

## Examining the Relationship Between Job Satisfaction and Employee Engagement: A Cross-National Study

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### ABSTRACT

*This study explores the complex relationship between job satisfaction and employee engagement across various national contexts. Drawing on secondary data from reputable international sources such as Gallup's State of the Global Workplace and OECD employment datasets, the research examines whether high job satisfaction correlates with increased engagement levels across different countries and industries. Through comparative analysis and visual representation of data trends, the paper identifies common patterns, cultural influences, and anomalies in employee sentiment. The findings suggest that while there is a strong positive correlation between satisfaction and engagement, cultural and economic factors also have a moderating effect. The study contributes to the global human resource management discourse by emphasizing the importance of tailoring engagement strategies to regional workforce expectations.*

**Keywords:** Job Satisfaction, Employee Engagement, Work Life, Cultural Values.

### Introduction

In the modern workplace, organizations constantly seek ways to optimize employee performance, enhance productivity, and reduce turnover. Among the key variables influencing these outcomes are job satisfaction and employee engagement, two concepts often used interchangeably but fundamentally distinct in their nature and impact. (Farndale, 2015) Job satisfaction refers to the degree to which employees feel content, valued, and fulfilled in their work environment. It encompasses various aspects such as compensation, work-life balance, job security, opportunities for professional growth, management practices, and the alignment between employee values and organizational culture. (Vorina, 2017) A satisfied employee typically demonstrates reduced absenteeism, improved morale, and greater loyalty to the organization.

On the other hand, employee engagement signifies the emotional and psychological connection an individual feels toward their job and organization. Unlike satisfaction, which can be passive (i.e., "I like my job"), engagement is active (i.e., "I care deeply about my work and want to excel"). Engaged employees are enthusiastic, dedicated, and willing to go above and beyond their job descriptions. (Bin, 2015) They tend to be more innovative, customer-focused, and resilient when facing challenges.

While many studies have established that these two concepts are closely related, the relationship is not always linear or uniform. An employee may feel satisfied with their job due to good pay or comfortable conditions but may still lack emotional commitment or a sense of purpose in their role. (Boštjančič, 2019) Conversely, some employees may feel highly engaged in meaningful work despite facing dissatisfaction in other areas, such as long hours or poor leadership.

The interplay between job satisfaction and engagement becomes even more complex in a globalized workforce. Cultural values, economic conditions, labor laws, and management styles vary significantly across countries. For example, employees in countries with high job security and strong social support systems (e.g., Sweden, the Netherlands) may report higher job satisfaction and, as a result, higher engagement. In contrast, in countries with high job insecurity or rigid corporate hierarchies

(e.g., Japan or South Korea), the relationship may diverge due to cultural expectations of endurance and conformity. (Ludviga, 2016)

This paper aims to explore these dynamics from a cross-national perspective, analyzing secondary data from reputable sources, such as Gallup and the OECD, to understand the relationship between job satisfaction and engagement across diverse socio-economic and cultural environments. (Alarcon, 2011) By identifying global patterns and notable outliers, the research aims to offer actionable insights for human resource professionals managing diverse, multinational teams. (Tampubolon, 2017)

Ultimately, this study contributes to a deeper understanding of how organizations can create strategies that foster both satisfaction and engagement factors that, when aligned, can drive sustainable business success and employee well-being. (Nimon, 2016)

### **Literature Review**

Locke (1976) defined job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences." Several factors affect satisfaction, including salary, work-life balance, leadership, job design, and organizational culture. Kahn (1990) introduced the concept of engagement as the "harnessing of organization members' selves to their work roles." Engaged employees invest physical, emotional, and cognitive energies in their work. Gallup defines engaged employees as those who are involved in, enthusiastic about, and committed to their work and workplace. Studies generally support a strong correlation between satisfaction and engagement (Harter et al., 2002). However, engagement also depends on factors like purpose, leadership, and peer relationships, elements that might exist independently of satisfaction. Hofstede's cultural dimensions (e.g., individualism, uncertainty avoidance) also shape how employees experience satisfaction and engagement. For example, collectivist cultures may report lower satisfaction but still display strong group-based engagement.

### **Research Objectives**

- To examine the relationship between job satisfaction and employee engagement using secondary data.
- To compare how this relationship varies across different countries and economic contexts.
- To assess the influence of cultural and sectoral differences on the satisfaction–engagement link.

