



Impact of Employee Engagement on Job Satisfaction Among IT Employees in Bengaluru

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ABSTRACT

This study investigates the impact of employee engagement on job satisfaction among Information Technology (IT) employees in Bengaluru, India's foremost technology hub. Using a quantitative, cross-sectional survey design grounded in Social Exchange Theory (SET) and Herzberg's Two-Factor Theory, primary data were collected from 124 IT professionals across various organizations. Six determinants — work environment, compensation and rewards, career growth and development, work-life balance, leadership and managerial support, and employee engagement — were examined for their influence on overall job satisfaction using SPSS, including descriptive statistics, independent samples t-tests, one-way ANOVA, Pearson correlation, multiple linear regression, and mediation (path) analysis. The regression model achieved $R^2 = .596$, explaining 59.6% of variance in job satisfaction. Employee engagement emerged as the strongest predictor ($\beta = .439$, $p < .001$), followed by work-life balance ($\beta = .185$, $p = .031$) and work environment ($\beta = .140$, $p = .046$). Mediation analysis confirmed that employee engagement acts as a significant mediating variable between all five organizational factors and job satisfaction. Notably, demographic factors such as age and work experience did not significantly influence job satisfaction ($p > .05$), whereas education level produced a significant difference ($t = -4.505$, $p < .001$). The findings offer theoretical contributions to SET and Herzberg's Two-Factor Theory in the context of knowledge-work environments and carry practical implications for IT organizations seeking to improve worker well-being and reduce attrition.

Keywords: *employee engagement; job satisfaction; IT sector; work-life balance; leadership support; career development; Bengaluru; India*

1. INTRODUCTION

1.1 Background and Context

In today's rapidly evolving organizational landscape, human capital is widely recognized as the most decisive driver of sustained competitive advantage. The performance, commitment, and psychological well-being of employees directly determine how effectively organizations navigate a dynamic and demanding global marketplace. Among the many constructs explored in organizational behavior and human resource management, employee engagement and job satisfaction have gained exceptional prominence, particularly within knowledge-intensive industries such as information technology. These twin constructs are not merely academic abstractions — they represent measurable dimensions of the employment relationship that predict organizational productivity, talent retention, and long-term performance outcomes.

Employee engagement describes the degree to which individuals are emotionally invested, cognitively focused, and behaviorally energized in their work and their employing organization. Engaged employees actively contribute ideas, align their personal objectives with organizational



goals, and voluntarily extend effort beyond what is minimally required. In stark contrast, disengaged employees exhibit withdrawal, reduced motivation, and a higher propensity to leave — representing a substantial cost to organizations in terms of productivity loss and replacement expenditure. As a consequence, building and sustaining high levels of employee engagement has emerged as a strategic priority across sectors globally.

Job satisfaction, on the other hand, captures employees' cumulative evaluative and affective response to their work roles and work context. It encompasses perceptions of compensation equity, supervisory quality, career advancement opportunities, working conditions, and the intrinsic meaningfulness of work tasks. High job satisfaction is consistently associated with desirable organizational outcomes, including improved performance, reduced absenteeism, lower turnover intentions, and enhanced organizational citizenship behavior. Conversely, chronic dissatisfaction is a precursor to burnout, stress, and voluntary attrition — outcomes that organizations, especially in competitive sectors, can ill afford.

India's information technology sector is one of the most economically consequential industries in the country, contributing significantly to GDP and export revenues while generating employment for millions. The sector is characterized by high performance expectations, rapid technological change, and intense global competition. Despite offering attractive compensation packages and structured career pathways, IT organizations frequently grapple with elevated attrition rates and persistent concerns about employee disengagement. Bengaluru, widely recognized as the Silicon Valley of India, serves as the epicenter of this industry — hosting an expansive ecosystem of multinational corporations, mid-sized IT firms, and technology startups that collectively employ a large, diverse, and highly skilled workforce.

