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ESTABLISHING THE RELATIONSHIP OF ORGANIZATIONAL COMMUNICATION, PAY AND BENEFITS AND JOB SATISFACTION AS COMPONENTS OF EMPLOYEE MOTIVATION TOWARDS EMPLOYEE ENGAGEMENT

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Abstract

Employee engagement is widely recognized as a critical driver of organizational success across industries. The sustainability and performance of any business depend heavily on how engaged its employees are in pursuing strategic goals. This study examines the relationship between key factors influencing employee engagement within an insurance agency, specifically Klang Vega Darma Agency under AIA Berhad. The factors investigated include organizational communication, job satisfaction, and pay and benefits. Data were collected using questionnaires distributed to insurance agents in the agency. Seventy-five responses were received, and after applying exclusion criteria, eight managerial-level respondents were removed to avoid bias, as managerial and non-managerial employees may perceive the factors differently. The final sample was analyzed using SPSS to determine the relationship between the variables and employee engagement. The findings show statistically significant and positive relationships for all three hypotheses. Organizational communication (r = 0.74), job satisfaction (r = 0.79), and pay and benefits (r = 0.65) were all strongly related to employee engagement, with organizational communication emerging as the strongest predictor. Despite limitations related to time and cost, the study provides useful insights, and future research could explore similar factors in other insurance companies or include additional variables to deepen understanding of employee engagement in the Malaysian insurance sector.

INTRODUCTION

Employee engagement is an area widely studied by many academicians, researchers, business owners, corporations, government entities, non-governmental organizations, associations, clubs etc. As a foundation to move the many parts of an organization, employees are regarded as the most important asset besides capital and customers. The continuity of an organization relies on the performance and dedication of its staff and members moving towards the desired business goals and objectives. Organizations can be of many sizes and nature, may be actively involved in international trade or may not, transactions as low as couple of bucks or multi-

million dollars, bring the same argument to the table, whether there is enough coverage given on the influencing factors of employee engagement. One of the most competitive businesses around the world with so much potential for growth is insurance. Clark (2019) explains that employee engagement is a psychological state of an employee staying engaged or disengaged during their work and their personal behavior during work. The subject of employee engagement started in the early 1990s and has become a key area of research by many scholars and organizations. Further added by Clark (2019), employee engagement is an element where the organization or the managers have a significant level of influence enabling it to be enhanced via better communication, policies or learning and development initiatives. Lewis (2019) explains that employees perform their duties with higher levels of energy and enthusiasm and are willing to go the extra mile to help company achieve its goals if they find their work meaningful.

Employee engagement is defined 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 (Khan, 1990). Outcome of employee engagement related research are focused on two primary elements which are individual performance and organizational performance. Dedicated employees display higher productivity at work and loyalty to their organization (Sunet al. 2019). The importance of employee engagement has been a vital aspect of an organization's competitiveness. Employees engagement is a critical success factor of an organization's success (Liyana Aziz, 2017). Engaged employees portray positive work attitudes and flexible behaviors in performing their work. Employees falling out of this formula leads to a group of disengaged employees resulting in loss of productivity, impacting the overall organizational performance rate (Clark, 2019). Employee turnover and absenteeism are found to be a common factor within many research and studies in employee engagement. Clark (2019) explains in his research that employee engagement contributes to lower turnover of employees and lesser safety incidents, which in return increases the profitability of an organization. On the other hand, Cardarelli et al., (2020) demonstrates that an engaged workforce delivers better customer experience and care to their clients, reduces employee turnover and increased revenue figures. Again, lower employee turnover is said to increase the business outcome in terms of revenue. As explained in the above examples there are many inter-related elements when it comes to the topic of employee engagement. Another contributing factor could be high level of motivation of employees, which contributes towards positive outcomes like lower absenteeism, striving the extra mile and passion at work. At the end, results still revolve around employee engagement for higher profitability and seamless operation of an organization (Akmal Latif & Norzanah Nor.,2019).

