



# The Impact of Employee Engagement on Employee Commitment and Firm Competitive Advantage: A Study of Manufacturing Firms in Ghana

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**Abstract:** The study's primary goal was to investigate the effect of employee engagement on employee commitment and competitive advantage in Ghana's manufacturing industry. The research, on the other hand, intended to address three particular objectives: (1) determining the function of employee engagement in the organization; (2) analyzing the influence of employee engagement on competitive advantage; and (3) investigating the impact of employee engagement on staff commitment. The study included both descriptive and exploratory techniques. For the study, a convenience sampling approach was used to pick a sample size of 100 manufacturing enterprises. SmartPLS4 was used to analyze the replies in the research. As a result, the study discovered that with a mean score of 4.42 and a standard deviation of 1.758, most manufacturing enterprises in Ghana engage their staff infrequently. According to the study's findings, employee engagement is positively associated with a competitive advantage. Finally, the findings indicate that employee engagement is positively and strongly related to staff commitment. As a result, the study shows that engaging and including employees in business decision-making significantly influences staff commitment and competitive advantage. Nonetheless, engaging and involving business employees and personnel leads to knowledge exchange. This information may be passed on to rivals. The report consequently proposes that manufacturing business management and leadership guarantee that each staff or employee signs a "confidentiality agreement or the "Oat of secrecy" to prevent them from disclosing essential information to third parties. The study, on the other hand, implies and recommends that future research look into a comparative comparison of the influence of employee engagement on staff commitment and business performance.

**Keywords:** *Employee engagement, employee commitment, competitive advantage, dynamic environment*

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## INTRODUCTION

### *Background to the Study*

Improving performance and achieving competitiveness is the most strategic objective of every organization across the dynamic business environment in the world. Competitive advantage is the ability to deliver more effective and efficient value than competitors (El-Sayegh, Basamji, Haj Ahmad, & Zarif, 2021). Giffords (2009) has argued that an organization's competitiveness ultimately comes from the value it creates for its customers. Furthermore, a firm may seek two basic kinds of competitive advantage over its industry rivals: providing comparable value to the customer

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more efficiently than competitors or performing activities at a comparable cost but in unique or distinctive ways. In view of this, it has become the focal agenda in companies' operations to achieve competitiveness.

Notwithstanding, in a contemporary business environment, employee engagement is one of the drivers or factors contributing to the achievement of improved performance and competitiveness of a firm (Anitha, 2014). The corporate and academic circles are very interested in understanding the fundamentals of employee engagement (Anitha, 2014). It is also clear how high-performance work practices affect organizational performance. Given this, many businesses have realized that their biggest resource for competing with internal and external entities in their industry is their employees (MacLeod & Clarke, 2016).

Due to its recognition as a crucial factor in determining innovation and competitiveness and increasing productivity, employee engagement has become a concern among leaders of organizations worldwide (Bedarkar & Pandita, 2014). This suggests the importance of employee engagement as a source of a definite competitive edge for firms' productivity. According to Giffords (2009), employee engagement is a condition in which workers can give more of themselves emotionally, physically, and cognitively to their work. Consequently, this results in increased team performance, improved organizational outputs, and achieved competitive advantage. Talking about the instrumental role of employee engagement toward competitive advantage, it is important to acknowledge the key role of employee commitment. In the absence of adequate employee commitment, firms' productivity may not be met, making it impossible for the management of firms to compete in the industry (El-Sayegh et al., 2021). While employee engagement is important, and the interaction effect of employee commitment are all critical in achieving competitiveness, it is important to examine these relationships empirically. Against this backdrop, the current study seeks to draw on the resource-based view theory to examine mediating effect of employee commitment on the impact of employee engagement on competitive advantage.

### ***Problem Statement/Research Gaps***

The corporate and academic communities are particularly interested in understanding the fundamentals of employee engagement in the modern business world. This trend correlates with outcomes influencing employee job performance and organizational financial success (Anitha, 2014). Numerous studies have addressed the concepts of employee engagement and firm performance in the existing literature. For example, consider studies AbuKhalifeh and Som (2013) conducted on the role of employee engagement on firm performance. It was revealed that the higher the level of employee involvement and engagement, the higher the performance; however, the study failed to address the role of a moderating or mediating variable.

Again, Shahid and Azhar (2013) found that employee engagement positively impacts productivity. On the other hand, the study suggested that future studies should consider the moderating effect of commitment in the relationship between employee engagement and employee performance. Further, a study by Binsiddiq and Alzahmi (2013) found that employee participation and engagement positively affect customer satisfaction. Other studies have also been conducted on employee engagement and its effect on competitive advantage (Harter, Schmidt, & Hayes, 2002; Saks & Gruman, 2014).

