A CRITICAL ANALYSIS OF ORGANISATIONAL STRATEGIES FOR EMPLOYEE ENGAGEMENT

By

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DECLARATION

“I, Paul Poisat, hereby declare that:

§  the work in this thesis is my own original work;

§  all sources used or referred to have been documented and recognised; and

§  this thesis has not been previously submitted in full or partial fulfilment of the requirements for an equivalent or higher qualification at any other recognised educational institution.”

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PAUL POISAT                  DATE

Declaration
ABSTRACT

Organisations are continuously searching for ways to increase their competitiveness as a means to survive in the global economy. More recently approaches have focused on the role that people perform in bringing about competitive advantage. Research indicates that engaged employees contribute vastly to the financial bottom-line of the organisation (see section 3.2.2). The research problem in this study was to identify strategies that organisations can use to engage their employees. To achieve this objective a theoretical employee engagement model was presented. The presentation of the theoretical model consisted of the following sub-processes:

 Firstly, a literature survey was conducted to determine the underlying drivers/constructs of employee engagement.
The second comprised surveying the literature dealing specifically with approaches for measuring employee engagement.

Thirdly, the literature was surveyed to identify strategies and models used by organisations for engaging employees.

The theoretical employee engagement model served as a basis for the compilation of the survey questionnaire that determined the extent to which human resource practitioners and line managers agree with the theoretical model developed in this study. The questionnaire was administered to a random sample of individuals employed in the automotive cluster in the Nelson Mandela Metropolitan Municipality and the Buffalo City Metropole.

The empirical results obtained from the survey indicated that respondents strongly concurred with the theoretical employee engagement model presented in the study. These results were included in the theoretical model, which lead to the development of the integrated organisational employee engagement model. The model comprises of four interrelated categories that all contribute to enhancing employees’ engagement. These categories are organisational leadership, organisational culture, organisational strategies and the manager’s role. From the literature survey and the study it became clear that the role of the manager, had the most significant impact on employee engagement of all the categories. In addition, the integrated organisational employee engagement model can be used by organisations as an applied strategy for the measurement of employee engagement.

The main findings from this research are that 60 per cent of organisations that participated in the empirical study had implemented strategies to engage their employees. However, the majority of organisations reporting not having an engagement strategy were among organisations that employed less than 700 employees (smaller organisations).
The study also highlighted certain variables that required special attention, especially when implementing employee engagement within the South African context. South African companies as compared to their overseas counterparts, rated organisational engagement variables such as remuneration, benefits and gain sharing lower. A further variable that was identified by the study requiring special attention was, ‘senior management shows a sincere interest in employees’ well-being’.

A final point emanating from the study is that the implementation of employee engagement, as a strategy to enhance organisational competitiveness, must be viewed as a continuous process. Organisations should prior, to the implementation of an employee engagement strategy, consider whether they are prepared to share engagement results, take corrective action commensurate with the results and deal with employee expectations that may be incurred.

The strategies espoused by the integrated organisational employee engagement model developed in this study, can be used by organisations to increase organisational competitiveness by improving their employees’ level of engagement.
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§ Establish the extent to which organisations agree that the model can assist them in improving their employees’ level of engagement; and

§ Make recommendations to organisations planning to measure and devise strategies to improve employee engagement.

1.9 OUTLINE OF THE THESIS

The thesis includes the following chapters:

Chapter 1 Introduction, problem statement and outline of research project
Chapter 2 Drivers of employee engagement
Chapter 3 Measuring employee engagement
Chapter 4 Employee engagement strategies
Chapter 5 Development of an employee engagement model
Chapter 6 Research methodology and analysis of biographical details of respondents
Chapter 7 Analysis and interpretation of results
Chapter 8 Summary, recommendations and conclusions

1.10 CONCLUDING REMARKS

The aim of this chapter was to delineate the main problem to be addressed and to explain how the researcher aims to solve it. The remaining chapters aim at addressing the main and sub-problems.

Chapter two will discuss the nature of employee engagement and identify the drivers thereof as derived from existing theory.
§ Approaches for the measurement of employee engagement were identified from relevant literature and elements common to the approaches were derived; 
§ A further literature survey was conducted to determine the strategies that organisations should utilise in order to enhance employee engagement; 
§ The researcher developed a comprehensive questionnaire developed from the literature survey mentioned above, to determine which organisational strategies were perceived by respondents to have had the most significant impact on employee engagement; 
§ An empirical study comprising a mail survey was conducted. Human resource managers and factory managers, as outlined in section 1.4.4 were surveyed to determine the organisational strategies they employed; and 
§ The results of the literature survey and empirical questionnaire were combined to develop an integrated strategic model that can be used by organisations to further employee engagement.

1.8 OBJECTIVES OF THE RESEARCH

The purpose of the research project was to develop strategies that organisations can use to improve the level of employee engagement. More specifically the objectives of the project were to: 
§ Determine from relevant literature what factors influence employee engagement; 
§ Investigate and select the factors that should be used in assessing employee engagement; 
§ Develop a theoretical framework of strategies that can serve as a model for organisations to enhance employee engagement;
interventions aimed at this level are crucial for organisational performance. In the light of the above discussion, the following question arises. Are South African organisations implementing strategies to enhance employee engagement?

Recent international research conducted by The Gallup Organisation (2003, p.1) and Watson Wyatt (2002, p.2) reveals that organisations measuring high on employee engagement yielded a return on investment up to nine times higher than organisations with a low score. Clearly the advantages for both organisations and employees are too prodigious to ignore. It is clear from these findings that significant competitive advantage is to be derived from an engaged workforce. This is too important a realisation for South African organisations to ignore. Based on the preceding discussion, this research is focused on determining the organisational strategies that will best enhance engagement within the South African context.

1.7 THE RESEARCH DESIGN

In this section the broad methodological approach followed in the study is described.

1.7.1 Research methodology

The following procedure was adopted to solve the main and sub-problems:

§ The factors that drive/determine employee engagement were identified from the literature;
human capital is a vital source of innovation and renewal that organisations need to harness to remain competitive.

From the abovementioned definitions of human capital, stimulating people to utilise their intellectual agility should be viewed as a significant organisational strategy to increase human capital development. Following an employee engagement approach provides the ideal method for stimulating the use of peoples’ intellectual agility (see section 5.3).

1.6 REASONS FOR AND SIGNIFICANCE OF THE RESEARCH

Organisations are continuously changing in order to meet the challenges brought about by globalisation and international competitiveness. These changes have had a significant influence on the nature of work and the demands placed on employees. Hiam (2003, p.6) suggests that the nature of work is more variable and the employee sees more changes in goals, in processes, technologies and work assignments. He cautions that these pressures lead to heightened stress levels, which in turn influence employees’ attitude towards work. In this environment where creative problem-solving and rapid adjustments are required, managers increasingly depend on employee initiative, enthusiasm, and commitment.

Hiam (2003, p.7) observes that there is an acceptance in the business world to adopt new strategies in response to the changing business environment and to include employees in the process. He however cautions that there is a lack of understanding amongst management of the need to respond at employee level. Since employees remain responsible for adopting a more flexible and adaptable approach,
They also point out that knowledge workers have fundamentally different needs and aspirations and identify a unique set of drivers that engage them. The drivers for knowledge workers are life at work, values, a trusted direction (leadership) and the manager's role in engagement (see section 3.3.3).

1.5.4 Construct

Throughout the thesis reference is made to various constructs. Wellman and Kruger (1999, p.17) define construct as an abstract concept that is purposefully created to represent a collection of concrete forms of behaviour. Within the behavioural sciences they describe inter alia attitudes, management style and problem solving as being important constructs. This is also the view adopted of the term in this research project.

1.5.5 Human capital

Kaplan and Norton (2004, p.13) state that human capital represents the skills, talents and knowledge of employees and that none of these intangible assets has value that can be measured separately or independently. However, human capital has the ability to mobilise and sustain the process of change required to execute the organisation's strategy and thereby adding considerable value. Brewster et al (2003, p.161) assert that human capital can be divided into three main areas, namely competence, attitude and intellectual agility. When employees use their intellectual ability (think laterally) they generate knowledge for the organisation by proposing new solutions to problems and generating innovative ideas. Brewster et al (2003, p.161) state that
Employee engagement is the degree to which an employee is emotionally, cognitively and personally committed to helping an organisation by doing a better job than required to hold the job (Kowalski (2002, p.1)).

1.5.2 Strategy

Harvey and Brown (2001, p.431) assert that strategies are courses of action organisations use to achieve major objectives. It refers to all the activities that lead to the identification of the objectives and plans of the organisation and is concerned with relating the resources of the organisation to opportunities in the larger environment. Hellriegel and Slocum (1996, p.771) define a strategy as a major course of action that an organisation takes to achieve its goals.

Strategies, for the purposes of this research, refer to employee engagement actions that organisations implement in order to achieve their goals.

1.5.3 Knowledge worker

Holman, Wall, Clegg, Sparrow and Howard (2005, p.134) define knowledge workers as individuals who through their inimitable knowledge and skills generate new knowledge that creates competitive advantage for employers. McDade and McKenzie (2002, p.34) describe knowledge workers as the people who through their ideas, creativity and intellectual rigor create extra value for the organisation. The efforts of knowledge workers are classified as intangible assets and represents knowledge-based activities such as market knowledge, product pipeline, networks, brand values and customer relationships.

Chapter 1: Introduction, problem statement and outline of research project
1.4.6 Basis for the model

The aim of the research is to develop an integrated employee engagement model by incorporating the drivers of engagement and measures of engagement described in current literature, with organisational strategy best practice as perceived by respondents surveyed in the study.

1.5 DEFINITION OF SELECTED CONCEPTS

1.5.1 Employee engagement

The term employee engagement is currently being used to describe employee attitudes in relation to their work, management, organisation and customers. Robinson and Hayday (2003, p.1) report that past research focused on employee satisfaction, motivational approaches and commitment, whereas employee engagement encompasses all of these including an individual's emotive states. This therefore, distinguishes employee engagement from job satisfaction surveys due to the emphasis placed on psychological experiences (emotions) of individuals within the work context. In determining an individual's degree of engagement, a distinction is made among three levels namely, highly engaged, moderately engaged and disengaged. These descriptors are discussed in more detail in section 2.2.3. In addition, a further distinction can be made by considering the type of engagement, namely, emotional, cognitive and personal engagement. (see sections 2.2.1 – 2.2.3)

Based on the literature survey, the following working definition of employee engagement was adopted:
1.4.3 Geographical demarcation

The empirical component of this study is limited to organisations lying within the following geographical areas:

- The Nelson Mandela Metropole and surrounding areas
- Buffalo City Metropole and surrounding areas

1.4.4 Management level

This study is limited to middle management level employees as this level, according to Paditporn and Verma (2003, p.1), is crucial in promoting employee engagement. Robbins and de Cenzo (2001, p.5) describe middle managers as employees below the top management level who manage other managers. Middle managers are responsible for establishing and meeting specific goals in their particular departments or work units. Typical job titles targeted by the study include human resources manager, divisional manager, factory manager, production manager, marketing manager and financial manager. First-line supervisory levels such as section leader, team leader, foreman and superintendent are excluded from the study.

1.4.5 Subject of evaluation

The field of employee engagement can be divided into the following areas:

- Factors that drive employee engagement;
- Measuring employee engagement;
- The manager’s role in engaging employees;
- Organisational strategies that promote engagement; and
- A strategic organisational model for engaging employees.
SUB-PROBLEM TWO
What strategies are currently used by organisations to facilitate employee engagement?

SUB-PROBLEM THREE
How can the results obtained from the resolution of sub-problems one and two (above) be combined into an integrated model, which can be used by organisations as a strategy for facilitating employee engagement?

1.4 DELIMITATION OF THE RESEARCH

Demarcating the research serves the purpose of making the research topic manageable from a research point of view. The omission of certain topics does not imply that there is no need to research them.

1.4.1 Size of organisation

The study is limited to organisations employing in excess of 50 employees. Larger organisations will have a more diverse workforce and more complex structures. Larger organisations are therefore more likely to have implemented strategies for engaging employees. Omitting smaller organisations does not imply they are less inclined to engage their employees or do not merit investigation.

1.4.2 Type of organisation

This research is limited to local and international automotive manufacturers and suppliers in a designated geographical area.
He describes employee engagement as the degree to which individuals are personally committed to helping an organisation by doing a better job than required to hold the job. Employee engagement is described in more detail in section 1.4.5.

Coffman and Gonzalez-Molina (2002, p.2) assert that when engaged employees utilise their natural talents, they provide an instant, and constant, competitive edge. Jamie Neil, chief executive of Archer Young Performance Improvement Agency, is quoted in the Financial Times (2003, p.1) as saying that “the sixties were about improving manufacturing; the seventies about better selling; the eighties smarter marketing; and the nineties refined strategy; then this decade’s competitive edge will be delivered via staff improvement and engagement”.

The above discussion presents the basis for the exploration of the main problem of the study.

**What strategies should organisations use to improve the level of employee engagement?**

### 1.3 SUB-PROBLEMS

Further examination of the main problem allows identification of the following sub-problems:

**SUB-PROBLEM ONE**

What factors are revealed in the relevant literature that influence employee engagement?
management he refers to the all-important role of employees as ‘employee champions’. Within this perspective of managing the contribution of employees, Ulrich (1998, p.25) identifies increasing employee commitment and capability as key factors to organisational competitiveness. Ray (2003, p.1) adds that more companies are realising that improved business performance hinges not only on improved processes, technology and products, but also equally as much on internal (employee) attitudes. The focus therefore, of most recent research in the field of human resource management, has hinged on organisational and individual factors that maximize the employees’ performance.

Getting employees to operate at optimum levels of performance presents a new set of challenges when the effects of organisational change and redesign are considered. Brewster et al. (2003, p.6) point out that flexible, flatter, slimmer organisations are constantly changing, and can therefore no longer sustain secure career progression. They further report just as much as organisations are changing, so too has there been a commensurate change in employees’ attitudes regarding motivation and working conditions. It is therefore important that organisations that pursue competitiveness through their employees’ efforts, determine what will inspire these individuals to contribute fully to organisational demands.

The question that needs to be asked is how can organisations ensure that their employees are fully committed and want to contribute to the success of the organisation? One of the approaches that can add value to organisations is the enhancement of employee engagement. Kowalski (2002, p.1) argues that employee engagement has for many years been a powerful contributor to American business success.
on improving efficiencies. Although this view is supported by Pfau and Cundiff (2002, p.40), they report that the human resource function’s efforts at becoming strategic are failing. Reasons for failure are firstly due to perceptions of the human resource function’s lack of ability caused by shoddy basic delivery and secondly, having to prove their worth to the bottom line and justifying their existence. The emphasis of many human resource functions have therefore assumed a more strategic role focusing on delivering business results at the expense of its primary focus namely, employee well-being.

Kiger (2002, p.26) points out that convincing evidence exists that human resources can promote customer satisfaction and in the process, improve corporate revenue. He cites Sears Roebuck stores as an example that for every five per cent improvement in employee attitudes, customer satisfaction increased one and a third per cent and corporate revenue rose by half a per cent. These statistics underscore the notion that people are organisation’s best assets and do add significantly to the bottom line.

The above discussion provides compelling evidence as to why organisations should engage their employees and offers the basis for the exploration of the main problem of the study.

1.2 MAIN PROBLEM

There has been a growing interest in the study of the contribution that employees make to improved competitiveness. Proponents of the human capital thesis such as Ulrich (1998, p.24) emphasize the contribution employees make in ensuring organisational competitiveness. In his strategic focus on human resource
CHAPTER 1

INTRODUCTION, PROBLEM STATEMENT AND OUTLINE OF RESEARCH PROJECT

1.1 INTRODUCTION

Organisations’ search for competitive advantage in a global economy is a phenomenon that has been keenly researched within many disciplines. In their quest to survive and improve organisational effectiveness, numerous strategies involving organisational change, managerial styles, information technology, production processes, and marketing and human resources have been developed. In pursuance of these strategies, organisations are continuously changing in an attempt to seize whatever business advantage or element of survival there is to be gained. Brewster, Carey, Dowling, Grobler, Holland and Warnich (2003, p.2) assert that it is the search for competitive advantage and continuous change that compels organisations to explore human resource management as a means of providing organisational success. This resulted in a fresh approach towards human resource management and the era of human capital dawned. This view contrasts sharply with the traditional view of human resources, which, regards employees as a cost to the organisation.

Recent developments in the field of human resources and organisational development have elevated the function to a strategic level in the organisation. This has presented human resource professionals with a new challenge, i.e. how to go about in fulfilling this strategic role. Renwick (2003, p.341) states that human resources’ new strategic role is to be more focussed on the business needs and
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CHAPTER 2

DRIVERS OF EMPLOYEE ENGAGEMENT

2.1 INTRODUCTION

The global village in which organisations compete provides the impetus for exploring alternate approaches for achieving competitive advantage. Recently, there has been renewed interest in determining how competitive advantage may be achieved by focusing on the contribution made by the human resource in organisations. Ray (2003, p.1) asserts that organisations, over the past decades, have explored many ways to improve competitiveness including improved selling, marketing, and refining strategy. It is further stated that this decade's competitive advantage lies in staff improvement and engagement.

In the field of human resources, earlier research regarding job satisfaction, employee commitment and motivation, believed to be key constructs of engagement, has been undertaken to determine conditions and processes that would optimise employee performance. More recently, Robinson and Hayday (2003, p.1) report the debate is moving beyond employee commitment, and that it is superseded by the search for drivers of employee engagement as the new focal area to superior employee performance. This leads to the exploration of the following question. What factors influence employee engagement and consequently lead to improved performance?

This chapter defines employee engagement and traces the various constructs on which it is based. Traditional and modern approaches to employee motivation, commitment, organisational citizenship, self-
efficacy and emotion are analysed to determine the underlying drivers that impact on employee engagement. Only those drivers that showed a strong correlation with performance and engagement are discussed. Finally, drivers of engagement are delineated, based on conclusions drawn from the analysis.

2.2 TRACING THE ROOTS OF EMPLOYEE ENGAGEMENT

Employee engagement is recognised by many institutions today as a key predictor of desirable organisational outcomes such as customer satisfaction, improved productivity, innovation and profitability. Luthans and Peterson (2001, p.376) assert that the ‘soft’ human-oriented measures such as employee attitudes, traits, emotions and perceptions are being recognised as strong predictors of employee behaviour and performance. From all the sources researched, it becomes evident that many of the constructs associated with employee engagement have been researched. Researchers have found a positive relationship between employee cognitive attitudes and performance (Petty, McGee and Cavander, 1984, p.712), personality traits and job performance (Barrick and Mount, 1991, p.6), and emotions and favourable job outcomes (Staw, Sutton and Pelled, 1994, p.51).

In a more recent meta-analysis conducted by the Gallup Organisation, Harter (1999, p. 219) concludes that the most profitable work units of companies have people doing what they do best, with people they like, and with a strong sense of psychological ownership for the outcomes of their work. The roots of the Gallup Organisation’s approach according to Luthans and Peterson (2001, p. 377) can be found in Kahn’s (1990, p. 692) premise of employee engagement.
Kahn (1990, p. 692) points out that employee engagement is different to employee satisfaction, commitment and intrinsic motivation in the following way:

“While these constructs add to our understanding of how employees perceive themselves, their work, and the relation between the two, the understandings are too general, existing at some distance from the day-to-day process of people experiencing and behaving within particular work situations” (Kahn, 1990, p. 692).

Employee engagement focuses more on how psychological experiences of work and work contexts of employees influence them in presenting or absenting themselves during task performance. Kahn (1990, p. 693) distinguishes amongst three dimensions of employee engagement, namely emotional, cognitive or physical. Of these, emotional and cognitive dimensions are key constructs for psychological engagement and organisational behaviours. These dimensions are discussed below.

### 2.2.1 Emotional engagement

The emotional construct of employee engagement refers to employees’ personal satisfaction and sense of inspiration and affirmation they get from their work and from being part of their organisation. In the Towers Perrin Talent Report (2003, p. 5) emotional engagement is described as having ‘the will’ to contribute discretionary effort beyond the call of duty. It is believed that personal pride and passion motivate employees to offer discretionary effort.
Kahn (1990, p.693) describes emotionally engaged employees as those capable of forming meaningful connections with others, including co-workers and managers, and to experience empathy and concern for other’s feelings. This assertion is particularly relevant to this research project and also important considering that the team, cell, and just-in-time manufacturing approaches are adopted in most global organisations.

2.2.2 Cognitive engagement

The second construct to employee engagement and equally important, is cognitive engagement. According to Kahn (1990, p.693), being cognitively engaged refers to those employees who are aware of their mission and role in the work organisation. The Towers Perrin Report (2003, p.5) adds an organisational dimension to their definition that includes ‘the way’ a task is performed, including understanding their role, that of their work unit, relative to company objectives. The report further states that employees need the resources, support and tools from the organisation to act on their sense of passion and pride, stimulated via the emotive state.

2.2.3 Personal engagement

Personal engagement of employees may vary with the performance of different daily tasks. According to Kahn (1990, p.364), it is possible to be engaged on one dimension and not the other. It is further stated that the more engaged an employee becomes on each dimension the higher is his or her level of personal engagement. Coffman and Gonzalez-Molina (2002, p.129), based on the definitions of emotional and cognitive engagement, distinguish amongst three levels of
personal engagement, namely highly engaged, moderately engaged and disengaged employees. These levels are described below.

