

**IMPACT OF EMPLOYEE ENGAGEMENT AND
RETENTION ON ORGANIZATIONAL PERFORMANCE IN
FEDERAL MEDICAL CENTRE, BIDA, NIGER STATE,
NIGERIA**

**¹Elijah Jiya KOLO, ²Jude KOLO; ³Abubakar Mohammed
NDANUSA, Ph.D & ⁴Dr. Abraham Sha'aba GANA**

¹Department of Human Resource Management Global Wealth
University, Lomé, Togo;

^{2&3}Umaru Sanda Ahmadu College of Education Minna
National Open University of Nigeria (NOUN)⁴

E-mail: ¹elijahkolo2@gmail.com

Abstract

This study examined the impact of employee engagement and retention on organizational performance at the Federal Medical Centre (FMC), Bida, Niger State, Nigeria. Guided by three objectives, the study employed a convergent parallel mixed-method design, integrating quantitative surveys and qualitative interviews to provide a holistic understanding of workforce behavior. A total of 400 staff were sampled from a population of 1,436 using stratified random sampling, with 386 valid questionnaires analyzed (96.5% response rate). Additionally, fifteen key informants were interviewed. Data were collected using the Employee Engagement, Retention, and Performance Questionnaire (EERPQ; $\alpha = 0.84$) and a semi-structured interview guide. Quantitative data were analyzed using descriptive statistics, Pearson correlation, and multiple regression, while qualitative data were subjected to thematic analysis. Results revealed high employee engagement ($M = 4.20$, $SD = 0.71$), moderate employee retention ($M = 4.05$, $SD = 0.74$), and high organizational performance ($M = 4.16$, $SD = 0.70$). Engagement and retention were positively correlated with performance ($r = 0.73$ and $r = 0.69$, $p < 0.001$), and jointly explained 67% of the variance in organizational performance ($R^2 = 0.67$, $F = 391.24$, $p < 0.001$). Qualitative interviews highlighted themes of recognition, communication, workload, and career development, complementing

the quantitative findings. The study concludes that high engagement and effective retention strategies significantly enhance organizational performance. It recommends that management implement structured engagement programs, fair reward systems, and professional development initiatives to sustain staff motivation, loyalty, and institutional productivity.

Keywords: Employee Engagement, Employee Retention, Organizational Performance, Public Healthcare, Federal Medical Centre Bida, Human Resource Management

Introduction

In the modern global economy, the success of organizations increasingly depends on their ability to attract, engage, and retain talented employees. Traditional measures of organizational performance, which focused largely on financial and operational efficiency, have evolved to include human factors such as employee satisfaction, commitment, and engagement (Bakker & Albrecht, 2018; Kennedy & Daim, 2023). This shift recognizes that employees are not merely factors of production but dynamic contributors to innovation, adaptability, and service quality. Employee engagement refers to the emotional and cognitive commitment employees have toward their jobs and the organization. This has therefore gained significant attention in organizational psychology and management studies, as it directly influences productivity, retention, and institutional effectiveness. Kahn (1990) described engagement as the “harnessing of organizational members' selves to their work roles,” highlighting that engaged employees express themselves physically, cognitively, and emotionally during performance. Engagement transcends job satisfaction, reflecting an individual's willingness to go beyond role requirements (Saks, 2019). In healthcare, such engagement is especially critical, as the quality of patient care depends directly on motivated, attentive, and proactive staff.

While engagement reflects employees' psychological connection to their work, retention addresses whether organizations can sustain that

connection over time. Employee retention involves strategies and policies that make employees feel valued and secure, including fair compensation, recognition, career development, and supportive work environments (Rao et al., 2021). High retention in healthcare ensures continuity of care, consistency in service delivery, and preservation of institutional knowledge, whereas high turnover can create skill gaps, disrupt services, and increase operational costs (Han & Hyun, 2015). Evidence from both public and private sectors suggests that engagement and retention are among the strongest predictors of organizational performance (Adebayo & Salami, 2020; Tsareva & Boldyhanova, 2020).

These global dynamics are particularly acute in emerging economies such as Nigeria. Employee engagement and retention have become pressing human resource challenges due to persistent migration of skilled workers and insufficient motivation within public institutions. Many public sector employees feel disconnected from organizational goals, partly because of bureaucratic management styles, inequitable reward systems, and limited promotion opportunities (Adeyemi & Ogundele, 2023). Consequently, job dissatisfaction and turnover are high, particularly in service-oriented sectors such as healthcare. Nigerian hospitals experience “brain drain,” with medical professionals leaving for better opportunities abroad, leaving public institutions understaffed and overburdened (Ogunleye & Adeoye, 2020).

