THE INFLUENCE OF DIVERSITY ORIENTED LEADERSHIP TOWARDS KNOWLEDGE SHARING THROUGH TRANSPARENT INTERNAL COMMUNICATION, INTRINSIC NEEDS SATISFACTION, AND JOB ENGAGEMENT

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Abstract
There are many ways for companies to retain employees. The approach simply proposed that companies would benefit from employees that are loyal in order to create knowledge sharing throughout the company, which are important and necessary in achieving the goal and mission of the company. Communication styles, leadership methods, including the employees’ necessity as one of the parameters for the employees to continue to share their knowledge within the company. This research aims to maximize the company and the employee mutualistic relationships which requires both understanding. Exploration and approach between company with employees in many aspects such as managerial level, openness, boundness, and the employee’s demand are also measured and comprised. The literature review argue that these are the ways to improve trust, experience, satisfaction and commitment, so that there are tight relationships with each other especially in crises situation. This research uses purposive sampling with age ranging from 23 years old until 70 years old with associate degree to doctoral degree in many types of industry, variant income, managerial level, and duration of work at the company. This research is suitable for someone who is a decision maker in the company to improve the company. The data uses SPSS 25 and AMOS 21 methods for analyzing. Majority of the variables shows that the variables are positive related. Therefore, this research could use for companies’ improvement towards employee’s retentions. In addition, acknowledgement from employees would lead to employee’s knowledge sharing.

Keywords: Diversity Oriented Leadership; Transparent Internal Communication; Intrinsic Needs Satisfaction; Job Engagement; Knowledge Sharing; Implication

INTRODUCTION
Knowledge sharing among employees is important because it is likely utilized inside or outside a company and improve capacity and creativity to develop the company (Kim and Rhee, 2011). Intangible assets including employees’ comfort, trust, harmony, and loyalty in a company are invaluable assets (Carmeli et al, 2013). It is a challenge for each company. Employee replacement in a company is a dizzying matter for them. Expenses such as costs, time, and trainings for employees are matters unavoidable by the company. It is also good to share knowledge among employees in a company.
However, are they willing to share their knowledge with their colleagues? (Kim, 2018)

Strict competition in a company to achieve key performance indicators can be one of the reasons why employees are reluctant in sharing their knowledge. Diverse ways of leadership and communication styles are also effects of whether employees are willing to share their knowledge (Jiang and Luo, 2018). If fellow employees share their knowledge with each other, it can help the company to take quick and effective decisions so as to help the company especially during crisis (Adamu et al, 2016).

Effective communication style strategy refers to naturally and spontaneously expressing ideas. Leadership style plays an important role in forming employees’ talents and leading them to correct direction. If leaders share their knowledge, there will be a collaboration of thinking that results in optimal performance (Mazzei, 2014).

Communication can be in form of a message out of a group of messages, which is observed, reviewed, interpreted, and then chosen to be delivered or forwarded. Good communication also results in the company’s success. Professional communication must be able to be demonstrated strategic capability during decision making that can influence people in the surrounding, either managerially or technically (Mazzei and Ravazzani, 2015; Heide and Simonsson, 2014).

Planned and skilled communication can be utilized to reduce the effects of crisis and to recover reputation. Internal communication also indirectly affects the society or external people. Trusts to the leader can make the company develop rapidly and create good collaboration. The way the leader delivers and takes decisions highly affects the environment (Frandsen and Johansen, 2011). Employees are the best supporters for the company’s reputation, and they can also act as the company’s ambassadors. It can happen because each person in the company shares knowledge as well as good and bad emotions with the people close to them (Frandsen and Johansen, 2011). It indirectly results in dissemination and sharing of information to people. Supported by technologies that can reach all over the world in the blink of an eye, it is good to behave well towards employees to prevent crisis, reduce problems of the company, and become indirect communicator of the company to the society (Heide and Simonsson, 2011; Kim and Rhee, 2011; Mazzei, 2014).

