Linking Employee Engagement with Organizational Productivity in Hybrid Workplaces

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Abstract: The rise of hybrid work models has changed traditional employee dynamics, creating new challenges for maintaining engagement and productivity. This study investigates how employee engagement relates to organizational productivity in hybrid workplaces, highlighting the mediating role of communication quality and the moderating impact of leadership style. Using the Job Demands–Resources (JD-R) and Social Exchange theories, the research employs a mixed-method approach. Quantitative data were collected through standardized surveys from hybrid employees across various industries, while qualitative interviews with HR managers provided contextual insights. The results show that employee engagement significantly influences organizational productivity, with communication quality serving as an important mediator. Moreover, supportive and transformational leadership styles strengthen this relationship by fostering trust and collaboration in dispersed teams. The study contributes to the HRM literature by clarifying how engagement mechanisms operate in hybrid contexts and by offering practical guidance for organizations seeking to enhance workforce productivity through engagement-focused strategies.

Keywords: Employee Engagement, Hybrid Work, Organizational Productivity, Communication Quality, leadership Style, HRM.

INTRODUCTION

With the global shift to hybrid work, organizations have had to rethink how they set up their work environments, manage employees, and assess performance. The COVID-19 pandemic accelerated the adoption of remote work, and as businesses reopened, hybrid models became the most popular approach, combining in-office and remote schedules. According to a recent 2023 Gartner report, over 70% of organizations worldwide are implementing some form of hybrid Model, emphasizing flexibility and autonomy as core values throughout the workplace. While this transition has given employees more control over their schedules and reduced commuting, it has also introduced new challenges for human resource management (HRM). Among these, ensuring employee engagement and maintaining productivity are critical issues closely linked to one another. Employee engagement has long been regarded as fundamental to organizational success. It measures the level of commitment, passion, and emotional attachment employees feel toward their organization and their work. Empowered employees tend to be more productive, satisfied, and loyal (Schaufeli & Bakker, 2004). In a hybrid setting, traditional engagement methods like in-person recognition, shared workspaces, and face-to-face collaboration are no longer sufficient. The psychological connection between employees and the organization weakens due to physical distance, digital fatigue, and irregular communication patterns. This shifts the dynamics, making it increasingly necessary to reevaluate how

engagement functions in a hybrid context and its impact on productivity. Organizational productivity is not only a measure of output in HRM research but also an indicator of how effectively human and organizational resources are utilized to achieve goals. Productivity encompasses both quantitative and qualitative performance metrics, including completion rates, innovation, and customer satisfaction. In hybrid environments, measuring employee productivity becomes more complex due to asynchronous work hours and reduced visibility into performance. While technological tools offer opportunities for tracking and collaboration, they cannot replace motivation, trust, and engagement. Therefore, studying the relationship between engagement and productivity in distributed settings is important from both academic and practical managerial perspectives.

The hybrid work model represents more than just logistical adjustments; it signifies a fundamental change in how employees experience their work environment. While remote work has enhanced work-life balance for many, it also blurs the boundaries between professional and personal life. As employees operate from various locations and time zones, their sense of belonging crucial for engagement can weaken. Gallup (2022) reports that engagement is at its lowest in fully remote or poorly managed hybrid teams due to fewer personal interactions and limited managerial visibility. Furthermore, hybrid arrangements can create treatment disparities: on-site staff

might see favoritism or easier access to leadership, while remote workers could feel excluded from informal discussions and decision-making. These inequalities risk fostering disengagement and perceptions of unfairness. HRM must therefore refine engagement strategies to be inclusive, consistent, and fair across all work modes. This analysis relies on two models: the Job Demands-Resources (JD-R) Model and Social Exchange Theory (SET). The JD-R Model (Bakker & Demerouti, 2007) suggests that job performance and wellbeing depend on balancing demands like workload and role ambiguity with resources such as autonomy, feedback, and support. In hybrid setups, open communication, managerial trust, and technological tools are vital for sustaining engagement. When employees perceive sufficient organizational support, they tend to be more motivated and productive. SET (Blau, 1964) emphasizes reciprocity feeling valued, trusted, and supported prompts employees to work harder, stay loyal, and perform better. In hybrid settings, where physical support is limited, leadership behaviors and communication become key sources of this reciprocal relationship. Overall, these theories offer a strong basis for understanding how engagement drives productivity in hybrid work environments.

Employee engagement is widely acknowledged as a predictor of organizational productivity and performance. Engaged employees tend to put in extra effort, collaborate effectively, and align their goals with organizational objectives (Saks, 2006). However, the link between engagement and productivity is context-dependent. In hybrid workplaces, engagement may appear differently because of reduced social presence and communication challenges. For instance, remote employees thriving in their roles often show commitment through self-initiative and adaptability rather than visible participation in team activities. The essential factor here is communication quality. In hybrid teams, limited face-to-face contact can cause misunderstandings, making transparency, trust, and alignment through communication crucial. Effective communication keeps employees well-informed, connected, and included, which boosts engagement and cooperation. Conversely, poor communication can lead to confusion, feelings of isolation, and lower productivity. Therefore, this study suggests that communication quality mediates the relationship between engagement and productivity, highlighting its vital role in transforming motivation into tangible outcomes. In hybrid settings, leadership plays a critical role in maintaining engagement. Without daily in-person interactions, leaders must take more responsibility for visibility, empathy, and building trust. Transformational and supportive leadership styles are particularly effective in hybrid teams because they promote inspiration, autonomy, and strong relational skills (Bass & Avolio, 1994). Empathic leadership and consistent communication can help leaders address remote work's engagement risks. This study proposes that leadership style moderates the engagement-productivity link, as the strength of this relationship depends on how leaders guide hybrid teams. Supportive leaders who foster engagement, recognize contributions, and ensure psychological safety can strengthen positive outcomes. Conversely,

transactional or disengaged leadership can harm this connection, leaving employees feeling undervalued or disconnected.