Within this environment, employees frequently encounter pressures associated with demanding workloads, tight project timelines, skill obsolescence concerns, and challenges in maintaining work-life equilibrium. These conditions create a compelling context in which understanding the determinants of job satisfaction and the role of employee engagement becomes both theoretically important and practically urgent. The present study addresses this need by empirically examining the key drivers of job satisfaction among IT professionals in Bengaluru, with particular focus on the mediating role of employee engagement.

1.2 Statement of the Research Problem

Despite the information technology sector's position as one of India's most economically significant industries, it continues to face persistent challenges related to employee satisfaction and retention. Reports indicate that only a small fraction of employees across organizations are actively engaged in their work, while the majority fall into categories of passive involvement or active disengagement (Gallup, 2023). This disengagement translates directly into reduced productivity, higher turnover rates, and significant organizational costs associated with recruitment, onboarding, and lost institutional knowledge.

The problem is particularly acute within Bengaluru's IT ecosystem, where the concentration of employers intensifies talent competition and where employees frequently cite concerns about work-life imbalance, unmet career expectations, and insufficient recognition as drivers of dissatisfaction and exit intentions (Deloitte, 2022). Although the sector offers substantial



financial rewards, employee expectations have evolved to encompass meaningful work, professional development, flexible working arrangements, and supportive organizational cultures — dimensions that many organizations have yet to address adequately.

From a research standpoint, while a substantial body of literature explores employee engagement and job satisfaction independently, there remains a deficit of empirical studies that examine these constructs together within the specific context of Bengaluru's IT workforce. Most existing research is either conducted in Western organizational settings or addresses the Indian IT sector at a general level without capturing the regional specificities of Bengaluru's labor market. Furthermore, few studies have tested the mediating role of employee engagement in the relationship between organizational factors and job satisfaction using a comprehensive multivariate framework with mediation analysis.

This study directly addresses these gaps. The central research problem is the insufficient empirical evidence on how employee engagement mediates the relationship between key organizational factors — work environment, compensation, career growth, work-life balance, and leadership support — and job satisfaction among IT employees in Bengaluru. Understanding these dynamics is essential for developing evidence-based HR strategies capable of meaningfully improving employee well-being and organizational effectiveness.

1.3 Research Objectives

The primary objective of this study is to examine the impact of employee engagement on job satisfaction among IT employees in Bengaluru, while also exploring the role of key organizational determinants. The specific objectives are:

- To assess the association among determinants of employee engagement.
- To assess the association between determinants of employee engagement and job satisfaction.
- To examine the mediating role of employee engagement in the relationship between organizational factors and job satisfaction.
- To evaluate demographic differences in job satisfaction across age groups, education levels, and work experience categories.

2. LITERATURE REVIEW AND HYPOTHESES

2.1 Theoretical Underpinnings

The present study is grounded in two complementary theoretical frameworks: Social Exchange Theory (SET; Blau, 1964) and Herzberg's Two-Factor Theory (Herzberg, 1959). Social Exchange Theory posits that organizational relationships are governed by a principle of reciprocity — when employees perceive that their organization provides fair compensation, supportive leadership, career growth opportunities, and a positive work environment, they respond with heightened engagement, commitment, and satisfaction. The theory explains why organizational investment in employee welfare produces measurable returns in terms of attitudinal and behavioral outcomes.



Herzberg's Two-Factor Theory distinguishes between hygiene factors — including salary, working conditions, job security, and organizational policies — and motivators — including recognition, achievement, meaningful work, and career advancement. Hygiene factors prevent dissatisfaction but do not independently generate satisfaction; motivators actively drive positive satisfaction and engagement. In the IT context, compensation and work environment function as hygiene factors, whereas career growth, leadership support, and engagement-related constructs operate as motivators that elevate satisfaction beyond neutral baselines. Together, these two theoretical lenses provide a comprehensive analytical framework for understanding how organizational practices simultaneously shape engagement and satisfaction.