The insurance industry in Malaysia has shown a slight decline for the year ended 31st December 2020. The unprecedented Covid-19 pandemic and the face-to-face activities restrictions imposed by the government of Malaysia through movement control order and conditional movement control order are identified as the main reason for the decline. New business total premiums declined by 3.2% from RM11.76 billion in 2019 to RM11.38 billion in 2020. The number of new policies registered for year 2020 was only 1.2 million units compared to year 2019, which recorded 1.3 million units, a decline of 7.1%. This pattern generally indicates that the clients are shifting to smaller policies or adjusting their spending as they might have been financially impacted by the Covid-19 situation (Azanis Aman, 2021). As of 31st December 2021, the number of registered insurance agents with Life Insurance Association of Malaysia has increase significantly from 82,042 in year 2020 to 88,068 agents in year 2021. From the year 2016 to 2019 there was a total of 85,494, 78,716, 75,707 and 75,999 agents respectively. The distribution of agents by states shows Selangor and Kuala Lumpur with the highest number of 16,944 and 15,787 respectively followed by Johor with 13,476 agents. Out of the 82,042 agents

registered in the year 2020, a total of 37,567 agents is with college or university background and 40,148 agents with MCE or SPM qualifications (LIAM, 2020). However, from year 2016 to 2018 a downward trend of decreasing number of registered agents were recorded with the number plunging from 85,494 in 2016 to 75,999 in year 2019 (LIAM, 2020). Agents' turnover in the insurance industry has gained many discussions and coverage around the world. Despite many studies takings place, employee turnover remains a big chapter of discussion globally (Muhamad Omar et.al. 2020). Leaving aside employee turnover, intention to leave an organization is only being heavily debated around the world. An employee leaving an organization is no longer deemed to be addressed as change of job or career enhancement of an individual but being seen as a cost to the organization. Employees intending to leave an organization possess a negative impact on the overall efficiency of an organization which then leads to reduced profitability. Disruption of the workforce, adding additional stress by reshuffling the work abandoned by the leaving employees, the need to re-train a new staff will impact on the quality and productivity of an organization (Muhamad Omar et. al. 2020). According to the statistics released by the Ministry of Finance Malaysia, employment by industry under the service sector and sub-sector of financial and insurance or takaful activities showed a major improvement by capturing 2.5% in 2020 and 2.7% in 2021 of the total employment shares in Malaysia (Ministry of Finance, 2022). The growth of the insurance industry has caused insurance companies to look for more talents by increasing its agency force. AIA Berhad has claimed that the number of new agents has increased by 46% in year 2020 with a total agency force of 19,000 agents (Theedgemarket, 2021) Pescador (2020) explains that an average of 8,829 insurance agents is leaving the industry annually in the U.S. Generally, there are two major reasons for an agent to leave the industry. The first reason being unable to secure a full-time position and secondly is due to lack of retention strategies by the agency itself. The primary objective of this study is to examine the relationship between employee engagement and its influencing factors in Klang Vega Darma Agency. This study will focus on the relationship between organizational communication, pay and benefits, and job satisfaction as independent variables and employee engagement as dependent variables.

Literature Review

Employee engagement has been widely debated by many academicians and industry professionals, and their findings often varied but trajected towards a commonality at the end of the research. Any elements related to an organization would have an impact on its productivity and profitability. This includes external and internal elements contributing towards the level of employee engagement in an organization. Employee engagement studies in the past have also shown a positive relationship between customer satisfaction, loyalty, profitability, productivity, and employee safety (Hale, 2016). This is consistent with our underpinning theory using the Aon Hewitt Employee Engagement Model which is used in this research paper. An employee who has good understanding of their scope is well informed of the company's target and the values behind it, are most likely to outperform anyone who does not. It was also mentioned in a past study that employees who are engaged are known to be a valuable addition to the organization as they are very much aligned to the goals and value of the company and could contribute to the organization's success (Caniels et al., 2017).

Relationship between Organizational Communication and Employee Engagement:

Employee engagement and employee communication influence each other in many ways. Organizational communication should not only be limited to top-down flow of information but should be seen from the perspective of creating engaged communicators across the organization. According to a survey conducted by Ranstad Malaysia, 2021, 55% of Malaysians have responded with their intention to stay with their employer during the pandemic for a longer term.

The score was higher compared to few other countries like Singapore, Hong Kong and China with a score of 37%, 34% and 33% respectively. The top five initiatives implemented by the employers during the pandemic season are imposing strict and clear protocols for on-site and remote working, introducing policies on working hours to maintain work-life balance, regular survey on employee's well-being, more training to adapt to the digitalization of the organizations and staff support programme to help them adapt to the new norms of working like remote working. All five initiatives carried out by the employers are not possible without proper organizational communication. Drafting of the policies and the cascading process throughout the organization and all level of employees requires effective communication process. Supervisor's support plays an important role in helping keep employees at work engaged. Transparent communication where employees get to share their problems at work and helping them to overcome it for better performance is one of the many examples of supervisor support at work. Training and guiding employees at work and providing feedback for continuous improvement is also proven to strengthen employees' engagement at work. Engaged employees contribute to organization's success in meeting their target and goals (Dhivyabharati, P. & Masri Abdul Lasi. 2019). Internal communication satisfaction relies on how various communication within an organization is recognized by its employees. Higher productivity and performance seem to be higher at places with higher rating of internal communication satisfaction. It was also further added that, low communication satisfaction leads to higher absenteeism and employee turnover rate (Tkalac, A., Sinčić, D. and Pološki, N.,2021). Based on the arguments above, it is acceptable for the researchers to establish a preliminary assumption of communication as a possible key factor influencing employee engagement.