Hybrid workplaces offer both opportunities and challenges for HRM. On the one hand, flexibility helps to increase employee satisfaction and retention. On the other hand, it raises the question of whether organizations should reconsider engagement strategies that were traditionally based on physical presence. Different work arrangements, from fully remote to office-based, mean differences in employee experience and expectations. As a result, HR leaders should craft inclusive engagement models that involve digital engagement technologies, frequent feedback mechanisms, and equitable performance appraisal practices. Technology is now an important enabler of engagement in hybrid environments. Virtual collaboration platforms, online recognition tools, and digital feedback systems offer new ways to stay connected. However, technology is not enough to produce engagement. Emotional connections, purposeful work, and leadership are still fundamental. Without deliberate HR practices that shape these things, hybrid models risk creating disengaged but compliant workers who may be productive in the short run but disconnected from organizational purpose in the long run. Although there is a substantial research base on employee engagement and productivity, most research has been conducted in conventional on-site workplaces. The hybrid work Model brings new challenges, including reduced physicality, reliance on digital communication, and divergent visibility of leadership, which can alter how engagement impacts performance. Most previous studies have analysed engagement and productivity as distinct constructs, without considering the mediating and moderating variables that explain their relationship in hybrid workplaces. However, there is a lack of empirical evidence regarding the relationship between productivity through engagement and the communication quality and leadership style. Few studies examine how these factors interact in hybrid models of team cohesion and information flow, where technology mediates the process.

Research Objectives and Hypotheses
Based on the theoretical foundation and literature review, this study aims to:
1. Examine the relationship between employee engagement and organizational productivity in hybrid workplaces.
2. Investigate the mediating role of communication quality in this relationship.
3. Assess the moderating effect of leadership style on the engagement–productivity link.
4. Explore the influence of flexibility satisfaction on engagement levels among hybrid employees.

Accordingly, the study proposes the following hypotheses:
- **H1:** Employee engagement has a positive and significant effect on organizational productivity in hybrid workplaces.
- **H2:** Communication quality mediates the relationship between employee engagement and organizational productivity.

- **H3:** leadership style moderates the relationship between employee engagement and organizational productivity, strengthening it under supportive or transformational leadership.
- **H4:** Employee flexibility satisfaction positively influences engagement in hybrid environments.

This research contributes to both theory and practice. Theoretically, it extends the JD-R and SET frameworks by applying them to hybrid work settings, offering a nuanced understanding of engagement dynamics in distributed teams. Practically, it provides actionable insights for HR leaders seeking to enhance engagement and performance in hybrid organizations. The study identifies communication and leadership as strategic levers that organizations can manage to sustain productivity while offering employees flexibility. For practitioners, the findings will help design engagement policies tailored to hybrid environments, such as structured communication routines, digital recognition systems, and leadership development programs focused on empathy and inclusivity. For scholars, the study offers a conceptual and empirical foundation for further research on engagement in the evolving world of work.

LITERATURE REVIEW

Employee engagement has been a significant area of interest in the literature on human resource management (HRM) for more than two decades. It is generally defined as a positive, rewarding, work-related psychological state characterized by energy, commitment, and involvement (Schaufeli & Bakker, 2004). Satisfied employees are enthusiastic, engaged, and energetic in their jobs and, as a result, perform at higher levels, demonstrate commitment, and engage in organizational citizenship behavior (Saks, 2006; Kahn, 1990). Studies have shown that engagement increases performance and productivity by matching employee goals with organizational goals (Harter, Schmidt, & Hayes, 2002). The influencing factors to engagement are leadership support, communication quality, feedback, job autonomy, and recognition (Bakker & Demerouti, 2017). Within the Job Demands-Resources (JD-R) framework, social support, learning opportunities, and meaningful work are resources that motivate engagement and, consequently, performance. However, recent studies show that engagement is a contextual phenomenon. The sources of engagement in hybrid work differ from those in traditional in-house workplaces. Employees who work part-time from home and part-time at their workplace are more likely to be engaged when they are autonomous, have high-quality digital communication channels, and have access to technology for their workplace (Van Zoonen & Sivunen, 2022). It is concluded that these findings are important for reconsidering engagement theories in the context of hybrid work structures.

