

ISSN (ONLINE) 2598 9928



INDONESIAN JOURNAL OF LAW AND ECONOMIC
PUBLISHED BY
UNIVERSITAS MUHAMMADIYAH SIDOARJO

Table Of Contents

Journal Cover	1
Author[s] Statement	3
Editorial Team	4
Article information	5
Check this article update (crossmark)	5
Check this article impact	5
Cite this article.....	5
Title page	6
Article Title.....	6
Author information	6
Abstract.....	6
Article content	7

Originality Statement

The author[s] declare that this article is their own work and to the best of their knowledge it contains no materials previously published or written by another person, or substantial proportions of material which have been accepted for the published of any other published materials, except where due acknowledgement is made in the article. Any contribution made to the research by others, with whom author[s] have work, is explicitly acknowledged in the article.

Conflict of Interest Statement

The author[s] declare that this article was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

Copyright Statement

Copyright © Author(s). This article is published under the Creative Commons Attribution (CC BY 4.0) licence. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this licence may be seen at <http://creativecommons.org/licences/by/4.0/legalcode>

Indonesian Journal of Law and Economics Review

Vol. 21 No. 3 (2026): Agustus
DOI: 10.21070/ijler.v21i3.1634

EDITORIAL TEAM

Editor in Chief

Dr. Wisnu Panggah Setiyono, Universitas Muhammadiyah Sidoarjo, Indonesia ([Scopus](#)) ([Sinta](#))

Managing Editor

Rifqi Ridlo Phahlevy , Universitas Muhammadiyah Sidoarjo, Indonesia ([Scopus](#)) ([ORCID](#))

Editors

Noor Fatimah Mediawati, Universitas Muhammadiyah Sidoarjo, Indonesia ([Sinta](#))

Faizal Kurniawan, Universitas Airlangga, Indonesia ([Scopus](#))

M. Zulfa Aulia, Universitas Jambi, Indonesia ([Sinta](#))

Sri Budi Purwaningsih, Universitas Muhammadiyah Sidoarjo, Indonesia ([Sinta](#))

Emy Rosnawati, Universitas Muhammadiyah Sidoarjo, Indonesia ([Sinta](#))

Totok Wahyu Abadi, Universitas Muhammadiyah Sidoarjo, Indonesia ([Scopus](#))

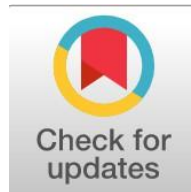
Complete list of editorial team ([link](#))

Complete list of indexing services for this journal ([link](#))

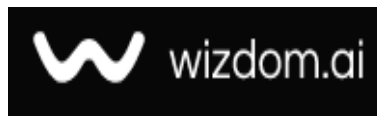
How to submit to this journal ([link](#))

Article information

Check this article update (crossmark)



Check this article impact (*)



Save this article to Mendeley



(*) Time for indexing process is various, depends on indexing database platform

Happiness and Its Impact on Employee Job Engagement at Diyala University

Kareem Sihoud Karam, kareem.kareem@uodiyala.edu.iq (*)

Department of Public Administration, College of Administration and Economics, University of Diyala, 32001, Diyala, Iraq

Hamza Adnan Hashim, hamzalklany@uodiyala.edu.iq

Presidency of University of Diyala, 32001, Diyala, Iraq

(*) Corresponding author

Abstract

General Background Modern academic institutions increasingly rely on psychological resources to foster active employee engagement and organizational performance. **Specific Background** Although happiness is recognized as a vital workplace asset, its structural dimensions require empirical evaluation within university environments. **Knowledge Gap** How distinct facets of happiness—specifically virtue, self-management, and eudaimonic well-being—differentially drive job engagement remains insufficiently operationalized. **Aims** This study investigates the predictive relationships between these three happiness dimensions and employee job engagement among higher education staff. **Results** Empirical analysis ($N = 100$) demonstrates that happiness dimensions explain 83% of variance in engagement ($R^2 = 0.83$), with self-management ($\beta = 0.33, p < 0.01$) and eudaimonic well-being ($\beta = 0.34, p < 0.01$) serving as primary positive predictors. **Novelty** The findings uncover a structural paradox where virtue correlates strongly with engagement ($r = 0.87$) yet lacks a direct predictive effect in multivariate modeling. **Implications** Organizations must prioritize self-regulation practices and meaningful work design over abstract ethical statements.

Keywords : Happiness Dimensions, Job Engagement, Self-Management, Eudaimonic Well-Being, Workplace Flourishing

Key Findings Highlights

Self-management and eudaimonic well-being directly predict higher workforce engagement levels.

Combined happiness dimensions account for eighty-three percent of total engagement variance.

Ethical virtue requires concrete operational management tools to generate direct behavioral involvement.

Published date: 2026-08-22

Introduction

With a history of working within the human resources field and many opportunities to explore the area, it has become clear that an organization will flourish based on not only what materials they have available but also their ability to offer an environment that provides a level of attraction and support to their employees, which allows them to both bring in skilled people and maintain good people. The major portion of success will come from developing intangible values, such as love, trust, loyalty, justice and hope. If happiness is provided throughout the entire organization, from top down to bottom, then employees will have greater attachment to and identification with the organization thereby enhancing their level of engagement and commitment to the organization. As the world continues to change at such a rapid pace and presents greater challenges both materially and morally, relying only on financial capital, technological advancement or modern production techniques will no longer provide an organization with the means to survive. To be successful over the long term, business's must use intangible resources like happiness strategically as an element of their success strategy.

This research will explore the role that happiness plays in generating job engagement among the human resource workforce, specifically as it relates to an employment setting in an academic institution. Academic institutions such as universities are considered "pillar institutions" in terms of their contributions to the development of society and the advancement of knowledge and therefore creating a motivating and supportive work environment for faculty, employees, and students is critical to building a highly educated and progressive society. Therefore, a major purpose of this study is to identify happiness as a key determinant of enhancing job engagement and improving the effectiveness of organizations, as well as to add to the theoretical and practical knowledge of the relationships between these two variables. Other objectives of this study will include developing reliable and valid measures for evaluating happiness and job engagement and providing organizations with practical recommendations on how to maximize their human, intellectual, psychological, and social resources in order to improve the overall productivity of employees, faculty, and students at their respective universities, with a specific focus on the role of Iraqi universities.

The study undertakes a central question of how people define happiness in terms of material accomplishments (obtained through money), or how happiness can be seen as moral satisfaction or realization of self (self-actualization). Thus, the main question being asked is whether happiness is essential for work engagement. In addition to the main question, sub-questions are provided to investigate the theoretical bases of happiness, the relationship between happiness and work engagement, the extent to which happiness influences work engagement and the level of happiness that can be offered and promoted by the organization being studied. Taking this into consideration, the study has two main hypotheses. The first hypothesis predicts a statistically significant correlation between happiness and job engagement, while the second hypothesis predicts that happiness will have a statistically significant effect on job engagement. Additionally, both of these hypotheses will be divided into sub-hypotheses based on the dimensions of happiness, including causal, self-reference, and happiness derived from a sense of virtue. The sub-hypotheses will also examine the relationships and effects of the three dimensions of happiness regarding job engagement.

The study structure consists of four main parts to meet the goals of the research. Research methodology encompasses the problem, objectives and questions; theoretical background on the subject of happiness includes dimensions and sources of happiness and mechanisms for applying happiness; the empirical section of the research will encompass measurement of the independent variable and dependent variables of the three dimensions and sources of happiness; and finally, the recommendations and findings will be provided in a separate section. The overall framework of the research will be demonstrated in the diagram on the next page..