**Highly engaged**

These are the employee champions that contribute freely and regularly exceed expectations. Research published in the Towers Perrin Report (2003, p.6) indicates that as little as 17 per cent of American employees fall within this category. These are employees according to Kahn (1990, p.364), who are cognitively vigilant and/or emotionally connected. Employees who fall in this category are likely to know what is expected of them, form strong relationships with co-workers and managers, or who in other ways, experience meaning in their work. These employees are prepared to go the extra mile because they find their work interesting, fulfilling, rewarding and challenging. The state that employees experience when they are emotionally and cognitively engaged is best captured by Csikszentmihalyi (1997, p.62) as follows:

“You’re right in the work, you lose your sense of time, you’re completely enraptured, you’re completely caught up in what you are doing. When you are working on something and you are working well, you have the feeling that there’s no other way of saying what you’re saying”.

Csikszentmihalyi’s (1997, p.59) research indicates that highly engaged employees are more likely to experience the state described above, also referred to by sportsman as being in the ‘zone’, at work. This state that is triggered by challenging assignments is normally accompanied by feelings of concentration, creativity, and satisfaction, which is more likely to occur at work. A further significant finding is that highly
engaged employees also experienced more meaning in life and often have meaningful interests outside of the work situation. These employees do not only contribute to the goals of the organisation, but also participate actively in the affairs of their family and communities. Coffman and Gonzalez-Molina (2002, p.129) describe the profile of engaged employees that generate most of an organisation’s profits and customer engagement as follows:

- Use their talents every day;
- Consistent levels of high performance;
- Natural innovation and drive for efficiency;
- Intentional building of supportive relationships;
- Clear about the desired outcomes of their role;
- Emotionally committed to what they do;
- Challenge purpose to achieve goals;
- High energy and enthusiasm;
- Never run out of things to do, but create positive things to act on;
- Broaden what they do and build on it; and
- Commitment to company, work group, and role.

Research studies (Kahn (1990, p.692), Buckingham and Coffman (1999 p.32), Towers Perrin Report (2003, p.5)) have indicated that employees who are engaged are more likely to be satisfied and productive. It is therefore axiomatic, that it will be from this category of employee that creative thought and innovation will emanate, thus adding to competitive advantage. The challenge for organisations and the premise of this research project is to uncover the drivers that will enable more employees to experience full engagement.
Moderately engaged

Coffman and Gonzalez-Molina (2002, p.131) describe employees in this category as typically doing that which is asked of them, and seldom feeling challenged to deliver discretionary effort. These employees have the potential to become highly engaged if the right organisational conditions prevail or are managed effectively. Conversely, if they are left unchecked, disillusionment with their work situation may force them into the disengaged category. The challenge for organisations therefore, is to firstly, recognise employees that fall in this category and secondly, to take corrective measures to move them towards a more engaged state. This suggests that organisations firstly measure employees’ levels of engagement and then follow up with corrective measures based on surveyed findings (see section 3.3 for measurement of employee engagement). Kreisman (2002, p.7) believes that the key to stimulating moderately engaged employees lies with the manager. The role and responsibilities of the manager in stimulating engagement is investigated in chapter three.

According to the Towers Perrin Report (2003, p.6) the majority of American employees surveyed, 64 per cent, fell within the moderately engaged category. It is reported that employees had mixed responses to the engagement elements, particularly those relating to an emotional state of engagement. Closer examination of the engagement elements revealed that most employees felt that a lack of inspiration, challenge and authority were lacking in their jobs. These findings are accentuated by the elements highly engaged employees identified as their ideal experience at work, namely, challenging work, advancement, and a sense of energy and excitement from the job. The elements of engagement mentioned above are of special
significance to this research project and are incorporated in the empirical research.

Characteristics of the moderately engaged employees’ profile are summarised by Coffman and Gonzalez-Molina (2002, p.131) as follows:

- Meets the basics;
- Confusion, or inability to act with confidence;
- Low-risk responses and commitment;
- No real sense of achievement;
- Possible commitment to organisation, but not always to role or work group; and
- Will speak frankly about negative views.

Knowledge of the characteristics of moderately engaged employees can play a significant role in assisting managers to identify employees that fall within this category.

**Disengaged**

Disengaged employees have uncoupled themselves emotionally and cognitively from the work situation. Hochschild (1983) as cited in Luthans and Peterson (2001, p.378) asserts that disengaged employees display incomplete role performances and task behaviours become effortless, automatic or robotic. This may be due to a lack of social interaction at work, lack of autonomy, and/or feelings that the job has little meaning. These employees’ commitment to their jobs and the organisation is near zero and for all intents and purposes have already left the organisation on an emotional level.
Statistics according to the Towers Perrin Report (2003, p.6) indicates that 19 per cent of American employees are disengaged. Of significance was that hourly workers reported the highest levels of disengagement, as their jobs allowed them the least control or influence over their work experience. Almost half of these employees indicated that they were open to other prospects, which could have serious implications for organisations if they represent highly skilled personnel. Equally important, is the other half of employees that are merely marking time and possibly spreading negative views and behaviours.

The actively disengaged employee profile according to Coffman and Gonzalez-Molina (2002, p.133) are characterised by the following:

- Normal reaction starts with resistance;
- Low Trust;
- “I’m okay, everyone else is not”;
- Inability to move from the problem to the solution;
- Low commitment to company, work group, and role;
- Isolation; and
- Won’t speak frankly about negative views but will act out frustration, either overtly or covertly.

In the next section many of the underlying constructs used to explain the nature of employee engagement, such as motivation, employee commitment, and organisational citizenship, are discussed.
2.3 UNDERLYING CONSTRUCTS OF EMPLOYEE ENGAGEMENT

Researchers all over the world are seeking the answer to which employee attitudes have the greatest influence on performance and consequently on the bottom line. For the most part of the twentieth century research focused on factors that contributed to employees’ job satisfaction. However, towards the end of the twentieth century a meta-analysis conducted by Iaffaldano and Muchinsky (1985) as cited by Bloisi, Cook and Hunsaker (2003, p.60) refuted beliefs that job satisfaction contributed positively to productivity. Their finding on the causal relationship between job satisfaction and productivity is low. Therefore, it may be deduced that satisfied employees are not necessarily productive employees. The opposite may also be true that dissatisfied employees may be productive. Production line employees typify this positive –negative permutation.

Whilst the debate has moved on to include employee engagement as a major determinant of employee performance, researchers have not reached consensus on the fundamental psychological constructs of engagement. Robinson and Hayday (2003, p.2) believe engagement to be a combination of interorganisational-facing aspects comprising commitment, organisational citizenship behaviour and motivation, as reflected in figure 2.1. Based on their assertion each of the aforementioned aspects will be scrutinised.
2.3.1

For organisations to be effective they rely on employees to regularly exceed and deliver beyond the confines of their job descriptions. This Kreitner and Kinicki (2002, p.196) believe denotes organisational citizenship behaviour, which implies going beyond the call of duty. Examples include positive statements about the department, expressing personal interest in the work of others, suggestions for improvement, training new people, care for organisational property, punctuality and attendance.

Kreitner and Kinicki (2002, p.196) report a significant and moderately positive correlation between organisational citizenship behaviour and job satisfaction. Further to this finding, leadership and characteristics of the work environment were deemed more important conditions for
employees’ to display citizenship behaviour than an employee’s personality. This is an important finding, which implies that the manager plays a significant role in creating the climate for employees to display organisational citizenship behaviour. A very strong positive correlation was also found between organisational citizenship behaviour and performance. These findings are of particular significance to this research project and therefore call for a more in-depth analysis of the manager’s role in engagement. This will be investigated in the next chapter.

In a different approach to delineate organisational citizenship behaviour, Organ (1990) in Staw (2004, p.101), argues that the modern trend amongst managers is to ignore the interrelationship between job satisfaction and performance (which is tenuous at best) and assume a performance – productivity focus. The focus has moved from, how many people are happy to who are the satisfied one’s? In determining whom the satisfied employees are, a distinction must be made between in role performance and role performance that represents organisational citizenship behaviour.

In relates to expected performance according to a defined job description. Performing these roles that include meeting certain predetermined criteria may contractually lead to bonuses and increments. Expected performance, in other words meeting the job requirements as stipulated in the job description, is regarded as a function of the employee’s aptitude, expertise, work flow, dependence on others and equipment including resources. It is argued that attitude plays a minor role in influencing the employees in-role performance. Organisational measures such as discipline, performance management systems and withholding of rewards will deal with under performing
employees. Of more significance is that professional employees (highly skilled) with a positive attitude will be less likely to settle for sub-standard in-role performance. It is thought that the egos of employees that fall within this category will mitigate against sub-standard performance. Intrinsically, the professional employee will find it hard to deal with mediocre performance and this may lead to feelings of guilt, embarrassment and self-reproach (Organ, 1990 in Staw, 2004, 102).

on the other hand, represents the countless acts of co-operation within an organisation that take place on a daily basis for which employees are not rewarded and fall outside their job descriptions. Without these acts the organisation will not be able to function effectively. These contributions are described as organisational citizenship behaviour by Organ in Staw (2004, p.102).

Extra-role contributions fall outside the formal job description and therefore have a direct relationship with employees’ attitudes. Dissatisfied employees may choose to exhibit less organisational citizenship behaviour without formal consequence and no or little effect on their egos. Conversely, employees regularly displaying organisational citizenship behaviour are more likely to be engaged and derive more satisfaction from their jobs. Of significance for managers of employees that display organisational citizenship behaviour, is that the manager and organisation should find ways to reward these employees. This is addressed in the following chapter.

“Within every work group in a factory, within every division in a government bureau, or within any department of a university are countless acts of co-operation without which the system would break down. We take these every-day acts for granted” (Katz 1964, p.131).
2.3.1.1

In the previous section the importance of organisational citizenship behaviour was outlined. It was determined that these behaviours are seldom rewarded or acknowledged by the organisation. This section will identify some of the characteristics of organisational citizenship behaviour that may assist managers in the recognition thereof. Staw (2004, p.102) categorises organisational citizenship behaviour as follows:

- represents all those behaviours that fall outside the job description and offers assistance to co-workers. Assisting others in completing a task, training a new employee and fetching materials that a colleague needs;
- involves all those actions where an employee acts proactively in order to forewarn or advise where possible problems may occur. Providing advance notice of work schedules and reminders of deadlines;
- represents tolerance of inevitable inconveniences that may be part of a job without showing discontent or feeling aggrieved about it;
- involves doing more than is expected. Showing extra enthusiasm or effort in the completion of one’s own or others’ tasks. This characteristic is also mentioned by Berg and Theron (2003, p.343) as one of the major determinants of organisational citizenship behaviour;
- relates to the political processes in the organisation and includes actions such as; attending meetings, responding to mail, expressing opinions and keeping up to date on broader issues concerning the organisation;
$\textbf{Mediation}$ involves actions that prevent/resolve possible interpersonal conflict and conflict escalation. Mediating in interpersonal discussions that have the potential to get out of hand. Clarifying rumours or not perpetuating them; and

$\textbf{Cheerleading}$ incorporates all those gestures of encouragement, support and positive reinforcement of co-workers’ achievements. These behaviours promote a positive climate in the workplace and may encourage further acts of organisational citizenship behaviour.

Many of the characteristics mentioned above are captured by Leigh’s (1997, p.140) measures of citizenship shown in table 2.1. These questions are significant to this research project and were considered in the compilation of the questionnaire as well as the influence they may have on strategy selection.

| I volunteer to do things at work that are not in my job description |
| I spend a great deal of time chatting to people |
| I defend my manager/supervisor’s decisions |
| I follow rules and procedures at work even when it is personally inconvenient |
| I spend a lot of time at work making personal phone calls |
| I help other people at work who have heavy workloads |
| I make suggestions about how to improve the quality of my department’s work |
| I take long breaks at work for tea, coffee, etc. |
| I help my manager/supervisor with their work |
| I arrive punctually at work, in the morning and after my lunch break |

Table 2.1: Questionnaire for measures of organisational citizenship

Source: Leigh (1997, p.140)
The organisational citizenship characteristics mentioned above, impact significantly on departmental performance and the role of management. Katz (1990) in Staw (2004, p.103) cautions that managers take organisational citizenship behaviour for granted and are unaware of the impact thereof on departmental performance. Managers of work groups where high degrees of organisational citizenship behaviour are experienced spend less time on resolving petty grievances and therefore have more time to spend on important business. Research conducted by Conway (1999, p.8) who refers to organisational citizenship as contextual behaviour, points out that there is a clearer distinction between contextual behaviour and task behaviour for non-managerial jobs. The rationale for this is because effective management intrinsically consists of more citizenship behaviour.

Katz in Staw (2004, p.103) cautions that a general loss in grace and civility are usually the first indicators of a decline in organisational citizenship behaviour. Astute managers, realising the importance of organisational citizenship behaviour, will therefore be attentive to the subtle nuances of inter-personal interactions amongst employees, and take appropriate measures to maintain it. These measures are discussed in chapter three.

2.3.1.2

The way the work is structured will largely influence the degree of interdependence amongst employees and in turn influence citizenship behaviour. In this regard Staw (2004, p.103) distinguishes amongst three major technologies. Firstly,
telephone companies) that are managed via standardised rules and procedures will display pooled interdependence. Secondly, long such as production lines will result in linear interdependence, which is managed via detailed plans and forecasts.

Thirdly, an is identified characterising a complex inter-play of observation, diagnosis and reaction to an object where little or no planning can be done. In these complex situations employees will display reciprocal interdependence as mutual adjustments, give and take, informal helping, teamwork and co-operation are all necessary for effective performance. In other words, for this category of employee organisational citizenship behaviour is of primary importance for job success. This is typically the type of technology where knowledge workers operate. The drivers of engagement for knowledge workers are discussed in chapter 3.

2.3.2 Commitment

Organisational commitment is the second major construct of employee engagement mentioned by Robinson and Hayday (2003, p.2). Guirdham (2002, p.341) describes commitment as a psychological state in which a person feels tied or connected to someone or something. Incorporated in this broad definition of commitment are many other psychological dimensions such as attitude, emotion, values and beliefs. Kreitner and Kinicki (2002, p.196) describe organisational commitment as the extent to which an individual identifies with an organisation and is committed to its goals. This definition together with its implied dimensions as mentioned by Guirdham above, form the basis of understanding of organisational commitment adopted in the research project.
2.3.2.1

The literature reveals that there are a number of forms of organisational commitment. Employees can commit to an ideal, approach, team, manager/supervisor or set of values. In this regard Guirdham (2002, p.342) identifies factors that influence individual commitment. These factors are listed in table 2.2.

- Extent of public support they have given
- Amount of influencee’s investment
- How personally responsible the influencee feels for the situation
- Degree of match to the influencee’s beliefs and goals
- The amount of adversity involved for the influencee in maintaining the commitment

Table 2.2: Factors influencing degree of commitment of an individual to a project, relationship or attitude
Source: Guirdham (2002, p.342)

As much as a distinction can be made between committing for different reasons as suggested in table 2.2, research indicates that cultural values account for more variance in the perception of commitment. Guzley, Araki and Chalmers (1998, p.15) found significant differences in perception of commitment between American and Japanese respondents. American respondents expressed commitment in terms of the following themes namely dedication, obligation, integrity and determination, whereas for Japanese respondents, it meant connection, membership, responsibility and co-operation. The researchers attributed the difference in perception between the two countries’ respondents to cultural differences that reside in values
towards individualism and collectivism. Given the many different cultures that permeate our South African organisations and the dichotomy of a first-world – third-world labour force, this is particularly relevant to the research project. This finding leads to the following questions. Do different categories of employees perceive engagement (commitment) differently? If they do, how do organisations vary their employee engagement strategies to cater for the different categories of employee? These questions were incorporated in the empirical research section of the project.

2.3.2.2 commitment

Organisations have attempted various strategies to increase commitment and consequently job satisfaction. Sparrow and Marchington (1998, p.42) argue that these attempts that included cultural change programmes and numerous policy guidelines had little or no effect on improving commitment. Reasons for failure of the strategies are as follows:

§ To utilise the human resources management function to implement change has proven unsuccessful;
§ There was no or little strategic integration of the programmes attempting to change commitment;
§ Programmes were implemented on a partial and piecemeal basis;
§ Not understanding organisational commitment. Introduced as a stable construct no evidence can be found of interventions that have a significant impact on organisational commitment; and
§ Other organisational factors may also have contributed such as inadequate training, not adapting the reward systems and no significant change in leadership behaviour.
The reasons for the inability to improve commitment as cited by Sparrow and Marchington (1998, p.42) above, are particularly instructive and provide clear guidelines on approaches/strategies that should best be avoided. These guidelines were considered in the compilation of the employee engagement model presented in chapter five.

2.3.2.3

This section explores the question, which factors drive organisational commitment? From the section above it may be deduced that influencing employee commitment is more difficult than researchers originally anticipated. However, there is sufficient evidence suggesting that commitment can be fostered. This section is premised on two approaches. The first rests on the psychological conditions for maximising performance that resides within the individual. The second addresses organisational measures that contribute to organisational commitment.

Optimum performance and therefore maximum psychological gratification seems to be achieved when an individual's skill level is matched to a challenging goal. The goal must however, be attainable and unambiguous. When an individual is fully committed to complete an assignment in this way, it is referred to as experiencing ‘flow’ according to Csikszentmihalyi (1997, p.30). This was also referred to in section 2.2.3. The individual will feel energised and expend maximum effort towards task completion. For ‘flow’ to occur, both variables, experience and challenge, must be high. In addition, goals need to be
clearly stipulated, feedback relevant and the skill levels and challenges need to be in balance. If these conditions exist the individual will be totally committed to task completion with psychic energy completely focused.

Figure 2.2: The relationship between challenges and skills
Source: Csikszentmihalyi (1997, p.31)

Csikszentmihalyi (1997, p.31) cautions that if skills and challenges are not finely balanced it could, on the one hand, lead to apathy, boredom and relaxation. Conversely, if too challenging goals are set it will lead to worry, anxiety or arousal. The relationship between the two variables skill and challenges is depicted in figure 2.2.

For individuals to experience flow, or in other words be totally committed to task completion, the skill level and difficulty of the
challenge must be complementary. If either the skill level or challenge is out of synchronisation it will lead to one or more of the conditions identified in figure 2.2. This conception of achieving task commitment ties in with the expectancy approach to motivation, discussed in section 2.3.3.4.

Additional psychological components necessary for commitment are beliefs, values and identities. Guirdham (2002, p.342) postulates that these components must be aligned, between the influencee and influence object if real commitment is to be attained. This notion translates into the organisational setting where companies espouse a set of values transcribed into mission statements and it is assumed that they are intrinsic to employees. The problem is that too many of the values and mission exercises are done independently from the employees and they find it hard to associate with them. Values and mission statements are then ‘sold’ to employees in an attempt to gain commitment.

Contemporary approaches at winning the hearts and minds of employees in an attempt to gain competitive advantage suggest a value, goal or mission- directed approach. Campbell and Tawadey (1990, p.6), Sparrow and Marchington (1998, p.241), Gratton (2000, p.10) and Johnson (2000, p.83) all believe that an effective strategy to gain employee commitment begins with clear values that employees support. Shared values are believed to be the fundamental driver of employee commitment and from where all other employee actions are derived. In this regard, Campbell and Tawadey (1990, p.141) believe that shared values are the secret to most successful companies.
From the discussion in this section the importance of aligning skill level and challenge in the process of task completion as well as the matching of employee values to that of the organisation become apparent.

§ Organisational measures contributing to commitment

This section focuses on organisational variables that influence employee commitment. A number of variables that correspond positively with employee commitment are mentioned by Moorhead and Griffin (2001, p.98). They are summarised as follows:

- Treat employees fairly;
- Provide reasonable rewards;
- Job security;
- Allow employees a say in how things are done;
- Design jobs that are stimulating;
- Provide extrinsic rewards;
- Participative management; and
- Clarify the roles employees are expected to play.

Sparrow and Marchington (1998, p.273) concur with the variables mentioned above and add that in the case of self-directed work teams, many have failed due to the dynamic of worker-autonomy and management dominance incongruity. Stated differently, if management declares they are relinquishing control they must do so. Similarly, if management changes to a co-operative style but still cling to a fragmented and tightly controlled work environment, employees will show no or little commitment to task accomplishment. Managers dissatisfied with the outcome of self-governance often impose their
own rules on discipline and time keeping. They have found that inappropriate human resource policies are also to blame. For example, inflexible pay systems do not promote cross-functional work in different teams/cells.

A further finding, of significance to this research project, by Sparrow and Marchington (1998, p.273) is that work on car assembly lines is more intense and that employees experience higher levels of stress. This finding presents a further problem in determining employee commitment due to the stress that employees, who are involved in continuous production processes (production lines) experience. Cognisance was taken of this fact in determining engagement approaches for different levels of workers, in the development of the model discussed in chapter five.

Sparrow and Marchington (1998, p.241) propose that a ‘mutual trust’ rather than a ‘command and control’ management approach be followed in the pursuit of employee commitment. This is a values based approach relying on trust and each party meeting their side of the bargain. The management approach complements the psychological approach, outlined in the preceding section. Next, motivational theories are discussed.

2.3.3 Motivation

Motivation is the third construct that comprises engagement according to Robinson and Hayday (2003, p.2) and it is scrutinised with due consideration to the other two constructs, namely organisational citizenship and commitment, discussed earlier. A number of motivational approaches/theories were scrutinised. However, only
those that support or elucidate the notion of employee engagement were selected for discussion in this section.

Based on guidelines derived from the organisational citizenship and commitment sections discussed in 2.3.1 and 2.3.2 respectively, the following motivational approaches/theories were selected for discussion; Job performance model of motivation, Hertzberg’s dual structure, McClelland’s need for achievement, Expectancy theory, and the Job characteristics theory. Excluding certain motivational theories does not imply that they hold no relevance in explaining engaged behaviour, nor that many other factors ancillary to the job and type of organisational and management style do not play a significant role. Nevertheless, those that were selected, in the researcher’s opinion, have shown a significant corollary in explaining underlying motives and behaviours that drive employee engagement towards superior performance.