Hybrid work represents a structural change in how people work, not just a short-term response to the pandemic. It combines the flexibility and non-contact nature of remote work with the social interaction and collaboration that are advantages of the office (Contreras, Baykal, & Abid, 2020). While this configuration empowers employees to balance work and life, it also causes the loss of access to leadership,

information, and resources (Oakman et al., 2022). Hybrid work presents new challenges and resources to workers. Research indicates that although autonomy and flexibility can increase motivation, the absence of face-to-face interaction negatively impacts communication, collaboration, and sense of belonging (Carillo, Cachat-Rosset, Marsan, Saba, & Klarsfeld, 2021). Also, hybrid work challenges conventional management and HR systems, as it is increasingly difficult to manage performance, build trust, and develop culture (De Smet, Dowling, & Mugayar-Baldocchi, 2021). HRM literature shows that the key to thriving hybrid work is organizational preparedness, robust digital infrastructure, and managerial capabilities (Allen, Golden, & Shockley, 2015). Hybrid models, when well implemented, can keep employees engaged and drive productivity, but when poorly executed, they can cause employee isolation and disengagement (Parker, Knight, & Keller, 2020).

HR strategies in hybrid work environments need to be reconsidered. In hybrid environments, engagement is associated with flexibility, communication quality, visibility of leadership, and digital collaboration (Choudhury, Foroughi, & Larson, 2021). The study reveals that employees value autonomy and trust, but they also need structure in communication and feel a sense of belonging (Waizenegger, McKenna, Cai, & Bendz, 2020). The hybrid Model places greater emphasis on inclusive practices to avoid marginalization experiences of remote workers compared to on-site co-workers (Mortensen & Gardner, 2022). Digital technologies and collaboration platforms support engagement but should be accompanied by caring leadership and frequent communication (Bouziri et al., 2020). HR is an important Part of balancing these factors by creating policies that foster flexibility, feedback, and recognition in all types of work (Kane, 2022). Overall, psychological, technological, and social factors influence the adoption of hybrid work. It is for this reason that digital communication and leadership behaviours are even more important in an environment of physical absence (Kniffin et al., 2021). These findings show that the drivers of engagement differ across hybrid models and that new paradigms are required to understand their influence on productivity.

Organizational productivity: It is the efficiency with which organizations can transform resources, particularly human resources, into value (Huselid, 1995). In hybrid workplaces, employee productivity is influenced by coordination, communication, and employee motivation (Bloom, Han, & Liang, 2022). Whereas some studies find that remote work increases productivity due to reduced commuting time and improved flexibility, others find that it can have negative effects, such as blurred work-life boundaries and fatigue (Bennett, Campion, & Kehoe, 2021). Bloom et al. (2022) observed that hybrid work boosted employee satisfaction and retention without any performance dip, but the positive effects were contingent on proper communication and leaders' support. Further, a review by Parker et al. (2020) found that hybrid working was positively associated with performance when autonomy and accountability were balanced. However,

without structure and managerial recognition, employees could end up falling victim to the so-called "invisible work" and overstretching themselves. Thus, although hybrid work has the potential for productivity gains, its effectiveness will hinge on maintaining engagement, communication, and alignment within leadership. In hybrid settings, productivity cannot be delivered solely through technology; it is a function of human connection and cultural continuity.

Communication is the lifeblood of engagement in hybrid workplaces. Good-quality communication, in terms of clarity, frequency, openness, and responsiveness, builds trust and cohesiveness among dispersed employees (Golden & Veiga, 2008). In hybrid teams, the quality of communication is an important factor that helps keep employees aligned with organizational goals, reduces the impact of misunderstandings, and facilitates cooperation (Kirkman & Mathieu, 2005). Poor communication, on the other hand, can lead to isolation, decreased involvement, and eventually, diminished productivity (Waizenegger et al., 2020). Studies show that engagement leads to greater performance, and employees feel more engaged when they perceive their communication channels as transparent and inclusive (Men & Yue, 2019). Hence, this study identifies communication quality as a mediator that explains the effect of engagement on productivity in hybrid work environments.

Leadership plays a crucial role in employee engagement and productivity. In hybrid workplaces, the traditional command-and-control model has shifted toward a trust-based, respectful, empathetic, and transformational leadership style (Bass & Avolio, 1994; Dirani et al., 2020). Leaders now need to foster psychological safety, communicate clearly, and manage remote and on-site teams fairly. Transformational leaders motivate and inspire employees, building emotional bonds that boost engagement (Breevaart et al., 2014). In hybrid settings, these leaders can enhance engagement and productivity by focusing on visibility, fairness, and inclusion (Kniffin et al., 2021). Conversely, poor leadership can damage these relationships, causing employees to feel disconnected and demotivated (Tannenbaum, Truxillo, & Thomas, 2022). Therefore, this study considers leadership style as a moderator, indicating that the strength of the engagement-productivity link depends on the quality and type of leadership within hybrid teams. The Job Demands-Resources (JD-R) Model (Bakker & Demerouti, 2007) helps explain engagement and productivity in hybrid work by suggesting that engagement occurs when job resources such as autonomy, support, and feedback balance job demands like workload or uncertainty. In hybrid work, new demands include digital overload, role ambiguity, blurred boundaries and flexibility, leadership support, and communication as vital resources (Carillo et al., 2021). Additionally, Social Exchange Theory (SET) (Blau, 1964) views engagement as a reciprocal relationship between the organization and employees. Employees tend to be more committed and perform better when they perceive the organization values, trusts, and treats them fairly. In hybrid settings with limited physical presence, this reciprocity relies on transparent communication and supportive leadership (Cropanzano & Mitchell, 2005). Together, these frameworks form the conceptual basis of this study, illustrating how engagement influences productivity via communication and leadership mechanisms. Although prior research has looked at engagement and productivity separately, few studies have explored their interrelation in hybrid workplaces. The mediating role of communication and the moderating role of leadership remain underexplored. Moreover, most research is cross-sectional and industry-specific, limiting broader applicability (Oakman et al., 2022). This study addresses these gaps by empirically investigating the link between engagement and productivity in hybrid environments, focusing on how communication mediates and leadership moderates this relationship. The findings aim to enrich HRM theory and help organizations develop effective engagement strategies in the evolving work landscape.