The studies Harter et al. (2002); Saks and Gruman (2014) also suggested that employee commitment plays a critical role in employee performance; hence future studies should consider it as a moderating effect on the relationship between employee engagement and performance. The degree to which employee engagement relates to competitive advantage appears to have received little attention in the existing literature, even though engaging employees is acknowledged as having the potential to improve employee performance. More importantly, the interface between employee engagement and commitment to achieving a firm competitive advantage has also not been given adequate attention in the extant literature. By examining the mediating role of employee commitment in the relationship between employee engagement and competitive advantage, the current study aims to address the gaps in the literature by drawing on the resource-based view theory.

### ***Research Objectives***

The study's main objective is to examine the mediating effect of employee commitment in the relationship between employee engagement and competitive advantage. The study seeks to address the following specific objectives.

1. To investigate the role of employee engagement in the organization.
2. To determine the impact of employee engagement on competitive advantage.

3. To analyze the impact of employee engagement on staff commitment.

### ***Research Question***

What is the impact of employee engagement on employee commitment and firm competitive advantage?

### ***Scope of the Study***

Geographically, the study is limited to firms in the Greater Accra region because it serves as the headquarters for most manufacturing and service organizations, hence, is very accessible to data. Contextually, the study area is limited to private organizations in the capital city. Conceptually, the subject area is also limited to employee engagement, employee commitment, and competitive advantage.

## **LITERATURE REVIEW**

### ***Employee Engagement***

Many companies have realized that their staff is their most valuable resource for competing with internal and external entities in their industry (MacLeod & Clarke, 2016). In today's corporate environment, employee needs go beyond the minimum wage, which has prompted firms to focus on comprehending the underlying meaning of employee engagement. Currently, employees anticipate being involved in organizational activities; therefore, their work should have a greater impact on the business (Marciano, 2010). Employee engagement and employee-organizational commitments are crucial organizational requirements as organizations deal with issues like globalization, competitors, and innovative people, particularly as they work to recover from the global recession and gain a competitive advantage over their rivals (Anitha, 2014; Jam et al., 2014; MacLeod & Clarke, 2016).

Employee engagement has been the subject of in-depth research, and various elements that have a big impact on engagement have been identified. Employee involvement can be described in various ways depending on the firm. Recent research highlights the following definitions: Employee engagement, according to Lockwood (2007), is the degree of commitment that people have toward something or someone within their organization, the effort they make, and the time they stay as a result of that commitment. Leveraging organizational members' identities in their job duties is how Kahn (1990) defines employee engagement. People express themselves physically, mentally, and emotionally when working and acting out roles (Saks & Gruman, 2014). According to Robinson, Perryman, and Hayday (2004) employee engagement is also defined as a positive attitude held by the employee toward the organization and its worth. An engaged worker interacts with colleagues to improve job performance and is aware of the organizational context. For a firm to create and nurture engagement, there must be a two-way exchange between the employer and the employee (Kompaso & Sridevi, 2010). Employee engagement is characterized as a person's enthusiasm for work, involvement, and contentment with a company (Harter et al., 2002; Lannu & Nobleza, 2017). According to the CEB Corporate Leadership Council (2014), employee engagement is a strong emotional bond between employees and their employers that motivates them to put forth more discretionary effort in their work. It is also a strong emotional bond between the employee and their work, making it effective, normative, and continuing. Employee engagement also describes a person's functional and emotional ties to their employer.

### ***Employee Commitment***

Developing organizational and employee commitment is essential for all businesses since employees keep success and performance over the long term. Prior studies have defined employee commitment as a psychological condition that links a person to a company in a way that reduces the risk that they would leave (Tsai & Chang, 2018; Boone, 2012).

In this context, it is possible to claim that employee commitment is linked to a variety of desired behavioral outcomes, such as higher employee retention, engagement, productivity, job quality, and a readiness to make sacrifices for the benefit of the company's performance and image (London, 1983; Randall, 1990).

Organizational commitment is still a key literary issue, as seen by the debate above, and researchers and practitioners highly value it since it has good effects on organizational performance. Or, to put it another way, the capacity of a business to compete depends largely on its ability to motivate and engage its employees (Hicks, O'Reilly, & Bahr, 2014). Employee behavior and performance are intimately related to employee commitment. Employees will be less likely to be absent from work and leave the company if they feel devoted to it (Igarria & Greenhaus, 1992). To resolve any issues that may arise at any time and to ensure that employees develop a strong work ethic that is fundamental

to the efficient running of the company, it is imperative to routinely evaluate employee commitment. According to research (Jam, Singh, Ng, & Aziz, 2018; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002), three commitment factors are related to employees' work and results, and productive workers who are business-focused are essential to an organization's success (Macey, Schneider, Barbera, & Young, 2011).

