

Relational Antecedents of Employee Engagement: A Test of the Investment Model Predictions

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Abstract

This study used a theoretical model from social psychological research on relationships, the *investment model*, to explain the engagement process. More specifically, the study examined how employee satisfaction with the relationship, quality of alternatives to the relationship (whether employees' most important needs can be met elsewhere), investment size in the relationship, and organizational commitment contribute to employee engagement. An online survey was conducted with 314 full-time employees from various industries recruited through the Amazon Mechanical Turk (MTurk). Results of the path analysis showed that employees' satisfaction and size of investment in the relationship with the organization positively influence employee organizational commitment and level of engagement. Employees' organizational commitment largely influences employee engagement and partially mediates the effects of employee satisfaction and investment size on employee engagement.

Keywords: employee engagement, employee satisfaction, organizational commitment, size of investment, the investment model

Introduction

Professionals and academics alike across business and communication fields have increasingly acknowledged the huge difference that engaged employees could make for the organization. Scholars and industry leaders suggest that employee engagement contributes to shareholder returns, organizational profitability, productivity, competitiveness, and customer satisfaction (Gallup, 2016; Harter, Schmidt, & Hayes, 2002; May, Gilson, & Harter, 2004; Saks, 2006; Saks & Gruman, 2014). When employees are engaged, they demonstrate business awareness and appreciation (Robinson, Perryman, & Hayday, 2004), and advocate the organization to coworkers and others. They are willing to give extra time, effort, and initiative to contribute to the success of the organization, and they have an intense desire to be a member of the organization (Saks, 2006). Berger (2011) also contended that engaged employees produce competitive advantage for companies, greater financial returns, and higher rates of employee retention.

Given the importance of employee engagement in achieving business success, scholars and consultants from the field of communication and management have identified a list of engagement drivers, which can be categorized into “hard” organizational factors (e.g., work environment, job features) and “soft” factors (internal communication, organizational culture, leadership) (Gallop, 2016; Jiang & Men, 2015; Ketchum, 2010; Men, 2015a; Men & Bowen, 2017; Parsley, 2006; Saks & Gruman, 2014). For instance, Parsley (2006) pointed out, “effective communications create engaged employees, creating loyal customers, who in turn create bigger profits” (p. 10). Managers are suggested to build engagement plans with their employees and be emotionally engaged with them (Gallup, 2016). Furthermore, Robinson et al. (2004) contended that managers listening to employees, empowering employees, and expressing individual consideration and support would drive employee engagement. Relatedly, a recent study by Men (2015a) showed that the communication style of the CEO and communication channels both influenced employees’ engagement level. Job characteristics and organizational support are additional antecedent factors that predict employee engagement (Christian, Garza, & Slaughter, 2011; Saks, 2006). However, few studies have taken the employees’ perspective to understand how individual factors such as employee attitudes, personal investment, and evaluation of relationship quality with the organization could influence employee level of engagement.

Aggarwal and colleagues (2007) speculated that employee attitudinal and relational variables could be predictors of employee engagement, such that employees who are satisfied with, committed to the relationship as well as demonstrate high job involvement, will be highly absorbed in their work and will experience a higher degree of engagement. However, as noted by Aggarwal et al., “the direction of relationship between these constructs needs to be empirically ascertained” (p. 317).

Therefore, the purpose of the study is to extend the theoretical and practical understanding of how employee-organization relationship could drive employee engagement. In particular, this study employs a theoretical model from social psychological research on relationships, the *investment model* by Rusbult (1980), to explain the engagement process. The investment model articulates the way that individuals in relationships use to maximize benefits and minimize costs. The model takes into account *satisfaction*, *investment size*, and *quality of relationship alternatives* to predict individuals’ *commitment* in a relationship. Specifically, within the organizational context, employee satisfaction refers to employee perceived happiness with the relationship taking into account of rewards and costs for maintaining the relationship with their organizations. Investment size is the amount of resources employees have obtained from their job (e.g., tenure, friendship with coworkers, professional training) that they will lose upon leaving the current organization (Rusbult & Farrell, 1983). Quality of alternatives refers to the possibility of getting another job which is of equal or higher job quality.

Finally, commitment represents the extent to which employees feel attached with their organizations and their willingness to stay in relationships with their organizations. The investment model predicts that individuals who hold high job satisfaction, have high levels of investment, and limited acceptable alternatives will be more committed to a relationship (Rusbult, 1980).

The explanatory power of the investment model has been demonstrated on various types of relationship, including romantic relationship, friendship, business interactions, and group relationships in organizational settings (Eickholt & Goodboy, 2017; Madlock & Dillow, 2012; Rusbult, Martz, & Agnew, 1998; Vannier & O’Sullivan, 2017). However, little research to date has utilized the model to explain organization-public relationships from either internal or external perspectives. We argue that investment model deserves more attention from scholars and practitioners who are interested in exploring employee-organization relationships and behaviors because employees work in “a system of interpersonal relationships built on communication interactions” (Madlock & Dillow, 2012, p. 594). To fill the research gap, the current study utilized the investment model to explain how employee-organization relationship dynamics influence employee engagement. Specifically, the study is set to examine how employee perceptions of investment model variables (i.e., how employee satisfaction with the relationship, quality of alternatives to the relationship, investment size in the relationship, and organizational commitment) could predict employee organizational engagement, characterized by absorption, participation, contribution, involvement, and positive affectivity (Robinson et al., 2004).

