

Employee Engagement and Job Satisfaction in Multicultural Workplaces: A Literature Review from a Cross-Cultural Perspective

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Abstract

With globalization and the increasing diversity of the workforce, organizations are faced with the challenge of effectively managing multicultural teams. Understanding how employee engagement and job satisfaction are influenced by multicultural factors is crucial for organizations to create inclusive work environments that foster productivity and well-being.

This literature review aims to explore the relationship between employee engagement, job satisfaction, and multicultural workplaces. It examines relevant studies and provides insights into the key factors, challenges, and strategies for enhancing employee engagement and job satisfaction in multicultural workplaces. The findings will shed light upon the author's research area on the factors influencing employee engagement and job satisfaction in multicultural work environments and contribute to a deeper understanding of cross-cultural dynamics in the workplace.

Keywords: intercultural competence, job satisfaction, employee engagement, multicultural workplace, cross-cultural dynamics.

1 Introduction

A multicultural organization is characterized by a workforce that includes people from diverse backgrounds across all departments, and which offers them equal opportunity for input and advancement within the company (Hayes, 2023). Cultural diversity is defined as the existence of two or more persons from different cultural groups in any single group or organization (DeSimone, Harris 1998). To look further into diversity and the present-day effect, a 2023 report by the Institute for Employment Research (IAB) has shown that almost 70 percent of all newly-created jobs in Germany in 2022 were filled by foreign workers - an indication of just how much migrants are supporting the economy as the country struggles to contend with a looming labor crisis (Carter, 2023). So, this migration brings into the workplace a diversity of employees. The interactions between employees from different cultural backgrounds may exasperate issues between foreign and domestic employees. Meyer (2015) stated that if steps are not taken against cultural disintegration, organizations may face serious consequences, including the possibility of folding or ceasing to exist. Organizational culture plays a crucial role in shaping the values, beliefs, and behaviors of its members. If this culture breaks down or becomes fragmented, it can negatively impact cohesion, communication, and overall effectiveness within the organization. Cultural disintegration implies a circumstance at the ex-

treme end of the acculturation process and thus is likely to have the most profound negative effects on individuals (Bammer, 1994). Acculturation can be defined as a process of attitudinal and behavioral change experienced by individuals who live in multicultural societies or who have come in contact with a different culture due to colonization, invasion, political change, globalization, and the increased mobility of society due to technological advances (Delgado-Romero, Ridley, 2004). Berry, Kim, Minde, Mok (1987) stated that the process of acculturation is unavoidable for individuals who attempt to cope with stressful events resulting from continuous contact with a new culture.

If strategies are not put into place to alleviate this issue, some cultural-related stressors, such as cultural conflicts, language barriers, and workplace confusion may be generated (Cano, Schwartz, Castillo, Romero, Huang, Lorenzo-Blanco, Unger, Zamboanga, Rosiers, Baezconde-Garbanati, 2011).

Employee engagement and job satisfaction are crucial factors for organizational success and employee well-being. In multicultural workplaces, understanding the impact of cultural diversity on employee engagement and job satisfaction becomes essential. The 2023 Gallup Report shows that low employee engagement alone costs the global economy \$7.8 trillion (Kim, Chang, Kim, 2023). With this financial fact, organizations and human resource management (HRM) must take into consideration the reason for this occurrence, especially from an intercultural perspective.

2 Method

The research question central to this literature review inquiry is: "What is the nature of the relationship between employee engagement and job satisfaction within multicultural workplaces, and what insights can be gleaned from existing studies regarding the key factors, challenges, and strategies for enhancing these aspects in such diverse work environments?"

This literature review synthesizes studies conducted in multicultural work settings to explore how cultural variations influence these workplace outcomes. The review aims to provide insights into the effectiveness of these models and their potential implications for organizations seeking to foster a culturally inclusive and satisfying work environment.

With the insight from this review, one can gain awareness of multicultural workplaces and see if the importance of fostering intercultural competence training in organiza-