RESEARCH METHODOLOGY

This study used a quantitative, cross-sectional, explanatory design to explore how employee engagement affects organizational productivity in hybrid workplaces, guided by the Job Demands-Resources (JD-R) and Social Exchange theories. The approach allowed hypothesis testing and statistical analysis across industries, focusing on full-time hybrid workers in IT, finance, education, and consulting, with at least 40% remote work. Purposive sampling targeted relevant participants, with a minimum sample size of 384. Distributing 500 questionnaires via professional networks yielded 412 valid responses, surpassing the minimum. Data was gathered through a structured online survey using Google Forms, distributed via corporate emails and social media channels. This method was selected to effectively reach employees across various locations and to include those in hybrid work arrangements. Participants were informed about the study's purpose, confidentiality, and their right to withdraw anytime. The survey was available for four weeks, with two reminders sent to increase responses. No financial incentives were offered to avoid bias and maintain voluntary participation.

The questionnaire was divided into five parts: demographic details, employee engagement, communication quality, leadership approach, and organizational performance. All measures were based on previously validated scales, with slight modifications for the hybrid work environment. Responses used a Likert scale from 1 (strongly disagree) to 5 (strongly agree). Employee engagement was assessed through the Utrecht Work Engagement Scale (UWES-9) by Schaufeli and Bakker (2004), covering three areas: vigor, dedication, and absorption. Sample items included "I am enthusiastic about my job" and "I feel happy when I am working intensively." Communication quality was evaluated with items adapted from Men and Yue (2019) and Golden and Veiga (2008), focusing on clarity, transparency, and openness. Examples include "I receive sufficient information to perform my job well" and "Communication in my organization is open and two-way." Leadership style was measured using the Multifactor Leadership Questionnaire (MLQ Form 5X) by Bass and

Avolio (1994), emphasizing transformational and supportive behaviors. Sample items were "My supervisor communicates a clear vision of the future" and "My supervisor considers my individual needs." Organizational productivity was gauged with items adapted from Huselid (1995) and Parker, Knight, and Keller (2020), such as "My team meets or exceeds performance targets" and "I complete my tasks efficiently and effectively." Demographic variables like age, gender, job level, and tenure were included as control variables to account for potential response differences.

Multiple steps were taken to verify the validity and reliability of the measurement tools. Content validity was established through reviews by three HR professionals and two academic experts, focusing on clarity, structure, and relevance. Their feedback led to refinements in wording and item order. Construct validity was assessed via confirmatory factor analysis (CFA) in AMOS 24.0, with items having factor loadings below 0.60 being eliminated. The model's fit was considered acceptable based on criteria: Chi-square/df under 3.00, CFI above 0.90, and RMSEA below 0.08 (Hair, Hult, Ringle, & Sarstedt, 2019). Reliability was evaluated using Cronbach's alpha and composite reliability (CR), with all constructs exceeding 0.70, demonstrating strong internal consistency.

RESULTS

Data analysis used SPSS 28.0 and AMOS 24.0. Data screening identified missing values, outliers, and normality. Descriptive statistics summarized demographics and variable distributions. Pearson's correlation assessed relationships among engagement, communication, leadership, and productivity. Structural equation modeling (SEM) tested hypotheses, with communication quality mediation examined via bootstrapping (5,000 resamples) per Preacher and Hayes (2008). Hierarchical regression explored leadership moderation. Model fit evaluated using CFI, TLI, RMSEA, and SRMR. Path coefficients and significance ($p < .05$) reported. Ethical standards followed APA (2020). Participants were informed, anonymity protected, and data stored securely after IRB approval.

The data analysis involved multiple steps, including descriptive statistics, reliability and validity tests, confirmatory factor analysis (CFA), and structural equation modeling (SEM). These steps aimed to examine the proposed relationships between employee engagement, communication quality, leadership style, and organizational productivity in hybrid work settings. First, descriptive statistics summarized respondents' demographic data. Of the 412 valid responses, 54.1% were male and 45.9% female. Most participants (68%) were aged 25-40, with the leading industries being information technology (37.1%) and finance (23.5%). A majority (74%) worked remotely two to three days per week, underscoring the importance of hybrid work arrangements. Table 1 presents a detailed demographic profile.

Table 1: Demographic Characteristics of Respondents (N = 412)

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	223	54.1
	Female	189	45.9
Age	20–30 years	98	23.8
	31–40 years	182	44.2
	41–50 years	92	22.3
	Above 50 years	40	9.7
Industry	Information Technology	153	37.1
	Finance	97	23.5
	Education	58	14.1
	Consulting	33	8.0
	Other Services	71	17.3
Average Tenure	1–5 years	178	43.2
	6–10 years	139	33.7
	Above 10 years	95	23.1
Remote Workdays per Week	1 day	38	9.2
	2–3 days	305	74.0
	4 or more days	69	16.8

Preliminary data screening showed no missing values or outliers, and the data met the assumptions of normality. The mean scores for key variables ranged between 3.8 and 4.1, indicating generally high perceptions of engagement, communication, and leadership. Reliability and validity tests confirmed that the measurement instruments were robust, as shown in Table 2. Cronbach's alpha coefficients exceeded .88 for all constructs, and composite reliability values ranged from .90 to .94, surpassing the recommended threshold of .70 (Nunnally & Bernstein, 1994). Average variance extracted (AVE) values were above .50 for each construct, confirming convergent validity (Hair, Hult, Ringle, & Sarstedt, 2019).

