

# A Conceptual Model of Employee Engagement in Non-Profit Organizations

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## Abstract

Non-profit Organizations (NPOs) play a crucial role in socio-economic development across the globe. Employees in NPOs have a different orientation towards work. They seek meaningful work and towards serving the society. Thus, this study attempts to identify the predictors and outcomes of employee engagement and thereby proposing a conceptual model of employee engagement for NPOs through extensive literature review.

The research suggests that there is dearth of studies on employee engagement in NPOs. Studies on employee engagement in NPOs is yet to be captured in detail. The employees in NPOs abound with job resources and personal resources. The findings of the study suggest that employees in NPOs have a caring attitude and therefore have holistic care culture. They have ideological orientation towards work, such as, their values are aligned with organizational values and belief in human benevolence. The novelty of the study stems from introducing a new variable i.e., belief in human benevolence.

**Keywords:** *Community service self-efficacy, employee engagement, precursors, outcomes, transformational leadership, HRD Climate, holistic care culture, human benevolence*

## 1. Introduction

Non-profit organization play a crucial role in socio-economic development across the globe by alleviating poverty, imparting education to the marginalized, providing livelihood opportunities etc. Various studies indicate that unlike employees in for profit organizations, employees in non-profit organizations are oriented towards serving the society (Werker and Ahmmed, 2008).

Such employees have non-monetary orientation and work with full dedication and commitment. Study by Borzaga & Tortia (2006) suggests that non-profit organizations employees' intrinsic motivation and relational attitude towards work leads to job satisfaction. Shridhara & Nagabhushanam (2008) indicated that it is the value delivery to the society, self-motivation, commitment for a cause, voluntary spirit and strong internal vision that helps the social workers in bringing social change.

The main aim of employees in social service sector is to achieve social outcome as opposed to making profit (Surtees et al., 2014). The values, strategic goals and HRM of employees of NPOs are strongly aligned (Ridder et al., 2012). Such employees prioritize mission of their organization over higher financial performance and compensation (Cohen, 2010), intrinsically motivated due to their mission (Kim & Lee, 2007) and meaningfulness in job (Bassous, 2013). Since these employees have different outlook towards work, thus the

factors that lead to employee engagement of non-profit organizations are also different from for profit organizations (Selander, 2015). This calls for delving as to what factors predict employee engagement and what are the outcomes of employee engagement in non-profit organizations.

Thus, The study aims to propose a conceptual model of employee engagement to enhance employee engagement in NPOs. The study also aims to suggest the ways to enhance employee engagement in non profit organizations in India. In the landscape of non-profit organizations, understanding the predictors and outcomes of employee engagement stands pivotal for NPOs success. This research aims to delve into the factors predicting employee engagement (exploring job demand, job resources and personal resources in NPOs. Simultaneously, it will unearth the resulting outcomes in NPOs. This exploration seeks to illuminate the intricate interplay between employee engagement and organizational dynamics within the unique context of non-profit entities, offering positive organizational outcomes.

## 2. Methodology

The study is exploratory in nature, wherein extensive literature review is done to propose a conceptual model. The current study employed a literature review approach. The researcher used Torraco's (2005 & 2016) method and Callahan's guidelines related to the location of articles, search period, number of articles screened, and the screening criteria to search pertinent studies. The said method helps compare relevant topics and incorporate distributed information. Such processes help researchers probe new knowledge and present significant directions for research (Torraco, 2005).

A comprehensive literature search was conducted to identify empirical and conceptual papers for the current study. A systematic approach was followed because it adds value to the overall quality of the review by employing a transparent and easily reproduced procedure (Tranfield et al., 2003). Thus, in this context, a systematic literature review methodology assists in critically analyzing, synthesizing and mapping the extant literature. Data were sourced from various publishers such as Emerald, Elsevier, Springer, Taylor and Francis, etc.

## 3. Theoretical Foundation of the Framework

The proposed conceptual model of employee engagement in service sector is based on revised JD-R model given by Bakker and Demerouti's (2007). The JD-R model given by Bakker & Demerouti (2007) categories working conditions into job demands and job resources. Bakker & Demerouti (2007) defines job demands as "physical, social, or organisational aspects of the job that require sustained physical and/or psychological (i.e., cognitive or emotional) effort or skills..and are associated with certain physiological and/or psychological costs". It comprises of work load, time pressure, job insecurity, role ambiguity, role conflict etc. High job demands invite stress and thereby leading to disengagement. Besides, it is also detrimental to health (Bakker & Demerouti, 2008).