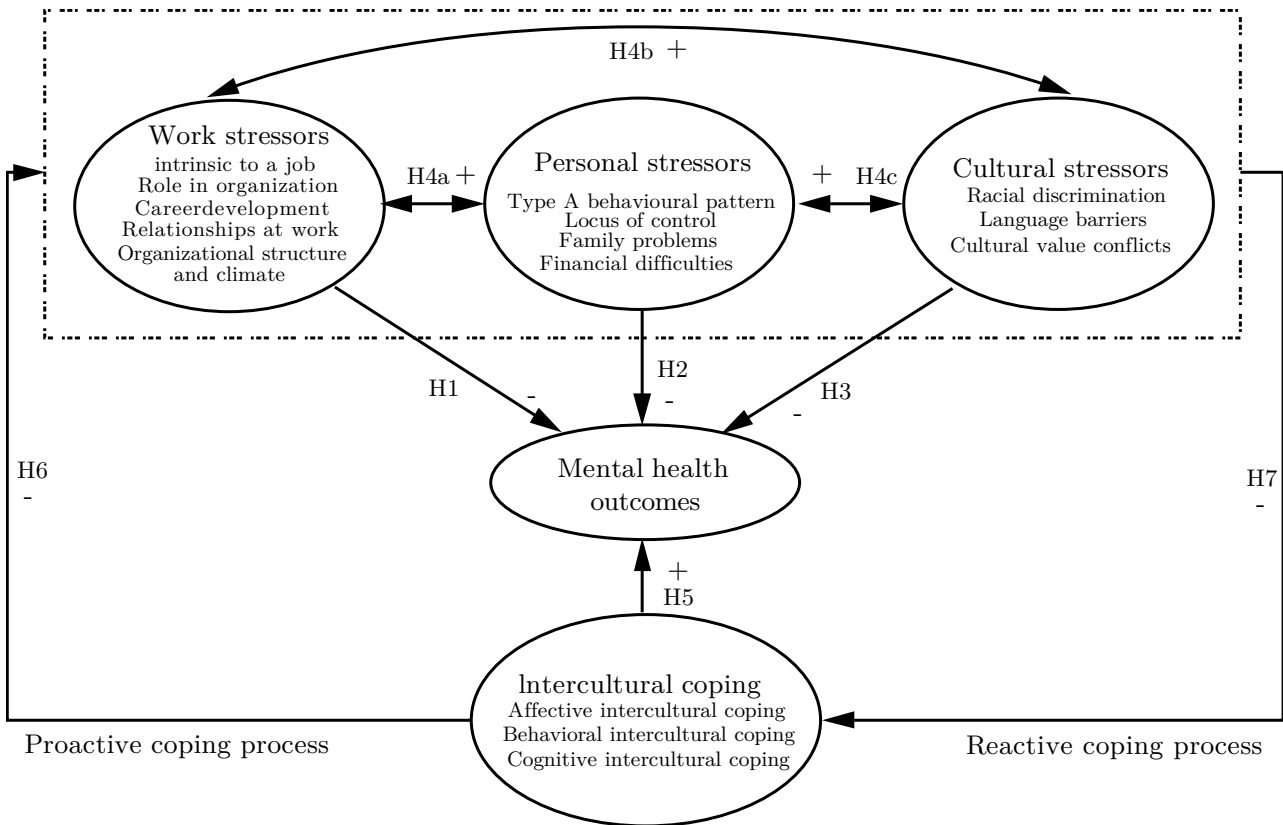


Diagram legend: Direct relationship + Positive relationship
Interactive relationship - Negative relationship

Figure 1: Conceptual model for managing mental health in a multicultural construction workplace (Liu, Feng, London, 2021).

tions is key to enhancing employee well-being and satisfaction. This thematic literature research was completed by accessing research platforms (Google Scholar, PubMed, Science Direct, Wiley Online Library) in articles and studies relevant to intercultural competency, employee engagement, job satisfaction, employee sustainability, and multicultural workplaces. This literature review serves as a basis for further study of multicultural workplaces and helps identify research gaps. In particular, exploring the potential connection between employee engagement and the implementation of intercultural competency within the workplace. Attention will be put on these areas and to investigate how organizations can promote and enhance employee engagement by developing intercultural competency among employees.

3 Employee Engagement

Kahn (1990) defines employee engagement as “the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. Four factors that influence employee engagement are workplace environment, supervisor, employee characteristics, and opportunity for learning (Shuck, B, Albornoz 2007). Additional evidence from research shows that engagement and an employee’s intention to stay with their organization are influenced by the

relationships held at work and the behaviors experienced. The literature indicates that it is not just what managers do that is important; collegial relations are also important (Kular, Gatenby, Rees, Soane, Truss, 2008). Employees develop a bond with an organization and that creates better business. If that emotional connection to their career, relationships with other employees and the organization are present, they perform better and serve the organization better (Bin, Shmailan, 2015).

4 Job Satisfaction

Over the years, research on job satisfaction has evolved, and different perspectives and theories have emerged to explain its nature and determinants. One of the most frequently cited definitions of job satisfaction was proposed by Locke (1976). Edwin Locke defined job satisfaction, as “an emotional state of pleasure resulting from the evaluation of work and job experience”. In general, job satisfaction is perceived in literature as an emotional/affective reaction to different aspects of work (Spector, 1985)

The Hawthorne Studies (1924-1933) conducted by Elton Mayo and his colleagues marked the beginning of systematic research on job satisfaction. They found that productivity increased when workers received attention and felt valued, which highlighted the significance of social and psychological factors in job satisfaction (Zhong, House 2012).

