Research Article

The Moderation Effect of Organizational Culture on the Relationships between the Image of the Organization and Rewards and Recognition on Employee Engagement

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ARTICLE INFO	ABSTRACT
	The success of an organization is closely tied to a positive and supportive culture. Organizational culture heightens the morale of employees and increases the level of engagement and productivity of the organization. Such cultures are characterized by strong leadership, clear values, open communication, and a nurturing work environment, all of which foster higher employee engagement and satisfaction. A robust organizational culture enhances the company's public image and reputation and transforms employees into brand advocates. Additionally, rewards and recognition are crucial in cultivating an engaged work culture, ultimately driving improved employee performance. The moderating role of organizational culture with employee engagement is an under-explored area among university staff in the Sri Lankan context. Therefore, this article aims to identify how the moderation effect of the organizational culture works on the relationships between the image of the organization and rewards and recognition on employee engagement. The study sample was administrative staff in 15 national universities in Sri Lanka. A questionnaire was distributed using a Google form to collect primary data with a 68.9% usable response rate. Partial Least Square Structural Equation Modelling was executed to analyze data using the SmartPLS3 Software. The results revealed that both the image of the organization and Rewards and recognition have significant positive impacts on employee engagement. However, the moderation effect of organizational culture hinders the relationships between predictor variables and the dependent variable. In particular, the organizational culture has a significant negative impact on the relationship between the image of the organization and employee engagement. The findings from this study offer valuable insights into how organizational culture can strengthen or weaken the impact of the image of the organization and rewards and recognition on employee engagement. The outcome of this study is useful for university management and other government policy-making bodies to modify their rigid rules and regulations. **Keywords:** employee engagement, organizational culture, image of the organization, rewards and recognition

1. INTRODUCTION

Culture is unique to an organization in terms of how things are done and motivates the level of engagement of employees [14]. The performance of an organization will increase with strong cultural values through higher employee engagement [3]. As Gallup [14] presented, the five steering forces of the culture are leadership and communication, values and rituals, human capital, work teams and structures, and performance. The success of an organization depends on the presence of positive cultures [25]. These cultures are marked by strong leadership, clear values, open communication, and supportive environments. They are linked to higher employee engagement and satisfaction. On the other hand, negative cultures, like toxic or hierarchical ones, stifle engagement and satisfaction. Recognizing the impact of culture on employee well-being paves the way for creating healthier work environments and boosting the level of engagement of employees [25]. Eight reasons have been described for the significance of an

organization's culture on the webpage "Indeed" [23]. They explained that the culture boosts employee morale to increase employee engagement, reduces employee turnover as they feel valued and supported by the employer, and increases productivity with happy and motivated staff, a strong culture signifies a public image and reputation that attracts customers, culture transforms employees to brand promoters by recognizing the employee contribution, culture develops a high performing culture to retain top talent employees, a well-defined culture makes recruits comfortable with providing required training, practices, orientation to integrate them as team members, and culture promotes healthy team environment for employees to work together.

Rewards and recognition are another important factor that contributes to developing an engaged work culture in an organization and increasing employee performance [8]. Rewards and recognition are the factors that require management's attention to increase employee engagement in an organization [36]. As explained above, culture is linked with the engagement, rewards and recognition, and image of the organization, and the role of organizational culture as a moderating factor remains underexplored. Weeratunga [45] highlighted that the influence of culture on employee engagement remains a less investigated area within the Sri Lankan context. This observation is further corroborated [21]. Iddagoda et al. [21] pointed out an empirical gap in the existing literature regarding the role of organizational culture in moderating the relationship between various predictors and employee engagement. Jayasena et al. [27] highlighted the need for more research on organizational reputation, individual characteristics of employees, and the overall organizational culture in the public sector. Therefore, this research aims to understand whether the established, often bureaucratic environment of Sri Lankan universities interacts with the organizational culture to affect how and to what extent various predictors influence employee engagement. Organizational culture encompasses the shared values, beliefs, and practices that shape employee behavior within an organization. The purpose of this study is to investigate the moderating effect of organizational culture on relationships between the image of the organization and employee engagement as well as rewards and recognition and employee engagement. This study offers valuable insights into how organizational culture can strengthen or weaken the impact of the image of the organization and rewards and recognition on employee engagement of administrative officers in national universities in Sri Lanka.