H1: There is a significant relationship between organizational communication and employee engagement among insurance agents.

Relationship between Job Satisfaction and Employee Engagement:

Recognition of employees' contribution and the way they are treated plays a big role in maintaining high level of job satisfaction among employees. An employee's sense of contribution is realized when they have the feeling of making significant contributions to their organization. Employees with positive feeling for both their work and the organization demonstrate stronger support not only with words but action (Bharath, M. & Sreedevi, V. 2020). Job satisfaction is a complex structure of multiple factors of intrinsic, extrinsic and total. Intrinsic satisfaction is related directly to the work performed such as achievement or personal feedback (Sarwar et al. 2023). Extrinsic satisfaction is related to work environment, continuous feedback for improvements, higher pay and career progression opportunities. Global is the overall combination of intrinsic and extrinsic satisfaction. Higher job satisfaction leads to higher production resulting in positive earnings for the company in the long run (Tkalac, A., Sinčić, D. and Pološki, N.,2021). Few other factors which can be closely associated with employees' job satisfaction are income level, training and development and work pressure. Although many studies have been carried out in the past, compensation is still found to be a strong determinator of job satisfaction (Iskandar et al., 2021). Yadav, V. and Sharma, H. (2021) stated that family friendly policies and flexible work arrangements are also found to be a main factor of increased job satisfaction among employees. One of the main reasons for an individual choosing insurance as a choice of career is due to its flexible working hours and opportunities to generate high income. The level of pleasurable experience a person develops at work is reflected in job satisfaction. Although job satisfaction has been a very popular topic around the globe, it has not really diverted much from the five core areas. As per Sequira 2018, which was used in research work done by Ramalho Luz, C.M.D., Luiz de Paula, S. and de Oliveira, L.M.B. (2018). The 5 core ares are explained below in Table 2.2 Core areas of job satisfaction for a bit

deeper understanding of the job satisfaction context:

Table 2.2 Core areas of job satisfaction

Core areas	Description
Satisfaction with the colleagues	Contentment with the collaboration, the friendship, the trustiness and the relationship maintained with the job
Satisfaction with the payment	Contentment with what is received as salary in comparison with how much the individual works, with his professional capacity, with the cost of the life and with the efforts doing the job
Satisfaction with the boss	Contentment with the organization and the professional capacity of the boss, with his interest in the employees' work and understanding among them
Satisfaction with the nature of the job	Contentment with the interest created by the tasks, with the capacity of absorb the job and the variety of them
Satisfaction with the promotions	Contentment with the number of times that received promotions, with the guarantees offered to who is promoted, with the way of the enterprise to make promotions and with the waiting time for promotion

Looking at the multi-dimensions and wide range of differing explanations, most of the studies have shown substantial evidence of job satisfaction as the push factor for employee engagement. It is congruent with the aim of this study to examine job satisfaction as one of the independent variables affecting employee engagements.

H2: There is a significant relationship between pay and benefits and employee engagement among insurance agents.

Relationship between Pay and Benefits and Employee Engagement:

Compensation is the reward that an individual gains in return for his or her work or service rendered to the employer. Attractive package may act as a good motivator for both existing workforce and future talents to join the organization. Pay and benefits can be broken down into few elements like remuneration, allowance, promotion and incentives which are commonly related to increased employee performance and loyalty. The term "pay and benefits" has been interchangeably used which includes recognition and reward, salary and perks, incentives, and rewards etc. Rewards are divided into two main components, which are extrinsic and intrinsic rewards. Extrinsic rewards refer to tangible items such as salary, promotion, fringe benefits and environment. Intrinsic rewards refer to intangible items such as sense of achievements, compliments from superior, personal satisfaction and professional development (Jee Fenn Chung & Al-Khaled, 2022). Work-based pay and person-based pay are two different types of reward. Work-based pay usually comes in the form of financial rewards for completing a job and paid according to the value of a job. Person-based pay is another form of financial and non-financial rewards based on individuals which include recognition or awards,