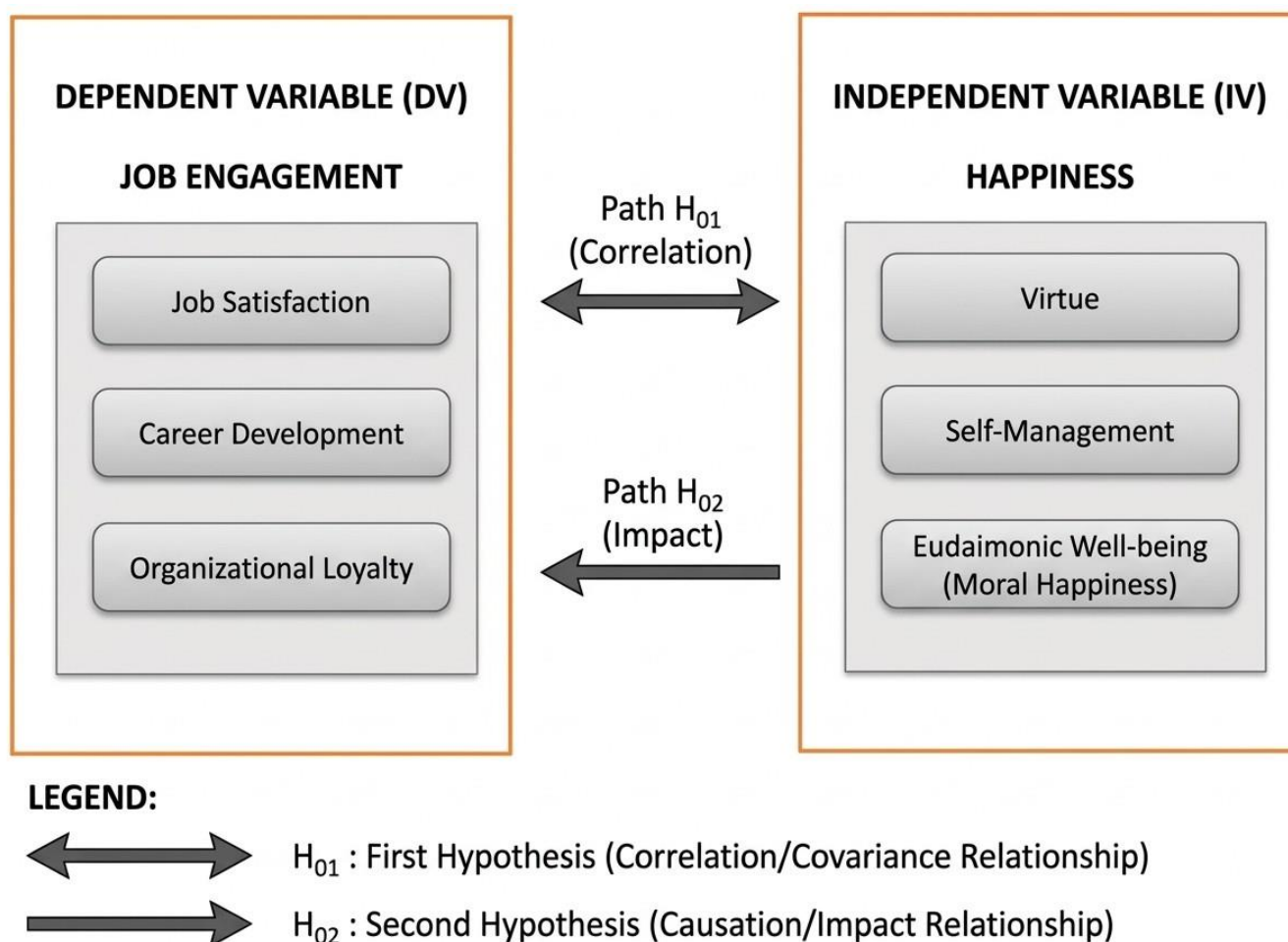


Figure 1.

Figure (1): Study Framework.

The research will utilize both qualitative/quantitative approaches for data collection, questionnaires and personal interviews. It also utilized many different statistical methods and techniques to verify the accuracy and reliability of results (e.g., arithmetic mean, standard deviation, Spearman's rank correlation coefficient, see Sekaran & Bougie, 2016). "Happiness" is defined as a state of satisfaction and contentment that can include both material and moral elements or aspects. "Job engagement" refers to the level of intellectual and emotional involvement of an employee within the organization that leads to loyalty and job satisfaction.

The study was performed under strict guidelines as to time (January 1, 2024, through September 1, 2024) and location (University of Diyala and several colleges affiliated with it). This broad topic will be investigated through multiple different lanes of research to give researchers a better understanding of how to use happiness strategically for increasing job involvement and improving company effectiveness.

1.1 Research Hypotheses

Hypothesis 1

Happiness and Job Engagement have a statistically significant correlation.

This hypothesis can be further split into the following sub-hypotheses:

Virtue and Job Engagement have a statistically significant correlation.

Self-Management and Job Engagement have a statistically significant correlation.

Eudaimonic Well-being (Moral Happiness) and Job Engagement have a statistically significant correlation.

Hypothesis 2

The Happiness has a statistically significant influence on Job Engagement.

This hypothesis can be further sub-categorised into the following sub-hypotheses:

There is a statistically significant effect of Virtue on Job Engagement.

There is a statistically significant effect of Self-Management on Job Engagement.

There is a statistically significant effect of Eudaimonic Well-being (Moral Happiness) on Job Engagement.

1.2 Literature Review

A great deal of academic research has been done on the relationship between happiness and job engagement. Most researchers currently agree, through evidence-based studies, that happiness is directly related to those psychological resources that improve employee engagement and the performance of organizations. In a groundbreaking longitudinal study involving both experienced employees and new employees, Salas-Vallina et al. (2023) demonstrated that happiness in the workplace serves as a mediator between the promotion of OCB and adaptive performance through increased engagement at work. This effect was shown to occur across employee tenure, with a particularly strong mediation relationship over time. This study reinforces the Job Demands-Resources (JD-R) theory that positive emotions act as business resources, motivate employees, and help employees to invest substantially more time into their work roles. Sharma and Bhardwaj (2024) published a literature review on employee well-being human resource practices, summarizing findings from 16 peer-reviewed articles about essential bundles of human resource practices that support engagement. These bundles of human resource practices address autonomy, competence, and relatedness as basic psychological needs and are happiness-oriented (i.e., person-job fit, flexibility, and employee support and empowerment).

Research into the association of variables encompassing happiness and participation from several cultural contexts also provides further support for the nomological network's validation of happiness. A recent study conducted by Wang and Abdul Rahman (2024) indicated that two dimensions of work engagement, vigor and dedication, were significant predictors of employees' happiness at work among municipal employees in Peru. However, there existed an insignificant relationship between one of the work engagement dimensions (absorption) and employee happiness at work when employees perceived absorption as being more time-consuming than they would like. These types of subtle findings provide evidence for how HR could utilize different types of engagement in order to improve employee happiness at work. In a separate study, Ghadi (2024) examined the effects of job crafting behaviours on employee work engagement among employees in the United Arab Emirates and found that organizational happiness partially mediated the relationship between job crafting and work engagement, indicating that happiness is both an outcome and a process that facilitates the conversion of proactive work behaviours into sustained work engagement.

The literature suggests that employee engagement is highly dependent on the affective dimension of happiness. A systematic review of empirical research findings on the attributes of happiness conducted by Veenhoven, 2023 has shown that the affective component of happiness (hedonic well-being) correlates very strongly with performance and employee engagement, when compared to cognitive evaluations; with 71% of all the affective correlations found to be statistically significant but 0% of the cognitive measures being significant. Therefore, it is clear that providing a positive emotional experience is an important part of HR practice in the modern workplace. In support of this finding, two extensive survey research reports conducted by Ramssey (2023) involving almost 3300 total respondents across 10 different countries indicate very strong evidence that positive feeling (for example, feeling valued, confident, connected, and empowered) are the major drivers to employee engagement. Employees that experience three of the affirming feelings demonstrate a 40% full engagement rate compared to employees not experiencing the feelings having only 7% for full engagement.

Finally, positive psychology interventions (PPIs) have provided important insights for HR professionals by studying how they work in the context of organizations. Joo and Lee (2017) conducted an initial study on happiness at work, which showed that work engagement, satisfaction with a career, and subjective well-being were all related constructs. Their research identified that happiness is the emotional foundation for sustained engagement at work. Following this research, Sharma and Bhardwaj (2024) reported through their more systematic reviews of the literature, that mindfulness programs, gratitude and the growth of character strengths were all found to significantly benefit employee engagement and mental health; that gratitude programs are particularly effective at increasing psychological health and enhancing employee involvement in their work. Collectively, this body of work provides evidence that much like engagement, happiness is not simply a byproduct of engagement; rather, it serves as an essential resource that provides the impetus for and sustains the engagement cycle, as well as offering evidence-based approaches for developing a high-performing workplace through well-being-promoting management practices..