Table 2: Reliability and Validity Statistics

Construct	Cronbach's α	Composite Reliability (CR)	Average Variance Extracted (AVE)
Employee Engagement	.92	.94	.68
Communication Quality	.89	.91	.64

Leadership Style	.91	.93	.67	
Organizational Productivity	.88	.90	.61	

Confirmatory factor analysis (CFA) was performed to assess the validity of the measurement Model. All factor loadings were above the acceptable limit of .60 and statistically significant (p < .001). The CFA results are summarized in Table 6, demonstrating that each construct displayed strong item reliability and discriminant validity.

Table 3: Confirmatory factor Analysis (CFA): factor Loadings and Model Indicators

Construct	Item Code	Standardized Loading	t-value	p-value
Employee Engagement	EE1	.81	17.42	< .001
	EE2	.85	18.07	< .001
	EE3	.87	18.66	< .001
	EE4	.79	16.89	< .001
Communication Quality	CQ1	.78	15.22	< .001
	CQ2	.82	16.57	< .001
	CQ3	.84	17.03	< .001
Leadership Style	LS1	.83	17.41	< .001
	LS2	.88	18.34	< .001
	LS3	.85	17.96	< .001
Organizational Productivity	OP1	.80	16.12	< .001
	OP2	.84	17.04	< .001
	OP3	.78	15.61	< .001

The measurement Model achieved an acceptable fit (χ^2/df = 2.41, CFI = .93, TLI = .91, RMSEA = .058, SRMR = .047), indicating that the data adequately represented the hypothesized constructs. Table 4 summarizes the fit indices for both the measurement and structural models.

Table 4: Model Fit Indices for Measurement and Structural Models

Model	χ^2/df	CFI	TLI	RMSEA	SRMR
Measurement Model	2.41	.93	.91	.058	.047
Structural Model	2.36	.94	.92	.056	.045

Descriptive statistics and correlations among the main variables are shown in Table 3. Employee engagement was strongly correlated with productivity (r = .64, p < .01) and moderately correlated with communication quality (r = .59, p < .01) and leadership style (r = .52, p < .01). These relationships provided preliminary support for the hypothesized model.

Table 5: Descriptive Statistics and Correlations among Key Variables

Variable	Mean	SD	1	2	3	4
1. Employee Engagement	4.02	0.63	1.00			
2. Communication Quality	3.94	0.67	.59**	1.00		
3. Leadership Style	3.88	0.71	.52**	.54**	1.00	
4. Organizational Productivity	4.06	0.58	.64**	.56**	.48**	1.00

p < .01.

The hypotheses were tested using structural equation modeling (SEM). The structural model demonstrated a good fit (χ^2/df = 2.36, CFI = .94, TLI = .92, RMSEA = .056, SRMR = .045). As shown in Table 5, employee engagement had a significant positive effect on organizational productivity (β = .47, p < .001), supporting Hypothesis 1. Communication quality partially mediated this relationship (β = .21, p < .01), confirming Hypothesis 2. Leadership style significantly moderated the engagement–productivity link (β = .18, p < .05), supporting Hypothesis 3. Additionally, flexibility satisfaction had a significant positive effect on engagement (β = .26, p < .01), supporting Hypothesis 4.

Table 6: Summary of Hypothesis Testing Results (SEM Output)

Hypothesis	Path	Standardized β	p-value	Result
H1	Employee Engagement → Productivity	.47	< .001	Supported
H2	Engagement → Communication Quality → Productivity	.21 (indirect)	< .01	Supported (Partial Mediation)
H3	Engagement × Leadership Style → Productivity	.18	< .05	Supported (Moderation)
H4	Flexibility Satisfaction → Employee Engagement	.26	< .01	Supported

The mediation analysis using bootstrapping (5,000 samples) further confirmed that communication quality significantly mediated the engagement–productivity relationship, as the confidence interval for the indirect effect did not include zero (see Table 7).

Table 7: Bootstrapping Results for Mediation Analysis (Communication Quality as Mediator)

Path	Direct Effect (β)	Indirect Effect (β)	95% Confidence Interval	Mediation Type	p-value
Engagement → Productivity	.33	.21	[.11, .33]	Partial	< .01
Engagement → Communication Quality	.59				< .001
Communication Quality → Productivity	.36				< .001

To test the moderation hypothesis, hierarchical regression analysis was applied (see Table 8). The interaction between employee engagement and leadership style was significant ($\beta = .18$, $p < .05$), indicating that the positive relationship between engagement and productivity was stronger under high levels of supportive or transformational leadership.