Employee commitment and firm performance are significantly correlated in certain earlier research (Meyer et al., 2002). Fairness is the predictor of the desire to stay in the organization, willingness to work for the organization's benefit, and adoption of the organizational goals, which, according to Mowday, Steers, and Porter (1979), are the qualities that constitute an organizational commitment. Employee commitment is crucial to the organization's success since it lowers employee behaviors that are detrimental to the organization, such as tardiness and absenteeism (Bates & Khasawneh, 2005). Because it ensures that an employee is bound to the organization and organizational commitment. An employee dedicated to the company internalizes its goals and takes the necessary action to fulfill them. These workers' efforts are steps toward the organization's success and achieving its objectives. Employees thus deliver better service and boost business performance.

### ***Competitive Advantage***

The concept of competitive advantage has gotten much attention in business strategy in today's competitive market. Gaining a competitive edge and enhancing organizational performance are every company's top strategic objectives in the world's dynamic business environment (Carter, Nesbit, Badham, Parker, & Sung, 2018). A competitive advantage is a capacity to create value more effectively and efficiently than rivals (Carter et al., 2018). According to Porter, Steers, Mowday, and Boulian (1974), a company's competitive edge is ultimately decided by the value it produces for its clients. In other words, competitiveness is the ability of an organization to successfully compete in the market and gain a sizable market share. According to Porter et al. (1974), a business can gain a competitive edge, or "edge," over its market rivals in one of two ways: either by providing customers with comparable/similar value in a more efficient manner than rivals or by performing tasks at a comparable cost distinctively or uniquely, creating more value for customers than rivals and commanding a higher price.

According to McGuire and McLaren (2009), a company's ability to establish a defendable edge over rivals determines its competitive advantage. Li, Toppinen, and Lantta (2016), among others, define competitive advantage as an organization's capacity to establish and uphold a defendable position over its rivals. Slack, Orife, and Anderson (2010) asserts that a company has a competitive advantage when its actions in a market or industry produce economic value and few rivals adopt similar behaviors. Furthermore, Tracey, Vonderembse, and Lim (1999) suggested that a company's competitive advantage comprises distinguishing characteristics that set it apart from its rivals and provide an advantage over its rivals in the marketplace. Historically, a company's decision to compete in a given market based on market share in a specifically defined segment using pricing and product performance features was referred to as having a competitive advantage (Thatte & Agrawal, 2017).

Again, competitive advantage is the capacity of a company to take a stand against its competitors. It is a set of abilities that enables a business to stand out from competitors and impact important management choices. According to Vargas, Mantilla, and de Sousa Jabbour (2018), price/cost, quality, delivery, and flexibility are all important competitive criteria. Additionally, the current study recognizes time-based competitiveness as an important competitive goal. Time will be the next source of competitive advantage. Based on past research, Harsasi and Minrohayati (2017) identify five traits of competitive capacity: competitive price, premium pricing, a quality that adds value to the client, reliable delivery, and manufacturing innovation. The competitive advantage structures used in this research include price/cost, quality, delivery dependability, product innovation, and time to market. According to Vencataya, Seebaluck, and Doorga (2016), a company has a long-term competitive advantage when it employs a distinctive value-creating strategy that no current or potential competitors are using and when these rival companies cannot duplicate the benefits of this strategy.

### ***Theoretical Review***

**Resource-Based View (RBV) theory:** This study uses the Resource-Based View (RBV) theory to investigate the mediating effect of employee commitment on the link between employee engagement and competitive advantage. The RBV, a technique for establishing a competitive edge, emerged in the 1980s as the study's focus changed from the organization's exterior market structure to its internal structure (Slack et al., 2010). The internal environment of an organization is stressed as a source of competitive advantage in the RBV as the resources that certain organizations

have developed to succeed in the environment (Gatenby, Rees, Soane, & Truss, 2008). The RBV further contends that organizations must develop distinctive, firm-specific core competencies to outperform competitors through unconventional organizational strategies (Molloy & Barney, 2015).

The RBV theory states that an organization should look internally for sources of competitive advantage rather than relying on external factors. Furthermore, the theory contends that the diversity and immobility of identifiable resources and engagement of employee competencies influence competitive advantage (Slack et al., 2010). Different tactics could provide a competitive outcome due to heterogeneous resources and talents that differ enough from rival ones. On the other hand, immobile resources and capabilities are those of an organization's resources and abilities that are difficult or impossible to transfer from one company to another, such as brand equity and business image (Slack et al., 2010). The theory also contends that immobility and heterogeneity alone cannot produce a lasting competitive advantage. Instead, to implement RBV effectively, organizations must use the VRIN framework.

