

Impact of Trust on Employees' Engagement: The Mediating Role of Conflict Management Climate

Ayman Alshaabani^{1*}, Ildikó Rudnák¹

¹ Doctoral School of Management and Business Administration, Faculty of Economics and Social Sciences, Szent István University, 2100 Gödöllő, Páter Károly ut 1, Hungary

* Corresponding author, e-mail: a.shaabni@gmail.com

Received: 09 March 2021, Accepted: 30 August 2021, Published online: 08 March 2022

Abstract

This study investigates the role of conflict management climate (CMC) as a mediator between trust and employees' engagement. The study surveyed international employees who work in Hungary. The study aimed to determine how perceived trust affects employees' engagement through CMC's mediating effects. 355 participants joined in filling the questionnaires. After collecting the data, hypotheses were tested all together in a mediation analysis to fulfil the study's objectives. The results indicated that trust and CMC are related to employees' engagement. The results also showed that CMC could partially positively mediate the relationship between trust and employees' engagement. The study highlighted the importance of having a positive trust and conflict management climate on employees' engagement. Furthermore, the results suggested depending more on CMC when trying to build higher engagement levels among employees.

Keywords

conflict management, employees' engagement, trust, workplace climate, international employees, Hungary

1 Introduction

The goal of organisations around the globe is to achieve the best organisational outcomes. These can include better organisational productivity and performance, which can ultimately enhance their return on investment (Sundaray, 2011). According to Harter et al. (2020), these organisational outcomes could be achieved through employee engagement. Employees' engagement has been associated with various work outcomes like job satisfaction, job performance, work creativity, commitment, and intention to quit (Saks, 2006; Bakker and Xanthopoulou, 2013).

Thus, as employees' engagement is fundamental in achieving organisational success, scholars and practitioners need to get a better understanding of the factors that promote employees' engagement. Organisations today are always trying to make their employees as engaged as possible. However, despite this increased interest in employee engagement from organisations, the literature on this topic is still shallow and lacks consistency as regards understanding employee engagement and its antecedents (Bakker and Schaufeli, 2008; Sun and Bunchapattanasakda, 2019). While attempting to understand employees' engagement, Schaufeli and Bakker (2004) mentioned that engaged

employees are more connected with their work activities in the sense of exhibiting both energy and effectiveness, and they further see themselves as being able to deal well with the demands of their job. They further explained this view of employee engagement based on what they called the job demand-resources (JD-R) model of burnout. This model considers that employee engagement is driven by social support which is provided especially by the management or supervisor (Schaufeli and Bakker, 2004).

Another view of employees' engagement was explained based on social exchange theory (SET) which is defined as "voluntary actions of individuals that are motivated by the returns they are expected to bring and typically do bring from others" (Blau, 1964:p.91). This exchange brings about a sense of expectation in the parties who did the favour and a sense of indebtedness in those who received it (Settoon et al., 1996). From this perspective, employee engagement is defined as representing a deep and broad relationship between the organisation and its employee, making employees willing to go beyond what is expected (Gebauer and Lowman, 2009).

Furthermore, another way to enhance the employee-organisation relationship is by building trust. Trust is

considered a fundamental tool for creating a positive exchange relationship between the employee and his/her organisation and colleagues (Gould-Williams, 2007).

In a complex work environment where multiple relationships are inevitable, trust is the tool that may reduce this complexity and increase confidence between the parties. Furthermore, the trust would facilitate cooperative behaviour between the workplace members (Gambetta, 1988). On that account, trust has received increased attention in the organisational literature in the last twenty years (Colquitt et al., 2007; Balliet and Van Lange, 2013; Schoorman et al., 2007; Ferrin, 2013). Previous studies indicated the role of trust in predicting employees' engagement directly (Das et al., 2013; Robinson et al., 2004) or indirectly; for example, trust can improve job satisfaction and job loyalty, which, in turn, will enhance employees' engagement (Matzler and Renzl, 2006).

Another important outcome of trust is conflict management climate; previous studies indicated that low levels of trust can create feelings of non- corporations inside an organisation which may result in organisational conflict (Solaja, 2018). According to Coleman et al. (2013), trust is a direct and powerful way of enhancing a positive climate for managing conflict within organisations. Another study indicated the role of trust in predicting conflict management climate (CMC) (Tjosvold et al., 2016). According to Einarsen et al. (2018), CMC refers to the employees' perceptions towards procedures and practices of their organisation, and how the interactions between managers and subordinates are perceived as fair and conventional (Einarsen et al., 2018). It is reported that trust can positively influence CMC through creating a positive workplace climate where the relationships between the organisation and the employees and the employees with their supervisors are built on the basis of characteristics like openness, transparency, confidence, clear understanding of the issues, risk-taking, being accommodating, and agreeableness (Tjosvold et al., 2016; Solaja, 2018). On the other hand, conflict management climate (CMC) was found to positively affect employees' engagement (Jung and Yoon, 2018; Einarsen et al., 2018), and it manifests that trust can indirectly affect employees' engagement as well.

Despite that, some studies were conducted to understand the relationship between the combination of these variables (e.g. Macey and Schneider, 2008; Solaja, 2018); however, only very few studies have explored these three variables together. Therefore, to fill the research gap, the current study attempts to explore the effect of trust

on employees' engagement and the role of CMC in this relationship. And this will be done by answering the following research questions: What is the influence of trust on employees' engagement? What is the role of CMC in strengthening the relationship between trust and CMC? What effect is posed by CMC on employees' engagement among the foreign employees working in private organisations of different sectors in Hungary?

The study was conducted on foreign employees because in Hungary the number of foreign employees is rapidly increasing (Medve, 2021), and it is crucial to understand their organisational behaviour. According to Blaskó and Fazekas (2016), in 2016 the number of foreign employees working in Hungary was approximately 43000. Moreover, not long ago, the country has witnessed an increased number of international students who decided to study in Hungarian universities (Medve, 2021). The percentage of international students studying in Hungary is 64% from Europe, 23% from Asia, and 7% from Africa (Kolba, 2019). It is expected that the number of international students will increase up to 40000 by 2023 (Velkey, 2017). Hence, focusing on these employees would be very important for Hungary's international organisations.