2.3.3.1 Job performance model

The job performance model proposed by Mitchell (1997, p.63) is a conceptual model that explains how motivation relates to behaviour and in turn leads to performance.

Factors such as individual inputs and the context within which the job occurs are regarded as important determinants in providing impetus for the motivational processes which in turn result in motivated behaviours that yield performance.
Figure 2.3: Job performance model of motivation
Source: Mitchell (1997, p.63)

The model depicted in figure 2.3 provides an understanding into both causal factors of high levels of motivation as well as the influence of these factors on motivated behaviours. Mitchell's model depicted in figure 2.3 provides useful insight into the individual and job context factors that form the foundation for motivational processes and motivated behaviours that are closely related with engaged employees' behaviour. Individual factors such as dispositions and traits, emotions, moods and beliefs coupled with the job context factors of reinforcement, supervisory support, coaching and organisational culture tie in closely with the engaged employee profile discussed in section 2.2.3. The model further reveals that motivated behaviour is determined by the employee’s ability, skill level, emotional state as well
as a number of job context factors that could enhance or reduce the employee’s performance.

The motivated behaviours indicated in figure 2.3 namely focus, intensity, effort, quality, duration and persistence are commensurate with the extra-role contributions of employees who show strong organisational citizenship behaviour, discussed in section 2.3.1. Clearly, these motivated behaviours are desired by employers and lead to superior performance. Therefore, in an attempt to maximise motivated behaviours elicited by employees, employers should match employees’ abilities with the requirements of the job whilst providing an adequate production environment.

Furthermore the following observations regarding the relationship between performance and motivation in the job performance model should be noted:

§ Motivation is usually measured against the observable behaviours such as effort, strategies used and persistence. These observed behaviours are manifestations of motivation, which in turn relies on an individual’s desires and intention. Motivation therefore, denotes a number of psychological processes that encourage action in individuals; the intensity of those actions is then observed in the motivated behaviours;
§ Numerous factors influence behaviour. Individual, job context factors as well as motivation influence behaviour;
§ Behaviour is different from performance. Performance comprises a number of behaviours over a period of time and needs to meet certain quality standards; and
Motivation although necessary could for certain jobs be an insufficient contributor to job performance. Although both individual and job context factors influence performance for certain jobs either may prove more influential. In this regard, Kreitner and Kinicki (2002, p.178) cite the job of assembly line workers. Their jobs are highly structured and individual performance may vary little from one individual to the next. Here in particular, besides the psychological factors, job context factors have a significant impact on performance. This observation is of particular importance to management when considering ways to improve assembly line workers’ performance.

In summary, the job performance model provides insights into individual and job context factors that are just as important as the psychological factors of motivation in bringing about performance. For assembly line workers in particular, these factors are more important in ensuring performance than motivation. Next Hertzberg’s dual structure theory is discussed.

2.3.3.2 Hertzberg’s dual structure theory

Hertzberg’s (1968) theory as cited in Kreitner and Kinicki (2002, p.186), originated from a series of questions he asked accountants and engineers about times they felt motivated and satisfied by their jobs and times they felt dissatisfied and unmotivated. Two distinctly different dimensions emerged. They are depicted in figure 2.4.
Those factors that were associated with a state of satisfaction were termed motivators. A second set of factors emerged that denoted dissatisfaction and were termed hygiene factors, as displayed in figure 2.4. Motivation factors associated with achievement and recognition were most common amongst individuals who experienced satisfaction. Conversely, the absence of these factors did not result in dissatisfaction but rather no satisfaction was experienced. The hygiene factors such as working conditions, pay, supervision and company policies, if perceived as inadequate, lead to feelings of dissatisfaction. However, if these factors were perceived as adequate it did not lead to feelings of satisfaction, instead individuals experienced feelings of no
dissatisfaction. This represents the fundamental difference between the traditional view of job satisfaction and Hertzberg’s theory depicted in figure 2.4.

Traditional views assumed a direct linear relationship between job satisfaction and dissatisfaction that are positioned on opposite sides of a continuum. It was further assumed that if the factors responsible for dissatisfaction were to be addressed, the individual would progress along the continuum towards the satisfaction scale. Hertzberg’s (1968, p.53) theory introduced two additional states between the extremities of the satisfaction continuum namely not dissatisfied and no satisfaction. He also assumed that there might be a condition where neutral feelings are experienced where individuals do not feel satisfied or dissatisfied. Furthermore, that progress along the continuum was dependent on two sets of factors working together and that movement towards the satisfaction scale was largely dependent on motivational factors. Consequently, employers who wish to address employees’ motivation need to make more provision for the motivational factors in the design of jobs.

In summary, the motivational factors identified by Hertzberg’s (1968, p.53) research correspond closely with the profile of engaged employees discussed in section 2.2.3. These factors are therefore particularly relevant to this research project and were considered in the development of the questionnaire. In contrast, the hygiene factors correspond closely with the job context factors mentioned in the job performance model discussed earlier. A question may be raised as to the relevance of Hertzberg’s research to assembly line workers, given that he surveyed engineers and accountants who fall within the knowledge worker category. Following from the job performance model
discussed earlier, it can be deduced that for assembly line workers it is more significant to emphasise the hygiene factors to promote not feeling dissatisfied. Next McClelland’s need for achievement theory is discussed.

2.3.3.3 McClelland’s need for achievement theory

McClelland’s (1961) theory discussed by Moorhead and Griffin (2002, p.128) is based on the individual’s need for achievement, affiliation and power. The need for achievement refers to an individual’s desire to accomplish a task or goal more effectively than in the past. Affiliation needs entail the need for human companionship and to spend time in social relationships, whereas the need for power includes the desire to control resources or influence, coach and manipulate others (Kreitner and Kinicki (2002, p.178). Of the three needs, the need for achievement is most relevant to this research project and further elucidates the underlying motives driving engaged employees.

Below follows a summary of some of the individual characteristics Moorhead and Griffin (2002, p.128) associate with each of the needs mentioned above.

The need for achievement

$\bullet$ Individuals with a high need for achievement set moderately difficult goals and take moderately risky decisions. Conversely, individuals with a low need for achievement are inclined to set easily achievable goals with minimum risk.

$\bullet$ Receiving immediate, specific feedback on performance is especially important to high-need achievers. For this reason high-
need achievers are more likely to take jobs where feedback is immediate, such as sales positions.

§ High-need achievers are preoccupied with their work and continuously think about it even when they are away from work. They also become frustrated with incomplete projects.

§ High-need achievers take personal responsibility for the job and often take on more than is required. This in turn leads to a sense of accomplishment. From this characteristic it may be deduced that the job itself becomes a source of motivation.

§ High-need achievers often do not make it to senior managerial positions as their traits conflict with the requirements of higher-level positions. At higher-levels they are expected to delegate more and are forced to take either more or less risky decisions than they are prepared to. They may also not receive immediate feedback.

The characteristics of high-need achievers closely resemble those associated with engaged employees. It is axiomatic that organisations would prefer to employ as many employees as possible that comply with the above-mentioned characteristics and therefore should incorporate them in their recruitment criteria. The instrument for measuring the need for achievement is the Thematic Apperception Test (TAT) developed by McClelland (1963) as discussed in Kreitner and Kinicki (2002, p.212).

The need for affiliation

§ People with a high need for affiliation want reassurance and approval from others and are genuinely concerned about other’s feelings.
They are more likely to conform their thinking and actions to comply with those of individuals with whom they have a close relationship or identify.

Professions including high levels of interpersonal contact and helping others will appeal to people with a high need for affiliation.

Kreitner and Kinicki (2002, p.213) report that people that fall within this category prefer to spend time nurturing relationships and therefore will find it hard to take unpopular decisions. As a result individuals in this category are not the most effective managers as they would be concerned about taking decisions that others may dislike.

The need for affiliation does not correspond well with the characteristics of an engaged employee as discussed in section 2.2.3. This however, does not imply that there is no room for employees with high affiliation needs in organisations. On the contrary, production processes utilising a team approach and assembly line workers, due to the nature of their jobs, will have a much greater need for affiliation than knowledge workers.

The need for power

The need for power can be used positively or negatively.

Individuals with a high need for power can be effective managers if they channel their need for power in the following ways:

- Power should be sought for the betterment of the organisation and not for self-interest;
- They should have a low need for affiliation, as some decisions may be unpopular with employees; and
They require a large degree of self-control when the need for power may interfere with effective organisational and personal relationships.

Kreitner and Kinicki (2002, p.213) report that if individuals channel this need positively they will assist others in task completion and goal achievement.

There is very little correlation between individuals’ need for power and the engaged employee as mentioned in section 2.2.3. From the analysis of the above-mentioned characteristics it is clear that individuals with a strong achievement need represent the most significant correlation with the engaged employee.

Next expectancy theory is discussed.

2.3.3.4 Expectancy theory

Conventional expectancy theory holds that effort will only lead to performance if the associated outcomes are valued and placed in high regard. Although the Porter and Lawler expectancy model of motivation as discussed in Staw (2004, p.35) and depicted in figure 2.5, include the fundamentals of Vroom’s original approach, a number of modifications have been made. Whereas Vroom’s model suggested that satisfaction leads to performance, the Porter and Lawler model argues that it is performance that leads to satisfaction. This represents a significant departure from early expectancy theory and augments the engaged employee hypothesis, that is, being motivated by work itself.
Additional features of the Porter and Lawler model depicted in figure 2.5, as compared to conventional expectancy theory include, abilities and traits as well as role perceptions that play a role in an individual's ability to perform. In addition, the perceived value of reward together with the effort-reward probability combines at the outset with individual ability and role perceptions in determining whether effort will be expanded. Performance results in intrinsic rewards that are associated with feelings of accomplishment and achievement, whereas extrinsic rewards denote tangible outcomes such as pay and promotion. In the perceived equity section of the model individuals judge whether their performance delivered to the organisation is commensurate with the rewards received and if found to be equitable only then will the individual feel satisfied. The more equitable the rewards are perceived, the more individuals will perform and in turn exert more effort in pursuance of valued outcomes.
Nadler and Lawler III in Staw (2004, p.35) mention a number of implications for organisations, these are summarised as follows:

§ The design of pay and reward systems;
§ The design of tasks, jobs and roles;
§ The importance of group structures;
§ The supervisor’s role;
§ Measuring motivation; and
§ Individualising organisations.

The above-mentioned organisational implications are of more relevance to organisational strategy formulation and are therefore revisited in chapter four.

The significance of this model for this research project lies in the identification of abilities and traits as well as the role perceptions of individuals whilst deciding on the degree of effort to expand. Of further importance is the nature of intrinsic rewards that corresponds well with the engaged employee notion mentioned in section 2.2.3. The job characteristics theory is discussed in the following section.

2.3.3.5  The job characteristics theory

The job characteristics theory addresses the motivational potential inherent to jobs. Hackman and Oldham (1976, p.255) postulate that there are critical psychological states that determine the extent to which characteristics in the job will enhance employee performance. These psychological states are:
**Experienced meaningfulness of the work** – this represents how meaningful, valuable and worthwhile the job is experienced;  
**Experienced responsibility for work outcomes** – degree of personal responsibility and accountability employees feel for the results of their work; and  
**Knowledge of results** – the degree to which individuals continuously understand how effectively they are performing the job.

![Diagram of the job characteristics theory](image)

Figure 2.6. The job characteristics theory  
Source: Hackman and Oldham (1976, p.255)

Hackman and Oldham (1976, p.255) suggest that if the psychological states are experienced at sufficiently high levels it will lead to a number of satisfactory work and personal related outcomes, as depicted in figure 2.6. Employees will experience these psychological states more regularly if a number of critical job dimensions exist. These dimensions
are skill variety, task identity, task significance, autonomy and feedback. The model depicted in figure 2.6, indicates that the core job dimensions, operating through the psychological states, affect a number of personal and work outcomes. These outcomes are intrinsic motivation derived from the job itself, pride in delivering high-quality work, a sense of satisfaction, and low turnover and absenteeism. Finally, the theory also suggests that individuals will differ in their responses to the five core job dimensions. Employees with strong needs for growth and development will be particularly motivated by the core job dimensions. Conversely, employees with a low need for growth and development will be less motivated by the core job dimensions.

According to Hackman and Oldham (1976, p.268) the theory presents a number of important guidelines relating to job design for employers/managers. These are summarised below as follow:

§ Tasks of a similar nature should logically be grouped together forming a natural work unit thereby, forming more complex tasks;
§ Direct relationships between customers and employees should be set up;
§ Jobs should be loaded vertically in so doing increasing autonomy; and
§ Feedback channels should be opened up allowing employees to get information first-hand.

The job characteristics theory provides meaningful insight into some of the core job dimensions that impact employees’ psychological states whilst also correlating strongly with the engaged employee notion and underlying constructs, discussed earlier in the chapter. The critical
psychological states namely meaningfulness of work, responsibility for outcomes and knowledge of actual results are the fundamental psychological states underpinning both emotional and cognitively engaged employees discussed in 2.2.1 and 2.2.2 respectively. These psychological states also correlate well with the psychological conditions required to gain organisational commitment described in 2.3.2.3.

2.3.4 Synopsis of motivational approaches

The section on motivation examined the following motivational theories: Job performance model, Hertzberg’s dual structure, McClelland’s need for achievement, Expectancy theory, and the Job characteristics theory with the specific aim of establish the underpinning drivers/motives of the engaged employee. Analyses of the models reveal a number of individual and job related factors supporting employee engagement.

The job performance model revealed that both individual and job context factors contribute towards employee engagement via skills and enabling limits respectively, to motivational processes and motivated behaviours. Similarities were found in the job characteristics model as far as the core job dimensions are concerned. This provides useful insight into particularly the job related drivers of engagement and was considered in the compilation of the research questionnaire. Psychological states namely; experienced meaningfulness of work, experienced responsibility for outcomes of work and, knowledge of actual results, identified by the job characteristics model, were found to underscore the emotional and cognitive engagement descriptors discussed in sections 2.2.1 and 2.2.2 respectively. Expectancy theory complements the first two models in that an individual’s effort, in
addition to equitable outcomes, will also be determined by that individual’s ability and role perceptions. Research on expectancy theory revealed a number of organisational factors such as pay and reward systems, design of tasks, group structures and the role of the supervisor/manager as influencing an individual’s propensity to perform.

McClelland’s need for achievement theory and Hertzberg’s dual structure theory revealed a number of individual drivers of employee engagement. Characteristics of individual’s with a high-achievement need are described as wanting regular feedback, setting moderately difficult goals, were occupied with their jobs and derived satisfaction from their jobs. It is naïve to suggest that individuals will continue to be motivated in their jobs if organisational factors are not in place. In this regard, Hertzberg’s dual structure approach provides clear guidelines between factors that keep individuals from being dissatisfied on the one hand and those factors that serve to motivate on the other. Motivational factors such as achievement, recognition, responsibility, the work itself and growth all resort within the individual drivers of employee engagement. Hygiene factors on the other hand include supervision, working conditions, pay and job security, relationships and company policies, all of which relates to organisational factors. Consequently, it may be deduced that whilst sound organisational factors will keep employees from being dissatisfied it will not necessarily lead to motivation. It is the individual factors denoted in Hertzberg’s motivational structure that motivates and appeal to engaged employees.
2.3.5 Self-efficacy

In this section the construct self-efficacy is examined in order to establish the causal relationship with performance and determine the significance thereof in influencing engaged employee behaviours. Self-efficacy is defined by Bloisi et al (2003, p.239) as a person’s belief about his or her chances of successfully accomplishing a specific task. Research points to a cyclical relationship that exists between efficacy and performance that may spiral upward towards success or downward towards failure. Many researchers have investigated the relationship between high self-efficacy and successful performance.

Researchers including Bandura (1989), Gecas (1989), and Gist (1987) in Kreitner and Kinicki (2001, p.142) have found strong links between high self-efficacy expectations and success in physical and mental tasks, anxiety control, addiction control, pain tolerance and illness recovery. It follows therefore, that an employee’s behaviour and subsequent level of performance is largely influenced by that employee’s perceived expectation of successfully mastering the task. Consequently, self-efficacy as a major construct of employee engagement requires further exploration. Firstly, the mechanisms of self-efficacy are discussed followed by the influence of efficacy on individual functioning and finally the implications for managers are considered.

Mechanisms of self-efficacy

Figure 2.7 depicts Bandura’s (1989, pp729 – 735) model of self-efficacy, which explains the sources of self-efficacy influencing individual’s behaviours and in turn leading to success or failure.
Chapter 2: Drivers of employee engagement

Figure 2.7: Mechanisms of self-efficacy
Source: Bandura (1989, p. 729)

An individual's perception of his/her self-efficacy beliefs (the extent an individual believes that he/she can successfully master the task) is determined by four sources of self-efficacy namely, prior experience, behaviour models, persuasion from others and physical or emotional state. The strongest influence on self-efficacy belief is derived from
prior experience and therefore the link in the diagram is indicated with a solid line. The model further indicates that perceptions of high efficacy will lead to superior interest, motivation and effort being exerted in task completion. In contrast, low efficacy perceptions will result in lower commitment and an impoverished attempt at task completion. The two sets of behaviours will in turn lead to success and failure depending on an individual’s perception of self-efficacy. Individuals who fall in the engaged employee category would typically be associated with the positive behaviour category initiated by a confident disposition towards task completion.

**Influence on individual functioning**

An individual’s belief in his/her own ability regulates behaviour in a number of ways according to Bandura (1997, p.4). These are summarised below as follows:

§ Cognitive: Individual's with high efficacy are inclined to have high aspirations, think soundly, set difficult goals, and commit to meeting those goals. They are also less likely to dwell on obstacles and personal deficiencies that may obstruct task completion;

§ Motivational: Individuals motivate themselves by forming beliefs about what they can achieve and what are likely outcomes should they achieve them. Motivation is dependent on the individual's belief whether goals are attainable. Self-efficacy will determine how long the individual will persist in reaching goals and the effort to be expanded;

§ Mood or affect: The way in which individuals respond to potentially threatening and stressful situations. The more one believes one can cope with a situation the less stressful it will be experienced.
Individuals with low self-efficacy will amplify the risks. High-efficacy individuals respond in ways that make their environment less threatening. They are less likely to dwell on negative thoughts and are able to divert their attention and seek support; and

- Low self-efficacy leads to depression that further diminishes efficacy. Feelings of hopelessness ensues resulting in a downward cycle where the individual is not capable of developing satisfying social relationships that assist in reducing stress.

Bandura’s (1997, p.4) assertions are particularly relevant and provide sound rationale for most of the constructs of engagement discussed earlier in the chapter; i.e. cognitive, emotional engagement, motivation, need for achievement and commitment. These individual behaviours caused by individuals’ perceptions of self-efficacy hold a number of important implications for management. They are discussed in the following section.

**Implications for managers**

In a meta-analysis of 21,616 subjects Kreitner and Kinicki (2001, p.144) found a significant positive correlation between self-efficacy and performance. Their study revealed that the following areas required constructive managerial action.

- Recruitment and selection. Employees with high self-efficacy should be selected during screening interviews. Caution should be exercised however, when dealing with different cultures as not all cultural groups show efficacy.

- Job design. Challenging autonomous jobs lead to enhanced self-efficacy whereas tedious boring one’s have the opposite effect.
Training and development. Self-efficacy can be enhanced through interventions such as mentoring and role modelling.

Self-management. Granting employees more autonomy through systematic self-management enhances self-efficacy.

Goal setting and quality improvement. Goals should match the employees perceived level of self-efficacy. Successful goal achievement will lead to enhanced self-efficacy whereafter slightly more challenging goals and quality standards can be set.

Coaching. Employees with low self-efficacy, need lots of encouragement and constructive pointers to improve performance and lift self-belief.

Leadership. Managers with high self-efficacy should be given an opportunity to prove themselves.

Rewards. Small achievements should be recognised on the road to building a stronger self-image.

The above-mentioned implications for management mentioned by Kreitner and Kinicki (2001, p.144) are significant determinants in developing a strategy for employee engagement and are discussed in greater detail in chapter 4.

2.3.6 Emotions

Emotions play an important role in how individuals view themselves and how they respond to everyday situations. Similarly emotions play an important role in determining engagement. In the definition of engagement great significance is placed on the distinction between an emotionally engaged and disengaged employee (see 2.2.1) and how these employees will respond in the workplace. Closer scrutiny is
therefore necessary to determine: What role do emotions play in individual's working lives and the affect thereof on performance?

Lazarus (1991, p. 6) describes emotions as “complex, patterned, organismic reactions to how we think we are doing in meeting our lifelong goals”. He explains that emotions involve the entire person and affect our psychic, physiology and social being. A distinction is made between felt emotions and displayed emotions. An individual’s ability to respond (behaviourally) differently from the way emotions are felt is expressed as emotional intelligence. This is discussed in more detail later. In his taxonomy, Lazarus (1991, p.6) distinguishes between positive and negative emotions that are experienced in relation to goal achievement (another important driver mentioned in most of the motivational theories), depicted in figure 2.8. Because Lazarus’ definition of emotion centres on goal achievement some emotions are associated with goal incongruence and others with goal congruence. Clearly those associated with goal congruence will promote positive emotions and visa versa.

The set of negative emotions displayed in figure 2.8, associated with goal incongruence, are equally germane to work goals not being met. Continuous frustrations and negative experiences in achieving unrealistic targets or handing inordinate workloads, brought about by restructuring and mergers, could plunge employees into a negative emotional spiral. This is similar to the lack in self-efficacy described in the previous section and may explain why performance declines. It is believed that there is an optimum level of emotional intensity where performance will be maximized. Berg and Theron (2003, p. 161) believe this optimum level to be represented by an inverted U-curve
that depicts the relationship between performance and the intensity of emotions.