### Conceptual Framework

The model of the study posits a direct and positive relationship between employee engagement and competitive advantage. The model further argues for a direct and positive relationship between employee engagement and employee commitment. The model further posits a positive and direct impact on employee commitment to competitive advantage. The model again argues for the mediation effect of employee commitment on employee engagement-competitive advantage relationships. Figure 1 illustrates the direct and the mediation effect between the study variables.

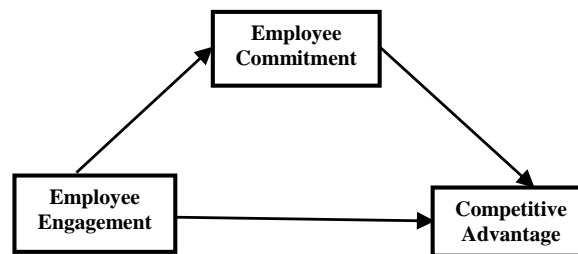


Figure 1 Research Framework/Model

## METHODOLOGY

The study adopts the following methodology to examine the impact of employee engagement on employee commitment and the firm competitive advantage. The research design for this study is explanatory, focusing on examining the relationship between employee engagement, employee commitment, and competitive advantage. The research strategy adopted by this study is the survey, targeting employees of firms operating within the manufacturing industry in Ghana. The research approach adopted for this study is quantitative, focusing on developing and testing hypotheses. Using convenient sampling, a sample of one hundred and two (100) is drawn from the target population. An online questionnaire designed using google forms is the sole data collection instrument deployed by this study. To test the model of the study, SmartPLS4 is used to test the direct relationship between employee engagement and competitiveness.

As a result, a well-structured questionnaire will be employed to collect primary data as the study is quantitative. One technique for gathering data from a quantitative approach is a survey. This approach is regarded as effective and relatively affordable, and it can enroll a sizable number of responses. The intended respondents for this study are the manufacturing firms in Ghana.

### Research Design

A good research design must be chosen because it theoretically supports the investigation, according to Saunders, Lewis, and Thornhill (2012). Once more, Creswell and Creswell (2017) state that research design entails gathering, analyzing, and integrating research to understand better the study problem being investigated by the data.

Explanatory design is a research method that acknowledges the potential components used to ascertain the cause-and-effect relationship between the variables. Exploratory research aims to uncover new information, increase

understanding of a subject, and gain new perspectives. On the other hand, Adejimi, Oyediran, and Ogunsanmi (2010) asserts that descriptive is a fact-finding method that yields a cross-sectional appraisal of the current situation.

### ***Sampling Technique and Procedure***

This study used two non-probability sampling methods to identify respondents for the study. These are the convenience and purposive sampling methods. Alvi, Abbasi, and Haider (2014) considered the convenience and purposive sampling methods that the researcher realized to enable the required information to meet objectives. On the other hand, convenience sampling allows the researcher to sample respondents based on their availability to participate in the study. Hence, convenience and purposive sampling are used because they allow the researcher to select persons who may have some knowledge of the subject under review.

### ***Sample Size***

The process of selecting a portion of the population to represent the entire population is known as sampling. A sample is a subset of a statistical population whose physical characteristics are examined to gain information about the entire group chosen for the study (Rose, Kumar, & Pak, 2009). The research sample for this study is the manufacturing firms in Ghana. The purposive sampling technique allows the researcher to choose participants believed to be most knowledgeable about the research area and able to provide insights into technical issues. One hundred respondents were selected accordingly with the help of convenient and purposive sampling.

### ***Sources of Data***

Primary and secondary data sources are the main types used in most studies. Secondary data, on the other hand, is information that has been gained by another person(s) for other purposes (Bell & Bryman, 2007). On the other hand, primary data consists of first-hand materials that the researcher has gathered, primarily via questionnaires. Primary is the primary data source used in this investigation. Data from secondary sources were examined to confirm or deny the results of this study. Information acquired via surveys given to respondents constitutes the main source of data. Personal field administration of the questions was done with qualified research assistants. Respondents will receive the questionnaires from Ghana's 100 manufacturing companies. Respondents will be assured that any information they supply will remain private and that only the researcher can access the data to boost response rates. The questionnaire's final section included questions that measured the latent variables. The questionnaire employed a 5-point Likert scale, with 5 signifying strongly agree and 1 representing strongly disagree. Accordingly, both organizational productivity and employee engagement will be gauged. Complete and accurate questionnaires were gathered for results presentation, analysis, and discussion. It must be emphasized that the fieldwork created 100 complete and usable surveys.

### ***Data Analysis and Management***

To test the model of the study, SmartPLS is used to test the direct relationship between employee engagement and organizational productivity.