The current research will provide novel results for scholars and managers enabling a better understanding of employees' engagement in this context. It will further focus on international employees who are the most vulnerable to the changes in the workplace during the pandemics (Guadagno, 2020). Hence, understanding their perceptions related to the study variables will be of real importance for managers.

The current study will first focus on a literature review related to the topic. Then, the sampling method and data validation will be presented along with testing the model fit. Next, the study will define the analyses used in this study and results will be discussed. Finally, a thorough discussion and conclusion will follow.

2 Literature review

2.1 Trust

The concept of trust has received considerable interest among scholars and has emerged as a leading field of research among businesses recently due to its connections with different individual and organisational outcomes (Jafri, 2012) like organisational commitment, organisational citizenship behaviours, employee loyalty, conflict management, employees' engagement, and organisational justice (Matzler and Renzl, 2006; Rhee, 2010;

Ugwu Fabian et al., 2014; Wang et al., 2019; Solaja, 2018; Alshaabani et al., 2020). Thus, it can be observed that having a high level of trust matters for any organisation, and it is fundamental for its success (Brockner et al., 1997). Although scholars of trust agree about the importance of trust in enhancing different functions and promoting positive outcomes of organisations, remarkably there is no agreement among them on a common definition of trust (Chughtai and Buckley, 2008).

Mayer et al. (1995:p.712) referred to trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party". The same study also mentioned that trust is derived from the trustor's perceptions toward the trustee's perceived ability, integrity, and benevolence (Mayer et al., 1995). Combined, these dimensions play a role in building employees' trust in the organisation (Mishra, 1996). Other researchers defined trust as "one's expectations, assumptions, or beliefs about the likelihood that another's future actions will be beneficial, favourable, or at least not detrimental to one's interests" (Robinson, 1996:p.576). In organisations, trust is a reciprocal process, between the employee and employer (Mishra, 1996). This two-way street view of trust has gained the attention of many scholars (den Hartog et al., 2002).

This study uses the definition of Mayer et al. (1995) for trust and views trust from the perspective of the employee toward the employer. As part of interpersonal trust (Mayer et al., 1995), this trust is derived from the employee's perceptions toward the employer's perceived ability, integrity, and benevolence (Mayer et al., 1995).

2.2 Employee engagement

Different definitions have been offered for employee engagement based on how it was seen (Robertson-Smith and Markwick, 2009). Some researchers viewed employees' engagement as a psychological state. For example, Wellins and Conelman, as cited in (Macey and Schneider, 2008:p.44), defined employees' engagement as "an amalgamation of commitment, loyalty, productivity, and ownership". At the same time, other researchers viewed employees' engagement as a motivational state. These included Colbert et al. (2004:p 603), who defined employees' engagement as a "high internal motivational state". However, other researchers preferred to see employees' engagement as a positive state of mind (Sun and Bunchapattanasakda, 2019).

Various approaches and models for measuring employees' engagement have been presented by professionals and researchers (MacLeod and Clarke, 2009). The most common model is the Schaufeli model, which shows engagement as a positive state of mind (Office of Personnel Management, 2015). According to this model, employees' engagement is "a positive, fulfilling, work-related state of mind that is characterised by vigour, dedication, and absorption" (Schaufeli et al., 2002:p.74). Vigour is defined as the employee's high spirit and high levels of motivation while working at the workplace and the ability of that employee to allocate enough energy for the job, plus the persistence he or she shows to face the difficulties at work; dedication refers to the spread of challenging feelings one employee may feel at work, accompanied by feelings of passion, encouragement, and pride at the workplace; and absorption is explained as being entirely focused and intensely engrossed in one's work, whereby time passes quickly, one has the feeling that time flies when working, and this may coincide with finding difficulties with separating oneself from work (Schaufeli et al., 2002). The current study uses Schaufeli et al.'s (2002) definition and model in determining the employees' engagement.

Previous research on employee engagement focused on the consequences of it for the organisation. The most important consequences of employee engagement are higher productivity and profitability, organisational commitment, better job performance, lower job absence, intention to quit, and higher OCB (Macey and Schneider, 2008; Dajani, 2015; Saks, 2006; Sergio and Rylova, 2018). On the other hand, other studies tried to focus on some antecedents of employees' engagement. Some of these antecedents are trust, job characteristics, organisational climate, diversity, perceived organisational support, and CMC (Das et al., 2013; Robinson et al., 2004; Office of Personnel Management, 2015; Einarsen et al., 2018; Alshaabani et al., 2021).

2.3 Conflict management climate (CMC)

Organisational climate refers to "the shared perceptions between the employees of the organisation of a workplace experience" (James and James, 1989:p.XX). Therefore, conflict management climate (CMC) is an inclusive concept regarding organisational conflict management. CMC refers to the employees' perceptions of their organisations' procedures and practices and how the interactions between managers and subordinates are perceived as fair and conventional (Einarsen et al., 2018). It is made of

combinations of organisational situations and how individuals' perceptions of each member inside the organisation interact with these situations (Rivlin, 2001).

CMC has gained a growing interest among scholars as a developed process (Zahlquist et al., 2019). It is an essential organisational resource that helps buffer interpersonal frustration caused by the workplace's stressful conditions that cause bullying (Einarsen et al., 2018).

When an organisation has a positive conflict management climate, the individual levels of job demand would be higher, whereas the bullying levels would be lower (Zahlquist et al., 2019).

A reasonable CMC can also reduce employees' tendency to act bullying at the workplace which may occur due to the organisation's lack of role clarity (Einarsen et al., 2018). On the other hand, CMC was found to be an important predictor of positive relationship quality between individuals (Iyiola and Rjoub, 2020), while sustained relationship quality is important for keeping positive relationships between members after solving the conflict between them (Lussier, 2006). Therefore, it is obvious that CMC could affect the relationship between individuals positively (Jelodar et al., 2016).

