

Analyzing the Mediating Effect of Organizational Communication on Employee Engagement and its Impact on Organizational Performance

Shree Vidya¹ and Dr. Divya Sahu²

Research Scholar, Department of Commerce¹

Research Guide, Department of Commerce²

NIILM University, Kaithal, Haryana, India

Abstract: *This article examines company culture and employee engagement. Employee engagement, corporate communication, organizational culture, and performance are priorities for employers and researchers. Numerous studies encouraged academics to focus on the topic's biggest issues rather than equivalent findings. By understanding how organizational culture influences worker engagement and performance, our study addresses this gap. This study suggests using corporate communication to foster the best atmosphere for people, firms, and their devotion and experiences. Organizational performance, employee engagement, culture, and communication are briefly discussed. Investigation conceptualization follows. The survey targets full-time executives at 5-star Sabah hotels. This study will analyze all concept elements and employee engagement utilizing survey instrument design, a Likert Scale questionnaire, and qualitative and quantitative methods. Western and Asian environments, cultures, and communication techniques are similar, hence Western research outcomes may be equivalent. Conflicting findings need further research on communication, organizational culture, and employee engagement.*

Keywords: Employee Engagement, Organizational Communication

I. INTRODUCTION

Researchers' current areas of study include commitment, work engagement, and organizational communication. According to researchers, there is a favorable correlation between employee engagement and customer happiness, productivity, profit, staff retention, and organizational performance. Additionally, the fact that engaged workers are very involved in their work, emotionally invested in it, and eager to go above and beyond the call of duty to ensure the success of the employer, has drawn a lot of attention to this topic from academics and organizations.

Similarly emphasizing the need of engagement, Bakker and Leiter said that modern companies want workers who are enthusiastic and committed, or who are involved in their job. Employee involvement at work may really benefit them and provide companies a competitive edge. According to Lockwood, concentrating on employee engagement is a viable tactic for enhancing organizational competitiveness.

Sak agreed that more research on the topic of job engagement and its associated components was necessary. In their 2008 study, Macey and Schneider found that practitioners were more interested in doing research on the topic than academic literature. According to the authors, there is ample evidence to support the potential importance of employee engagement. However, there is a notable lack of research on how to foster employee engagement, the connections between the topic at hand and the organization, and potential outcomes. This gap in information has guided future research aimed at improving employee engagement in companies.

According to preliminary results in the literature, there aren't many studies that look at the connection between employee engagement and organizational culture utilizing organizational communication as a mediator. Previous studies on work commitment included Richardsen et al., Llorens et al., and Hakanen et al.

Purpose of the Study

This research paper's goal is to examine the literature in order to comprehend how organizational communication may be utilized to successfully mediate the relationships among employee engagement, organizational performance, and

organizational culture. Fraser and Hemming stressed the need of communication in all contexts and at all levels since, in the absence of it, those who are impacted may tend to assume things and fill in the blanks. This might have catastrophic effects for the company. This study, which is still in its early stages, is anticipated to concentrate on Sabah's tourist industry and the service sector in general.

Background: The Service Industry in Sabah

One significant contributor to Sabah's GDP is the service sector. The head of the National Statistics Department, Dr. Abdul Rahman Hassan, said that the industry accounted for 50.4% of the state's total GDP. He went on to restate the state's goal of increasing the services sector to 65% of the total by 2020. By highlighting this move to a service-driven economy, he said it will support the nation's efforts to become a developed nation.

Furthermore, the state government aims to advance the services industry as its main source of revenue. According to Sabah Deputy Chief Minister Datuk Raymond Tan Shu Kiah, in February 2014, there is a growing recognition that the service sector plays a supportive role to the industrial sector, hence facilitating the expansion of the state's economy. Tan, who has the dual role of state minister for industrial development, said that knowledge-intensive service providers are increasingly seen as connectors, technology transfer agents, and issue solvers in addition to being specialist knowledge carriers.

The Tourism Industry

As the third largest driver of Sabah's tourist sector, tourism is expected to rank among Asia's most livable destinations by 2025.

According to Oxford Business Groups' 2011 study, 443 hotels have sprung up in Sabah by 2009. Due to a rise in job prospects, the proportion of workers in the state working in hotels and restaurants rose to 6.1% in 2009 and 4.6% in 2005. Sabah took satisfaction in having thirty-three three-star, seven five-star, and seven four-star hotels in the same year.

