engagement. Ismail *et al.* (2019) also emphasized the importance of fostering creativity in the workplace, as creative employees contribute to problem-solving and improved performance. Nemţeanu and Dabija (2021) highlight that a well-structured reward system based on performance enhances job satisfaction and smooth organizational operations. A balance between extrinsic rewards (such as salaries) and intrinsic rewards (such as recognition) is crucial. While salaries alone may not satisfy employees, appreciation and recognition can significantly boost their job satisfaction, ultimately improving performance.

This study found that organizational commitment is the only factor significantly influencing employee performance. Organizations should implement Allen and Mayer's (1990) organizational commitment model, which includes affective, normative, and calculative components to sustain this commitment. Affective commitment involves employees feeling emotionally attached and proud to be part of the organization. Normative commitment reflects a sense of obligation to stay, even when other opportunities arise. Calculative commitment considers the financial and career consequences of leaving the organization. Overall, the Dungun Municipal Council should focus on creating a high-quality workplace that benefits both employees and the organization. Pfeffer (1998) in *The Human Equation* emphasizes that a quality

workplace includes decentralized decision-making, strong job security, extensive training, competitive salaries, and fair performance evaluations. The organization can enhance employee satisfaction and drive long-term success by considering these aspects. However, this research has some limitations regarding the respondents who are the employees of Dungun Municipal Council. It seems that biases might occur while conducting the study. Therefore, hopefully, future research will be able to cover the limitation.

Several recommendations are proposed to strengthen the accuracy, relevance, and broader applicability of future investigations in this domain. Firstly, it is recommended that future researchers employ a larger and more representative sample size that encompasses the entire population of the selected organization. The present study was confined to the Dungun Municipal Council, which may limit the generalizability of the findings. Expanding the sample to include a wider range of participants across various departments or even multiple municipal councils would enhance the statistical robustness and external validity of the research outcomes.

Secondly, methodological refinement is essential for future studies. This study adopted a purely quantitative approach through the distribution of structured questionnaires. While this method is effective for capturing broad patterns and relationships, it may not fully capture the nuanced perspectives of participants. Therefore, incorporating qualitative methods, such as semi-structured interviews or focus group discussions, could provide deeper insights into the lived experiences, motivations, and perceptions of employees. Integrating mixed methods would allow researchers to triangulate data, enriching the interpretive depth and contextual understanding of the phenomena under investigation.

Lastly, the organizational context should be diversified in future research endeavors. As this study focused exclusively on a public sector institution, exploring similar constructs within private sector organizations is encouraged. Comparative analyses between public and private sector entities could reveal sector-specific differences in employee empowerment and organizational commitment. Such comparative insights would contribute significantly to the literature by identifying best practices and informing the development of tailored strategies that enhance organizational performance across various institutional settings.

Declaration of Generative AI and AI-assisted technologies

This work was developed using Quillbot and ChatGPT, which assisted the authors in reviewing and refining the content. Specifically, Quillbot was used to paraphrase sentences, while ChatGPT contributed to generating ideas for the study. The authors take full responsibility for the final publication.

ACKNOWLEDGEMENTS

This research was conducted without any external funding. The authors extend their sincere gratitude to all employees of the Dungun Municipal Council for their invaluable cooperation in completing the questionnaires.

REFERENCES

- Al-Fakeha, F. A., Padleea, S. F., Omara, K., & Salleha, H. S. (2020). The moderating effects of organizational commitment on the relationship between employee satisfaction and employee performance in Jordanian Islamic banks. *Management Science Letters* 10 (2020) pp. 3347–3356.
- Allen, N. J., & Meyer, J. P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology*, 63(1), 1-18.
- Bahri, S., Sabrina, R., & Sulasmi, E. (2020). The mediating effect of work engagement between the relationship of self-efficacy, career identity, work environment, and job embeddedness. *Journal of Security & Sustainability Issues*, 10(2), 793-806. [https://doi.org/10.9770/jssi.2020.10.2\(33\)](https://doi.org/10.9770/jssi.2020.10.2(33))
- Cameron, K. S., & Quinn, R. E. (2006). *Diagnosing and changing organizational culture: Based on the competing values framework*.
- Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework* (3rd ed.). Jossey-Bass.
- Carter, W.R., Nesbit, P.L., Badham, R.J., Parker, S.K. and Sung, L.K. (2018), "The effects of employee engagement and self-efficacy on job performance: a longitudinal field study", *The International*