The Federal Medical Centre (FMC), Bida, Niger State, is a tertiary healthcare institution established to provide specialized medical services to the region. Like many government-owned hospitals, FMC Bida faces challenges in managing its workforce effectively. Inadequate incentives, limited promotion prospects, and insufficient professional development programs have contributed to declining employee morale, potentially weakening the Centre's organizational performance. In this study, organizational performance is measured not only by patient satisfaction but also by efficiency, teamwork, and service delivery standards.

To date, most Nigerian studies on engagement and retention have focused on industrial or educational sectors, with relatively few examining public tertiary healthcare institutions or simultaneously analysing engagement, retention, and performance. Addressing this gap, the present study investigates the relationship between employee engagement, retention, and organizational performance at FMC Bida. By integrating quantitative survey data with qualitative insights from staff interviews, the study provides a comprehensive understanding of workforce behavior in a public healthcare context. The findings aim to inform policymakers and hospital administrators seeking evidence-based strategies to enhance employee motivation, reduce turnover, and improve overall organizational effectiveness in Nigeria's public health system.

Conceptual Framework

The conceptual foundation of this study is grounded in the relationship between employee engagement, employee retention, and organizational performance. Employee engagement refers to the psychological and emotional investment that employees make in their work, characterized by vigor, dedication, and absorption (Bakker & Albrecht, 2018). Engaged employees demonstrate enthusiasm, initiative, and alignment of personal goals with organizational objectives, which enhances productivity and service quality.

Employee retention focuses on maintaining a stable and committed workforce through practices such as fair remuneration, career development, supportive supervision, and recognition (Rao et al., 2021). Retention ensures that the benefits of engagement are sustained over time by reducing turnover, preserving institutional knowledge, and maintaining operational continuity. While engagement reflects employees' willingness to invest themselves in their roles, retention addresses the organization's ability to sustain that commitment.

Organizational performance represents the efficiency and effectiveness with which an organization achieves its objectives. In healthcare settings, performance extends beyond financial outcomes to include service delivery, patient satisfaction, staff productivity, and teamwork (Ogunleye & Adeoye, 2020).

The framework posits that employee engagement has a direct positive effect on organizational performance, while retention is expected to reinforce or sustain the effects of engagement. In other words, engaged employees are more likely to stay with the organization, and retained employees help maintain high engagement levels, creating a mutually reinforcing cycle that contributes to improved institutional outcomes. This conceptualization aligns with the study's research questions and hypotheses by focusing on both the individual effects of engagement and retention and their combined influence on organizational performance.

Textually, the causal relationship can be summarized as follows:

Employee Engagement Organizational Performance
Employee Engagement Employee Retention Organizational Performance (reinforcing effect)

Theoretical Framework

This study is anchored on Social Exchange Theory (SET) (Blau, 1964) and Herzberg's Two-Factor Theory (1959), which provide complementary perspectives for understanding employee engagement and retention.

Social Exchange Theory posits that employment relationships are based on reciprocal exchanges between the organization and its employees. When employees perceive fair treatment, recognition, and support, they are likely to reciprocate with commitment, loyalty, and discretionary effort (Cropanzano & Mitchell, 2005). In healthcare contexts, such reciprocity fosters trust, teamwork, and organizational citizenship behaviors. From a SET perspective, this

study expects that employees' perceptions of fair treatment, recognition, and organizational support will be associated with higher engagement, which, in turn, predicts improved organizational performance.

Herzberg's Two-Factor Theory distinguishes between hygiene factors (e.g., salary, supervision, working conditions) and motivators (e.g., achievement, recognition, growth opportunities). Hygiene factors prevent dissatisfaction, while motivators promote satisfaction and engagement (Herzberg, 1959). Applied to FMC Bida, the theory implies that while adequate pay and job security are essential, intrinsic motivators such as professional recognition and development opportunities are more critical in driving engagement and retention. Accordingly, this study expects that both hygiene factors and motivators will be reflected in employees' engagement and retention scores, contributing to higher organizational performance.

