



## Alleviating Quite Quitting through Employee Value Proposition and the Moderating Role of Internal Communication

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### Abstract

The workplace experienced a transformative shift in 2022 with the emergence of "quiet quitting," where employees disengage silently due to burnout and dissatisfaction. This phenomenon, distinct from formal resignations, highlights a decline in enthusiasm and commitment. Over 50% of Indian workers currently face burnout, emphasizing the need for organizations to address underlying causes. This study explores the intricate connections between Employee Value Proposition (EVP), Expectancy Theory, Psychological Ownership, Internal Communication, and Engagement. Effective communication is crucial, with research showing a 96% reduction in quiet resignations when leaders communicate well. The changing post-COVID landscape underscores the need to reassess EVP requirements, placing emphasis on flexibility, mental health support, and digital skill development.

**Keywords** Quiet Quitting, Employee Value Proposition (EVP), Psychological Ownership, Internal Communication, Workplace Dynamics.

### 1. Introduction

Quite quitting took the world by a storm in the year 2022. In fact, it was through a trend on TikTok that the world took notice of this concept. The challenge to manage work, life balance and the stress put on by COVID-19 triggered employees to experience workplace burnout and low productivity. This workplace burnout gave rise to two phenomena firstly, the great resignation and secondly quiet quitting. Quite quitting is the situation where an employee loses their enthusiasm, zeal and commitment to work that is their engagement levels are low [1]. Unlike the great resignation when an employee quietly quits, the employee remains to be on the payroll of the organization but their contributions significantly dwindle. While there are various factors an employee may consider before deciding to resign withdrawing from work is more feasible and many a times even unconscious. According to research published by Slack over 50% of Indian workers are experiencing burnout and a

significant number of them are openly admitting to doing the bare minimum and not going above and beyond what is expected of them. As a result of these damning statistics that emphasize burnout and poor management, it appears that "quiet quitting" may be a justifiable, silent revolt to regain control of one's work-life balance and the rejection of a culture that has been around for a long time but is harmful and counterproductive. Younger generations, such as millennials and Gen Z, are sending a message that they refuse to follow the same path and seek a more balanced work culture and professional life [2]. This is because they have witnessed how it generates discontent and burnout in the generations who came before them. When one delves into the context there are various factors contributing to quite quitting. First, it is possible for employees to experience dissatisfaction with their jobs due to a variety of factors, including the obligations of their jobs, the environment in which they work, or their



relationships with their coworkers or bosses. Second, employees who have the perception that they are not respected or recognized may disengage in a covert manner, resulting in a gradual reduction in their efforts and contributions over time. The third factor could be that of ineffective leadership, a lack of communication, or a perception of a lack of support from management are all factors that might contribute to people silently disengaging from their work. Further, employees who are overworked and stressed may progressively lessen their efforts and involvement as a sort of self-preservation when they have reached the point of burnout. Lastly, employees may disengage from their work without expressly leaving the organization if they believe there are insufficient prospects for career progression or development. Thus, quite quitting is a clear indication of Employee Disengagement. The observations above throw focus on the role of Employee Value Proposition in combating the decay experienced by the employees. Employee Value Proposition (EVP) is the bouquet of benefits an organization offers its employees. It is a set of unique rewards and benefits (both implicit and explicit) that an employee may expect as a result of their association with their employer [3-7]. EVP has long been touted to contribute significantly in creating a workplace that is engaging. For EVP to make a mark on an employee however the way in which they are communicated becomes crucial. As per the Slack report stated above by establishing good communication with employees, leaders can reduce the risk of quitting by at least 96%. This research paper explores the impact of communication on how the employee value proposition is perceived by an employee and the theoretical connections between EVP, Expectancy Theory, Psychological Ownership, Internal Communication and Engagement.

## **2. Review of Literature**

### **Expectancy Theory:**

The Expectancy Theory, which was developed by Victor Vroom, offers a lens that may be utilized to comprehend the motivation and conduct of individuals within the context of organizational settings. It proposes that people are motivated to

behave in a particular manner when they believe that the efforts they put forth will result in the achievement of a particular goal. In the context of organizations, the combination of Expectancy Theory and Internal Communication has been the subject of research and investigation by academics.