2.2 Determinants of Employee Engagement and Job Satisfaction

2.2.1 Employee Engagement

Employee engagement, conceptualized by Kahn (1990) as the harnessing of organizational members' selves to their work roles, encompasses three dimensions: vigor (high energy and resilience), dedication (strong involvement and enthusiasm), and absorption (deep concentration in one's work). Subsequent research by Schaufeli et al. (2002) operationalized engagement through the Utrecht Work Engagement Scale (UWES), establishing it as a reliable predictor of organizational outcomes. Harter et al. (2002) demonstrated robust business-unit-level relationships between engagement and performance outcomes including customer satisfaction, productivity, and profitability. Saks (2006) further established that antecedents of engagement include perceived organizational support and job characteristics, while consequences include enhanced job satisfaction and reduced turnover intention.

H₆: Employee engagement has a significant positive influence on job satisfaction.

2.2.2 Work Environment

The work environment encompasses both the physical conditions and the psychological climate in which employees perform their tasks. Moos (1994) demonstrated that organizational climate dimensions — including cohesion, autonomy, and task orientation — significantly predict employee well-being. Bakker and Demerouti (2007), through the Job Demands-Resources model, established that supportive work conditions function as resources that buffer against stress and enhance engagement. Chandrasekar (2011) specifically identified physical comfort, resource availability, and interpersonal climate as contributors to employee performance and satisfaction in organizational settings.

H₁: Work environment has a significant positive influence on job satisfaction.

2.2.3 Compensation and Rewards

Compensation and rewards represent the totality of financial and non-financial benefits employees receive in exchange for their contributions. Heneman and Schwab (1985) demonstrated that pay satisfaction is a multidimensional construct with strong linkages to overall job satisfaction. Lawler (1971) established that perceived equity in compensation motivates employees and sustains performance. Milkovich and Newman (2008) extended this understanding by showing that compensation structures influence engagement and retention behaviors. Gupta and Shaw (2014)



further confirmed that performance-contingent rewards strengthen engagement levels, particularly in competitive professional contexts.

H₂: Compensation and rewards have a significant positive influence on job satisfaction.

2.2.4 Career Growth and Development

Career growth and development encompasses training, skill enhancement, promotion opportunities, and clear career progression pathways. Noe (1996) established that training and development programs improve employee capabilities, commitment, and satisfaction. Weng and McElroy (2012) found that perceived career growth opportunities significantly predict organizational commitment and engagement. De Vos, De Hauw, and Van der Heijden (2011) highlighted that employees who perceive future growth within their organization exhibit substantially lower turnover intention and higher workplace satisfaction. In the IT sector, where technological currency is a constant imperative, career development has particular salience.

H₃: Career growth and development has a significant positive influence on job satisfaction.

2.2.5 Work-Life Balance

Work-life balance refers to the ability of individuals to effectively manage professional responsibilities alongside personal life demands. Fisher, Bulger, and Smith (2009) described it as the minimization of interference between work and non-work domains. Greenhaus and Allen (2011) demonstrated strong associations between work-life balance quality and job satisfaction outcomes. In the Indian IT context, Poulouse and Sudarsan (2017) confirmed that flexible work arrangements, remote work options, and organizational policy support significantly enhance job satisfaction by reducing stress and improving psychological well-being. Haar et al. (2014) further reported cross-cultural evidence linking work-life balance to engagement and satisfaction.

H₄: Work-life balance has a significant positive influence on job satisfaction.

2.2.6 Leadership and Managerial Support

Leadership and managerial support encompasses supervisory communication, recognition of employee contributions, provision of constructive feedback, and effective guidance. House (1971), through Path-Goal Theory, established that leader behaviors that clarify paths to goals and remove obstacles directly influence employee motivation and satisfaction. Eisenberger et al. (2002) found that perceived supervisor support is a critical component of overall perceived organizational support, which in turn predicts engagement and satisfaction. Avolio and Bass (2004) demonstrated that transformational leadership, emphasizing inspiration and individualized consideration, positively influences job satisfaction outcomes. Breevaart et al. (2014) further showed that daily transactional and transformational leadership behaviors predict daily employee engagement levels.

H₅: Leadership and managerial support has a significant positive influence on job satisfaction.

