Understanding Internal Media Effectiveness through HR Analytics: Implications for Employee Engagement

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Introduction:

We live in an era of communication, where even the absence of communication can be interpreted as a form of communication. Effective communication is essential for engaging and connecting employees within an organization. Internal communication media serve as vital channels linking the organization and its employees. They foster trust (Mishra et al., 2014), create awareness through information dissemination (Verčič et al., 2012), and help build long-term relationships within organizations (Welch, 2012).

Men et al. (2020) noted that media play a crucial role in fostering transparency and strengthening employees' sense of organizational identification by emphasizing the organization's employee value propositions. The contemporary corporate environment is characterized by an intensified focus on self-worth amid fierce competition, where the principle of survival of the fittest has become a prevailing norm. Internal media function as a strategic tool for showcasing employee competence and contributions. Haddud et al. (2016) further observed that internal media promote collaboration and innovation through effective communication among employees, thereby facilitating a deeper understanding of their professional proficiency and collective potential.

Employee retention and attraction have emerged as critical priorities for organizations due to the growing scarcity of individuals possessing the requisite knowledge, skills, and abilities that align with specific job roles. In the Indian context, the challenge stems more from unemployability than from unemployment, reflecting a mismatch between educational outcomes and industry demands. Consequently, corporations are channelling substantial resources toward attracting top talent, often at the expense of implementing effective long-term retention strategies. According to Shami et al. (2015), employee engagement should not be misconstrued as an inherent or static trait within organizations; rather, it represents a dynamic state that must be continually cultivated. To achieve this, organizations must strategically reinvent and optimize their internal resources to establish a resilient internal communication framework that aligns with organizational policies and practices. Zoonen and Banghart (2018) further emphasized that internal communication media play a pivotal role in fostering constructive workplace dynamics by enabling sustained interaction across both upward and downward channels of communication.

Ton et al. (2021) highlighted that employee engagement helps establish a strong association between employees and the company's values by enhancing employees' energy levels and motivating them to exert greater effort. The Social Exchange Theory, within an organizational context, suggests that interactions among stakeholders influence employees' perceptions of the organization. Schroeder and Modaff (2018) empirically demonstrated that the manner in which employees exhibit engagement is shaped by the communication that occurs among stakeholders within the organization. Furthermore, the internal communication processes prevalent in an organization significantly influence employee–organization relationships. Internal media in an organisation is responsible for seeking information, selecting viable information, and forwarding information to achieve the common objectives of an organisation. It also shapes the employees' communication behaviour. Kang and Sung (2017) emphasized that internal communication impacts employees' perception of their relationships with the organization, thereby influencing their engagement levels and retention intentions.

Formal and informal communication within organisations plays a crucial role in shaping organizational culture by fostering trust, autonomy, openness, and empathy. Internal communication influences employees' attitude towards the organisation, which helps them in devising their own communication about the organisation both internally and externally.

Mishra et. al (2014) indicated that effective internal media communication is reflective of management's ability to build strong relationships between stakeholders in the organisation through a well-defined social exchange process of communication. Internal communication media also play a vital role in ensuring that the essential principles of effective communication- clarity, conciseness, correctness, concreteness, coherence, courtesy, and completeness – are constantly maintained.

In the present scenario, where information is the differentiator between informed decisions and decision tools like analytics are helpful in proactively preparing the organisation rather than keeping it in a reactive state. In functional organisations, human resources are considered as most valuable and strategic assets for creating value. Therefore, HR analytics has gained significant prominence in recent times. Marler & Boudreau (2017) indicated that people-driven data within an organisation, particularly in relation to HR practices, can facilitate more effective management of human resources, as each individual is unique and it is very difficult to manage every human with the same yardstick. Inconsistent communication of HR policies and requirements undermines the core objectives of HR analytics, which aims to collect meaningful data related to all major HR systems. HR analytics can contribute to the development of more effective internal media communication strategies by providing insights into skills, competencies, and behaviours necessary for creating impactful communication (Yadav et. al.,2024). Furthermore, Baker and Hart (2016) emphasized that by aligning communication strategies with HR analytics data enables organisations to enhance the coherence between their internal capabilities and employees' alignment with organizational objectives.