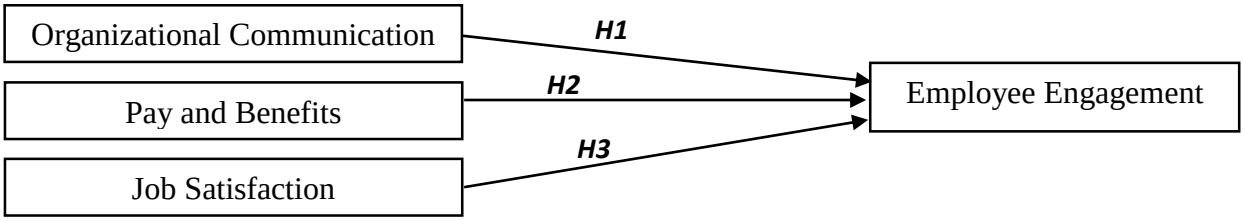
promotion and working environment (Akmal Latif & Norzanah Nor. (2019)).

H3: There is a significant relationship between job satisfaction and employee engagement among insurance agents.

Construct of Instrument

It is common for quantitative research to reuse previous studies to reduce the overheads of survey construction. There are several issues to be considered such as questions selection, type of questions and the format of the questionnaire itself (Kitchenham, Barbara & Pfleeger, Shari. (2002). For this study, each question of the questionnaires will be identified to the closest construct, which will then show the relevance and basis of its selection to be included in the questionnaire.

Conceptual Framework



Research Design

The objective of this study is to examine the relationship between organizational communication, job satisfaction and pay and benefits towards employee engagement. According to Frazier (2013), a quantitative research design is appropriate for correlational studies and statistics where the evidence collection is concerned on the relationship between variables. The data collection which takes place at a single point of time through survey, interviews or dialogue is known as cross-sectional design (Newstead, 2020). This study is to examine the relationship of the influencing factors which are organizational communication, pay and benefits and job satisfaction on employee engagement thus selection of this quantitative method is appropriate. The structure of Klang Vega Darma Agency consists of 80 life planners. most effective way of doing it. The google form was given to the District Manager, the highest authority in Klang Vega Darma Agency for it to be distributed to the rest of the agents in Klang Vega Darma Agency.

Research Instrument

A self-administered questionnaire was used in this research for the purpose of independent variables and dependent variable measurement. The 80 life planners are made of one (1) district manager, 3-unit managers, 4 assistant unit managers and the rest are life planners and senior life planners of 72 people. This study decided to exclude the managerial level employees' responses to fulfil the requirements of a simple random sampling exercise of having homogenous population. Mixing up managerial and non-managerial employees could potentially lead to disruption of the quality of evaluation and analysis due to differences of aspiration, achievements, experience, job satisfaction etc (Ahmad et al. 2021). The data collection is conducted through online questionnaire built using the google forms application. The targeted population needs to be reached online thus this will be the

The questionnaire is built of 5 sections where section 1 was used to collect the nominal data capturing the demographic details of the population and section two to five recorded the responses related to the variables.

Table 1: Construct (Drivers and Engagement Outcomes of Aon Hewitt Employee Engagement

Model) and the relation to the statements (Independent and Dependent Variable)

Constructs	Variables and Questions
Constructs	Organizational Communication
Communication	There is an effective and free flow of communication between agents in my agency.
Communication	I am kept well informed on the accomplishments and changes in the company and its products.
Communication	I receive the information needed in timely manner to perform my job efficiently.
Diversity and inclusion	I'm given equal opportunity to communicate my ideas for continuous improvement on the quality of services offered by the agency.
People management	Conflicts are handled appropriately via proper communication channel in my agency.
BU leadership	Instructions and reporting given to the agents are clear and accurate.
Senior leadership	My leader knows and understands the problem faced by the agents in performing their job.
Learning and development	Career progression and promotion opportunities are clear to all the agents in the agency.
	Pay and Benefits
Rewards and recognition	The basic salary offered to the agents is reasonable.
Rewards and recognition	I am adequately remunerated for my efforts in the agency.
Rewards and recognition	I am happy with the current commission structure paid to the agents.
Rewards and recognition	My pay and benefits commensurate with my skills and experience.
Rewards and recognition	My salary is fair compared to other staff with the same responsibility in other units/agencies.
Benefits	I am happy to receive other benefits such as bonus or holiday trips when I meet the target set by the agency.
Talent retention	I shall not seek employment in another agency/organization because I am adequately paid.
Benefits	The main reason for me to stay in this job is because of its pay and benefits.
	Job Satisfaction
Work environment	I am happy with my current work and enjoy doing it.
Work environment	I have a healthy working environment/condition in the agency.
Work environment	I am happy with my current working relationship with colleagues at the agency.
Work environment	A comfortable and healthy working environment leads to greater job satisfaction among the agents.
Rewards and recognition	I am happy with the recognition received for work done by me.
Senior leadership	I am satisfied with the level of support and guidance provided by my leader/manager.

