Mediating Effect of Knowledge Management on Spiritual Intelligence and Employee Engagement

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Abstract

The objective of the study is to examine the role of Knowledge management as a mediator in the relationship between Spiritual intelligence and Employee engagement among the executives working in Information services industry. The study was conducted at Kerala state, among the employees working in IT and ITeS companies, having offices and sites at Trichur, Calicut, Cochin and Trivandrum. Samples were drawn using systematic random sampling from the NASSCOM registered companies. It is hypothesised that Knowledge management do not mediate the relationship between Spiritual intelligence and Employee engagement, and further a model is proposed. In order to test the hypothesis and model fitness, the scores of respondents are subjected to path analysis as well as structural equation modelling. To test the model, absolute fit and parsimonious fit indices were calculated. The data collected, fit the proposed model. The study indicates that Knowledge management is in a mediating relationship between Spiritual intelligence and Employee engagement. Further, it is observed that there is a negative direct relationship between Spiritual intelligence and Employee engagement. It is noticed that the type of mediation is complete mediation, since the direct negative effect of Spiritual intelligence on Employee engagement is no longer significant after the entry of the mediating variable Knowledge management. Thus, Spiritual intelligence has an indirect effect on Employee engagement through the mediating variable Knowledge management.

Keywords: Employee Engagement, Knowledge Management, Mediation, Spiritual Intelligence.

Introduction

Indian information technology industry is the world's largest sourcing destination that employs about ten million workforces. The IT companies are going through unprecedented change in terms of disruptive innovation and work force diversity. Changing nature of work, competition and disruptive innovation strongly associated with technological risk, demands these organisations to adopt effective ways for the utilisation of human resources. They are looking for employees who are flexible, innovative, competitive, willing to contribute and work beyond formal job descriptions or work contracts. Effective utilisation of human resources has become a significant factor for creating and sustaining competitive advantage (Schaufeli & Salanova, 2008). Talent acquisition, development and employee engagement would be an

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increasingly important capability IT and ITeS organisations has to develop and sustain for gaining competitive advantage. To conclude, Information Technology companies are in search of new ways to actively engage their employees to gain competitive advantage.

Knowledge management constitutes processes and practices that help create, acquire, capture, share and use knowledge to enhance organisational development (Loermans, 2002). Knowledge management practices enhance the quality of decision-making and problem solving which can help to sustain the competitiveness of organisations in a new economy (Salleh and Ahmad, 2008; Birkinshaw and Sheehan, 2002). According to Drucker (1985, 1988) and Porter (1985), knowledge is recognised as the main source of sustainable competitive advantage. Eminent researchers in the field of management have mentioned that the evolution of management is based on the administration of knowledge. This means, expansion or up gradation of human and organisational potential and the creation of an environment that lead towards innovation, learning, creativity and novelty would be possible only with Knowledge management (KM) (Drucker 1985, 1990-91; Sveiby 1992, 1997; Nonaka & Takeuchi 1995; Grant & Baden-Fuller 1995; Grant 1996b, 1997, 2000; Von Krogh, Ichijo & Nonaka, 1998, 2000). In this context, effective management of knowledge is the main source of sustainable competitive advantages for organisations.

Roberts and Davenport (2002) defined Employee engagement as employee enthusiasm and involvement in their job. Employee engagement is the positive attitudes held by the employee towards the organisation and its values (Robinson *et al.*, 2004). These employees concentrate on their task rather than the overall goal, and they usually need to be told what to do. Engaged employees have passion and feel a profound connection to their work (Gallup, 2009). Employee engagement increases organisational commitment and job satisfaction (Wefald et al., 2011). Moreover, Rich, Lepine & Crawford, 2010; Christian et al., (2011) has reported that Employee engagement enhances employee performance and additional extra-role behaviour (Schaufeli & Salanova, 2008).

Spiritual intelligence access one's deepest meanings, purposes, and highest motivations. Vaughan (2002) suggested three components of Spiritual intelligence; the ability to create meaning based on deep understanding of existential questions; the awareness of and the ability to use multiple levels of consciousness in problem solving, and the awareness of the interconnection of all beings to each other and to the transcendent. However, for King (2008) Spiritual intelligence is a set of mental capacities that are adaptive in nature based on non-material and transcendent aspects of reality. For him, these mental capacities specifically contribute to the awareness, integration and adaptive application of the non-material and transcendent aspects of existence. This would lead to outcomes such as deep existential reflection, enhancement of meaning, recognition of a transcendent self, and mastery of spiritual states.