2. Methodology

2.1 The Concept of Happiness

Generally speaking, happiness is defined and experienced as feeling good about your life and circumstances, and being content with what you have; it may be either material or spiritual (Nicolao et al.,2009). A person is made up of two parts; the

body (the physical aspect of you) and the soul (the non-physical aspect of you). The body is made up completely of matter while the soul is made up of something more ethereal in nature. The body is what is used to meet your basic needs, or to carry you from one destination to another, similar to travelling from one port to another via a means of transport. True happiness is not found only in the body, it's found in the spirit, i.e. the internal self, heart, or mind. When viewed from the body, the spirit is referred to as the soul (or ruh); when viewed from the spirit, the spirit is referred to as God's spirit (i.e., "And I created a person and breathed into him [humanity] a portion of Me"). Within the body, it is referred to as "self" (nafs), as it is the organ through which one perceives life. Rationally and perceptively, it is known as "mind" (aql). Fluctuating in thought will result in its perception as "heart" (qalb). Research conducted in recent psychology supports this multidimensional idea, showing that people who achieve human flourishing do so by combining their cognitive, emotional, and spiritual faculties and not simply material wealth (Cordaro et al., 2024).

The soul of a person has many aspects and will be affected in various ways. There are three areas in particular that affect the way we interact with others and live in the world. These are (1) Our Reasoning Powers; (2) Our Imagination to Illustrate the Beauty of Something; and (3) Our Animalistic Desires for Food and Clothing. All three are essential for establishing who we are as human beings, how we develop our personalities, and how we behave based upon the conditions of each situation (Fernando & Perera, 2022). Numerous studies have shown that people who find balance within themselves (by developing greater rational and moral faculties) will report a greater sense of psychological well-being and happiness than those who focus on satisfying their base instincts. (Cordaro et al., 2024).

2.1.1 The Importance of Happiness

According to research, people who are happy have a much greater level of productivity and are generally more successful than their less-happy counterparts. Many studies have been done that indicate how happiness can improve a person's general psychological well-being and reduce their stress level (Sharma & Bhardwaj, 2024). Additionally, happiness is associated with performing actions as opposed to simply saying something. In other words, being happy both here and in the hereafter, is the ultimate source of happiness for each individual. The people who are truly happy are those who are focused on achieving their purpose through doing the right things, rather than those who are seeking temporary happiness for the sake of being happy; a truly happy person is one who has found their purpose and strives to reach that goal (Thompson & Alex, 2009). True happiness consists of having an untainted conscience and will, and doing acts of kindness that allow the individual to feel at peace, be confident in themselves, and be spiritually connected to God. (Qais Abdul Ali, 1999).

2.1.2 The Seven Rules of Happiness

Wealthy people possess items most people don't, and there are wealthy individuals who have no serious health problems. Even so, many wealthy people are unhappy. Conversely, there are many chronically ill people who do not possess many items, and who have a positive attitude and are happy with God's will (Tore & Duman-Saka, 2023). Researchers think humans can choose to be happy by controlling negative feelings including pessimism and anger and increasing positive feelings including compassion, peace, and thankfulness (Fernandes e de Souza, 2024). Recent studies suggest that gratitude and forgiveness are 39.6 percent of the reason for individuals who rate themselves as happy (Fernandes e de Souza, 2024).

There are 7 rules that can help you become happier. Rules of Happiness: (1) Make the choice to be happy; (2) Be grateful for what you have; (3) Forgiving people gives them joy and brings blessings to you; (4) Control your negative thoughts and emotions; (5) Money does not create happiness; (6) Good friends are the best medicine for unhappiness; (7) To make someone happy, share with them during their happy times and their sad times. Psychologists have researched these rules extensively and have found many examples of evidence that support these ideas. Research has found that gratitude is an excellent antidote to materialism. Research published in 2024 on adolescents who participated in gratitude interventions indicated fewer values associated with material possessions than adolescents who did not receive such an intervention (Zhang et al., 2024). Longitudinal studies also support that although money can lead to increased happiness, the impact of income on increased happiness begins to decline and becomes almost nonexistent after single men reach about \$100,000 per year. (Killingsworth & Kahneman, 2023).

2.1.3 Virtue

Virtue represents moral excellence—the high degree of good character manifested through positive personal qualities and traits. Personal virtues contribute to improving individual and societal living conditions. There are several types of virtues: (1) intellectual virtue, related to thoughts that occur to the individual; (2) moral virtue, related to individual behaviors and actions; (3) wisdom, which is the ability to control and restrain oneself in certain situations; and (4) justice, which reflects fair treatment of others in similar situations (Erselcan, 2023). Virtue encompasses wisdom, courage, moderation, faith in God, love of doing good, and spreading peace and love among all. Recent research on gratitude and human flourishing confirms that virtue-based approaches to well-being—particularly those emphasizing moral emotions—contribute significantly to psychological health beyond traditional disease-model interventions (Sirois & Wood, 2025).

2.1.4 Spiritual Happiness

Spiritual happiness is the happiness generated by heart joy, conscience comfort, and certainty of benefits. It differs from sensory happiness, which originates from the senses and accompanying appetitive and irascible powers, whereas spiritual happiness arises from intellectual and imaginative powers. It is slow to disappear, slow to excite, remains for a long duration, and its seat is the heart (Roy & Konwar, 2020). The seat of spiritual happiness is the heart, and its source is intellectual power. Spiritual happiness is only achieved through connection with the soul and tranquility between the heart

and soul.

Human nature is attracted to all that is beautiful and appealing. Beauty is defined as good character and refers to the spiritual and psychological dimensions inherent within the human soul. There are three categories of beauty: (1) material beauty—external beauty perceived by the five senses; (2) spiritual beauty—the beauty of soul and morals; and (3) situational beauty—the beautiful situation that highlights altruism, love, and selflessness for those you love. Contemporary research on spirituality and mental health among postgraduate students found that spirituality, gratitude, and forgiveness serve as direct and indirect predictors of psychological well-being, with meaning in life mediating these relationships (Anwar et al., 2025). This empirical evidence supports the theoretical assertion that spiritual happiness transcends material conditions and is fundamentally connected to meaning-making and transcendence.

2.1.5 Happiness and Success

A recurring question arises: Is there a difference between happiness and success? The answer is yes. Happiness is a psychological state of comfort, tranquility, self-satisfaction, and contentment with what God has decreed. Success, however, is the achievement of specific accomplishments—whether religious or worldly—that the individual sees clearly at personal, professional, and social levels. Happiness is feelings connected to striving for others; as faith increases, happiness increases, and the individual is enveloped in tranquility, serenity, and contentment. Success may be connected to striving for this world or striving for the hereafter. Therefore, happiness is enduring and continuous in the human soul overall, and it is an indicator of the human relationship with God. Happiness is a suitable environment for achieving success, while success does not necessarily accompany happiness. The successful person in worldly matters is not necessarily happy. Success is positive if connected to happiness and its aforementioned concept; it is negative and on the wrong path if it deviates from it. The secret of happiness, then, is faith in God. Happiness is a psychological state of self-satisfaction and contentment with what God has decreed, while success is the achievement of specific accomplishments (Sulayman, 2012).

Recent psychological research illuminates this distinction between hedonic and eudaimonic well-being. Contentment—a distinct low-arousal positive emotion characterized by calmness, sufficiency, and acceptance of the present moment—has been empirically validated as separate from high-arousal happiness and more sustainable for long-term well-being (Cordaro et al., 2024). This scientific finding aligns with the philosophical distinction between fleeting success and enduring happiness grounded in meaning and purpose.

2.2 Job Engagement

Job engagement is the relationship between the employee(s) and the employer(s) whereby the employee(s) understand the goals of the organization they work for and are completely committed to reaching those goals through the work they do. The employer(s) respects employees, views their opinions/ideas as valuable, and includes them in decision-making (Jia, 2021). Job engagement is defined as one's level of participation (intellectually and emotionally) in the group/organization. Employees who are engaged are more productive and generate more profit for the employer(s) compared to disengaged employees. Disengaged employees create a loss for the organization due to a lack of dedication or loyalty to the employer (Mishra, 2022).