## **DATA COLLECTION, ANALYSIS, AND FINDINGS**

### ***Response Rate***

From a sample size of 100, all the administered questionnaires were responded to and successfully returned, showing a response percentage of 100%. A response rate of 50% is seen as reasonable, 60% is deemed good/acceptable, and more than 70% is deemed very high, according to Lwika, Ojera, Mugenda, and Wachira (2013). As a result, the study's response rate can be regarded as real and acceptable.

### ***Demographics Statistics of Responses***

This section describes the various characteristics and bio-information of the study's respondents. Gender, age, work experience, educational background, and managerial level were the five characteristics of respondents considered in the study. Hitka and Balazova (2015) assert that the qualities of respondents significantly impact the results of questionnaires. Therefore, the researcher needs to consider the respondents' qualitative qualities and gauge their potential effects on the study's findings. It could be recorded that all the 100 administered questionnaires were successfully responded to.

Table 1 DEMOGRAPHICS OF RESPONSES

Variables		Frequency	Valid Percentage
Gender	Male	82	68.3
	Female	38	31.7
Age	20 to 30	21	17.5
	31 to 40	55	45.8
	41 to 50	24	20.0
	50 or more	20	16.7
Working Experience	0-5 years	31	25.8
	6-10 years	32	26.7
	above 10 years	57	47.5
Educational Background	HND/Degree	56	46.7
	Masters	34	28.3
	Others	30	25.0
Managerial Level	Top Level	42	35.0
	Line Management	45	37.5
	Supervisor	33	27.5

### **Gender of Respondents**

The respondents' demographics are shown in Table 1. It could be seen that 68.3% of the respondents were males, while 31.7% were females. This indicates that more males took part in the study than females. It could also suggest that more males work in manufacturing firms than females. Preferably due to the nature of the work.

**Age of respondents:** According to the respondents' ages, 17.5% are under the age of 20 years, 45.8% are between the ages of 31 and 40 years, 20% are between the ages of 41 and 50 years, and the remaining 16.7% are over the age of 50. The age distribution demonstrates that most respondents can complete the surveys, increasing the accuracy of the information acquired.

**Working experience:** Regarding working experience, 25.8% have less than five years' worth of experience, 26.7% have between 6 and 10 years of working experience, and 47.5% of people have been employed for more than ten years.

**Educational background:** For their educational background, 46.7% had a Diploma/Degree education, 28.3% also had a Master's degree, and 25% also had other academic qualifications.

**Managerial level:** From the managerial level, 35% are top managers, 37% are line managers, and supervisors are 27.5%.

### **Reliability and Validity Test**

The reliability analysis is conducted to measure the consistency of the variables, and the validity analysis is run to measure the accuracy of the variables in measuring the constructs. Cronbach alpha value and the composite reliability were used to measure the reliability of the constructs. The Cronbach alpha value and composite reliability determine the metrics' consistency in measuring the variables.

Firstly, [Hair, Black, Babin, and Anderson \(2012\)](#) posit that the acceptable threshold for measuring the reliability of variables is 0.7. It could be seen that ten (10) measurement items were used to measure the extent of employee engagement. Again, five (5) measurement items were used to gauge employee commitment, while ten (10) items were used to measure financial performance.

Secondly, in assessing the validity of the data obtained, the study first uses confirmatory factor analysis to determine the factor loadings of each item to its latent variable. Each item is expected to load above 0.50 to be valid. Furthermore, in measuring the convergent validity, the AVE value was used, and the values are expected to be greater than the acceptable value of 0.5 ([Hair et al., 2012](#)).

Lastly, the discriminant validity was analyzed using the Fornell-Larcker criterion. The correlation of each item with itself should be greater than the correlation with all other variables.

Table 2 *CRONBACH ALPHA, COMPOSITE RELIABILITY, AND AVE*

Construct	Number of items	Cronbach Alpha (CA)	Composite Reliability (CR)	AVE
Employee Engagement	10	0.738	0.808	0.503
Employee Commitment	5	0.795	0.805	0.555
Competitive Advantage	10	0.743	0.811	0.505
Total	25			

Table 2 above gives the score of the variables for Cronbach Alpha, Composite Reliability, and AVE.

Firstly, Table 2 indicates that employee engagement had a Cronbach Alpha of 0.738, composite reliability of 0.808, and AVE of 0.503 from 10 measurement items.

Secondly, Table 2 shows that employee commitment had a Cronbach Alpha of 0.795, a composite reliability of 0.805, and an AVE of 0.555.

Lastly, as shown in Table 2, the competitive advantage had a Cronbach Alpha of 0.743 and a composite reliability of 0.811 while an AVE of 0.505.

Based on the above values, it could be said that all three (3) variables had loaded above the 0.70 threshold and therefore showed strong internal consistency. The data gathered for the study is, therefore, reliable. For the AVE, it could be said that all three variables scored above the 0.50 threshold, implying that all the variables are valid.