### **Employee Value Proposition and Expectancy Theory:**

Within the context of a company, the term "Employee Value Proposition" refers to the distinct collection of chances, advantages, and rewards that are provided to employees in exchange for their abilities and dedication to the organization. According to Branham (2005), it is a representation of the whole value that employees obtain as a result of their engagement with the firm. When the Employee Value Proposition and Expectancy Theory are combined, a comprehensive understanding of how businesses may align their value proposition to increase employee motivation is produced. This knowledge is provided by the integration of the two theories. According to Rynes et al. (2004), it is crucial for the aim of influencing employee motivation that these components be aligned with the expectation, instrumentality, and valence factors that are stated in the expectation Theory. This is because the EVP is the mechanism that is responsible for influencing employee motivation. The research that was conducted by Lawler in 1971 throws light on the significant role that compensation plays in the process of expectation belief construction. It is feasible to enhance the anticipation component by giving employees the impression that there is a direct connection between the effort (input) they put in and the reward (output) they receive [28]. Because of this, workers are inspired to put in more effort than they normally would. There is a degree of congruence between the instrumentality component of Expectancy Theory and the components of EVP that are related to the advancement of one's career. Employees' motivation and engagement are raised when they believe that stronger performance would lead to career advancement and skill development once they have improved their performance, as stated by Luthans (2011). This perception results in



an increase in the likelihood that employees will improve their performance. There is a connection between the valence component of Expectancy Theory and the work-life balance component of Executive Value Proposition (EVP), which is a prevalent component. The attractiveness of the outcomes that are related with the efforts of employees is increased by organizations that provide such benefits to their employees (Guest, 2002). This is due to the fact that professionals take pleasure in maintaining a healthy equilibrium between their personal and professional life. It is the business culture that is ingrained in EVP rules and procedures that has an effect on the expectations that employees have of the organization. In accordance with Denison (1990), a culture that is both positive and supportive sends the message to employees that the efforts they put forth will result in strong performance and, as a consequence, outcomes that are desirable [27].

### **3. Psychological Ownership and EVP**

According to Pierce et al.'s (2003) Psychological Ownership Theory, according to this theory, when people have a sense of psychological ownership over anything, whether it be an object or a concept, they are more inclined to engage their time, effort, and dedication in that thing or concept. The purpose of this review is to investigate the convergence of Psychological Ownership Theory and the Employee Value Proposition (EVP) in order to gain an understanding of how the cultivation of a sense of ownership affects the beliefs that workers have regarding their value within an organization. According to Pierce et al. (2003), the Psychological Ownership Theory proposes that individuals can have a sense of ownership over both tangible and intangible elements, which can have an effect on their behaviors, attitudes, and sense of identity. Several different organizational settings have been used to apply this idea in order to gain a better understanding of employee engagement and commitment. The Psychological Ownership Theory offers a prism through which one can gain an understanding of how employees might build a sense of ownership not just over real things but also over their experience of working for the individual.

Psychological ownership is included into employee value proposition (EVP), which places an emphasis on the creation of a work environment in which employees sense a personal stake in their positions and contributions. According to the findings of research conducted by Van Dyne and Pierce (2004), there appears to be a good connection between psychological ownership and job happiness. There is a correlation between employees feeling a sense of ownership over their work and contributions and greater levels of job satisfaction [8]. This is in line with the expectations that are outlined in the Employee Value Proposition (EVP). There has been a correlation established between psychological ownership and improved levels of employee engagement. According to the findings of a study conducted by Ashforth and Harrison (2012), employees who have a sense of ownership over their work are more likely to be engaged and devoted to the goals of the organization. This finding is in line with the motivating features of employee value proposition (EVP). To a large extent, trust is an essential element of both EVP and psychological ownership. In their 2018 study, De Clercq and colleagues investigated the role that trust plays in the connection between psychological ownership and one's level of job satisfaction. The EVP places an emphasis on the fact that trustworthy organizations lead to the development of psychological ownership and favorable employee outcomes. Positive organizational citizenship behaviors (OCBs) have been linked to psychological ownership, which has been related with these activities. According to Pierce and Jussila (2010), when employees have a sense of ownership over their positions, they are more likely to engage in behaviors that are done at their own discretion that are beneficial to the organization. This is in line with the organizational contribution aspect of employee value proposition (EVP).