- Journal of Human Resource Management*, 29(17), 2483-2502, doi: 10.1080/09585192.2016.1244096.
- Das, P., Byadwal, V., & Singh, T. (2017). Employee Engagement, Cognitive Flexibility and Pay Satisfaction as Potential Determinants of Employees' Turnover Intentions: An Overview. *Indian Journal of Human Relations*, 51(1), 147-157.
- Dysvik, A. & Kuvaas, B. (2011). Intrinsic motivation as a moderator on the relationship between perceived job autonomy and work performance. *European Journal of Work and Organizational Psychology*, Vol 20 (2011) iss.3, 367-387.
- Eldor, L. (2017), "Looking on the bright side: the positive role of organisational politics in the relationship between employee engagement and performance at work", *Applied Psychology*, 66(2), 233-259
- Eldor, L., & Harpaz, I. (2016). A process model of employee engagement: The learning climate and its relationship with extra-role performance behaviors. *Journal of Organizational Behavior*, 37(2), 213-235.
- EY Malaysia PR Team. (2021). Majority of surveyed Malaysia employees prefer flexible ways of working post-COVID-19 pandemic. Kuala Lumpur
- Gallup, Inc. (2017b). State of the global workplace. New York, NY: Gallup Press
- Gallup. (2022). State of the global workplace report. Gallup.com.<https://www.gallup.com/workplace/349484/state-of-the-global-workplace.aspx>
- Giurge, L.M.; Bohns, V.K. (2020). Tips to Avoid WFH Burnout, Harvard Business Review. Available online: <https://hbr.org/2020/04/3-tips-to-avoid-wfh-burnout>
- Harter, J. K., Schmidt, F. L. and Keyes, C. L. (2002), "Well-being in the workplace and its relationship to business outcomes: a review of the Gallup studies", in Keyes C. L. and Haidt, J. (Eds), *Flourishing: The Positive Person and The Good Life*, American Psychological Association, Washington, DC, 204-205
- Harter, J.K., Schmidt, F.L. and Keyes, C.L.M. (2003), "Well-being in the workplace and its relationship to business outcomes: a review of the Gallup studies", in Keyes, C.L.M. and Haidt, J. (Eds), *Flourishing: Positive Psychology and the Life Well-Lived*, American Psychological Association, pp. 205-224, doi: 10.1037/10594-009.
- Hayati, K & Caniago, I. (2012). Islamic Work Ethic: The Role of Intrinsic Motivation, Job Satisfaction, Organizational Commitment and Job Performance. *Procedia - Social and Behavioral Sciences* 65, 102 – 1106.
- Henis Fiqih Amalini, Mochammad Al Musadieq, & Tri Wulida Afrianty. (2016). Pengaruh Locus of Kontrol Terhadap Kepuasan Kerja dan Kinerja (Studi Pada Karyawan PDAM Kota Malang). *Jurnal Administrasi Bisnis (JAB)*, 35(1):68-77.
- Hill, S. A., & Birkinshaw, J. (2012). Ambidexterity and survival in corporate venture units. *Journal of Management*, 40, 1899–1931. doi:10.1177/0149206312445925
- Hossan, D., Mansor Z.D., Jaharuddin N.S., & Rahman M.M. (2024). Antecedents of Employee Work Engagement in Malaysia in Light of Job Demands Resources Theory. *Journal of Entrepreneurship, Business and Economics*, 12(1), 36–65.
- Inuwa, M. (2016). Job Satisfaction and Employee Performance: An Empirical Approach. *The Millennium University Journal*, 1(1), 90.
- Irwan, A., Mahfudnurnajamuddin, M., Nujum, S., & Mangkona, S. (2020). The Effect of Leadership Style, Work Motivation and Organizational Culture on Employee Performance Mediated by Job Satisfaction. *International Journal of Multicultural and Multireligious Understanding*, 7(8), 642-657.
- Ismail, H. N., Iqbal, A., & Nasr, L. (2019). Employee engagement and job performance in Lebanon: the mediating role of creativity. *International Journal of Productivity and Performance Management*, 68(3), 506-523.
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33(4), 692-724.
- Mousa, M. (2017), "Diversity challenges and organizational cynicism: a study on Egyptian Physicians", *Journal of International Management*, Vol. 9 No.1 41-74 p.p, available at <https://doi.org/10.1515/joim-2017-0003>