2. LITERATURE REVIEW

The constructs, namely, the image of the organization and rewards and recognition were identified as organizational factors influencing employee engagement [27]. Schein [38] explained that culture emerges from the collective experiences of a group as they navigate the challenges of survival within their environment and maintain internal harmony. This learning process encompasses behavioral, cognitive, and emotional aspects. From a functionalist perspective, the core of a culture lies in its cognitive framework. The shared perceptions, language, and thought processes of a group fundamentally shape their feelings, attitudes, values, and observable actions. Organizational culture plays a crucial role in employee performance. The culture of a company directly influences employee behavior and overall organizational effectiveness [2]. Organizational culture also plays a crucial role in developing employee engagement [18]. Moreover, they described organizational culture as a body of knowledge derived from shared experiences within an organization. It shapes social behavior and guides interactions among employees. This cultural learning helps individuals navigate social situations and address challenges within and outside the organization. Wallach [43] described three dimensions of the culture, namely, bureaucratic, innovative, and supportive culture. He further elaborated that the hierarchical and compartmentalized nature of bureaucratic cultures, with their emphasis on control and power, can create a stifling environment for creative and ambitious individuals. These individuals often seek greater autonomy, flexibility, and opportunities for growth, which may not be readily available within such a rigid structure. Innovative cultures are characterized by excitement and dynamism, fostering the growth of entrepreneurial and ambitious individuals. While these environments offer creative opportunities and stimulating challenges, they can also be demanding and stressful. The constant pressure to achieve and innovate can lead to burnout and make it challenging to maintain a healthy work-life balance. Supportive cultures foster a warm and welcoming work environment where employees are treated with fairness, friendliness, and respect. These cultures prioritize open communication, and collaboration, creating a safe and encouraging environment where employees feel valued, respected, and supported in their personal and professional growth. The current study has employed Wallach's culture type as the moderator.

The organizational culture influences employee behavior, which is described by the Social Exchange Theory. Social exchange relationships develop when employers show genuine care for their employees, leading to positive outcomes

for both parties. In essence, the social exchange relationship acts as a mediator, where mutually beneficial and equitable interactions foster strong, trust-based connections. These relationships, in turn, promote positive work behaviors and improve employee attitudes. According to Blau [9], exchange relationships are causally linked, though the direction of causality may be somewhat unclear. Blau's perspective suggests that social and economic exchanges are better understood as distinct types of transactions, rather than merely as categories of relationships. This implies that while social exchanges involve personal interactions based on mutual respect and care, economic exchanges are more transactional and centered around material or financial rewards. Nevertheless, both types of exchanges play a crucial role in shaping the dynamics between employers and employees, influencing behavior and attitudes in the workplace [10]. The constructs explained in the current study are supported by the Social Exchange Theory.

Image of the organization and employee engagement

Dowling [13] described the image of a company as a construct comprising beliefs and feelings about an organization. This image is formed through individual perceptions of the company's experiences, beliefs, feelings, and knowledge, as well as its physical infrastructure and employee-customer interactions. A strong company image is a valuable asset that can attract consumers and foster positive customer attitudes and satisfaction. According to Nguyen and Leblanc [34], the image of a university is defined as the public's perception of the institution, which is a product of their individual ideologies, interests, and historical and social contexts. This definition emphasizes the multifaceted nature of individual assessments, encompassing both rational evaluations of tangible attributes and emotional interpretations of intangible qualities [35].

The name of an organization holds significant influence over an individual's sense of self-worth, as it reflects the status and reputation of the company. When employees are associated with a prominent and well-established organization, they often perceive themselves as part of a big organization. This is especially true for industries like commercial banking, where the role of these institutions is pivotal in driving the economic growth of the country [20]. Employees working for such organizations may see their roles as contributing not just to the success of their company, but to the broader economic development of their nation. This connection to an important purpose enhances their sense of prestige, which, in turn, fosters a heightened sense of pride and motivation. The prestige that employees feel from being associated with a respected organization ultimately leads to increased levels of engagement, as they are more likely to invest time, energy, and effort into their work when they feel their contributions are valued and impactful. The findings of the study by Hussain et al. [20] have shown a strong relationship and significant impact of the image of the organization on employee engagement.