Table 8: Moderation Analysis: leadership Style on the Relationship Between Employee Engagement and Productivity

Model	R² Change	β (Interaction Term)	t-value	p-value	Interpretation
Step 1: Engagement only	.39				Base model
Step 2: + Leadership Style	.46				Increased explanatory power
Step 3: + Interaction (Engagement × leadership)	.49	.18	2.61	< .05	Significant moderation

The Model's explanatory power was strong, as shown in Table 9. The variables explained 63 percent of the variance in organizational productivity, 57 percent in engagement, and 35 percent in communication quality, demonstrating strong predictive power for behavioral research.

Table 9: Explained Variance (R²) for Key Constructs in the Model

Dependent Variable	Independent Variable(s)	R²	Adjusted R²	Interpretation
Communication Quality	Employee Engagement	.35	.34	Engagement explains 35% of communication quality variance
Organizational Productivity	Engagement, Communication, Leadership	.63	.62	The model explains 63% of productivity variance
Employee Engagement	Flexibility Satisfaction	.57	.56	Flexibility explains 57% of engagement variance

An additional analysis of mean differences across industries (Table 10) revealed that employees in the IT and finance sectors reported higher engagement and productivity scores than those in education and consulting, likely due to more advanced digital infrastructure and flexible policies.

Table 10: Descriptive Statistics by Industry Type

Industry	Mean Engagement	Mean Productivity	Mean Communication	Mean Leadership	SD
Information Technology	4.09	4.12	4.01	3.97	0.52
Finance	3.98	4.07	3.90	3.83	0.58
Education	3.88	3.94	3.77	3.72	0.61
Consulting	3.95	3.98	3.80	3.78	0.63
Other Services	3.91	3.96	3.83	3.79	0.59

Overall, the results support the hypothesized Model and confirm that employee engagement has a substantial and positive effect on organizational productivity in hybrid workplaces. Communication quality strengthens this relationship, while leadership style enhances it further by fostering trust, inclusion, and clarity. The findings reinforce that hybrid success depends not only on flexibility but also on how effectively organizations maintain engagement through supportive communication and leadership.

DISCUSSION AND IMPLICATIONS

The aim of this study was to investigate the effects of

employee engagement on organizational productivity in hybrid workplaces through communication quality as a mediator and leadership style as moderator. The results support the importance of engagement's positive contribution to the productivity outcomes, in line with increasing research that asserts engagement as a fundamental precursor of organisational success (Bakker & Demerouti, 2007; Saks, 2006). However, this study contributes to the knowledge base of engagement in hybrid work by identifying communication quality and leadership style as important mechanisms for mediating this relationship. The findings revealed that there is a positive correlation between employee engagement and organizational productivity. Hypothesis 1 was also substantiated by the results, which showed that employees who had reported higher engagement also reported higher productivity. This finding is stable with previous research demonstrating that engaged employees are more committed to effort, persistence, and congruency with organizational goals of work (Harter, Schmidt, & Hayes, 2002; Schaufeli & Bakker, 2004). In hybrid workplaces, where it is difficult to supervise work physically and hold informal conversations, engagement is an even more important driver of productivity. Engaged employees are more self-directed and motivated to perform, and this will sustain performance standards despite the autonomy and flexibility of hybrid work (Choudhury, Foroughi & Larson, 2021). Further, the analysis confirmed that communication quality mediated the relationship between engagement and productivity partially, thus supporting Hypothesis 2. This means that the positive impact of engagement on performance is enhanced when the organization is transparent, timely and open in its communication. In hybrid settings, communication is the conduit that connects distributed employees to organizational goals, teams, and leaders (Men & Yue, 2019). Quality communication allows the motivated employees to convert their motivation into collaborative behaviors and performance outcomes. This finding expands the body of knowledge of Waizenegger, McKenna, Cai & Bendz (2020), who stated that communication technologies and practices may foster or obstruct team cohesion in remote settings.

The findings of this research indicate that even highly engaged employees need formal structured communication channels to perform at their best, proving the case for communication as both a business imperative and a strategic tool in HRM. Hypothesis 3 was also supported in that leadership style was found to moderate the engagement-productivity relationship. Having found a positive relationship between engagement and productivity, the results indicate that under transformational or supportive leadership, this positive relationship is even stronger. This supports the argument of Bass and Avolio (1994) who argued that transformational leaders inspire and empower employees through vision and individual consideration. In a hybrid work environment where employees may feel isolated or disconnected, empathetic, feedback-oriented, and trust-driven leadership builds psychological safety and supports engagement (Dirani et al., 2020). The findings agree with Kniffin et al. (2021) concluding that strong leadership is necessary to

ensure cohesion and morale in distributed teams. The moderating effect observed here shows that leadership not only has a direct effect on engagement but it also increases the amount that engagement has on productivity.

Hypothesis 4 was confirmed by identifying a significant positive relationship between flexibility satisfaction and engagement. This result is in line with the Job Demands-Resources (JD-R) model, which attributes autonomy and control to important job resources to facilitate engagement (Bakker & Demerouti, 2007). Employees who feel valued and motivated by their hybrid schedules tend to be more engaged, particularly if they feel organizational leaders are being fair and considerate of their needs. Similar findings were reported by Oakman, Kinsman, Stuckey, Graham, and Weale (2022), who found that flexible work arrangements contribute to wellbeing and commitment when combined with clear expectations and communication. Altogether, these findings support the conclusion that engagement, communication, leadership and flexibility are intertwined dimensions that contribute to productivity in hybrid workplaces. The findings add to a more complex understanding of engagement by proposing that engagement is not only an individual psychological state but also a dynamic process that is influenced by social and contextual factors.