Figure 2.8: Lazarus’ Positive and negative emotions
Source: Adapted from Lazarus (1991, p.6)

At lower levels of activation (psychological tension) performance is also low. Maximum performance is obtained when moderate levels of emotional activation exist. Figure 2.9 depicts how performance decreases with corresponding increases in emotional activation caused by challenging situations and complex tasks. Emotional stressful situations represented on the right of the U-curve leads to a decline in performance and individuals experiencing anger, anxiety and panic. These emotions interfere with the balance between emotional, intellectual and decision-making functions according to Berg and Theron (2003, p. 161). When stimulation therefore exceeds the optimum level, individuals avoid the stimulation and negative feelings start emerging. Managers should take heed of this optimum level of stimulation due to its impact on performance and affect on employees.
An individual’s ability to control his/her emotions is regarded as an important skill in modern organisations and is commonly referred to as **emotional intelligence**. Goleman (1995, p.35) mentions that a growing number of employers are seeking employees who elicit high levels of emotional intelligence. He delineates emotional intelligence as comprising the following emotional skills:

- Knowing one’s own emotions and being certain of one’s real feelings when making a decision;
- Managing one’s own emotions and being able to handle feelings of distress and anxiety and soothe oneself (coping mechanisms);
- Self-motivation towards mastery and creativity by setting goals; and
- Recognising emotions in others by being empathetic and being able to handle relationships with social competence.

*Figure 2.9: Relationship between performance and emotion*
*Source: Berg and Theron (2003, p. 161)*
These characteristics provide useful guidelines for employers wishing to identify employees with high levels of emotional intelligence. Based on the importance of emotional intelligence and its correlation to performance, it is a significant factor to incorporate in strategy formulation, which is discussed in chapter four.

2.4 DELINEATING THE DRIVERS OF ENGAGEMENT

Analysis of the preceding constructs led to the identification of the following drivers of employee engagement. Firstly, two distinctly different categories emerged namely those that were inherent to the individual and those that referred to job context. Figure 2.10 depicts the relationship between individual and job context drivers and how they contribute to bringing about engaged employees.

Individual drivers denote those factors that are innate to the person performing the job and may vary between individuals. Factors mentioned most often in the analyses of the underpinning constructs were; ability and skills, achievement, recognition, responsibility, advancement and growth, and work itself. To enhance optimum performance, moderate activation of individuals’ emotional states was proffered, together with the setting of moderately difficult goals, which also correlates with the preferred work environment of individuals with a high need for achievement and self-efficacy. Critical psychological states such as meaningfulness of work, responsibility and knowledge of results necessitate specific job requirements such as autonomy and feedback. Therefore, the interconnecting arrows depict the relationship between the two factors, whilst jointly contributing to engagement.
Job context drivers depicted in figure 2.10 include all those factors closely related to the work environment that are subject to managerial/organisational discretion/practices. Engagement will be adversely affected by the absence or inadequate application of these factors. In assessing the importance of job context factors, research indicates the following pertaining to assembly line workers:

§ Job context factors are more relevant to assembly line workers and play a more significant role in determining engagement than individual psychological factors (motivation), as mentioned in 2.3.3.1;

§ Work design and organisational policies (i.e. rewards) should cater for work teams on assembly lines;

Figure 2.10: Drivers of employee engagement
§ Stress levels of assembly line workers are higher due to the structured nature of their jobs and work environment; refer to section 2.3.3.1; and
§ The role of the manager is therefore critical in determining the correct job context mix. McDade and McKenzie (2002, p.34) challenge this notion in respect of knowledge workers (refer chapter 3).

From the above-mentioned assertions it is presumed that different factors will act as drivers for different levels and categories of employees. Typically, it may be inferred that knowledge workers’ (employees with professional qualifications) level of engagement will be more dependent on individual factors. Finally, engagement will be evidenced through the display of organisational citizenship and commitment behaviours, described in sections 2.3.1.1 and 2.3.2.1 respectively.

Research into the strategies to stimulate commitment (refer 2.3.2.2) revealed a number of important guidelines for strategy development. They include the following:

§ The implementation of an employee engagement programme should not be the sole responsibility of the human resource function;
§ Employee engagement should be integrated with other functions and programmes;
§ Employee engagement should not be implemented piecemeal;
§ Engagement and the role to organisational values/mission should be understood; and
Many factors contribute to engagement such as leadership, rewards and organisational culture.

These guidelines are revisited in chapter four.

2.5 CONCLUDING REMARKS

In this chapter employee engagement was described and the various constructs on which it is based analysed. Particular emphasis was placed on identifying factors contributing to engagement and assessing existing theory for clues that elucidate the employee engagement paradigm. Traditional and modern approaches to employee motivation, commitment, organisational citizenship, self-efficacy and emotion were analysed in order to determine the underlying drivers that underscore employee engagement. Drivers that showed a strong correlation with performance and engagement were targeted. Finally, individual as well as job context drivers of engagement were delineated, based on conclusions drawn from the analyses.

It is the researcher’s belief, based on an analysis of the literature researched, that an employee engagement approach, although by no means a panacea for all performance matters, can vastly improve employee performance in areas such as customer care, quality, efficiency, innovation and simultaneously add to job satisfaction. This statement is reinforced by Howe (2003, p.41), who argues that engaged employees in the organisation want to and take the actions that improve business success.

In the following chapter various approaches for the measurement of employee engagement, will be addressed.

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business outcomes. Managers should therefore work towards achieving fives on these questions, which will contribute most towards building a productive workplace.

**The GallopinQ**

1. I know what is expected of me at work
2. I have the materials and equipment I need to do my work right
3. At work, I have the opportunity to do what I do best every day
4. In the last seven days, I have received recognition or praise for doing good work
5. My supervisor, or someone at work, seems to care about me as a person
6. There is someone at work who encourages my development
7. At work my opinions seem to count
8. The mission or purpose of my company makes me feel my job is important
9. My associates or fellow employees are committed to doing quality work
10. I have a best friend at work
11. In the last six months, someone at work has talked to me about my progress
12. This last year, I have had opportunities to learn and grow at work

Table 3.5: Gallop’s employee engagement measuring instrument  
The design and performance relatedness to business unit-level outcomes of the Q\textsuperscript{12} has been proven according to Coffman and Gonzalez-Molina (2002, p.251). Business units scoring above the median on the Q\textsuperscript{12} had a seventy per cent higher probability of success as compared to business units scoring below the median. Business units scoring above the median on employee engagement had one half standard deviation higher performance in comparison to business units scoring below the median.

**The Engagement Hierarchy**

According to Gallop (2001, p.7) there are four stages an employee goes through on the way to complete engagement, which makes up the Engagement Hierarchy as depicted in figure 3.1. Stage one represents a basic need and covers the first two questions (I know what is expected of me at work and I have the materials and equipment I need to do my work right) in the Q\textsuperscript{12} depicted in table 3.5. Knowing what is expected and having the tools and material to do the job are most important when an employee first starts in a new role. Progress to the next level is only possible once the employee answers positively to both these questions.

Stage two in the engagement hierarchy as depicted in figure 3.1, focuses on the employee’s contribution and how those around them view and value their efforts. Questions three (At work, I have the opportunity to do what I do best every day), four (In the last seven days, I have received recognition or praise for doing good work), five (My supervisor, or someone at work, seems to care about me as a person) and six (There is someone at work who encourages my development), in the Q\textsuperscript{12} shown in table 3.5, apply to this stage. Gallop
(2001, p.8) points out that this is the stage during which employees are most likely to consider whether they feel valued, whether their talents are being used, and whether someone at work genuinely cares about them. Management’s support at this stage is crucial since the interactions employees have with their managers define perceptions of value.

Once individuals have successfully progressed through the first two stages the focus shifts away from themselves and toward the team and company. During this stage the individual assesses the interactions with colleagues and the extent to which their values and purpose are aligned with that of the team and organisation. Personal and professional alliances are formed during this stage, which contributes vastly to the individual’s engagement level. Questions seven to ten (At work my opinions seem to count; The mission or purpose of my company makes me feel my job is important; My associates or fellow
employees are committed to doing quality work and I have a best friend at work) of the Q$^{12}$ apply to this stage.

The final stage to full engagement can only be achieved if employees have answered positively to the preceding three stages. During this final stage employees will feel that their basic needs have been met, that their contributions are valued, and that they belong in the team, and are now in a position to turn their attention to innovation and growth. Questions eleven and twelve (In the last six months, someone at work has talked to me about my progress and This last year, I have had opportunities to learn and grow at work) address growth and development opportunities in terms of the Q$^{12}$, depicted in table 3.5.

According to Gallop’s (2001, p.8) definition of employee engagement, it is when individuals begin to look for ways to improve, to develop and grow in the team that they can be considered completely engaged.

**Relationship between managerial talent and employee engagement**

The manager plays a crucial role in terms of Gallop’s approach to employee engagement and strategy for improved business unit performance. Harter as cited in Coffman and Gonzalez-Molina (2002, p.254), utilising the Q$^{12}$ a significant correlation between managerial talent and employee engagement ($r$ of 0.35). Strong correlations were also found between managerial talent to business unit performance ($r$ of 0.30) and employee engagement to business unit performance ($r$ of 0.26). These results indicate that managers influence performance directly by utilising their talents and indirectly by inspiring (managing) their employees. Managers of business units therefore, play a pivotal
Luthans and Peterson (2001, p.384) advanced the engagement – managerial effectiveness debate by analysing the relationship between managerial self-efficacy and employee engagement, utilising Gallop’s Q\textsuperscript{12}. They determined that the Q\textsuperscript{12} did not only relate to desirable retention and performance outcomes, but also managerial effectiveness. A strong correlation was found between self-efficacy and the employee engagement-managerial effectiveness relationship. This relationship, depicted in figure 3.2, can best be described as a double-edged sword. Employees who enjoy a close relationship with their managers, who feel their opinions count, and who believe their managers have an interest in their development (emotional engagement), are more likely to respond positively to their managers and therefore produce favourable outcomes. These behaviours serve to strengthen the manager’s self-efficacy. Employees who are cognitively engaged, i.e. know what is expected of them and strive to grow and develop, are more likely to experience success, thus further strengthening the manager’s self-efficacy. Engaged employees’ successes therefore lead to an increase in managerial self-efficacy, which in turn serves to strengthen employee engagement.

Figure 3.2 clearly illustrates the influence of the manager on employee engagement, which in turn strengthens his/her own self-efficacy thereby reinforcing efforts to further engage employees. Luthans and Peterson (2001, p.384) offer a number of suggestions for developing managers to assist them in engaging their employees. These suggestions are discussed in chapter four.
McDade and McKenzie’s approach to determining knowledge workers’ engagement levels is discussed in the following section.

### 3.3.3 McDade and McKenzie’s Approach to determining engagement levels

McDade and McKenzie’s (2002, p.34) approach is based on measuring engagement levels of knowledge workers at a Global Investment Bank (GIB). Their objectives were firstly, to identify key factors that had the largest influence on engagement and secondly, identify specific actions GIB could focus on that would increase engagement among knowledge workers. They commenced their study by defining knowledge workers as the individuals who use their ideas, creativity, and intellectual rigor to create extra value for the organisation (this extra value is often intangible). Contrary to Gallop’s approach (discussed in section 3.4), their findings indicate that knowledge workers have fundamentally
different needs and aspirations, and that the manager is not at the core of the relationship. Three elements comprise McDade and McKenzie’s (2002, p.35) definition of engagement namely job satisfaction (which they describe as fleeting and narrow but necessary), advocacy (would you recommend this as a place to work) and desire to stay. These three elements comprise their engagement index as depicted in figure 3.3. They identified four key drivers of engagement for knowledge workers; they are as follows, in order of importance:

- **Life at work** comprising of the following elements, challenging work, resources to get the job done, empowerment/autonomy and work-life balance;
- **Values** comprising the following elements, support (financial, emotional and resources), free to be themselves and motivated;
- **A trusted direction: Leadership** comprising of the following elements namely trust and open communication; and
- **The manager’s role in engagement** comprising performance reviews and recognition.

The engagement model of McDade and McKenzie (2002, p.37) for determining knowledge workers’ engagement levels is depicted in figure 3.3. The model clearly illustrates the relationship between the survey questions, drivers and engagement index.
McDade and McKenzie (2002, p.36) caution against applying standardised engagement approaches due to organisational differences and recommend that the following steps be followed.

- Accept that knowledge workers are not going to be with the organisation forever. Therefore, understand the nature of the transaction they have bought into.
- Know where the knowledge workers are in your organisation. They may be found at all levels throughout the organisation.
- Know the roles you want to hire knowledge workers in. These roles should provide sufficient challenge.
- Ask the knowledge workers a lot of questions to understand how they perceive their roles in the organisation.
Conduct a thorough analysis to determine the true drivers of engagement.

Prioritise your actions according to the drivers where low scores were incurred. Actions that are implemented should be in direct response to feedback received.

Avoid overload – rather focus on the most important things than too many all at once.

These steps outlined by McDade and McKenzie (2002, p.36) are particularly relevant to this research project and were considered in the compilation of the questionnaire, discussed in chapter five. Although McDade and McKenzie’s approach (depicted in figure 3.3) identifies a different set of drivers for knowledge workers in particular, there are a number of survey questions that overlap with Gallop’s approach mentioned in table 3.5. These include challenging work, tools to do the job, making a contribution, empowerment, recognition, feeling appreciated, the manager’s role and opportunities to grow. The most significant differences between the two approaches lie in the values driver identified by McDade and McKenzie, their down playing of the manager’s role and suggesting that standardised engagement approaches may not apply equally to all organisations.

The International Survey Research’s approach to engagement is discussed in the following section.
3.3.4 International Survey Research Approach

International Survey Research’s (ISR) (2003, p.3) approach to measuring employee engagement, as depicted in figure 3.4, focuses on three interrelated components namely cognitive (think), affective (feel) and behavioural (act). Based on this definition of engagement using data from more than 360 000 employees and 41 companies all over the world, they have found a significant correlation between highly engaged employees and corporate financial performance. Their premise for improved organisational effectiveness and profitability is based on measuring employees’ engagement levels and creating the desired match between organisational climate and business strategy.

Figure 3.4: International Survey Research’s Approach to Engagement
Source: ISR (2003, p.3)

ISR’s approach like most other approaches for measuring employee engagement includes determining how employees feel (affective
component) about the company, the leadership, the work environment, loyalty and colleagues, as well as whether employees intend to stay, give extra effort and wish to grow (behavioural component). The third dimension cognitive (think) however, distinguishes ISR’s approach from most of the others and assists organisations to understand what it is that drives employee engagement in their work force. Measures in this dimension include whether employees’ believe and support the organisation’s goals and values.

From the discussion above the question arises; how do you connect organisational values and goals to the cognitive (think) dimension? ISR (2003, p.2) asserts that top management play a significant role in influencing employees’ cognitive dimension. This dimension relies on employees’ evaluation of the goals and values of the organisation, which are primarily communicated by top management. Work-unit level and direct supervisor-employee communications that do not reflect the personal goals and values of top management will therefore not impact cognitive engagement unless the same messages are also coming consistently from senior executives. In other words, if top management chooses customer satisfaction as a primary goal, senior executives should consistently mention this in both formal and informal communications.

Consequently, because organisations have different goals and values, ISR (2003, p.3) like McDade and McKensie (discussed in the previous section) proposes a tailored approach incorporating the unique characteristics of each organisation. Their incorporation of the cognitive dimension (not to be confused with cognitive engagement discussed in section 2.2.2) focusing on measuring employees’ belief in and support for organisational goals and values, rely heavily on top management’s
communication. This emphasises the role management plays in improving employee engagement, which corresponds with Gallop’s approach, discussed in section 3.3.2.

3.4 SYNOPSIS OF APPROACHES FOR MEASURING EMPLOYEE ENGAGEMENT

Measuring the contribution of human capital has increasingly enjoyed prominence as more organisations realise the importance of tapping into their human resource as a means to gain competitive advantage. Watson Wyatt (2003), ISR (2003), and Gallop (2001) provide significant evidence that engaged employees add significantly to the bottom line. Bates (2003, p.15) points out that measuring employees’ engagement levels will guide organisations to run more effectively, gain competitive advantage and boost profits. An investigation of the approaches for measuring employee engagement as discussed in this chapter, led to the following conclusions.

§ The first step to measuring employee engagement is to develop a definition. How you define employee engagement will then determine the drivers, which will differ depending on what is measured. Towers Perrin (2003) as discussed in section 3.3.1, identified different drivers for attracting, retaining and engaging employees.

§ The top ten drivers engaging employees according to Towers Perrin’s research discussed in section 3.3.1 do not include any items that refer to pay or benefits. This finding compares well with the drivers of engagement determined in section 2.4. The top ten drivers comprise items relating to the work environment, training and development and are summarised as follows.
Senior management has sincere interest in employees’ well-being
Company provides challenging work
Employees have appropriate decision-making authority
Company cares a great deal about customer satisfaction
Employees have excellent career opportunities
Company has reputation as good employer
Employees work well in teams
Employees have resources needed to perform jobs in high-quality way
Employees have appropriate decision-making input
Senior management communicates clear vision for long-term success

Different categories of workers may require a different approach to measuring their level of engagement. McDade and McKenzie’s approach discussed in section 3.3.3 revealed that knowledge workers have a different set of drivers comprising of work life, values, senior leadership and the direct manager.

Employees progress through various stages on their way to becoming fully engaged. This is referred to as an engagement hierarchy comprising four stages namely basic requirements of the job, employee’s contribution, match with team members and company values, and if the preceding stages are met successfully innovation and growth, according to Gallop’s approach discussed in section 3.3.2.

The manager’s role in providing the right climate and support for employees is paramount according to Gallop’s approach referred to in section 3.3.2. ISR’s approach discussed in section 3.3.4 underscores top management’s role in securing cognitive engagement.
Gallop’s Q\textsuperscript{12}, discussed in section 3.3.2, for the measurement of employee engagement has been scientifically validated and represents a proven yardstick that can be applied in any type of organisation.

Engagement approaches should make provision for organisations’ unique circumstances and should therefore be tailored to meet the company’s requirements.

The approaches to measuring employee engagement discussed in this chapter contribute significantly to the challenging task of proving human resources’ worth to the bottom line. Determining the exact metrics for the assessment of the human resources’ contribution is still proving elusive. However, Bates (2003, p.15) concludes that it need not be a complicated process and that in the end it boils down to three questions. What people make a difference? Why do they make a difference? And how?

The abovementioned conclusions are of particular relevance to this research project and were considered in the compilation of the employee engagement model, discussed in chapter five.

3.5 CONCLUDING REMARKS

The aim of this chapter was to firstly consider the rationale for measuring employee engagement and secondly, identify the characteristics of the approaches used for determining engagement levels. The approach adopted to achieve this aim was to identify proof that engagement contributed to competitiveness and organisational effectiveness. This was done by firstly examining the changing nature of work and confirming the considerable impact engaged employees have on the bottom line. Secondly, engagement approaches were
analysed in order to derive guidelines for the formulation of the research questionnaire, discussed in chapter six, and the development of the engagement model discussed in chapter five.

Chapter four focuses on the identification and positioning of strategies used by organisations to enhance employee engagement.
business outcomes. Managers should therefore work towards achieving fives on these questions, which will contribute most towards building a productive workplace.

The Gallop Q12

1. I know what is expected of me at work
2. I have the materials and equipment I need to do my work right
3. At work, I have the opportunity to do what I do best every day
4. In the last seven days, I have received recognition or praise for doing good work
5. My supervisor, or someone at work, seems to care about me as a person
6. There is someone at work who encourages my development
7. At work my opinions seem to count
8. The mission or purpose of my company makes me feel my job is important
9. My associates or fellow employees are committed to doing quality work
10. I have a best friend at work
11. In the last six months, someone at work has talked to me about my progress
12. This last year, I have had opportunities to learn and grow at work

Table 3.5: Gallop’s employee engagement measuring instrument
The design and performance relatedness to business unit-level outcomes of the Q$^{12}$ has been proven according to Coffman and Gonzalez-Molina (2002, p.251). Business units scoring above the median on the Q$^{12}$ had a seventy per cent higher probability of success as compared to business units scoring below the median. Business units scoring above the median on employee engagement had one half standard deviation higher performance in comparison to business units scoring below the median.

**The Engagement Hierarchy**

According to Gallop (2001, p.7) there are four stages an employee goes through on the way to complete engagement, which makes up the Engagement Hierarchy as depicted in figure 3.1. Stage one represents a basic need and covers the first two questions (I know what is expected of me at work and I have the materials and equipment I need to do my work right) in the Q$^{12}$ depicted in table 3.5. Knowing what is expected and having the tools and material to do the job are most important when an employee first starts in a new role. Progress to the next level is only possible once the employee answers positively to both these questions.

Stage two in the engagement hierarchy as depicted in figure 3.1, focuses on the employee’s contribution and how those around them view and value their efforts. Questions three (At work, I have the opportunity to do what I do best every day), four (In the last seven days, I have received recognition or praise for doing good work), five (My supervisor, or someone at work, seems to care about me as a person) and six (There is someone at work who encourages my development), in the Q$^{12}$ shown in table 3.5, apply to this stage. Gallop
(2001, p.8) points out that this is the stage during which employees are most likely to consider whether they feel valued, whether their talents are being used, and whether someone at work genuinely cares about them. Management’s support at this stage is crucial since the interactions employees have with their managers define perceptions of value.