Dhir and Shukla [12] conducted a study that revealed a strong positive correlation between employee engagement and the prestige of the institution. The findings demonstrated a notable path coefficient of 0.871, with a p-value of less than 0.05, indicating statistical significance. Furthermore, the study highlighted that employee engagement is positively associated with performance outcomes at multiple levels, including individual, team, and organizational performance. This suggests that higher levels of engagement contribute to better overall performance across various tiers within the organization, further emphasizing the value of fostering engagement to enhance institutional success. Based on the previous studies, the following hypothesis is proposed.

H1: The image of the organization has a significant impact on employee engagement

Rewards and recognition, and employee engagement

According to Herzberg's Two-Factor theory (1959), rewards are considered as hygiene factors or extrinsic factors that prevent dissatisfaction, and recognition is identified as a motivator or extrinsic factor that motivates employees [4].

A study by Vuong and Sid [42] examined the influence of Human Resource Management practices on employee engagement and found that rewards and recognition have a significant and positive effect on employee engagement, with a beta coefficient of 0.219 and a p-value of 0.000, indicating strong statistical significance. This suggests that employees are more likely to be engaged when they receive meaningful recognition and rewards for their efforts. The research also noted that in the context of Vietnamese banks, frontline employees tend to exhibit higher levels of engagement when the rewards and recognition they receive are perceived as attractive and valuable. Motivation and engagement are enhanced when employees receive monetary incentives and other forms of recognition [44]. This implies that tangible rewards, such as financial bonuses, alongside verbal or symbolic recognition, play a crucial role

in boosting employee motivation and overall engagement at work. Such practices help create an environment where employees feel valued and driven to contribute more effectively to their roles.

Altehrebah et al., [5] emphasized that transparent promotional practices and fair incentive systems significantly contribute to fostering employee engagement. When employees perceive promotions as a financial benefit and a proper acknowledgment of their contributions, it not only motivates them but also strengthens their engagement with the organization. The study further explored the relationship between several factors and employee engagement, revealing that communication, rewards and recognition, and employee development collectively accounted for 51% of the variance in employee engagement ($R^2 = 0.51$). This finding underscores the importance of these practices in driving engagement. Additionally, the study demonstrated a statistically significant positive relationship between rewards and recognition and employee engagement, with a beta coefficient of 0.257 and a p-value of 0.003. This suggests that when organizations implement effective reward systems and provide meaningful recognition, it leads to increased employee engagement. The results highlight that rewards, both financial and symbolic, play a crucial role in encouraging employees to invest more in their work, leading to higher levels of satisfaction and motivation. Thus, transparent promotion mechanisms and well-structured incentive programs are key to creating an engaged workforce. The following hypothesis is postulated based on the findings of previous studies.

H2: Rewards and recognition have a significant impact on employee engagement

Organizational Culture as a Moderator

Organizational culture refers to the shared values, norms, and behaviors that shape how employees interact within the organization [38]. The moderation effect of organizational culture on employee relationships in the higher education sector is a less researched area [24]. A study by Thumbi et al. [41] has revealed a significant moderation effect of organizational culture on the relationship between organizational learning and employee performance in the hospitality industry in Kenya. Accordingly, a strong learning culture fosters employee growth and positive behavior. This culture encourages continuous learning, knowledge sharing, and experimentation, improving employee performance and overall organizational success. Aktar and Pangil [1] studied the relationship between Human Resource Management (HRM) practices (training and development, compensation, performance appraisal, career development, job security, and working conditions) and employee engagement and the moderation effect of organizational culture in commercial banks in Bangladesh. They argued based on the Social exchange theory that the organization context is supportive of human resource investments, which in turn, the employees feel obliged to a high level of engagement. The findings of this study have indicated that compensation, job security, and working conditions have a significant relationship with engagement. At the same time, organizational culture has partially moderated the relationship between HRM practices and engagement. Accordingly, the following two hypotheses are proposed to test the moderation effect of organizational culture.