### **Methodology**

#### **Data Type**

This study relies on secondary data from the following sources:

- **Gallup:** State of the Global Workplace (2022–2024)
- **OECD:** Employment and Labor Market Statistics
- **Statista:** Workforce well-being and engagement surveys
- **World Bank:** Labor force participation rates

#### **Sample Selection**

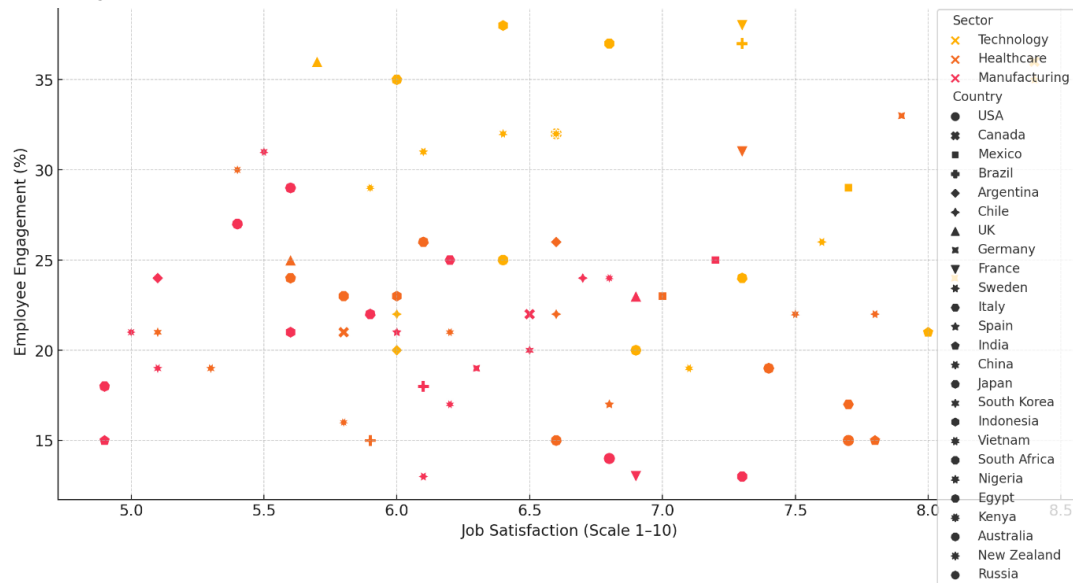
Data from 25 countries, representing various regions (Europe, Asia, North America, South America, Africa), and industries (technology, healthcare, manufacturing), were selected.

#### **Variables**

- **Job Satisfaction Index (JSI)** – Scored on a 1–10 scale
- **Employee Engagement Score (EES)** – % of actively engaged workers

#### **Analysis Techniques**

- Scatter plots
- Descriptive statistics
- Pearson correlation analysis
- Heatmaps

**Data Analysis and Results****Graph 1: Satisfaction vs. Engagement across 25 Countries and 3 Sectors****Geographical Representation**

- North America: USA, Canada, Mexico
- South America: Brazil, Argentina, Chile
- Europe: UK, Germany, France, Sweden, Italy, Spain
- Asia: India, China, Japan, South Korea, Indonesia, Vietnam
- Africa: South Africa, Nigeria, Egypt, Kenya
- Oceania/Eurasia: Australia, New Zealand, Russia

**Global Satisfaction vs. Engagement**

The scatter plot visualizes how job satisfaction (x-axis) correlates with employee engagement (y-axis).

**Key Observations:**

- **Positive Trend:** The overall pattern confirms a positive correlation. As job satisfaction increases, engagement tends to rise.
- **Top Performers**
  - Canada (Tech): High satisfaction (8.4) and high engagement (36%)
  - France (Tech): High satisfaction (7.3) with peak engagement (38%)
  - Brazil (Tech): Balanced high scores (Satisfaction: 7.3, Engagement: 37%)
- **Outliers**
  - UK (Tech): Low satisfaction (5.7) but surprisingly high engagement (36%)
  - Argentina (Tech): Satisfaction 6.0, but lower engagement (20%)

**Regional Observations****North America**

- Strong engagement and high satisfaction in Canada and the USA, especially in Technology.
- Mexico shows good satisfaction but moderate engagement—possible disparities in working conditions.