Once individuals have successfully progressed through the first two stages the focus shifts away from themselves and toward the team and company. During this stage the individual assesses the interactions with colleagues and the extent to which their values and purpose are aligned with that of the team and organisation. Personal and professional alliances are formed during this stage, which contributes vastly to the individual’s engagement level. Questions seven to ten (At work my opinions seem to count; The mission or purpose of my company makes me feel my job is important; My associates or fellow

Chapter 3: Measuring employee engagement
employees are committed to doing quality work and I have a best friend at work) of the Q^{12} apply to this stage.

The final stage to full engagement can only be achieved if employees have answered positively to the preceding three stages. During this final stage employees will feel that their basic needs have been met, that their contributions are valued, and that they belong in the team, and are now in a position to turn their attention to innovation and growth. Questions eleven and twelve (In the last six months, someone at work has talked to me about my progress and This last year, I have had opportunities to learn and grow at work) address growth and development opportunities in terms of the Q^{12}, depicted in table 3.5. According to Gallop’s (2001, p.8) definition of employee engagement, it is when individuals begin to look for ways to improve, to develop and grow in the team that they can be considered completely engaged.

Relationship between managerial talent and employee engagement

The manager plays a crucial role in terms of Gallop’s approach to employee engagement and strategy for improved business unit performance. Harter as cited in Coffman and Gonzalez-Molina (2002, p.254), utilising the Q^{12} a significant correlation between managerial talent and employee engagement (r of 0.35). Strong correlations were also found between managerial talent to business unit performance (r of 0.30) and employee engagement to business unit performance (r of 0.26). These results indicate that managers influence performance directly by utilising their talents and indirectly by inspiring (managing) their employees. Managers of business units therefore, play a pivotal
role in engaging their employees and in so doing ensuring higher performance levels and ultimate success for the organisation.

Luthans and Peterson (2001, p.384) advanced the engagement – managerial effectiveness debate by analysing the relationship between managerial self-efficacy and employee engagement, utilising Gallop’s Q$^{12}$. They determined that the Q$^{12}$ did not only relate to desirable retention and performance outcomes, but also managerial effectiveness. A strong correlation was found between self-efficacy and the employee engagement-managerial effectiveness relationship. This relationship, depicted in figure 3.2, can best be described as a double-edged sword. Employees who enjoy a close relationship with their managers, who feel their opinions count, and who believe their managers have an interest in their development (emotional engagement), are more likely to respond positively to their managers and therefore produce favourable outcomes. These behaviours serve to strengthen the manager’s self-efficacy. Employees who are cognitively engaged, i.e. know what is expected of them and strive to grow and develop, are more likely to experience success, thus further strengthening the manager’s self-efficacy. Engaged employees’ successes therefore lead to an increase in managerial self-efficacy, which in turn serves to strengthen employee engagement.

Figure 3.2 clearly illustrates the influence of the manager on employee engagement, which in turn strengthens his/her own self-efficacy thereby reinforcing efforts to further engage employees. Luthans and Peterson (2001, p.384) offer a number of suggestions for developing managers to assist them in engaging their employees. These suggestions are discussed in chapter four.

*Chapter 3: Measuring employee engagement*
McDade and McKenzie’s approach to determining knowledge workers’ engagement levels is discussed in the following section.

### 3.3.3 McDade and McKenzie’s Approach to determining engagement levels

McDade and McKenzie’s (2002, p.34) approach is based on measuring engagement levels of knowledge workers at a Global Investment Bank (GIB). Their objectives were firstly, to identify key factors that had the largest influence on engagement and secondly, identify specific actions GIB could focus on that would increase engagement among knowledge workers. They commenced their study by defining knowledge workers as the individuals who use their ideas, creativity, and intellectual rigor to create extra value for the organisation (this extra value is often intangible). Contrary to Gallop’s approach (discussed in section 3.4), their findings indicate that knowledge workers have fundamentally
different needs and aspirations, and that the manager is not at the core of the relationship. Three elements comprise McDade and McKenzie’s (2002, p.35) definition of engagement namely job satisfaction (which they describe as fleeting and narrow but necessary), advocacy (would you recommend this as a place to work) and desire to stay. These three elements comprise their engagement index as depicted in figure 3.3. They identified four key drivers of engagement for knowledge workers; they are as follows, in order of importance:

- **Life at work** comprising of the following elements, challenging work, resources to get the job done, empowerment/autonomy and work-life balance;
- **Values** comprising the following elements, support (financial, emotional and resources), free to be themselves and motivated;
- **A trusted direction: Leadership** comprising of the following elements namely trust and open communication; and
- **The manager’s role in engagement** comprising performance reviews and recognition.

The engagement model of McDade and McKenzie (2002, p.37) for determining knowledge workers’ engagement levels is depicted in figure 3.3. The model clearly illustrates the relationship between the survey questions, drivers and engagement index.
McDade and McKenzie (2002, p.36) caution against applying standardised engagement approaches due to organisational differences and recommend that the following steps be followed.

- Accept that knowledge workers are not going to be with the organisation forever. Therefore, understand the nature of the transaction they have bought into.
- Know where the knowledge workers are in your organisation. They may be found at all levels throughout the organisation.
- Know the roles you want to hire knowledge workers in. These roles should provide sufficient challenge.
- Ask the knowledge workers a lot of questions to understand how they perceive their roles in the organisation.

*Figure 3.3: McDade and McKenzie’s Engagement Research Model*

§ Conduct a thorough analysis to determine the true drivers of engagement.
§ Prioritise your actions according to the drivers where low scores were incurred. Actions that are implemented should be in direct response to feedback received.
§ Avoid overload – rather focus on the most important things than too many all at once.

These steps outlined by McDade and McKenzie (2002, p.36) are particularly relevant to this research project and were considered in the compilation of the questionnaire, discussed in chapter five. Although McDade and McKenzie’s approach (depicted in figure 3.3) identifies a different set of drivers for knowledge workers in particular, there are a number of survey questions that overlap with Gallop’s approach mentioned in table 3.5. These include challenging work, tools to do the job, making a contribution, empowerment, recognition, feeling appreciated, the manager’s role and opportunities to grow. The most significant differences between the two approaches lie in the values driver identified by McDade and McKenzie, their down playing of the manager’s role and suggesting that standardised engagement approaches may not apply equally to all organisations.

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![Figure 3.4: International Survey Research’s Approach to Engagement](image)

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From the discussion above the question arises; how do you connect organisational values and goals to the cognitive (think) dimension? ISR (2003, p.2) asserts that top management play a significant role in influencing employees’ cognitive dimension. This dimension relies on employees’ evaluation of the goals and values of the organisation, which are primarily communicated by top management. Work-unit level and direct supervisor-employee communications that do not reflect the personal goals and values of top management will therefore not impact cognitive engagement unless the same messages are also coming consistently from senior executives. In other words, if top management chooses customer satisfaction as a primary goal, senior executives should consistently mention this in both formal and informal communications.

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The manager’s role in providing the right climate and support for employees is paramount according to Gallop’s approach referred to in section 3.3.2. ISR’s approach discussed in section 3.3.4 underscores top management’s role in securing cognitive engagement.

Chapter 3: Measuring employee engagement
Gallop’s Q\textsuperscript{12}, discussed in section 3.3.2, for the measurement of employee engagement has been scientifically validated and represents a proven yardstick that can be applied in any type of organisation.

Engagement approaches should make provision for organisations’ unique circumstances and should therefore be tailored to meet the company’s requirements.

The approaches to measuring employee engagement discussed in this chapter contribute significantly to the challenging task of proving human resources’ worth to the bottom line. Determining the exact metrics for the assessment of the human resources’ contribution is still proving elusive. However, Bates (2003, p.15) concludes that it need not be a complicated process and that in the end it boils down to three questions. What people make a difference? Why do they make a difference? And how?

The abovementioned conclusions are of particular relevance to this research project and were considered in the compilation of the employee engagement model, discussed in chapter five.

### 3.5 CONCLUDING REMARKS

The aim of this chapter was to firstly consider the rationale for measuring employee engagement and secondly, identify the characteristics of the approaches used for determining engagement levels. The approach adopted to achieve this aim was to identify proof that engagement contributed to competitiveness and organisational effectiveness. This was done by firstly examining the changing nature of work and confirming the considerable impact engaged employees have on the bottom line. Secondly, engagement approaches were
analysed in order to derive guidelines for the formulation of the research questionnaire, discussed in chapter six, and the development of the engagement model discussed in chapter five.

Chapter four focuses on the identification and positioning of strategies used by organisations to enhance employee engagement.
CHAPTER 4

EMPLOYEE ENGAGEMENT STRATEGIES

4.1 INTRODUCTION

4.2 STRATEGIES INCORPORATING EMPLOYEE ENGAGEMENT TO ACHIEVE COMPETITIVE ADVANTAGE

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4.2.2 Gallop’s Path to Business Performance
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Chapter 4: Employee engagement strategies
CHAPTER 4

EMPLOYEE ENGAGEMENT STRATEGIES

4.1 INTRODUCTION

In the previous chapter consideration was given to motivating the utilisation of an employee engagement approach as a means to improve competitive advantage. A changing paradigm in the world of global competition (where innovation, speed, adaptability and low cost are demanded) was proffered as one of the key reasons for organisations to search for alternate sources (engaging employees) of competitive advantage. The chapter also considered arguments supporting measurement as a key building block in the process of engaging employees. Approaches for the measurement of engagement were discussed and a common set of measurement principles were developed (see section 3.4).

This chapter addresses firstly, organisational strategies that utilise employee engagement approaches as a means to improve business performance. The strategies are examined to determine the role of the engagement approach as well as the process and nature of the relationship thereof with other organisational factors.

In section 3.3.2 the crucial role that the manager plays in engaging employees was outlined. This leads to the second aim of the chapter namely: what strategies should managers follow to engage their employees? Thirdly, strategies for innovation and transformation are considered. The chapter concludes by reviewing South African attempts at engaging employees and analyses specific organisations’ (ABSA and VWSA) strategies. The chapter commences by identifying
strategies incorporating employee engagement as a means to achieving business success and competitive advantage. To this end, Sappal (2004, p.31) asserts that the difference between engagement strategies of today and those of the past is that employers are now linking them to the overall business plan and not merely influencing employee morale.

4.2 STRATEGIES INCORPORATING EMPLOYEE ENGAGEMENT TO ACHIEVE COMPETITIVE ADVANTAGE

In order to understand how employee engagement contributes to organisational performance, it is necessary to consider where it fits into an organisation’s business strategy. This section will review employee engagement strategies presented by Gratton (2000), Gallop (1999), International Survey Research (2003), and Sirotta, Mischkind, and Meltzer’s (2005) partnership relationship.

4.2.1 Gratton’s Strategy - Utilizing people to achieve competitive advantage

Gratton (2000, p.10) utilises clearly defined business goals as the basis for describing the linkage of the causal relationship between individual behaviour and financial performance, as depicted in figure 4.1. She asserts that highly competitive companies are created by focusing on well-defined business goals that are converted into an appropriate context in which people work. This implies that business goals are aligned with human resource practices such as pay, performance measurement, training and may also lead to the restructuring of jobs. These practices will over time positively influence individuals’ behaviours (aligned with business goals – i.e. speed of delivery) to deliver the kind of product or service commensurate with those demanded by customers.
Individuals’ behaviour and performance therefore determines the firm’s performance, which in turn leads to financial performance. Behaviour of individual employees, as depicted in figure 4.1, is at the centre of the value chain thus underscoring the importance of employees in creating competitive advantage. Gratton (2000, p.11) reports a growing body of research that identifies attitudes, skills and capabilities of people as having and creating sustainable competitive advantage. She attributes the potential of people to create competitive advantage to three aspects namely the ability to create rarity, value and inimitability. These aspects whereby people create competitive advantage are elucidated by means of examples in table 4.1.
<table>
<thead>
<tr>
<th>When is it rare</th>
<th>The Motorola University in Beijing, through training and mentoring, has created a Chinese management cadre whose commitment and loyalty ensure that skills and knowledge remain within the firm</th>
</tr>
</thead>
<tbody>
<tr>
<td>When is it valuable</td>
<td>Glaxo Wellcome’s creation of cross-functional teams has significantly reduced product time to market</td>
</tr>
<tr>
<td>When is it inimitable</td>
<td>The Hult Packard (HP) way and HP’s strong culture of commitment and involvement has proven to be very difficult for competitors to imitate</td>
</tr>
</tbody>
</table>

Table 4.1: How people create competitive advantage  
Source: Gratton (2000, p.11)

Three tenets of human behaviour

Gratton (2000, p.13) asserts that if people are to be the primary source of competitive advantage then organisational strategies should acknowledge the fundamental characteristics of human capital. She distinguishes amongst three major tenets of human behaviour namely people operate in time, we search for meaning and we have a soul. These three tenets form the basis of her nomenclature for engaging people to reach organisational goals and are used as a discussion piece to increase the insight into the organisation’s understanding of
the tenets. For each of the tenets questions are designed (i.e. How committed are individuals to the organisations vision? How are managers appraised? How long do people remain in a role?) to gauge where the organisation is failing to capitalise on employees’ potential to produce superior performance. Gratton (2000, p.16) describes the key characteristics of the three tenets as follows:

People operate in time

§ Past beliefs, hopes and commitments influence our current behaviour: ‘the memory of the past’;
§ Current behaviour is influenced by beliefs about what will happen in the future: ‘the memory of the future’;
§ Skills and knowledge take many years to develop;
§ Human development progresses through a shared sequence; and
§ Attitudes and values are resistant to sudden change.

Gratton (2000, p.216) asserts that unlike financial or technical capital, people operate in time and have memories of the past and expectations of the future. Human capital therefore, should be measured in years rather than hours and months. Employees’ willingness to contribute to organisational goals are therefore influenced by their past experiences (positive or negative) and future expectations (rewards or outcomes).

We search for meaning

§ We strive to interpret the clues and events around us, we actively engage with the world to seek a sense of meaning, to understand who we are and what we can contribute;
Symbols, which may be events or artefacts, are important in creating a sense of meaning; and
Over time groups of people create collective viewpoints, a sense of shared meaning.

The more employees experience meaning and purpose from their work the more engaged and inspired they become (This tenet relates to emotional engagement discussed in section 2.2.1). How appraisals and rewards relate to the purpose of the business are key dimensions for determining alignment, which consequently influences the meaning employees derive. Employees’ development needs (long term expectation) as well as policies that are no longer appropriate (in the new paradigm for doing business as discussed in section 3.2.1) causes misalignment to organisational goals and detracts from people experiencing meaning in their jobs.

We have a soul
Each of us has a deep sense of personal identity of what we are, and of what we believe in;
We can trust and feel inspired by our work – and when we do we are more creative;
We can dream about possibilities and events; and
We can choose to give or withhold our knowledge – depending on how we feel.

This tenet focuses on the ‘soft’ issues in people management namely respect, pride, emotions and commitment shown in the organisation. Gratton (2000, p.219) points out that this concerns the extent to which management includes ‘softer’ measures in their objectives and performance metrics. Gratton (2004, p. 7) states those organisations
that include the softer issues make regular use of employee surveys in an attempt to build employee commitment.

Organisations however, although they may aspire to appeal to the tenets influencing people, send mixed messages by creating working environments that are not conducive to harnessing the discretionary efforts of employees, thus causing misalignment between goals and individual behaviours. In order to ensure alignment and to utilise people as a source of competitive advantage, Gratton (2000, p.17) proposes nine capabilities that explicate the three tenets (time, meaning and soul).

**Strategy – nine capabilities**

Gratton’s (2000, p.17) nine capabilities for placing people at the heart of a strategy to gain competitive advantage and their relationship to the three tenets of human behaviour are depicted in figure 4.2. These capabilities require organisational and managerial competencies that are derived based on the analysis of the organisation using the three tenets.

In order to capture the first tenet (we operate in time) of human behaviour Gratton (2000, p.17) proposes three organisational and managerial competencies namely building compelling and engaging visions, to develop capabilities to sense the future, and to create a strategic approach to the management of people. These are briefly discussed below.
Building visioning capabilities relates to the ability to create and develop a vision of the future that inspires and engages people and provides a shared view of how to achieve it. Utilising peoples’ time perspective, the vision for the future should be inclusive, drawing people in by portraying a future that is meaningful and exciting.
The second capability namely *developing scanning* incorporates the ability to provide a blueprint of what the future may be like. Scanning the environment (political, economic, socio-demographic, competitors) for clues of what the future may hold and the impact it may have on the work organisation of people is essential. The anticipated view of the future then needs to be articulated in order to appeal to peoples’ time frames in dealing with change and organisational renewal. Gratton (2000, p.45) advises that this is an opportune time to check whether old policies are appropriate to meet the challenges of the future and formulate new ones.

Building a people-centred *strategy capability* requires an understanding of how the vision and goals can be attained through people and the actions necessary to bridge peoples’ perceptions and turn these perceptions into aspirations. According to Gratton (2000, p.45) this capability requires that a bridge (time line/frames) be built from the current realities to future visions and that employees’ inputs are crucial during this phase. She proposes a ‘strategy as learning’ process for the development of a people-centred strategy, which is based on dialogue at various levels in the organisation and assumes that there is the capacity to learn from one another. This approach clearly makes for maximum involvement from employees whilst acknowledging their specialised knowledge (this approach would appeal to knowledge workers as discussed in section 3.3.3).

In the following section diagnostic, systemic and adaptive capabilities derived from the tenet for developing meaning, as depicted in figure 4.2, are discussed.
Capabilities of the second tenet

Developing **diagnostic capability** implies that organisations need to know how employees feel and perceive their organisations. An analysis of what drives the organisation together with its aspirations, vision, goals, processes and systems make the organisation what it is and determines what actions/behaviours it requires from people. However, it also provides employees with clues as to what is valued by the organisation and what excites and motivates them. It is at this phase where an engagement approach (as discussed in chapter three) is essential for determining the drivers as well as the level of employee engagement.

Developing **systemic capability** involves a complex process aligning all the processes, systems and policies with each other and the goals of the organisation. Gratton (2000, p.18) points out that this represents one of the biggest challenges for organisations, as processes, systems and policies are interlinked and should be vertically and horizontally aligned in order to meet organisational goals. To achieve alignment it requires people who are capable of thinking systemically, therefore, seeing an organisation as an inter-related system of interdependencies (processes, systems and policies) where realignment of one element has an immediate impact on another.

Gratton (2000, p.67) asserts that for employees who experience the whole interlinked system on a daily basis this represents the meaning they derive from the organisation. Employees’ perceptions of meaning are distorted due to misalignment of organisational processes that are developed in isolation, especially human resource systems such as reward, development, training and career management. Systemic
capability therefore, involves aligning all the elements in such a way that the organisational context (climate) experienced by employees are maximised (meaning derived from organisation), and that they will willingly contribute discretionary effort (be engaged).

Building *adaptive capabilities* involves developing change competencies, which should acknowledge the human time frame for change whilst considering realigning organisational processes, systems and policies. According to Gratton (2000, p.69), the vision and business goals should provide the impetus for change specifying targets and spelling out what must be achieved, which will provide the blueprint for aligning processes and systems necessary to support change. Specified targets are necessary to initiate change and indicate to employees the path of transformation. Organisational processes should be aligned to support this path to renewal and change.

**Capabilities of the third tenet**

Capabilities of the third tenet, ‘we have a soul’, focuses on the ‘softer’ human aspects such as dealing with employees’ aspirations, gaining inspiration and building commitment; all of which are crucial elements for gaining competitive advantage when operating within the knowledge paradigm. Gratton (2000, p.73) however cautions that research has shown that only fifteen per cent of employees feel inspired by their jobs, thus indicating that capabilities in the third tenet are often neglected by organisations. She expounds this notion as follows.
“So while we may extol the precision of our strategy creation processes, or the exuberance and strength of our leaders, or the profound ability of our company to create shareholder value, the hidden, dirty secret is that many of us are working, and know we are working, in companies where neither we nor our colleagues feel inspired.”
(Gratton, 2000, p.73)

The first of the capabilities in the third tenet is to develop *emotional* capacity, which is vital for organisations that have knowledge at the centre of their strategy to create competitive advantage. Gratton (2000, p.85) places trust, inspiration and commitment at the heart of the organisation and emphasises that these elements should be measured to determine the emotional state of employees. These elements that cannot be supervised or forced from people, will determine whether they will share their knowledge or provide discretionary effort. People, unlike machines, have a sense of fairness and justice and have the capacity to withhold their knowledge and skills if they feel disrespected or are uncommitted.

According to Gratton (2000, p.83) continuous restructuring and cost cutting measures affect emotional reserves of organisations and drains its people of hope and energy. Conversely, hope, trust and commitment are built by providing people with a voice (adequate explanation why decisions are made), managers who are skilled in dealing with people and who listen. Covey (2004, p.5) also believes that peoples’ voice, which comprises their talents, passion (energy, things that excite, motivate and inspire), needs and conscience lie at the soul of the organisation and should be harnessed as a source of competitive advantage. However, in order to do so, organisations have to develop metrics that determine the ‘softer’ issues for example trust, commitment, and faith in the organisation/leadership vis-à-vis utilising an employee engagement approach.
Creating trust building capability relates to the justice and fairness with which people are treated and has a significant impact on trust and commitment. Human resource practices such as selection, objective setting, performance measurement, rewards, training and development, have a major impact on employees’ perceptions of justice and fairness. Gratton (2000, p.86) points out that the manner in which the human resource practices are implemented are just as important, thus alluding to the influence that both substantive and procedural justice have on employees’ commitment and trust. She suggests three factors that builds trust namely voice (have inputs and for peoples opinions to be heard), an individuals capacity to exercise choice at work and, the fairness of those making the decisions (referred to as interactional justice).

