

# The Impact of Different Types of Internal Communication on Employees' Engagement and Resistance to Change

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## Abstract

Previous studies have revealed the importance of internal communication for both organizational performance and employees' satisfaction. The current study investigates the impact of internal communication on two fundamental aspects for organizational success and survival: employees' engagement and resistance to change. More specifically, the study analyses the impact of different types of internal communication (organizational, superiors and peers) on different dimensions of engagement (absorption, dedication and vigour) and different dimensions of resistance to change (routines seeking, emotional reaction, cognitive rigidity and short-term focus). Contrary to previous studies, where communication with superiors was the most important variable, results from this study highlight the importance of organizational communication and communication with peers. These two variables have the highest explanatory power for the variance of engagement at work ( $R^2=36\%$ ). Communication with peers and education level are the variables with the highest explanatory power for the variance of resistance to change ( $R^2=11,3\%$ ).

## Introduction

Internal communication is a pervasive mechanism in all organizations and its study is acquiring a growing importance both in the academic community and in the business world [26]. Several studies have revealed the positive effects of a good internal communication, both for employees' satisfaction and for organizational performance [28]. As far as employees are concerned, studies have shown the effects of communication on aspects as diverse as motivation [2], organizational commitment and organizational identification [20], and cooperative and collaborative organizational climates [17]. For organizational performance, studies have shown that a good internal communication fosters productivity, reduces operational costs, and enhances creativity and innovation [5].

The current study intends to analyse the impact of internal communication in the particular case of Portuguese organizational context. It focusses on two variables that are considered fundamental for organizational performance: employees' engagement at work and resistance to change. Previous studies have revealed the importance of internal communication for engagement [12, 14, 18] and for resistance to change [7, 9, 13]. In this

study, we will analyse the relationships between these three variables in a public sector (state-owned) organization in Portugal.

## **Literature review and model development**

### **Internal Communication**

According to Bovée and Thill [3]., internal communication is a mechanism allowing for the exchange of information and ideas inside an organization. Along the same line of thought, Versic et al. [25] consider that organizational communication is characterized by an ambition (following the organizational vision, mission, and strategy) to share information through the organizational structure in a systematic, coordinated and efficient way.

Since internal communication is a concept involving multiple aspects, some authors have attempted to identify different types of internal communication. Already in 1984, [24] highlighted two types of communication: Communication with direct superiors and communication among peers. More recently, [27] argue that four fundamental types can be identified: organizational communication, line-managers communication, communication between peers and communication between project teams. For the purpose of this study we will consider the latter taxonomy, excluding communication between project teams because the company under study seldom works with project teams.

### **Engagement**

Kahn [11] is often considered a pioneer as far as the development of the engagement concept is concerned. According to this author, employee engagement is “the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances” [11:694]..

Although engagement is much related to employee’s physical and psychological well-being [11], the growing importance of this concept is not limited to humanitarian reasons. Research has shown that engagement is related to meaningful business outcomes such as growth and productivity of the organization and customer loyalty [27]..

Schaufeli et al. [22] argue that engagement is a multidimensional concept and identify three dimensions: Vigour, dedication and absorption. According to these authors:

- “Vigour is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one’s work, and persistence even in the face of difficulties” (p.74).
- “Dedication is characterized by a sense of significance, enthusiasm, inspiration, pride and challenge” (p.74)
- “Absorption is characterized by being fully concentrated and deeply engrossed in one’s work, whereby time passes quickly and one has difficulties with detaching oneself from work” (p.75)

Several authors have positioned that internal communication enhances engagement at work [1, 14, 18, 26]. A brief review of the literature shows that the type of communication that is emphasized is communication with superiors, including direct hierarchy superiors [1, 14] and senior managers [26].

### **Resistance to Change**

Resistance to change is a critical psychological state of employees, affecting change initiatives in organizations and often aimed at maintaining the *status quo* [4]. Employees’ resistance to change is often considered the main reason for failure when implementing change [23].

Following the notion that resistance to change is a multidimensional concept, Oreg [19] developed a resistance to change scale which allowed for the identification of four factors (p.682-683):

- Routine seeking, reflecting people’s inclination to adopt routines, preference for low levels of stimulation and reluctance to give up old habits;
- Emotional reaction to imposed change, reflecting the amount of stress and uneasiness the individual experiences when confronted with change and related with psychological resilience and reluctance to lose control;
- Cognitive rigidity, reflecting the ease and frequency with which individuals change their minds.
- Short-term focus, reflecting a focus on the immediate inconvenience or adverse effects of change, in spite of one’s awareness of the potential long-term benefits involved in the change.