Whereas, job resources are "those physical, psychological, social, or organisational aspects of the job that are either/or: 1) functional in achieving work goals, 2) reduce job demands and the associated physiological and

psychological costs, and 3) stimulate personal growth, learning and development” (Bakker & Demerouti, 2007).

Whereas, personal resources are the “aspects of the self that are generally linked to resiliency and refer to individuals’ sense of their ability to control and impact upon their environment successfully” (Xanthopoulou et al., 2007). Self-efficacy, optimism and self-esteem are some of the examples of personal resources.

#### 4. Overview of Employee Engagement Research in NPOs

Table 1 depicts the summary of 10 studies on employee engagement in NPOs. The research methods these studies employed structural equation modelling, regression most frequently for quantitative research methods.

**Table 1.** Summary of 10 studies on employee engagement in non-profit organizations

Author (year)	Research method	Setting	Place	Predictors	Outcomes/outcomes of employee engagement
Chaudhary et al. (2011)	Regression	Private organizations including NGOs	India	HRD Climate	Employee Engagement
Ng (2011)	Structural equation modelling	Social service organizations	Hongkong	holistic care culture	Employee Engagement
Chaurasia & Shukla (2013)	Regression	NPOs	India	Emotional Labour	Employee Engagement
Freeborough & Patterson (2015)	Regression	NPOs	US	Transformational leadership	Employee Engagement
Renard & Snelgar (2016)	Regression	NPOs	South Africa	Working towards purpose, fulfilling task, caring work environment	Employee Engagement
Renard & Snelgar (2017)	Structural Equation Modeling	NPOs	Australia, Belgium, South Africa & US	Psychologically rewarding work and intrinsic rewards	Employee Engagement
Selander (2015)	Regression	NPOs	Finland	Job demands (Time demand, unpredictability of work, employment insecurity) Job resources (Job control, social support from supervisors and colleagues) Ideological orientation (Public	Employee Engagement

				service motivation, value congruence)	
Roger Parry (2016)	Regression	Social Care Sector (non-profit organizations)	UK	Perception of leadership, values, communication, service, colleagues, management, rewards, learning and development	Employee Engagement
Pandita (2017)	Correlation and regression	NGOs	India	Distributive justice perceptions, procedural justice perception, interpersonal justice perception and informational justice perceptions	Employee Engagement
Park et al. (2018)	Literature review	NPOs	General	Supervisor's leadership, autonomy, social relationship, supportive organization environment, intrinsic work motivation, public service motivation, ideological orientation Job demands: employment insecurity, work home interference, time demands, unpredictability of work	OCB & turnover intention

Source: Author

## 5. Proposed Conceptual Framework

The bedrock of the proposed conceptual framework is the aggregation of key findings of 10 studies as identified in table 1.

### 5.1 Antecedents of Employee Engagement

#### *Job Demands*

Studies indicate that job demands (organizational constraints, role ambiguity) exert a negative effect on employee engagement in NPOs (Harp et al., 2017). Job demands, namely, “time demands, unpredictability of work and employment insecurity” are also negatively associated with employee engagement in NPOs (Selander, 2015).

### ***Job Resources***

Job resources are positively associated with employee engagement. Job control (Selander, 2015), social support from supervisors and colleague (Sarti's 2014; Selander, 2015) are positively associated employee engagement in voluntary sector. Similarly, HRD climate like employee development (Sarti's 2014), personnel policies and personnel systems and team spirit among employees are positively associated with employee engagement (Chandrashekar, 2009). The other job resources that are positively associated with employee engagement are holistic care culture (Ng, 2011), transformational Leadership (Freeborough and Patterson, 2015), intrinsic reward (Hulkko-Nyman, 2012).