The final capability is to build the psychological contract, which according to Gratton (2000, p.93), has become blurred due to organisations continuously revising their goals in order to remain competitive. Continuous change causes misalignment between organisational goals and employee expectations thereby complicating the psychological contract. Organisations today have moved away from the traditional employee-employer relationship that was characterised by a fairly stable alignment between organisational goals and employee expectations, where the employer would look after the employee (paternalistic approach).

Gratton (2000, p.93) argues that the new psychological contract should be formulated by considering peoples’ sense of time (loss of the past, anxiety about the future, and concern for the present), emotions (meaning they derive) and amount of trust and commitment they feel towards the organisation. In addition, human resource practices
(remuneration, training and performance measurement) should be aligned with the goals of the organisation giving employees direction and shaping their expectations of the future.

Gratton’s (2000) strategy depicted in figure 4.2 clearly places the human resource (people) at the heart of the organisation’s capability to create competitive advantage. Her approach albeit a more strategic approach, relies extensively on the contribution employees make and the commitment they show to deliver discretionary effort (engagement). The three tenets (time, meaning and soul) of human behaviour on which the nine capabilities are based underscore the essence of employee engagement. Four of the abovementioned capabilities namely strategic, diagnostic, adaptive and emotional capabilities require that employees’ feelings/attitudes should be measured, therefore, justifying the use of an employee engagement approach as discussed in chapter three.

In the following section Gallop’s path, using an employee engagement approach, to business performance is discussed.

4.2.2 Gallop’s Path to Business Performance

The Gallop Organisation’s (2001, p.5) proposed path to improved business performance depicted in figure 4.3 has been developed based on twenty-five years of research, and has as its nexus an employee engagement approach (discussed in section 3.3.2). There are however, eight steps in Gallop’s (2000) path that organisations need to adhere to if they are to show an increase in stock (Gallop’s measure of business success). Each of the steps is discussed in more detail as follows.
Identify strengths

The first step as depicted in figure 4.3 is to identify the individual strengths of employees entering the organisation. Buckingham and Coffman (1999, p.247) assert that the first step is crucial if the remaining linkages to customer satisfaction, revenue, growth and profit are to occur. They point out that most organisations err in their approach to selecting employees because they use skills and knowledge as primary criteria instead of hiring talented individuals. Coffman and Gonzalez-Molina (2002, p.34) criticise the competency-
based approach (so popular with human resource departments because it is thought to contribute to their strategic role) for assessing and selecting employees describing it as a dead end incapable of rendering improved productivity, customer satisfaction or profits. Conversely, they argue that talented employees utilised in the right positions leads to improved productivity, customer satisfaction and profits. Coffman and Gonzalez-Molina (2002, p.35) have identified four mistakes organisations make in selecting employees; they are summarised as follows:

§ The first mistake organisations make is in the selection process where the focus is placed on what is important for the job such as three years experience or a certain qualification. It is assumed that people with the same background have the same potential for performance, which is a fallacy given peoples’ different needs and aspirations. Organisations recruiting employees therefore, show little appreciation for the individual talents of people let alone utilising those talents optimally in the right job (fit);

§ Secondly, evaluation focuses on what employees do wrong in order to correct “gaps” via training. Coffman and Gonzalez-Molina (2002, p.36) assert that the focus should rather fall on the strengths of employees as opposed to focusing on correcting gaps via training that may or may not be successful. By focusing on the strengths of employees it allows them to optimally utilise their talents that lead to superior performance, which is necessary if people are to derive meaning from their jobs;

§ The third mistake relates to the process and targeting of training programmes. Training provides standardised information to reach a specified level of performance and focuses on correcting ‘gaps’ (employee weaknesses). This approach to training does not yield
superior performance because employees are not all at the same level and training courses seldom focus on adding to the strengths of people. Often training has proven ineffective due to the focus being placed on correcting individuals' weaknesses whereas the person may not have the aptitude for that function; and

The fourth mistake relates to role allocation. Because promotions are based on performance, people who are promoted often find that the new job requires an entirely different set of talents (top salesman promoted to a managerial position). In this case the promotion is damaging to both the employee and company.

Coffman and Gonzalez-Molina (2002, p.37) report that their research found no evidence that training consistently led to superior performance. Conversely, the best performing employees consistently added to real and sustainable value. Therefore, the question that organisations need to ask before employing individuals is: What factors or themes distinguish high performing individuals from individuals who deliver average performance and have a greater propensity to become not-engaged? Coffman and Gonzales-Molina (2002, p.41) identified thirty-four specific naturally recurring patterns based on peoples thinking, feeling, and behavioural responses (refer table 4.2). They believe that these responses are initiated by connections in the brain and are therefore enduring. The neurological connections link the various themes in each category to stimulate emotional and behavioural responses that lead to superior performance. People can exhibit one or more of the themes per category and the intensity of each theme may vary with each person. The interaction of the themes explains how people relate, make an impact on others, strive towards goals, and think. Coffman and Gonzales-Molina’s (2002, p.41) themes and talents are depicted in table 4.2.
Table 4.2: Thirty-four talents that lead to superior performance  
Source: Coffman and Gonzales-Molina (2002, p.41)

Relating talents depicted in table 4.2 refer to individuals’ ability to create, develop and sustain relationships. These themes will distinguish how people reach out and respond to people and how people in turn respond to them. Impacting talents according to Coffman and Gonzales-Molina (2002, p.44), prompt people to set a course for other individuals and motivate them to follow that course. Those with impacting talents therefore, stimulate others to be more productive and inspire them to reach their full potential. The striving talents depicted in table 4.2, also referred to as the drivers of human behaviour, serve to motivate the person and energises the individual to complete tasks. People who fall in this category will be self-motivated and push themselves to improve and reach even greater heights of performance.
Thinking talents relate to how people gather, process and make decisions. Gallop’s (2001, p.5) research distinguishes between people who consider the past, those that live in the present and those that have a future orientation in the way they process information. The thinking talents closely resembles Gratton’s (2000, p.17) first tenet of human behaviour namely people operate within a time frame, discussed in section 4.2.1.

Finding people with the right talent leads to superior performance more often than training and developing individuals to reach specific performance targets. Cook (2001, p.279) supports this notion and asserts that it is axiomatic that employers who succeed in selecting highly talented employees will make more money. The next step in Gallop’s (2001, p.5) path depicted in figure 4.3 is to find the right fit.

**The right fit**

The second step involves finding the right ‘fit’ between employees and positions where they are allowed to utilise their talents. It is evident from table 4.2 that people bring a multitude of talent, at various levels and degrees of intensity, to the organisation. The challenge for managers is thus to harness and channel that talent in the right direction by utilising people in positions where they can best apply their talents. Coffman and Gonzales-Molina (2002, p.60) assert that the most efficient way to use employees is to use their strengths. They also state that great organisations have learnt to deploy peoples’ enduring talents to their best advantage.

L’Oreal rated Europe’s number one company by Fortune 500, places a high premium on discovering and utilising talent optimally. Vachey
(2004, p.15), L’Oreal’s executive vice president describes their approach to the identification of talent as follows:

“From management’s perspective, the individual is at the heart of each manager’s daily preoccupation in an endeavour to ensure that talented individuals are granted a fast career path.”

Superior performance will therefore, to a large degree, depend on how the human resources are deployed. Are talented employees applied in the ‘right’ positions where their talents and aspirations create organisational competences that lead to competitive advantage? Johnson and Scholes (2002, p.147) emphasise the importance of astutely assigning employees in areas where their knowledge may be exploited and shared with others who can build on it.

**Selecting great managers**

According to Buckingham and Coffman (1999, p.248) this step represents the most critical juncture in the path, as organisations try to find ways of engaging their talented employees. They classify pay and providing better benefits as low-character solutions to engaging employees, and suggest that the secret to engaging employees lies in the selection of great managers. The rationale for using talented managers (Gallop’s approach) to engage employees was discussed in section 3.3.2, where the relationship between managerial talent and employee engagement was clearly indicated. It is now necessary to ask the question. What is it that managers should do to engage their employees?
Buckingham and Coffman (1999, p.66) propose that managers move away from conventional management thinking that proclaims the following with regard to the management of employees:

- Select a person based on experience, intelligence, and determination;
- Set expectations by defining the right steps;
- Motivate individuals by helping them to identify and overcome their weaknesses; and
- Develop the person by helping him/her learn and get promoted.

Buckingham and Coffman (1999, p.67) state that although the abovementioned approaches to the management of employees seem plausible they all miss the mark as far as superior performance and engaging employees are concerned. They propose that great managers espouse a different people management aphorism, which is summarised as follows:

- People don’t change that much;
- Don’t waste time trying to put in what was left out;
- Try to draw out what was left in; and
- That is hard enough.

According to Buckingham and Coffman (1999, p.67) when managers operate from the abovementioned aphorism they will manage people as follows:

- When selecting someone, they will select for talent - not simply on experience, intelligence or determination;
When setting expectations, they define the right outcomes - not the right steps;
§ When motivating someone, they focus on strengths – not on weaknesses; and
§ When developing someone, they help him/her find the right ‘fit’ – not simply the next rung on the ladder.

Coffman and Gonzales-Molina (2002, p.99) assert that talented managers know that unleashing employees' full potential depends on the environment in which they operate. Gallop’s Q¹² depicted in table 3.5, can assist managers to provide a conducive environment allowing employees to maximise their performance. Coffman and Gonzales-Molina (2002, p.100) propose that managers follow the steps outlined by Gallop’s Q¹², as follows:

1. Define the right outcomes
2. Provide the necessary tools
3. Select for talent
4. Focus on each person’s strengths
5. Care for employees
6. Find the right fit
7. Let people be heard
8. Help each person find meaning

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We’re all in this together
You’ll be there when I need you (belonging)
Look how far you’ve come (growth & development)
Organisations learn through their people

According to Gallop (2001, p.7) having great managers is the most important step in the path to organisational performance depicted in figure 4.3. Buckingham and Coffman (1999, p.34) capture the significance of the manager’s role as follows:

“It is better to work for a great manager in an old-fashioned company than for a terrible manager in a company offering an enlightened, employee-focused culture.”

Coffman (2002, p.2) cautions that managers tend to ignore their top performing employees (engaged employees) because they deliver superior performance. They therefore require little or no input from the manager to perform. Conversely, he asserts that great managers spend most of their time with their talented and productive employees because they have the most potential for delivering superior performance. Coffman (2002, p.3) recommends that managers who wish to engage their employees follow strategies that have been recognised as driving employee engagement. They include setting clear expectations, giving employees the right material, focusing on the employee, and recognising their best performers.
Engaged employees

This step in Gallop’s (2001, p.5) path depicted in figure 4.3 rests on the supposition that engaged employees produce superior performance that leads to organisational growth and financial success. The contribution of engaged employees towards business success was discussed in section 3.2.2 (it makes business sense); where it was established that organisations with highly engaged employees yielded up to nine times higher return on investment for shareholders than in organisations where employees were disengaged.

Many organisations have realised the importance of having engaged employees in providing superior customer service and products. Welch, CEO of General Electric as cited by Buckingham and Coffman (1999, p.247), describes the relationship between engaged employees and customers as follows: “Any company trying to compete should engage the mind of every employee especially in the service industry where the company’s value is delivered to customers by individual employees”.

Gallop’s (2001, p.78) Q12 approach depicted in table 3.5 for the measurement of employee engagement and discussed in detail in section 3.3.2, should be applied during this step. Gallop (2001, p.78) presupposes that engaged employees will answer in the affirmative to all the Q12 questions thereby confirming their commitment to superior customer service delivery (if the outcomes were outlined correctly at the outset). Where employees fall short on any of the Q12 questions managers will immediately be able to introduce corrective measures (as discussed in the preceding section - selecting great managers).
Engaged customers

Buckingham and Coffman (1999, p.246) assert that the most critical driver of sustainable growth is an expanding base of loyal customers. Loyal customers according to Gallop (2001, p.8) can only be created by treating customers to superior products and services, which in turn are delivered by engaged employees. Kirn, Rucci, Huselid and Becker (1999, p.333), Robert-Phelps (2000, p.8), and Gray (2004, p.10) all support the notion that loyal customers provide the basis for sustained growth that leads to increased profits. Coffman and Gonzales-Molina (2002, p.210) report that a Gallop survey conducted in the United States revealed only twenty-one per cent of customers to be fully engaged. More than fifty-eight per cent were not-engaged or actively disengaged. They point out the striking similarity between the figure for engaged employees (seventeen per cent) and engaged customers (twenty-one per cent). Coffman and Gonzales-Molina (2002, p.210) describe the engaged customer’s profile as follows:

- Responsive – they pay their bills on time;
- Positive – they show a consistent pattern of effective use of the organisation’s services including new products;
- Listeners – they are more likely to try the organisation’s newest innovations or brand extensions;
- Fair – they are least likely to institute restitution claims; and
- Sustainable – they value long-term relationships with their brands and provider organisations.

Coffman and Gonzales-Molina (2002, p.219) identified a list of requirements depicted in table 4.2 that organisations have to comply with if they wish to emotionally engage their customers. Coffman and
Gonzales-Molina (2002, p.225) based the requirements depicted in table 4.2 on their research outcomes into engaged customer behaviour that revealed the following:

- Engaged customers always come back for more. Customer engagement was based on an emotional bond formed by superior employee-customer interactions;
- Customers do not always settle for the best. They settle for options that satisfy a need;
- Customers are driven by their emotional memories (experience in purchasing an item) as opposed to rational decision making when repurchases are considered; and
- Repurchase decisions rely on connecting with the deep-seated emotions of the customer therefore, customers should be treated on an individual basis.
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Table 4.3: Requirements for emotionally engaging customers
Source: Coffman and Gonzales-Molina (2002, p.219)

Engaged customers according to Gallop's (2001) path depicted in figure 4.3 therefore, provide sustainable growth that in turn leads to increased real profits and improved stock prices.

**Sustainable growth, real profits and stock increase**

The remaining three steps in Gallop's (2001, p.5) path to superior performance and business success are discussed under one heading because the steps run concurrently and are reliant on employee, managerial and customer engagement processes implemented at an earlier stage in the path. Buckingham and Coffman (1999, p.246)
assert that organisations have a number of ways in which they can show growth and revenues including slashing prices, opening new stores and buying another company’s revenue stream. However, these techniques do not contribute to sustainable growth. They propose that sustainable growth be measured by considering the revenue per store, or revenue per product, or number of services used per customer. These measures are considered more accurate indicators of an organisation’s real growth that will contribute to long-term success and lead to increased profits.

Buckingham and Coffman (1999, p.245) state that real profit increase (derived from the normal operation of the organisation) is the most important driver of an increase in stock value. They acknowledge that there are variables beyond the control of organisations that could influence stock prices. However, only sustained profit increases (derived from employee engagement, great managers and engaged customers) can derive a sustained increase in stock price.

4.2.3 International Survey Research’s – Alignment Strategy

International Survey Research’s (ISR) alignment strategy depicted in figure 4.4, purports that employee engagement contributes significantly to improved business performance given that a number of organisational factors are aligned. From figure 4.4 it is clear that leadership, business strategy, and organisational culture should be aligned to provide people with a clear direction of the future and a consistent message (relayed by senior management and evident in organisational policies) as to what is expected from them. ISR’s (2003, p.2) strategy commences by extrapolating from senior management a shared meaning of their strategic business priorities. The next step involves selecting ‘change coalition leaders’ (high-performing or high-
potential employees at various levels) who are tasked with assessing the organisational culture and effecting change.

![Diagram of organisational alignment process]

**Figure 4.4:** International Survey Research’s – Alignment Strategy

**Source:** International Survey Research (2003, p.1)

Coalition leaders’ major task includes identifying cultural elements that both impede and support the execution of the strategic priorities. Following the cultural alignment with strategic business priorities, employees are surveyed using the ISR approach (discussed in section 3.3.4). In section 3.3.4 it was established that ISR uses a cognitive/think dimension in their assessment of employee engagement that determines firstly, what drives engagement in the organisation and secondly, whether employees believe and support organisational goals and values. Results from the employee engagement survey will then reveal the extent of employees’ perceived alignment between culture and business goals and values. ISR (2003, p.3) then uses their database to compare the organisation’s results with similar (innovators, cost leaders, etc.) high-performing organisations across the globe and recommend appropriate strategies for realignment. Typical areas of comparison may include organisation structure, stimulating work environment, knowledge management, teaming, empowerment and risk taking.
ISR’s (2003) alignment strategy depicted in figure 4.4 develops specific action plans for organisations based on their particular strategy and prevailing organisational culture. Results from the ISR survey on employee engagement are interpreted and used in formulating specific alignment strategies for organisations. Areas that are usually targeted for improvements include recognition systems (tie in with achieving strategic goals), career development, planning and internal communications.

ISR (2003, p.2) assert that alignment between the leaderships’ vision, organisational culture and employees’ expectations (engagement) determines organisational effectiveness. Misalignment of any of these factors renders the organisation ineffective and leads to frustration for the leaders (not being able to execute strategy), employees (working in an environment with too much friction), and finally leaving customers feeling less than delighted.

ISR’s (2003, p.3) alignment strategy assists organisations to develop their own unique action plans based on the alignment picture formulated by analysing the relationship between leadership (vision and goals), culture (organisational) and the level of employee engagement. The action plans according to ISR (2003) will lead to:

- Enhanced business performance in targeted areas;
- Improved understanding of how the organisation’s key components interact;
- Greater facility for making internal adjustments as the strategic priorities evolve; and
- Measures to assist employees in becoming engaged.
In the next section a ‘partnership’ relationship as a means to engaging employees for improved business performance will be discussed.

4.2.4 Partnership Relationship

In sections 4.2.1 - 4.2.3 the role and positioning of engagement strategies as a means to achieve business performance were discussed. However, these strategies provide modest clues into the people management approaches that support an engagement culture. In this section therefore, a high involvement people-management model (partnership) is considered which according to Sirota, Mischkind, and Meltzer (2005, p.266) contributes significantly to organisational success. The partnership model is preferred over other approaches such as transactional, paternalistic and adversarial that exist in organisations (in varying degrees), because it suits peoples’ expectations (the knowledge worker) in the modern workplace.

Sirota, Mischkind, and Meltzer’s (2005, p.9) partnership model is based on the premise that people at work strive towards three primary sets of goals, namely equity, achievement and camaraderie (referred to as the three factor theory of human motivation). They believe that organisational policies and practices should embrace (be aligned) the equity, achievement and camaraderie goals of employees and that the synergy that is developed by it provides the key to high workforce morale and improved performance of the firm. Sirota, Mischkind, and Meltzer (2005, p.10) describe the three factors as follows:

**Equity** encompasses being treated fairly in terms of basic conditions of employment as stipulated by the wider community. The basic conditions covers three elements. The first element physiological
includes aspects such as a safe working environment, a workload that
does not damage physical or emotional health, and a reasonably
comfortable physical working environment. The second element,
economic, comprises of reasonable job security, and satisfactory pay
and benefits. The third element, psychological, deals with being treated
with respect, reasonably accommodating individual and family needs,
consistent management and being afforded a fair hearing for
complaints;

**Achievement** refers to taking pride in one’s accomplishments by doing
things that matter and receiving recognition for it. Sirot, Mischkind,
and Meltzer (2005, p.15) identify six sources that determine
achievement, namely, challenge of the work itself, acquiring new skills,
ability to perform, perceived importance of the employee’s job,
recognition received for performance and working for a company of
which the employee can be proud; and

**Camaraderie** encompasses having warm, interesting and co-operative
relations with others at work. Relationships with co-workers, teamwork
within the work unit as well as across teams are important sources for
this element.

The three factors outlined above not only provide the basis for
assessing employee engagement but also provide the foundation on
which Sirot, Mischkind, and Meltzer (2005, p.266) base their
partnership strategy to engage people for business success. Their
strategy recognises that partnerships exist both at a horizontal and
vertical level in the organisation and that it is ‘**people working
**together – up, down, and across – toward common goals’ that

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bolster a firm's performance. They outline the characteristics of a successful partnership relationship as follows:

§ **Win-win.** Parties realise that they have common business goals and that the success of the one depends on the success of the other (interdependence);

§ **Basic trust.** The parties respect and trust each other’s intentions (common good);

§ **Excellence.** The parties set high performance standards for themselves and each other;

§ **Competence.** The parties have confidence in each other’s competence;

§ **Joint decision-making.** The parties share decision-making on issues that affect both of them;

§ **Open communications.** Communication is earmarked by open and frank sharing of information;

§ **Mutual influence.** The parties listen and are influenced by each other;

§ **Mutual assistance.** The parties help each other perform;

§ **Recognition.** The parties recognise each other for their contribution; and

§ **Financial sharing.** To the extent that the collaboration is designed to generate improved financial results, and that the parties share equitably in those results.

The abovementioned characteristics comply with all the requirements for engaging employees and could just as well be used as guidelines in the manager-employee relationship. Nevertheless, the researcher has reservations whether such a relationship is possible (for lower level employees) under South African circumstances given the considerable
influence trade unions exert on the employer-employee relationship, level of employee competence and as Horwitz (2004, p.9) points out the relative low importance South African organisations place on remuneration (see section 4.5.4).

This section reviewed strategies for the improvement of business performance that utilised an employee engagement approach and indicated the relationship thereof with other organisational factors. In the following section managerial strategies for engaging employees are discussed.