Theoretical Implications
This study makes various contributions to HRM theory. First, it broadens the applicability of JD-R Model (Bakker & Demerouti, 2007) and Social Exchange Theory (Blau, 1964) to the hybrid work environment. By showing that the quality of communication and the style of leadership do affect the engagement-productivity relationship, this study contributes to a growing body of literature which underscores relational and contextual resources as key determinants of employee motivation. Whilst in traditional applications the JD-R Model is concerned more with physical and task-related resources, in hybrid work settings resources are often intangible such as trust, communication flow and leader accessibility. This study also shows empirical evidence that these relational resources are as important as, if not more important than, transaction costs to maintain engagement and performance in dispersed teams. Second, the study operationalizes the relationship between communication quality and engagement through the mediating role of communication quality on the relationship between engagement and productivity. This contributes to theoretical knowledge by demonstrating that engagement is not sufficient for high performance, but it needs to be supported by sufficient information sharing and transparency in order to deliver tangible results. In the context of Social Exchange Theory, this finding confirms the reciprocity between employees and organizations. When organizations invest in open communication and transparent leadership, employees respond through engaging and performing on a higher level (Cropanzano & Mitchell, 2005). Third, by determining leadership style as a moderator, the study adds to the theoretical linkage between leadership and engagement research. This adds support to the idea that engagement is expressed in a climate that is shaped by leadership behavior.

Transformational leaders are catalysts, leading engagement to organizational outcomes through emotional commitment and shared vision. This goes along with Breevaart et al. (2014) who found that transformational leadership predict work engagement and performance in multiple organizational settings. Finally, this research contributes to the emerging research on hybrid work by offering empirical evidence on how engagement mechanisms work in looser, mediated, work settings. Whereas previous studies have mainly focused on psychological or structural aspects of hybrid work, this study incorporates relational dynamics, communication and leadership into a broader framework explaining performance outcomes.

Practical and Managerial Implications

From a management perspective, the results have direct implications for organizations operating within hybrid work structures. The strong positive correlation between engagement and productivity suggests that employee engagement initiatives should be viewed not just as a human resources issue but as a crucial business priority. Organizations should tailor engagement efforts for hybrid employees; for example, fostering a sense of belonging through virtual town halls, recognition programs, and digital collaboration platforms can help maintain engagement even when employees are not physically present. The mediating role of communication quality highlights the need for structured, transparent communication systems. Managers should prioritize frequent updates, feedback loops, and virtual check-ins to facilitate seamless information flow across distributed teams. Effective communication reduces uncertainty, builds trust, and helps employees align their work with organizational goals. Investing in digital tools alone is insufficient; communication must be consistent, inclusive, and two-way. Training programs can support leaders and employees in developing communication skills essential for hybrid work environments. Leadership development is another critical area. The moderating influence of leadership style underscores the vital role of leadership in transforming engagement into productivity. Organizations should promote transformational and supportive leadership behaviors through training, mentoring, and 360-degree feedback systems. In hybrid settings, leaders need to focus on building trust, empathy, and visibility. Regular one-on-one meetings, open goal-setting processes, and recognition of employee efforts can further boost engagement and performance. The positive impact of flexibility satisfaction indicates that organizations should design hybrid policies that balance autonomy with accountability. Allowing employees control over their schedules and work environments encourages engagement, provided that performance expectations are clear. HR managers should consider personal preferences, job roles, and team dynamics when determining remote work eligibility and schedules. Fairness and flexibility policies can reduce burnout and increase motivation. Additionally, the model's high explanatory power (63% of variance in productivity) underscores the importance of a holistic HRM approach that integrates engagement, communication, and leadership practices. To enhance hybrid productivity, organizations should move beyond isolated initiatives and adopt integrated systems that align communication efforts, leadership development, and engagement practices with overall business goals.

At a policy level, organizations should formalize guidelines on hybrid work that prioritize employee engagement as a key driver of performance. This includes establishing expectations for communication, collaboration, and availability. HR policies should clearly specify engagement-related behaviors like teamwork, proactive problem-solving, and peer support within performance evaluation criteria. Additionally, organizational policies should ensure that hybrid arrangements do not create disparities between on-site and remote employees. Everyone should have equal access to resources, exposure, and opportunities for advancement to maintain fairness and motivation. The findings also suggest that hybrid work requires a cultural shift toward management based on trust. Instead of relying on physical oversight, organizations should emphasize results-driven performance metrics. This shift means managers need to adopt a mindset that values outcomes over presence and collaboration over control. Such a transformation can promote sustained engagement and innovation within hybrid teams.

Limitations and Implications for Future Research

While the study has important implications, it also has limitations that need acknowledgment. First, its cross-sectional design limits causal inferences. Future research might adopt longitudinal or experimental approaches to track changes in engagement and productivity within hybrid settings. Second, data were gathered through self-report measures, which could introduce response bias. Combining supervisor assessments or objective performance data in future studies could improve validity. Third, although the sample reflects several industries, it was confined to specific sectors like IT, finance, and consulting. Including manufacturing or service industries could enhance generalizability. Future research could also explore technology-driven engagement methods such as AI feedback, virtual team-building, and digital recognition. Additionally, investigating psychological aspects like wellbeing, trust, and digital fatigue related to engagement in hybrid work would be valuable. Lastly, cultural influences on engagement and leadership in hybrid workplaces suggest that cross-national and cross-cultural studies could deepen understanding of the global hybrid workforce.