### ***Personal Resources***

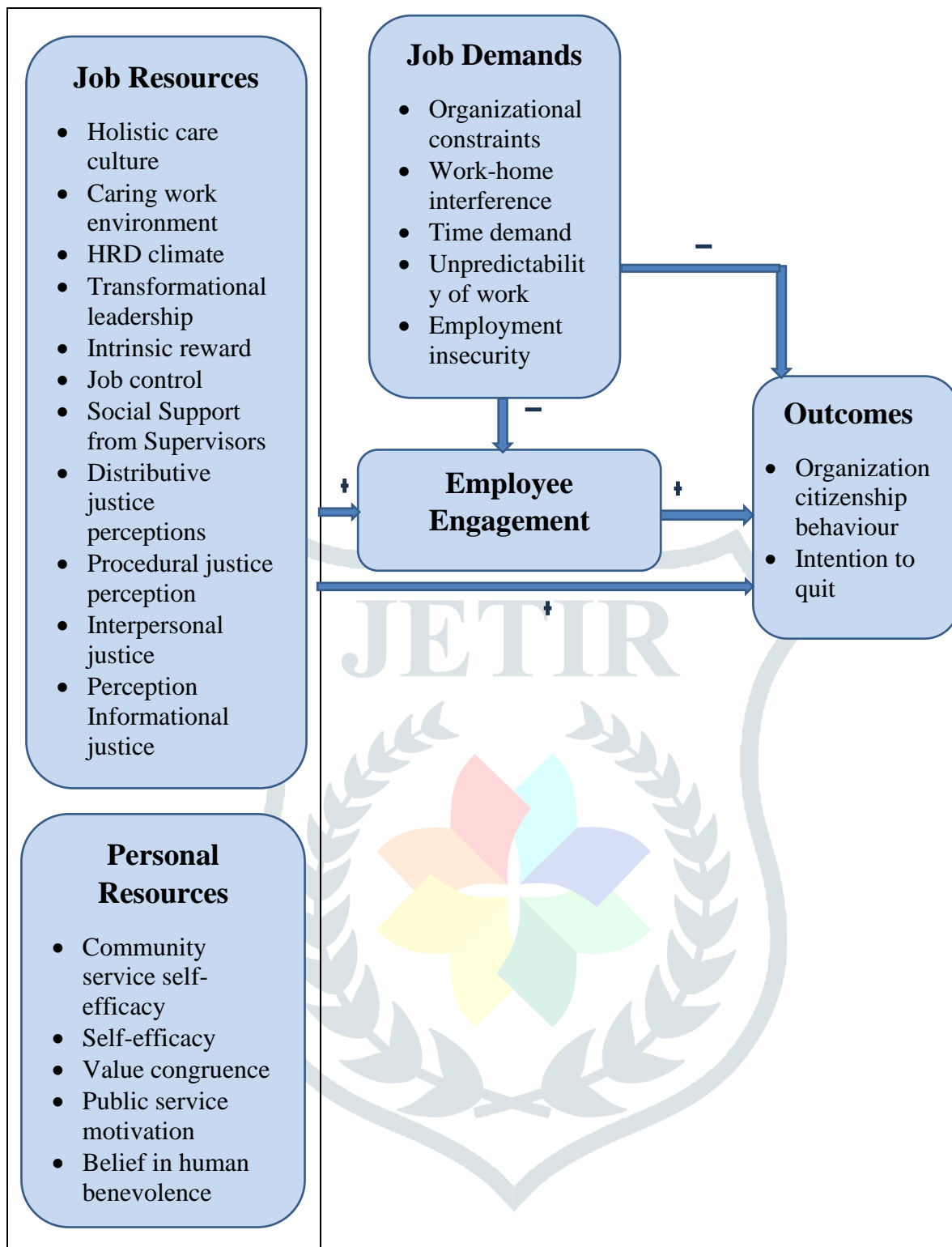
Various personal resources like community service self-efficacy (Harp et al., 2017) and self-efficacy. Community service self-efficacy reflects an individual's belief in their ability to effectively contribute to community-related tasks within the NPO's mission, fostering a sense of competence and purpose. Moreover, general self-efficacy, a broader concept encompassing an individual's belief in their capabilities to handle diverse challenges across various domains, is also a valuable personal resource within NPOs. Both community service self-efficacy and general self-efficacy serve as critical drivers of employee engagement. These resources empower employees to navigate challenges and actively contribute. Selander (2015) proposed an extended JD-R model encompassing employees' ideological orientation towards work, comprising of "public service motivation and value congruence" to be predictors of employee engagement.