3 The study hypotheses

3.1 Trust and employees' engagement

Previous studies have found that trust may positively affect employees' engagement (Das et al., 2013). According to Macey and Schneider (2008), interpersonal trust and leadership styles (e.g., transformational leadership) may be antecedents of employees' engagement. Another study found trust, integrity, career growth opportunity, perceived equity, and personal relationships with co-workers and leaders can be antecedents of engagement (Gibbons, 2006). Trust could predict employees' engagement and it could further mediate the relationship between employees' perceptions of diversity management and employees' engagement positively (Downey et al., 2015). Also, organisational trust and psychological empowerment were found to predict employee engagement (Ugwu Fabian et al., 2014).

Based on this, we could hypothesise that:

- H1: Trust is positively related to employees' engagement.

3.2 Trust and CMC

The relationship between trust and CMC is seen as a consequential relationship, since the lack of trust can simulate mixed feelings; low levels of trust can create feelings of non-cooperation and frustration inside an organisation which

may result in organisational conflict (Solaja, 2018). CMC is considered as an important tool in preventing organisational and interpersonal conflict from escalating (Zahlquist et al., 2019). According to Dijkstra et al. (2009), achieving CMC has a direct relationship with interpersonal trust. Similar results were recently found by Iyiola and Rjoub (2020), who indicated that CMC is related to trust.

However, other researchers found that trust is related to CMC. Fells and Prowse (2016) mentioned that trust can create a positive conflict management climate where conflicts are solved constructively. Similarly, trust is an important component in building a positive conflict management climate at the workplace (Ashraf and Rowlinson, 2015; Tjosvold et al., 2016).

Thus, we hypothesise that:

- H2: Trust is positively related to CMC.

3.3 CMC and employee engagement

Many scholars agreed that a morally fair and positive workplace climate can systematically promote positive job attitudes of an employee (Griffith, 2006); one of these positive attitudes is employees' engagement. Previous studies have indicated that CMC is directly related to employees' engagement (Einarsen et al., 2018), employees' commitment (Ahmed, 2015), job involvement (Parker et al., 2003), and relationship quality (Iyiola and Rjoub, 2020). According to Jung and Yoon (2018), CMC could predict employees' engagement. They argue that when employees perceive CMC positively in their organisation, they will tend to develop a positive attitude and enthusiasm related to their job. Therefore, in line with existing literature, we hypothesise that:

- H3: CMC is positively related to employees' engagement.

3.4 Conflict management climate (CMC) as a mediator between trust and employees' engagement

When employees trust how interpersonal conflicts will be dealt with and solved through strong CMC, they tend to speak out about their problems which prevents these problems from escalating (Hamre et al., 2021). This may make them more enthusiastic and more engaged at work (Rothmann and Rothmann Jr, 2010).

From this perspective, we may hypothesise that CMC may enhance the influence of trust on employees' engagement. Therefore, we can hypothesise that:

- H4: CMC mediates the relationship between trust and employees' engagement positively.

4 Methodology

4.1 Sample and procedures

The participants in this research are foreign employees that work in Hungary in different sectors.

Through online channels and by using the linear snowball sampling method, a structured questionnaire was distributed to 500 foreign employees. The number of returned questionnaires completed and valid for analysis was 355 (response rate nearly 71%), which is considered a reasonable response rate (Baruch and Holtom, 2008). Table 1 shows the personal characteristics of the sample:

As can be observed from Table 1, both genders are nearly equally represented. The highest percentage of 36.9% was for employees with more than a year and less than three years of work experience. In addition, it is noteworthy that the most represented ethnicity among surveyed employees was Arabs at 23.4%; after that came the Africans and Europeans, at 20.3% and 18.6% respectively.

4.2 Measures

The questionnaire was based on previous studies used together to build this questionnaire. It involved three sections:

1. The first section asked about *CMC* through five items; this section was adapted from the study of Furnham and Goodstein (1997) with a seven-point Likert scale "from 1 strongly disagreed to 7 strongly agree".

2. The second section measured *employees' engagement* using nine core items; this part was taken from the "short version of the Utrecht Work engagement scale" (nine items), which uses a seven-point scale "where 0 is never, and 6 is always" (Schaufeli et al., 2002).
3. The last section measured *Trust* and it used a 7-item questionnaire developed from Robinson and Rousseau (1994).

The participants were asked to choose answers based on a 5-point scale "from 1 strongly disagree to 5 strongly agree". All measures were used from a standard questionnaire without any modifications; confirmatory factor analysis was used to validate the measures for our study to find out the good fit of the measures (Hu and Bentler, 1999). Table 2 shows the results which indicate a good fit for each measure.

5 Statistical analysis

Descriptive analysis for all included study variables is shown in Table 3. Table 3 presents the means and standard deviations in addition to intercorrelations for all the variables. In addition to the descriptive analysis, Table 3 shows the calculated internal consistencies (Cronbach's alpha) and it shows that all variables are in the accepted range above 70% (Sekaran and Bougie, 2016).

To investigate the presence of common method variance, the researchers used Herman's one-factor test. To make

Table 1 Personal characteristics of the sample (N = 355)

Demographic variables	Item	Count	Percentage %
Gender	Male	179	50.4
	Female	165	46.5
	Indeterminate/ Intersex/ Unspecified	11	3.1
Work experience	Less than one year	59	16.6
	More than one year to three years	129	36.3
	More than three years to five years	73	20.6
	More than five years to ten years	65	18.3
	Above ten years	29	8.2
Ethnicity	Arab	83	23.4
	African	72	20.3
	Asian	46	13
	Turk	62	17.5
	Latin American	26	7.3
	European	66	18.6

Table 2 The respecified CFA model's goodness-of-fit statistics

Variable	X ²	df	χ ² /df	GFI	CFI	RMSEA	AGFI
Trust	22.771	12	1.897	0.982	0.977	0.050	0.958
Employees' engagement	69.535	24	2.897	0.959	0.966	0.73	0.923
CMC	60.903	13	4.684	0.967	0.980	0.044	0.946

Table 3 Descriptive analysis and intercorrelations for the variables (Cronbach's alpha values are in bold) (N = 355)

Variables	Mean	SD	1	2	3	4	5	6
1. Trust	3.96	0.56	0.756					
2. Conflict management climate	4.75	1.09	0.368**	0.743				
3. Employee's engagement	3.95	0.49	0.330**	0.550**	0.869			
4. Gender	1.57	0.55	-0.063	-0.042	-0.02	-		
5. Work experience	2.65	1.19	-0.104*	0.058	-0.109*	0.118*	-	
6. Ethnicity	3.16	1.61	0.062	0.045	-0.065	-0.050	0.222**	-

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

* Correlation is significant at the 0.05 level (2-tailed).