The findings of this study will provide significant implications for public relations and internal communication scholars and professionals. Theoretically, the study will contribute to the growing body of knowledge on employee engagement and employee-organization relationship management; also, it will provide new empirical evidence on the explanatory power of the investment model in the employee-organization relationship context. From a strategic standpoint, the study will help organizational management and communication professionals better understand employee relationship dynamics and individual factors that affect employee commitment and engagement and provide insights on how to boost employee engagement in today’s increasingly complex and fast evolving business environment.

Literature Review

Employee Engagement

Employee engagement has become a widely used term in the practitioner literature (Saks, 2006). However, there is a lack of consensus among academics on how to conceptualize the concept (Kang, 2014; Saks & Gruman, 2014). Literature suggests that engagement can be defined as both a process and an outcome. According to Yankelovich and Immerwahr (1993), public engagement is a complex *process* of debate, discussion, and interaction between publics and organizations. Engaging the public is more difficult than selling or information sharing, because “it demands more time and energy from organization leaders, and greater sensitivity to the nuances of the *public’s thinking*” (p. 3). Thus, engagement emphasizes listening, feedback, two-way, and dialogic communication. In addition, engagement as a process includes the element of participation and characterized by the practice of involving members of the public in the agenda-setting, decision-making, policy-forming, and other activities of organizations (Rowe & Frewer, 2010).

Engagement as an *outcome* has been defined by a number of scholars. For example, Kahn (1990), who can be credited with conceptualizing and theoretically deriving the dimensions of

employee engagement in organizational studies, defined engagement as “the harnessing of organizational members’ selves to their work roles” (p. 694). According to Kahn, an employee could be cognitively, emotionally, and physically engaged. Cognitively engaged employees are aware of, attentive to, and absorbed in their mission and roles in the work environment and have what they need to make an impact in their work. Emotionally engaged employees feel a deep and meaning connection with, experience empathy and concern for, and put heart in the work roles. Physically engaged employees exert a lot of energy in performing their job. When individuals are cognitively, emotionally, and physically engaged, they bring the full selves to the job duties they are fulfilling.

Another popular definition of engagement derives from job burnout, the antithesis of engagement (Saks & Gruman, 2014). According to Maslach and Leiter (2008), engagement is “an energetic state of involvement with personally fulfilling activities that enhance one’s sense of professional efficacy” (p. 498). Contrary to exhaustion and cynicism, engaged employees maintain abundant energy and resilience, experience enthusiasm, challenge, and significance in performing their work roles, and are completely engrossed in the work. Similarly, Schaufeli, Salanova, González-Romá, and Bakker (2002) defined engagement as “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (p. 74). They further argued that engagement is not a transitory state but an enduring state of mind that enables immersing the holistic self in one’s work.

Situating the conceptualization of engagement within the public relations context, Taylor and Kent (2014) put forth the concept of dialogic engagement. Engagement is formed when dialogue takes place, therefore, engagement is “both an orientation that influences interactions and the approach that guides the process of interactions among groups” (p. 384). Only when dialogic engagement occurs can organizations form “understanding, goodwill, and a shared view of reality” with its publics (p. 391). Another recent contribution to the conceptualization of engagement within public relations is from Kang (2014), who defined engagement with three dimensions: affective commitment, positive affectivity, and empowerment. Central to contemporary public relations practice, engagement is proposed and proved as a behavioral motivator that elicits publics’ supportive behavioral intentions.

Despite the differences across disciplines and scholars, common themes (e.g., dedication, vigor, affection, involvement, and participation) are salient in defining the key features of employee engagement. We took inspiration from the abovementioned scholars and defined employee engagement as employees’ motivational and psychological states in which they stay cognitively, emotionally, and physically invested in their work roles and demonstrate dedication, positive affectivity, involvement, and deep-level connections with their work.

Distinction from related concepts. As an organizational outcome variable, employee engagement is associated with other employee outcomes such as organizational commitment, job involvement, job satisfaction, and organizational citizenship behavior (OCB). However, there are clear conceptual differences (Saks & Gruman, 2014); employee engagement is a broader concept that contributes more to employee performance when compared to job satisfaction, organizational commitment, and job involvement (Christian et al., 2011; Dalal, Baysinger, Brummel, & Lebreton, 2012). Conceptually, organizational commitment refers to employees’ emotional attachment to the organization. Job satisfaction is a positive attitude one holds about one’s job. OCB involves large group behaviors ranging from helping colleagues to conveying a

positive impression of the organization to others. In comparison, engagement is a higher motivational state that is distinct from an attitude or behavior (Saks, 2006). Scholars have also empirically differentiated engagement from related concepts (Christian et al., 2011; Hallberg & Schaufeli, 2006).

Employee-Organization Relationships

Ledingham and Bruning (1998) defined organization-public relationships by linking it with the impact based on interpersonal relationship principles: “the state which exists between an organization and its key publics in which the actions of either entity *impact the economic, social, political and /or cultural well-being of the other entity*” (p. 62). Hon and J. Grunig (1999) noted that a relationship begins when there are consequences created by an organization which affect publics or when the behavior of publics has consequences on an organization. Likewise, Hung (2005) argued that organization-public relationships “arise when organizations and their strategic publics are *interdependent* and this interdependence results in consequences to each other that organizations need to manage constantly” (p. 396).