Although there is a vast array of antecedents to resistance to change, there is a wide agreement that internal communication – or the lack of it – is one of those motives. Already in 1979, Kotter and Schlesinger [13] propose six ways of overcoming resistance to change, of which communication is the first. According to the authors, resistance to change may be reduced through an effective communication explaining the logic underlying the need for change. Lack of communication may lead to a lack of trust on the employee part and a lack of organizational credibility. Although the authors are not very precise on this point, it can be inferred from their argumentation that the type of communication emphasized is organizational communication. More recently, several authors also identify, as the main motive for resistance to change, the lack of communication about the change process, its goals and strategies to achieve them [7, 8, 15]. In all these studies, we can once again infer a focus on organizational communication.

The model depicted in Figure 1 shows the variables and the relationships under study:

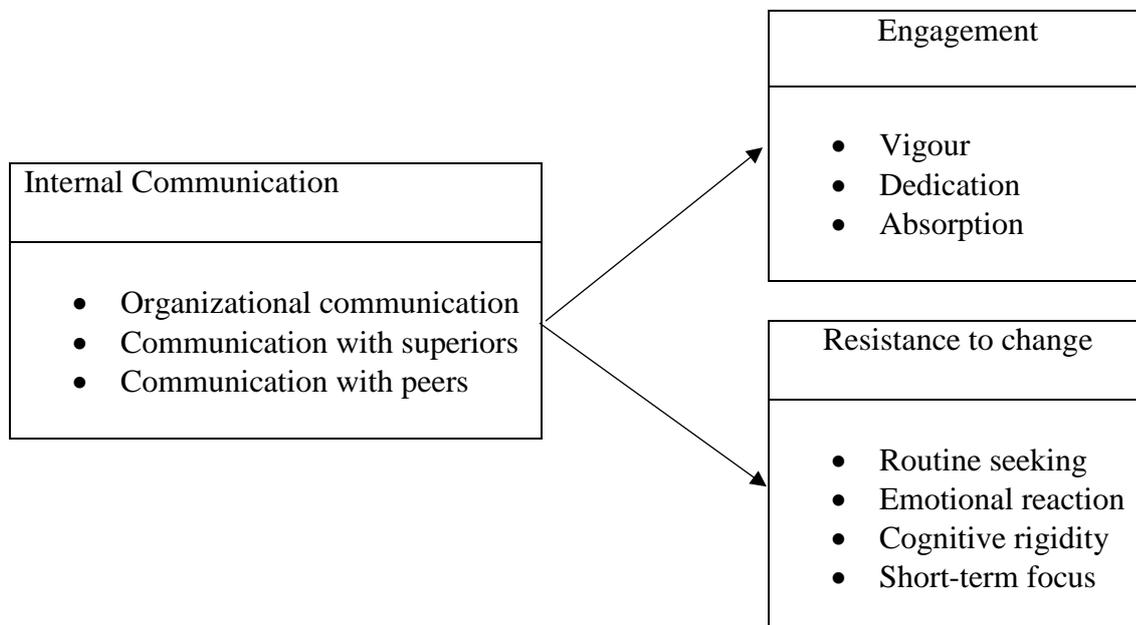


Figure 1. Conceptual model

## Method

### Data collection procedures and participants

Data were collected with permanent employees at a Portuguese state-owned organization. Questionnaires were distributed by internal mail and sent back directly to researchers. Of the 252 instruments sent, 147 were received back, corresponding to a response rate of 58,33%.

In the total sample of 147 employees, 24 (16,3%) are male, 123 (83,7%) are female and the average age is 45,5 years. The majority of participants (n=96, 65,3%) have a university degree and only a small number (n=26, 17,8%) did not finish obligatory schooling (9 years). Top managers and middle managers represent, respectively, 19% and 16,3% of the sample, while highly qualified workers and qualified workers represent, respectively, 28,6% and 19,7% of the sample.