Source: Author's survey

this test, the researchers loaded all the variables included in this research into an exploratory factor analysis (EFA) by restricting the number of extracted factors to one. No rotated factors solution was used. The Herman test results indicated that one-factor solutions accounted for only 29.3% of explained variance, which was much less than 50%, which is usually the maximum variance that is accepted by the common method variance for Herman's one-factor test (Podsakoff et al., 2012). This aspect highlights a potential threat of common method variance in this study.

Then, to test the direct and indirect effects among the variables, the researchers used the PROCESS macro (model 4) developed for SPSS and done according to procedures mentioned by (Hayes, 2017). Bootstrapping was set to 5000 resamples.

5.1 Results

As expected, the results of the analysis indicated that trust has a significant strong positive influence on employee engagement ($b = 0.544$, $p < 0.001$). which manifests that having positive trust is a strong predictor of employees' engagement. Trust also has a positive significant effect

on CMC ($b = 0.691$, $p < 0.001$), indicating that trust is associated with having CMC in the workplace. Finally, CMC was positively related to employees' engagement ($b = 0.419$, $p < 0.001$), the results are shown in Table 4.

To test the mediation model, the researchers followed the recommendations of Hair et al. (2016). According to Hair et al. (2016), there are two steps to test the significance of the direct effect of IV on other two variables (M and DV). The first step is to test the direct effect between (Path a: IV → M), (Path b: M → DV), and (Path c: IV → DV). The second step is to test the indirect effect (IV → M → DV) and based on the results they recommended that:

1. if both paths (c and b) were significant but the coefficient value for b was less than c, the mediation is considered partial mediation;
2. if the paths (a and b) are significant but path c was not significant, the mediation is considered full mediation;
3. if either path a or path b were not significant then there is no mediation;
4. if coefficient values if paths b and c were significant but b = c then there is no mediation.

Table 4 Coefficient for the mediating effect (N = 355)

Testing paths	B	SE	95% CI		β	t-value
			LL	UL		
Path c: "DV: Employees Engagement."						
R ² = .11 F (1,353) = 43.118	P < 0.001					
Path a: "DV: Conflict climate."						
R ² = .135 F (1,353) = 55.239	P < 0.001					
IV: trust	0.544	0.0828	0.381	0.707	0.330	4.877**
Path b and c: "DV: Employees Engagement."						
R ² = .33.1 F (2,352) = 93.233	P = 0.002					
IV: Trust (c')	0.243	0.077	0.091	0.396	0.148	3.1272**
IV: Conflict (b)	0.419	0.039	0.137	0.312	0.495	10.489**
Indirect effect (a*b)			0.185	0.443	0.182	

** p < 0.001

Source: Author's survey

The presented results in Table 4 showed that CMC significantly mediated the relationship between trust and employees' engagement, as shown in Table 4. Furthermore, a Sobel mediation test was also conducted, and it showed a significant ($p < 0.001$) mediation.

The results in Table 4 indicated that CMC mediates the relationship between trust and employees' engagement positively; however, this mediation is partial mediation (complementary mediation) which occurs when the relationship between the IV and DV remains significant ($b = 0.243$, $p < 0.001$) but decreases in the presence of the mediator (Hair et al., 2016). The indirect relationship between trust and employee engagement ($IE = 0.182$) was statistically significant 95% CI= (0.185, 0.443).

The results indicated that trust has a direct effect on employees' engagement with the ability to explain $R^2 = 11\%$ of the variance in employees' engagement. In addition, they showed that trust has a direct positive effect on conflict management climate, and it could explain $R^2 = 13.5\%$ of the variance in conflict. Trust and conflict together could explain $R^2 = 33.1\%$ of the variance in employees' engagement variable (Fig. 1).

From the analysis above, we could prove all the hypotheses, and they were all accepted.

6 Discussion

The research aimed to figure out the influence of trust on employees' engagement and to assess the role of CMC in this relationship. It further aimed to investigate how CMC is related to employees' engagement. The results indicated that having trust at the workplace could positively improve employees' engagement at the workplace, and that building trust inside an organisation can significantly enhance employee engagement inside it, a finding which agrees with other studies that found that employees' engagement is related to trust, and that consequently, succeeding in building trust can influence the enthusiasm of the employees to work more and be engaged at their work (Downey et al., 2015;

Ugwu Fabian et al., 2014). In addition, it is possible to conclude that trust can be positively associated with the workplace's CMC to a moderate extent.

According to Liu and Chen (2000), foreign employees are more likely to be sensitive to conflicts at the workplace; moreover, they need to solve these conflicts in a collaborating way. Consequently, having a positive CMC is important in solving these conflicts (Einarsen et al., 2018). The results of the current study indicate that trust is important for foreign employees to solve organisational and interpersonal conflicts by promoting CMC. This may be assured that conflicts will be solved constructively in a way that would maintain positive climate between them and their employer, and prevent frustration from arising after a conflict has been resolved.

These results correspond with two studies that found that trust is an essential factor in building a positive CMC (Solaja, 2018; Tjosvold et al., 2016). The results also showed that trust alone could explain nearly 13.5% of the variance in CMC, which indicates that there are still many factors that can play a role in promoting a positive CMC in the workplace.