The last few years have seen a number of studies with many of the core assumptions of the original framework receiving empirical support. For example, Nabhan and Munajat (2023) surveyed faculty members at Indonesian Islamic universities and found that work engagement and organizational commitment boost the impact that organizational identification has on job performance, demonstrating that employee work engagement is a significant catalyst for organisational success. Similarly, the Uganda Public Service was studied by Nuwagira et al. (2024), with both work engagement and organisational commitment having a positive, significant impact on employee performance and work engagement emerging as one of the most important factors in determining employee productivity within the public sector. Both of these studies provide strong empirical support for the Job-Demands Resource model in that, when engaged, employees invest their physical, cognitive, and emotional energy into their work roles.

There are a number of characteristics that define employees who develop and maintain job loyalty and job satisfaction: (1) Happy employee; (2) Fulfilled employee; (3) Satisfied employee; (4) Grateful employee; (5) Low absenteeism; (6) Concern for the organization's image; (7) Conservation of public funds; and (8) Employee does not leave their job (Mishra, 2022). Modern evidence supports this profile, as a recent study of 25,285 employees conducted by Santos et al. (2024) found that recognition has a significant positive effect on employee engagement ($\beta = 0.394$, $p < 0.001$) and transformational leadership helps increase both engagement and reduce burnout at the same time. In addition to this fact, the U.S. Office of Personnel Management (2024) found that the combined government-wide Employee Engagement Index score for the Federal Employee Viewpoint Survey had reached an all-time record of 73%, showing that organizations with comprehensive engagement practices experience substantial improvement in workforce commitment.

In contrast to the positive trends above, recent surveys have shown decreased employee engagement since 2023's level of 84.98% decreased to 80.65% in 2024 (Survey Initiative, 2025). The most significant decline in motivation occurred (-6.42 %) for the 35 and under age group; Gen Z was the group most affected with an approximate five (5) point drop in engagement from the prior year. These trends indicate that organizations need to continually invest in maintaining employee engagement. (Vasquez, 2024).

2.2.1 Job Satisfaction

Early twenty-first century research regarding job satisfaction has been underway since the early twentieth century, with research on job satisfaction emerging over the first three decades. While there are many different studies regarding job satisfaction, there is still little agreement on a clear, specific definition of job satisfaction because job satisfaction is closely associated with an individual's emotional state, and it is very difficult to measure the individual feelings associated with job satisfaction as individuals' emotions change from one situation to another. It is human nature to want to work; consequently, a person who is working will have job satisfaction or dissatisfaction (Al-Amri, 2017).

What is job satisfaction? Job satisfaction is a measure of job experiences based on a range of factors that are associated with the individual's job, including acceptance of the job in terms of comfort, job satisfaction psychologically, and productivity as a result of the emotional connection to their job that allows the individual to work without boredom or distress. Job satisfaction is also the level of happiness and comfort that an individual feels when doing their job based on how much the individual expected from their job and how much he/she has achieved in terms of expectations (Al-Amri, 2017). Job satisfaction is what drives an individual to come to work and to perform at an acceptable level.

Job satisfaction refers to how people feel about their jobs and how they perceive their jobs are rewarding to them. Job satisfaction also comes from one's attitudes about different aspects of the job, such as (1) how management runs the organization; (2) the benefits offered to employees; (3) job safety; (4) the amount of responsibility and/or success associated with doing their job well and/or being recognized for their contributions. "Job satisfaction" continues to attract much attention from psychologists because workers spend so much time in career settings and need to understand the role job satisfaction has regarding workers' personal and professional lives. A growing belief is that improved job satisfaction should increase job performance, which provides benefits to both organisations and workers; therefore, the growing interest in researching job satisfaction (Abdul Hussein, 2016).

Research supports the idea that people who are happy in their work tend to have longer-lived than individuals who are unhappy; they suffer from fewer psychological disorders or are less sensitive to stress; experience greater levels of self-confidence; and have a stronger ability to integrate into society. The evidence indicates an association between job satisfaction and life satisfaction; if you are happy at work, you are likely to be happy with your life/mojo, and if you are happy with your life/mojo you will likely be happy at work (Abdul Hussein, 2016).

The findings of Vieira et al. (2025) indicate there is a statistically significant positive relationship between employee job satisfaction and performance across various types of employment (face-to-face, hybrid, remote). Specifically, hybrid employees reported the highest levels of performance, followed closely by remote employees. These results inform human resource managers about the need to implement systems to create increased employee job satisfaction in order to increase the overall performance of the organization. Additionally, according to research conducted by the Pew Research Center (2024), 64% of workers indicated having a high level of satisfaction with their coworker relationships, while only 30% expressed having a high level of satisfaction with their wages. This suggests that social and relational to compensation play a larger role in contributing to employee job satisfaction than does compensation.

2.2.2 Career Development

The ongoing development of one's career is an ongoing process through which an individual improves their skill sets, abilities (knowledge), and expertise and subsequently advances their professional capabilities as well as advances their professional responsibilities. This occurs through the development of skills (new), opportunities for advancements (promotions), and an increase of responsibilities to enhance the ability of the individual to work with others, including other employees and customers/clients. Another way that an individual can further develop their leadership persona is through continuous professional growth and employment counseling, which supports an individual in being better prepared to react to the changing nature of their industry. Development of a career can take various forms, including individual development, company/agency development, and continuous learning, where each form aids in developing employees' capabilities to meet the demands of the job they perform (Haddad, 2008).

To develop a successful career, one must acquire a variety of skills and talents related to technology, as well as have the ability to solve problems and think critically. In addition, communication, time management and ability to work with others as part of a team are important for employees' development at work. The process of developing a career is broken down into four stages that include: evaluating your current situation; establishing short- and long-term career goals; taking action toward achieving your goals; and evaluating your performance throughout each stage of the process. All these processes have a number of influences on how well an individual develops their career including personality type, skills, education, etc., therefore making career development a critical component for all individuals looking for advancement and for improving productivity in organizations.

Recent studies have shown that building successful organizations also requires the development of people. For example, according to the 2024 Workplace Learning Report from LinkedIn, almost all (90%) organisations are visibly concerned about employee retention, and the top strategy used by the vast majority of companies (96%) to retain high-performing employees is to provide them with learning opportunities (LinkedIn, 2024). Additionally, almost all (94%) employees indicated that they would remain with a company longer if that company was committed to their professional development, while only about less than one in three (29%) employees were satisfied with their current opportunities for advancement in their respective careers (Vasquez, 2024). These facts demonstrate the centrality of employee development in creating long-term engagement and retention.

2.2.3 Organizational Loyalty

In the past, when an individual started working at their very first job and entered through the doors of the organization that they were going to work for the rest of their life (Omar & Safi, 2005), it was common for him/her to think that they would be with this company until they retired. But now this has changed to where employees go from one job to another job in their lifetime. Employers have been complaining about the lack of loyalty from their employees to be loyal to the company that employs them no matter what other job opportunities there may be.

In the 21st century, employers must review their employee policies and try to build loyalty among employees to their organizations. An employee that is loyal to their organization identifies with it. For an employee to identify with an organization, they need to feel a sense of belonging—indeed, that they own their organization. If they have a sense of belonging, they will not want to leave their organization; they will not break away from their identity to become loyal. Instead, they will be engrained with loyalty, and this will be an important priority for the employee (Ahmad Maher, 2007).

The duty of creating and developing employee loyalty rests with the employers and governmental officials. In today's very broad competitive labour market (the Labour Market), where there is an abundance of functional skills, the employer can plant employee loyalty and reduce employee turnover by implementing:

Promoting from within: Providing employees with the opportunity to fill vacant positions within the company will create an environment where there is competition between workers and will motivate many workers that are competent to excel. A recent survey conducted in 2024 has shown that employees who have a clear path for promotion have a higher likelihood of staying with their employer than those who do not (LinkedIn 2024).