Literature Review

Knowledge management orientation (KMO) was introduced by Wang C.L, Ahmed P.K and Rafiq. M, (2008) rooted in the knowledge based theory of the firm (Grant, 1996), that integrates the perspective of knowledge creation (Nonaka and Takeuchi, 1995), information processing theory (Huber, 1991), and the organizational learning theory (Sinkula et al., 1997). Knowledge is a key factor to facilitate the success of knowledge integration along with other practices to ensure better organisational competitiveness (Goh, 2002). A study was conducted by Yeh et al., (2006) to find out the influence of KM dynamics leading to better organisational ability in developing, implementing and maintaining appropriate practices that would enable the organisations to find, select, organise, disseminate and transfer important information leading to better performance. Empirical work by Zheng (2010) and Hsu (2008) have demonstrated that the success in KM implementation and using knowledge sharing can have a high potential of enhancing organisation competitiveness. Moreover, the influence of KM on Organisational effectiveness programs is reflected through its support to the business through establishing cause and effect relationships where effective utilisation of knowledge support the existence of excellence practices

(Castilla and Riuz, 2008; Yeh et. al., 2006). Further research has evidenced that, KM positively influence specific practices relevant to service quality, client satisfaction, better knowledge of competitive environment, increased innovation capabilities and improved response time (Andreu et al., 2008; Castilla and Riuz, 2008; Santos Vijande and Alvarez-Gonzalez, 2007). To conclude, knowledge management is a key factor that influences organisational development practices, both internal and external. They are culture, leadership, training, processes, human capital policies and networks are examples that trigger the presence of knowledge (Rhodes, 2008; De Souza, 2006; Wong, 2005; Marr et al., 2004).

Employee engagement is considered one of the important variables for improving job performance (Saks & Gruman, 2011). Evidence from both practitioners and academic sources supports the view that a key practical reason for the growing interest in Employee engagement is its relationship with several bottom line outcomes that lead to effectiveness and competitive advantage (Wefald & Downey, 2009a; Shuck, 2010; Wefald et al., 2011). High level of Employee engagement is linked to individual and organisational outcomes such as reduce d employee turnover intentions (Schaufeli & Bakker, 2004; Mendes & Stander, 2011). Evidence has shown that employees have the ability to transfer their feelings of engagement to colleagues; which in turn leads to better organisational performance (Bakker, Demerouti & Schaufeli, 2005; Bakker & Demerouti, 2008). Gallup studied engagement by assessing the work conditions that were relevant to the enhancement of Employee engagement, whereas Shuck & Wollard (2010) further studied the relationship between Employee engagement and organisational profitability.

Employee engagement at work is an indispensable component in competitive advantage and superior business performance (Bakker & Leiter, 2010; Shuck & Wollard, 2010). According to practitioners, Employee engagement leverages positive outcomes at the individual (Blessing white, 2008; Gallup, 2009) and group level (Harter, Schmidt & Hayes, 2002; Harter, Schmidt, Asplund, Killham & Agarwal, 2010). Similarly, Towers Perrin (2007-2008) reported that engaged employees contributed to organisational financial performance recording a 5.57% higher operating margin and 3.44% higher net profit margin than disengaged colleagues do. The study also found that companies with highly engaged employees were likely to increase organisational operating income by 19% and increase their earnings per share by 28% year to year. Recent academic research has reflected a high level of interest in Employee engagement (Kahn, 1990; Schaufeli, Gonzalez Roma Salanova & Bakker, 2002; Chalofsky & Krishna, 2009; Saks, 2006; Christian, Schaufeli & Salanova; Garza & Slaughter; Wefald, Reichard & Serrano, 2011).

For Diener, Suh, Lucas & Smith (1999); Bakker & Schaufeli (2008) and Bakker (2009), this growing interest prompted to concentrate on the positive aspects of employees – those that relate to human strengths, optimal functioning and wellbeing – as opposed to the negative terms that exclusively concentrate on human negative states, weaknesses and malfunctioning terms. Moreover, academic researchers have agreed that engaged employees often display a deep, positive emotional connection with their work, show energy and are likely to exert extra effort to achieve desirable accomplishments (Schaufeli et al., 2002; Bakker 2009; Shuck, Reio & Rocco, 2011). Hence, Employee engagement is considered as one of the strongest predictors of organisational success for individual and organisational level outcomes (Wah, 1999).