Organizations are increasingly seeking a structured alignment between HR analytics and effective communication policies, as both have demonstrated significant individual benefits. A study by SHRM (2020) revealed that organizations utilizing HR analytics exhibit higher employee retention rates and productivity levels compared to those that do not. Similarly, the ANA (2018) reported that organizations with comprehensive media strategies tend to achieve higher profit margins. In light of these findings, Angrave et. al (2016) recommended that internal media strategies can foster desirable employee behaviours by aligning employee perceptions with organisational expectations, thereby facilitating more informed human resource decisions. In the above backdrop, the present study seeks to examine the effects of internal media communication satisfaction on employee engagement, with a particular focus on the mediating role of HR analytics in selected organizations.

Research Methodology
The researchers employed a non-probability sampling technique, wherein respondents from selected organisations were selected based on their willingness and ability to participate in the survey. Data were collected while ensuring confidentiality and anonymity, following a clear explanation of the research objectives and purpose. Participants were also informed of their right to withdraw from the study at any stage should they feel uncomfortable.

Method of Data Collection:
The data were collected through a structured questionnaire administered via Google Forms. The survey was distributed to entry-level managers working in selected organisations within the service sector. Respondents were informed that their participation was voluntary, their responses would remain confidential, and the data would be used solely for academic purposes. The questions consisted of balanced statements with mixed-item wording to minimize acquiescence bias. Prior to the final data collection, a pilot study was conducted to assess the validity and reliability of the instrument in an organization that had been utilizing HR analytics for more than two years. Based on the pilot test results, the questionnaire was refined to improve clarity, particularly by incorporating reverse-coded items to enhance the robustness of the responses.

The final questionnaire was administered through Google Forms. A total of 551 responses were received. After excluding incomplete questionnaires and those containing inconsistent or patterned responses, a total of 281 valid responses were retained for data analysis. The final sample consisted of 103 respondents (36.65%) from the selected consultancy firm, 92 respondents (32.74%) from the selected banking firm, and 86 respondents (30.60%) from the selected hospital.
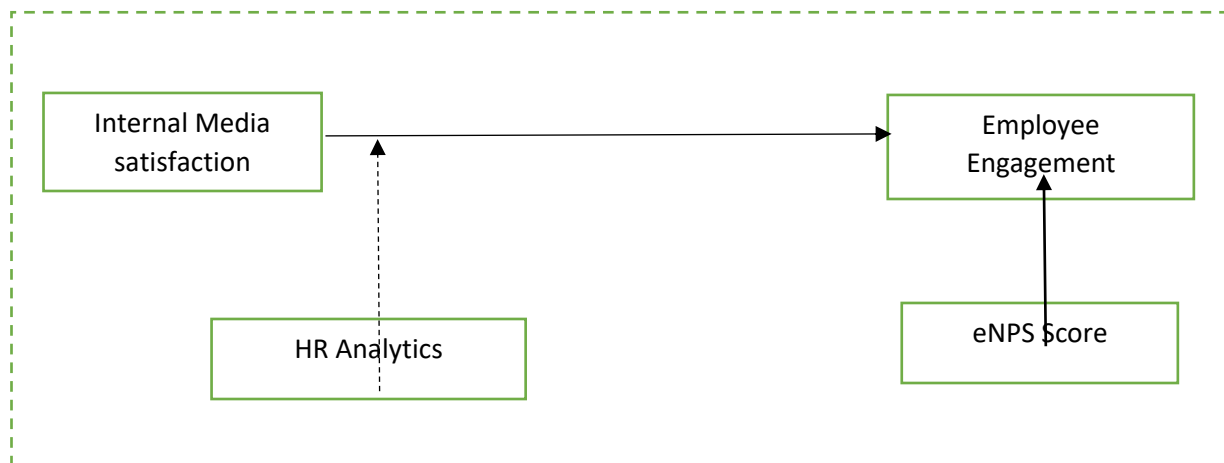
Items for Measurement:
The questionnaire was developed by using well-defined, reliable, and valid constructs that have been previously tested and validated by other researchers in their respective empirical studies. Except for HR analytics, which was used as a dummy variable, all other variables included in the research model were assessed using items measured on a five-point Likert scale. The study measured the following variables with the help of established constructs:

1.   **Internal Media Communication:** Internal Media Communication was assessed using the Internal Media Communication Satisfaction Survey developed by Tkalac Vercic et. al. (2009). The instruments encompass the following dimensions:

(i) satisfaction with Feedback

(ii) Satisfaction with communication with the immediate supervisor

(iii) Satisfaction with Horizontal communication

(iv) satisfaction with informal communication

(v) satisfaction with information about the organisation

(vi) Satisfaction with Communication Climate

(vii) satisfaction with the quality of communication media, and

(viii) satisfaction with communication in meetings.