The Need Fulfillment Theory was introduced in the 1950s. This theory, proposed by researchers such as Abraham Maslow and Frederick Herzberg, emphasized that job satisfaction is influenced by the extent to which individuals' needs are met at work. Maslow's hierarchy of needs suggested that satisfaction arises from the fulfillment of physiological, safety, social, esteem, and self-actualization needs. Herzberg's Two-Factor Theory identified two categories of factors: hygiene factors (e.g., salary, working conditions) that, when absent, led to dissatisfaction, and motivators (e.g., recognition, challenging work) that led to satisfaction (Patrick, Knee, Canevello, & Lonsbary, 2007).

The Job Demands-Resources Model (JD-R Model) by Bakker and Demerouti (2013), focused on the impact of employment needs (e.g., workload, time pressure) and job resources (e.g., social support, autonomy) on job satisfaction. The JD-R Model suggests that interventions and strategies should focus on both reducing job demands and increasing job resources to promote employee well-being and performance. By minimizing excessive job demands and providing sufficient job resources, organizations can create a positive work environment that fosters employee engagement, reduces burnout, and enhances overall job satisfaction (Grover, Teo, Pick, & Roche, 2017).

All of these models, over the years, have a deep root of repetition of psychological well-being (e.g., attention, value, esteem, and social). In addition, poor relationships at work bring about interpersonal strains and decreased job satisfaction, which is a crucial source of mental illnesses (Leung, Liang, Chan, 2017).

In 2021, Liu, Feng and London completed research on construction workers in a culturally diverse environment. The aim was to observe the mental health of workers and to devise an intercultural coping model due to the high amount of mental health issues within the construction industry. Their research showed that mental health in the construction industry is an international problem (e.g. United Kingdom 70% (Campbell, F. 2006), Canada 83% (BC Building Trades, 2021). Mental health issues also produce a significant economic loss to construction businesses (Stevenson, 2017).

Their findings, based on an extensive literature review, identified worker, personal and cultural stressors as the prevalent reasons for their mental health issues (Liu, Feng, London, 2021). The conceptual model for managing mental health in a multicultural construction workplace is relevant for employee engagement and multicultural workplaces in general as its research exhibits and promotes cultural sensitivity and fosters psychological safety, enhances cultural competence, and improves overall workplace well-being. By reviewing this research model, it could be used as a basis to create a supportive environment where all employees feel valued and empowered to take care of their mental health, leading to increased engagement and productivity in a diverse workforce.

Research (Liu, Feng, London, 2021) shows (Figure 1) that positive coping mechanisms work during the entire coping process, in which intercultural coping interacts with the major stressors (work, personal, and cultural stressors) to

impact mental health outcomes in a multicultural workplace. This model highlights proactive coping as a mechanism that is important to the coping progress and integration. The proactive coping theory suggests that proactive coping is normally beneficial to an individual, given that proactive coping enables a person to prevent, remove, diminish, or alter imminent stressful situations. The stress level would be much lower before it occurs (Aspinwall, Taylor, 1997).

5 Relationship Between Employee Engagement and Job Satisfaction

An employee can be satisfied with a job without being engaged in the job. Employee engagement is much more than being content with pay and the ability to leave at a convenient hour. That contentedness is merely job satisfaction, and though satisfaction is generally enough to retain employees, it's not enough to ensure productivity. On the other hand, employee engagement does promote increased productivity (Rogel, 2023).

A particularly important result of engagement is job performance. Various studies have shown that work engagement is associated with superior job performance (Schaufeli, 2012). Indication into why engagement may lead to better job performance falls into the following six areas derived by Bakker, 2011; Reieseger, Schaufeli, Peeters & Taris, in press:

- often experience more positive emotions
- better health
- craft their own jobs
- foster cognitive open-mindedness and behavioral readiness
- exhibit prosocial behavior
- transfer their engagement (emotional contagion)

Further qualitative or quantitative research into these indications and their connection is needed to verify legitimacy.

Although the interest in job satisfaction among scholars and practitioners is still significant, the subject literature that takes into consideration its links with the multicultural workplace is limited. Research completed by Rozkwitalska, M. (2017) shows empirical findings that indicate that the thriving of those who participate in intercultural relations was related to their job satisfaction and emotional balance, and as a result to their work-related well-being. In addition, it is confirmed that thriving may play a mediating role in the relation between intercultural and job satisfaction as well as in the relation between intercultural interactions and emotional balance. Again, referring to the fact that cognitive components of work-related subjective well-being, i.e. job satisfaction are related.