Learning and development	I am satisfied with the activities and training provided to the agents.
	Employee Engagement
Talent retention	I am proud of this insurance agency.
Talent retention	I have no intention of leaving my current employment with the agency.
Performance	I will always stay until the job is completed.
Collaboration	I believe that I can add value to the agency as a valuable agent.
Talent retention	I want to be a part of the agency's success in both long run and short run.
Empowerment/ autonomy	I believe I have control over the decision-making process in this insurance agency.
Brand EVP	I am excited to invite and train more people to join our team.

RESULTS AND DISCUSSIONS

Demographic analysis

The respondent's information like gender, age, highest academic qualification, experience, and position were obtained using the Section A of the questionnaire. As presented in Table 4.1 below, majority of the respondents are male with 36 (53.7%) respondents and the other remaining 31 (46.3%) of the respondents are female.

Table 2: Gender of the respondents

Male	36	53.7%
Female	31	46.3%

Table 2 shows the frequency analysis of the respondents' age where the greatest part of the respondents fell in the age range of 26-35 years old with 23 (34.3%) responses received. It is followed by respondents within 36-45 years with 20 (29.9%) responses and 15 (22.4%) responses are from below 25 years old respondents. A small portion of 9 (13.4%) respondents are above 45 years old.

Table 3: Age of the respondents

	N	%
Below 25	15	22.4%
26-35	23	34.3%
36-45	20	29.9%
Above 45	9	13.4%

According to Table 3, 31 (46.3%) of the respondents have a bachelor's degree, followed by 15 (22.4%) with SPM/SKM/STPM qualification and 11 (16.4%) with a diploma level qualification. 8 (11.9%) and 1 (1.5%) with a PhD and 1 (1.5%) with a professional certificate as their highest academic qualification.

Table 4: Highest education level of the respondents

	N	%
SPM/SKM/STPM	15	22.4%
Diploma	11	16.4%
Bachelor Degree	31	46.3%
Master Degree	8	11.9%
PhD	1	1.5%

Professional Certificate	1	1.5%

Table 4 shows the data on the number of years of work experience of the respondents. Most of the respondents have less than 2 years of experience, which accounts to 30 (44.8%) responses, followed by 16 (23.9%) responses with 3 to 5 years of experience and 13 (19.4%) responses with more than 10 years of experience. The smallest count is 8 (11.9%) responses with 5 to 9 years of experience.

Table 5: No. of respondents' years of working experience

Experience	N	%
Less than 2 years	30	44.8%
3 to 5 years	16	23.9%
5 to 9 years	8	11.9%
10 years and above	13	19.4%

Table 5 shows the data of the position of the respondents. As explained earlier, this study has excluded the respondents from the managerial level position and only considering those from the non-managerial position. In the case of this research, there are only two positions belonging to the non-managerial position which are admin executive/trainee and executive (life planners/senior life planners). The responses of 67 are from the two non-managerial positions explained earlier. 62 (92.5%) responses are from the executive (life planners/senior life planners) position while the remaining 5 (7.5%) responses are from the admin executive/trainee level position.

Table 6: Position of the respondents

Position	N	%
Admin Executive/ Trainee	5	7.5%
Executive (Life planners/Senior life planners)	62	92.5%

Independent Variables Descriptive Analysis

Description of data collected throughout a study and given a scoring distribution to measure the relationship between the scores are known as descriptive analysis. The relationship is explained through a summarization of the data in terms of mean, mode and median (Ling & Soon, 2019).

Table 7: Descriptive statistics of Organizational Communication

	N	Mean	Std. Deviation
OC1 – communication between agents	67	4.1194	.72868
OC2 – well informed on changes in the company or product	67	4.4776	.68220
OC3 – information in timely manner	67	4.3881	.79687
OC4 – equal opportunity to contribute ideas	67	3.9403	.93551
OC5 – conflict handling	67	3.9552	.82449
OC6 – clear instruction and reporting to the agents	67	4.4030	.75998

OC7 – leader knowledge and support	67	4.2537	.58629
OC8 – clear career progression	67	4.6418	.71141

According to Table 7, the mean score of organizational communication for 67 respondents is 4.6418, with a standard deviation stated at 0.71141. Organizational communication refers to communication, opportunity to share ideas, transparency, and dissemination of accurate and reliable information across the organization in a timely manner. Based on the results derived from the eight questions under this variable as per table 4.6, OC8 – *Clear career progression* has the highest score of 4.47 while the lowest score is from the OC4 – *Equal opportunity to contributes ideas* with the lowest score of 3.94. Overall, the respondents have shown a positive result on organizational communication towards employee engagement.