To develop your career, you need to invest in your own training and development. According to the LinkedIn Workplace Learning Report (2024), continuous learning opportunities (e.g., annual leadership development programs) are key retention strategies for employees.

Value employee requirements: This refers to valuing the employee's right to create a balance between work and play. Research has indicated that those who believe they have achieved a successful work and personal life balance are 21% more likely to put in additional effort and are also 33% more likely to remain with an employer (Vasquez, 2024).

Developing a positive workplace: Providing employees with an inviting and supportive work environment. According to research, 93.5% of employees would remain with an organisation for five years if the culture is right (LinkedIn, 2024). Maintaining Open Lines of Communication: Maintaining open lines of communication between employees and upper management. New continuous assessment processes have replaced traditional annual performance reviews; organisations can now adjust and improve their operations on an ongoing basis (Vasquez, 2024).

The introduction of a system that effectively rewards all employees for their efforts. A recent study by Santos et al. (2024) found that 81% of employees reported that they are more likely to stay with an organization when they are recognized for their contributions.

Taking part in social activities: Employees are able to participate in a variety of social activities. Such participation is an important factor that keeps employees motivated to improve their connection and loyalty to their employer. When an organization participates in a social responsibility initiative, the organization reinforces to all employees that their work contributes to the greater good of the world and is recognized as being increasingly important by the current workforce. (Vasquez, 2023)

These strategies have been confirmed by current empirical studies. In one study, Santos et al. (2024) showed that 85% of employees said they are motivated to do their job to a greater extent if they are recognised by their employer, and that employees recognised by their manager are significantly more likely than their peers to remain employed with their respective organizations. The same study also provides evidence that flexible work arrangements are still essential, as 63% of employees said that they would accept lower pay to work from home, showing that having autonomy and work-life balance is often more powerful than monetary compensation in developing loyalty to an organization..

3. Results and Discussion

3.1 Descriptive Analysis of Study Variables

This section presents the descriptive statistics of the study variables, namely Happiness (comprising three dimensions: Virtue, Self-Management, and Eudaimonic Well-being) and Job Engagement, based on a sample of (N = 100) respondents.

Table 1: Summary of Descriptive Statistics

Variable	Mean (M)	Std. Deviation (SD)	Interpretation
Virtue	3.911	0.568	High
Self-Management	3.500	1.210	Moderate
Eudaimonic Well-being	3.3188	—	Moderate
Job Engagement	3.650	0.247	High

Table 1.

The results indicate that all variables fall within the agreement range (above the neutral point of 3.0), reflecting a generally

positive perception among respondents. The Virtue dimension achieved the highest mean score ($M = 3.911$, $SD = 0.568$), indicating strong organizational emphasis on ethical values and moral behavior. Self-Management recorded a moderate mean ($M = 3.50$) but exhibited the highest variability ($SD = 1.21$), suggesting heterogeneous adoption of personal development practices across the sample. Eudaimonic Well-being ($M = 3.3188$) indicates that moral happiness practices exist but require further organizational strengthening. Job engagement demonstrated a relatively high mean ($M = 3.65$, $SD = 0.247$), suggesting strong employee involvement and commitment.

Figure 1: Descriptive Statistics of Study Variables (N = 100)

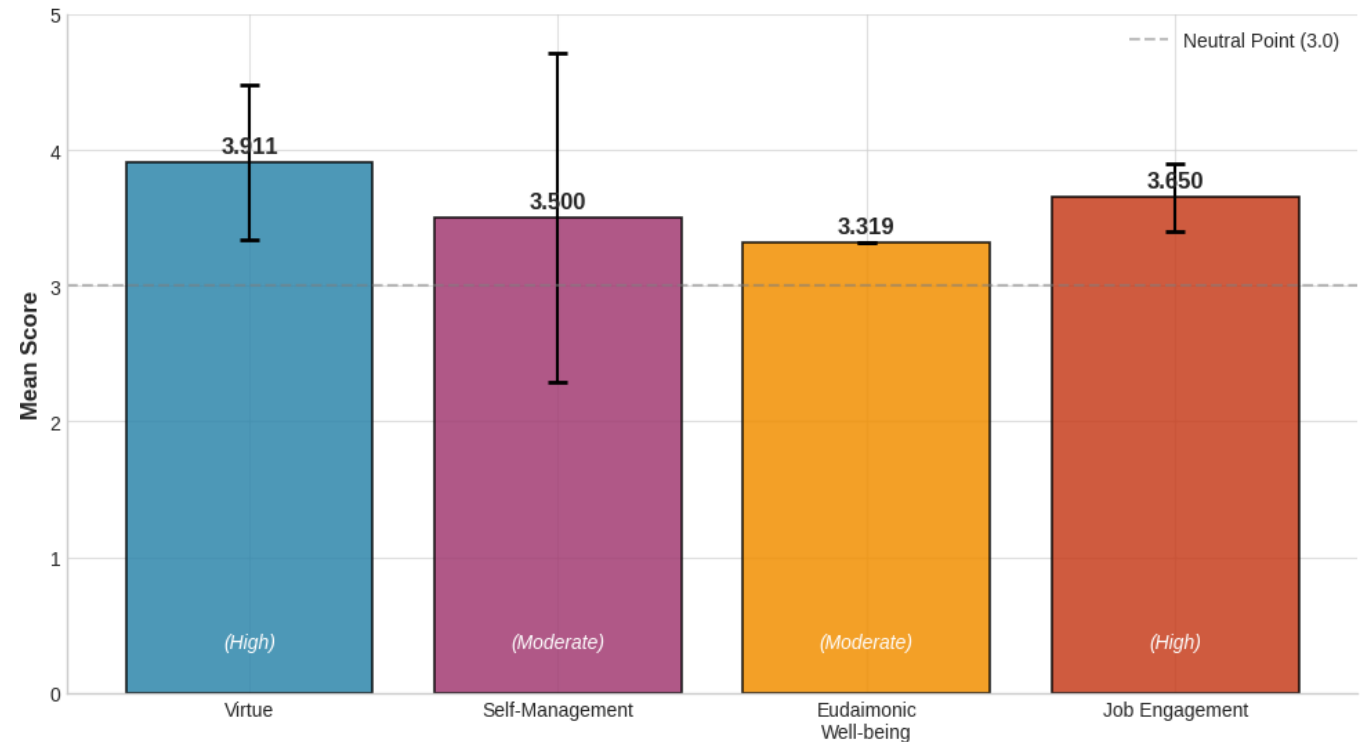


Figure 2.

Figure 1: Descriptive Statistics

Figure 1 visually confirms that virtue and job engagement exhibit higher mean values compared to self-management and eudaimonic well-being. The error bars represent standard deviations, with self-management showing the widest dispersion, indicating greater individual differences in this dimension.

3.2 Correlation Analysis

To test the first hypothesis (H_{01}), which posits significant positive relationships between happiness dimensions and job engagement, a correlation matrix was constructed using Pearson's correlation coefficients.

Table 2: Correlation Matrix

Variable	Correlation with Job Engagement (r)	Significance
Virtue	0.87**	p < 0.01
Self-Management	0.90**	p < 0.01
Eudaimonic Well-being	0.78**	p < 0.01

Table 2.

(** indicates significance at $p < 0.01$)

The results show high levels of positive correlation (relationship) between the different aspects of happiness and an employee's level of engagement in their job. The aspect of happiness which exhibits the most robust relationship with an employee's level of engagement in their job is Self-Management ($r = 0.90$); Virtue exhibited a very strong correlation as well ($r = 0.87$) followed closely by Eudaimonic Well-Being ($r = 0.78$). In summary, all of these correlations were statistically significant at 0.01 level, thereby fortifying the large extent to which the psychological and ethical dimensions associated with an employee's level of happiness contribute to their overall engaged level at work. Therefore, this study supports Hypothesis (H_{01}) completely..