## ***5.2 Consequences of Employee Engagement***

Employee engagement in non-profit organizations (NPOs) can yield several positive outcomes that contribute to the overall success and impact of these organizations. Employee engagement is positively associated with organization citizenship behaviour and intention to quit (Park, 2018).

Employee engagement in non-profit organizations can result in heightened Organizational Citizenship Behavior (OCB), where employees willingly go beyond their job descriptions to support organizational goals, fostering a collaborative and supportive work environment. This proactive engagement often leads to decreased intention to quit among employees, as they feel more connected, valued, and committed to the organization's mission, thereby contributing to long-term retention and stability within the NPO.

Figure 1. depicts the predictors (job demand, job resource and personal response) and outcomes of employee engagement in NPOs.



**Figure 1.** Conceptual model on employee engagement in non-profit organizations

Source: Author

## 6. Discussion

Studies indicate that there is dearth of research on employee engagement in non-profit organizations. The researchers attempted to propose a conceptual model of employee engagement in non-profit organizations, based on job demand resource model. The researchers contribute to the study by aggregating job demands, job resources, personal resources, ideological resources and outcomes of employee engagement. Our findings suggest that the precursors of employee engagement in non-profit organizations not only includes job



resources, personal resources but also ideological resources, which is enumerated by (Selander 2015; Park, 2018) also. Since employees in non-profit organizations are more orientation towards serving the society (Werker and Ahmmed, 2008), we thus contribute to the study by introducing a new component under ideological resource i.e., Belief in human benevolence. Besides, our findings suggest that organizational constraints, time demand, unpredictability of work, employment insecurity decrease employee engagement in non-profit organizations. Thus, the HR practitioners should try to overcome these job demands so that employee engagement may not be hampered. Our findings also highlight three important outcomes of employee engagement in non-profit organizations, such as, organization citizenship behaviour, intention to quit and job satisfaction. Our findings also suggest the need to conduct empirical studies on employee engagement of employees in non-profit organizations.

## 7. Implication and Significance of the Study

Since employees in non-profit organizations have different orientation towards work and it is intrinsic motivation and meaningful work that keeps them going, thus the precursors of employee engagement are also different for such employees unlike the employees of profit sector organizations. Thus, our findings and the proposed conceptual model can be useful for the HR practitioners in enhancing employee engagement in non-profit organizations. While hiring the employees, managers can conduct psychometric tests so that employees exhibiting transformational leadership, public service motivation, community service self-efficacy can be selected for the jobs as such employees will work with more vigour and dedication. Those employees should be hired in non-profit organizations, who believes in human benevolence, intrinsically motivated and whose personal values are aligned with organizational values. The managers should promote holistic caring culture and a congenial HRD climate. Thus, with increase in employee engagement, there will be increase in organization citizenship behaviour, organization commitment, job satisfaction and decrease in intention to quit among employees in non-profit organizations. In future, empirical studies can be conducted by researchers on the proposed model.

## 8. Conclusion

Since NPOs plays a crucial role in socio-economic development across the globe and unlike employees in for profit organizations, employees in non-profit organizations have ideological orientation towards serving the society, thus the precursors of employee engagement of non-profit organizations are also different. By drawing on Bakker and Demerouti's (2007) revised model, our findings indicate that not only job resources, personal resources but also ideological resources (public service motivation, value congruence and belief in benevolence) are important precursors of employee engagement. Besides, our findings suggest that job demands like organizational constraints, time demand, unpredictability of work, employment insecurity decreases employee engagement in non-profit organizations. Thus, the HR practitioners should try to overcome these job demands so that employee engagement may not be hampered. Our findings also highlight four important outcomes of employee engagement in non-profit organizations, such as, organization citizenship behaviour, intention to quit and job satisfaction and decrease in intention to quit. In order to deliver

value to the clients, HR practitioners in non-profit organizations can conduct psychometric tests so that employees exhibiting transformational leadership, public service motivation, community service self-efficacy can be selected for the jobs as these employees will work with more vigour and dedication. Those employees should be hired in non-profit organizations, who believes in human benevolence, are intrinsically motivated and whose personal values are aligned with organizational values. The managers should promote holistic caring culture and a congenial HRD climate. Thus, with increase in employee engagement, there will be increase in organization citizenship behaviour, organization commitment, job satisfaction and decrease in intention to quit among employees in non-profit organizations.

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