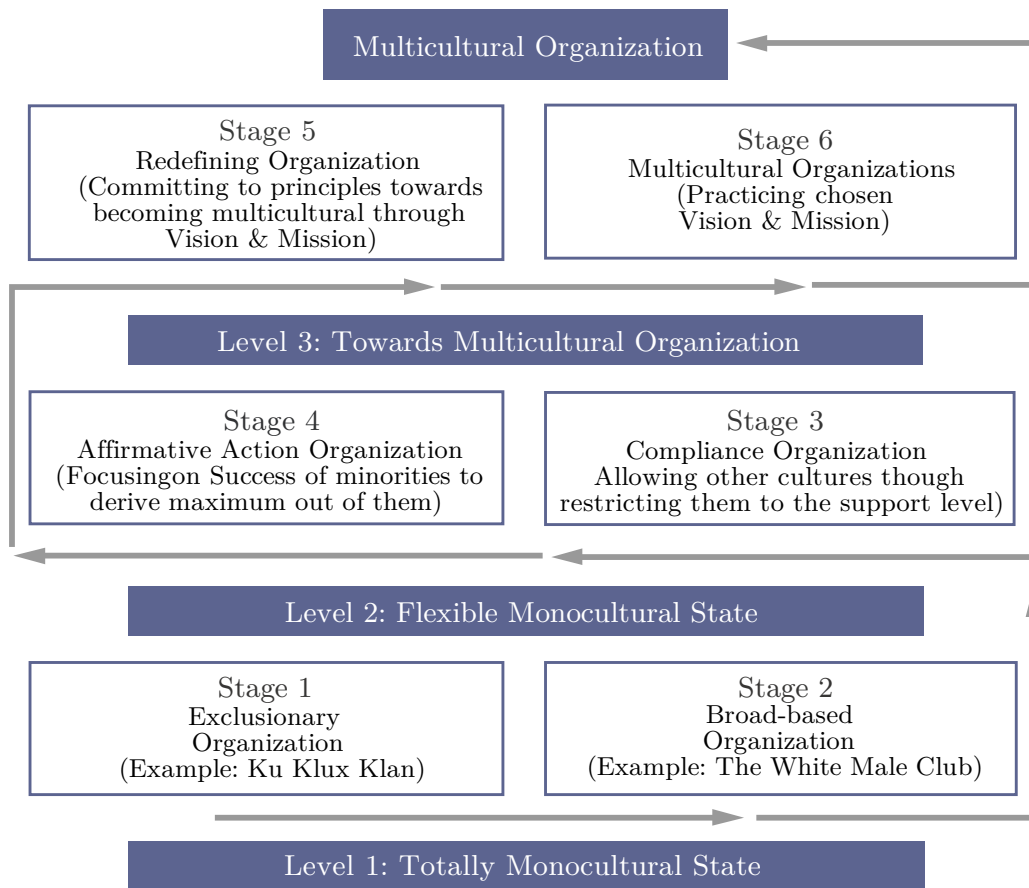


Figure 2: Journey of multicultural organization (Kwong 2008).

6 Factors Influencing Employee Engagement and Job Satisfaction in Multicultural Workplaces

Aburub (2020) stated from his research that an important step for companies to engage and retain quality employees is to move from a monocultural workplace to a multicultural workplace. He referred to Kwong's Journey of Multicultural Organization Model (2008) (Figure 2) as a guide to acquiring multicultural skills that can help employees to develop a multicultural workplace ambiance. Kwong's Journey of Multicultural Organization Model (2008) is important for employee engagement because it provides a comprehensive framework for understanding and managing diversity in the workplace. This model recognizes that organizations are becoming increasingly diverse, with employees from different cultural backgrounds, ethnicities, religions, and other dimensions of diversity (Aburub, 2020). This model provides a holistic framework that promotes diversity, inclusion, cultural competence, and employee development. By researching and applying this model, organizations can create a workplace where employees feel valued, included, and engaged, leading to improved performance, productivity, and satisfaction.

In addition to these factors, Meyer (2015) stated from her research that when companies internationalize, their employees lose shared assumptions and norms. People in different countries react to inputs differently, communicate differently, and make decisions differently. Corporate cul-

tures begin to break down; miscommunication becomes more frequent, and trust erodes, especially between the head office and the regional units. In their quest to address various issues, companies often face the challenge of potentially compromising attributes that contribute to their commercial success. Therefore, it is important to acknowledge and tackle problems, it's crucial for businesses to find a balance and consider the potential implications of their actions (Slade, 2020).