3. METHODOLOGY

3.1 Research Design and Sample



This study adopts a quantitative, cross-sectional survey design consistent with the deductive research tradition, combining descriptive and analytical approaches. The target population comprised IT professionals employed across organizations in Bengaluru, including software developers, analysts, project managers, and support personnel from multinational corporations, mid-sized firms, and startups. Respondents were required to be currently employed in the IT sector in Bengaluru, with a minimum of one year of professional experience to ensure meaningful perceptions of workplace dynamics.

Data were collected through a structured Google Forms questionnaire distributed via email, professional networks, and peer referrals, following a simple random sampling approach. The final valid sample consisted of 124 respondents. The sample was predominantly young, with 65.3% aged between 20 and 25 years, and 18.5% between 26 and 30 years. In terms of educational profile, 61.3% held postgraduate qualifications while 38.7% held undergraduate degrees. Regarding work experience, 53.2% had less than one year of experience, 21.0% had one to three years, 12.1% had three to five years, and 13.7% had more than five years. This demographic profile is broadly representative of the entry-level and early-career composition of Bengaluru's IT workforce.

3.2 Measures

Work environment was measured using five items adapted from Moos (1994) and Sedarmayanti (2001), capturing physical working conditions, workplace safety, resource availability, and organizational climate. Compensation and rewards were assessed through five items adapted from Heneman and Schwab's (1985) Pay Satisfaction Questionnaire, covering salary satisfaction, incentive fairness, benefits, recognition, and market competitiveness. Career growth and development was operationalized through five items drawn from Noe (1996) and Weng and McElroy (2012), focusing on promotion opportunities, training programs, skill development, and organizational career support. Work-life balance was measured using five items adapted from Fisher et al. (2009), addressing work flexibility, personal life balance, stress management, and organizational policy support. Leadership and managerial support was assessed through five items adapted from Eisenberger et al. (2002) and House (1971), capturing supervisory support, communication quality, feedback provision, and leadership effectiveness.

Employee engagement was measured using six items from the Utrecht Work Engagement Scale (UWES; Schaufeli et al., 2002), capturing the vigor, dedication, and absorption dimensions of engagement. Job satisfaction, the dependent variable, was assessed using six items from the Minnesota Satisfaction Questionnaire (MSQ; Weiss et al., 1967), measuring overall contentment, sense of achievement, and affective response to the job. All items were rated on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).

3.3 Reliability

Internal consistency for all scales was assessed using Cronbach's alpha. All scales surpassed the acceptable threshold of .70 (Nunnally & Bernstein, 1994). Detailed reliability statistics are reported in Table 1.

Table 1. Reliability Statistics for All Measurement Scales (N = 124)

Scale	Items	Mean	SD	Cronbach's α
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Work Environment	5	3.59	0.92	.895
Compensation & Rewards	5	3.38	0.95	.872
Career Growth & Development	5	3.45	0.89	.850
Work-Life Balance	5	3.38	0.99	.852
Leadership & Managerial Support	5	3.49	0.96	.856
Employee Engagement (UWES)	6	3.64	0.84	.851
Job Satisfaction (MSQ)	6	3.58	0.88	.852

3.4 Analytic Strategy

Data were analysed using IBM SPSS Statistics. The analytic sequence was: (1) frequency analysis for demographic profiling; (2) descriptive statistics for construct summaries; (3) Cronbach's alpha reliability analysis; (4) independent samples t-test for education group comparison; (5) one-way ANOVA with post hoc analysis for age group and work experience comparisons; (6) Pearson bivariate correlation analysis; (7) multiple linear regression to test H_1-H_6 ; and (8) direct and indirect path analysis using the PROCESS macro (Hayes, 2018) with bootstrapping to examine the mediating role of employee engagement. All tests used $\alpha = .05$ as the significance threshold.

4. RESULTS

4.1 Sample Profile

The demographic profile of the 124 valid respondents revealed a predominantly young workforce, with 65.3% aged between 20 and 25 years. In terms of educational qualifications, 61.3% held postgraduate degrees while 38.7% held undergraduate qualifications. Most respondents (53.2%) had less than one year of professional experience, reflecting the early-career composition of Bengaluru's contemporary IT workforce. This demographic profile is relevant for interpreting demographic differences in satisfaction levels and aligns with the broader trend of youthful talent concentration in India's technology sector.

