

Organizational Practices and Total Quality Management: The Mediating Role of Employee
Engagement and Job Satisfaction

Name:

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2.0 Literature Review

This review of literature underpinnings has been written to provide a critical review of other study materials written before this research with the same concept on the mediating role of employee engagement and job satisfaction. Also, the literature review looks into the relationships among the concepts and between them and organizational practices and Total Quality Management. Moreover, precise definitions of the major terms, such as “employee engagement” and “job satisfaction” are provided within the literature review.

2.1 Definitions of Employee Engagement and Job Satisfaction

Mediating effect of employee engagement and job satisfaction in the practices performance rely on two theoretical arguments. The first perspective is high participation in the workplace. Workers’ involvement can be enhanced through empowerment, decision ownership, work autonomy, and participation. Many studies performed have depicted that high involvement practices are usually not constant in their emphasis and when they are put into practice (Biswas & Bhatnagar, 2013). The number of practices is inclined to leverage productivity of the employees by engaging them in a more responsible and responsive way. From these perceptions, it can be deduced that workers’ engagement can be attributed to their loyalty and how they incorporate the goals of an organization and also from joining personal and organizational quests. Greater outcomes of a company or organizations can be derived from committed and engaged employees (Biswas & Bhatnagar, 2013).

Employee Engagement

Employee engagement can be described as the binding of the members of an organization to job responsibilities that have been assigned to them. It is completed through expressing themselves in different ways, such as emotionally, physically, and cognitively,

during their time of working. It can be regarded as the tenacious, positive, affective-cognitive nature of fulfillment in workers who are characterized by vigor, dedication, and absorption. In another perspective, employee engagement can be defined as the passion that employees might have to their work (Aryee et al., 2016). It is the enthusiasm that an individual has towards his or her employment. It is also the willingness to do more than the required just out of passion. Engaged employees have the capability of creating great value for a company or organization by giving out great job outcomes in their course of work (Menguc et al. 2013). Engaged employees can be characterized by being more creative and proactive thinkers. They are also very innovative and regarding their work presence, they have reduced absenteeism and turnover. Studies performed on engaged employees have implied that such kinds of employees are more committed and loyal to the company or organization that they are working for. They also exhibit patriotic organizational behavior. In addition to these, they also portray higher job satisfaction and few occasions of thinking about their job security and safety (Biswas & Bhatnagar, 2013). It is essential for a company or organization to have such kinds of employees as it is evident that such a company will prosper and in turn get more returns and earnings.

Job Satisfaction

The term “job satisfaction” in business is used to denote an enjoyable or optimistic emotional condition that comes from the appraisal of an individual’s work or the experience they have been having while working. It can also be used to indicate the degree to which employees like or dislike the job that they are doing. This satisfaction or enjoyment come from the environment at which a person is working at and what the individual is expecting from the workplace (Shantz et al., 2013). These expectations can be in various forms, such as regarding needs, individual’s features, or values. From the definition of job satisfaction, it can be deduced

that job satisfaction as a variable has many dimensions. Some of the dimensions can be described to have aspects or facets of a person's job; these can be the features, the existing relationship between the workers, and the workers' relationship with their superiors (Biswas & Bhatnagar, 2013). Teamwork can characterize job satisfaction, pay and rewards, better working conditions, proper communication, and promotion opportunities. Many consequences accompany jobs satisfaction. Some of the consequences of job satisfaction comprise of higher productivity and returns for their company, higher workers loyalty, reduced absenteeism, and turnover motives. The last is workers' higher morale, which always results in higher job performance (Wang et al., 2015).

2.2 Affiliation that Exists between Employee Engagement and Job Satisfaction

From the previously constructed studies, it has been clearly inferred that employee engagement and job satisfaction are closely related. However, some researchers have come up with notions that the two are not related. Karatepe (2013) claims that the two concepts are strongly distinct from each other since some authors argue that higher exhibition of job satisfaction comes from the positive outcome of work engagement. According to Biswas and Bhatnagar (2013), engaged workers undergo conditions of pleasurable emotional states while at their workplace. Due to it, they get more satisfied with their job. On the other hand, it is clear that having job satisfaction is not a clear indication that there will be higher productivity in an organization, but employee engagement can be used as a direct measure of job performance and job satisfaction. The differences observed between job satisfaction and employee engagement are drawn from the different natures of their constructs. What distinguishes the two is that employee engagement is an active and content state while job satisfaction is a passive and affective state. Therefore, it can be deduced that employee engagement can be improved

through the level of employee satisfaction. From this conclusion, it can be deduced that job satisfaction is a potential antecedent of employee engagement (Wang et al., 2015).