Employees as the organization’s most important strategic public (Kim & Rhee, 2011) are interdependent with organizations in a variety of ways. Employees are the work force for the organization; their attitudes, behaviors, and performance directly contribute to productivity, organizational performance, and success. Employees are also the organizations’ ambassadors and living representations. Meanwhile, how the organization treats employees could largely influence employees’ economic, social, and cultural wellbeing. Employee-organization relationships have been extensively studied as a key consequence of effective internal communication and management (Jo & Shim, 2005; Kang & Sung, 2017; Men, 2011; Men & Stacks, 2013; Rhee, 2004; Kim & Rhee, 2011). A quality employee-organization relationship can be indicated by a number of positive outcomes such as employee trust, control mutuality, satisfaction, commitment, exchange and communal relationships (Hon & J. Grunig, 1999; Huang, 2001). This study specifically focuses on employee satisfaction and commitment, two most studied relational outcomes in management, organizational psychology, and communication (Hon & Grunig, 1999; Men & Bowen, 2017), situated within the investment model framework. Sharing conceptual overlap with organization-public relationships, the investment model provides a stakeholder-based perspective to explicate how relationship variables are interrelated.

The Investment Model

The investment model (Rusbult, 1980, 1983) is an extension of concepts developed in the exchange tradition within social psychology, particularly interdependence theory (Kelley, 1979; Kelley & Thibaut, 1978). Interdependence theory suggests that dependence is greater to the degree that a relationship provides good outcomes and to the degree that the outcomes available in alternative relationships are poor (Sung & Campbell, 2009).

The investment model extends interdependence propositions in two respects (Rusbult, 1983). First, the model identifies three bases of dependence: *satisfaction*, *alternatives*, and *investment*. Satisfaction is essentially the rewards of the relationship minus the costs. From an internal perspective, it reflects employees’ attitude toward their job and has been positively associated with organizational commitment (Yücel, 2012). Investments are links to the relationship that will be lost if the relationship ends. In the current study, investments concern the amount of resources employees have invested in the organization (e.g., retirement programs,

healthcare). As long as the investment size is substantial to an extent that the benefits of leaving an organization will not outweigh, employees will remain committed to their organizations. Simply put, the costs of termination (due to previous investments) may be too high to warrant leaving the organization. Alternatives are the availability of other quality relationships. Internally, employees who perceive higher quality alternatives from other available jobs are more likely to leave the current job than those who perceive lower quality job alternatives (Swider, Boswell, & Zimmerman, 2011). Second, the investment model suggests that dependence produces the psychological experience of commitment. Commitment level is a psychological state that represents the experience of dependence on a relationship and a long-term orientation, including feelings of attachment to a partner and desire to maintain a relationship. Thus, the investment model states that commitment is a central relationship-specific motive. Rusbult (1980, 1983) suggested that feelings of commitment reliably promote pro-relationship transformation. Strong commitment not only makes individuals more likely to remain with their partners, but also promotes a variety of relationship maintenance behaviors.

Prior research has consistently shown that all three predictors contribute significantly and independently to the prediction of commitment level and then positive behavioral outcomes (Duffy & Rusbult, 1986; Petrick & Durko, 2015; Eickholt & Goodboy, 2017; Rusbult, 1980, 1983; Rusbult & Farrell, 1983; Rusbult, Johnson, & Morrow, 1986; Vannier & O'Sullivan, 2017). For example, a study conducted by Breivik and Thorbjornsen (2008) revealed that consumer perceptions of investment model variables (i.e., commitment, satisfaction, relationship alternatives, and investment) could predict consumer behavioral outcomes such as repurchase likelihood and brand support. Another study showed that teachers' higher investments, lower perceived quality of alternatives, and higher job satisfaction predicted higher commitment to stay in their schools and the teaching profession (Eickholt & Goodboy, 2017). In addition, the model is cross-culturally generalizable, accounting for commitment processes in the United States, the Netherlands, and Taiwan (Lin & Rusbult 1995; Van Lange et al. 1997) and explains nonromantic commitment, including friendship commitment as well as job commitment and turnover (Eickholt & Goodboy, 2017; Rusbult 1980; Farrell & Rusbult 1981; Rusbult & Farrell 1983).

Research Hypotheses

The objective of the current research is to test the overall power of investment model variables (i.e., satisfaction, alternative, investment, and commitment) as related to employee-organization relationships in predicting employ engagement. Figure 1 presents a schematic representation of our proposed model of the study.

First, the investment model suggests that individuals become increasingly committed to the degree that satisfaction level is high (Rusbult, 1983). Satisfaction is greater to the extent that the outcomes resulting from involvement with the relational partner are good (i.e., the relationship gratifies important utilitarian or symbolic needs) and to the extent that comparison level is low (i.e., the individual has low expectations regarding relationship quality) (Sung & Choi, 2010). In the context of employee-organization relationships, employees feel more committed to their organizations in part because the relationships provide rewards. If the organization continues to offer benefits that lead to satisfaction with the relationships, the employee will commit to sustaining the relationship with the organization (Sung & Choi, 2010). In fact, in the management literature, strong positive relationships have been observed between job satisfaction and organizational commitment. For example, Aamodt (2007) noted that

satisfied employees are more likely to commit to the organization; employees who are satisfied and committed are more likely to arrive at work on time, stay with the organization, perform well, and engage in helpful behaviors to the organization. Thus, the first hypothesis is put forth to examine the impact of employees' satisfaction on relationship commitment and engagement.

H1a: Employees' organizational satisfaction will be positively associated with their commitment to the company.

H1b: Employees' organizational satisfaction will be positively associated with employee engagement.