4.2 Descriptive Statistics

All seven primary constructs recorded composite means above 3.38 on the five-point scale (Table 2). Employee engagement recorded the highest mean among predictor variables ($M = 3.64$, $SD = .84$), indicating that respondents are moderately to highly engaged in their work. Work environment followed ($M = 3.59$, $SD = .92$), while leadership and managerial support ($M = 3.49$, $SD = .96$), career growth and development ($M = 3.45$, $SD = .89$), compensation and rewards ($M = 3.38$, $SD = .95$), and work-life balance ($M = 3.38$, $SD = .99$) reflected neutral to moderately positive perceptions. Job satisfaction, the dependent variable, recorded a mean of $M = 3.58$ ($SD = .88$), suggesting generally moderate to positive satisfaction levels across the sample.

Table 2. Descriptive Statistics for Study Constructs (N = 124)

Construct	N	Min	Max	Mean	SD	α
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Work Environment	124	1.00	5.00	3.59	0.92	.895
Compensation & Rewards	124	1.00	5.00	3.38	0.95	.872
Career Growth & Development	124	1.00	5.00	3.45	0.89	.850
Work-Life Balance	124	1.00	5.00	3.38	0.99	.852
Leadership & Managerial Support	124	1.00	5.00	3.49	0.96	.856
Employee Engagement	124	1.00	5.00	3.64	0.84	.851
Job Satisfaction	124	1.00	5.00	3.58	0.88	.852

Note. All variables measured on a 5-point Likert scale.

4.3 Group Differences: T-Tests and ANOVA

An independent samples t-test examined whether job satisfaction differed by education level. Employees with postgraduate qualifications reported significantly higher job satisfaction ($M = 3.84$) compared to those with undergraduate qualifications ($M = 3.16$), yielding $t(122) = -4.505$, $p < .001$, with a mean difference of -0.686 (95% CI: -0.987 to -0.384). This finding is robust across both equal and unequal variance assumptions, confirming that education level produces a genuine and meaningful difference in job satisfaction.

One-way ANOVA was conducted to examine whether job satisfaction differed across age groups and work experience categories. The analysis of variance for age produced $F(3, 120) = 0.069$, $p = .976$, indicating no statistically significant differences in job satisfaction across age groups. Similarly, ANOVA for work experience yielded $F(3, 120) = 0.118$, $p = .949$, confirming that experience level does not significantly differentiate job satisfaction among the sampled IT professionals. These non-significant results suggest that job satisfaction is determined more strongly by organizational and contextual factors than by individual demographic characteristics.

4.4 Correlation Analysis

Table 3 presents the Pearson correlation matrix. All relationships among constructs were statistically significant at $p < .001$. Employee engagement exhibited the strongest positive relationship with job satisfaction ($r = .699$), confirming its primacy as a predictor. Work-life balance followed closely ($r = .617$), with compensation and rewards ($r = .583$), career growth and development ($r = .578$), leadership and managerial support ($r = .544$), and work environment ($r = .481$) also demonstrating significant positive associations. The inter-correlations among independent variables ranged from moderate to strong ($r = .392$ to $.669$), suggesting meaningful structural linkages among organizational factors, while VIF values in subsequent regression analysis confirmed the absence of problematic multicollinearity.

Table 3. Pearson Correlation Matrix (N = 124)

	WE	CR	CRD	WLB	LMS	EE
WE	1.000	.429***	.472***	.466***	.409***	.392***
CR	.429***	1.000	.634***	.604***	.528***	.539***



CRD	.472***	.634***	1.000	.613***	.603***	.589***
WLB	.466***	.604***	.613***	1.000	.566***	.579***
LMS	.409***	.528***	.603***	.566***	1.000	.669***
EE	.392***	.539***	.589***	.579***	.669***	1.000
JS	.481***	.583***	.578***	.617***	.544***	.699***

Note. *** $p < .001$ (two-tailed). WE = Work Environment, CR = Compensation & Rewards, CRD = Career Development, WLB = Work-Life Balance, LMS = Leadership & Managerial Support, EE = Employee Engagement, JS = Job Satisfaction.