Spiritual intelligence has a direct effect on quality of work life and work engagement (Zahra Karimi, 2015). Further, Saloni Devi (2016) conducted a study in banking sector at Jammu and Kashmir; India to find out a positive relationship between Spirituality and Employee engagement. The study revealed that spirituality has significant positive impact on Employee engagement. In a study conducted by (M. Torabi, Iman Z N, 2017), psychological empowerment fully mediate the relationship between Spiritual intelligence and job engagement. Moreover, Mohsen Torabi, Sepide Javadi (2013) conducted à study to examine job engagement and its correlation with Spiritual intelligence. Pearson correlation test showed a significant and positive correlation between Spiritual intelligence and job engagement.

Scholars agree that individuals' primary motive is to look for work that is meaningful, personally fulfilling and gives them motivation (Hackman & Oldham, 1976; Britt, Adler & Bartone, 2001; Chalofsky, 2010). One of the key perspectives of Spiritual intelligence as a cognitive component is 'Personal meaning production'. Experiencing personal meaning at work is closely related to satisfying the higher order needs (Chalofsky, 2003; Chalofsky, 2010). According to Chalofsky (2010), once these needs are met, individuals seek a job that is meaningful and fulfills their life purpose. Thus, individuals seek to experience meaningful work that gives them a sense of motivation. Thus the concept of 'work' is considered an important aspect of a person's life. This is due to the fact that a significant part of most people's lives is devoted to their job (Baumeister, 1991; Wrzesniewski, 2003). Work provides individuals with self-identity and self-worth; every employee seeks to find this in their workplace. Moreover, Spiritual intelligence practices enhance communication effectiveness between the management and employees (Walt, Plessis & Baker, 2006). Spiritual intelligence contributes to business leadership effectiveness (Amran, 2009). Once we consider the above studies, it explicitly clarifies that Spiritual intelligence construct has very high relevance in the contemporary organisational and management domains especially in post-industrial information and knowledge industry.

One cannot specifically conclude whether 'Engagement' is the antecedent of Knowledge' or vice versa. This is because, without being actively engaged in accumulating knowledge, one cannot acquire knowledge. However, enhancement of knowledge would dispel darkness, enhance awareness and would further stimulate and expand engagement. Similarly, it would be a million dollar question to understand whether 'Engagement' would enhance 'Spiritual intelligence' or vice versa. This is because; it is a well-known fact that 'awareness' and/or 'mindfulness' as being practiced in mindfulness meditation and different types of yogic practices is a very close concept of 'state engagement'. Engagement is "a desirable condition that has an organisational purpose, and connotes involvement, commitment, passion, enthusiasm, focused effort and energy" (Macey and Schneider, 2008). In state engagement, a person feels "some form of absorption, attachment and/or enthusiasm". In Macey and Schneider's three types of engagement, state engagement overlaps most with other previously existing constructs, which has close relationship with mindfulness and/or awareness being practiced to enhance Spiritual intelligence. However, as 'state engagement' enhances 'knowledge', and 'Spiritual Intelligence' and vice versa, these three variables do have the potential to have profound relationship with each other especially in information services and knowledge management industry. However, global research reports published in 2009 (Blessing White, Towers Perrin and Gallup) provides a contradictory picture. These reports revealed that globally, only one fifth of employees were engaged in their work, and that the engagement levels were steadily declining and costing countries greatly in lost productivity (Gallup, 2009). Recent estimates in Australia showed that the disengaged employees has increased to more than 82%, costing the Australian economy between US$37.5 billion annually in productivity losses (Gallup, 2009). These findings also support Towers Perrin Report indicating that 80% of losses in any company are generated from disengaged employees. While considering these figures and the importance of Employee engagement, it is essential that organisations are aware of the strategies necessary to reduce disengagement in the workplace. Such strategies are identified through academic, evidence-based research (Serrano & Reichard, 2011). Some academic studies have provided excellent explanations of key variables affecting Employee engagement (Schaufeli *et al.*, 2002; Saks, 2006).