The investment model suggests that to the extent that alternatives are limited in number or unattractive, commitment is stronger; when desirable alternatives are perceived to be readily available, commitment weaker (Rusbult, 1983). Existing work on social psychology supports the claim that commitment and persistence are influenced by perceived quality of alternatives (Rusbult, 1983). For example, to the degree that John cannot obtain good outcomes (e.g., salary, job satisfaction) independent of his employment at his current company – to the extent that John's needs cannot be fulfilled elsewhere – John's dependence on his relationship with his employer is greater and his commitment to maintaining their relationship is likely to be strong. By the same token, employees may be willing to engage with their organizations if they believe they are obtaining unique values and benefits from the relationship that other companies (organizations) cannot easily provide (Sung & Choi, 2010). Therefore, the following hypothesis is set forth:

H2a: Employees' alternatives will be negatively associated with their commitment to the company.

H2b: Employees' alternatives will be negatively associated with employee engagement.

In addition, commitment is also determined by investments. Investments can include both extrinsic (tangible) and intrinsic (intangible) investments. For example, investments that are intrinsic to the relationship with the company may include the total years of employment, non-portable training, non-vested portions of retirement fund (Madlock & Dillow, 2012). Some extrinsic resources that are connected to the relationship with the company they work for may include colleagues or friends at work, extraneous benefits such as health care and 401K, and housing arrangements (Rusbult & Farrell, 1983). Prior research suggested that employee investment is positively related to employee loyalty to the company and negatively associated with organization exit (Rusbult, Farrell, Rogers, & Mainous, 1988). Likewise, it is reasonable to predict that when employees invest more in the relationship with the organization, they will be more engaged, more attentive to going-ons in the organization, and actively and positively participate in organizations to get the most out of the relationship. In sum, according to the investment model, the following hypothesis was developed:

H3a: Employees' investment size will be positively associated with their commitment to the company.

H3b: Employees' investment size will be positively associated with employee engagement.

Regarding the relationship between employee commitment and engagement, Robinson et

al. (2004) pointed out that engagement is believed to be one step beyond commitment. Committed employees feel emotionally attached to the organization and desire to maintain the relationship with the organization. Engaged employees not only feel the positive emotional connection with the organization, but also are cognitively vigilant in their work and behaviorally participate in dialogues, decision-making, and organizational activities (Robinson et al., 2004; Saks, 2006). A few scholars have empirically confirmed the positive impact of commitment on employee work engagement (Kang & Sung, 2017; Men, 2015b; Rivkin, Diestel, & Schmidt, 2016; Zhang, Ling, Zhang, & Xie, 2015). Thus, employee commitment is considered a precursor of engagement. As precedingly discussed in the investment model, employee satisfaction, relationship alternatives and investment size positively influence employee commitment. Therefore, through nurturing employee commitment, factors of employee satisfaction, relationship alternatives, and investment could indirectly drive employee engagement. Thus, the following hypotheses were put forth:

H4: Employee commitment to the company will be positively associated with employee engagement.

H5a: Employees' commitment to the company will mediate the effects of employees' satisfaction on employee engagement.

H5b: Employees' commitment to the company will mediate the effects of employees' alternatives on employee engagement.

H5c: Employees' commitment to the company will mediate the effects of employees' investment on employee engagement.

Method

Sample

An online survey was conducted to test the proposed conceptual model and hypotheses. Participants were 314 full-time working adults from various industries recruited through the Amazon Mechanical Turk (MTurk). A HIT approval rate equal to or greater than 95%, which represents how many times MTurk workers' previous works had been approved by requesters, was used to ensure data quality. Each respondent received \$1 as compensation. The sample consisted of 165 female (52.5%) and 149 male (47.5%) participants. Approximately 39% of the respondents were ages 25-34, followed by ages 35-44 (22.3%), ages 18-24 (15.9%), ages 45-54 (13.1%) and ages 55-64 (9.2%). Anglo Americans comprised 71.7% of the sample, followed by African Americans (12.4%), Asian Americans (8.0%), and Latino (5.4%). In terms of the size of their company, approximately 43% of the respondents were from companies with less than 250 employees, followed by 501 – 1,000 employees (15.0%), 250 – 500 employees (13.7%), more than 7,000 employees (13.7%), 1,001 – 3000 employees (8.3%), 3001 – 5,000 employees (3.5%), and 5,001 – 7,000 employees (2.5%). A variety of industry types were found among the respondents such as healthcare and social assistance (14%), educational services (12.4%), retail trade (11.8%), manufacturing (9.6%), information (8.6%), arts, entertainment and recreation (6.4%), finance and insurance (5.4%), transportation and warehousing (4.8%), accommodation and food services (4.1%), administration and management services (4.1%), and construction

(3.5%). Finally, the average length of their employment was 63.4 months, ranging from 1 month to 40 years. Table 1 summarizes participants' demographic characteristics.

Measures

The measurement items for the relationship satisfaction, alternatives, investment, commitment, and communal relationships were adapted from previous literature (Hon & J. Grunig, 1999; Rusbult, 1983; Sung & Choi, 2010) and slightly modified for measuring relationships with companies they work for (see Appendix A). Five items were included to assess the relationship satisfaction level (e.g., "I feel satisfied with my relationship with this company," $\alpha = .86$), five items for the quality of alternatives (e.g., "My needs for satisfaction, necessity, etc. could easily be fulfilled in an alternative relationship with a different company," $\alpha = .82$), and four items to gauge size of investment (e.g., "I have invested a great deal in my relationship with this company," $\alpha = .87$). Five statements assessed employee commitment to the relationship with the company (e.g., "I feel that this company is trying to maintain a long-term commitment to me," $\alpha = .79$). Finally, six items adapted from Saks (2006) and Men (2011) were used to measure employee engagement (e.g., "I am attentive to this company's activities," $\alpha = .89$). All items were evaluated along a seven-point Likert scale (1 = *strongly disagree*, 7 = *strongly agree*). For data analysis, path analysis was conducted using AMOS 24 in SPSS to test the predictions of the investment model variables on employee engagement. A series of *t*-tests, ANOVAs, simple regressions were conducted to examine how demographic variables such as the respondent's age, gender, education level, industry type, company size, company tenure, and position level may influence examined variables.