Similar to other nations, the primary obstacles facing the Sabah tourist sector are inspiring and maintaining staff engagement. The degree of employee engagement in a given workplace has a significant impact on customer satisfaction. In order to achieve Sabah's goal of having the tourist sector serve as the primary engine for the services sector, the state must become more competitive. Among other things, this means examining the factors that influence involvement, such as having the appropriate people in the proper positions and developing organizational structures and strategies.

Brief Background of Sabah

The state government's adoption of the 1 Sabah Corridor Blueprint, which recognized the tourist sector as one of Sabah's economic drivers, demonstrates the potential of Sabah in the services sector. Table 1 lists some of Sabah's main advantages in terms of industry:

Significance of the Study

Initially, this research adds to the body of knowledge in organizational communication and organizational behavioral studies.

Second, the study is significant because it offers reliable and practical information to help firms with employee growth and well-being in the research environment. It looks for appropriate corporate culture and employee engagement components and looks at how organizations can greatly aid in this process. Strong organizational cultures are developed via effective communication inside the company. Therefore, it is imperative that organizations examine how employees can and want to actively contribute to the success of the company; how employees can care about quality, costs, customer service, and safety equally – not just because it's their job to do so, but because they want to.

Research Objectives

The following research objectives are the goals of this study:

- To investigate the postulated elements of organizational culture, such as systems, leadership, work-fit of individuals, support, security, and organizational communication.
- To ascertain how corporate communication influences and contributes to employee engagement. Effective communication inside an organization facilitates the alignment of employee expectations with the firm's values, fosters a sense of belonging among workers, and increases employee engagement.
- To look at how employee work engagement is influenced by company culture. The relationship between company culture and each person's personal achievement, commitment to their job, emotional tiredness, and general well-being is moderated by employee engagement.
- To ascertain if, via the use of efficient organizational communication as a mediator, the outcomes of employee engagement impact the culture and performance of the company.

Research Question

- What aspects of an organization's culture need to be conveyed in order for employees to feel engaged at work?
- In the service sector, with a particular emphasis on Sabah's tourist industry, how may organizational communication become a useful mediating component for organizational culture and employee engagement in order to achieve an enhanced organizational performance?
- Does organizational culture have a role in moderating the relationship between engagement levels and workers?
- How do employee engagement and organizational culture relate to communication inside the organization?

II. FINDINGS FROM LITERATURE

Employee Engagement

Given the correlations between employee productivity and organizational success, employee engagement is a critical problem. Effective work environments are said to be built on the foundation of engaged individuals. Additionally, studies have shown that motivated workers are more likely to be effective, stay with their present company, and connect well with clients.

Table 1: Sabah's Industry Advantages

Advantages	
Strategic Location	Sabah serves as a connecting point to the rapidly growing ² BIMP-EAGA region and to the capital cities and market in North East Asia
Oil, Gas and Energy	Provide investors with an opportunity to invest in the petrolchemical and gas industry. In recent years, the oil, gas and energy sector was the hive of much activity, with the commencement of various projects such as the Sabah Oil and Gas Terminal (SOGT), Sabah Sarawak Gas Pipeline (SSGP) and so forth.
Agricultural and Natural Resources	Sabah's fertile agricultural land, marine resources and forests offer great potential in resource-based manufacturing activities such as the timber and wood-based industry, food and agro-based as well as biotechnology industries. Almost 30% of Malaysia's oil palm production comes from Sabah.
Human Capital	The ³ Sabah Development Corridor offers green field opportunities in human capital development, especially in environmental, natural resources and biotech-related industries. With direct air accessibility to many capital cities in Asia, Sabah can serve as an education and research center in environmental and conservation studies. The Danum Valley Field Research Centre has been harboring research scientists in tropical rainforest from all over the world.

Biodiversity as Eco-Attraction	With more than 2,000 flora species, Mount Kinabalu, Southeast Asia's tallest peak, pristine national parks and conservation areas as well as access to island, Sabah's natural charm is hard to ignore. Mount Kinabalu is listed as a UNESCO heritage site. Sabah biodiversity resources have been well conserved and unaffected by the Ice Age.
Cultural Appeal	Known to be the home of 32 ethnic groups, Sabah's culture is distinct and unique. The multi-cultural environment can inspire creative minds and offers great opportunities in the tourism industry.