### Measures

The instrument used included five measures, for which a five-point Likert scale was used (1=Completely disagree to 5=Completely agree)

- Organizational communication, assessed through the 7-item scale developed by Camplitt and Downs [5].
- Communication with superiors – assessed through the 13-item scale of Karanges et al. [12].
- Communication with peers – assessed through the 5-item scale of Christensen [6].
- Engagement, assessed through the 8-item scale of Schaufeli and Bakker [21].
- Resistance to change, assessed through the 18-item scale of Oreg [19].

The instrument also included a final part on demographic variables such as gender, age, education level and hierarchy level

## Results

The reliability of the scales was addressed to verify the internal consistency of the items. The reliability of the scales is considered adequate when the Cronbach alpha is above 0,7 [16]. As far as internal communication scales are concerned, the Cronbach alphas were always above this threshold level, ranging from 0,808 (communication with peers) to 0,971 (communications with superiors). For work engagement, the total scale presented a Cronbach alpha of 0,912, but when the subscales were analyzed it was found that the absorption subscale had an alpha slightly below the acceptable level (0,672) . The two remaining subscales had good levels of reliability, ranging from 0,830 (dedication) to 0,872 (vigour). The resistance to change scale had a Cronbach alpha of 0,889. However, one of the subscales, cognitive rigidity, had an alpha much below the acceptable level (<0,6) and was therefore excluded from the analysis. The remaining scales had acceptable Cronbach alphas, ranging from 0,743 (short-term focus) to 0,872 (emotional reaction).

An analysis of correlations (Table 1) shows that the three internal communication variables (organizational communication, communication with superiors and communication with peers) are all significantly and positively correlated with engagement at work and its' three subscales. This result indicates that the higher the perception of good internal communication in the organization, the higher the level of work engagement. Table 1 also shows that only communication with peers is significantly correlated with resistance to change and one of its subscales (short term focus). The correlation is negative, indicating that the higher the perception of a good communication with peers, the lower the resistance to change and the lower the short-term focus.

Table 1 - Correlations

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
1. Com. super.	1										
2.Org. com.	0,70**	1									
3.Com. peers	0,42**	0,44**	1								
4. Engagement	0,48**	0,56**	0,44**	1							
5. Res change	-0,06	-0,02	-0,21**	0,01	1						
6.E_Absortion	0,47**	0,53**	0,39**	0,86**	0,05	1					
7. E_Dedicat	0,41**	0,50**	0,40**	0,32**	-0,05	0,67**	1				
8. E_Vigour	0,43**	0,48**	0,39**	0,30**	0,03	0,67**	0,74**	1			
9.RC_Routines	-0,05	0,01	-0,04	0,07	0,73**	0,14	0,01	0,06	1		
10.RC_Emotion	-0,11	-0,06	-0,13*	-0,03	0,73**	-0,05	-0,13	-0,07	0,53**	1	
11.RC_ShortT	-0,07	-0,04	-0,25**	-0,04	0,33**	0,020	-0,10	-0,03	0,65**	0,65**	1

\* p<.05 \*\* p<.01

Subsequently, stepwise linear regression was used to assess which variables had the highest explanatory power of engagement at work and resistance to change. The model for the regression with engagement at work as the independent variable (Table 2) retained two variables - organizational communication and communication with peers - explaining 36% of the variance ( $R^2$ ). The model with resistance to change as the independent variable (Table 3) retained two variables – education level and communication with peers), explaining 11,3% of the variance ( $R^2$ ).

Table 2 - Stepwise regression for engagement at work

Predictor	$R^2$	Std. Beta
Organizational communication	0,360	0,457
Communication with peers		0,237

Table 3 - Stepwise regression for resistance to change

Predictor	$R^2$	Std. Beta
Education level	0,113	-0,283
Communication with peers		-0,163

## Conclusions

This study analyzed the effects of different types of internal communications on two aspects much related to organizational success and even to survival: engagement at work and resistance to change. While previous studies on communication and engagement at work focused almost entirely on communication with superiors, results of this study indicate the importance of organizational communication and communication with peers. Similarly, while

previous studies on communication and resistance to change have focused mainly on organizational communication, the current study highlights the importance of communication with peers to reduce resistance to change. An unexpected result was that the higher the education level, the lower the resistance to change of employees. These results present contributions to the current state of the art and may be further explored and analyzed in more detail in future studies.

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