Together, these theories explain how the interplay of extrinsic and intrinsic factors shapes employees' attitudes and behaviors. In the context of FMC Bida, they suggest that improvements in both basic working conditions and intrinsic motivators should translate into stronger engagement, higher retention, and enhanced performance. By linking theory to measurable outcomes, these perspectives justify the study's focus on the relationship between employee engagement, retention, and organizational performance.

Statement of the Problem

The success of any healthcare institution depends largely on the effectiveness and stability of its workforce. In many Nigerian public hospitals, including FMC Bida, staff disengagement and turnover have become persistent challenges. Anecdotal reports from hospital staff and internal human resource records suggest that employees face limited professional advancement, heavy workloads, and insufficient recognition, contributing to declining morale and frequent exits. These challenges undermine organizational efficiency, patient satisfaction, and overall service quality. While

engagement and retention are widely acknowledged as vital for performance, existing initiatives in FMC Bida appear to be implemented on an ad hoc basis, with limited evidence of a comprehensive engagement and retention strategy. Engagement programs are irregular, and retention policies lack consistent application. As a result, the organization struggles to maintain a motivated and stable workforce capable of delivering high-quality healthcare.

Empirical studies examining the linkage between engagement, retention, and organizational performance in Nigerian healthcare institutions remain scarce. Without such evidence, management is limited in its ability to design interventions that effectively improve staff morale and institutional outcomes. Accordingly, this study investigates how employee engagement and retention jointly influence organizational performance at FMC Bida, with the aim of identifying sustainable strategies to strengthen workforce motivation, reduce turnover, and enhance institutional growth.

Objectives of the Study

The study is guided by the following objectives:

- i. To determine the relationship between employee engagement and organizational performance in FMC Bida.
- ii. To examine the relationship between employee retention and organizational performance in FMC Bida.
- iii. To assess the combined effect of engagement and retention on organizational performance and derive practical strategies based on the findings.

Research Hypotheses

The following null hypotheses were tested at the 0.05 level of significance:

H₀1: There is no significant relationship between employee engagement and organizational performance.

H₀2: There is no significant relationship between employee retention and organizational performance.

H₀₃: Employee engagement and retention have no combined significant effect on organizational performance.

Methodology

This study adopted a convergent parallel mixed-method research design (Creswell & Plano Clark, 2018), combining quantitative and qualitative approaches to gain a holistic understanding of how employee engagement and retention influence organizational performance at FMC Bida. In this design, quantitative and qualitative data were collected concurrently, analyzed separately, and then integrated during interpretation to deepen understanding and triangulate findings. The quantitative aspect employed a descriptive correlational approach to examine the nature and strength of relationships among variables without manipulation, while the qualitative aspect used an interpretivist approach through semi-structured interviews to capture employees' lived experiences. The study population comprised all 1,436 staff of FMC Bida, including doctors, nurses, pharmacists, administrative staff, technicians, and support workers, since organizational performance in healthcare depends on the collective input of clinical and non-clinical employees. Full-time staff with at least six months of service were included, while temporary workers and interns were excluded. A sample size of 400 respondents was determined using Krejcie and Morgan's (1970) table, and a stratified random sampling technique was applied. The population was divided into three strata which include medical personnel, administrative staff, and technical/support staff and respondents were randomly selected from each stratum to minimize bias. In addition, fifteen key informants, including departmental heads and senior officers familiar with engagement and retention policies, were purposively selected for interviews.

Data were collected using a structured questionnaire, the Employee Engagement, Retention, and Performance Questionnaire (EERPQ), and a semi-structured interview guide. The questionnaire consisted of four sections covering demographics, engagement, retention, and

organizational performance. Engagement was measured with 10 items, retention with 8 items and organizational performance with 7 items, all rated on a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. No items were reverse-coded. Reliability analysis yielded Cronbach's $\alpha = 0.84$ overall, with subscales showing strong internal consistency (engagement $\alpha = 0.85$, retention $\alpha = 0.81$, performance $\alpha = 0.83$). The interview guide explored participants' perceptions of recognition, communication, workload, and professional growth opportunities. Interviews were conducted in English by the researcher and a trained assistant, lasted 20–30 minutes, and were audio-recorded with consent. Member checking was conducted to ensure accurate interpretation of the transcripts. The validity of the instruments was established through expert review by three human resource management scholars, and a pilot study involving 40 employees from another Federal Medical Centre in Minna was conducted to refine the instruments. For qualitative data, inter-coder agreement was used to ensure reliability, with two independent coders confirming thematic alignment.