Recent research has encouraged scholars to look for alternative key variables to increase and sustain engagement levels on a continuous basis (Batista-Taran, Shuck, Gutierrez & Baralt, 2009). Recently, Attridge (2009b) showed that organisations are not examining the conditions of Employee engagement, which could influence their ability to adopt specific key factors to remedy the problem. There should be an attempt to expand the literature on Employee engagement by identifying and integrating it with new key factors; that could boost Employee engagement, reduce the detrimental influences of disengaged employees, and in turn help to achieve positive performance outcomes. However, this work must be conducted from an academic basis (see Bakker, Albrecht & Leiter, 2011a; Shuck *et al.*, 2011). The literature on Employee engagement has been mainly concerned with aspects such

as; the contributing role of Employee engagement at the organisational and individual levels; the decline of Employee engagement and the increased costs of disengaged employees (Gallup, 2009); and the need for more research since there is no one size fits all model of Employee engagement (Saks, 2006). The above discussions affirm the need and significance of the study and in turn explain the possible relationship between Employee engagement, Knowledge management and Spiritual intelligence. These three variables could be applied in work-life situations in synergy, to derive outcomes whose practical usefulness may be positively magnified across business domains. As mentioned by Bakker et.al. (2011) research on Employee engagement is still in an embryonic stage. The purpose of this research is to bridge certain gaps in the existing literature by developing and extending the understanding of Employee engagement, and relationships with two other constructs named 'Knowledge management' and 'Spiritual intelligence'. This is being conducted in an emerging market economy such as India where Information Technology and Information Technology enabled Services (ITeS) industry is one of the major contributors of economic growth as well as export earnings in an international context. Hence this study intends to find out the mediating effect of Knowledge management on Spiritual intelligence and Employee engagement**.** This research would provide the answer to an exploratory question whether Employee engagement, Knowledge management orientation and Spiritual intelligence would relate to one another or not.

Objectives of the Study

The study aims at observing and analysing the relationship between 'Employee engagement', 'Knowledge management orientation (KMO)' and 'Spiritual intelligence' (SI) among the managers working in Information Technology and Information Technology enabled Services (ITeS) industry. The main objectives are:

1) To establish a relationship, if any, between Employee engagement and Knowledge management orientation
2) To establish a relationship, if any, between Employee engagement and Spiritual intelligence
3) To establish a relationship, if any, between Knowledge management orientation and Spiritual intelligence
4) To find out the mediating effect of Knowledge management orientation, if any, on Spiritual intelligence and Employee engagement
5) To propose and test a model that validates the relationship between 'Knowledge management orientation (KMO)', 'Employee engagement', and 'Spiritual intelligence' (SI).

Materials and Methods

The scale developed by Catherine L. Wang, Pervaiz K. Ahmed and Mohammed (2008), to measure Knowledge management orientation (KMO) was used. It comprises '30' items and employs seven point response ranging from 1, 'strongly disagree' to 7, 'strongly agree' measuring the four composite factors which include four sub-scales namely 'Organisational memory', 'Knowledge sharing', 'Knowledge absorption' and 'Knowledge receptivity'. The maximum possible score is '210' and the minimum is thirty. Higher scores relate to high levels of 'Knowledge management orientation'.

The Gallup's Engagement scale (GWA) Q12® was developed by (Harter et al, 2009). The twelve statements use a rating scale from 'strongly agree' to 'strongly disagree' and set out the employee's needs (statements one and two); their understanding of what is expected and thought of them (statements three to six); their fit to the organisation (statements seven to ten); and their opportunity for self-development (statements eleven and twelve). The Gallup's scale (GWA) use a five point rating where "5" is extremely satisfied and "1" is extremely dissatisfied. The maximum possible score is sixty and minimum twelve. Higher scores relate to high level of Employee engagement.

King (2008), developed a self-report measure of Spiritual intelligence, called the Spiritual intelligence self-report inventory (SISRI). The scale contains 24 Likert type items to be responded on a four point rating scale starting from 'true for me' to 'not at all true for me'. The scale has four subscales namely, Critical existential thinking (7 items); Personal meaning production (5 items); Transcendental awareness (7 items) and Consciousness state expansion (5 items). The maximum possible score is 96 and the minimum is 24. Of the 24 items, 23 items are to be scored by the direct method while '1'; item is to be scored by the reverse method. Higher scores relate to high Spiritual intelligence and lower scores relate to low Spiritual intelligence.