Table 8: Descriptive statistics of Pay and Benefits

	N	Mean	Std. Deviation
PB1 – salary is reasonable	67	3.7910	.86230
PB2 – adequately remunerated for my efforts	67	4.0896	.79260
PB3 – happy with commission structure	67	4.1194	.89650
PB4 – pay commensurate skills & experience	67	3.9254	.85835
PB5 – my salary is fair compared to other agencies	67	3.8806	.82613
PB6 – happy to receive other benefits like holiday	67	4.6269	.67050
PB7 – shall not seek other employment	67	4.1045	.95559
PB8 – stay for pay and benefits	67	3.9552	.94441

According to Table 8, the mean score of pay and benefits for 67 respondents is 4.6269, with a standard deviation stated at 0.67050. The pay and benefits are considered one of the most critical topics when it comes to job satisfaction or employee engagement. The return received by an employee for the job performed also serves as a great motivator for continuous contribution of the employee. Table 4.8 shows that PB6 – *happy to receive other benefits like holidays* with the highest mean score of 4.62 and PB1- *salary is reasonable* with the lowest mean score of 3.79. Overall, the respondents have shown a positive result on the pay and benefits towards employee engagement.

Table 9: Descriptive statistics of Job Satisfaction

	N	Mean	Std. Deviation
JS1 – happy with current work	67	4.3582	.54220
JS2 – healthy work environment	67	4.3134	.58281
JS3 – relationship with colleagues	67	4.2687	.59243
JS4 – healthy environment led to higher job satisfaction	67	4.5672	.58320
JS5 – happy with recognition received	67	4.0299	.69566

JS6 – satisfied with leader's support and guidance	67	4.0299	.85227
JS7 – satisfied with training received	67	4.4030	.83593

According to Table 9, the mean score of job satisfaction for 67 respondents is 4.5672, with a standard deviation stated at 0.58320. Job satisfaction mainly anchors the working environment, relationships with people within the organization, good level of satisfaction in role performed and the support or training received to make the tasks easier. According to table 4.7, the highest mean of 4.56 was recorded for JS4 – *healthy environment leads to higher job satisfaction* and the lowest mean score of 4.02 is for both JS5 – *happy with recognition received and* JS6 – *satisfied with leader's support and guidance*. Overall, the respondents have shown a positive result on job satisfaction with employee engagement.

Table 10: Descriptive statistics of Employee Engagement

	N	Mean	Std. Deviation
EE1 – proud of my agency	67	4.3582	.73240
EE2 – no intention to leave current job	67	4.3433	.82668
EE3 – always stay until job is completed	67	4.3134	.67888
EE4 – I can add value as valuable agent	67	4.2687	.66474
EE5 – want to be part of agency's success	67	4.3881	.67319
EE6 - control over the decision-making process	67	3.6567	.96220
EE7 – want to train more agents to join the team	67	4.3433	.66406

According to Table 10, the mean score of job satisfaction for 67 respondents is 4.3881, with a standard deviation stated at 0.67319. As per the conceptual framework of this study, employee engagement is the dependent variable. Increased employee engagement will contribute to greater productivity and business performance. As shown in Table 4.9, EE5 – *want to be a part of agency's success* has the highest mean value of 4.38 and EE6 – *control over the decision-making process* has the lowest mean value of 3.65.

Normality Test

Since the sample size is 67, Kolmogorov-Smirnov test is used. As shown in Table 11 below, the statistic count for organizational communication is 0.165, pay and benefits is 0.132, job satisfaction is 0.122 and employee engagement of 0.116. The Significance value (Sig.) is below (<0.05) with each variable only recorded at 0.006, 0.016 and 0.025 respectively proves that the data is not normally distributed, and non-parametric testing should be used in further statistical analysis of this study.

Table 11: Normality Test

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
OC	.165	67	<.001	.798	67	<.001
PB	.132	67	.006	.908	67	<.001

JS	.122	67	.016	.941	67	.003
EE	.116	67	.025	.921	67	<.001

Reliability Test

In this study the Cronbach's Alpha was used to test the reliability of 30 questions. The measurement scale used was the 5-point Likert scales from 1 to 5. This is to measure the intercorrelation between the variables with each other. A Cronbach's Alpha Value of more than 0.8 is considered good, within the range of 0.7 to 0.8 is acceptable and anything lower than 0.6 is considered bad.