The results verified the partial mediating effects of CMC on trust and employees' engagement. The mediation indicated that trust has directly related to CMC and employee engagement, which agrees with the results of Einarsen et al. (2018) and Jung and Yoon (2018). Trust could build a positive conflict management climate where employees know that their conflicts will be solved in a fair and firm way that maintains their rights. This would ultimately be reflected in their feelings and enthusiasm toward the work and such employees tend to be more engaged at work.

This relationship in the current study could explain nearly 33.1% of the reasons behind having a positive employee engagement among the international employees in Hungary. This result means that when employees have higher trust, their level of engagement improves further when they perceive a positive CMC.

7 Conclusions

Employees' engagement is one of the most important predictors of positive work outcomes such as job performance, organisational commitment, and productivity (e.g., Dalal et al., 2012; Dajani, 2015; Sundaray, 2011). Consequently, modern organisations need to consider what can affect their employees' engagement and how managers can improve it to the optimum levels to achieve these outcomes.

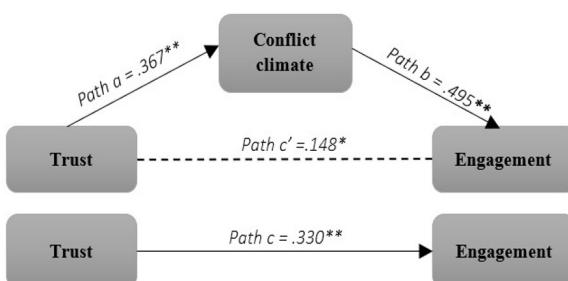


Fig. 1 The study model

** $p < 0.001$

Consequently, as this study focused on employees' engagement and its antecedents it has made both theoretical and practical contributions. The theoretical contribution of this study was provided by examining the extent to which trust can create positive CMC and motivate positive attitudes like employees' engagement. Furthermore, the critical observation of the results showed that among foreign employees, if employees build trust, then the conflict management climate within the organisation will lead them to be more engaged. The study filled the theoretical gap in terms of understanding what can enhance employees' engagement among foreign employees, and how trust can promote CMC since the studies in these topics are very limited. The study provides a theoretical framework to promote employees' engagement through trust and CMC, it will also provide a strong base for future studies to study the same model in different other sectors.

The practical implications of this study are that the current study is important for managers who work at multi-national organisations where foreign employees make up a considerable percentage of the workforce. It has been reported that in 2020 the foreign employees comprised 14% of the total number of the employees in the service sector in Hungary with a slight decrease compared to previous years as a result of the Covid 19 pandemic (Baksa et al., 2020). Therefore, understanding these employees and working on enhancing their engagement at work will be reflected positively on the organisation. Furthermore, this study focused on the role of CMC in mediating the relationship between trust and employees' engagement.

References

- Ahmed, K. A. G. (2015) "The Relationships between Conflict Management Styles, Job Satisfaction and Organizational Commitment among Workers in Public and Private Sectors", Universal Journal of Psychology, 3(2), pp. 41–50.
<https://doi.org/10.13189/ujp.2015.030203>
- Alshaabani, A., Naz, F., Magda, R., Rudnák, I. (2021) "Impact of Perceived Organizational Support on OCB in the Time of COVID-19 Pandemic in Hungary: Employee Engagement and Affective Commitment as Mediators", Sustainability, 13(14), Article number: 7800.
<https://doi.org/10.3390/su13147800>
- Alshaabani, A., Oláh, J., Popp, J., Zaien, S. (2020) "Impact of Distributive Justice on the Trust Climate Among Middle Eastern Employees", Polish Journal of Management Studies, 21(1), pp. 34–47.
<https://doi.org/10.17512/pjms.2020.21.1.03>
- Ashraf, H., Rowlinson, S. (2015) "The importance of context in conflict management: Explicating the notion of conflict management climate and agenda setting for future research", In: 31st Annual ARCOM Conference, Lincoln, UK, pp. 1021–1030.
- Bakker, A. B., Schaufeli, W. B. (2008) "Positive organizational behavior: engaged employees in flourishing organizations", Journal of Organizational Behavior, 29(2), pp. 147–154.
<https://doi.org/10.1002/job.515>
- Bakker, A. B., Xanthopoulou, D. (2013) "Creativity and charisma among female leaders: the role of resources and work engagement", The International Journal of Human Resource Management, 24(14), pp. 2760–2779.
<https://doi.org/10.1080/09585192.2012.751438>
- Baksa, M., Marciniak, R., Nagy, D., Komáromi, R., Andicsku, A., Palásti, Gy., ..., Mészáros, K. (2020) "Business Services Sector Hungary", Hungarian Service and Outsourcing Association, Budapest, Hungary.
- Balliet, D., Van Lange, P. A. M. (2013) "Trust, Punishment, and Cooperation Across 18 Societies: A Meta-Analysis", Perspectives on Psychological Science, 8(4), pp. 363–379.
<https://doi.org/10.1177/1745691613488533>

Having a CMC where conflicts are solved constructively is essential for achieving better engaged employees, and this can be done through trust.

The Hungarian business sector is improving rapidly, and many companies are moving to operate in Hungary. Consequently, the number of international employees can increase; therefore, understanding these employees' engagement is essential for any manager when thinking about improving the employees' outcomes. Such an understanding means that managers should make sure to build trust at workplace, which, in turn, will cause a favourable climate for managing conflicts, which flows into enhanced employee engagement.

8 Limitations and future research

Although this study has provided some interesting findings to contribute to literature related to employees' engagement, there are still some limitations to this study. For example, the study did not focus on a specific sector in Hungary since the employees belonged to different sectors. Another limitation is that the study did not use any controlling variables into consideration which would give better control over the results.

Therefore, future studies may take some controlling variables like gender, age, organisation size, and job tenure into the study. Moreover, future research may focus more on the mechanism of CMC and take into account some moderators such as perceived fairness or justice, since they play an important role in the way that trust can affect an organisation's employees.