4.5 Regression Analysis

Multiple linear regression was conducted with job satisfaction as the dependent variable and all six constructs as predictors. The model was statistically significant ($F(6, 117) = 28.791, p < .001$) and explained 59.6% of the variance in job satisfaction ($R^2 = .596, \text{Adjusted } R^2 = .575$). All VIF values were below 3, confirming the absence of multicollinearity. Detailed regression results are presented in Table 4.

Table 4. Regression Results: Predictors of IT Employee Job Satisfaction (N = 124)

Predictor	B	Std. Error	β	t	p	VIF
(Constant)	0.245	0.269	—	0.908	.366	—
Employee Engagement	0.464	0.091	.439	5.093	< .001	2.11
Work-Life Balance	0.166	0.076	.185	2.184	.031	2.04
Work Environment	0.136	0.068	.140	2.017	.046	1.87
Compensation & Rewards	0.140	0.078	.150	1.804	.074	2.32
Career Growth & Development	0.062	0.088	.062	0.704	.483	2.56
Leadership & Managerial Support	-0.027	0.080	-.029	-0.332	.741	2.78

Note. Dependent variable: Job Satisfaction. $R^2 = .596, \text{Adjusted } R^2 = .575, F(6, 117) = 28.791, p < .001$.

Employee engagement was the strongest positive predictor of satisfaction ($\beta = .439, p < .001$), confirming H₆. Work-life balance was the second significant predictor ($\beta = .185, p = .031$), confirming H₄. Work environment also produced a statistically significant effect ($\beta = .140, p = .046$), confirming H₁. Compensation and rewards approached but did not reach significance at the .05 threshold ($\beta = .150, p = .074$), representing only partial support for H₂. Career growth and development ($\beta = .062, p = .483$) and leadership and managerial support ($\beta = -.029, p = .741$) did not reach statistical significance, leading to non-support for H₃ and H₅ as direct independent predictors. A summary of hypothesis testing outcomes is presented in Table 5.

Table 5. Summary of Hypothesis Testing Results

H	Hypothesis	β	p-value	Outcome
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H ₁	Work Environment → Job Satisfaction	.140	.046	Supported
H ₂	Compensation & Rewards → Job Satisfaction	.150	.074	Partial Support
H ₃	Career Growth & Development → Job Satisfaction	.062	.483	Not Supported
H ₄	Work-Life Balance → Job Satisfaction	.185	.031	Supported
H ₅	Leadership & Managerial Support → Job Satisfaction	-.029	.741	Not Supported
H ₆	Employee Engagement → Job Satisfaction	.439	< .001	Supported

5. DISCUSSION

5.1 Employee Engagement as the Dominant Driver

The identification of employee engagement as the strongest predictor of job satisfaction ($\beta = .439, p < .001$) is the study's most consequential finding and aligns squarely with the foundational predictions of Social Exchange Theory. When employees are emotionally invested, cognitively absorbed, and behaviorally energized in their roles, they generate a deeply positive affective relationship with their work — one that expresses itself as high job satisfaction. This finding is consistent with Kahn's (1990) original conceptualization of engagement as psychological presence and with the empirical literature documenting engagement-satisfaction linkages (Harter et al., 2002; Saks, 2006). The finding reinforces that for IT organizations in Bengaluru, engagement is not a soft HR metric but a structural determinant of employee satisfaction that deserves priority investment.

5.2 Work-Life Balance in the IT Context

The significant positive effect of work-life balance on job satisfaction ($\beta = .185, p = .031$) is particularly noteworthy in the IT sector context, where demanding project timelines, on-call expectations, and global team coordination regularly encroach upon personal time. The finding corroborates Greenhaus and Allen's (2011) framework that effective balance between professional and personal domains generates higher life and job satisfaction, and extends Haar et al.'s (2014) cross-cultural evidence into the Indian IT context. Critically, the relatively higher beta value compared to work environment underlines that temporal management and organizational policies enabling genuine balance — not merely nominal flexibility — are among the most impactful organizational levers available to IT employers.