Results

Table 2 reports the means, standard deviations, and correlations for the observed variables. Tests of influence of demographic variables on the focal constructs revealed the only significant positive effect of corporate tenure on employee investment size ($t = 2.53$, $\beta = .17$, $p < .05$). This finding is expected as the longer the employees are employed with the organization, the more resources, investment, and values they would attach to the relationship. Preliminary analysis on tolerance between independent variables (ranged between .57 to .96) indicated low multicollinearity.¹

Analysis of the Path Model

The framework of relationships formed by the suggested hypotheses was tested by path analysis using SPSS AMOS 24. As the hypothesized model was saturated (i.e., just-identified), the results yielded perfect data-model fit.² Therefore, interpretation of the results was focused on

¹ Tolerance is a measure of independence that each independent variable (IV) has from other IVs. Its value ranges from 0 (complete dependence) to 1 (complete independence). A higher value indicates low multicollinearity. The common rule of thumb for unacceptable tolerance is below .10 (Cohen, Cohen, West, & Aiken, 2003).

² A just-identified or saturated model means the number of parameters to be estimated is equal to the number of observed values, resulting in perfect data-model fit. In other words, all possible interrelationships between the variables are tested in the model (Kline, 2005). If researcher proposes a saturated model, which is theoretically plausible, interpretations of results should be focused on the parameter estimates of the structural paths (Kenny, 2013).

the path parameters. The study proposed five hypotheses, where three were fully supported, one was partially supported, and one was not supported. Results of each hypothesis testing are presented as follows.

Direct Effects

Hypothesis 1 predicted that employee satisfaction with the organization would positively influence organizational commitment of employees (H1a) and employee engagement (H1b). Results as depicted in Figure 2 provided support to both H1a and H1b. Employee satisfaction level demonstrated significant strong positive effects on both employee commitment ($\beta = .77, p < .001$) and engagement ($\beta = .51, p < .001$), implying that employee satisfaction with the organization largely contributes to employees' level of commitment and engagement.³

Hypothesis 2 predicted negative effects of the quality of employee job alternatives on organizational commitment of employees (H2a) and employee engagement (H2b). Contrary to the expectation, the data failed to support this hypothesis. Employees' job alternative showed insignificant effects on employee commitment ($\beta = -.02, p > .05$) or engagement ($\beta = .06, p > .05$).

Hypothesis 3 proposed that employees' investment size would positively affect organizational commitment of employees (H3a) and employee engagement (H3b). Results of the path analysis supported the hypothesis. In particular, employees' investment size demonstrated a significant moderate positive effect on employee commitment ($\beta = .17, p < .001$) and a similar sized positive effect on employee engagement ($\beta = .16, p < .001$). This finding indicated that the amount of investment employees made to the organization (or the resources and value they would lose if ending the relationship) matters for how much they would feel committed and engaged.

Hypothesis 4 predicted the direct positive effect of organizational commitment of employees on employee engagement. Results provided support to this hypothesis. Employee commitment demonstrated a significant strong positive effect on employee engagement ($\beta = .32, p < .001$), indicating that employees' level of commitment to the organization would largely contribute to their level of engagement.

Indirect (Mediation) Effects

Hypothesis five hypothesized the mediation effects of commitment in the relationships between employee satisfaction with the organization and employee engagement (H5a), quality of job alternatives and employee engagement (H5b), and employees' investment size and employee engagement (H5c). A formal test of indirect effects using a bootstrap procedure ($N = 5,000$ samples) was conducted to test hypothesis five. Results showed that the indirect effect from employee satisfaction to engagement through commitment was significant, $\beta = .25, p = .001$ (95% CI: .17- .34), supporting hypothesis 5a. The indirect effect from employees' investment size to employee engagement through commitment was small, but was also statistically significant, $\beta = .05, p = .001$ (95% CI: .02 - .08), supporting hypothesis 5c. Thus, organizational commitment of employees partially mediates the effects of employee satisfaction and

³ According to the rule of thumb proposed by Keith (2006), a standardized coefficient (β) of less than .05 suggests a negligible effect, a standardized coefficient of .05 to .10 suggests a small but meaningful effect, a standardized coefficient of .10 to .25 means a moderate effect, and a standardized coefficient of above .25 represents a large (strong) effect.

employees' investment size on employee engagement. However, results failed to support hypothesis 5b; the quality of employees' job alternatives showed neither direct nor indirect effect on employee engagement.

Discussion and Conclusion

The current study intends to extend the understanding of antecedents of employee engagement from a relationship perspective by testing the investment model predictions. Results provide important implications for communication and management scholars and practitioners.