- Baruch, Y., Holtom, B. C. (2008) "Survey response rate levels and trends in organizational research", *Human Relations*, 61(8), pp. 1139–1160.
<https://doi.org/10.1177/0018726708094863>
- Blaskó, Zs., Fazekas, K. (2016) "The Hungarian Labour Market 2016", Institute of Economics, Centre for Economic and Regional Studies, Hungarian Academy of Sciences, Budapest, Hungary.
- Blau, P. M. (1964) "Social exchange", *International Encyclopedia of the Social Sciences*, 3, 62.
- Brockner, J., Siegel, P. A., Daly, J. P., Tyler, T., Martin, C. (1997) "When Trust Matters: The Moderating Effect of Outcome Favorability", *Administrative Science Quarterly*, 42(3), pp. 558–583.
<https://doi.org/10.2307/2393738>
- Caniëls, M. C. J., Semeijn, J. H., Renders, I. H. M. (2018) "Mind the mindset! The interaction of proactive personality, transformational leadership and growth mindset for engagement at work", *Career Development International*, 23(1), pp. 48–66.
<https://doi.org/10.1108/CDI-11-2016-0194>
- Chughtai, A. A., Buckley, F. (2008) "Work Engagement and its Relationship with State and Trait Trust: A Conceptual Analysis", *Journal of Behavioral and Applied Management*, 10(1), pp. 47–71.
<https://doi.org/10.21818/001c.17170>
- Colbert, A. E., Mount, M. K., Harter, J. K., Witt, L. A., Barrick, M. R. (2004) "Interactive Effects of Personality and Perceptions of the Work Situation on Workplace Deviance", *Journal of Applied Psychology*, 89(4), pp. 599–609.
<https://doi.org/10.1037/0021-9010.89.4.599>
- Coleman, P. T., Kugler, K. G., Mitchinson, A., Foster, C. (2013) "Navigating conflict and power at work: the effects of power and interdependence asymmetries on conflict in organizations", *Journal of Applied Social Psychology*, 43(10), pp. 1963–1983.
<https://doi.org/10.1111/jasp.12150>
- Colquitt, J. A., Scott, B. A., LePine, J. A. (2007) "Trust, trustworthiness, and trust propensity: A meta-analytic test of their unique relationships with risk taking and job performance", *Journal of Applied Psychology*, 92(4), pp. 909–927.
<https://doi.org/10.1037/0021-9010.92.4.909>
- Dajani, M. A. Z. (2015) "The Impact of Employee Engagement on Job Performance and Organisational Commitment in the Egyptian Banking Sector", *Journal of Business and Management Sciences*, 3(5), pp. 138–147.
<https://doi.org/10.12691/jbms-3-5-1>
- Dalal, R. S., Baysinger, M., Brummel, B. J., Lebreton, J. M. (2012) "The Relative Importance of Employee Engagement, Other Job Attitudes, and Trait Affect as Predictors of Job Performance", *Journal of Applied Social Psychology*, 42(S1), pp. E295–E325.
<https://doi.org/10.1111/j.1559-1816.2012.01017.x>
- Das, S. P., Narendra, P., Mishra, P. (2013) "Drivers of Employee Engagement - A Study in Indian Manufacturing Sector", *International Journal of Current Research*, 5(7), pp. 1981–1987.
- den Hartog, D. N., Shippers, M. C., Koopman, P. L. (2002) "The impact of leader behaviour on trust in management and co-workers", *SA Journal of Industrial Psychology*, 28(4), Article number: a75.
<https://doi.org/10.4102/sajip.v28i4.75>
- Dijkstra, M. T. M., De Dreu, C. K. W., Evers, A., Van Dierendonck, D. (2009) "Passive responses to interpersonal conflict at work amplify employee strain", *European Journal of Work and Organizational Psychology*, 18(4), pp. 405–423.
<https://doi.org/10.1080/13594320802510880>
- Downey, S. N., Van Der Werff, L., Thomas, K. M., Plaut, V. C. (2015) "The role of diversity practices and inclusion in promoting trust and employee engagement", *Journal of Applied Social Psychology*, 45(1), pp. 35–44.
<https://doi.org/10.1111/jasp.12273>
- Einarsen, S., Skogstad, A., Rørvik, E., Lande, Å. B., Nielsen, M. B. (2018) "Climate for conflict management, exposure to workplace bullying and work engagement: a moderated mediation analysis", *The International Journal of Human Resource Management*, 29(3), pp. 549–570.
<https://doi.org/10.1080/09585192.2016.1164216>
- Fells, R., Prowse, P. (2016) "Negotiations in the Workplace: Overcoming the Problem of Asymmetry", In: Elgoibar, P., Euwema, M., Munduate, L. (eds.) *Building Trust and Constructive Conflict Management in Organizations*, Springer, Cham, Switzerland, pp. 75–92.
https://doi.org/10.1007/978-3-319-31475-4_5
- Ferrin, D. L. (2013) "On the institutionalisation of trust research and practice: Heaven awaits!", *Journal of Trust Research*, 3(2), pp. 146–154.
<https://doi.org/10.1080/21515581.2013.822669>
- Furnham, A., Goodstein, L. D. (1997) "The Organizational Climate Questionnaire (OCQ)", In: Pfeiffer, J. W. (ed.) *The 1997 Annual*, 2, Pfeiffer, Hoboken, NJ, USA, pp. 163–179.
- Gallup (2017) "State of the Global Workplace", Gallup Press, New York, NY, USA.
- Gambetta, D. (1988) "Trust: Making and Breaking Cooperative Relations", B. Blackwell, Oxford, UK.
- Gebauer, J., Lowman, D. (2009) "Closing the Engagement Gap: How Great Companies Unlock Employee Potential for Superior Results", Portfolio, London, UK.
- Gibbons, J. (2006) "Employee Engagement: A Review of Current Research and its Implications", New York Conference Board, New York, NY, USA.
- Gould-Williams, J. (2007) "HR practices, organizational climate and employee outcomes: evaluating social exchange relationships in local government", *The International Journal of Human Resource Management*, 18(9), pp. 1627–1647.
<https://doi.org/10.1080/09585190701570700>
- Griffith, J. (2006) "A Compositional Analysis of the Organizational Climate-Performance Relation: Public Schools as Organizations", *Journal of Applied Social Psychology*, 36(8), pp. 1848–1880.
<https://doi.org/10.1111/j.0021-9029.2006.00085.x>
- Guadagno, L. (2020) "Migrants and the COVID-19 pandemic: An initial analysis", International Organization for Migration, Geneva, Switzerland.
- Hair, J., Anderson, R., Black, B., Babin, B. (2016) #Multivariate Data Analysis", Pearson Education, London, UK.