Meyer (2015), developed five principles that can prevent disintegration in a multicultural workplace:

- identify the dimensions of difference between the corporate culture and local ones
- make sure every cultural group has a voice
- protect the most creative units, letting communication and job descriptions remain more ambiguous
- train everyone in key norms
- ensure diversity in every location
- transfer their engagement (emotional contagion)

7 Discussion

The purpose of the literature review is to examine existing research and scholarly articles to gain an understanding of the current knowledge and theories on the connection between job satisfaction, employee engagement, and multicultural workplaces.

When it comes to the cost of employee disengagement, it is true that disengaged employees can have a significant financial impact on a company (Kim, Chang, Kim, 2023). However, it is important to note that the factors contributing to disengagement are multifaceted and can vary from one workplace to another (Meyer, 2015).

While cultural diversity can present challenges in the workplace, research suggests that a multicultural environment, when managed effectively, can have positive effects on employee engagement and job satisfaction. Diversity can bring fresh perspectives, increased creativity, and enhanced problem-solving abilities to a company. By fostering an inclusive environment that values and respects employees' diverse backgrounds, organizations can create a sense of belonging, which in turn can positively impact engagement and job satisfaction.

However, if multicultural workplaces are not properly managed or if there is a lack of cultural sensitivity, it may lead to misunderstandings, conflicts, and decreased engagement (Meyer, 2015). Effective communication, cross-cultural training, and inclusive policies and practices are essential to mitigate these challenges and ensure that employees from diverse backgrounds feel valued and engaged.

An approach to foster cultural sensitivity in a multicultural workplace is through cultural intelligence. (Van Dyne, L., Ang, S., & Tan, M. L. (2016). Cultural intelligence refers to an individual's ability to adapt and function effectively in culturally diverse situations, while acculturation refers to the process of adjusting and integrating into a new culture (Earley, Ang 2003).

It is also important to consider that individual experiences and perceptions can vary greatly within a multicultural workplace. Some individuals may thrive in such an environment, finding it stimulating and rewarding, while others may struggle with the cultural differences and face challenges that impact their engagement.

Overall, there is a lack in research about the relationship between multicultural workplaces and employee engagement without considering specific contexts, organizational practices, and individual differences.

8 Implication for Further Research

From the literature reviewed, further research could be done in several realms. One conclusion is further research and analysis would be needed to determine the specific impact of multiculturalism on employee engagement and its potential cost implications for companies. While there is existing research on the topic of cultural intelligence and acculturation in employee engagement, further exploring these areas can deepen the understanding and provide valuable insights for organizations striving to create inclusive and engaging workplaces. In addition, understanding how these factors influence employee engagement in multicultural work settings can provide valuable insights into the mechanisms that enhance or hinder engagement among diverse employees.

By investigating the interplay between job satisfaction, acculturation, and employee engagement, researchers can uncover strategies and interventions that organizations can implement to foster a positive work environment for their multicultural workforce. Further research could contribute to the development of evidence-based practices that promote inclusivity, engagement, and productivity in diverse workplaces. This can also set a building block for intercultural competency training strategies.

A final area for further research would be in how this topic pours in to the area of micro-corporate social responsibility and employee sustainability.

9 Conclusion

In conclusion, this article has synthesized existing literature to shed light on the relationship between intercultural workplaces, motivation, job satisfaction, employee engagement, leadership, and employee performance. It highlights the importance of creating an inclusive work environment, promoting cultural sensitivity, and adopting effective leadership practices to enhance motivation, job satisfaction, and engagement.

This presents an opportunity for further investigation and research in this area. By understanding the specific needs and challenges faced by both German and foreign employees, organizations can implement strategies and interventions to promote their intercultural competency and overall engagement in the workplace. By initiating the strategies, organizations can harness the benefits of a diverse workforce, leading to improved employee performance and overall organizational success.

Further research using both qualitative and quantitative measures, such as expert interviews and employee surveys will lead to gaining a better understanding and to acknowledge further research and/or strategies to explore these relationships and identify additional factors that contribute to enhanced performance in intercultural workplaces.

With respect to education and intercultural competences, in our era of globalization and global interdependence, regardless of the adjectives we use, there is a desperate need at a local and global level for specific competences that better enable citizens to manage their ever-changing realities. There remains a need for methodologically appropriate research on intercultural competency, and a necessity for educational theories and practices that help citizens recognize, value and manage any form of diversity and cultural change (Portera, 2017).

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