### 4.3 MANAGEMENT STRATEGIES FOR ENGAGING EMPLOYEES

A fundamental conclusion reached after examining the Towers Perrin (2003), Gallop (2001) and ISR (2003) approaches to employee engagement as discussed in chapter three, was the significant role a manager played in engaging employees. Analysis of these approaches identified managerial behaviours (Towers Perrin discussed in section 3.3.1) that drive engagement, and Coffman and Gonzales-Molina (2002, p.354) found a significant correlation between managerial talent and employee engagement as was discussed in section 3.3.2. These conclusions lead to the following question. What strategies (actions) should managers take for engaging their employees?
4.3.1 D’Aprix’s Manager’s Communication Model

D’Aprix’s (1982) manager’s communication model as cited by Gorman (2003, p.2) was developed to improve communication between the manager and employee by focusing on what it is that employees want and need to be satisfied on the job. D’Aprix’s model depicted in figure 4.5 translates the manager’s communication responsibilities into six questions that capture the interactive, relational processes of addressing information that employees need and suggest behaviours (employees) desired by the organisation.

![D’Aprix’s Manager’s Communication Model](image)

*Figure 4.5: D’Aprix’s Manager’s Communication Model*

*Source: Gorman (2003, p.2)*

Each of the six questions addresses a human psychological need that should be met in order to promote employee satisfaction. Gorman (2003, p.2) points out that answering the questions form a continuous
loop (hence representation in a circle) and that employees may revert to position one as a result of the introduction of new jobs, or new management and/or new assignments.

Although the model was developed in 1982, Gorman (2003, p.2) points out that applying the six questions in interactions with employees is even more relevant today, due to the quickening pace of communication and advances in electronic communications media (cell phones and e-mail). D’Aprix as cited by Gorman (2003, p.3) identifies five mayor influences that impact on the way managers communicate with their employees. These five influences are summarised as follows:

§ The impact of globalisation. Organisations are doing business all over the world, which means that managers and employees are separated across continents;

§ Ridiculously high performance standards imposed on companies. Shareholder demands force organisations to become ruthless in their attempts to achieve business success with little regard for the people that operate them;

§ The end of the social contract. The security that employees believed they had, by being loyal to the company and that leadership would reciprocate by looking after their employees has disappeared. Security has been replaced by insecurity and short-term contracts;

§ The outright devaluing of employees and their contributions to business results. D’Aprix as cited by Gorman (2003, p.3) asserts that companies have declared war on employees and regard them as dispensable, as they are the first to go when cost cutting measures are considered. He points out to the contrary
that in today’s global economy employees are indispensable; and

The explosion of technology over the last ten years. It has dramatically influenced the way work is performed and requires that employees have technological skills.

D’Aprix as cited by Gorman (2003, p.3) asserts that the abovementioned influences on the manager-employee interactions make it more important than ever for managers to make face-to-face contact with their employees, and clarify needs and expectations by applying the six questions as depicted in figure 4.5. According to D’Aprix’s model depicted in figure 4.5 the first question is to clarify the employee’s job responsibilities and expectations. Secondly, employees need to be told how well they are performing (feedback). Thirdly, employees need to know that someone cares, addresses employees’ emotional engagement levels, which will further enhance the employee’s willingness to tender discretionary effort. Questions four and five address performance of the work unit and vision, mission and values of the organisation respectively. Question five is particularly important according to D’Aprix (1982) as the vision needs to be interpreted in a way that it makes sense to employees and provides direction for channelling their behaviour (valued by the company).

Leaders’ actions must also be seen to reflect the values if organisations are to achieve buy-in from employees. Gratton’s (2000) strategy utilising people to achieve competitive advantage, discussed in section 4.2.1 and ISR’s alignment strategy discussed in section 4.2.3 support this notion. Step six addresses the employee’s willingness and ability to help (empowerment) and is tantamount to a fully engaged employee. According to Gorman (2003, p.3) the questions form a
continuous loop, and managers may have to revert back to question one due to changes in jobs, assignments and leadership.

D’Aprix’s management communication model closely resembles Gallop’s (2001) approach for measuring employee engagement discussed in section 3.3.2 however; it provides a simple yet useful blueprint of dialogue for managers to follow in engaging their employees.

4.3.2 Van Schalkwyk’s model for stimulating high performance

Maximising employee performance and understanding the constructs that support superior performance are key aspects for any organisation’s competitiveness or survival in the global economy. Van Schalkwyk (2004, p.23) developed an ‘Eight Way’ model for the improvement of people, teams and organisational performance. His model is based on research involving 5500 top businessmen and top performing athletes and identifying the similarities in behaviour of these superior-performing individuals. Van Schalkwyk’s (2004, p.23) eight-step model can serve as a useful guide for managers and organisations to inspire employees towards superior performance. The model comprises of the following elements.

§ Begin with passion

Appeal to employees’ emotions and tap into their dreams and aspirations, as these are the true sources of motivating people. Employees’ priorities are often overlooked as the drive for efficiency in organisations dehumanises the work place. Passion needs to be instilled in the work place by reconnecting people with their dreams in order to build a high performance organisation.
§ **Believe you can**

People are taught mediocrity that stifles their self-belief and in attaining their dreams. Challenge people to dream big and create the type of environment where people believe their wildest dreams are attainable. Assist people to believe they can excel measured against their own yardsticks and achieve their dreams and aspirations.

§ **Focus the action**

Too many confuse actions with results. People’s actions need to be focused on those aspects that bring about maximum outcomes. Assist employees to hone the most critical actions, so that it comes naturally when it really counts.

§ **Do it as one**

Modern technology has alienated people from each other and reduced inter-personal interaction. People need to rebuild their internal success networks and external business networks. They need to change the paradigm where they treat their manager as the customer and introspectively consider what it is like to interact with one another?

§ **Fuel the energy**

Leaders are too quick after an initiative or strategic drive has lost its initial excitement to turn to the next popular initiative. People’s energy should be rewarded even for small successes. It is especially important to identify those with the e-factor vis-à-vis employees with personal energy and drive to also invigorate others.
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§ Bite the bullet

People give up too quickly and believe they have given it their all, when in actual fact, they have merely tried the obvious. Get people to persevere and try again when in particular the competition would give up. Persistence should be rewarded especially if there are setbacks and even failure.

§ Break the barrier

The era of efficiency has brought about processes and procedures that have to be followed mindlessly. This stifles innovation and peoples’ potential to contribute beyond expected levels of performance. Find ways to relieve people from mechanistic slavery and determine what you should do that the competition is not willing to do.

§ Act with character

Many business leaders become so absorbed in achieving results that they loose sight that it is an organisation’s reputation for good service and caring for customers that ensure repeat business. Business leaders should pay attention to the ‘character test’, which involves rewarding truthfulness, dependability and activities that support the reputation of the business.

Considering van Schalkwyk’s (2004, p.23) model there are numerous steps that refer directly to the elements/drivers of employee engagement identified in chapter three. His model therefore supports the engagement paradigm and provides useful guidelines for managers...
in assisting their employees to reach higher levels of engagement and performance.

4.3.3 Strategies for developing managers’ self-efficacy

In section 3.3.2 the synergistic relationship that exists between employee engagement and managerial self-efficacy was outlined. Luthans and Peterson (2001, p.385) assert that engaged employees are a major source of managerial self-efficacy. They postulate that engaged employees’ superior performance leads to the psychological arousal of managers (feelings of achievement and self-worth). Managers therefore become enthusiastic about their engaged employees that in turn affect their self-efficacy (also see figure 3.1 relationship between employee engagement and managerial self-efficacy).

Luthans and Peterson (2001, p.385) recommend that self-efficacy, due to its predictive validity towards work-related performance, be included in the criteria for selecting and developing employees as well as managers. Bandura (2000) as cited by Luthans and Peterson (2001, p. 385) has developed three strategies for developing self-efficacy in practicing managers. These strategies are summarised as follows.

- The first strategy is referred to as **guided mastery** and involves instructive modelling to acquire a skill or competency, guided skill perfection, and then transferring the training back to the job to ensure self-directed managerial success.

- Secondly, Bandura (2000) as cited by Luthans and Peterson (2001, p. 385) proposes a strategy referred to as **cognitive mastery modelling**, which includes ways to enhance a manager’s efficacy for decision-making and problem solving in the workplace. This
involves learning thinking skills and knowing how to apply them by analysing the decision rules and reasoning strategies successful models use in arriving at solutions to problems that make business sense.

The third strategy involves developing **self-regulatory competencies** (i.e. self-motivation or self-management). The development of these competencies include a number of interlinked self-referent processes such as self-monitoring, self-efficacy appraisal, personal goal setting, and use of self-motivational incentives.

Luthans and Peterson (2001, p.385) mention, in addition to the abovementioned sophisticated strategies, that more **pragmatic approaches** for the development of managerial self-efficacy such as mastery experiences, vicarious learning/modelling, social persuasion/feedback, and physiological/psychological arousal also be considered.

### 4.3.4 International best practices for engaging employees

Howe (2003, p.2) asserts that companies have developed their own unique approach for creating a work environment that engages employees. However, he reports that there is a fundamental shared belief, amongst leaders of the most successful companies, that employee engagement is essential to business success and therefore, provides the motivation for investing in practices and behaviours (people orientated) that assist in realising the vision. Howe (2003, p.2) describes the people processes best employers use in executing their vision as follows:

Firstly, best employers devise ways to perpetuate the people-related values they cherish. Actions required to instil the people
values include selecting the right leader, enforcing required behaviours, reinforcing and building capability regarding desired behaviours, and holding leadership accountable for extending the behaviours throughout the organisation;

$\triangledown$ Secondly, best employers are good at executing core people practices. These practices include providing recognition, performance management, employee development, sharing the direction and aligning people to the business goals of the organisation. The way employees experience the day-to-day people practices defines the employment experience and therefore the execution of the leader’s beliefs and values regarding people;

$\triangledown$ Thirdly, leaders of best employers invest the time, effort and resources necessary to emotionally engage employees (make it a personal issue for them). These leaders translate the business goals into individual requirements that enable individuals to take responsibility for their contribution to the goals of the organisation by providing authority, resources and appropriate decision-making power; and

$\triangledown$ Finally, best employers understand their business model and know how it relates to their customers and the people practices necessary to achieve their goals. They have therefore, a common understanding of the workplace culture they are perpetuating in order to deliver business results through the application of people practices that engage their employees.

Howe (2003, p.4) in his research on best employer organisations identified five major issues leaders of these organisations have to contend with. They are attracting the right people with the right skills, retaining employees, developing people’s skills and capabilities in a
focused way, successfully managing change, and motivating/engaging employees to support the organisation’s business direction.

Kaye & Jordan-Evans (2003, p.2) researched what the twenty-five best global talent leaders did to build a culture that engaged their employees and what they did to foster loyalty and commitment in the workplace. Their findings are summarised in table 4.3.

### Table 4.3: Best Practices for Retaining Talented Employees and Engaging Them

| Reciprocity | View employees as investors |
| Seek great job fit | Remotivate after mergers and transfers |
| Be an employer of choice | Identify your stars |
| Each generation have different reasons for staying | Manage high-potentials carefully |
| Train as an investment | Career development |
| Recognise managers who keep employees | Create a development culture |
| Mentor widely in both directions | Hold managers responsible for their people management skills |

Table 4.4: Best practices for engaging and retaining employees

Source: Adapted from Kaye & Jordan-Evans (2003, p.2)

Analysis of the factors mentioned in figure 4.3 reveals a significant overlap with Howe’s (2003) research discussed earlier in this section, namely, finding the right fit, retention of key personnel, motivating employees, and the crucial role the manager plays. In addition to the factors shown in table 4.3 for engaging employees, top talent leaders agreed that competitive advantage could be achieved by organisations’ developing people-based strategies that conform to their unique

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requirements. They also confirmed that being challenged, developed, appreciated, heard and respected were key drivers in building employees’ commitment and loyalty (these factors correlate well with the primary drivers of engagement identified in chapter three).

In the next section strategies to engage employees for innovation and transformation are discussed.

4.4 STRATEGIES TO ENGAGE EMPLOYEES FOR INNOVATION AND TRANSFORMATION

In sections 4.2 and 4.3 strategies involving people to promote competitive advantage and the manager’s role in engaging employees were discussed respectively. This section examines the employee engagement strategies that promote innovation and drive transformation in organisations.

4.4.1 Employee engagement strategy for innovation

Newman (2003, p.26) asserts that the new agenda facing human resource professionals includes designing interventions and strategies that provide the right climate for engaging employees to deliver discretionary effort. His model depicted in figure 4.6, focuses on strategies that promote engagement for innovation and the organisational conditions (leadership, processes, behaviours) that support them. He uses the engagement pyramid (also referred to as the consulting pyramid) depicted in figure 4.6, to pinpoint the causes that lead to disengagement and structure organisational factors (including decision-making) on a hierarchical basis to support engagement.
Newman’s (2003) engagement model depicted in figure 4.6, suggests that leadership of organisations should firstly understand their business model that invariably includes the customer relationship. This understanding should then, in the second step, be translated into an appropriate organisational behavioural system that supports the business goals. The processes and subsequent tasks will then flow from the behavioural system that will serve to reinforce appropriate behaviours.

![Newman’s Engagement Pyramid](image)

**Figure 4.6: Newman’s Engagement Pyramid**

**Source:** Newman (2003, p.27)

Newman (2003, p.27) identified a number of crucial roles for the human resources department to play in promoting focused innovation. Firstly, human resource professionals should identify those behaviours that are reinforced which inadvertently promote disengagement (reward system not aligned with new goals/vision). Secondly, positive leadership behaviours should be defined, communicated and inculcated into everyday work behaviours (catch somebody doing something right). Thirdly, human resources must select managers and leaders who are capable of framing and communicating a fundamental
problem in such a way that individuals and teams are guided by an explicit engagement plan.

Fourthly, people who wish to influence others to be more innovative need to be leaders, models and teachers of innovative behaviours. Fifthly, human resources must identify ways to harness employees’ energy and engage them in new projects and issues that drive the business forward, in line with the goals of the organisation. The sixth role for human resource professionals involves decision-making and peoples’ preparedness to share information. Newman (2003, p.27) asserts that organisations suffer from decision-making paralysis caused by traditional organisational structures and managements inability to effectively deal with problems. Finally, leaders and managers need to share their knowledge and power with those people who could innovate (this is especially true in the knowledge era we find ourselves in).

A common understanding of Newman’s (2003, p.28) typology is that people not knowing what the organisation is trying to achieve cause disengagement as well as ineffective decision-making. He therefore proposes the following six drivers for creating employees that know how and when they can contribute to the overall success of the organisation (innovate).

**Direction**

Make it clear to people where the organisation is going and how the new vision is different. Explain how the new vision differs from the competition and why it is necessary to move out of established comfort zones.

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Focused logic

This involves identifying areas where innovation is most needed based on the organisation’s new business model. The organisation must first be able to answer the questions where and what kind of innovations do we want? Without answers to these questions the organisation will not be able to direct creativity amongst individuals and teams to where it is most desired.

Connection

Consideration should be given to the types of innovation that are best driven within the existing structures and those that require open and flexible processes. Within the plan for engagement and innovation, individuals and groups should be given appropriate levels of authority that will allow requisite decision-making in support of creative endeavours (as opposed to hindering and stifling innovation).

Common language

A common language for problem framing and solving should be developed for the organisation to prevent focusing on symptoms that only serve to reinforce disengagement. Everybody in the organisation should be trained in fundamental routines for specifying problems and modelling their components to a workable outcome.

Risk taking

Newman (2003, p.29) encourages organisations to take an external perspective on innovation by considering developments and the latest trends in the environment. He argues that too many organisations have
an internal focus toward innovation that stifles competitiveness and limits opportunities.

**Education**

Continuously educating employees in the ultimate goal of the organisation, the business model and opportunities for innovation in it as well as engaging individuals, teams and functions.

Newman (2003, p.29) concludes that following the strategies outlined above are crucial in placing the organisation and individuals on the road to innovation and engagement but cautions that both engagement and innovation require an environment where empowerment and swift decision-making is rewarded. Although Newman’s (2003) strategy proves equally instructive in the transformation and renewal of organisations, in the next section, a high employee engagement strategy specifically aimed at enhancing transformation is discussed.

### 4.4.2 Employee engagement strategy for transformation

Transforming organisations are accelerated and prove more effective when employees are engaged in the transformation process. Miles (2001, p.313) proposes an intensive all employee cascade event (referred to as ‘The Employee Supercharger’) where the new direction and critical milestones for success are outlined to managers and employees in their functional teams.

Miles’ (2001, p.316) supercharger cascade strategy for engaging employees in organisational transformation depicted in figure 4.7, commences with leadership deciding on the new direction and critical
transformational initiatives necessary to achieve the business goals of the organisation. During this phase the vision and values provide the blueprint on which the new organisational culture and processes need to be formulated. Leadership need to be decisive and congruent in their interpretation and communication of the transformational issues before they communicate them to the rest of the organisation (this phase ties in with Newman’s direction and focused logic steps).

Figure 4.7: High Engagement Cascade Strategy
Source: Adapted from Miles (2001, p.316)

The second phase involves cascading the vision, values and critical transformational initiatives down to the management level where each manager interprets and translates the new direction into key constructs for his/her own functional area. The first cascade meeting allows the CEO to explain and clarify the new direction and link it to the business
model. Managers are arranged in tablework teams of eight to ten where they translate the vision, goals and transformational initiatives into team and individual job-related objectives. These objectives are communicated and shared with all, which allows for dialogue and amendment if necessary.

In phase three (as depicted in figure 4.7) a second cascade meeting comprising the manager and his/her functional group get together to delineate job-level objectives that have a clear line of sight back to the four/five organisation transformational initiatives identified in phase one. Finally, following the second cascade meeting, supervisors and employees confirm individual business commitments that allow people to use their creativity and job knowledge at their own job levels to drive transformation. Hackman (2000) as cited in Miles (2001, p.317) purports that team effectiveness is enhanced when managers take authority for providing direction (end state) and team members decide how to achieve the end state (empowerment).

The supercharger cascade strategy outlined in figure 4.7 allows for total involvement of managers and employees at all levels in the organisation. The engagement cascade process devolves dialogue and alignment of critical transformational initiatives to the level of individual job objectives thereby maximising employee engagement.

4.5 SOUTH AFRICAN RESEARCH ON EMPLOYEE ENGAGEMENT

Besides employee surveys (job satisfaction - associated with the era preceding employee engagement) there has been limited research into employee engagement initiatives in South Africa. Many companies however, such as ABSA, Deloitte, Volkswagen of South Africa and
South African Breweries have recognised the importance of engaging people and implemented proven international employee engagement approaches vis-à-vis Gallop (2001). Before discussing some of the engagement strategies employed by South African organisations it is important to firstly consider employees’ attitudes.

### 4.5.1 Early research into employee attitudes

Hofmeyr (1997, p.31) conducted research into employee attitudes both in 1994 and 1996 to determine the impact of a post-apartheid era, earmarked by new labour laws, global competition, new technology and heightened employee expectations, on job satisfaction. The research was conducted in conjunction with ISR (International Survey Research - discussed in section 3.6) and comprised the responses of more than 22000 employees representing various industries and regions. His research depicted in table 4.5 provides a useful South African benchmark for comparing organisational engagement scores (for the factors mentioned in the table) and determining the success of employee engagement strategies.

Table 4.5 depicts the percentage of favourable responses to each of the categories as determined by the 1996 survey. The chart depicted on the right (variance chart) of table 4.5 indicates the percentage change in each category since the 1994 survey. Of significance is that all categories have shown a decrease in satisfaction with the most significant dissatisfaction being pay (minus eight per cent), working relationships (minus seven per cent), supervision (minus five per cent) and management (minus four per cent).
Hofmeyr (1997, p.33) points out that employee dissatisfaction with pay appears to be a particular South African phenomenon (employees in Canada, the United States, Germany and the United Kingdom did not reflect the same negativity towards pay) and that South African employees tend to use pay to express their frustration with a lack of responsibility, achievement, growth and development. Nevertheless, Hofmeyr (1997, p.34) points out that this represents employees’ ‘reality’
in terms of pay and if it is perceived as inadequate (hygiene factor) organisations will have to pay more attention to it to remove employee dissatisfaction which impacts on motivational levels.

Of major concern is the significant decline in satisfaction with working relationships (extent to which people get on and co-operate), supervision and management since the 1994 survey. The major reasons for a decline in these categories are attributed to employees not being treated with respect and fairness, insufficient feedback and recognition, and management not providing adequate direction. These factors are closely aligned to the drivers of employee engagement discussed in chapter three and therefore, present real challenges for South African employers who wish to improve their competitive advantage.

4.5.2 ABSA’s Employment Branding Approach

Employment branding is increasing in popularity as a strategy to harmonise employees’ conditions of service and the work environment with the business objectives of the organisation in such a way that individuals can and want to utilise their talents to achieve competitive advantage. The underlying rationale for implementing an employment branding strategy, according to Van Dyk and Herholdt (2004, p.44), is recognising that employees’ satisfaction with their work life is a key driver of external customer satisfaction and business results. They assert that the organisation’s employment brand is a crucial factor in attracting and retaining much sought after knowledge workers. ABSA implemented an employment branding strategy following a Deloitte and Touche (2000) survey where their rating fell outside the top ten employers of choice. ABSA used the Deloitte and Touche (2001)
follow-up study into the best employer, as a yardstick to gauge progress made after implementing their employment branding strategy.

Van Dyk and Herholdt (2004, p.44) report that key areas identified for development by the 2000 (Deloitte and Touche) survey all centred on aspects of the individual and individual recognition, such as:

- Individual rewards and recognition;
- Diversity recognition for the individual;
- Individual management information about the bigger system and what is happening in the total system;
- Individual recognition in system policies and procedures; and
- Change management needs of the individual.

It was postulated that the organisational size of ABSA influenced management’s treatment of people and information dissemination; where the focus would fall on addressing the needs of the many as opposed to the needs of the individual. This resulted in people being ignored for promotions, recognition, reward and grading.