Source: The Report Sabah 2011

Workplace engagement and satisfaction have been linked to general life fulfillment, which extends beyond the actual work environment and physical limits. Sal Kever said in his research from 2000 that a person's employment provides them with a feeling of direction, prestige, and purpose, all of which are crucial to their quality of life. Employees thus see their place of employment as more than simply a location to make a livelihood; rather, it is a place where they can identify in terms of purpose, security, and a feeling of community and identity. Maintaining these essential personnel attributes is necessary for improved organizational success.

Kahn, who was the pioneer in implementing his theory of employee engagement, emphasized the importance of meaningfulness, safety, and availability in this notion. Years later, Maslach et al. refined it. Both of them underlined the need of investigating potential antecedents that may be required for involvement. In his study results, Lockwood argued that an organization's culture may be shaped by its internal culture. This essay also suggests that in order to shape an organization, all members must be informed about the planned culture.

Organizational Culture

Schein claims that an organization's culture helps its members integrate so they understand how to interact to one another and the workplace; it also offers workers a sense of identity and inspires a dedication to certain ideals and methods of operation. Furthermore, according to the study, organizational culture helps a company adapt to its surroundings.

According to Klein, the combined results of organizational culture research over the last 20 years strongly suggest that employee engagement and culture matter. Siddhanta and Roy combined contemporary corporate "employee engagement" practices with a review of prior research findings to explore implications for theory, additional research, and practices in an effort to better understand engagement and how it affects how things work in the organization.

Singh and Shukla made an effort to identify the key elements that go into building a supportive workplace and motivated employees. The data used in the research were exploratory in nature and were gathered from a tin production company.

Organizational Communication

According to Sharma, organizational communication involves considering and investigating the function of communication within an organizational setting. He also emphasized the fact that good management in the workplace often involves excellent organizational communication.

According to Hahn, Lippert, and Paynton, effective organizational communication also entails the capacity to collaborate with a variety of individuals and groups, the ability to generate and exchange information in challenging and dynamic environments, and the drive to behave appropriately when speaking.

Ziuraite further argued that since the perception of organizational communication is based on the notion that an individual's reasoning and affective perceptions of the organization created an impact on his/her behavior in the organization, organizations would expect positive organizational outcomes if employees are exposed to appropriate communication within the organization.

According to Shockley-Zalabak, companies use organizational communication as a tool to plan and direct events. Through organizational communication, workers' expectations are brought into line with the organization's, they are

made to feel a part of it, and their engagement levels are increased. When there is a lack of effective organizational communication, those who are impacted have a propensity to assume and fill in the blanks.

Table 2

	Terms	Definitions	Source
1.	Employee engagement	the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. a workplace approach designed to ensure that employees are committed to their organization's goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being	Kahn, 1990:694 MacLeod and Clarke, 2009: 9
2.	Organizational Communication	the way language is used to create different kinds of social structures, such as relationships, teams, and networks how organizations represent, present, and constitute their organizational climate and culture—the attitudes, values and goals that characterize the organization and its members.	Miller, 2014. Hahn, Lippert and & Paynton, 2013
3.	Organizational Culture	shared organizational values, visions, beliefs, behavioral norms and the artifacts that are present in organizations	Schein, 1985; Sathe, 1983; Cooke & Rousseau, 1988

According to Ridder organizational communication is helpful in facilitating supportive employees. Organizations are first and foremost communicating entities.

Organizational Performance

Sundaray examined what the organization might do to encourage employee engagement and concentrated on a number of elements that contributed to employee engagement. His research also showed that giving engagement tactics the attention they deserve can boost an organization's success in terms of increased output, profitability, quality, customer satisfaction, staff retention, and flexibility. Bhatla concentrated on the need of these workers and how their presence might advance the organization's overall advancement and productivity. Bhatla also addressed the difficulties HR managers have in raising employee engagement levels in order to ensure the sustainability of the company.

Working Definitions

The working definitions of the proposed conceptual framework for this paper are as indicated in Table 2.

Proposed Conceptual Framework

According to the conceptual framework put out in this research, it is recommended to look at the connections between organizational culture and employee engagement as well as the factors that motivate employees. From an organizational standpoint, this research looks at organizational communication as a mediator to investigate possible organizational variables that may promote employee engagement at work, which leads to better organizational performance.