Figure 2: Correlation Matrix Between Happiness Dimensions and Job Engagement (** p < 0.01)

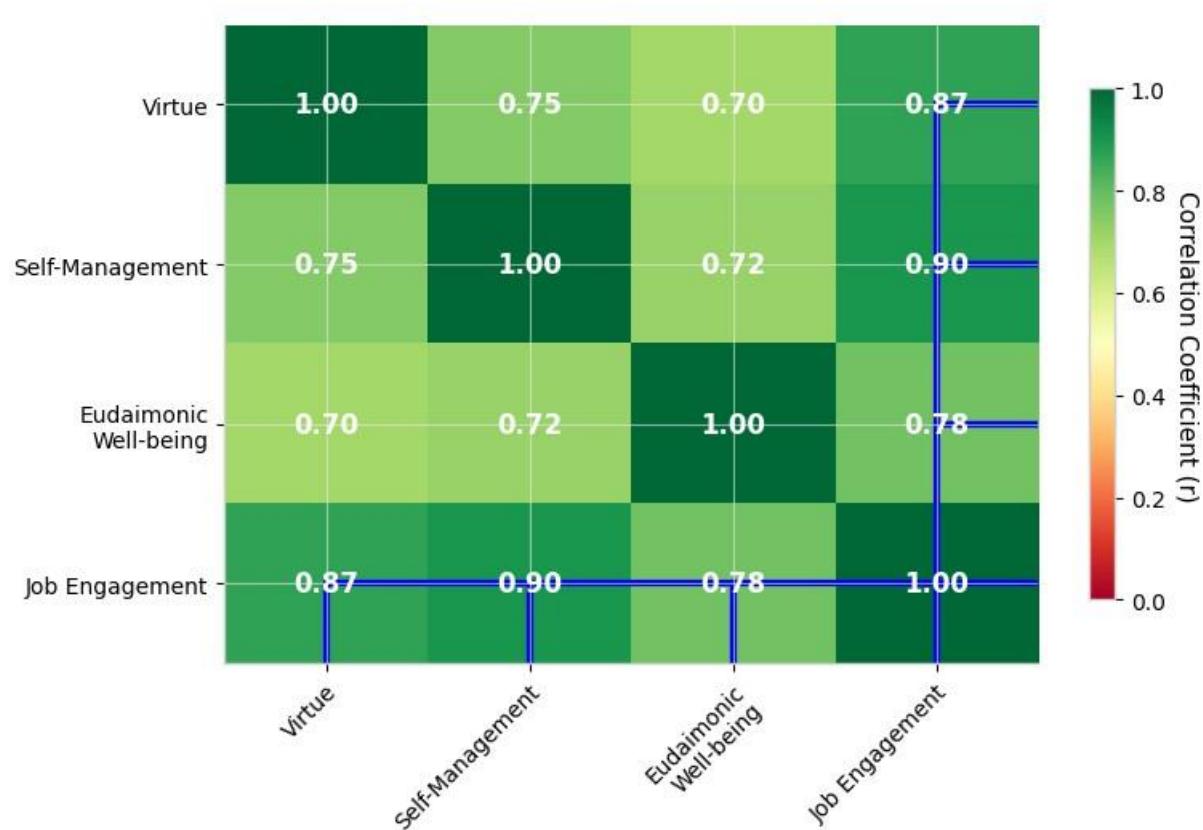


Figure 3.

Figure 2: Correlation Matrix

Figure 2 presents the correlation heatmap, with the blue boxes highlighting the correlations between each happiness dimension and Job Engagement. The color intensity indicates the strength of relationships, with darker green representing stronger positive correlations.

3.3 Regression Analysis

To test the second hypothesis (H02), which examines the predictive effects of happiness dimensions on job engagement, multiple regression analysis was conducted.

Table 3: Regression Results

Independent Variable	Beta (β)	t-value	Significance
Virtue	0.59	0.778	Not Significant
Self-Management	0.33	5.45**	p < 0.01
Eudaimonic Well-being	0.34	5.48**	p < 0.01

Table 3.

Table 4: Model Summary

Statistic	Value
F-value	4.019**
R ²	0.83
Adjusted R ²	0.82
Significance Level	p < 0.05

Table 4.

Figure 3: Regression Coefficients of Happiness Dimensions Predicting Job Engagement
($R^2 = 0.83$, $F = 4.019^{**}$, $p < 0.05$)

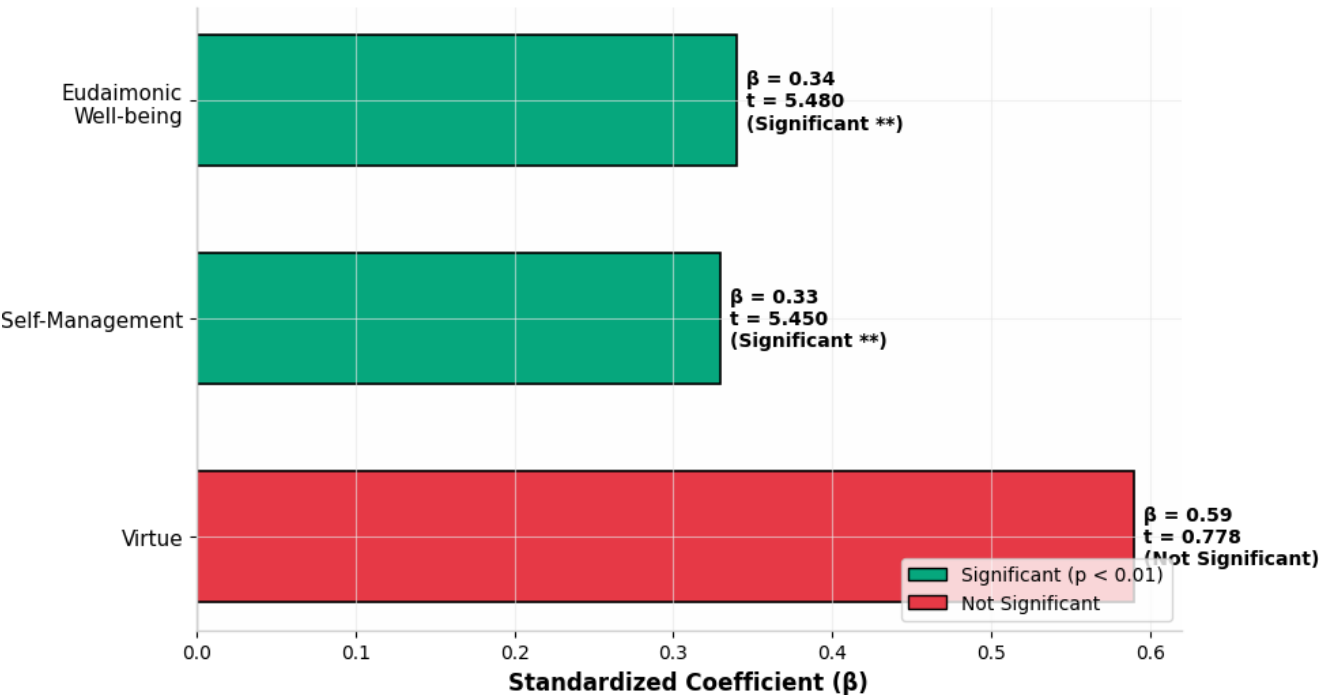


Figure 4.

Figure 3: Regression Coefficients

Figure 3 illustrates the standardized regression coefficients (β) for each predictor variable. Self-Management ($\beta = 0.33$, $p < 0.01$) and Eudaimonic Well-being ($\beta = 0.34$, $p < 0.01$) demonstrate significant positive effects on Job Engagement, while Virtue ($\beta = 0.59$) shows a non-significant effect despite having the largest coefficient magnitude.

3.4 Discussion of Regression Results

The regression model is statistically significant ($F = 4.019$, $p < 0.05$), indicating that the independent variables collectively explain a substantial proportion of variance in job engagement. The coefficient of determination ($R^2 = 0.83$) demonstrates that **83% of the variance in Job Engagement is explained by the three dimensions of Happiness**, while the remaining 17% is attributed to external factors not included in the model (e.g., organizational culture, leadership styles, compensation systems, or individual demographic variables).