The Investment Model in the Employee-Organizational Relationship Context

Rusbult's (1980) investment model implicates that high levels of relational satisfaction coupled with high levels of investment and limited alternatives combined to lead to high levels of commitment to the relationship. To the contrary, low levels of satisfaction together with low levels of investment and a great deal of relationship alternatives would result in low levels of commitment to the relationship. Although with limited literature, the model has been previously tested in the organizational setting. For example, Rusbult and colleagues (1988) examined how the investment model variables predict employee exit, loyalty and neglect. Their findings showed that high satisfaction and investment levels could encourage employee loyalty to the organization and discourage neglect and exit. Madlock and Dillow (2012) utilized the investment model to explain why employees who are subject to verbal aggressions and are dissatisfied with their job remain working for the organization. Their findings indicate that when employees have few job alternatives and investment is high, they tend to stay in their current situation even though the relationship is unpleasant. As seen in the literature, when different factors are considered, the predictability of the investment model shows variations. The current study provides new empirical evidence for the predictive power of the investment model in the work setting.

Findings concur with Rusbult et al. (1988) that satisfaction and investment size play significant roles in explaining employee-organization relationship dynamics. Specifically, when employees are satisfied with the organization, they are more likely to commit to a long-term relationship with the organization. This finding is also consistent with the prevalent notion in the organizational literature that employee satisfaction and commitment are often positively related (Bateman & Strasser, 1984; Madlock & Dillow, 2012). Additionally, in line with the investment model, investment size plays a key role in determining employee commitment to the organization. When employees become more invested in an organization by means of time, financial resources (benefits, training, retirement programs, healthcare), and personal relationships, they are more likely to commit to the relationship, as the costs of leaving the organization may supersede the possible gains from such an exit.

Contrary to the expectation, however, the quality of employee job alternative shows insignificant effect on employee commitment to the organization, accounting for satisfaction and investment size. That said, when both employees' level of satisfaction and amount of investment made are considered, quality of job alternative plays a negligible role in determining employee commitment. One case in point is that competitive employees may often have a variety of enticing job offers, but since they are happy with the organization and leaving the organization will cause significant loss of resources, employees may tend to stay with the current organization. As compared to satisfaction and investment, which could determine whether

employees “want” or “need” to leave, quality of job alternatives represents more of an external condition that could ensure employees being “able” to leave.

Employee Satisfaction and Commitment as Antecedents of Employee Engagement

Relational outcomes of employee satisfaction and commitment were both found to be critical predictors for employee engagement. When employees enjoy a quality relationship with the organization, they tend to reciprocate with active participation and involvement in organizational activities, feeling engaged. Engaged employees are attentive, absorbed, and dedicated to their work and often feel a sense of belongingness to the organization. Likewise, when employees feel committed to a long-term relationship with the organization, they tend to be present with ownership, identification, positive emotions, and engage with the organization actively. Further, satisfied employees are more likely to feel committed to the organization, which in turn, drives engagement.

These findings echo Kang’s (2014) observation that public trust and satisfaction with the organization, which are important outcomes of quality organization-public relationships, enhance public engagement. This study also provides empirical support for previous scholars’ (e.g., Robinson et al., 2004; Saks, 2006) speculation that employee engagement, as a psychologically motivated state, is distinct from employee attitudes of satisfaction or commitment. Rather, employee engagement can be resulted from positive employee attitudinal outcomes such as relational satisfaction and organizational commitment. Scholarship to date has suggested a long list of possible engagement drivers such as leadership style, CEO credibility, communication, supervisor relationship, work environment, job characteristics, and perceived organizational support (Ketchum, 2010; Men, 2011; Parsley, 2006; Robinson et al., 2004; Saks, 2006). However, there is a scant of empirical work verifying such connections; more importantly, little is known about the mechanism underlying these relationships. It is reasonable to believe that organizational factors such as leadership, communication, and job design influence employee attitudes and employee-organization relationship quality (e.g., satisfaction, commitment). It is such attitudinal outcomes that eventually contribute to a high level of employee engagement. To delineate such connections, more empirical studies need to be conducted in future.

Employee Investment Size as an Antecedent of Employee Engagement

Additionally, employee investment size was found to positively affect employee engagement both directly and indirectly through increased employee commitment. Specifically, if employees have invested numerous resources, tangible (extrinsic) or intangible (intrinsic, Rusbult, 1980), to the relationship with the organization, they are more likely to be cognitively, emotionally, psychologically, and physically engaged. Such finding is understandable considering the fact that employees who have devoted years of time, built extensive networks at work, or been provided rich benefits packages and promising personal development opportunities in the organization (Madlock & Dillow, 2012) will be reluctant take risks leaving the organization, especially when the expected gains of leaving will not necessarily supersede the cost. Instead, highly invested employees tend to be more actively engaged. As a way of work delivery, employee engagement in the forms of absorption, participation, and involvement could bring about more gains and rewards from work.

Findings of this study provide important theoretical implications. First, this study extends the line of emerging research on engagement by empirically suggesting employee satisfaction, commitment, and investment size as antecedent factors of employee engagement. Second, it builds connections between the quality of employee-organization relationship and employee

engagement, which adds to the growing body of literature on internal relationship management. Third, the current study provides new empirical support for the applicability and explanatory power of the investment model in the organizational setting, and indicates that satisfaction and investment size plays a more critical role than alternative job alternatives in determining employee commitment and engagement in the work context. The study also offers a novel perspective incorporating the investment model variables in understanding the relationship dynamics between organizations and publics.

