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# Research on the Relationship between Employee Engagement and Sustainable Work Performance in Chinese Management Software SaaS Enterprises

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# Abstract

This study, set against the backdrop of Chinese management software SaaS enterprises, systematically investigates the relationships among employee engagement, customer engagement, and sustainable employee performance, with a particular focus on the moderating role of customer engagement. In recent years, the SaaS model has gained widespread popularity due to its flexibility, cost efficiency, and scalability, redefining the business model of management software and driving significant transformations in enterprise-customer interaction patterns. Within this industry context, employees and customers, as the core drivers of SaaS enterprise success, significantly impact sustainable employee performance through their levels of engagement and interaction quality. However, existing studies largely concentrate on performance improvement at the individual or team levels, lacking a systematic exploration of how customers, as external critical factors, moderate the relationship between employee engagement and performance.

To address this gap, this study draws on Resource Dependence Theory, Role Theory, and Authority Theory to construct a theoretical model encompassing the dynamic relationships among employee engagement, customer engagement, and sustainable employee performance, proposing six core research hypotheses. Methodologically, the study adopts a mixed-methods framework combining questionnaire surveys and case analyses to systematically uncover variable relationships and key moderating mechanisms. Specifically, the study collected 402 valid samples from the Chinese management software SaaS industry via the Wenjuanxing online system, focusing on the relationships among employee engagement, customer engagement, and sustainable employee performance. Additionally, a leading industry enterprise, Yunxuetang, was selected as a case study. In-depth interviews were conducted to gather multidimensional data from key internal employees and representatives of Global Fortune 500 clients. Quantitative analysis was conducted using SPSS and AMOS tools for reliability, validity, and path analyses, while qualitative analysis involved thematic extraction and content summarization to explore the underlying mechanisms of variable relationships and their characteristics in real-world contexts.

This comprehensive research framework ensures the breadth and representativeness of data sources while enriching quantitative findings with practical insights from the case study. The study systematically reveals how employee-customer interactions, through direct effects and

moderating mechanisms, jointly influence sustainable employee performance, providing significant theoretical support and practical guidance for optimizing management practices in the rapidly evolving SaaS industry.

The findings indicate that employee engagement significantly enhances sustainable performance, particularly in the dimensions of emotional, behavioral, and cognitive impacts. Customer engagement, as a moderating variable, plays a crucial role in the relationship between employee engagement and sustainable employee performance. This effect is especially pronounced in customer-facing roles, such as sales managers and customer success managers. For non-customer-facing roles, such as R&D positions, customer engagement indirectly enhances sustainable employee performance through knowledge sharing and value co-creation. Additionally, management-level analysis reveals that senior managers' performance is more evident in achieving long-term strategic goals, while non-managerial employees exhibit higher average performance due to their direct involvement in core business activities and customer interactions. These findings underscore the importance of non-managerial employees in organizational performance within the technology-intensive and innovation-driven context of the Chinese management software SaaS industry.

The study further examines the dual effects of customer feedback on employee performance. Positive feedback significantly enhances employees' sense of professional achievement and motivation, driving emotional engagement and performance improvement. Conversely, in certain contexts, negative feedback can stimulate employees' willingness to improve, indirectly promoting performance through product and service optimization. However, the effects of negative feedback are significantly influenced by feedback methods, contexts, and individual differences among employees. Interviewees frequently noted that, within the Chinese cultural context, customer feedback emphasizes relational maintenance. This "feedback-as-relationship" characteristic strengthens employees' emotional connections and teamwork, positively impacting organizational culture and performance improvement.

Based on these findings, the study offers systematic management practice recommendations. For employee engagement, enterprises should establish comprehensive incentive and support systems encompassing emotional, behavioral, and cognitive dimensions, including personalized learning platforms, real-time feedback mechanisms, and cross-level communication chan-

nels to stimulate employees' intrinsic motivation. For customer engagement, enterprises are advised to design diverse customer interaction approaches, such as customer forums and co-creation activities, to deepen and broaden engagement. Leveraging AI technologies to build feedback loop mechanisms can swiftly translate customer feedback into actionable R&D and service optimization plans. Additionally, enterprises should develop differentiated performance evaluation and incentive strategies tailored to various roles and management levels, providing greater career development opportunities and innovation support for non-managerial employees to comprehensively enhance organizational effectiveness. During globalization, enterprises must balance local cultural adaptation with the unification of global management standards to strengthen competitiveness in international markets.

This study holds significant theoretical and practical implications. Theoretically, it constructs an integrated model of employee engagement, customer engagement, and sustainable employee performance, addressing a gap in SaaS industry research. It expands the application of customer engagement as a moderating variable in performance management and offers new theoretical perspectives for understanding the dynamic mechanisms of employee-customer interactions. Practically, the findings provide systematic solutions for optimizing human resource management and customer relationship management, offering actionable guidance on designing employee incentive strategies, improving customer engagement models, and integrating employee-customer interaction mechanisms.

Despite its contributions, this study has certain limitations. The sample primarily focuses on the Chinese management software SaaS industry. Future research could extend to other industries and cultural contexts to verify the generalizability and external validity of the conclusions. Longitudinal research designs could further reveal the dynamic changes and long-term effects of variable relationships. Incorporating additional variables, such as psychological capital and organizational support, for cross-analysis would deepen the understanding of employee-customer interaction mechanisms. These explorations would not only contribute to academic research but also provide practical guidance for SaaS enterprises in formulating more comprehensive human resource and customer management strategies

**Keywords:** employee engagement; sustainable work performance; customer engagement, management levels; SaaS enterprises.

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