**Figure 4: Variance in Job Engagement Explained by Happiness Dimensions
(Model: $F = 4.019^{**}$, $p < 0.05$)**

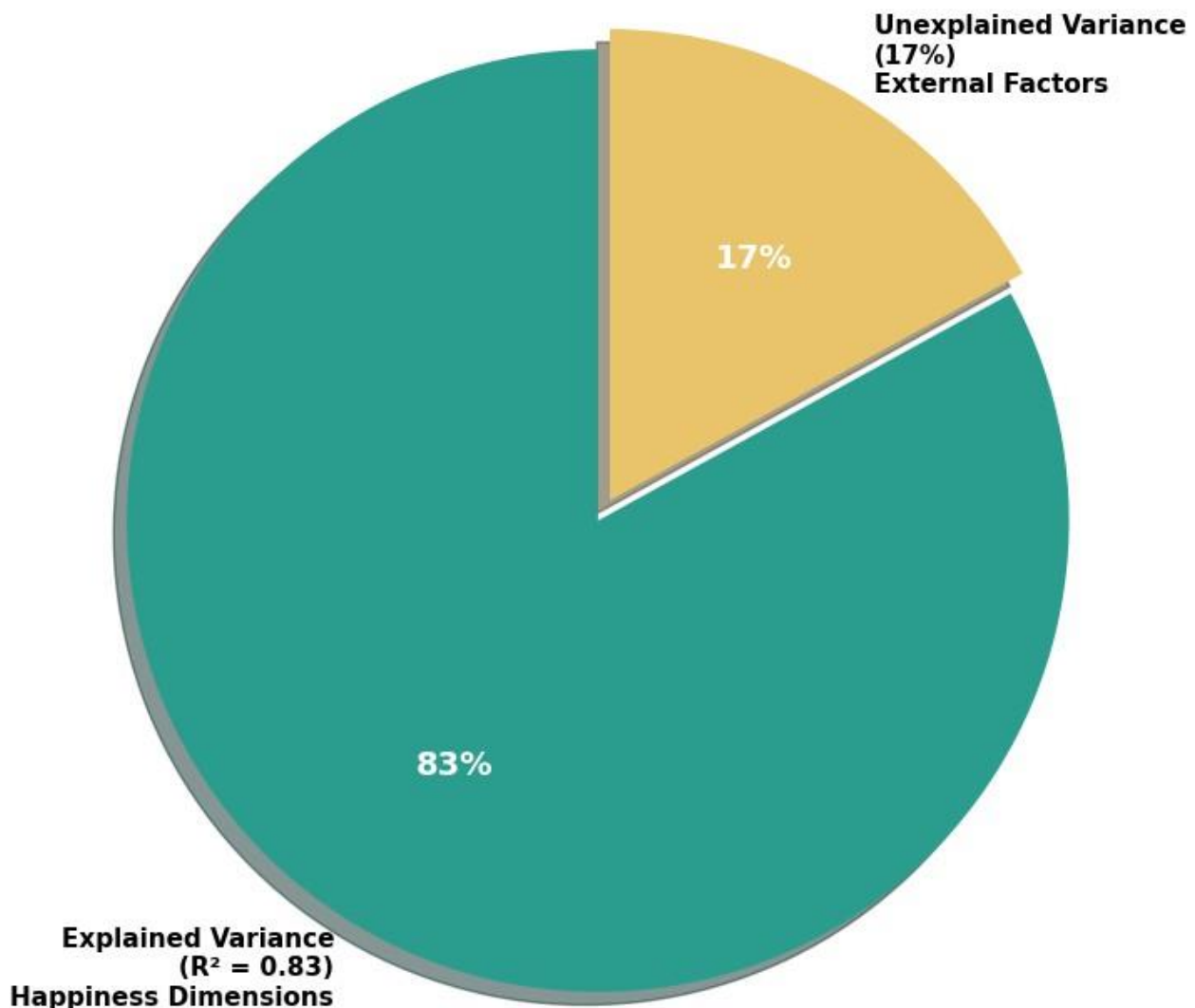


Figure 5.

Figure 4: Variance Explained

Interpretation of Effects:

Virtue ($\beta = 0.59$, $p > 0.05$): Despite having the largest Standardized Coefficient ($\beta = 0.59$), Virtue does not significantly impact Job Engagement ($t = 0.778$, $p > 0.05$). Thus, it appears that while the criteria for Ethical Values and Moral Behavior are correlated with Job Engagement ($r = 0.87$), Ethical Values and Moral Behavior cannot be considered independent causal influences when controlling for other Dimensions of Happiness. This means that HR practices need to put in place operational actions to create an ethical climate through recognizable HR initiatives, fair treatment, and moral leadership that will provide measurable results in engagement.

Self-Management (Beta = 0.33, $p < 0.01$): A strong and significant association exists between self-management and job

engagement, as measured by $t = 5.45$ ($p < 0.01$). Thus, employee self-regulation, practices of personal growth and development, and autonomous work behaviour are key elements influencing job engagement. Employees who self-regulate, establish personal goals, and are continuously learning are more likely to be committed to the organization and be engaged in their jobs.

The relationship between employees' Eudaimonic Well-being and their Job Engagement is significant. The relationship has been established through a statistically significant positive influence ($t = 5.48$, $p < 0.01$). Eudaimonic Well-being influences employees' Job Engagement through meaningful work, fulfilment of purpose, and the fulfillment of moral principles (or moral satisfaction). Eudaimonic Well-being captures the concepts of flourishing and self-realisation that people experience when their work is consistent with their personal values and contributes toward their own personal development.

As such, the second hypothesize (H_2) has been partly supported because 2 of the 3 aspects of happiness (i.e., Self-Management and Eudaimonic Well-being) were able to significantly predict Job Engagement; however, Virtue does not show a statistically significant direct association in the multivariate model..

3.5 Overall Discussion

The findings of this study confirm that Happiness is a multidimensional construct with substantial influence on Job Engagement. The high explanatory power of the model ($R^2 = 83\%$) highlights the strategic importance of integrating happiness-driven initiatives within human resource management systems.

Key Insights:

1. High correlations throughout all dimensions (between $r = .78$ and $r = .90$) show that there is truly an overall connection between happiness and engagement. Organizations interested in increasing their employee's sense of engagement should implement comprehensive well-being programs which simultaneously address virtue ethics, self-regulatory skills, and ways of making meaning.
2. The regression analysis reveals differential predictive effects. Overall, Virtue has the highest bivariate correlation with engagement ($r = 0.87$), but this correlation becomes insignificant when controlling for other variables in a multivariate model. This could indicate that the dimensions of happiness are multicollinear, or that Virtue might be acting indirectly through Self Management and Eudaimonic Well-being.
3. Self-management and eudaimonic well-being are both direct, causal drivers of engagement. This supports Deci and Ryan's (2000) Self-Determination Theory, which states that when the psychological needs of autonomy (self-management) and competence and purpose (eudaimonia) are met, they will increase intrinsic motivation and commitment to the organization.
4. HR practitioners can implement several strategies to improve employee self-regulation and the development of their employees. Examples include: (a) creating self-development programs that help employees develop their ability to manage themselves; (b) designing jobs that have meaning and purpose for employees; and (c) putting into practice (rather than simply appealing to virtue) a company's ethical values through observable organizational actions.
5. 5. Limitations and future directions: One limitation of a cross-sectional design is that it does not allow for causal inferences. Future studies would do well to use longitudinal designs in order to understand the temporal relationships between the dimensions of happiness and engagement. It may also be of value to conduct qualitative research exploring why Virtue does not lead directly to engagement, despite the strong correlation, as it may uncover mediating factors or contextual moderators that influence the relationship between Virtue and engagement..

4. Conclusions

The purpose of this paper is to investigate the links between 3 factors of happiness (virtuous, self-managed and eudaimonic well-being) and 100 employees. Results of this study show that happiness is a multi-dimensional and accounts for a large amount of variability in job engagement. Specifically, the 3 factors of happiness accounted for approximately 83% of the total variance in employee levels of job engagement across all participants involved in this research.

The correlation analysis revealed very large positive correlations between all of the different components of happiness and job engagement. The strongest correlation to job engagement was for self-management, with a correlation coefficient of $r = .90$, followed by virtues, with an $r = .87$, and eudaimonic happiness, with an $r = .78$. The regression analysis indicated different predictive relationships with job engagement from the components of happiness. Specifically, self-management ($\beta = .33$) and eudaimonic happiness ($\beta = .34$) were both significant predictors of job engagement ($p < .01$) while virtues did not predict job engagement, despite having the highest degree of correlation to job engagement.