- Hamre, K. V., Fauske, M. R., Reknes, I., Nielsen, M. B., Gjerstad, J., Einarsen, S. V. (2021) "Preventing and Neutralizing the Escalation of Workplace Bullying: the Role of Conflict Management Climate", International Journal of Bullying Prevention.
<https://doi.org/10.1007/s42380-021-00100-y>
- Harter, J. K., Schmidt, F. L., Agrawal, S., Blue, A., Plowman, S. K., Josh, P., Asplund, J. (2020) "The Relationship Between Engagement at Work and Organizational Outcomes: 2020 Q12 Meta-Analysis", Gallup, Washington, DC, USA.
- Hayes, A. F. (2017) "Introduction to Mediation, Moderation, and Conditional Process Analysis: A Regression-Based Approach", Guilford Publications, New York, NY, USA.
- Hu, L-t., Bentler, P. M. (1999) "Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives", Structural Equation Modeling: A Multidisciplinary Journal, 6(1), pp. 1–55.
<https://doi.org/10.1080/10705519909540118>
- Iyiola, K., Rjoub, H. (2020) "Using Conflict Management in Improving Owners and Contractors Relationship Quality in the Construction Industry: The Mediation Role of Trust", SAGE Open, 10(1), pp. 1–14.
<https://doi.org/10.1177/2158244019898834>
- Jafri, Md. H. (2012) "Influence of Psychological Contract Breach on Organizational Citizenship Behaviour and Trust", Psychological Studies, 57(1), pp. 29–36.
<https://doi.org/10.1007/s12646-011-0112-z>
- James, L. A., James, L. R. (1989) "Integrating work environment perceptions: Explorations into the measurement of meaning", Journal of Applied Psychology, 74(5), pp. 739–751.
<https://doi.org/10.1037/0021-9010.74.5.739>
- Jelodar, M. B., Yiu, T. W., Wilkinson, S. (2016) "A conceptualisation of relationship quality in construction procurement", International Journal of Project Management, 34(6), pp. 997–1011.
<https://doi.org/10.1016/j.ijproman.2016.03.005>
- Jung, H. S., Yoon, H. H. (2018) "Improving frontline service employees' innovative behavior using conflict management in the hospitality industry: The mediating role of engagement", Tourism Management, 69, pp. 498–507.
<https://doi.org/10.1016/j.tourman.2018.06.035>
- Kolba, G. (2019) "Number of foreign students at Hungarian universities keeps increasing", Daily news Hungary, [online] 4 February 2019. Available at: <https://dailynewshungary.com/number-of-foreign-students-at-hungarian-universities-keeps-increasing/> [Accessed: 27 April 2020]
- Liu, S., Chen, G. M. (2000) "Assessing Chinese Conflict Management Styles in Joint Ventures", Intercultural Communication Studies, 9(2), pp. 71–88.
- Lussier, R. N. (2006) "Human Relations in Organizations: Applications and Skill Building", McGraw-Hill, New York, NY, USA.
- Macey, W. H., Schneider, B. (2008) "The Meaning of Employee Engagement", Industrial and Organizational Psychology, 1(1), pp. 3–30.
<https://doi.org/10.1111/j.1754-9434.2007.0002.x>
- Macleod, D., Clarke, N. (2009) "Engaging for Success: enhancing performance through employee engagement: a report to government", Department for Business, Innovation and Skills, London, UK.
- Matzler, K., Renzl, B. (2006) "The Relationship between Interpersonal Trust, Employee Satisfaction, and Employee Loyalty", Total Quality Management & Business Excellence, 17(10), pp. 1261–1271.
<https://doi.org/10.1080/14783360600753653>
- Mayer, R. C., Davis, J. H., Schoorman, F. D. (1995) "An Integrative Model of Organizational Trust", The Academy of Management Review, 20(3), pp. 709–734.
<https://doi.org/10.2307/258792>
- Medve, F. (2021) "Number of full-time international students at Hungarian universities from 2009 to 2021", [online] Available at: <https://www.statista.com/statistics/1094687/hungary-international-university-students/> [Accessed: 25 June 2021]
- Mishra, A. K. (1996) "Chapter 13: Organizational Responses to Crisis: The Centrality of Trust", In: Kramer, R., Tyler, T. (eds.) Trust in Organizations: Frontiers of Theory and Research, SAGE Publications, Inc., Thousand Oaks, CA, USA, pp. 261–287.
<https://doi.org/10.4135/9781452243610.n13>
- Office of Personnel Management (2015) "Engaging the Federal Work Force: How To Do It & Prove It", United States Office of Personnel Management, Washington, DC, USA [online] Available at: https://admin.govexec.com/media/gbc/docs/pdfs_edit/engaging_the_federal_workforce_white_paper.pdf [Accessed: 20 June 2020]
- Parker, C. P., Baltes, B. B., Young, S. A., Huff, J. W., Altmann, R. A., LaCost, H. A., Roberts, J. E. (2003) "Relationships between psychological climate perceptions and work outcomes: a meta-analytic review", Journal of Organizational Behavior, 24(4), pp. 389–416.
<https://doi.org/10.1002/job.198>
- Podsakoff, P. M., MacKenzie, S. B., Podsakoff, N. P. (2012) "Sources of Method Bias in Social Science Research and Recommendations on How to Control It", Annual Review of Psychology, 63(1), pp. 539–569.
<https://doi.org/10.1146/annurev-psych-120710-100452>
- Rhee, K. Y. (2010) "Different Effects of Workers' Trust on Work Stress, Perceived Stress, Stress Reaction, and Job Satisfaction between Korean and Japanese Workers", Safety and Health at Work, 1(1), pp. 87–97.
<https://doi.org/10.5491/SHW.2010.1.1.87>
- Rivlin, J. N. (2001) "Conflict management climate related to employment litigation", PhD Thesis, Georgia Institute of Technology.
- Robertson-Smith, G., Markwick, C. (2009) "Employee Engagement : A review of current thinking", Institute For Employment Studies, Brighton, UK, Rep. 469.
- Robinson, D., Perryman, S., Hayday, S. (2004) "The Drivers of Employee Engagement", Institute for Employment Studies, Brighton, UK, Rep. 408.
- Robinson, S. L. (1996) "Trust and Breach of the Psychological Contract", Administrative Science Quarterly, 41(4), pp. 574–599.
<https://doi.org/10.2307/2393868>
- Robinson, S. L., Rousseau, D. M. (1994) "Violating the psychological contract: Not the exception but the norm", Journal of Organizational Behavior, 15(3), pp. 245–259.
<https://doi.org/10.1002/job.4030150306>
- Rothmann, S., Rothmann Jr, S. (2010) "Factors associated with employee engagement in South Africa", SA Journal of Industrial Psychology, 36(2), Article number: a925.
<https://doi.org/10.4102/sajip.v36i2.925>