Companies tend to underestimate their employees because they consider that their employees will agree and follow the company’s ways (Kim, 2018). Indeed, not all employees can behave well as expected and they can even behave as if they are not a part of the company, and keep in mind that employees may also be customers. Employees are experienced with problems in company, such as leadership diversity, transparent internal communication, intrinsic needs (salary, compensation, bonus), and sense of work engagement. Therefore, top management must pay attention to the problems in company. Information on problems in company can employ third party to minimize dishonesty and unfairness despite of higher costs (Frandsen and Johansen, 2011).
When a company is experiencing or will experience a crisis, it does not need to always follow advice from a consultant, but it needs to keep running its activities and the good or bad results are the company’s responsibilities. Moreover, some companies do not employ any third party although they need consultants (Jugo et al, 2020). Crisis in a company can be reflected from its reputation evaluation by the society (Beldad et al, 2018).

The study started with examination of the relationship between the company and employees, the relationship among employees of various levels, team collaboration, and engagement in the company. With the aim that employees have trust, are influenced, have satisfactory experiences, and are committed (Vokić et al, 2021). Strong relationship will strengthen each other, especially when there is a problem. If an individual feels bonded to the company, when the company faces problem, he/she will contribute to find solutions (Kim, 2018). Not only feeling engaged, but employees will also have a sense of belonging and will be more voluntary to perform the work (Jiang and Luo, 2018). Therefore, employees can behave and express about the company to other people so as to reduce gossips about the company (Kim, 2016). It is undeniable that employees understand more and can give accurate solutions for the company, especially those directly connected to the field (Kim and Rhee, 2011).

Employees are the first layer when it faces customers (people) and the basic representative of the company (First dan Tomić, 2013). The things uttered by employees and their behaviors represent what they have experienced in the company, especially when there is a crisis. Bad treatments from the company, such as unraised salary, unfair extra wages, harassment, conflicts, disappointments, and betrayal, will cause excellent employees to lose their interest in the company and then resign. One of which, competent employees especially those who can communicate well play a crucial role (Mazzei and Ravazzani, 2015). Moreover, employees can also behave indifferently. The stages of crisis are before crisis, during crisis, and after crisis (Frandsen and Johansen, 2011; Kim, 2016).

Leaders need to bridge the communication between employees with the company (Vokić, 2021). Transparent communication and understanding of employees’ needs will encourage employees to support the company sequentially when it faces a crisis. If employees feel appreciated, they will be one of the most crucial assets of the company in the long run (Saxena and Srivastava, 2015; Ruck and Welch, 2015).

LITERATURE REVIEW

Diversity-Oriented Leadership

Diverse ways of communicative leadership in any industries will bring good effects. A leader who understands the situation and environment will deliver messages that are easy to understand and accept (Besieux et al, 2015). Therefore, it can reduce friction between problems and focus on achieving group or individual goals. Employees who feel comfortable and have developed a sense of trust will express their feelings and
thoughts. Leadership also needs to accept advice and inputs to advance the company. A leader has to set clear goals to be achieved in short term and long term (Waters et al, 2013). Leaders are responsible for the decisions taken, need to have an ability to create solutions to a problem by combining employees’ talents, develop employee’s creativity, encourage employees with time and energy or anything required to achieve mutual goals. Someone’s ability or talent can be obtained from a community or by reading (Autunes and Franco, 2016).

Leadership style is sometimes required to adjust to the characteristics and behaviors of members, develop good relationship, balance group environment, and be able to influence members. An ideal leader is a leader who can balance any information obtained and shared, transparency, sensitivity to the surrounding, has morality, is reliable, trusted, and knowledgeable. Leadership style highly influences communication in the company. Someone who has transformational leadership style can feel, think, and be aware of company values so as to create new leaders. Leaders need to have sensitivity to the surrounding to avoid any crisis. When the company faces a crisis, the leader has to directly notify the members to avoid further chaos (Mazzei, 2014).

**Transparent Internal Communication**

Company internal communication that mutually engages employees and the company can result in good things, such as increase of working tempo. Employees pay close attention to transparent communication to gain trust (Vokić et al, 2021). Transparent communication needed includes sincerity, validity, speech acts, behavior, cooperation, and accuracy. Transparent communication that poses no secrets is highly desired by all levels in company. It is supported by how important the information, accuracy, and benefits are (Besieux et al, 2015). It is a challenge for the one who delivers it and highly affects everyone in the environment. Transparency is not necessarily satisfying or pleasing for the recipients of information. Company internal communication highly affects employee performance. Employees can express their opinions and ideas freely so transparent communication can change their interest in overtime work well (Einwiller et al, 2021).