Table 12: The value of Cronbach's Alpha between Variables

Variables	Cronbach's Alpha	Cronbach's Alpha Value Based on Standardized Items	Number of items	Result
Employee Engagement (DV)	.887	.895	7	Good
Organizational Communication	.927	.927	8	Good
Job Satisfaction	.855	.862	7	Good
Pay and Benefit	.859	.861	8	Good

As per table 12, The Cronbach's alpha for organizational communication is 0.927, followed by employee engagement at 0.887, pay and benefit at 0.859 and job satisfaction at 0.855. All the variables' value of Cronbach's Alpha is above 0.8 which indicates that the degree of reliability is good. Interpreting the Cronbach's Alpha Value. A total of 67 samples were processed with 100% validity in this reliability test.

Correlation Analysis

The correlation coefficient value of 0.00 to 0.30 are considered very low relationships, 0.31 to 0.50 are considered low relationships, 0.51 to 0.70 are considered high relationships and 0.71 to 1.00 are considered very high relationships. The interpretation of the strength of the correlation is as explained in Table 13 below.

Table 13: The Interpretation of the Strength of the Correlation According to "Guildford's Rule of Thumb"

Value of Correlation Coefficient Between Variables	The interpretation of the strength of the correlation
0.00 – 0.30	Very low relationship
0.31 – 0.50	Low relationship
0.51 – 0.70	High relationship
0.71 – 1.00	Very high relationship

Source: Liyana Aziz, 2017

Table 14: Correlational analysis between employee engagement, organizational communication, pay and benefits and job satisfaction.

			OC	PB	JS	EE
Spearman's rho	OC	Correlation Coefficient	1.000	.607**	.752**	.748**
		Sig. (2-tailed)	.	<.001	<.001	<.001

	N	67	67	67	67
PB	Correlation Coefficient	.607**	1.000	.697**	.653**
	Sig. (2-tailed)	<.001	.	<.001	<.001
	N	67	67	67	67
JS	Correlation Coefficient	.752**	.697**	1.000	.793**
	Sig. (2-tailed)	<.001	<.001	.	<.001
	N	67	67	67	67
EE	Correlation Coefficient	.748**	.653**	.793**	1.000
	Sig. (2-tailed)	<.001	<.001	<.001	.
	N	67	67	67	67

**. Correlation is significant at the 0.01 level (2-tailed).

Based on the result of the Spearman's correlation analysis of the data collected for this study shows that all variables are related to each other with high and very high relationship. As per Table 14, the highest correlation coefficient is found between job satisfaction and employee engagement with a value of 0.79 (very high relationship), followed by organizational communication with a value of 0.74 (very high relationship) and finally pay and benefits with 0.65 (high relationship).

Hypothesis Testing

All independent variables, which are organizational communication, pay and benefits and job satisfaction are strongly related with high and very high relationships to the dependent variable which is employee engagement. The summary of the correlation analysis is as presented in Table 15 below.

Table 15: Summary of the Correlation Analysis

Hypothesis	Result	Analysis Technique	Reason
H1: There is a significant positive correlation between organizational communication and employee engagement. among insurance agents of Klang Vega Darma Agency.	H1: Accepted	Correlation analysis	r = .748 P-value = .001 (<0.01)
H2: There is a significant positive correlation between job satisfaction and employee engagement among insurance agents of Klang Vega Darma Agency.	H2: Accepted	Correlation analysis	r = .793 P-value = .001 (<0.01)
H3: There is a significant positive correlation between pay and benefits, and employee engagement among insurance agents of Klang Vega Darma Agency.	H3: Accepted	Correlation analysis	r = .653 P-value = .001 (<0.01)

Based on the analysis and results of this study, it was found that all the variables had a positive significant correlation to employee engagement which are consistent with the previous study by Liyana (2017) on the employee engagement in the insurance company in Kuala Lumpur. As per