H3: The organizational culture moderates the relationship between the image of the organization and

    employee engagement

H4: The organizational culture moderates the relationship between the rewards and recognition and

    employee engagement

Based on the above explanations, the authors conceptualized the following framework for this study as shown in (Figure 1).
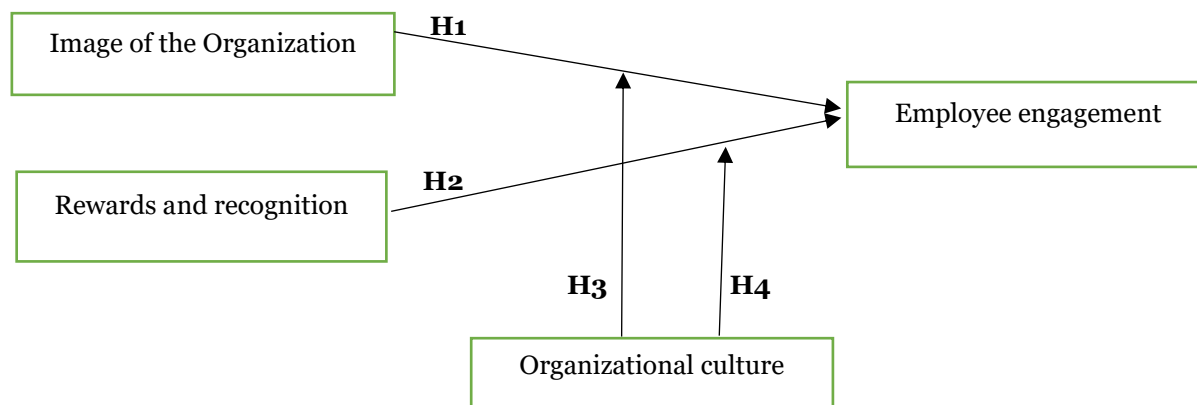
Figure 1: **The Conceptual Framework**

3. RESEARCH METHOD

The survey research method was utilized to gather quantitative data, offering a timely, appropriate, and cost-effective approach. Primary data was collected via a self-administered questionnaire among administrative officers working at 13 national universities in Sri Lanka. The questionnaires were distributed through a Google Form emailed to 325 administrative officers, yielding 224 valid responses. Data collection using a Google Form ensured ethical aspects such as transparency, objectivity, data integrity, and confidentiality [32]. Based on the sample size guidelines from Krejcie and Morgan as outlined in Sekaran and Bougie [39], the target sample size for this study was 205. While online surveys are commonly used in academic research, they typically have lower response rates [37]. In this study, the response rate was 68.9%, which is considered an acceptable rate for online surveys [6].

A five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), was used to assess each item for the constructs in the study [28]. Employee engagement, the dependent variable, was measured using 10 items, while the independent variables, Image of the organization and Rewards and recognition were represented by 7 and 9 items, respectively, in the questionnaire. In addition, 24 items were adapted in Wallach's culture index, which were used to measure the effect of the moderation variable. The data collected were analyzed using two software tools: the Statistical Package for Social Sciences (SPSS) version 23, which is widely used for statistical analysis [26], [33] and SmartPLS3, a software for Partial Least Squares Structural Equation Modeling (PLS-SEM), to assess the relationships between the variables and test the research hypotheses. The PLS-SEM is a non-parametric method, which was chosen as the data was not normally distributed, which was determined by the value of the Kolmogorov-Smirnov test being less than 0.05 [11]. Applying both SPSS and SmartPLS3 statistical software packages as a combined approach provided a robust analysis of the constructs of the study and their interrelationships.