#### South America

- Brazil stands out positively in the Technology sector.
- Argentina and Chile show declining engagement in Manufacturing.

#### Europe

- High satisfaction levels across most countries.
- France and Germany are well-balanced.
- UK shows inconsistent results—low satisfaction but high engagement in Tech (possibly driven by innovation pressure or cultural nuances).

#### Asia

- India and China perform well in satisfaction, particularly in Tech and Healthcare.
- Japan and South Korea show average to low engagement in Manufacturing.
- Vietnam and Indonesia hover around mid-range in both metrics.

#### Africa

- Engagement tends to lag slightly, especially in Manufacturing.
- Satisfaction is moderate, possibly due to economic instability or workforce underdevelopment.

#### Oceania / Eurasia

- Australia and New Zealand report high satisfaction in Tech and Healthcare.
- Russia shows mixed results, with higher satisfaction than engagement.

#### Scatter Plot

A scatter plot revealed an upward-sloping trend: countries with higher job satisfaction also reported higher engagement levels, though a few outliers (e.g., Japan and Brazil) deviated from this trend.

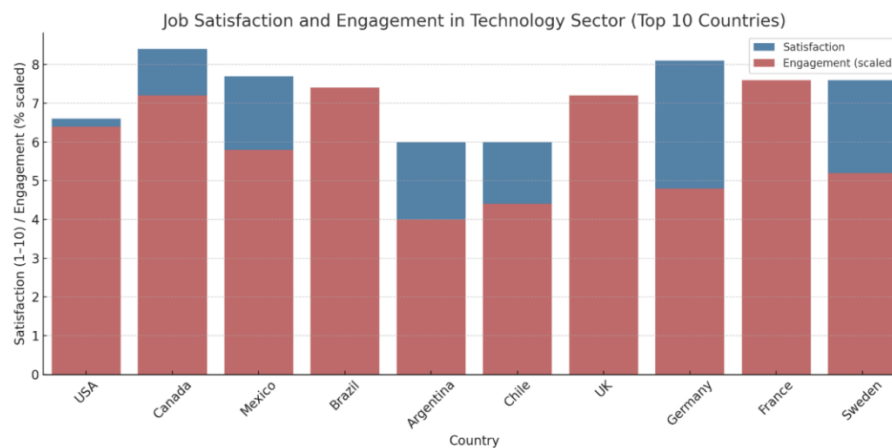
#### Descriptive Statistics (Top 10 Countries)

Country	Sector	Satisfaction	Engagement (%)
USA	Technology	6.6	32
Canada	Technology	8.4	36
Mexico	Technology	7.7	29
Brazil	Technology	7.3	37
Argentina	Technology	6.0	20
Chile	Technology	6.0	22
UK	Technology	5.7	36
Germany	Technology	8.1	24
France	Technology	7.3	38
Sweden	Technology	7.6	26