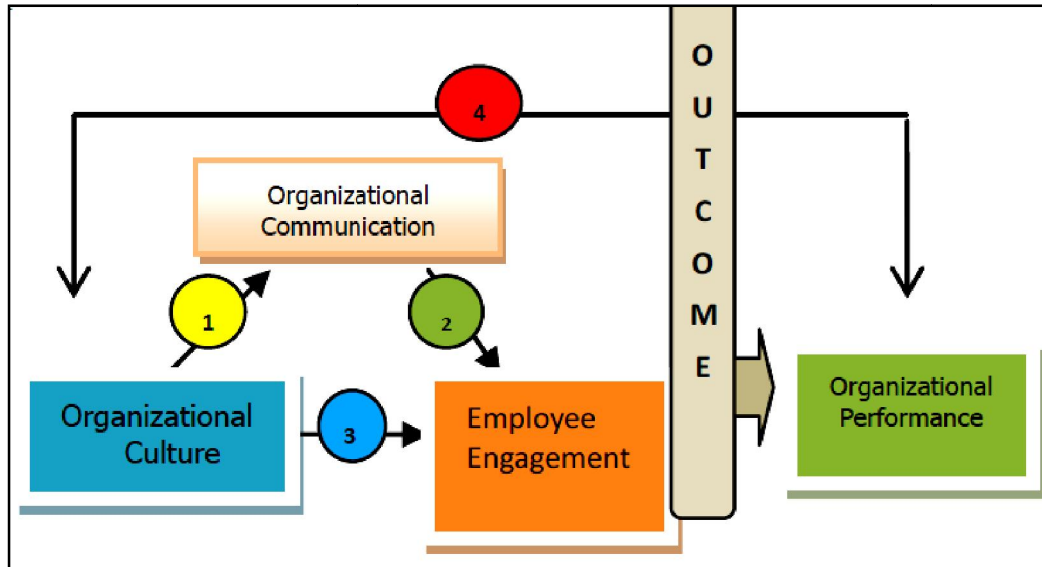


Figure 1. Illustrates the proposed conceptual model of this study

The coverage of the study is shown in figure 1. The arrows indicate the relationship between the variables that will be examined:

1. Organizational Culture Organizational Communication Examines components of an organizational culture which are necessary to be communicated for employee's work engagement.

2. Organizational Culture Employee Engagement Understanding the relationship between organization culture and employee engagement, determining whether by emphasizing the proposed components of organizational culture could capture engagement amongst the employees.

3. Organizational Communication Employee Engagement Explores ways in which the components of organizational culture could effectively be communicated for employee engagement. Organizational communication climate functions as a link between individual employees and the organization.

4. Linking the relationship between Organizational Communication Is Important for Organizational Culture, Employee Engagement, and Performance. In what ways may organizational culture facilitate the adoption of effective organizational communication as a means of mediating the process of boosting organizational performance?

After reviewing the many antecedents of employee engagement, Pawar concluded that corporate culture and communication were the most crucial factors. These antecedents vigor, devotion, and absorption have been shown to constitute the key concept and have been identified as predictors of employee engagement.

Kular et al. analyzed three sets of topics in their effort to investigate the topic of employee engagement: how employee engagement is conceptualized and achieved, how individual differences in engagement occur, and how participation influences engagement.

According to Robertson-Smith and Markwick, there is still much room for discussion of the many methods to employee engagement, which is an essential but challenging topic.

Simpson reviewed the literature to describe the present level of knowledge about involvement at work. This research focused on the foundations and issues of workplace engagement while highlighting the lines of involvement.

According to Barney, an organization's internal qualities are its primary sources of efficacy, and every organization's ability to succeed rests within these bounds. This study proposes a collection of components that make up an organizational culture: support, security, reasonable expectations, leadership, systems, and person-work fit. In order for members of the organization to perform or behave in a way that works best for them, this component has to be effectively conveyed.

According to Bertalanffy's theory of system, an organization must be seen in its whole since its members' interactions and collective activities determine whether it succeeds or fails. He went on to say that in order for the organizational system to share pertinent information with its surroundings, appropriate communication channels must be in place.

Cook et al. emphasized the value of social structures in an organization in a separate research because they may provide guidelines and instructions on how workers can exercise power within the parameters of their jobs and change the environment to make work meaningful.

According to Kahn's study, engagement is a delicate blend of qualities and attitude. This combination is significant because it highlights how crucial employee communication is.