4. RESULTS OF THE STUDY

Sample Characteristics

The demographic profile of the respondents who participated in this study reveals several key characteristics. Notably, the majority of respondents are females (61.6%). This suggests that women may be more inclined to pursue administrative roles within university settings than men. Out of the 224 individuals who responded, 81.7% are married, while 18.3% are single. Regarding age distribution, the most represented group is individuals aged 26-35, making up 32.1% of the respondents. Conversely, the least represented group is those aged 56-60, who account for just 7.1%. Additionally, a substantial 61.2% of participants are below the age of 45, indicating that younger individuals dominate the university administration workforce. Regarding job positions, a considerable portion (48.2%) of administrative officers hold junior executive roles, while a smaller group (12.9%) occupies senior executive positions, suggesting a skew towards less senior administrative positions. Educationally, the majority of administrative staff possess postgraduate degrees, highlighting a well-educated workforce. However, only a small fraction (0.9%) holds doctoral degrees. In terms of skills, nearly all respondents (except for 2.2%) report a strong command of the English language, and all administrative staff members have demonstrated proficiency in computer literacy. When it comes to service experience, the majority of administrative staff (29%) has less than five years of experience, while 19.6% have between five and ten years of service, and 51.7% have over ten years of experience, suggesting a mix of both relatively new and more seasoned professionals. Transportation habits among administrative staff reveal that more

than half (56.7%) use their vehicles to commute to work. Additionally, 66.1% report no issues with transportation, while 21% rely on public transport to reach their workplace.

Assessment of Outer Model

The primary goal of Outer Model testing is to determine the strength of the connections between latent variables and their corresponding observed indicators [17]. This involves several crucial assessments like convergent validity, discriminant validity, and composite reliability. Convergent validity examines how strongly each latent variable is related to its indicators. Discriminant validity ensures that each latent variable is distinct from other latent variables. Cross-loadings, which are relationships between a variable and indicators of other constructs, should be minimal. Composite reliability assesses the internal consistency of each latent variable, often supported by Composite reliability with values above 0.6, which should ideally exceed 0.7 [17].

The initial measurement model assessed the dependent variable using 6 items and the independent variables (Image of the Organization and Rewards and recognition) with 6 and 7 items, respectively. A rigorous assessment was conducted to ensure the convergent validity and reliability of the model. Items with outer loadings below 0.5, composite reliability (CR) less than 0.7, Cronbach's alpha below 0.7, and average variance extracted (AVE) less than 0.5 were removed. This process, guided by established criteria recommended by Hair et al. [17] and Kerdpitak and Jermsittiparsert [30], resulted in removing the items RR2, and RR7 from the model. The refined model is presented in Table 1.

Table 1. Reliability and Convergent Validity

Constructs	Items	Outer loadings	Cronbach's alpha	Composite reliability (CR)	Average Variance Extract (AVE)
Employee engagement	EE1￼EE2￼EE3￼EE4￼EE5￼EE6	0.812￼0.865￼0.858￼0.778￼0.823￼0.839	0.909	0.930	0.689
Image of the organization	IO2￼IO3￼IO4￼IO5￼IO6￼IO7	0.644￼0.866￼0.884￼0.863￼0.794￼0.818	0.899	0.922	0.665
Rewards and recognition	RR3￼RR4￼RR5￼RR6￼RR9	0.815￼0.733￼0.821￼0.549￼0.666	0.780	0.844	0.524

As Table 1 above indicates, the measurement model has achieved the threshold values explained above and proved the existence of convergent validity and internal consistency reliability of each latent variable.

The discriminant validity was measured using the Fornell-Larcker criteria [17] which is shown below.

Table 2. Fornell-Larcker Criteria

Constructs	Employee engagement	Image of the Organization	Rewards & Recognition
Employee engagement	**0.830**		
Image of the Organization	0.475	**0.816**	
Rewards & Recognition	0.420	0.335	**0.724**

As evident in the table above, the value in the diagonal cell, which is the square root of the   Average Variance Extracted (AVE) for each latent variable, surpasses the correlation coefficient observed between that variable and any other latent variable in the model. This critical finding signifies strong discriminant validity. In essence, each latent construct within the model is sufficiently distinct from the others, demonstrating that the model effectively captures unique variance for each variable.

In addition, Heterotrait-Monotrait ratio is another assessment criterion used to measure the discriminant validity of the variables [19] as shown in Table 3 below.

Table 3. Heterotrait-Monotrait Ratio (HTMT)

Constructs	Employee engagement	Image of the Organization
Image of the Organization	0.505	
Rewards and recognition	0.457	0.359

The distinction of each construct is shown as the HTMT ratio between the two constructs is below 0.9.