Practical Implications

Findings of the study also provide strategic insights for public relations professionals, internal communication managers, and organizational leaders. First, the study offers implications for organizations on how to effectively engage employees. While organizational factors of leadership, culture, communication, work environment, job characteristics all matter (Ketchum, 2010; Robinson et al., 2004), essentially, what is precedent with engagement is quality employee-organization relationship and positive attitudinal outcomes of employees (i.e., satisfaction, commitment). Thus, keeping employees happy in a long-term committed relationship is the key to driving engagement. Public relations professionals and management thus need to be aware of organizational factors that play a critical role in affecting employees' satisfaction level. Organizations are recommended to intentionally create environment where relational satisfaction can be nurtured. More importantly, deleterious factors that deter employees from obtaining relational satisfaction from their jobs should be identified and eliminated. For example, research has shown that hostile work environment in the form of worker mistreatment and leaders' verbal aggression led to job dissatisfaction, which also decreased employees' commitment to the organization (Eickholt & Goodboy, 2017; Madlock & Dillow, 2012). Therefore, internal communicators should constantly scan the internal environment of their organizations, talk with employees at all levels, listen to and incorporate employees' feedbacks to improve their overall satisfaction level.

Additionally, employees' size of investment is another ineligible factor that enhances employee engagement. Providing attractive tangible and intangible resources such as long-term benefit packages and personal growth and development opportunities could cost organizations money. However, in the long run, it could save organizations' money on recruiting, training, socializing newcomers to the organizational culture (Madlock & Dillow, 2012) and make money for the organization by having employees who are willing to walk extra miles. In today's workforce, organizations are constantly updating benefits and perks to retain talents—free meals, on-site gyms, child care centers, tuition reimbursement—just to name a few (Gallup, 2016). Organizations should be aware that these investments not only help them attract and retain employees, but also boost employee engagement and performance as they will not no longer worry about driving to the gym or dropping off the kids. In this aspect, public relations practitioners can work with human resources to identify what benefits and perks employees consider the most valuable when making an employment decision. For instance, resources related to work life balance (e.g., maternity and paternity leave), greater work autonomy and flexibility (e.g., flexible scheduling and work-from-home options), and financial future are the most important ones for the millennial workforce (Gallup, 2016). Because a lack of communication is usually the reason why employees are not fully aware of the benefits they can get, communication professionals should tailor the organization's messaging and clearly communicate these benefits to different groups of employees. It is also advised that

communication staff utilize a variety of communication tactics to promote these benefits such as through lunch meetings, written communications, and emerging technological channels. Finally, these benefits need to be communicated constantly, and details provided so that employees would be reminded of the existing investments they have obtained in their current organizations, which would drive their organizational commitment and work engagement. Nevertheless, as compared to employee relational outcomes of satisfaction and commitment, investment size plays a relatively less important role in determining employees' engagement level. Thus, how to build a quality, superior, and meaningful relationship with employees will be central to boosting employee engagement.

Limitations and Future Research Directions

Several limitations were encountered and should be addressed in future research. First, although this study contributes to a general understanding of the relational antecedents of employee engagement, a triangulated approach incorporating multiple methods such as documentary analysis, longitudinal research, in-depth interview, or focus group would have provided more in-depth and valid explanations about how the process actually works. Second, the study only surveyed employees who work for corporations in the United States. Organizations outside the scope of the current study or those in other cultural settings should be careful when making references from the findings. Third, the data of the study were collected only from employees' perspective. To provide a more comprehensive understanding of how factors of satisfaction, commitment, and investment size drives employee engagement, insights from public relations professionals and organizational leaders should be incorporated.

In future research, qualitative research methods should be applied to generate more detailed, descriptive, in-depth, and contextual understanding of the proposed model. Replication procedures can be conducted to cross-validate the results obtained from this study using different samples from a variety of organizational or cultural settings or from other stakeholder groups. In addition, it would be helpful integrating other organizational factors (e.g., leadership, communication, culture, etc.) that drive engagement in the model to provide a holistic understanding of the engagement process.

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Table 1. Demographic Characteristics of the Sample.

Respondent profiles	Frequency	Valid % of sample
<i>Gender</i>	314	100%
Female	165	52.5
Male	149	47.5
<i>Position</i>	314	100%
Non-management	150	47.8
Lower-level management	73	23.2
Middle-level management	73	23.2
Top management	18	5.7
<i>Age</i>	313	100%
18-24	50	16
25-34	122	39
35-44	70	22.4
45-54	41	13.1
55-64	29	9.3
65-74	1	0.3
<i>Ethnicity</i>	312	100%
White	225	72.1
Black	39	12.5
Latino	17	5.4
Native American	6	1.9
Asian	25	8.0
<i>Education</i>	314	100%
No college (secondary education or below)	25	8.0
Vocational level (including diploma, higher diploma and associate)	20	6.4
Some college	87	27.7
A bachelor's degree	137	43.6
A master's degree	41	13.1
A doctoral degree	4	1.3
<i>Size of employer</i>	312	100%
<250 employees	134	42.9
250-500 employees	43	13.8
501-1,000 employees	47	15.1
1,001-3,000 employees	26	8.3
3,001-5,000 employees	11	3.5
5,001-7,000 employees	8	2.6
>7,000 employees	43	13.8
<i>Industry sector</i>	314	100%
Accommodation and Food Services	13	4.1
Manufacturing	30	9.6
Administration, Business Support & Waste Management Services	13	4.1

Mining	1	0.3
Agriculture, Forestry, Fishing and Hunting	6	1.9
Arts, Entertainment and Recreation	20	6.4
Professional, Scientific and Technical Services	27	8.6
Construction	11	3.5
Real Estate and Rental and Leasing	6	1.9
Educational Services	39	12.4
Retail Trade	37	11.8
Finance and Insurance	17	5.4
Transportation and Warehousing	15	4.8
Healthcare and Social Assistance	44	14.0
Utilities	5	1.6
Information	27	8.6
Wholesale Trade	3	1.0