For the purpose of study, executives working in Information Technology (IT) and Information Technology Enables Services (ITeS) industries of Kerala state were marked as the Universe. The perusal of the records of the NASSCOM registered companies as of October 1st 2017 resulted in 119 companies having offices in various districts of Kerala State. However, it was identified that majority of the companies are having offices in four districts, 'Ernakulum', 'Calicut', 'Trissur', and 'Trivandrum'. Permission was requested to conduct the study in all the above NASSCOM registered companies. From the list, 'thirteen' companies were shortlisted based on the willingness to carry on the research. Finally, five companies each were selected using lottery method. The list of executives in cross-functional areas with minimum three years was prepared with the help of human resource managers working in the selected companies. The executives with a graduate professional degree such as B.Tech / B.E or Master's degree, engaged in any department (Design / R&D, Software coding, Testing, Pre-sales, Operations, H.R., Marketing, Customer Service, and Finance), with not less than 'three' years of experience were considered to be included in the sample. Hence, 425 respondents from 2125 employees were selected to be included in the sample. Finally, 399 employees responded accurately was considered as sample.

Theoretical Framework

Proposed Conceptual Model

The proposed conceptual model has been shown in figure 1. The figure illustrates the position of mediator variable namely Knowledge management in the model. Here, an attempt is made to assess the role of Knowledge management as a mediator in the relationship between Spiritual intelligence and Employee engagement.
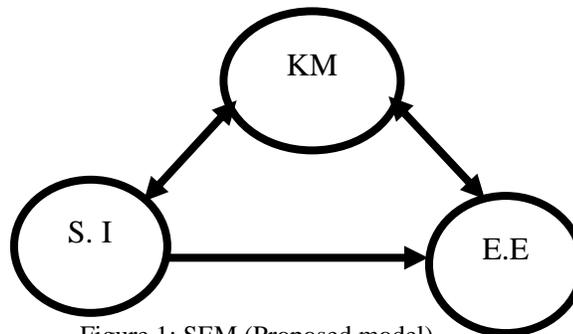

Figure 1: SEM (Proposed model)

Hypothesis

H_0: Knowledge management (KM) does not mediate the relationship between Spiritual intelligence (SI) and Employee engagement.
H_a: Knowledge management (KM) mediates the relationship between Spiritual intelligence (SI) and Employee engagement.

Hypothesis statement of Path Analysis

Null Hypothesis H_{01}: Spiritual intelligence has no significant relationship on Knowledge management.
Alternate Hypothesis H_{a1}: Spiritual intelligence has significant relationship on Knowledge management.
Null Hypothesis H_{02}: Knowledge management has no significant relationship on Employee engagement.
Alternate Hypothesis H_{a2}: Knowledge management has significant relationship on Employee engagement.
Null Hypothesis H_{03}: Spiritual intelligence has no significant relationship on Employee engagement.
Alternate Hypothesis H_{a3}: Spiritual intelligence has significant relationship on Employee engagement.

Analysis

To find out, the mediation effect of Knowledge management in the relationship between Spiritual intelligence and Employee engagement; standardized regression weights and the probability values, which indicate the significance for the respective path has been identified. The following hypotheses are formed to test the mediation effect.

Table 1: The Standardized regression Weights:

Construct	Path	Construct	Estimate	P-Value	Result
Knowledge management	⇐	Spiritual intelligence	0.140	0.007	Significant
Employee engagement	⇐	Knowledge management	1.01	0.001	Significant
Employee engagement	⇐	Spiritual intelligence	- 0.042	0.579	Not significant