Assessment of Structural Model (Inner Model)

The assessment of the outer model has shown that the validity and reliability of constructs satisfy the required threshold levels enabling the assessment of the inner model. It involves examining the predictive capabilities of the model [19]. This study has used the assessment of collinearity issues and the significance of the path coefficients to assess the inner model. Path coefficient values were observed by executing a bootstrapping technique in SmartPLS3 software [17]. Table 4 indicates the tolerance or Variance Inflation Factor (VIF) used to assess collinearity.

Table 4. Collinearity assessment (Inner VIF values)

Exogenous variables	VIF values
Image of the Organization	1.181
Rewards and recognition	1.235

The Variance Inflation Factor (VIF) values are all below 3, indicating that there is no significant multicollinearity among the predictor variables. According to Hair et al. [18], when VIF values fall within this range, it suggests that the predictors are not highly correlated with one another, thereby minimizing the risk of collinearity. As a result, the estimated coefficients of the path model are not distorted or biased by any multicollinearity issues, ensuring the reliability and validity of the model's findings.

The significance of the path coefficients was assessed using the bootstrapping technique implemented in SmartPLS3 software, with 5000 sub-samples generated for the analysis. This resampling method helps to determine the stability and reliability of the estimated path coefficients by repeatedly drawing sub-samples from the data and recalculating the coefficients. The outcomes of the path analysis, based on these bootstrapped results, are presented in Table 5.

Table 5. Path Analysis

Hypotheses	Path coefficients	t-values	p-values	Confidence interval	
				2.5%	97.5%
Image of the organization -> Employee engagement (H1)	0.289	4.797	0.000	0.165	0.401
Rewards and recognition -> Employee engagement (H2)	0.178	3.291	0.001	0.071	0.283

Based on the results of the path analysis, Hypothesis 1 (H1) is supported, as the p-value for the relationship between the Image of the Organization and Employee Engagement is 0.000, which is well below the 0.05 significance threshold. Additionally, the t-value for this relationship exceeds the critical value of 1.96, further confirming the statistical significance of the path [17]. A strong organizational image is a critical factor in shaping how companies manage their public perception, which, in turn, influences employee attitudes and behaviors. Research has shown that a positive organizational image has a powerful and beneficial impact on employee engagement. When employees work for a company with a solid reputation, they are often intrinsically motivated to perform at their best, as they want to contribute to and uphold the organization's image. Feeling pride in their organization's positive public perception encourages employees to go above and beyond in their roles, striving to provide exceptional service and maintain that reputation. In essence, when employees perceive their institution as highly regarded by customers and the public, they are more likely to put in extra effort, aligning their performance with the organization's reputation for excellence. The outcome of this study is in line with the study done by Hussain et al. [20].

Similarly, Hypothesis 2 (H2) is also accepted, as the p-value for its respective path is 0.001, again below the 0.05 threshold, and the t-value is greater than 1.96, indicating a significant relationship between Rewards and recognition and Employee engagement. Rewards and recognition play a critical role in enhancing Employee Engagement, with research indicating a direct and positive relationship between the two. The greater the reward and recognition, the higher the level of Employee Engagement, suggesting that employees are more motivated and committed when their efforts are adequately recognized and compensated. On the other hand, lower rewards are likely to lead to decreased engagement, as employees may feel undervalued or less motivated to perform at their best. This effect is intuitive: when reward systems are designed and implemented effectively, they fulfill the needs of employees and reinforce a culture of high performance. These results are consistent with the previous empirical studies [36], [31].

These results suggest that both relationships are statistically significant and provide strong support for the hypotheses. Accordingly, the first and second hypotheses are accepted.

Moderating Effect of Organizational Culture

A strong, positive organizational culture can foster higher levels of engagement by aligning employees' values with the organization's mission, while a negative or misaligned culture may hinder engagement [40].