2.3 How Job Satisfaction Influences Employee Engagement

There is more proof to demonstrate that there is a positive affiliation between the two variables: job satisfaction and the loyalty of an employee to a firm. It can be seen in various researches, such as the ones conducted on loyalty (Wong & Laschinger, 2013; Tang, Siu, & Cheung, 2014; Biswas & Bhatnagar, 2013). The deduction was drawn basing on various organizational practices. Some the methods used are job titles, the organization of work in a company or institution, and the systems used for doing work. The employees who are more satisfied have the capability to persevere the hard conditions in an organization. Also, such employees are more likely to recommend other people to the company (Tang, Siu, & Cheung, 2014).

On the other hand, exhibited low work satisfaction can result in employees receding from their work, finding other employments or at times changing their present careers. It can be as a result of how the company recruits and selects new employees, how it train their workforce, and how they develop them (Airila et al., 2014). According to studies carried by Alfes et al. (2013), Karatepe (2013) and Trussa et al. (2013), job satisfaction is a precedent of a firm's loyalty regarding their workforce. They also depicted that workforce's higher job satisfaction can result in a higher degree of employees' organizational loyalty. Therefore, short-term experiences of job satisfaction can establish more stable attitude to the workforce's loyalty that will prevail longer.

2.4 How Employee Loyalty Positively Affects Job Satisfaction.

The connection that prevails between employee engagement and loyalty of an employee is always good for a company or an organization as depicted by Yalabik et al. (2014), Rayton and Yalabik (2014). Various researchers, such as Biswas and Bhatnagar (2013), Wang et al. (2015), and Park et al. (2013), have also noted that even if work engagement and job satisfaction are closely related, still they have a greatly evidenced distinction. Their notion has also been seconded by Aryee et al. (2016) and Shantz et al. (2013).

Deducing from these perspectives, it is worth noting that employee engagement and job satisfaction are promoted by employee loyalty and the vice-versa (Rayton & Yalabik, 2014; Trussa et al., 2013; Biswas & Bhatnagar, 2013; Alessandri et al., 2015). As it has always been the tradition, loyal employees are always engaged and are characterized with perseverance even when the company is in turmoil. They usually stick with the firm or organization without the urge of seeking employment elsewhere. To achieve it, businesses ought to ensure that they have efficient Total Quality Management and organizational practices (Menguc et al., 2013). Moreover, a high degree of employee engagement denotes more trust and loyal affiliation of employees to their firm (Biswas & Bhatnagar, 2013). However, it is believed that loyalty can be established from the internal environment by developing an employee engagement structure (Park et al., 2013).

2.5 How Employee Engagement Positively Influences Employee Loyalty

There is much need to engage in more studies other than only studying the bivariate relationships to evaluate the triple interactions between employee engagement, job satisfaction, and the workforce loyalty as organizational practices and TQDs initiate them. However, the three are different; this study is aimed at looking at the standard features and the interactions

that are observed among them. Therefore, while creating a plan for evaluation, it is of paramount importance to treat them as both dependent and independent variables.

There is little prove regarding these variables' possible causality. Employee engagement has always been considered as a vital antecedent of job satisfaction and performance as claimed by Alessandri et al. (2015). Still Rayton and Yalabik (2014) argue that its mediating role in the affiliation between the loyalty of an employee and job satisfaction has not been sufficiently researched. To explain it, only time or rather temporal orientation can be used as a better mechanism of explaining. According to Shantz et al. (2013), job satisfaction usually concentrates on the person whose orientation can be found in the current and past histories.

In a different perspective, the loyalty of employees is mostly understood as a challenge that requires much time to overcome. It can, therefore, be identified through the motive of an employee to engage in long-term projects (Aryee et al., 2016). Majorly, it is considered that employee engagement and job satisfaction are usually concentrated on the attitude that the workforce has about the company or the institution that they are working. Applying a different temporal course is vital in explaining why there is weak evidence on the relationship between the three variables of employee engagement, employee loyalty, and job satisfaction (Biswas & Bhatnagar, 2013). Biswas and Bhatnagar (2013) also explain that it may be as a result of the mediating role of employee engagement that job satisfaction in the more actively engaged employees that finally develops into a long-term loyalty to an organization or business.

2.6 How Job Satisfaction Influences Employee Engagement

Various observational confirmations demonstrate a fortified and positive connection of both occupation fulfillment and a representative reliability (Karatepe, 2013). It is likely for a fulfilled official to draw out their stay in an association and furthermore promote the

organization to their colleagues as an excellent work environment (Tang, Siu, & Cheung, 2014). Low occupation fulfillment then again could make workers look for new employments, subside from their occupations, or change their present professions and occupations (Park et al., 2013). Alfes et al. (2013) however, found occupation fulfillment as the predecessor of the reliability of workers to an association. Rayton and Yalabik (2014) additionally found that an expansion in occupation fulfillment to a worker prompts a relating abnormal state of authoritative dependability of the representatives. Assumingly, officials who encounter fleeting trade fulfillment could over the long haul make a steady state of mind to unwavering hierarchical nets.