2.   **Employee Engagement**: Employee Engagement was measured using the three–dimensional framework proposed by Macey, W. H., and Schneider, B. (2008), which includes Intellectual Engagement, Social Engagement, and Affective Engagement. In addition, a single-item Employee Net Promoter Score (eNPS) Scale was incorporated to assess the overall level of engagement.

Analysis and Interpretation:

In the first stage of analysis, HR analytics was introduced as a dummy variable. Respondents who were aware of the usage of HR analytics in their respective organisations were coded as 1, and the respondents who were not aware of the usage of HR analytics in their respective organisations were coded as 0.

The mean value of the collected data for Internal Media Satisfaction was computed separately for individuals with and without awareness of HR analytics usage in their organisations. Using the regression equation $Y = a+bx$, the calculated relationship was as follows:

Internal Media satisfaction = 13.281 + (-0.428 × Awareness about usage of HR Analytics)

Since awareness about the usage of HR analytics in their respective organisations was coded as 1, and the respondents who had no awareness about the usage of HR analytics in their respective organisations were coded as 0, the predicted value was as follows:

- **For respondents with awareness of HR analytics usage:**

Internal Media satisfaction = 13.281 + (-0.428 × 1) = 12.853

(Awareness about usage of HR Analytics)

- **For respondents without awareness of HR analytics usage:**

Internal Media satisfaction = 13.281 + (-0.428 × 0) = 13.281

(No Awareness about the usage of HR Analytics)

These results indicate that the mean score of Internal Media Satisfaction was marginally higher among respondents who were not aware of HR analytics usage in their organisations, suggesting a slight negative relationship between awareness of HR analytics and internal media satisfaction in the given sample.

Further, the model summary obtained from the linear regression analysis, conducted to examine the variation in Internal Media Communication Satisfaction with respect to awareness of HR analytics usage, is presented below:

Model	r	r^2	Adjusted r^2	Std. Error of the Estimate
1	0.05[a]	.003	.003	43107

[a] Predictor

It can be observed from the above table that R^2 is relatively low, calculated at 0.003. This result indicates that only 0.3% of the variation in Internal Media Communication Satisfaction **is** explained by the level of awareness regarding the usage of HR analytics within the respective organizations.

In the later stage, the research aimed to examine the relationship between Internal Media Satisfaction and Employee Engagement (Y). The analysis explored the association between the dependent variable, Employee Engagement (Y)**,** and the independent variables representing various dimensions of Internal Media Satisfaction, namely:

(i) Satisfaction with Feedback (X_1)

(ii) Satisfaction with communication with immediate supervisor (X_2)

(iii) Satisfaction with Horizontal communication (X_3)

(iv) satisfaction with informal communication (X_4)

(v) satisfaction with information about organisation (X_5)

(vi) Satisfaction with Communication Climate (X_6)

(vii) satisfaction with quality of communication media (X_7)

(viii) satisfaction with communication in meetings (X_8).

The analysis was conducted using the least squares method to estimate the regression coefficients. The result of the analysis is presented below:

Dependent variable: Employee Engagement (Y)				
Observation Included: 281				
Variable	Coefficient	Std. error	t statistics	Prob.
Satisfaction with Feedback (X_1)	0.91812	0.070822	13.23084	0.000
Satisfaction with communication with immediate supervisor (X_2)	1.07316	0.070124	13.7426	0.000
Satisfaction with Horizontal communication (X_3)	0.931420	0.077341	13.9742	0.000
satisfaction with informal communication (X_4)	1.141649	0.071111	16.8521	0.000
satisfaction with information about the organisation (X_5)	0.854891	0.07312	13.7328	0.000
Satisfaction with Communication Climate (X_6)	1.049545	0.07529	14.1731	0.000
satisfaction with the quality of communication media (X_7)	1.136728	0.070816	13.3024	0.000
satisfaction with communication in meetings (X_8)	0.935860	0.070152	13.5289	0.000
Employee Engagement (Y)	0.966501	0.981523	9.682974	0.000
R-squared 0.7794823		Mean dependent var 4.453211		
Adjusted R-squared 0.775511		S.D. dependent var 0.873424		
S.E. of regression 0.412735		Akaike info criterion 1.092314		
Sum squared resid 68.66831		Schwarz criterion 1.1710235		
Log likelihood -215.4305		Hannan-Quinn criter. 1.123112		
F-statistic 202.3715		Durbin-Watson stat 1.898217		
Prob(F-statistic) 0.000000				

The results presented in the above table indicate that the independent variables- (i) Satisfaction with Feedback (X_1), (ii) Satisfaction with Communication with Immediate Supervisor (X_2), (iii) Satisfaction with Horizontal Communication (X_3), (iv) Satisfaction with Informal Communication (X_4), (v) Satisfaction with Information about Organisation (X_5), (vi) Satisfaction with Communication Climate (X_6), (vii) Satisfaction with Quality of Communication Media (X_7), and (viii) Satisfaction with Communication in meetings (X_8) - has a significant relationship with dependent variable Employee Engagement (Y), as evidenced by the calculated t-value and a p-value of 0.000.

The calculated value of R^2 was 0.7794, indicating that the independent variables explain approximately 77% of the total variation in the dependent variable. The adjusted R^2 value of 0.7755 further confirms that the model is well specified, demonstrating that the selected independent variables collectively provide a strong explanation for variations in the dependent variable.

In the third stage, the Employee Net Promoter Score (eNPS) score was calculated using the formula:

eNPS= (% Promotors - % Detractors).

The final eNPS score of the selected Consultancy Firm was 42, indicating a robust organisational environment and a highly positive level of employee sentiment. The Banking Firm recorded an eNPS score of 28, while the Hospital achieved a score of 21, both reflecting a generally positive work environment characterized by a healthy level of employee engagement.

Results and Discussion:

The results of empirical analysis suggest that there is a significant relationship between satisfaction with internal media and employee engagement. According to Balkrishnan and Masthan (2013) indicated that engaged employees are driven by a sense of purpose in their work and, consequently, put forth sincere effort to achieve organisational objectives. Therefore, it is essential for an organisation to assess employee satisfaction with respect to its internal communication media.

The present study examined eight different parameters related to communication, namely:

(i) Satisfaction with Feedback (X_1)

(ii) Satisfaction with communication with immediate supervisor (X_2)

(iii) Satisfaction with Horizontal communication (X_3)

(iv) satisfaction with informal communication (X_4)

(v) Satisfaction with information about organisation (X_5)

(vi) Satisfaction with Communication Climate (X_6)

(vii) Satisfaction with quality of communication media (X_7)

(viii) Satisfaction with communication in meetings (X_8).

The analysis considered satisfaction across upward, downward, and horizontal communication, as well as satisfaction with both formal and informal modes of communication. The findings reveal that a favourable communication climate, along with the appropriate coding of messages, is a crucial determinant of satisfaction with internal communication media. Further, the study also revealed that internal communication plays a crucial role in delivering focused and transparent messages, thereby fostering employee trust and enhancing engagement within the organisation. The findings of the research are consistent with the previous studies by Iyer and Israel (2012) and Mbhele and De Beer (2021), which highlighted that satisfaction with internal communication media contributes significantly to the development of engaged employees. Effective management is often described as the art of achieving organisational goals through others, a process that depends heavily on the proper dissemination of information and the maintenance of a positive communication climate. In this study, HR analytics was introduced as a dummy variable. However, the results did not support the notion that HR Analytics directly influences satisfaction with internal media. Despite this, previous research has demonstrated that HR analytics can enhance employee engagement.

Further, studies have also concluded that employee engagement can benefit from effective internal communication, as employees who receive timely and high-quality information tend to be more engaged in their work (Hart, 2016).

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