The presence of a moderator variable can alter the direction or intensity of the relationship between a predictor and an outcome variable [7]. Specifically, in moderation analysis, the focus is on how the interaction between the moderator and the predictor influences the strength or direction of the effect on the outcome. Rather than simply assessing the direct impact of the predictor on the outcome, moderation examines whether the relationship varies depending on the level or presence of the moderator variable. This allows for a better understanding of how and when the predictor's influence is enhanced, diminished, or reversed.

The moderating effect of Organizational culture on the relationship between the Image of the organization and Employee engagement is shown below.

Table 6. The moderating effect of Organizational Culture between Image of the Organization and Employee Engagement

Path relationship	Path coefficients	t- statistics	p-value	Confidence interval	
				2.5%	97.5%
Image of the organization -> Employee engagement	0.174	2.681	0.007	-0.159	-0.007
Image and Culture -> Employee engagement (H3)	-0.085	2.158	0.031	0.051	0.307

The analysis examined the complex relationship between an employee's perception of their organization (Image of the Organization) and employee engagement, with organizational culture acting as a moderating variable. The results revealed a negative path coefficient of -0.085, suggesting that a more unfavorable perception of the organization is associated with lower levels of employee engagement. This negative relationship is statistically significant, as indicated by a t-value greater than the critical value of 1.96 and a p-value below the standard significance threshold of 0.05 (refer to Table 6).

These findings strongly suggest that the image of the organization has a significant negative impact on employee engagement, with organizational culture playing a role as a moderating factor. As shown in Table 6, the t-value of 2.158 exceeds the threshold level of 1.96, and the p-value of 0.031 is less than 0.05 satisfying the necessary cut-off levels, confirming the statistical significance of the moderation effect. Therefore, organizational culture does significantly moderate the relationship between the image of the organization and employee engagement. Therefore, the third hypothesis is accepted.

However, it is important to note that the moderation effect weakens the strength of the relationship between the image of the organization and employee engagement. In other words, while organizational culture moderates the relationship, it reduces the overall impact of the organization's image on employee engagement.

The moderation effect of Organizational culture on the relationship between Rewards and recognition and Employee engagement is shown in Table 7 below.

Table 7. The moderating effect of Organizational Culture between Rewards and   recognition and Employee Engagement

Path relationship	Path coefficients	t-statistics	p-value	Confidence interval	
				2.5%	97.5%
Rewards and recognition -> Employee engagement	0.098	1.605	0.108	-0.015	0.221
Rewards and culture -> Employee engagement (H4)	-0.055	1.406	0.160	-0.139	0.018

The bootstrapping analysis revealed a negative path coefficient (β = -0.055) between Rewards and recognition and Employee engagement when organizational culture acts as a moderating variable. However, this effect is not statistically significant, as evidenced by a t-value below the critical threshold of 1.96 and a p-value exceeding 0.05 (refer to Table 7). This finding implies that contrary to initial expectations, higher levels of rewards and recognition might be linked to a modest decline in employee engagement. As such, the moderation effect of organizational culture on the relationship between rewards and recognition and employee engagement is both negative and statistically insignificant. Further details in Table 7 confirm that the t-value (1.406) and p-value (0.160) fail to meet the required significance levels. Therefore, the moderating influence of organizational culture on the relationship between Rewards and recognition and Employee engagement does not hold, indicating that organizational culture does not serve as a significant moderator in this context. Therefore, the fourth hypothesis is rejected.

5.   DISCUSSION

Organizational culture is a distinctive set of values, beliefs, behaviors, and practices that characterize a particular organization and set it apart from others. It shapes the internal environment and overall atmosphere within the organization. This unique cultural framework plays a significant role in influencing employee engagement, as it affects how employees interact with one another, perceive their roles, and connect with the organization's goals [40]. Organizational culture has emerged as a prominent global trend with profound implications for the education sector. Research has consistently shown that a positive and supportive organizational culture plays a crucial role in enhancing employee engagement and commitment [1]. In particular, studies have highlighted common perceptions of public sector culture as being rigid, bureaucratic, and inefficient, which can negatively impact organizational performance and employee morale [22].