Table 3 *FORNELL - LARCKER CRITERION*

Construct	EE	EC	CA
Employee Engagement	0.887		
Employee Commitment	0.712	0.743	
Competitive Advantage	0.725	0.736	0.796

Concerning the discriminant validity, Fornell-Larcker Criterion was used. Whereas the convergent validity measures how accurately the latent variables measure the main variable, the discriminant validity measures ensure the latent factors do not measure the other variables compared to its latent variables. With the Fornell-Larcker criterion, the square root of each variable's AVE must correlate with its self-stronger than the correlations with other latent variables.

As shown in Table 3 above, employee engagement had a correlation coefficient of 0.887 with itself and had a correlation of 0.712 and 0.725 between employee commitment and competitive advantage, respectively. Employee commitment also had a correlation coefficient of 0.743 with itself and had a correlation of 0.712 and 736 with employee engagement and competitive advantage, respectively. Lastly, the competitive advantage had a correlation coefficient of 0.796 with itself and had a correlation of 0.725 and 0.736 with employee engagement and staff commitment, respectively. Thus, each variable had a higher correlation with itself than the correlation with other variables; hence, each variable is valid.

### **Confirmatory Factor Analysis**

A statistical method called CFA is used to confirm the factor structure of a collection of observed data. The researcher can examine the idea that there is a connection between the variables that are seen and the latent constructs that underlie them using CFA. Figure 2 illustrates the loadings of each construct. According to Figure 2 below, 10 items designed to measure employee engagement loaded above 0.5, except engagement 5 and 7, which were below 0.5 (0.448 and 0.399), respectively, were excluded from the analysis. Again, all 5 items for employee commitment loaded above 0.5. Finally, three measurement items for competitive advantage 7, 8, and 10 loaded 0.362, 0.492, and 0.463, respectively, and were excluded from the analysis.



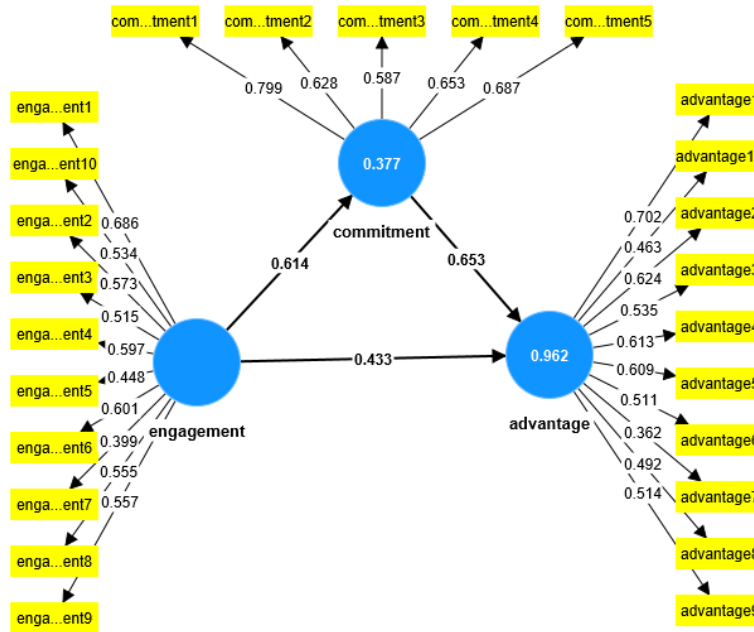


Figure 2 Confirmatory Factor Analysis (CFA)

**Descriptive Statistics**

This section analyses the extent and scope of the study variables, including employee engagement, employee commitment, and competitive advantage.

**Employee engagement:** In a dynamic and competitive business environment, the participation and involvement of employees in decision-making have evolved into a critical component of work and an asset. This section measured employee engagement using 10 items with a scale of 1-7. Note: (1-1.99 = strongly disagree, 2.0-2.49 = disagree, 2.50-2.99 = somehow disagree, 3.0-3.99 = not sure, 4.0-4.99 = somehow agree, 5.0-5.99 = agree and 6.0-7.0 = strongly agree).

Table 4 below shows the results of the descriptive statistics for employee engagement, and the results show that the average manufacturing firm in Ghana scores 4.442 with a standard deviation of 1.758, indicating that most of the responses were close to the mean and that these manufacturing firms intermittently engage their employees. The results are presented in Table 4 below:

Table 4 DESCRIPTIVE STATISTICS RESULTS FOR EMPLOYEE ENGAGEMENT

Items	Mean	Std. Dev
EE 1	4.308	1.755
EE 2	4.058	1.709
EE 3	4.400	1.855
EE 4	4.383	1.780
EE 5	4.225	1.859
EE 6	4.483	1.853
EE 7	4.483	1.648
EE 8	4.833	1.675
EE 9	4.517	1.717
EE 10	4.725	1.732

**Employee commitment:** It is possible to claim that employee commitment is linked to various desired behavioral outcomes, such as higher employee retention, engagement, productivity, job quality, and a readiness to make sacrifices to benefit the company's performance and image. This section measured employee commitment using 5 items with a scale of 1-7. Note: (1-1.99 = strongly disagree, 2.0-2.49 = disagree, 2.50-2.99 = somehow disagree, 3.0-3.99 = not sure, 4.0-4.99 = somehow agree, 5.0-5.99 = agree and 6.0-7.0 = strongly agree).