2.7 How Job Satisfaction Positively Influences Employee Loyalty

One may ask themselves whether being fulfilled as a representative impacts their steadfastness and what impacts it drives. Throughout the years, it has been found that the connection between work engagement and faithfulness has been strong (Trussa et al., 2013). There are, however, various creators who contend whether there is a calculated cover between work engagement and representative steadfastness (Yalabik et al., 2014). It has been unmistakably depicted both through assumptions and examination that work engagement is distinct from representative faithfulness. It has been observed through both the idea and in practice (Alessandri et al., 2015). It is likewise completely clear that engagement in work supports representative dependability (Shantz et al., 2013). Greater trust and an unwavering relationship between a representative and an association is not just an advantage of large amounts of work engagement (Biswas & Bhatnagar, 2013). Additionally, it is evident that organizing a worker engagement procedure can manufacture reliability (Aryee et al., 2016).

2.8. Predecessors of Employee Engagement

There are various precursors of representative engagement. The accompanying is a portion of the forerunners named by Alessandri et al. (2015): relations among colleagues and collaborators, clear chances to grow a profession, pride representatives have in their association, the clear commitment of workers to the organization's performance, and trust and uprightness by administrators. The authors further include more drivers of employee engagement, such as inspiration, viable initiative, criticism and tutoring, prizes and acknowledgment, and clear occupation desires. There was an investigation completed by Taghipour and Dezfuli on a model of work engagement. The design comprised of work inspiration, mental strengthening, and work fulfillment and assurance atmosphere. Results of this examination uncovered a high relationship between worker engagement and every one of these variables. Likewise, correspondence of the representative has a critical connection with employee participation (Shantz et al. 2013). Similarly, Rayton and Yalabik (2014) completed a study that attempted to analyze the impact of corporate social obligation. They directed tests on the general, interior, and outer CSR(s). Their outcomes demonstrate that representative engagements are profoundly influenced by interior CSR. Rayton and Yalabik (2014) affirmed that representative engagement is affected by authoritative nature of organizations' administration styles. Menguc et al. (2013) proposed four forerunners of worker engagement, which include employment qualities, authentic equity, hierarchical and supervision backing, and remuneration and acknowledgment. It was in line with works by Aryee who demonstrated a measurable imperative relationship between authoritative society and worker engagement.

Similarly, Wong and Laschinger additionally analyzed the effect of employee engagement. They found that every one of these variables is emphatically related to worker

engagement (Tang, Siu, & Cheung, 2014). However, Wong and Laschinger (2013) found that mental strengthening is connected with representative engagement.

2.9 Employee Engagement as a Mediator

Aryee et al. (2016) in their study discovered that there is a relationship between dependent and independent variables, but there was a need for three necessary conditions. One of the conditions was that there had to be a direct interaction between the dependent variable and the independent variable. Also, there had to be an immediate relationship between the interceding variable and the independent variable; furthermore, an immediate relationship between the reliant variable and the intervening variable was required. According to Biswas and Bhatnagar (2013), representative engagement intercedes the impact of hierarchical society and authority style on worker dedication.

In turn, Park et al. (2013) focused on the interceding part of representative participation in the connections between potential precursors of engagement and business-related results like occupation contribution and fulfillment. They considered four precursors, which include hierarchical and supervisory bolster, workers' impression of authoritative equity, compensation, and work qualities. In their study, they utilized an example of 310 subjects working for Jordanian inns, and their findings affirmed the impact of every one of these variables on worker engagement. Yalabik et al. (2014) affirmed the interceding impact of worker engagement in the relationship amongst obstacles and testing requests, workgroup results (i.e. work fulfillment, profitability, and wellbeing), and high association. Based on the above results, the accompanying theory is proposed.

The adaptability and self-assurance of the workforce add to expanded resolve, inspiration, and OCB that are identified with individual and business execution. The part of

good organizational practices is to augment the commitment of human resources to accomplish corporate objectives (Alessandri et al., 2015). It is as indicated by established ways to deal with critical Total Quality Management.

The study by Wang et al. (2015) investigates nine broadly known regular arrangements of sound management practices and is also useful in exploring the research question. These are employee improvement, coordinated effort or collaboration, work plan attributes, material supplies, employee stability, part clarity, saw social bolster, reward & recognition, and compensation reasonableness. All these nine sets have been found affect management outcomes (Yalabik et al., 2014). On the other hand, certain HR hones, such as worker observation, formal execution examinations, and individual pay-for-execution frameworks confirm business assumptions about representative implementation levels (Shantz et al., 2013). Subsequently, from a trade hypothesis view, great HR practices will improve workers' commitment to the business, execution, and engagement (Alfes et al., 2013). Yet, application of authoritative governance practices has been found to diminish worker engagement (Karatepe, 2013).

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