The results of this study have revealed that both independent variables (Rewards and recognition and Image of the organization) have a significant impact on the engagement of the administrative officers in the national universities in Sri Lanka. However, university culture has shown a negative moderation effect on the relationships between predictor variables and endogenous variables. It reveals valuable outcomes that the university culture has weakened its relationships with employee engagement. Specifically, the culture of national universities has shown a significant negative impact on the university's image and the level of employee engagement.

Sri Lanka is known for its collectivist culture, where the emphasis is placed on the importance of relationships, loyalty, and group cohesion [45]. In this cultural framework, individuals are more likely to prioritize the needs and goals of the collective over their aspirations. This stems from a deeply rooted belief in the value of cooperation and mutual support within society, where people work together harmoniously to achieve common objectives. As a result, there is less emphasis on individualism and personal achievement. This cultural orientation fosters a strong sense of interconnectedness and shared responsibility among community members.

The combination of a collectivist culture and a bureaucratic administrative system highlights the complexity within Sri Lankan higher education. On one hand, the collectivist values of teamwork, loyalty, and collaboration prevail [45]; on the other, these values must coexist with the hierarchical, rule-driven structure of a bureaucratic administration [22]. This creates a tension where the collective spirit of cooperation may clash with the rigid, top-down nature of formal regulations and decision-making processes. Such a mismatch between the organizational culture and administrative structure can negatively impact on employees' perceptions of the institution's image. When there is a clear disconnect between these two aspects, it can lead to decreased employee engagement, as individuals may feel less motivated or aligned with the goals and operations of the organization. The resulting dissonance between cultural expectations and administrative realities can diminish overall organizational cohesion and performance.

The data collection of this study has been limited to only the administrative staff category while other academic staff and non-academic staff were not considered. Moreover, the sample was not represented by the non-state higher education sector. Therefore, the generalizability of the results of this study has to be restricted to administration in the national universities.

Managerial Implications

The findings of this study have shown the significant impact of rewards and recognition, and the image of the university has a significant positive impact on the level of engagement of university administrators. Accordingly, the authorities in the University Grants Commission, University management, and other government policymakers should pay attention to maintaining attractive financial and non-financial rewards and recognition systems in all state universities to increase the level of engagement of administrators.

However, the results have shown an alarming indication that university culture has a significant negative moderation impact on the university's image, which inversely affects the level of engagement. This may be created by employees who are emotionally disconnected from their work, often resulting in negative behaviors that affect both their performance and the workplace atmosphere. These employees are not just unmotivated or indifferent, they are actively dissatisfied and take steps to express their discontent. This can have a detrimental impact on team dynamics, productivity, and overall workplace morale. This dejection can stem from a variety of factors, such as poor management, lack of recognition, or insufficient career development opportunities [14]. Actively disengaged employees often have unmet desires or expectations related to their roles. These could include wanting more challenging work, recognition for their contributions, or a better work-life balance [29]. Therefore, the university management should consider this seriously and should provide more training opportunities, provide due recognition for their contributions, and design and assign responsible job roles as administrators. The State of the Global Workplace report has pointed out the need for change in the way people manage to overcome the stressful work environment [15]. Accordingly, the management in universities should change the rigid and procedural structure to a flexible administrative structure that provides a conducive work environment for employees.

Future Research

This study has been limited to administrative staff in the national universities and recommended future studies to be carried out with other staff categories of academic staff and non-academic staff. Moreover, a similar study is to be

extended to a sample from non-state universities that earn funds as business entities that exist with flexible organizational culture rather than having a bureaucratic culture in the government higher education sector.

6. CONCLUSION

This research has focused on identifying the impact of rewards and recognition and the organization's image on employee engagement and the moderating effect of the organizational culture on the relationships between predictor variables and the dependent variable. Based on the findings, it was revealed that rewards and recognition and the image of the organization have a significant positive impact on the engagement of administrative officers in national universities in Sri Lanka. Therefore, the university management should pay attention to the existing financial and non-financial incentive mechanisms provided for the administrative staff to increase their level of engagement. In addition, the image of the university is also important to attract and retain the staff. The most important outcome of this research study is the significant negative moderation effect of university culture on the relationship between the organization's image and employee engagement. This is an eye-opening finding that needs the attention of the authorities to upgrade the university administration in Sri Lanka by inculcating an engaged work environment.

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