Table 5 *DESCRIPTIVE STATISTICS RESULTS FOR EMPLOYEE COMMITMENT*

Items	Mean	Std Dev
EC 1	4.400	1.934
EC 2	4.675	1.679
EC 3	4.667	1.881
EC 4	4.433	1.792
EC 5	4.642	1.637

The descriptive statistics result for employee commitment was analyzed accordingly. It was shown that the average manufacturing firm in Ghana scores 4.563 and a standard deviation of 1.785. Table 4.5 indicates that most of the responses were close. By implication, the employees are somehow committed when involved and engaged in decision-making.

**Competitive advantage:** In this section, the concept of competitive advantage was measured using 10 items with a scale of 1-7. Note: (1-1.99 = strongly disagree, 2.0-2.49 = disagree, 2.50-2.99 = somehow disagree, 3.0-3.99 = not sure, 4.0-4.99 = somehow agree, 5.0-5.99 = agree and 6.0-7.0 = strongly agree).

Table 6 below shows the descriptive statistics result for competitive advantage. It could be seen that the average manufacturing firm in Ghana scores 4.586 and a standard deviation of 1.755. This indicates that most of the responses were close to the mean; hence, that manufacturing firms achieve a bit of competitive advantage over rivals.

Table 6 *DESCRIPTIVE STATISTICS RESULTS FOR COMPETITIVE ADVANTAGE*

Items	Mean	Std Dev
CA 1	4.400	1.934
CA 2	4.675	1.679
CA 3	4.667	1.881
CA 4	4.433	1.792
CA 5	4.642	1.637
CA 6	4.483	1.853
CA 7	4.483	1.648
CA 8	4.833	1.675
CA 9	4.517	1.717
CA 10	4.725	1.732

### **Structural Model Analysis and Hypotheses Testing**

The PLS Structural Equation model was run to test the path coefficients of the direct relationship and indirect (mediation) relationship between the variables. A bootstrap of 5000 was run to calculate the path coefficients of the research model.

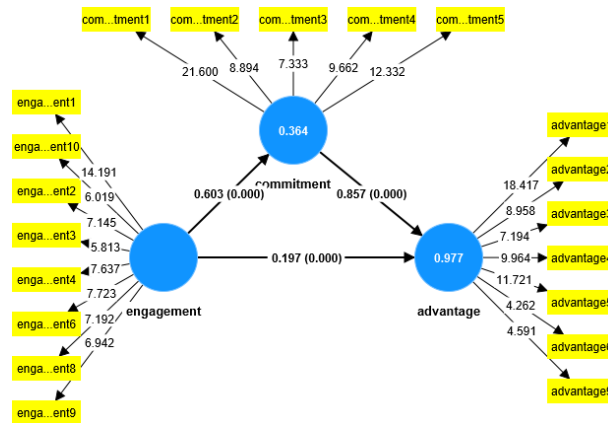


Figure 3 Structural Equation Model (SEM) Results

Table 7 STRUCTURAL EQUATION MODELLING (SEM) RESULTS

Path	Coefficient	Mean	Std Dev	t-value	p-value
EE → CA	0.197	0.856	0.038	22.429	0.00
EE→EC	0.603	0.193	0.041	4.782	0.000
EC→CA	0.857	0.620	0.062	9.671	0.000
EE →EC→CA	0.517	0.529	0.041	12.469	0.000

Note: EE = Employee Engagement; EC = Employee Commitment; CA = Competitive Advantage

### Discussion of Results

The study sought to address the following specific objectives

**To determine the role of employee engagement in the organization:** The descriptive statistics results for employee engagement indicate that the average manufacturing firm in Ghana scores 4.42 with a standard deviation of 1.758, implying that most manufacturing firms in Ghana engage their employees intermittently. This, in effect, enriches the quality of the decision-making of the average firm. In support of the study’s findings, Kahn (1990) defines employee engagement as harnessing organization members’ identities to their work roles. Again, Lockwood (2007) support the study findings and posits that engaged employees play a critical role in improving the quality of decision through collaboration between employers and employees.