Data collection spanned four weeks. Ethical clearance was obtained from FMC Bida's Research and Ethics Committee. The researcher and two trained assistants personally administered the questionnaires to ensure accuracy and high response rates. Participation was voluntary, and respondents were informed of their right to withdraw at any time. Of 400 questionnaires distributed, 386 were returned, representing a 96.5% response rate. Missing data, which were minimal (<2%), were handled via listwise deletion. Quantitative data were analyzed using SPSS version 28. Descriptive statistics, including means and standard deviations, summarized respondents' scores. Inferential analyses involved Pearson correlation and multiple regression, with assumptions of linearity, normality, homoscedasticity, and multicollinearity checked and met prior to analysis. Qualitative data were analyzed using thematic analysis (Braun & Clarke, 2019), involving familiarization, coding, inductive theme generation, and interpretation. Key qualitative themes were later integrated with quantitative results to provide deeper insights into the patterns observed.

Ethical principles guided all stages of the study. The research adhered to the APA (2020) ethical code, ensuring voluntary participation, confidentiality, and respect for participants' autonomy. No identifying information was included in the final report, and audio recordings were securely deleted after transcription. The convergent parallel mixed-method design was justified because it allowed for triangulation of findings, enhancing reliability and credibility. Quantitative results identified statistical relationships, while qualitative insights provided contextual understanding, offering a comprehensive assessment of how engagement and retention affect performance in a public healthcare context.

Research Question One

What is the level of employee engagement among staff of the Federal Medical Centre, Bida?

Table 1: Descriptive Statistics on Employee Engagement

Items on Employee Engagement	N	Mean	SD	Remark
I feel enthusiastic about my job responsibilities.	386	4.27	0.68	Agree
My work gives me a sense of personal accomplishment.	386	4.18	0.71	Agree
Management recognizes employees who perform well.	386	4.12	0.74	Agree
I feel motivated to go beyond what is expected of me.	386	4.23	0.69	Agree
There is effective communication between management and staff.	386	4.06	0.76	Agree
I am proud to be associated with this organization.	386	4.36	0.65	Agree
Grand Mean		4.20	0.71	High Engagement

Table 1 presents the descriptive statistics on employee engagement among staff at FMC Bida. The grand mean score of 4.20 with a standard deviation of 0.71 indicates that respondents generally reported a high level of engagement in their work. Most respondents agreed that they feel enthusiastic about their job responsibilities, experience a sense of personal accomplishment, and are motivated to perform beyond what is expected of them. The item with the highest mean score (4.36) shows that many employees are proud to be associated with the organization. This reflects a strong sense of identification with the institution. In addition, recognition for good performance and communication between management and staff also received positive responses, suggesting that these factors contribute to employees' positive attitudes toward their work. Out of the 400 questionnaires distributed, 386 were completed and returned, giving a response rate of 96.5%. Information about the non-respondents was not available; therefore, it was not possible to determine whether any meaningful differences existed between those who responded and those who did not. Consequently, potential non-response bias could not be assessed.

Research Question Two

What is the level of employee retention at the Federal Medical Centre, Bida?

Table 2: Descriptive Statistics on Employee Retention

Items on Employee Retention	N	Mean	SD	Remark
Employees are fairly rewarded for their contributions.	386	4.01	0.77	Agree
Opportunities for professional growth are provided	386	4.14	0.72	Agree
Job security is guaranteed in this organization.	386	4.08	0.70	Agree
Employees are satisfied with the welfare benefits	386	3.98	0.79	Agree

Items on Employee Retention	N	Mean	SD	Remark
Staff turnover is minimal in this organization.	386	4.06	0.73	Agree
There are clear promotion and advancement policies.	386	4.02	0.76	Agree
Grand Mean		4.05	0.74	Moderate Retention

Table 2 presents a Grand mean score of 4.05 with a standard deviation of 0.74, indicating a moderate level of employee retention at FMC Bida. Respondents generally agreed that they receive fair rewards, job security, and opportunities for professional growth, although satisfaction with welfare benefits was slightly lower. The relatively low variability in responses (SD 0.79) suggests a shared perception of retention practices across staff categories. These findings indicate that while retention measures are in place and functional, their implementation may not be fully consistent across all departments. For consistency, the descriptor “moderate” is applied throughout the Abstract, Results, and Discussion to represent the retention level measured on the study's 5-point Likert scale.

Research Question Three

What is the perceived level of organizational performance at the Federal Medical Centre, Bida?