The above Table 1 represents the standardized regression weights of Knowledge management, Spiritual intelligence and Employee engagement of executives working in IT and ITeS sectors. The table portrays three causal relationships among the study variables. It explains the relationship between Spiritual intelligence and Knowledge management; Knowledge management and Employee engagement; further, with Spiritual Intelligence and Employee engagement.
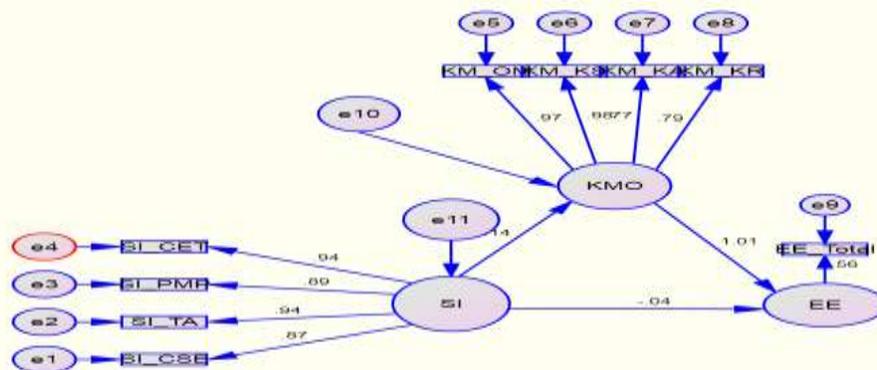

Figure 2: SEM (Tested model)

Table 2: The result of Mediation Test

Hypothesis statement	Path value (r)	P -Value	Result on Hypothesis
H_{01}	0.140	0.007	Significant (Rejected)
H_{02}	1.01	0.001	Significant (Rejected)
H_{03}	- 0.04	0.579	Not Significant (Sustained)

Discussion

Spiritual intelligence and Knowledge management

In order to test the hypothesis that Spiritual intelligence has no significant relationship on Knowledge management, the scores of the respondents are subjected to path analysis. The calculated 'p' value (*0.007) between Spiritual intelligence and Knowledge management is less than the critical value (0.05, α value) at 5% confidence level. Hence, the 'p' value pertaining to the relationship between Spiritual intelligence and Knowledge management show a statistically significant result. Therefore, the null hypothesis that Spiritual intelligence has no significant relationship on Knowledge management is rejected. Hence, the alternate hypothesis that Spiritual intelligence has significant relationship on Knowledge management is sustained".

Knowledge Management and Employee engagement

In order to test the hypothesis that Knowledge management has no significant relationship on Employee engagement, the scores of the respondents are subjected to path analysis. The calculated 'p' value (*0.001) between Knowledge management and Employee engagement is less than the critical value (0.05, α value) at 5% confidence level. Hence, the 'p' value pertaining to the relationship between Knowledge management and Employee engagement show a statistically significant result. Therefore, the null hypothesis that Knowledge management has no significant relationship on Employee engagement is rejected. Hence, the alternate hypothesis that Knowledge management has significant relationship on Employee engagement is sustained".

Spiritual Intelligence and Employee engagement

In order to test the hypothesis that Spiritual intelligence has no significant relationship on Employee engagement, the scores of the respondents are subjected to path analysis. The calculated 'p' value (*0.576) between Spiritual intelligence and Employee engagement is greater than the critical value (0.05, α value) at 5% confidence level. Therefore, the 'p' value pertaining to the relationship between Spiritual intelligence and Employee engagement failed to achieve statistical significance. Hence, the null hypothesis that Spiritual intelligence has no significant relationship on Employee engagement is accepted.

The regression coefficient represents the amount of change in the dependent or mediating variable for each one-unit change in the variable predicting it. For one unit change in spiritual intelligence, it increases 0.140 unit change in Knowledge management. Similarly, for one unit of change in Knowledge management it increases 1.01 unit changes in Employee engagement.

On the contrary, one unit of change in Spiritual intelligence decreases 0.04 unit of Employee engagement. The indirect effect is (0.14 * 1.01 = 0.1414) which is greater than the direct effect (- 0.04). Since the indirect effect is greater than the direct effect, mediation occurs.

Discussion on mediating relationship

The study indicates that there is a mediating relationship between Spiritual intelligence, through Knowledge management on Employee engagement. However, it is noticed that there is a negative direct relationship between Spiritual intelligence and Employee engagement among the executives working in IT and ITeS sectors. As discussed above the type of mediation is called complete mediation since the direct effect of Spiritual intelligence on Employee engagement is no longer significant after the entry of the mediating variable Knowledge management. Thus, Spiritual intelligence has an indirect effect on Employee engagement through the mediating variable Knowledge management. An attempt has been initiated to find out the negative direct relationship between Spiritual intelligence and Employee engagement. In order to specifically analyse the reason for the negative relationship, regression coefficients has been worked out as in the following tables considering the four subscales of Spiritual intelligence. From the table below, it is evident that Critical existential thinking (CET) and Conscious state expansion (CSE) is negatively correlated to Employee engagement, where as Personal meaning production and Transcendental awareness is positively correlated.