III. METHODOLOGY

The study's target participants are executive-level staff members of certain 5-star hotels in Sabah, Malaysia. The research will use the following techniques:

- Making use of qualitative approaches as a secondary approach and quantitative procedures as the main way
- Survey instrument design to evaluate all constructs' dimensions and aspects
- The use of SmartPLS for analysis linked to the structural equation modeling process; • Employee engagement questionnaire Conversations

IV. CONCLUSION

Based on the results of the literature research, I hypothesised that more employee engagement would result in improved organizational performance. When appropriate and efficient communication is in place, employees inside the business may do their jobs more effectively. This idea permits a potentially well-managed corporate culture. The aims and objectives of the company may be accomplished with the use of good communication.

REFERENCES

- [1]. Bakker, Arnold B., and Michael P. Leiter, eds. *Work engagement: A handbook of essential theory and research*. Psychology Press, 2010.
- [2]. Barney, Jay. "Firm resources and sustained competitive advantage." *Journal of management* 17, no. 1 (1991): 99-120.
- [3]. Buckingham, Marcus, and Curt Coffman. *First break all the rules*. Simon & Schuster, 1999.
- [4]. Bhatla, Neeta. "To study the Employee Engagement practices and its effect on employee performance with special reference to ICICI and HDFC Bank in Lucknow." *International Journal of Scientific & Engineering Research* 2, no. 8 (2011): 1-7
- [5]. Cartwright, Susan, and Nicola Holmes. "The meaning of work: The challenge of regaining employee engagement and reducing cynicism." *Human Resource Management Review* 16, no. 2 (2006): 199-208.
- [6]. Cook, Karen S., Coye Cheshire, Eric RW Rice, and Sandra Nakagawa. *Social exchange theory*. Springer Netherlands, 2013.
- [7]. Chalofsky, Neal E. *Meaningful workplaces: Reframing how and where we work*. John Wiley & Sons, 2010.
- [8]. Clegg, Stewart R., Martin Kornberger, and Tyrone Pitsis. *Managing and organizations: An introduction to theory and practice*. Sage, 2011.
- [9]. Fraser, Judith, and Catherine Hemmings. "A change for the better." *Strategic HR Review* 9, no. 2 (2010): 25-31.
- [10]. Hahn K, Laura, Lance Lippert, and Scott Paynton T. "Organizational Communication." (2013).
- [11]. Hakanen, Jari J., Arnold B. Bakker, and Wilmar B. Schaufeli. "Burnout and work engagement among teachers." *Journal of school psychology* 43, no. 6 (2006): 495-513.
- [12]. Halbesleben, Jonathon RB. "A meta-analysis of work engagement: Relationships with burnout, demands, resources, and consequences." *Work engagement: A handbook of essential theory and research* (2010): 102-117.
- [13]. Harter, James K., Frank L. Schmidt, and Corey LM Keyes. "Well-being in the workplace and its relationship to business outcomes: A review of the Gallup studies." *Flourishing: Positive psychology and the life well-lived* 2 (2003): 205-224.

- [14]. Judge, Timothy A., and Shinichiro Watanabe. "Individual differences in the nature of the relationship between job and life satisfaction." *Journal of Occupational and Organizational Psychology* 67, no. 2 (1994): 101-107.
- [15]. Kahn, William A. "Psychological conditions of personal engagement and disengagement at work." *Academy of management journal* 33, no. 4 (1990): 692-724.
- [16]. Kompaso, Solomon Markos, and M. Sandhya Sridevi. "Employee engagement: The key to improving performance." *International Journal of Business and Management* 5.12 (2010): p89.
- [17]. Klein, Andrew. "Organizational Culture as a Source of Competitive Advantage." In *Refereed Program of the E-Leader Conference at Bangkok, Thailand*, <http://www.g-casa.com>, ISSN, vol. 4819. 1935.
- [18]. Kular, Sandeep, Mark Gatenby, Chris Rees, Emma Soane, and Katie Truss. *Employee engagement: a literature review*. Kingston Business School, Kingston University, 2008.
- [19]. Lockwood, Nancy R. "Leveraging employee engagement for competitive advantage." *2007 SHRM Research Quarterly* 52, no. 3 (2007): 1-12.
- [20]. Macey, William H., and Benjamin Schneider. "The meaning of employee engagement." *Industrial Marques*, Joan F. "Enhancing the quality of organizational communication: A presentation of reflection-based criteria." *Journal of Communication Management* 14, no. 1 (2010): 47-58.