Table 3: Descriptive Statistics on Organizational Performance

Items on Employee Retention	N	Mean	SD	Remark
Employees work efficiently to achieve organizational goals.	386	4.22	0.67	Agree
Patients are satisfied with the services rendered	386	4.18	0.70	Agree
Departments collaborate effectively to deliver healthcare.	386	4.10	0.74	Agree

Items on Employee Retention	N	Mean	SD	Remark
The hospital maintains high service standards	386	4.09	0.72	Agree
Staff are committed to continuous improvement.	386	4.21	0.68	Agree
Grand Mean		4.16	0.70	High Performance

The Grand mean of 4.16 and standard deviation of 0.70 reveal that employees perceive organizational performance at FMC Bida to be high. Respondents agreed that they perform their duties efficiently, that patients are satisfied, and that teamwork contributes to service quality. These findings suggest that the institution demonstrates operational effectiveness despite existing challenges.

Hypotheses

Hypothesis One

H₀1: There is no significant relationship between employee engagement and organizational performance in FMC Bida.

Table 4: Correlation Analysis Between Employee Engagement and Organizational Performance

Variables	N	r	Sig. (p)	Decision
Engagement–Performance	386	0.73	0.000	Reject H ₀ 1

Table 4 show the Pearson correlation between Employee Engagement and Organizational Performance. The coefficient ($r = 0.73, p < 0.05$) indicates a strong positive and statistically significant relationship between employee engagement and organizational performance. Therefore, H₀ is rejected. This implies that higher engagement among employees contributes significantly to improved institutional performance.

Hypothesis Two

H₀₂: There is no significant relationship between employee retention and organizational performance in FMC Bida.

Table 5: Correlation Analysis Between Employee Retention and Organizational Performance

Variables	N	r	Sig. (p)	Decision
Retention–Performance	386	0.69	0.000	Reject H ₀₁

Table 5 show the Correlation Analysis Between Employee Retention and Organizational Performance. The correlation coefficient ($r = 0.69$, $p < 0.05$) reveals a significant positive relationship between employee retention and organizational performance. H₀ is therefore rejected. This shows that retention initiatives such as promotion fairness, job security, and growth opportunities play a crucial role in driving performance.

Hypothesis Three

H₀₃Employee engagement and retention have no combined significant effect on organizational performance in FMC Bida.

Table 6: Regression Analysis Showing Combined Effect of Engagement and Retention on Organizational Performance

Predictor	B	SE	B	p-value
Engagement	0.48	0.03	0.51	< .001
Retention	0.35	0.04	0.37	< .001
Model Summary	R = 0.82	R² = 0.67	Adj R² = 0.66	F(2, 383) = 391.24, p < .001
Decision	—	—	—	Reject H ₀₃

Table 6 Multiple regression analysis revealed that engagement and retention jointly explained 67% of the variance in performance ($R^2 = 0.67$, $F = 391.24$, $p < 0.001$). H₀ is rejected. Unstandardized and

standardized coefficients indicate that both engagement ($\beta = 0.52, p < 0.001$) and retention ($\beta = 0.47, p < 0.001$) are significant predictors. Multicollinearity diagnostics showed $VIF < 2$, confirming no collinearity issues. Qualitative findings complement this, showing that engagement and retention operate synergistically to strengthen teamwork, service quality, and institutional efficiency.

Qualitative Findings

Table 7: Key Qualitative Themes from Interviews

Theme	Description / Insight	Related Quantitative Findings
Recognition and Communication	Employees value timely acknowledgment and open communication with management.	High engagement: pride in organization (M = 4.36), recognition (M = 4.12)
Career Development Constraints	Limited promotions and professional training reduce retention.	Moderate retention (M = 4.05); lower welfare/advancement scores
Workload and Support	High workload and inconsistent support impact engagement and retention.	Motivation beyond expectations (M = 4.23); fair rewards (M = 4.01)
Professional Growth and Pride	Opportunities for learning and personal growth sustain engagement.	Personal accomplishment (M = 4.18); overall high engagement (M = 4.20)
Teamwork and Collaboration	Positive team dynamics improve organizational performance.	High organizational performance (M = 4.16); strong correlations with engagement and retention

The qualitative findings complement the quantitative results by providing deeper insights into employees' experiences within the organization. Interview responses indicate that recognition and effective communication from management significantly enhance employee engagement, as participants frequently expressed pride in being associated with the organization when their contributions are acknowledged.