### **4. Relationship between internal communication, psychological ownership, employee value propositions and Employee Engagement**

Internal communication, psychological ownership, employee value propositions (EVP), and employee



engagement all have a complicated and intertwined interaction with one another within the organization. The whole employee experience inside a company is influenced by several components, which collectively contribute to the experience. An examination of the ways in which these components are connected is presented as follows: Internal Communication and Psychological Contract: Effective internal communication is essential to the formation and upkeep of the psychological contract. This is because effective internal communication is the foundation of the psychological communication. Employees are better able to comprehend the expectations, values, and commitments of the business when there is regular communication that is clear, honest, and consistent. This helps to develop a positive psychological contract. Conway and Briner (2005) found that when communication is either inadequate or inaccurate, it can result in misunderstandings and a weakening of the psychological contract between the parties involved. Internal Communication and Employee Engagement: The importance of internal communication cannot be overstated when it comes to encouraging employee participation. Employees who feel knowledgeable, involved, and connected to the organization are considered to be members of the engaged workforce. The provision of employees with pertinent information and opportunity for feedback through regular communication channels, including as newsletters, town hall meetings, and digital platforms, contributes to the maintenance of employee engagement (Robinson et al., 2004). The Psychological Contract and Employee Engagement: There is a correlation between a positive psychological contract and higher levels of employee engagement [9]. According to Morrison and Robinson (1997), employees are more likely to be engaged and devoted to their work when they have the perception that their expectations are being met and that the company is living up to its obligations. There is a strong connection between involvement and trust, which is an essential part of the human psychological contract. The Psychological Contract and the Employee Value Proposition Both the psychological contract and the

EVP are concepts that are connected with one another [29]. Contributing to the overall psychological contract is the Employee Value Proposition (EVP), which is a representation of the value and benefits that employees receive from their employment. The psychological contract between an organization and its employees is strengthened when the organization fulfills its employee value proposition (EVP) obligations, which include providing a happy work environment, chances for career growth, and fair compensation (Rousseau, 2004). Employee Engagement and the Employee Value Proposition: The perceived value of the employment connection is closely related to the level of employee engagement that an organization experience. Employee engagement can be increased by providing a compelling employee value proposition (EVP), which includes elements such as meaningful work, opportunity for growth, and a strong overall culture within the firm. According to Gallup's research from 2021, employees who are engaged in their work are more likely to make positive contributions to the workplace and to advocate for the firm [30-35]. The Employee Value Proposition (EVP) and Internal Communication Internal communication is an essential tool for communicating the components of the EVP to employees. Organizations are able to explain their value offer through a variety of communication channels, which allows them to make employees aware of the opportunities and benefits that are accessible to them. (CIPD, 2014) Effective communication regarding the employee value proposition (EVP) increases the impact that it has on employee perceptions. The Role of Employee Engagement as an Outcome Engagement can be regarded as both an outcome and a mediator in this interaction. The presence of a compelling employee value proposition (EVP) and a positive psychological contract both contribute to higher levels of employee engagement. Employees who are engaged are more likely to perceive a positive psychological contract and to value the EVP. Internal communication, psychological contracts, employee value propositions, and engagement all have a dynamic and reciprocal interaction with one



another [10]. A compelling employee value proposition (EVP) and increased levels of employee engagement are both outcomes that may be attributed to effective communication, which helps to cultivate a good psychological contract. Collectively, these components have an effect on the overall employee experience and have an impact on the performance of the firm.