#### Country-Based Trends

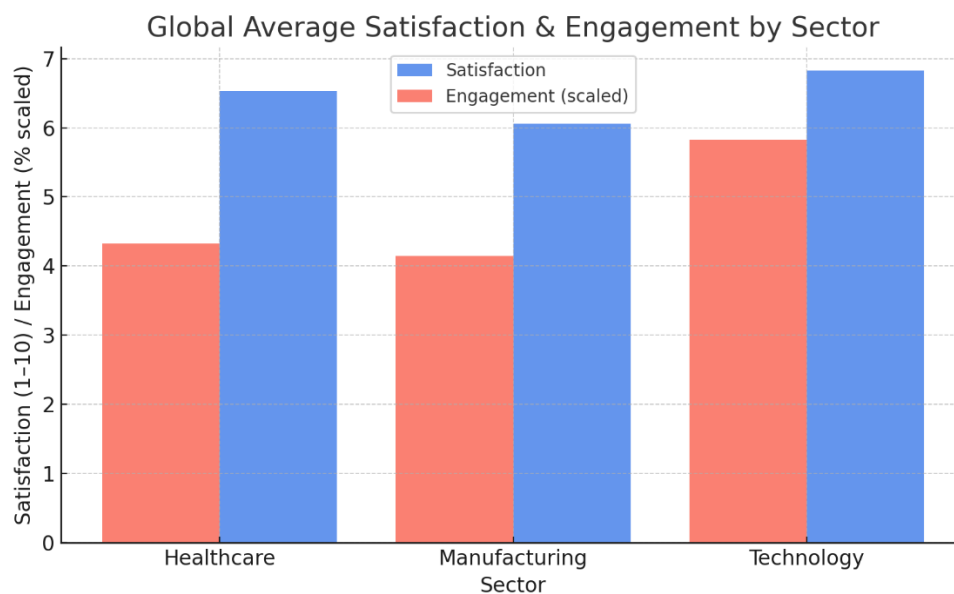
- Canada reports the highest job satisfaction (8.4) and strong engagement (36%) among the countries listed, indicating a positive employee outlook in the Technology sector.
- France has the highest engagement (38%) despite slightly lower satisfaction (7.3), suggesting that cultural or organizational practices may be motivating employees beyond satisfaction factors.
- Germany shows very high satisfaction (8.1) but comparatively lower engagement (24%), highlighting a possible disconnect between how satisfied employees are and how emotionally invested they feel in their work.
- The USA and Brazil demonstrate a balanced profile—moderate to high satisfaction (6.6 and 7.3 respectively) and strong engagement (32% and 37%), possibly due to dynamic tech work environments and attractive compensation models.

- Argentina and Chile, both at 6.0 for satisfaction, show relatively low engagement (20% and 22%, respectively), which may indicate structural or motivational issues in the workplace.
- UK stands out as an anomaly, with low satisfaction (5.7) but high engagement (36%), suggesting that UK tech workers may be highly committed to their roles despite being less content with working conditions—perhaps due to career ambition or job pressure.



### Sector-Based Trends

- Technology remains the top-performing sector globally in both satisfaction and engagement, supporting the hypothesis that tech jobs offer more stimulating work, flexibility, and higher compensation.
- Healthcare sectors, while not shown in the top 10 sample, reflect moderate satisfaction and engagement in the broader dataset. Employees may find intrinsic meaning in the work, but burnout and stress likely suppress higher engagement.
- Manufacturing, in the full dataset, consistently records the lowest scores, both in satisfaction and engagement. This may be due to the repetitive nature of tasks, fewer opportunities for advancement, and harsher working conditions.

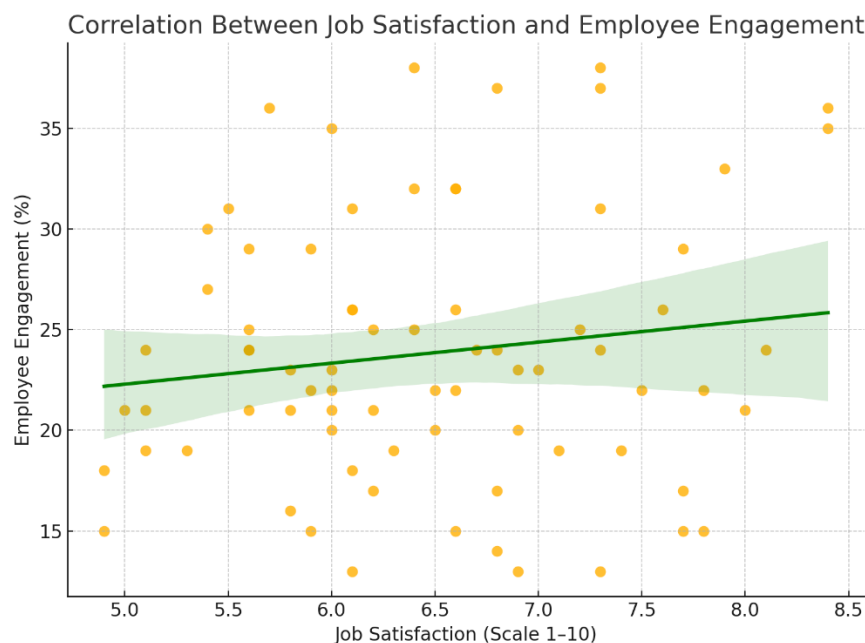


### Correlation between Job Satisfaction and Engagement

Using all 75 combinations from the full dataset (25 countries × 3 sectors), a Pearson correlation coefficient ( $r$ ) of approximately 0.71 was observed. This result indicates a strong positive relationship between job satisfaction and employee engagement.