At the same time, respondents highlighted constraints in career development, including limited promotion opportunities and insufficient training programs. These concerns help explain why

retention levels are moderate despite the high engagement scores recorded in the quantitative analysis. Participants also reported workload pressures and inconsistent managerial support, suggesting that while employees remain motivated to perform beyond expectations, heavy responsibilities can affect long-term commitment to the organization.

Furthermore, many respondents emphasized professional growth and personal accomplishment, indicating that opportunities for learning and skill development contribute to sustained engagement. Finally, the interviews revealed that teamwork and collaboration play a vital role in enhancing organizational performance, aligning with the strong statistical relationships found between engagement, retention, and performance in the quantitative results.

Discussion of Findings

The findings of this study provide compelling evidence that employee engagement and retention are crucial determinants of organizational performance at the Federal Medical Centre (FMC), Bida, Niger State. Overall, employees demonstrated a high level of engagement ($M = 4.20$, $SD = 0.71$) and a moderate level of retention ($M = 4.05$, $SD = 0.74$), both of which corresponded with a high perceived level of organizational performance ($M = 4.16$, $SD = 0.70$). These results underscore the significant influence of workforce-related factors on institutional effectiveness, particularly in the healthcare sector, where service delivery relies heavily on both clinical and non-clinical staff commitment, continuity, and collaboration. The findings suggest that fostering engagement and retention is central to sustaining quality outcomes, efficiency, and staff morale within such complex organizational environments.

The study revealed that employee engagement is strongly positively correlated with organizational performance ($r = 0.73$, $p < 0.001$), leading to the rejection of the null hypothesis that there is no

significant relationship. This outcome aligns with Social Exchange Theory (Blau, 1964), which posits that employees reciprocate fair treatment, recognition, and organizational support with higher commitment, discretionary effort, and improved performance outcomes. At FMC Bida, the engagement item with the highest score was employees' pride in the organization ($M = 4.36$, $SD = 0.65$), reflecting a strong sense of organizational identification and emotional investment in work responsibilities. Qualitative interviews reinforced this finding, with staff frequently noting that recognition, transparent communication, and acknowledgment of individual effort by management significantly motivated them. Employees reported that being valued and informed increased their enthusiasm and willingness to exceed basic job expectations. Taken together, these results indicate that engagement goes beyond task completion; it fosters discretionary effort, proactive contribution, and organizational citizenship behaviors, all of which enhance service quality, operational efficiency, and teamwork within the institution.

Similarly, the analysis showed a significant positive relationship between employee retention and organizational performance ($r = 0.69$, $p < 0.001$), resulting in the rejection of the corresponding null hypothesis. While retention was rated at a moderate level, qualitative findings suggested that inconsistencies in promotion pathways, limited access to professional development opportunities, and variability in welfare benefits constrained long-term staff commitment. These observations are consistent with Herzberg's Two-Factor Theory (1959), which emphasizes that hygiene factors such as job security, fair remuneration, and working conditions prevent dissatisfaction, while motivators such as recognition, achievement, and career advancement drive job satisfaction and engagement. Retention ensures workforce stability, reduces knowledge and skill loss, and maintains continuity in patient care, all of which are essential for sustainable organizational performance in healthcare settings. The qualitative data further highlighted that

employees perceive retention challenges when career advancement and professional growth opportunities are unclear, indicating that institutionalizing formal retention policies could strengthen loyalty and continuity within the organization.

The multiple regression analysis demonstrated that employee engagement and retention jointly explained 67% of the variance in organizational performance ($R^2 = 0.67$, $F = 391.24$, $p < 0.001$), confirming the synergistic relationship between these factors and supporting the rejection of the null hypothesis regarding their combined effect. Both predictors contributed significantly to performance outcomes, with engagement ($B = 0.41$, $\beta = 0.45$, $p < 0.001$) and retention ($B = 0.37$, $\beta = 0.40$, $p < 0.001$) showing strong positive effects. This synergy indicates that engagement drives motivation, discretionary effort, and proactive behaviors, while retention ensures stability, institutional memory, and organizational loyalty. Together, these factors form a reinforcing cycle that strengthens performance across key indicators such as operational efficiency, teamwork, and patient satisfaction. Qualitative insights corroborated this finding, as staff emphasized that recognition, career development, workload management, and communication collectively influence both engagement and retention, highlighting the interconnected nature of workforce strategies. These results are consistent with previous studies suggesting that human resource practices targeting both engagement and retention are crucial predictors of institutional productivity (Kennedy & Daim, 2023; Adebayo & Salami, 2020).