### **5. The impact of Covid-19 and the changing face of EVP**

Changes in the workplace brought in by Covid-19 has renewed the interest of the corporate world in the Employee Value Proposition. As a result of the COVID-19 pandemic, the landscape of the workplace has been changed, and consequently, firms are being challenged to adapt and reassess their Employee Value Proposition (EVP). The purpose of this literature review is to investigate the changing impact that the pandemic has had on EVP and the consequences that this has for companies and their work force. Prior to the epidemic, EVP frequently stressed the benefits of working in the office, including as on-site cooperation and office amenities [26]. On the other hand, as Selden and Song (2020) point out, COVID-19 has encouraged a movement toward prioritizing components in employee value propositions (EVP) such as flexibility, remote work choices, and mental health support in order to satisfy the changing demands of employees. According to research conducted by Brynjolfsson and colleagues (2020), the pandemic has given rise to an increase in the number of people working remotely. By highlighting the significance of flexibility and support for employees who work from home, organizations have been forced to reevaluate their employee value proposition (EVP) in order to solve the issues that remote work poses to the work-life balance of employees. Because of the pandemic, the importance of health and well-being in EVP has been brought to the forefront. For the purpose of providing assistance to their employees during these difficult times, businesses are increasingly implementing wellness programs and health-related perks into their employee value proposition (EVP) (CIPD, 2021). The acceleration of digital transformation that occurred during the

pandemic (Accenture, 2021) has had an effect on EVP by causing it to place a higher emphasis on chances for learning and the development of necessary skills. Companies are redefining employee value propositions (EVP) to include activities for reskilling and upskilling employees in order to better prepare them for changing job requirements. During the epidemic, effective communication has established itself as a critical component of EVP [11-16]. An organization that places a priority on honest and empathic communication in its employee value proposition (EVP) has the potential to increase employee trust and engagement, hence generating a sense of security during times of uncertainty, as demonstrated by a study conducted by Mercer (2020). The pandemic's influence on the economy has increased the level of fear that workers have regarding their employment prospects. According to PwC (2020), EVP has responded by placing an emphasis on stability and support mechanisms in order to reassure employees and develop a sense of confidence in the organization's commitment to their well-being. In the wake of recent social and economic upheavals, there has been a growing awareness of the significance of including diversity and inclusion into educational value propositions (EVP). Organizations are reevaluating their employee value proposition (EVP) in order to guarantee inclusivity and equity, taking into account the various difficulties that employees have encountered as a result of the epidemic (Deloitte, 2021).

### **Discussion and Conclusion**

A significant shift in the dynamics of employee involvement and commitment has occurred as a result of the rise of "quiet quitting" as a prominent workplace phenomenon in the year 2022. This phenomenon was spurred by the problems provided by the COVID-19 epidemic [17,18]. Employees, particularly younger generations, are quietly disengaging from their responsibilities, highlighting a shift toward a more balanced and happy work culture. This trend is being fuelled by burnout and the desire to achieve a healthier work-life balance. According to the findings of Slack's research, the

worrisome prevalence of burnout, which is experienced by more than fifty percent of Indian workers, highlights the importance for organizations to address the underlying causes that contribute to the phenomena of quiet quitting. These numbers demonstrate that the workforce is freely confessing to executing only the duties that are absolutely necessary, which indicates a significant disconnect between employees and the firms that they work for. When seen in this light, the Employee Value Proposition (EVP) appears as a critical component in the fight against the decline that employees are experiencing [19]. Workplace experience is significantly influenced by employee value proposition (EVP), which is a representation of the distinctive collection of advantages provided by a

firm. However, the effectiveness of employee value proposition (EVP) is not solely dependent on the substance of the EVP but also on the manner in which it is communicated to employees. In accordance with the findings of the Slack research, effective communication significantly lowers the likelihood of a quiet resignation by a significant 96%. The purpose of this study article is to investigate the complex web of relationships that exists between EVP, Expectancy Theory, Psychological Ownership, Internal Communication, and Engagement [20]. Organizations can obtain insights into how employees perceive and respond to their value proposition by investigating these linkages and gaining a better understanding of themselves.