5.3 Work Environment and Foundational Satisfaction

Work environment's significant but modest direct effect on satisfaction ($\beta = .140, p = .046$) positions it as a hygiene factor in the Herzbergian sense — necessary for baseline satisfaction but not a primary driver of elevated fulfillment. A supportive, safe, and resource-adequate work environment prevents dissatisfaction and establishes the foundational conditions under which engagement and intrinsic motivation can flourish. The JD-R framework (Bakker & Demerouti, 2007) supports this interpretation: physical and psychological work resources buffer against demands and sustain the capacity for engagement.

5.4 Compensation and the Mediation Pathway



Compensation's marginal non-significance as a direct predictor ($\beta = .150$, $p = .074$) is among the study's most theoretically interesting findings. Although compensation is strongly associated with job satisfaction in bivariate analysis ($r = .583$), its direct effect diminishes substantially when controlling for engagement and other organizational factors. The mediation analysis reveals that compensation operates primarily through an indirect pathway: fair pay increases engagement, and engagement subsequently drives satisfaction. This pattern resonates with Herzberg's classification of compensation as a hygiene factor — one that prevents dissatisfaction when adequately provided but does not independently generate high satisfaction. It also aligns with Deci and Ryan's (2000) Self-Determination Theory, which holds that intrinsic motivation — epitomized by engagement — exercises greater influence over satisfaction than extrinsic rewards alone.

5.5 Mediation and the Structural Role of Engagement

The mediation analysis using bootstrapping (Hayes, 2018) produced statistically significant indirect effects for all five organizational factors on job satisfaction through employee engagement, with none of the 95% confidence intervals crossing zero. This confirms employee engagement as a robust psychological mediating mechanism that translates favorable organizational conditions into felt job satisfaction. Work environment's indirect effect (0.32, CI: 0.20–0.45), leadership support's indirect effect (0.31, CI: 0.19–0.43), and career development's indirect effect (0.29, CI: 0.18–0.40) were particularly substantial. These findings extend Social Exchange Theory by demonstrating that the reciprocal relationship between organizational investment and employee satisfaction is not only direct but is substantially channeled through the psychological state of engagement. For HR practitioners, this implies that organizational improvements in any of these domains will generate satisfaction benefits not only directly but also through the reinforcement of engagement — creating compounding positive effects.

5.6 Demographic Non-Significance and the Primacy of Organizational Factors

The non-significant effects of age and work experience on job satisfaction ($p = .976$ and $p = .949$, respectively) carry a clear practical message: job satisfaction among IT employees in Bengaluru is structurally determined by organizational practices, not by who employees are. Whether employees are in their early twenties or mid-thirties, whether they have one year or five years of experience, what matters most is the quality of engagement, balance, leadership, and environment their organization provides. The significant education-level difference, however, suggests that organizations must be attentive to differential satisfaction experiences across educational backgrounds — potentially reflecting differences in role quality, autonomy, and career trajectory visibility between graduate and postgraduate employees.

6. IMPLICATIONS

6.1 Theoretical Implications

This study makes three principal theoretical contributions. First, it extends Social Exchange Theory into a knowledge-intensive employment context by demonstrating that the reciprocal dynamic between organizational investment and employee well-being is not only direct but is substantially mediated by employee engagement. The mediation evidence provides quantitative grounding for what SET predicts theoretically: engaged employees reciprocate organizational



support with higher satisfaction. Second, it extends Herzberg's Two-Factor Theory to the Indian IT sector by empirically distinguishing between hygiene-factor effects (work environment, compensation) and motivator-type effects (engagement, work-life balance), where the latter more powerfully and directly drive satisfaction. Third, the study contributes to the IT workforce literature in India by establishing a comprehensive multivariate model that explains nearly 60% of job satisfaction variance — a considerably larger proportion than single-factor studies — confirming that a multi-determinant view is necessary for adequate understanding.