Symmetrical communication can have good effects on the relationship between employees and the company. It can foster transparency, trust, credibility, accuracy, tolerance, information adequacy, and negotiation (Kim and Rhee, 2011). It is just that symmetrical communication has a weakness, which is diversity of opinions, points of view, and perspectives, that will result in gossips (Kang and Sung, 2016). It can be overcome by obtaining feedback from employees periodically, engaging them in decision making, and communicating with each other (Vokić, 2021). Combination of symmetrical and transparent communication can give good results for both parties, such as problem solving and mutual respect (Tkalač, 2019). The sequence for transparent communication can start from the company, then old employees with aim that new employees can be more transparent, blend in quickly, and feel confident that the company is fair and honest (Jiang and Luo, 2018). In addition to official
communication such as meeting, casual communication such as daily conversation is more effective due to different situational traits (Vokić, 2021).

**Intrinsic Need Satisfaction**

Flexibility can make someone work more and develop his/her self-potentials optimally, especially when the company faces difficulties. Employees who get freedom to complete the tasks and feel part of the company will feel happy and work effectively. Fairness, work-life balance, and regulations can affect satisfaction towards the company (Jiang, 2012). Employees have good relationship with the company when their movements are not restricted and they are trusted to complete the tasks in accordance with their competences and the rules (Gallicano et al, 2012). Everyone will be encouraged and complete the tasks as well as possible if they feel that the company gives benefits for both of them (Kang and Sung, 2016). Someone who has expertise in the field, manages his/her work well, and has a competence to maintain his/her work well has potentials to empower his/her surroundings (in the company) (Kang, 2014).

Company internal communication requires two-way communication that enables it to understand employee satisfaction towards the company in general (Kim, 2018). If employees are satisfied with the company, it will increase their spirit at work, reduce absenteeism, help the company to save, and increase their spirit to fight for the company’s advancement (Vokić, 2021). When a company does not understand its employees’ needs and desires, in return the employees will not be able to understand the company’s goals either that will result in misunderstanding especially when a crisis occurs in the company (Kim, 2018). On the other hand, employees who are dissatisfied with the company will indirectly emit negative vibes to customers when they communicate with customers that eventually causes loss to the company (Mazzei et al, 2012). The company needs to communicate expressly, straightforwardly, and accurately by demonstrating actions of the words. Therefore, it requires real examples of the company’s good treatment for its employees by employing them as extension of communication with people, especially when the company faces difficulties (Lee, 2021).

**Job Engagement**

Employees and company depend on each other and cannot be separated. Employee performance can affect the development rate of company (Baesecke and Men, 2015). Employees can be the main supporters or the main critics for company. The relationship between company employees is expected for the benefits of both parties in the long run (Kim and Rhee, 2011). Employees who directly communicate with customers must be paid attention because they are trusted resources (Waters et al). According to Kang and Sung (2016), employee engagement, trust, and satisfaction are the keys of engagement with employees, and, in this case, they are useful for the players of important roles (trust and satisfaction walk hand in hand with commitment and control mutuality) in the company by connecting from symmetrical communication style to employee engagement (Kang, 2014).
Approach to employees is highly suggested to achieve the company’s interest, such as loyalty, spirit, service quality, and even dissemination of positive information about the company to people (Kim and Rhee, 2011). Employees who are given information about the company’s decisions should be given opportunities to express their opinions so the relationship between the company and the employees can be closely developed.

Engagement between employees and company can be empowered by the company by making the employees corporate agents, brand ambassadors, and brand representatives to share information about the company’s goods and its excellence as well as the company’s excellence (Mazzei, 2014). Therefore, the company needs to provide all information required by employees about their work (Kim and Rhee, 2011). Information about the company can make employees understand the company’s long term so as to contribute to any decisions taken by the company (Kim, 2018). Initially, it must be hard to understand by employees, but sooner or later they will understand the company’s decisions.

Knowledge Sharing

Conducts are highly affected by habits, norms, attitudes, perceived behaviors, and motivation that occurs in a person consciously or unconsciously. Good conducts such as sharing knowledge, exchanging ideas, and bringing up new thoughts or solutions more quickly can improve self-development. Good environment can encourage knowledge sharing (Lee, 2017). There is a possibility that employees are not willing to share their knowledge because they are afraid of disclosing the company’s information. Knowledge sharing among employees can find out individual strengths and weaknesses so they can complete each other (Lee and Kim, 2017).