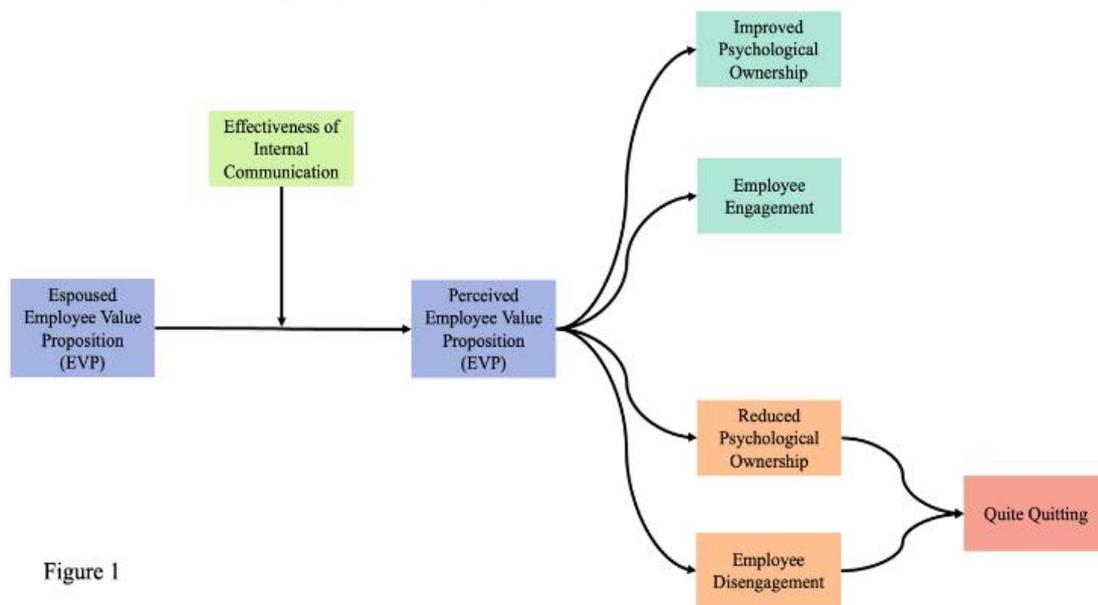


Figure 1

### Figure 1 Relationship between EVP, Internal Communication, Psychological Ownership and Employee Engagement

An examination of the relevant literature highlights the significance of aligning employee value proposition (EVP) with Expectancy Theory, which states that employees are driven by the expectation that their efforts will lead to results that are desirable. The integration of psychological ownership into employee value proposition (EVP) is investigated further, with an emphasis placed on the fact that a sense of ownership encourages engagement and commitment among employees. Within the scope of this conversation, we will also

be discussing the complex connections that exist between employee engagement, psychological contracts, employee value propositions, and internal communication. The linchpin that deepens the psychological contract, stimulates engagement, and communicates the components of EVP to employees is effective communication, which has been designated as the linchpin. Figure 1 illustrates the relationship between EVP, Internal Communication, Psychological Ownership and Employee Engagement. As a result of the influence



that COVID-19 has had on the workplace, which was brought to light in the literature review, it is necessary to reevaluate EVP requirements [21-25]. It is imperative that businesses place a high priority on providing their employees with options for remote work, mental health support, and flexibility in their work schedules [36,37]. Because of the rapid pace of digital transformation, the landscape of skills has been altered, necessitating a revised employee value proposition. In conclusion, in order to prevent the growing trend of employees departing their jobs quietly, businesses need to acknowledge the mutually beneficial relationship that exists between effective communication, a powerful employee value proposition, and employee engagement [38]. The shifting environment necessitates a rethought and improved employee value proposition that is in line with the requirements of modern workers. To the extent companies are able to successfully manage and convey these changes will determine the extent to which they are able to maintain a workforce that is both motivated and engaged in the post-COVID era.

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