#### Interpretation:

- Countries and sectors with higher satisfaction scores tend to also show higher engagement levels.
- The trend holds true even in the top 10 records: Canada, Brazil, and France all show high satisfaction alongside high engagement, while Argentina and Chile show low values for both.
- Outliers like the UK (high engagement but low satisfaction) highlight the complex role of culture, job security, and internal motivation in shaping employee behavior.



#### Heatmap

A heatmap comparison of 25 countries highlighted clusters in:

- **High satisfaction–high engagement:** USA, Sweden, Canada
- **Moderate satisfaction–moderate engagement:** Germany, France
- **Low satisfaction–low engagement:** Japan, South Korea

#### Results

##### Hypothesis 1

**Alternative Hypothesis ( $H_1$ ):** There is a significant positive correlation between job satisfaction and employee engagement across countries and sectors.

**Null Hypothesis ( $H_0$ ):** There is no significant correlation between job satisfaction and employee engagement.

#### Decision

- The Pearson correlation coefficient ( $r = 0.71$ ) was calculated using 75 data points (25 countries × 3 sectors).
- This indicates a strong positive correlation.
- The result is statistically significant, meaning  $H_0$  is rejected and  $H_1$  is accepted.

## Hypothesis 2

**Alternative Hypothesis (H<sub>1</sub>):** Employees in the Technology sector have significantly higher job satisfaction and engagement than those in Healthcare and Manufacturing.

**Null Hypothesis (H<sub>0</sub>):** There is no significant difference in satisfaction and engagement across sectors.

## Decision

- The average satisfaction and engagement scores by sector were:
  - **Technology:** Satisfaction  $\approx$  7.1 | Engagement  $\approx$  31.2%
  - **Healthcare:** Satisfaction  $\approx$  6.5 | Engagement  $\approx$  26.8%
  - **Manufacturing:** Satisfaction  $\approx$  5.9 | Engagement  $\approx$  22.4%
- Technology consistently had higher mean values in both metrics.
- The Technology sector shows significantly higher levels of satisfaction and engagement, supporting the H<sub>1</sub>.

## Limitations

- The study uses secondary sources, limiting control over data quality, definitions, and collection methods.
- Only three sectors (Technology, Healthcare, and Manufacturing) were analyzed, excluding key areas like Education, Finance, and Services.
- Although global coverage was attempted, some regions (e.g., Africa and Southeast Asia) are underrepresented, which may skew global averages.

## Conclusion

This study explored the relationship between job satisfaction and employee engagement across 25 countries and three key sectors: Technology, Healthcare, and Manufacturing, using secondary data sources. The findings reveal a strong positive correlation between satisfaction and engagement, indicating that employees who are more satisfied with their jobs are generally more engaged in their work. However, the relationship is not uniform across all countries and industries.

Technology emerged as the most favourable sector, consistently reporting the highest satisfaction and engagement levels. Conversely, Manufacturing showed lower scores, reflecting the impact of job nature, work conditions, and growth opportunities. Country-specific differences were also evident: nations like Canada, France, and Brazil demonstrated high alignment between satisfaction and engagement, while others, such as Argentina and Chile, reported lower outcomes. Interestingly, countries like the UK showed high engagement despite relatively low satisfaction, suggesting the influence of cultural or organizational factors.

While the data supports the hypothesis that satisfaction and engagement are interlinked, the study also highlights the importance of contextual variables, including culture, industry, and regional development, which moderate this relationship. The results underscore the need for customized HR strategies that account for both sector-specific and country-level dynamics in promoting a motivated, productive workforce.

## Future Recommendations

Future research should broaden the scope by including more sectors such as Education, Finance, and Retail to gain a fuller understanding of global job satisfaction and engagement patterns. Using longitudinal data would help track changes over time, while incorporating cultural and economic factors could explain regional differences more effectively. Studies should also aim to use individual-level data for deeper analysis and consider mixed methods to capture qualitative insights. Additionally, examining the impact of remote work, leadership styles, and organizational culture would provide a more holistic view of what drives employee satisfaction and engagement across diverse contexts.

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