6.2 Practical Implications for Platform Managers and HR

Three practical recommendations emerge with particular urgency from the findings. First, IT organizations should treat employee engagement as a strategic performance metric, not a soft HR outcome. Specific operational measures include designing roles with high autonomy, meaning, and feedback richness; instituting regular pulse surveys to monitor engagement trajectories; and creating manager accountability for team engagement scores. Engaged employees are measurably more satisfied — and satisfied employees are less likely to leave, more productive, and more committed to organizational goals.

Second, work-life balance must be institutionally embedded through concrete policies rather than rhetorical commitments. This means enforcing limits on after-hours communication expectations, providing genuine flexibility in work hours and location, and ensuring that workload distribution is equitable. The IT sector's chronic tendency toward overwork is empirically counterproductive: the present study confirms that work-life balance is the second most powerful direct predictor of job satisfaction, ahead of all other organizational factors except engagement.

Third, the finding that education-level differences produce significant satisfaction gaps suggests that organizations should design career pathways and growth opportunities that are inclusive and explicitly visible to employees across educational backgrounds. Employees with undergraduate qualifications report meaningfully lower satisfaction — a gap that may reflect differential access to challenging assignments, recognition, or advancement clarity. Addressing this structural inequity is both ethically appropriate and organizationally beneficial.

7. LIMITATIONS AND FUTURE RESEARCH

This study has four principal limitations. First, the sample size of 124, while statistically adequate for regression analysis, may constrain the precision of mediation estimates and limit generalizability across the full heterogeneity of Bengaluru's IT workforce, which spans diverse organizational types and role categories. Future research should target larger, stratified samples with representation across organization size, industry subsector, and seniority levels. Second, the cross-sectional design precludes causal inference. Longitudinal designs tracking engagement and satisfaction over time — and across organizational interventions — would enable more robust conclusions about causality and trajectory. Third, all constructs were measured through self-report, introducing the possibility of common method variance. Future work should incorporate behavioral outcome data (e.g., turnover records, performance evaluations) alongside self-reported attitudinal measures. Fourth, geographic restriction to Bengaluru limits applicability to other Indian IT hubs such as Hyderabad, Pune, or Chennai, where organizational cultures and workforce demographics may differ.



Future research should also explore additional determinants not examined here — including organizational justice, psychological safety, mentorship quality, and AI-driven performance monitoring — to develop a more comprehensive model of IT employee satisfaction. Given the accelerating diffusion of remote and hybrid work arrangements, investigating how work modality moderates the engagement-satisfaction relationship represents a particularly timely and consequential direction. Qualitative methods such as in-depth interviews and focus groups would complement the quantitative findings by surfacing contextually grounded insights into the lived experiences of IT professionals navigating these organizational dynamics.

8. CONCLUSION

This study examined the key determinants of job satisfaction among 124 IT employees in Bengaluru, with particular focus on the mediating role of employee engagement. All seven constructs recorded moderate to positive means on the five-point scale. The multiple regression model explained 59.6% of variance in job satisfaction, with employee engagement ($\beta = .439$), work-life balance ($\beta = .185$), and work environment ($\beta = .140$) emerging as statistically significant direct predictors. Mediation analysis confirmed that employee engagement serves as a significant psychological mediating mechanism through which all five organizational factors — work environment, compensation, career development, work-life balance, and leadership support — transmit their effects on job satisfaction.

These results carry an unambiguous message for IT organizations and HR professionals: job satisfaction among IT employees is structurally determined by organizational practices. Employee engagement is not a peripheral motivational exercise — it is the central mechanism through which all other organizational investments in people become felt as satisfaction. Work-life balance is not a peripheral benefit — it is the second most powerful direct driver of satisfaction in a sector notorious for work encroachment on personal life. A supportive work environment is not merely an amenity — it is a statistically significant foundational condition for satisfaction. And demographic characteristics like age and experience, so often the focus of segmentation strategies, are essentially irrelevant to satisfaction compared to the quality of the organizational environment employees inhabit.

As Bengaluru's IT workforce continues to grow and as the nature of technology work evolves through AI-driven automation and global distributed team structures, addressing these structural determinants of engagement and satisfaction will be essential for organizations that wish to attract, develop, and retain the human talent their competitiveness depends upon.

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