**To analyze the impact of employee engagement on competitive advantage:** It could be shown that employee engagement has a positive and significant relationship with the competitive advantage given the path coefficient results ( $\beta = 0.197, t = 22.429, p < .01$ ). This indicates that for every unit of an employee engaged, an increase of 0.197 units of competitive advantage is achieved. In agreement with the research finding, Catlette and Hadden (2001) posit that employee engagement motivates people to joyfully express themselves and become ready emotionally, cognitively, and physically for their daily activities and enables firms to compete favorably in achieving competitive advantage and have greater levels of customer satisfaction and loyalty.

**To examine the impact of employee engagement on staff commitment:** The result again shows that employee engagement positively and significantly relates to staff commitment; given the path coefficient results in ( $\beta = 0.603, t = 4.782, p < .01$ ). This indicates that, for every unit of an employee engaged, an increase of 0.603 units of staff commitment is achieved. In agreement, Ortiz, Lau, and Qin (2013) posit that an employee’s commitment and loyalty enhance; as a result, the concept of employee engagement reduces workers’ passion for and loyalty to their firms. As a result, staff commitment and retention are negatively impacted by low levels of engagement. This shows that employee engagement positively results in staff commitment.

## CONCLUSION AND RECOMMENDATIONS

### *Summary of Findings*

The study sought to address three (3) specific objectives. (1). To determine the role of employee engagement in the organization. (2). To analyze the impact of employee engagement on competitive advantage. (3) to examine the impact of employee engagement on staff commitment. Based on the research analysis and discussions, the following findings are elaborated.

First and foremost, the study found that most manufacturing firms in Ghana engage their employees intermittently, with a mean score of 4.42 and a standard deviation of 1.758. In support of the study's analysis, Lockwood (2007) posit that engaged employees play a critical role in improving the quality of decisions through collaboration between employers and employees.

Secondly, the study found that employee engagement has a positive and significant relationship with the competitive advantage given the path coefficient results ( $\beta = 0.197, t = 22.429, p < .01$ ). This indicates that for every unit of an employee engaged, an increase of 0.197 units of competitive advantage is achieved. In agreement with the research finding, Catlette and Hadden (2001) posit that employee engagement motivates people to joyfully express themselves and become ready emotionally, cognitively, and physically for their daily activities and enables firms to compete favorably in achieving competitive advantage and have greater levels of customer satisfaction and loyalty.

Lastly, the result shows that employee engagement positively and significantly relates to staff commitment, given the path coefficient results ( $\beta = 0.603, t = 4.782, p < .01$ ). This indicates that for every unit of an employee engaged, an increase of 0.603 units of staff commitment is achieved. In agreement, Ortiz et al. (2013) theorize that an employee's commitment and loyalty enhance as a result of employee engagement because it reduces workers' passion for and loyalty to their firms. As a result, staff commitment and retention are negatively impacted by low levels of engagement. This shows that employee engagement positively results in staff commitment

### *Conclusion*

The study's main objective was to examine the effect of employee engagement on employee commitment and competitive advantage. Therefore, the following conclusion is given based on the study's findings.

Firstly, the study could conclude that manufacturing firms in Ghana adopt and appreciate the concept of employee engagement at the higher level and that it plays a key role in firms' decision-making processes. Hence, leading to improved firm's performance.

Secondly, the study concludes that the total effect of employee engagement on competitive advantage is 0.828. That is, due to both effects of employee engagement on competitive advantage, when employee engagement goes up by 1, competitive advantage goes up by 0.828. Hence, the higher the level of employee engagement and participation, the higher the competitive advantage over rivals in the competitive business environment.

Further, it was shown that the effect of employee engagement on employee commitment is 0.692. That is, due to both effects of employee engagement and competitive advantage on staff commitment, when employee engagement goes up by 1, staff commitment goes up by 0.692. This concludes that engaging and involving employees in firms' decision making greatly impact the level of commitment of employees/staff.

It could again be concluded that firms that appreciate employees' involvement in decision-making can attract the best performers in the industry.

### *Recommendations*

The study presents the following recommendations based on the findings and conclusions.

Firstly, engaging employees and other stakeholders in firms' decision-making is time-consuming. However, the study recommends that the management of manufacturing train and educate their employees to gain the necessary skills and understanding on matters in their best interest.

Also, engaging and involving employees and staff of firms results in information sharing. This information could be leaked out of hand to competitors. However, the study recommends that the management and leadership of the manufacturing firms must ensure that each staff or employee signs the "Confidentiality clause agreement or the "Oat of secrecy" to prevent them from giving out vital information to third parties.

### Suggestions for Future Studies

The study was limited to the manufacturing sector, where 100 firms were selected as the sample size. The study suggests and proposes that future studies should investigate a comparative analysis of the role of employee engagement on staff commitment and firm performance.

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