- Lui, J. Y., Voong, E. A. L., Voon, M. L., & Lim, T. Y. (2023). The dance of leadership: unravelling the impact of leadership styles on employee engagement in Malaysia's private sector/Lui Jing Yi...[et al.]. *e-Academia Journal*, 12(2), 148-165.
- McCain, A. (2022), "30 Essential Hybrid Work Statistics [2022]: the Future of Work", Zippia the career expert, available at: <https://www.zippia.com/advice/hybrid-work-statistics/>
- Nawaz, S. M. & Bahauddin, Z. (2014). Impact of employee training and empowerment on employee creativity through employee engagement: Empirical evidence from the manufacturing sector of Pakistan. *Middle-East Journal of Scientific Research* 19 (4), 593-601
- Nemţeanu, M. S., & Dabija, D. C. (2021). The Influence of Internal Marketing and Job Satisfaction on Task Performance and Counterproductive Work Behavior in an Emerging Market during the COVID-19 Pandemic. *International Journal of Environmental Research and Public Health*, 18(7), 3670. <https://doi.org/10.3390/ijerph18073670>
- Oktavianti, N. (2020). Pengaruh Motivasi dan Kepuasan Kerja terhadap Kinerja Kerja Karyawan PT. DEW Indonesia. *JENIUS (Jurnal Ilmiah Manajemen Sumber Daya Manusia)*, 3(2), 148-155.
- Paais, M., & Pattiruhu, J. R. (2020). Effect of motivation, leadership, and organizational culture on satisfaction and employee performance. *The Journal of Asian Finance, Economics, and Business*, 7(8), 577-588.
- Parker, S.K. and Griffin, M.A. (2011), "Understanding active psychological states: embedding engagement in a wider nomological net and closer attention to performance", *European Journal of Work and Organizational Psychology*, 20(1), 60-67.
- Perlow, L. and Williams, S. (2003), "Is silence killing your company?", *Harvard Business Review*, 31(4), 18, doi: 10.1109/EMR.2003.24935.
- Pfeffer, J. (1998). *The human equation: building profits by putting people first*. Cambridge, MA: Harvard Business Press.
- Ramalingam, P., Xavier, C. J., & Asumptha, J. A. Knowledge Sharing: A Contrast in Family Firms and Non-Family Firms. *European Journal of Molecular & Clinical Medicine*, 7(10), 2020.
- Ramli, S., Raffin, N. Y. M., Borhnnudin, R., & Zailani, N. Z. (2023). Unravelling the Influence of Management Support, Colleague Support, Compensation and Benefits, and Job Security on Employee Job Performance during the Business Recovery Phase. *e-Academia Journal*, 12(2).
- Salkind, N. J. (2014). *Sampling and Generalizability. Exploring Research*. Great Britain: Clays Ltd. 185-193.
- Salkind, N. J. T. (2010). *Exploring research*. Prentice Hall Upper Saddle River, NJ.
- Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 25(3), 293-315.
- Schermerhorn, R., J. J., Osborn, N., R., Uhl-Bien, Hunt, M. and, James, & G. (2012). *Organizational Behavior, International Student Version*, John Wiley & Sons. Inc
- Schwartz, B. (2015). *Why we work*. New York: Simon & Schuster.
- Sekaran, U. (2003). *Research methods for business* (4th ed.). Hoboken, NJ: John Wiley & Sons
- Sekaran, U. & Bougie, R. (2013). *Research Methods for Business – A Skillbuilding Approach* (6th ed.).
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. 7th edition. John Wiley & Sons Limited, West Sussex, United Kingdom.
- Siagian, P. Sondang. (2014). *Manajemen Sumber Daya Manusia*. Bumi Aksara. Jakarta.
- Simbula, S. and Guglielmi, D. (2013), "I am engaged, I feel good, and I go the extra-mile: reciprocal relationships between work engagement and consequences", *Journal of Work and Organizational Psychology*, 9(3), 117-125.
- Steers, R. M. (1985). *Efektivitas Organisasi (Kaidah Perilaku)*. Erlangga.
- Suhaimi, M. H., Hassan, N., Mohd Zahari, A. S., Zamri, M. N., & Rasak, N. T. S. (2024). A Conceptual Model of the Relationship between Quality of Work Life and Employee Engagement among Telecommunication Call Center Employees in Malaysia. *Information Management and Business Review*, 16(3S(Ia)), 78-87. [https://doi.org/10.22610/imbr.v16i3S\(Ia\).4122](https://doi.org/10.22610/imbr.v16i3S(Ia).4122)
- Sutrisno, E. (2017). *Manajemen Sumber Daya Manusia. Kencana*.
- Tierney, P., Farmer, S.M. and Graen, G.B. (1999) 'An examination of leadership and employee creativity: the relevance of traits and relationships', *Personnel Psychology*, 52(3), 591–620.