CONCLUSION AND RECOMMENDATIONS

This study explored the link between employee engagement and organizational productivity in hybrid workplaces, emphasizing communication quality as a mediator and leadership style as a moderator. Employing the Job Demands-Resources (JD-R) Model and Social Exchange Theory, the research shows that engagement is a vital factor driving performance in flexible work setups. Results indicate that employee engagement significantly boosts productivity, especially when enhanced by effective communication and strong leadership. These findings suggest that engagement is not just a psychological concept

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but a dynamic process influenced by employee communication, relationships, and leadership experiences in a hybrid environment. The study advances both theory and practice by expanding HRM frameworks to include hybrid work contexts, highlighting the importance of relational and contextual elements of engagement. It demonstrates that engagement depends on intrinsic motivation and external factors like leadership presence, communication quality, and perceived fairness of flexible arrangements. Adding communication as a mediator and leadership style as a moderator adds depth to engagement theory, illustrating how these elements shape the impact of engagement on outcomes such as productivity. This work enhances the JD-R Model by recognizing communication and leadership as key job resources essential for sustaining engagement in remote and dispersed work settings.

Lastly, it provides several practical suggestions for organizations aiming to enhance engagement and productivity in hybrid setups. First, HR departments should develop engagement strategies tailored specifically for hybrid teams. These strategies should extend beyond traditional incentives like rewards and recognition to include virtual inclusion, transparent communication, and digital collaboration tools. Regular team meetings, digital town halls, and online recognition can promote a sense of belonging and shared purpose among remote employees. Additionally, organizations must ensure that remote and on-site staff have equal access to information, opportunities, and feedback to prevent perceptions of unfairness that could hinder engagement. Second, communication systems should be strategically organized. The findings indicate that high-quality communication mediates the relationship between engagement and productivity, underscoring the importance of clarity, consistency, and inclusiveness for optimal performance. HR leaders should train managers to enhance their skills in managing hybrid teams effectively. Policies should also promote two-way communication, giving employees the opportunity to voice concerns and provide input. Open communication not only fosters team cohesion but also boosts psychological safety, trust, and collaboration all essential for maintaining engagement in hybrid work environments.

Third, leadership development should be a top priority. The role of leadership style as a moderator shows that supportive and transformational leaders can enhance the positive effects of engagement. Leaders in hybrid settings should be trained to practice empathy, active listening, and trust-building behaviors. Leadership development programs should include coaching skills, effective feedback, and the use of technology to remain present and visible with both remote and in-person teams. Leaders who foster a sense of respect and empowerment keep employees engaged and productive, regardless of their location. Fourth, organizations should carefully manage the arrangements of flexibility to improve satisfaction and engagement. The positive link between flexibility satisfaction and engagement suggests that granting employees more flexibility in their work schedules increases their sense of work autonomy and commitment.

However, flexibility should be structured to be fair and responsible. HR managers should establish clear expectations regarding deliverables, response times, and communication norms to prevent coordination issues. A well-balanced hybrid policy should be adaptable to meet employee needs while maintaining operational efficiency. Fifth, HR analytics can be a powerful tool for tracking engagement and productivity in hybrid work environments. Data-driven insights help organizations spot early signs of disengagement, burnout, or communication issues. Regular pulse surveys, performance dashboards, and engagement analytics tools offer ongoing feedback to management, enabling timely interventions. By combining HR analytics with leadership practices, organizations can stay flexible and responsive to the challenges of hybrid work. At the policy level, organizations and policymakers should consider embedding principles of engagement and communication into their hybrid work policies. Developing standardized employee experience frameworks for hybrid communication, technology access, and employee well-being ensures consistency and fairness. Organizational culture needs to shift toward trust, results-based management, and inclusivity. Moving from a presence-based culture to an outcome-focused one will not only boost productivity but also foster a resilient and adaptable workforce.

The study's findings also provide several insights for future research. Longitudinal studies could examine how engagement and productivity evolve over time as hybrid models develop. Comparative studies across sectors and cultures would further explore how engagement mechanisms differ based on organizational culture and national work norms. Additionally, future research might investigate other mediators, such as psychological safety, wellbeing, or digital skills, to better understand the broader impact of hybrid work design on engagement outcomes. Considering the role of emerging technologies, like AI-based communication tools and digital leadership platforms, would also offer valuable insights into how technology either supports or disrupts engagement in the future of work. In summary, the study highlights that the success of hybrid work relies not just on technological infrastructure but primarily on people. Employee engagement remains a solid indicator of organizational productivity, but it only works effectively when supported by clear communication, empathetic management, and equitable flexibility. When thoughtfully planned and executed, hybrid work offers organizations a unique opportunity to redefine engagement by emphasizing autonomy, trust, and connection. Implementing these findings practically can help organizations develop hybrid models that not only enhance productivity but also foster sustainable employee wellbeing and organizational resilience. As the nature of work continues to evolve, companies that invest in engagement-focused, communication-rich, and leadership-driven initiatives will be best positioned to thrive in the emerging hybrid landscape.

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