the conceptual framework proposed earlier, the outcome of the research is to observe the relationship between organizational communication (IV), job satisfaction (IV) and pay and benefits (IV) towards employee engagement (DV). The result of this research shows that all the independent variables have a significant positive correlation or relationship with the dependent variable. The objective of this study is to examine the relationship between the influencing factors and employees' engagement in an insurance agency: a survey at Klang Vega Darma Agency. Factors evaluated in this research are organizational communication, job satisfaction and pay and benefits. The result of this research has achieved the research objective accordingly. Engaged employees are committed to the organization resulting in higher productivity and lower employee turnover. This becomes an organization's crucial competitive advantage as many organizations have made substantial investment in drafting policies and develop practices which foster employee engagement and commitment of the workforce (Arina Ali, 2015). In similar research, a support of relevant finding on the job satisfaction and pay and benefits can be found in the study of Adibah Kadir (2019) where the researchers found that job satisfaction and compensation and benefits with employee engagement is significantly related. Spearman's correlation analysis was undertaken to examine the relationship between influencing factors which are organizational communication, job satisfaction and pay and benefits, as independent variables and employee engagement as a dependent variable. Based on the outcome of the hypothesis of this research study, the researchers found a significant positive relationship between all influencing factors and employee engagement with a P-value of less than .001 ($P < 0.01$). This concluded that each of the hypothesis developed in this research study have been accepted. As shown by the correlation result, all the influencing factors of employee engagement (organizational communication, job satisfaction and pay and benefits) have a proportional correlation to employee engagement.

Contribution of the Study

The purpose of this study is to establish an understanding on how the influencing factors of employee engagement could be applied to Klang Vega Darma Agency. Employee engagement is a crucial component on any organization's success regardless of size and nature of business. Employee engagement defines the operational landscape of an organization, propelling it to greater heights of profit and business sustainability in the long run. As discussed in this study, job satisfaction and organizational communication were the main influencing factors of employee engagement compared to pay and benefits. This could be because an engaged employee is not only driven by pay and benefits but other factors such as working environment, relationship with other stakeholders, transparency of communication and clarity of direction given to the employees (insurance agents) play a vital role in the overall context of employee engagement.

Implications of the Study

Based on the outcome of the analysis of the relationship between the variables, the insurer company can maintain its remuneration strategy to keep the positive and high level of employee engagement. Since it is now evident that all three factors which are organizational communication, pay and benefits and job satisfaction are influential in increasing employee engagement, insurance agencies and leaders should leverage on the available information in executing successful recruitment campaigns and relevant talent retention initiatives. Future studies involving employee engagement and its influencing factors among insurance agents or agencies can use the outcome of this study as a source of reference. Better productivity and work quality can be anticipated by deploying the right choice of offerings to the employees who are, in this case, insurance agents.

Limitations of the Study

The scope of this study is limited to employees (insurance agents) of a single insurance agency known as Klang Vega Darma Agency in Malaysia.

The respondents of this study are also limited to employees (agents) from a single unit. The size of the population at Klang Vega Darma Agency is only limited to 80 agents compared to approximately 20,000 agents who have registered with AIA to date. While it could be very subjective to access each agency in Malaysia, this study could also potentially be an eye opener to those who are targeting more new recruitments to join their team. Since the data collection was made during the peak of the Covid-19 pandemic, there was a challenge in getting the responses back within the planned timeline causing a need to shift the expected time to complete this study. The study did not take place at all AIA based insurance agencies across Malaysia due to limited time and accessibility. Due to these reasons, this research may not be suitable to be used as an overview of the Malaysian insurance industry.

Suggestions for Future Study

It is recommended to conduct similar studies in the future on other independent variables of employee engagement such as leadership traits, balanced work-life, digitalization of work, sales experience, branding. Through the identification of the related variables, the management of the agency or the leaders can take the necessary action or implement related changes within their agencies. The outcome of this study can also be made as a planning tool for employee engagement framework of an organization, especially insurance agency. Using the positive correlation and significance of the relationship, an agency or leader can come up with strategies and action plans to improve the employee engagement level at their agencies. Future research should increase the geographical range of the data by adding respondents from other AIA based agencies around Malaysia which will make a significant contribution to the analysis and findings of the research. As we are aware, geographical location might be an influencing factor when it comes to different cost of living hence it may impact the level of job satisfaction and their engagement to the employer. Other methods of data collection can also be considered for future research. Live interviews could result in more precise responses and vagueness of questionnaires can be prevented.

Conclusion

The primary objective of this research is to confirm the factors influencing employee engagement in the insurance company. Correlation analysis was performed, and the hypothesis testing has been carried out successfully. All three factors, which are organizational communication, pay and benefits and job satisfaction, were proven to have a strong positive relationship with employee engagement. The main driver to employee engagement in this study is job satisfaction followed by organizational communication and pay and benefits. As a conclusion, employee engagement is one of the most important elements of an organization's success. With the correct level of employee engagement, an organization could always rely on their workers for high level of productivity, directly resulting in higher profitability and business sustainability.

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