To improve employee engagement, the results of this study show organizations must focus on developing self-regulatory skills and creating meaningful work experiences. While ethics are important, it is unlikely that they will directly affect engagement until they are operationalized through concrete HR processes. This research adds to the literature in that happiness is more than just an outcome of engagement; it is a foundational resource to begin and sustain employee commitment. Subsequent research should use longitudinal methods to determine causal relationships and potential mediation pathways between virtue ethics and work outcomes...

References

1. F. Abdul Hussein, Job satisfaction and organizational behavior. Dar Al-Fikr, 2016.
2. A. Maher, Organizational loyalty in contemporary management. Al-Maktaba Al-Asriyya, 2007.
3. A. Al-Amri, Psychology of work and job satisfaction. University Publishing House, 2017.
4. A. Anwar, M. U. Ghani, M. Asif, and N. Majeed, "Meaning makes the difference': Gratitude, forgiveness, and spirituality influence mental health through meaning in life in postgraduate students," *European Journal of Investigation in Health, Psychology and Education*, vol. 16, no. 2, Art. no. 25, 2025, doi: 10.3390/ejihpe16020025.
5. D. T. Cordaro, M. Brackett, L. Glass, and C. Anderson, "Contentment and self-acceptance: Wellbeing beyond happiness," *Journal of Happiness Studies*, vol. 25, no. 2, Art. no. 29, 2024, doi: 10.1007/s10902-024-00729-8.
6. E. L. Deci and R. M. Ryan, "The 'what' and 'why' of goal pursuits: Human needs and the self-determination of behavior," *Psychological Inquiry*, vol. 11, no. 4, pp. 227–268, 2000, doi: 10.1207/S15327965PLI1104_01.
7. A. Erselcan, "Virtue ethics and moral psychology," *Journal of Moral Education*, vol. 52, no. 3, pp. 221–235, 2023.
8. J. Fernandes e de Souza, "Gratitude and forgiveness as predictors of happiness among undergraduate students," *Journal of the Indian Academy of Applied Psychology*, vol. 50, no. 1, pp. 40–45, 2024.
9. S. Fernando and C. Perera, *Psychology of human behavior and moral development*, 2nd ed. Sage Publications, 2022.
10. M. Y. Ghadi, "Linking job crafting to work engagement: The mediating role of organizational happiness," *Management Research Review*, vol. 47, no. 6, pp. 943–963, 2024, doi: 10.1108/MRR-01-2023-0042.
11. M. Haddad, *Career development and professional advancement*. Arab Organization for Administrative Development, 2008.
12. Y. Jia, "Employee engagement and organizational partnership," *Journal of Human Resource Management*, vol. 15, no. 3, pp. 145–162, 2021.
13. B.-K. Joo and I. Lee, "Workplace happiness: Work engagement, career satisfaction, and subjective well-being," *Evidence-based HRM: A Global Forum for Empirical Scholarship*, vol. 5, no. 2, pp. 206–221, 2017, doi: 10.1108/EBHRM-04-2015-0011.
14. M. A. Killingsworth and D. Kahneman, "Income and emotional well-being: A reconciliation," *Proceedings of the National Academy of Sciences*, vol. 120, no. 10, Art. no. e2208661120, 2023, doi: 10.1073/pnas.2208661120.
15. LinkedIn, "2024 Workplace Learning Report," LinkedIn Learning, 2024. [Online]. Available: <https://learning.linkedin.com/resources/workplace-learning-report>
16. P. Mishra, "Characteristics of engaged employees," *International Journal of Organizational Behavior*, vol. 22, no. 4, pp. 412–428, 2022.
17. F. Nabhan and M. Munajat, "The role of work engagement and organizational commitment in improving job performance," *Cogent Business & Management*, vol. 10, no. 2, Art. no. 2235819, 2023, doi: 10.1080/23311975.2023.2235819.
18. L. Nicolao, J. R. Irwin, and J. K. Goodman, "Happiness for sale: Do experiential purchases make consumers happier than material purchases?" *Journal of Consumer Research*, vol. 36, no. 2, pp. 188–198, 2009.
19. A. Nuwagira, L. Emuron, and S. Kyohairwe, "Effects of organisational commitment and work engagement on employee performance in the Uganda Public Service," *International Journal of Research and Innovation in Social Science*, vol. 8, no. 3, pp. 2521–2537, 2024, doi: 10.47772/IJRISS.2024.803176.
20. A. Omar and D. Safi, *Organizational loyalty in the modern era*. Wael Publishing, 2005.
21. Pew Research Center, "Americans' job satisfaction in 2024," Dec. 10, 2024. [Online]. Available: <https://www.pewresearch.org/social-trends/2024/12/10/job-satisfaction/>
22. Q. A. Ali, *The believer's happiness*. Dar Al-Fikr, 1999.
23. C. Ramsay, "Employee happiness and success in the new world of work," *Microsoft Viva People Science Research Report*, 2023.
24. A. Roy and R. Konwar, "Spiritual happiness and psychological well-being," *International Journal of Indian Psychology*, vol. 8, no. 2, pp. 456–463, 2020.
25. A. Salas-Vallina, J. Alegre, and R. Fernandez, "When happiness strengthens engagement and performance," *Frontiers in Psychology*, vol. 14, Art. no. 12341457, 2023, doi: 10.3389/fpsyg.2023.12341457.
26. S. Santos et al., "The impact of recognition, fairness, and leadership on employee engagement, burnout, and job satisfaction," *Administrative Sciences*, vol. 15, no. 5, Art. no. 175, 2024, doi: 10.3390/admsci5050175.
27. A. Sharma and A. Bhardwaj, "Employee well-being human resource practices: A systematic literature review and directions for future research," *Future Business Journal*, vol. 10, no. 1, Art. no. 382, 2024, doi: 10.1186/s43093-024-00382-w.
28. F. M. Sirois and A. M. Wood, "Gratitude and human flourishing in adults: A narrative review moving beyond the disease model of mental health," *Journal of Clinical Psychology*, vol. 81, no. 1, pp. 40–55, 2025, doi: 10.3390/bs7010040.
29. M. Sulayman, *Happiness and success in Islamic thought*. Al-Maktaba Al-Asriyya, 2012.
30. Survey Initiative, "Employee engagement 2024 trends: What our in-house research is telling us," Feb. 11, 2025. [Online]. Available: <https://surveyinitiative.co.uk/employee-engagement-2024-trends-what-our-in-house-research-is-telling-us/>
31. P. Thompson and N. Alex, *The pursuit of happiness: Philosophical and psychological perspectives*. Cambridge University Press, 2009.
32. S. Tore and G. Duman-Saka, "Contentment and subjective well-being," *Journal of Positive Psychology*, vol. 18, no. 3, pp. 323–335, 2023.
33. U.S. Office of Personnel Management, "2024 Federal Employee Viewpoint Survey: Government-wide management report," 2024. [Online]. Available: <https://www.opm.gov/fevs/reports/governmentwide-reports/governmentwide-reports/governmentwide-management-report/2024/>
34. A. Vasquez, "Employee engagement, job satisfaction, and organizational commitment on productivity of employees in higher education setting," *International Journal of Research and Innovation in Social Science*, vol. 9, no. 4, pp. 1–15, 2024.

35. R. Veenhoven, "Does happiness add to work performance?" World Database of Happiness, Erasmus University Rotterdam, 2023.
36. S. Vieira et al., "Job satisfaction, perceived performance and work regime," Administrative Sciences, vol. 15, no. 5, Art. no. 175, 2025, doi: 10.3390/admsci15050175.
37. J. Wang and A. A. B. Abdul Rahman, "The relationship of employee engagement on happiness at work: A literature review," International Journal of Academic Research in Business and Social Sciences, vol. 14, no. 12, 2024, doi: 10.6007/IJARBS/v14-i12/23655.
38. Y. Zhang, S. Chen, and X. Liu, "Gratitude as an antidote to materialism in young consumers," Frontiers in Psychology, vol. 15, Art. no. 1352729, 2024, doi: 10.3389/fpsyg.2024.1352729.