- Saks, A. M. (2006) "Antecedents and consequences of employee engagement", *Journal of Managerial Psychology*, 21(7), pp. 600–619.
<https://doi.org/10.1108/02683940610690169>
- Schaufeli, W. B., Bakker, A. B. (2004) "Job demands, job resources, and their relationship with burnout and engagement: a multi-sample study", *Journal of Organizational Behavior*, 25(3), pp. 293–315.
<https://doi.org/10.1002/job.248>
- Schaufeli, W. B., Salanova, M., González-romá, V., Bakker, A. B. (2002) "The Measurement of Engagement and Burnout: A Two Sample Confirmatory Factor Analytic Approach", *Journal of Happiness Studies*, 3(1), pp. 71–92.
<https://doi.org/10.1023/A:1015630930326>
- Schoorman, F. D., Mayer, R. C., Davis, J. H. (2007) "An Integrative Model of Organizational Trust: Past, Present, and Future", *Academy of Management Review*, 32(2), pp. 344–354.
<https://doi.org/10.5465/amr.2007.24348410>
- Sekaran, U., Bougie, R. (2016) "Research Methods For Business: A Skill Building Approach", John Wiley and Sons, Hoboken, NJ, USA.
- Sergio, R. P., Rylova, M. (2018) "Employee Engagement and Empowerment as Gateway towards Retention: The Case of Volkswagen Group", *Journal of Eastern European and Central Asian Research (JEECAR)*, 5(2), pp. 120–130.
<https://doi.org/10.15549/jecar.v5i2.242>
- Settoon, R. P., Bennett, N., Liden, R. C. (1996) "Social exchange in organizations: Perceived organizational support, leader– member exchange, and employee reciprocity", *Journal of Applied Psychology*, 81(3), pp. 219–227.
<https://doi.org/10.1037/0021-9010.81.3.219>
- Solaja, O. M. (2018) "Organizational Trust as a Conflict Management Tool in Contemporary Work Organizations", In: Vilas Boas, A. A. (ed.) *Organizational Conflict*, IntechOpen, London, UK, pp. 37–52.
<https://doi.org/10.5772/intechopen.73092>
- Sun, L., Bunchapattanasakda, C. (2019) "Employee Engagement: A Literature Review", *International Journal of Human Resource Studies*, 9(1), pp. 63–80.
<https://doi.org/10.5296/ijhrs.v9i1.14167>
- Sundaray, B. K. (2011) "Employee Engagement: A Driver of Organizational Effectiveness", *European Journal of Business Management Accounting*, 3(8), pp. 53–60.
- Tjosvold, D., Wan, P., Tang, M. M. L. (2016) "Trust and Managing Conflict: Partners in Developing Organizations", In: Elgoibar, P., Euwema, M., Munduate, L. (eds.) *Building Trust and Constructive Conflict Management in Organizations*, Springer, Cham, Switzerland, pp. 53–74.
https://doi.org/10.1007/978-3-319-31475-4_4
- Ugaddan, R. G., Park, S. M. (2017) "Quality of leadership and public service motivation: A social exchange perspective on employee engagement", *International Journal of Public Sector Management*, 30(3), pp. 270–285.
<https://doi.org/10.1108/IJPSM-08-2016-0133>
- Ugwu, F. O., Onyishi, I. E., Rodríguez-Sánchez, A. M. (2014) "Linking organizational trust with employee engagement: the role of psychological empowerment", *Personnel Review*, 43(3), pp. 377–400.
<https://doi.org/10.1108/PR-11-2012-0198>
- Velkey, R. (2017) "Land Of Learning – Increasing Number Of Foreign Students In Hungary", Hungary today [online] Available at: <https://hungarytoday.hu/land-learning-increasing-number-foreign-students-hungary-66789/> [Accessed: 27 April 2020]
- Wang, Q., Wang, A., Li, R. (2019) "The Impact of Promotion Justice on Job Performance and Organizational Citizenship Behavior: The Mediating Role of Trust", In: Striełkowski, W. (ed.) *Proceedings of the 2019 3rd International Seminar on Education, Management and Social Sciences (ISEEMS 2019)*, Atlantis Press, Dordrecht, Netherlands, pp. 121–125.
<https://doi.org/10.2991/iseems-19.2019.21>
- Zahlquist, L., Hetland, J., Skogstad, A., Bakker, A. B., Einarsen, S. V. (2019) "Job Demands as Risk Factors of Exposure to Bullying at Work: The Moderating Role of Team-Level Conflict Management Climate", *Frontiers in Psychology*, 10, pp. 1–11.
<https://doi.org/10.3389/fpsyg.2019.02017>