A company must make its employees share their knowledge and skills as immediately as possible especially when it is in an emergency situation (Johansen, 2017). In addition, the same training given by the company to its employees can get different responses and reactions. The diversity of thoughts is good for the company as study materials (Singh et al, 2019). Strategic communication results in exchange of information and knowledge inside or outside the company during gathering that reduces problems that are likely to occur even to zero and improves the company’s reputation (Vokić, 2021). Authentic leadership has positive effects on organizational transparent communication and employee engagement; organizational transparent communication has positive effects on employee engagement (Jiang and Luo, 2018).

This research aimed to study “The Influence of Diversity Oriented Leadership towards Knowledge Sharing through Transparent Internal Communication, Intrinsic Needs Satisfaction, and Job Engagement. Respondents’ demographic is Indonesia citizens with age ranged 23 to 70 years old as employee at Indonesia with associate degree to doctoral degree in many types of industry, variant income, managerial level, and
duration of work at the company. The data uses SPSS 25 and AMOS 21 methods for analyzing. The number of respondents in the study was 230 people.

RESULT AND DISCUSSION

Result
The data of the study were analyzed using Structural Equation Modelling (SEM) analysis technique. SEM analysis is a multivariate analysis method by undergoing various stages and can be conducted to test whether hypotheses are rejected or accepted. Significance test aims to test whether there is a significant effect of exogenous variable on endogenous variable. The hypothesis developed in the test is as the following:

Ho: Exogenous variable has no significant effect on endogenous variable.
Ha: Exogenous variable has significant effect on endogenous variable.

With significance level of 0.05, Ho was rejected if the significant value of Probability (p) < 0.05 and Critical Ratio (CR) > 1.96, while if the significant value of Probability (P) > 0.05 and Critical Ratio (CR) < 1.96, Ho was accepted.

Discussion
Table 1 presents that if p-value < 0.05, Ho is rejected and if p-value > 0.05, Ho is accepted. In the study, a hypothesis Ha was rejected, namely in the sixth hypothesis with value of 0.182 > 0.05. Therefore, Transparent Internal Communication has non-positif significance towards Knowledge Sharing. The rest of the hypotheses have a positive correlation.

<table>
<thead>
<tr>
<th>Hypothesis Description</th>
<th>Estimate</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
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<td>terhadap Intrinsic Needs Satisfaction.</td>
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CONCLUSIONS AND SUGGESTIONS

Conclusion
Almost all hypotheses were supported except the sixth hypothesis “Transparent Internal Communication on Knowledge Sharing”. It could be because:

1. Everyone only expressed their complaints to their colleagues, but they do not share their knowledge.
2. If the company had transparent internal communication, the employees’ views would keep talking about good things about the company, because they believed that the company thought about its profits.
3. Employees would share their knowledge only in certain situations that required decision making.

Limitations
There are some limitations to the study, namely:

1. There are many other industries that are not reached. Therefore, it is recommended for future researchers to add the other industrial sectors not yet covered, such as: government, mining, export-import, and so on.
2. Limitedness of space, time, and fund made the researcher unable to explore further sampling evenly on all employees in Indonesia.
3. Difference of social cultures in Indonesia can cause difference of individual’s need satisfaction.

Recommendations
The results of the study have theoretical and practical implications that are described as the following:

1. **Theoretical Recommendations**
The study is expected to contribute to the knowledge of its readers and be able to broaden the insights about appropriate leadership style, how to understand employees’ need satisfaction, transparent internal communication, work engagement, and knowledge sharing among employees so as to result in good things for company.

2. **Practical Recommendations**
The results of the study are expected to be utilized in the field, such as for development and benefits of organizations as inputs for management to maintain
the quality of employees and company’s reputation, which are described as the following:

a. As an input for company to approach its employees so they are more open and willing to share their knowledge to achieve company’s goals.

b. To understand and follow multiple demands for leadership style, employees’ need satisfaction, such as compensation and appreciation, and to follow the development of era.

c. To deliver accurate messages in accordance with employees’ needs to avoid misunderstanding so they understand company’s short-term and long-term plans.

d. To ensure that each individual is an expert at the tasks given. Management is committed to be division representative.

REFERENCES


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