The findings reinforce the notion that engagement and retention are mutually reinforcing. Highly engaged employees are more likely to remain with the organization, while retained employees help sustain engagement over time (Bakker & Albrecht, 2018). The high engagement observed at FMC Bida, particularly regarding pride, motivation, and recognition, aligns with Saks (2019), who reported that employees respond positively to perceived fairness, inclusion,

and acknowledgment. The moderate retention levels highlight the need for more institutionalized policies to strengthen career progression, welfare benefits, and professional growth, as emphasized by Rao et al. (2021) and Han & Hyun (2015). Qualitative insights further supported these observations, revealing challenges such as inconsistent promotions, limited professional development, and workload pressures that could undermine long-term staff retention and performance outcomes.

From a theoretical perspective, this study extends the application of Social Exchange Theory and Herzberg's Two-Factor Theory to the Nigerian tertiary healthcare context. The findings indicate that fair treatment, recognition, and professional development (SET), together with the combination of hygiene and motivator factors (Herzberg), are central to sustaining employee engagement and retention. These theoretical frameworks provide a robust explanation for why engagement and retention jointly predict organizational performance, particularly in public healthcare institutions operating under constrained resources and limited pay structures. They also highlight that both extrinsic and intrinsic motivators must be strategically managed to maintain a motivated, loyal, and high-performing workforce.

The practical implications of these findings are significant. For FMC Bida and similar healthcare institutions, management should implement structured engagement programs that recognize high-performing staff, provide regular feedback, and maintain open communication channels rather than relying on ad hoc initiatives. Clear professional development and career advancement pathways, including targeted training and mentorship programs, can enhance retention and motivate employees to perform at higher levels. Ensuring equitable pay, comprehensive welfare benefits, and performance-linked incentives is essential to reinforce both engagement and retention. Finally, integrating engagement, retention, and professional development strategies can create a

virtuous cycle, in which engagement drives retention and retention sustains engagement, ultimately enhancing organizational performance, teamwork, and patient satisfaction. By addressing both intrinsic and extrinsic factors, management can build a stable, motivated, and productive workforce capable of delivering high-quality healthcare services consistently.

Conclusion

This study investigated the effects of employee engagement and retention on organizational performance at the Federal Medical Centre (FMC), Bida, Niger State. The findings provide strong evidence that both engagement and retention are critical determinants of institutional effectiveness. Employees at FMC Bida demonstrated high engagement and moderate retention, both of which were associated with high perceived organizational performance. Quantitative analyses revealed that engagement alone significantly predicts performance ($r = 0.73$, $p < 0.001$), retention alone also contributes meaningfully ($r = 0.69$, $p < 0.001$), and the combined effect of engagement and retention explains 67% of the variance in performance ($R^2 = 0.67$, $p < 0.001$). Qualitative insights further confirmed that recognition, career development, workload management, and communication are central to sustaining engagement and retention.

The results highlight that engaged employees are more likely to demonstrate discretionary effort, motivation, and pride in their work, while retained employees provide stability, continuity, and institutional memory. Together, these factors operate synergistically to enhance service delivery, teamwork, and patient satisfaction. These findings extend the application of Social Exchange Theory and Herzberg's Two-Factor Theory to Nigerian tertiary healthcare contexts, demonstrating that fair treatment, recognition, and a combination of hygiene and motivator factors are essential for sustained workforce performance.

Recommendations

Based on the findings and conclusions of this study, the following recommendations are made:

1. Management should adopt structured engagement frameworks that promote communication, participation in decision-making, and recognition of performance.
2. The Federal Medical Centre, Bida, should strengthen its retention mechanisms through transparent promotion procedures, professional development programs, and fair compensation. Staff welfare and healthcare support should also be prioritized to sustain motivation.
3. Leadership development initiatives should be introduced to enhance supervisors' capacity to motivate and support subordinates. Experienced staff can be assigned mentorship roles to reduce turnover and encourage professional continuity.
4. Management should consider flexible work schedules and staff welfare initiatives that minimize stress and burnout, especially among healthcare workers in demanding departments.
5. Periodic assessments of engagement and retention metrics should be conducted to evaluate progress and inform policy adjustments. Employee satisfaction surveys can serve as diagnostic tools for identifying emerging workforce challenges.

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