Table 2. Correlation Matrix of Measured Variables with Descriptive Statistics

Measured Variable	<i>M (SD)</i>	1	2	3	4	5
1. Satisfaction	5.28 (1.38)	1				
2. Investment Size	4.70 (1.32)	.63**	1			
3. Quality of Alternative	4.12 (1.26)	-.23**	-.14*	1		
4. Commitment	5.04 (1.37)	.87**	.66**	-.19**	1	
5. Engagement	5.09(1.37)	.87**	.67**	-.14	.85**	1

* $p < .05$

** $p < .01$

Figures

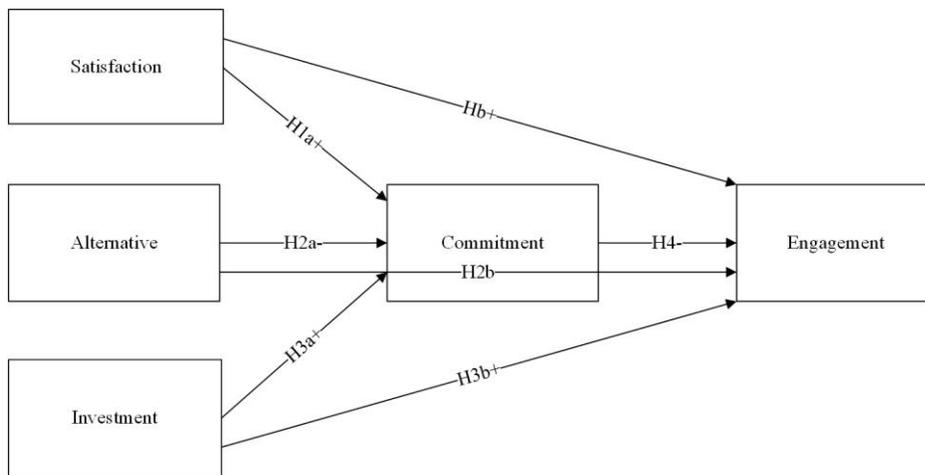


Figure 1. Conceptual model of investment model predictions of employee engagement.

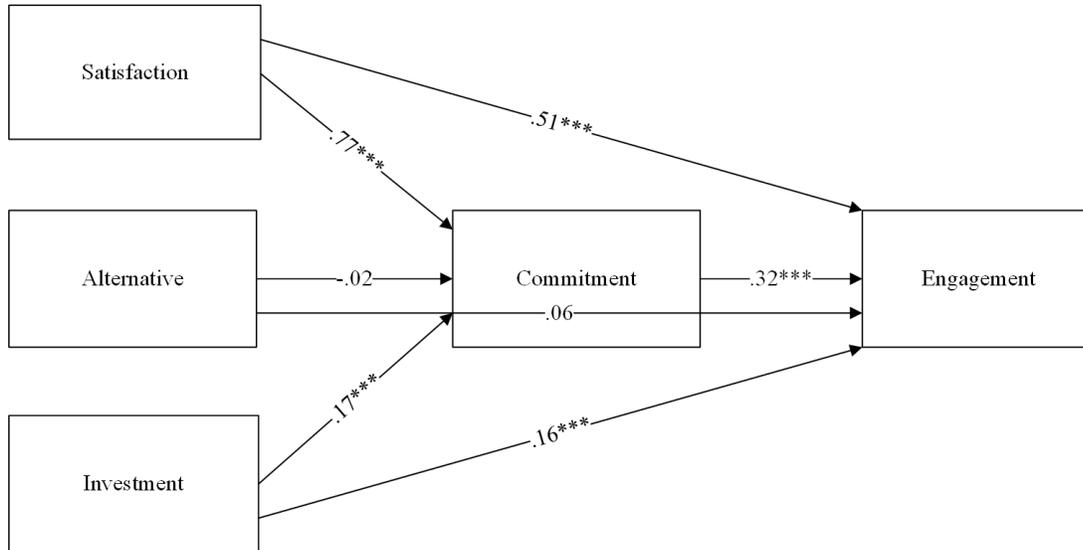


Figure 2. Results of path model analysis.

Appendix A: Measurement of Key Constructs

All the items below were measured on a seven-point Likert scale, 1=strongly disagree; 7=strongly agree.

Commitment

I feel that this company is trying to maintain a long-term commitment to me.

I can see that this company wants to maintain a relationship with me.

Compared to other companies, I value my relationship with this company more.

I would rather work together with this company than not.

There is no long-lasting bond between this company and me (R).

Satisfaction

I am happy with this company.

Both the company and I benefit from the relationship.

Generally speaking, I am pleased with the relationship this company has established with me.

I enjoy dealing with this company.

I am not happy in my interactions with this company (R).

Employee Engagement

I am excited about this company.

I am enthusiastic about this company.

I am proud of this company.

I am attentive to this company's activities.

I am actively involved with this company.

I am really not into the "goings-on" in this company (R).

Alternatives

Other alternative companies in this industry are attractive to me.

The companies other than this company with whom I might become involved are very appealing.

My alternatives to the relationship with this company are close to ideal.

If I left this company, I would do fine. I would find another appealing company to join.

My needs for satisfaction and necessity could easily be fulfilled in an alternative relationship with a different company.

Investment

Compared to other companies I know, I have invested a great deal in my relationship with this company.

I feel very involved in my relationship with this company like I have put a great deal into it.

Many aspects of my life have become linked to my company, and I would lose all of this if the relationship with the company were to end.

I would lose a great deal if my relationship with the company were to end.