- Titisari, Purnamie. (2019). Peranan Organizational Citizenship Behavior (OCB) Dalam Meningkatkan Kinerja Karyawan. Jakarta: Mitra Wacana Media.
- Turner, A. (2017). How does intrinsic and extrinsic motivation drive performance culture in organizations? Cogent Education, Retrieved from <https://doi.org/10.1080/2331186X.2017.1337543>
- Vu, T.V. (2022). Perceived socially responsible HRM, employee organizational identification, and job performance: the moderating effect of perceived organizational response to a global crisis. *Heliyon*, 8(11). <https://doi.org/10.1016/j.heliyon.2022.e11563>
- Wahjoedi, T. (2021). The effect of organizational culture on employee performance mediated by job satisfaction and work motivation: Evident from SMEs in Indonesia. *Management Science Letter*, Retrieved from <https://doi.org/10.5267/j.msl.2021.3.004>
- Wang, S. and Noe, R.A. (2010) 'Knowledge sharing: a review and directions for future research', *Human Resource Management Review*, 20(2), 115–131.
- Wibowo. (2014). Perilaku Dalam Organisasi (1st–2nd ed.). Rajawali Pers.
- Wibowo. (2016). Management Kinerja. Rajawali Press. Jakarta
- Wombacher, J. C., & Felfe, J. (2017). Dual commitment in the organization: Effects of the interplay of team and organizational commitment on employee citizenship behavior, efficacy beliefs, and turnover intentions. *Journal of Vocational Behavior*, 102, 1-14.
- Wombacher, J.C., & Felfe, J. (2017). Dual commitment in the organization: Effects of the interplay of team and organizational commitment on employee citizenship behavior, efficacy beliefs, and turnover intentions. *Journal of Vocational Behavior*, 102, 1-14.
- work", *Academy of Management Journal*, 33(4), 440-461.
- Wright, T. A. & Cropanzano, R. (1998). Emotional exhaustion as a predictor of job performance and voluntary turnover. *Journal of Applied Psychology*, Vol. 3, pp. 486-493.
- Ximenes, M., Supartha, W. G., Dewi, I. G. A. M., & Sintaasih, D. K. (2019). Entrepreneurial leadership moderating high-performance work systems and employee creativity on employee performance. *Journal of Cogent Business & Management*, 6, 1-12. <https://doi.org/10.1080/23311975.2019.1697512>
- Yusuf, M. (2021). The effects of the intrinsic motivation and extrinsic motivation on employee performance with job satisfaction as an intervening variable at PT. Alwi Assegaf Palembang. *Mbia*, 20(1), 18-31.
- Zamri, M. N., Aziz, W. A. W. A., Rasak, N. T. S., & Suhaimi, M. H. (2024). The Relationship between Workload and Job Performance in Private Higher Education Institutions: A Case Study in Kolej Poly-Tech MARA, Northern Malaysia. *e-Academia Journal*, 13(2).
- Zhou, J. and George, J.M. (2003) 'Awakening employee creativity: the role of leader emotional intelligence', *The Leadership Quarterly*, 14, (4–5), 545–568.