Table 3

Regression Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
SI – Critical Existential Thinking	**- 0.077**	.277	-.036	-.279	.781
SI – Personal Meaning Production	0.123	.293	.051	.420	.675
SI – Transcendental Awareness	0.423	.271	.202	1.561	.119
SI – Conscious State Expansion	**- 0.414**	.282	-.171	-1.467	.143
a. Dependent Variable: Employee Engagement					

Discussion on the results on Structural Equation Modeling

The study is to test the causal relationship between Spiritual intelligence, Knowledge management and Employee engagement. Moreover, the mediating relationship of Knowledge management between Spiritual intelligence and Employee engagement among the executives working in IT and ITeS sectors are also being studied. All the hypothesized relationships are significant at 0.05 confidence level, except the relationship between Spiritual intelligence and Employee engagement. The data collected fits the proposed model. The study indicates that there is a mediating relationship between Spiritual intelligence, through Knowledge management on Employee engagement. However, it is noticed that there is a negative direct relationship between Spiritual Intelligence and Employee engagement among the executives working in IT and ITeS sectors. Hence, it can be concluded that the variable Knowledge management is in a mediating relationship between Spiritual Intelligence and Employee engagement. The type of mediation here is called complete mediation since the direct effect of Spiritual intelligence on Employee engagement is no longer significant after the entry of the mediating variable Knowledge management. Thus, Spiritual Intelligence has an indirect effect on Employee engagement through the mediating variable Knowledge management. In order to test the mediation effect and model, three types of fit indexes are calculated namely Absolute fit, Incremental fit and Parsimonious fit.

Discussion on testing model fitness

Absolute fit Indexes:

To test the Absolute fit, 1) 'Chi-Square (X^2) (Wheaton et. al, 1997), 2) Root Mean Square Error of Approximation (RMSEA) (Brown and Cudeck, 1993), and 3) Goodness Fit Index (GFI) (Joreskog and Sorborn, 1984) has conducted as detailed in Table 4.

The first absolute fit index 'Chi- Square (X^2), 'P value' reported to be '118' is greater than the critical value (α value at 5% confidence level) and failed to achieve statistical significance. This shows that the model demonstrates perfect fit among the samples drawn. Hence, it is concluded that the model is accepted.

Testing Model fitness

Table 4: Result of Model fitness

Goodness of fit criteria	Observed Value	Recommended values
Chi- Square (X^2)	118	Greater than 0.05
Root Mean Square Error of Approximation (RMSEA)	0.0743	Less than 0.08
Goodness Fit Index (GFI)	0.926	Greater than or equal to 0.90
Chi- Square / d.f (X^2/d.f)	4.72	Less than 5

Further, the second absolute fit index, 'Root Mean Square Error of Approximation (RMSEA) is found to be '0.0743', The significance value which is less than 0.08 for RMSEA demonstrate a satisfactory fit. Root Mean Square Error of Approximation (RMSEA) is related to residual in the model. RMSEA values range from 0 to 1 with a smaller RMSEA value indicating better model fit. Acceptable model fit is indicated by an RMSEA value of 0.08 or less (Hu & Bentler, 1999). Similarly, the third absolute fit index, i.e., Goodness Fit Index (GFI) is found to be 0.926. The observed value '0.926' is greater than 0.90, significance value for GFI to demonstrate satisfactory fit. Finally, in order to test the Parsimonious fit (Marsh and Hocevar, 1985) Chi- Square / d. f, (X^2/ d.f) has been worked out. The Chi- Square / d. f, (X^2/ d.f) is found to be '4.72'; which is less than the significance value '5' to demonstrate satisfactory fit.

Conclusion

This study provides significant and relevant insights to the body of knowledge related to the relationship between Knowledge management, Spiritual intelligence and Employee engagement. It is unanimously agreed by both academicians and practitioners that, Employee engagement is a predictor of superior performance at the individual, group and organisational level. Moreover, it is also proved in this study that Spiritual intelligence has direct negative relationship with Employee engagement. However, it is evident that Knowledge management orientation illuminates and empowers the spirit of employees to meditate the relationship between Spiritual intelligence and Employee engagement, so as to positively influence the constructs discussed above.

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