ABSA moved into the seventh position in Deloitte and Touche’s (2001) follow-up survey on the best employer, conducted a year after they implemented their employment branding strategy depicted in figure 4.8. Van Dyk and Herholdt (2004, p.163) summarise ABSA’s employment branding strategy, depicted in figure 4.8, by representing it as a number of inter-related loops each being influenced by external factors such as customer demands and market trends. Each of the reinforcing loops has the capacity to produce exponential results.

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Loop A is at the heart of ABSA’s employment branding strategy providing the crucial linkage between leadership brand, employment brand, human capital and enterprise results. Van Dyk and Herholdt (2004, p.164) assert that having a positive leadership brand is crucial in providing a positive employment brand that again has a direct impact on human capital and translates into business success. Once leadership has realised that they possess the key to unlocking human potential through their brand of management, other causal loops can be investigated. Causal loop B depicted in figure 4.8, considers the variables necessary to build a successful leadership brand. Building a leadership brand is based on leadership’s mental models, democratic
work practices, leveraging diversity and motivating knowledge workers and turning their motivation into teamwork. These variables form a reinforcing causal loop serving to motivate employees and strengthening management’s leadership brand. (This notion closely resembles managerial self-efficacy discussed in section 3.3.2 – superior employee performance reinforces the manager’s self belief and style)

Loop C depicted in figure 4.8 provides the criteria used to develop ABSA’s employment brand and is based on providing employees with an appealing value proposition. Factors such as understanding segmented employee needs, providing rewarding work opportunities, reward and consequence management as well as providing an appealing value proposition, all contributed to building ABSA’s employment brand. These criteria closely resemble the drivers of employee engagement identified in chapter three and can therefore be interpreted as ABSA’s employee engagement approach.

Finally, loop D represents enterprise results that are based on effective strategies and translates into resources to execute strategy. This loop provides the vision and values as well as systems to translate strategy into action (valuing the contribution of knowledge workers could represent such a strategy).

ABSA’s employment branding strategy as discussed by Van Dyk and Herholdt (2004) has a lot in common with Gratton’s (2000) nine capabilities and ISR’s (2003) alignment strategy discussed in sections 4.2.1 and 4.2.3 respectively. These approaches all highlight leadership/management’s crucial role in providing direction and the right climate/culture that will allow employees to deliver discretionary
They also make use of employee engagement approaches to stimulate business performance and gain competitive advantage.

4.5.3 Strategies for retaining knowledge workers

Horwitz (2004, p.8) conducted a comparative analysis of the strategies employed by South African and Singaporean organisations for retaining their knowledge workers. He maintains that organisations have put a great deal of effort and careful planning into their strategies to retain much sought after knowledge workers. Both Singaporean and South African companies use an approach of developing talent from within and developing career plans, as effective strategies to attract and motivate knowledge workers. Singaporean companies however, made more use of online recruitment and headhunters than South African companies.

Providing monetary compensation as a retention strategy was also more popular amongst Singaporean companies than in South Africa. South African organisations did not regard a competitive pay package as the most effective strategy to attract, retain and motivate knowledge workers. Horwitz (2004, p.9) asserts that Singaporean companies used the competitive pay package to secure a better cultural fit between the talents of the individual and the work organisation.

Horwitz (2004, p.9) purports that the size of South African organisations had a lot to do with the type of strategy adopted. Larger organisations favoured strategies that included targeted advertising and scholarships, which fall beyond the means of smaller organisations. He believes that the effects of equity and affirmative action legislation had limited influence on the strategies adopted. Horwitz (2004, p.9) concludes that the most effective strategies
organisations can employ to attract, retain and motivate their knowledge workers include the following: providing a stimulating and challenging work environment, challenging work, participative management styles, and access to leading edge technology.

4.5.4 Role of remuneration in engaging employees

In section 4.5.3 Horwitz’s (2004) research revealed that South African companies did not regard a competitive pay package as a significant means of attracting and motivating knowledge workers. Conversely, Bussin (2004, p.22) states that a well-structured competitive remuneration package should be weaved in together with other engagement strategies to secure long term retention of talented individuals. He argues that organisations should not merely retain individuals but move their focus to engaging them and appropriately structure remuneration packages that will reinforce this notion. Bussin (2004, p.22) summarises the shift in mindset that organisations need to make with regard to remuneration (as a retention strategy) as follows:

§ Pay for contribution rather than job duty adherence or service;
§ Reward required competence development and application;
§ Rely on performance-related pay as a means of conveying messages about organisational values, critical success factors and how people are expected to contribute;
§ Include both input (competence) and output (results) in performance reviews;
§ Introduce robust broadband pay structures where lateral development, and acquisition and use of competence are rewarded;
§ Develop team reward systems that support flexible work practices, multi-skilling and team work;
§ Introduce gain sharing, profit sharing or any bonus scheme that shares the added value of employee efforts;
§ Communicate reward innovations to employees;
§ Involve as far as practical, employees in the design of reward processes; and
§ Provide training to everyone on the application and implications of reward policies and practices.

Bussin (2004, p.22) points out that the focus in retention strategies has shifted away from a ‘one-size-fits all’ approach to that of customisation. His research reveals that factors such as age, status and career goals significantly influence employees’ preferred remuneration packages. Employees fifty-five years and older prefer variable pay, shares and a strong medical aid, whereas people between eighteen and twenty-nine prefer base salary and variable pay. Retention strategies involving remuneration should therefore be targeted at individual employees or groups of employees with similar status.

4.5.5 Engagement strategies at Volkswagen of South Africa (VWSA)

VWSA places a high priority on engaging its people in an attempt to secure their position in a globally competitive motor manufacturing environment. Hellriegel, Jackson, Slochum, Straude, Amos, Klopper, Louw and Oosthuizen (2004, p.262) assert that VWSA realises the importance of people in the product-profit value chain, and it is their understanding that it is people who design, produce, market, interface with customers and therefore ultimately generate shareholder value. VWSA’s (2005) commitment to people is encapsulated in their vision, which states the following; ‘World class people, producing world class quality products for satisfied customers around the world’. By including
people in its vision, VWSA has followed the recommended path for putting people at the heart of organisational strategy according to Gratton (2000) and ISR’s (2003) approaches discussed in section 4.2.1 and 4.2.3 respectively. VWSA has implemented numerous initiatives aimed at engaging their employees. These initiatives are summarised by Hellriegel et al (2004, p.262) as follows.

Pay and benefits

Pay and benefits need to be perceived as fair and therefore credible salary surveys are used to determine market related remuneration. Increases are performance-based, dependant on the meeting of agreed-to key performance objectives that are monitored monthly and evaluated twice a year. Exceptional performers are rewarded with higher increases than below or average performers.

Equipment and facilities

Managers work with their teams and agree on priorities and equipment that is vital to achieving stated quality standards. People are involved as far as possible to make needs known and agreeing on what is important for the team.

Work organisation

On the shopfloor, people are organised into teams who are responsible for achieving their targets in terms of quantity, quality and cost. Teams are responsible for their own quality and must resolve any problems that might occur. Team members are encouraged to multi-skill, which contributes to people’s flexibility and experience of job enrichment. This
allows employees a large degree of autonomy within their work group and allows them to identify with their teams, which creates a sense of belonging, ownership and empowerment. These are all factors that according to Gallop’s (2001) typology, discussed in section 4.2.2, are fundamental in engaging employees.

**Job security**

Volkswagen International is a global employer of more than three hundred thousand employees. VWSA has been a stable employer offering employees secure employment over its fifty-year history in South Africa.

**Training, Development and Career opportunities**

Shopfloor operators take part in a multi-skilling programme where they are trained in technical skills, production processes and practices such as quality, problem solving, health and safety. Credits achieved via training are linked to wages and people are therefore remunerated for acquiring new skills. This adds to employees’ flexibility and they can therefore be moved to new and different areas of work simultaneously enhancing the individual’s experience and meaning derived from the job. Staff people receive training in generic business skills such as computer skills, business writing, presentation skills, assertiveness and problem solving.

Managers and supervisors attend the Leadership Development Programme, which is linked to the British qualification in management standards. All those considered for managerial and supervisory positions must firstly attend an assessment centre where development
plans are formulated. This is followed by a five-day New Managers Programme to orientate them to company systems and procedures. VWSA also offers a number of artisan, graduate, technical and commercial trainee programmes. VWSA has been accredited as an ‘Investor in People’ company based on its achievement in meeting world-class standards in people development.

**Culture and style**

VWSA has utilised Gallop’s Q	extsuperscript{12} discussed in section 3.3.2 to determine how engaged their employees are and the scorecard allows managers to develop action plans with their employees in areas that are rated below average. The Gallop survey together with Investor in People Standard is assisting VWSA to achieve its goal in creating a high-performance culture, which is driven by its people.

Hellriegel et al (2004, p.263) assert that due to the initiatives mentioned above, leadership styles have become more empowering, as managers and supervisors now share more information with their people, thus involving them in problem-solving, decision-making and continuous improvement.

**Latest initiatives**

One of the latest initiatives involves marketing the company brand with its vision and values to the employees. VWSA’s (2005, p.5) brand marketing initiative, called **Make Your Marque**, endeavours to engage people through dialogue and the use of metaphors to interpret and analyse Volkswagen’s vision and values. People are encouraged through a process of discovery to assimilate the values and vision into their own work areas (teams) and generate strategies for their teams to
add value. Specific themes from the vision are selected such as customer care, world-class people and quality. These themes are then simulated in an ice-breaker that serves to bring home the message (in a fun way – light). People are then guided through a facilitated process to derive strategies they can implement in their own work areas that will add value. The most recent initiative involves replicating the Gallop (2001) survey at shopfloor level to determine the engagement levels of more than four thousand employees. The Developing World Class People Survey was developed in consultation with VWSA by Poisat (2005) specifically for shopfloor employees and is depicted in table 4.5. (For example of questionnaire, see Appendix A)

Survey
Developing World Class People

1. I am proud to be producing the VW brand.
2. I understand that my job contributes to VW’s world-class vision.
3. My supervisor regularly communicates with our team.
4. There are opportunities to discuss work related matters with my supervisor.
5. I know what is going on in my production unit and the company.
6. My supervisor listens to my ideas.
7. Team members are regularly recognised for work well done.
8. I have the tools to produce world-class cars.
9. I feel the work place environment I am working in helps me be productive.
10. We regularly talk about ways in which our team’s performance can be improved.
11. My team regularly gets feedback on quality problems.
12. In my team, I get to do what I’m good at most of the time.
13. I have enough skills and knowledge to always achieve the required quality standards.
14. I have regular opportunities to improve my skills and knowledge.
15. Team members all work towards the same targets.

Table 4.6: Volkswagen of South Africa’s Developing World Class People Survey

Source: Poisat (2005)
The aim of the survey was to provide a scorecard per supervisor whereby employees’ perceptions of team effectiveness, quality, communication, equipment, leadership, recognition and growth and development per functional work area are assessed (see Appendix B for examples of results). Examination of the survey statements reveals that Poisat’s (2005) approach, although not replicating, closely resembles Gallop’s (2001) approach discussed in section 3.3.2 and includes additional questions with specific reference to VWSA. This approach to the development of the survey statements concurs with McDade and McKenzie’s (2002) as well as ISR’s (2003) approaches that advocate customisation, as discussed in sections 3.3.3 and 3.3.4 respectively.

4.5.6 Empowerment as a strategy for engaging employees

Schultz, Bagraim, Potgieter, Viedge and Werner (2003, p.147) assert that the notion of empowerment is extremely strong in South African organisations and proffer that it comprises the following elements:

- Authority that is delegated from those with positional power;
- To the lowest possible level within the organisation;
- To increase accountability amongst the lower levels;
- To develop problem-solving capabilities of people at the lower levels;
- To assist these people to take charge of their own destinies;
- To assist these people to achieve their full potential; and
- To have the positive impact of empowerment spill over into the entire lives of these people.

Schultz et al’s (2003, p.147) description of empowerment corresponds with the elements of engagement identified in chapter two and factors
incorporated in engagement approaches outlined in chapter three (autonomy, meaningful work, decision-making, recognition and making a valued contribution). The essence of empowerment closely resembles engagement and could therefore successfully be deployed as a strategy to enhance employee engagement. Johnson and Thurston (1997, p.64) concur with this notion by asserting that successful empowerment not only drives decision-making authority down to those employees closest to the product or customer, improving quality and customer service, but also inculcates a sense of job ownership, commitment and efficacy among empowered individuals and work teams. Johnson and Thurston (1997, p.67) developed an empowerment strategy grid depicted in figure 4.9, for the implementation of empowerment in work teams.

![Empowerment Strategy Grid](image_url)

**Figure 4.9:** Empowerment Strategy Grid  
**Source:** Johnson and Thurston (1997, p.67)
The empowerment strategy grid depicted in figure 4.9 is constructed from two continuas. The vertical continuum illustrates possible team transitions from empowered to disempowered depending on the level of authority, control and decision-making power devolved to the team. The empowered end of the continuum is characterised by decision-making authority and control that falls within the scope of the team. The horizontal continuum refers to co-actors and real teams. Figure 4.9 illustrates where the two continuua intersect, forming four quadrants into which groups may be classified depending on the extent to which authority, control and decision-making has been delegated. According to Johnson and Thurston (1997, p.68) the quadrants assist organisations to track the status of team empowerment by classifying groups into the four quadrants, namely empowering managers, empowered work teams (the ideal), platoons and automatons. Sets of descriptors for each quadrant (e.g. empowered work teams – flexible roles, interdependent tasks, self-managing, trust, respect and shared decision-making) assist to categorise teams and direct corrective actions. The empowerment strategy grid can also be used to assess individuals.

The next question that needs to be answered is how to get teams to move (progress) along the continuums. Schultz et al (2003, p.149) recommend that team building exercises, managerial training on team management and workshops on co-designing team practices be utilised to assist work group to progress along the co-actors-teams continuum (horizontal continuum). To progress along the empowered-disempowered continuum organisational systems supporting team accountability, quality and quantity measures, recognition, rewards and overall performance are required.
Numerous strategies of empowerment have been developed with the focus ranging from individual to team-based approaches. Stewart and Brealey (1998, p.91) adapted the empowerment strategy grid for the classification of individuals’ empowerment levels in the organisation and assist organisations with retention decisions. Erstadt (1997, p.325) focused on the organisational climate necessary to inculcate a culture where individuals will learn, grow and develop, self manage and participate in decision-making. His research indicates that middle management must know their own level of empowerment and know the capabilities of their employees. Shultz et al (2003, p.151) support this notion and liken the role of the manager to that of a bridge in fostering empowerment. The role of management is therefore crucial. Erstadt (1997, p.325) lists three factors that address management/leadership’s role in the empowerment strategy as follows:

- Enforcing a significant shift in the supervisor’s power base, away from traditional command and control towards being more of a coach and expert;
- Developing ‘boundaries management’, away from traditional, narrowly defined jobs towards a broadening of competency and overlap between jobs; and
- Building a learning organisation, changing leadership style towards one based on consensus and influencing through a shared vision. Flattening structures and building a learning culture are also essential.

implementation and maintenance of empowerment strategies. These themes are summarised by Schultz et al (2003, p.153) as follows.

**Communication** is seen as the key to the entire empowerment process. It is essential in defining empowerment and sustaining initiatives throughout the process.

**Commitment** from the entire organisational hierarchy is required to give and maintain impetus for empowerment to devolve.

**Ownership** is essential for involving all staff and embedding the belief that empowerment is achievable, realistic and acceptable.

**Skills and competencies** refer to the capacity and confidence of employees to function effectively within the newly empowered environment.

**Leadership** should provide support and have confidence in managers who are at the front line of empowerment initiatives.

**Sustainability** will determine whether empowerment will grow or decline in the long term.

The common themes for implementing and sustaining empowerment as well as the strategies identified by Schultz et al (2003, p.151) for the empowerment of teams (mentioned earlier in this section), demonstrate a large degree of synergy with the strategies identified for engaging employees (sections 4.2 and 4.3). The researcher therefore, believes that empowerment not only supports employee engagement initiatives, but should also form an essential underlying construct of the wider
definition of engagement. In other words, key drivers of employee engagement identified in section 2.4 as comprising inter alia autonomy, meaningful work, challenging goals, etc., will only be achieved if the employee is empowered and the organisational climate supports it. Empowerment therefore, should be regarded as one of the drivers or key factors of employee engagement and should be included in any strategy for engaging employees.

4.6 CONCLUDING REMARKS

The aim of this chapter was to consider the nature and role of employee engagement strategies utilised by organisations for improved business performance. Theoretical models as well as organisation specific approaches were examined in an attempt to identify common factors for engaging employees. From the literature study the following common factors for engaging employees were deduced.

- Strategy or vision – offer employees a vision or direction that commits them to working hard.
- Challenging work – provide employees with stimulating work that develops new skills.
- Work culture – establish an environment of celebration, fun, excitement and openness.
- Shared gains – compensate employees for work accomplished. It is important that employees perceive their pay as fair (external market rates).
- Communication – candidly and frequently share information with employees.
- Concern for people – ensure that each individual is treated with dignity and that differences are openly shared.
Technology – give employees the technology to make their work easier.

Training and development – ensure that employees have the skills to do their work well with confidence.

Empowerment – enable employees to control decisions on how they do their work.

Customer focus – show employees how their work relates to customer satisfaction. (increases the individual's meaning derived from the job)

The manager’s role – empower middle managers in order for them to provide the environment/culture for employees to give discretionary effort. (Ulrich (1998, p.21) concurs with most of the factors identified above).

The chapter, which also considered the role of management in engaging employees concluded by analysing specific employee engagement strategies utilised by South African organisations.

The following chapter will present a theoretical model for engaging employees. The model will be based on the drivers of engagement, the measurement approaches, and strategies discussed and identified in chapters two, three and four respectively.
CHAPTER 5

DEVELOPMENT OF AN EMPLOYEE ENGAGEMENT MODEL

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CHAPTER 5

DEVELOPMENT OF AN EMPLOYEE ENGAGEMENT MODEL

5.1 INTRODUCTION

Chapters two, three and four addressed the first two sub-problems outlined for this study namely: what factors are revealed in the relevant literature that influence employee engagement? and what strategies are currently used by organisations to facilitate employee engagement? Answering these sub-problems was pursued by firstly considering the drivers of engagement. Secondly, measuring employee engagement was examined and thirdly, organisational strategies for engaging employees were considered. The theoretical conclusions drawn by answering sub-problems one and two allow for the resolution of sub-problem three, namely, developing an integrated model for engaging employees (this is the main objective of the study). A theoretical model for engaging employees is presented in this chapter. The model is based on the theoretical and empirical research findings of the previous chapters and condenses drivers of engagement, measures of engagement and organisational strategies used to engage employees into a comprehensive theoretical model.

The theoretical model for engaging employees forms the basis for the design of the survey questionnaire used to establish the extent to which organisations agree or disagree that the model can assist them/managers in engaging their employees as a means to improve organisational performance. Results of the survey will be used to modify, where and if necessary, the theoretical model presented in this chapter.
This will lead to the development of the integrated model for engaging employees that is presented in chapter seven.

Before the main aim of this chapter, which is the development of a theoretical employee engagement model, is discussed, it is necessary to firstly define the concept of ‘model’ building.

### 5.2 A MODEL - DEFINED

Redelinghuis, Julyan, Steyn and Benade (1996, p.5) define a mathematical model as “an abstract of generalisation of a specific true-to-life situation”, which comprises the description of relationships between variables in view of the definition of a process or a system.

Bennet (1992, p.130) as cited by Berry (2003, p.137) concurs with Redelinghuis et al’s definition by stating that a model is “a representation of reality intended to reduce complex problems to a number of manageable variables, which the analyst may then study in depth”.

Punch (2005, p.99) describes a model as “a conceptual map” comprising of inter-related principles and relationships derived from observations and/or research results. He asserts that a conceptual map (model), which is best when presented in diagram form, depicts the general type variables and provides the blueprint for the development of specific variables. Specific variables are then easily translated into specific survey questions (this is the approach adopted in this research project and is described in more detail in chapter six). According to Dooley’s (1995, p.72) classification of the steps in the research process, Punch’s (2005, p.99) description and concomitant role of a model would fall
within the deductive phase (relates general theory to particular claims or relationships).

Thomas and Robertshaw (1999, p.125), as cited by Berry (2003, p.137), state that a model represents the researchers’ way of organising their thoughts and that models should be interpreted in terms of the uniqueness of each organisation’s size, divisions, regions of operations, structures, systems and people. In addition, they assert that a model should not be interpreted in purely linear terms as phases may run concurrently and loops back to previous phases may occur.

The theoretical employee engagement model developed in this chapter should be read with due consideration to Punch (2005, p.99) and Thomas and Robertshaw’s (1999. p.125) comments on models discussed in the preceding paragraphs.

In the following section, a theoretical model for engaging employees which can enhance organisational performance, will be presented. The model is based on the drivers of employee engagement and approaches required for measuring engagement (chapters two and three), and theoretical, organisational, and management strategies (discussed in chapter four) for engaging people.

5.3 PRESENTATION OF AN EMPLOYEE ENGAGEMENT MODEL

The aim of this section is to present a theoretical model for engaging employees that can be used by organisations to engage their people, which will result in improved business performance. It can also serve as a guideline for managers, whereby they can interact with their employees on issues (drivers) that have been found to engage and add
meaning and purpose to peoples’ working lives that will also result in improved business unit performance. Therefore, the model provides a blueprint for managers to meaningfully interact with their employees whilst considering organisational strategies deemed to support a high engagement climate.

Prior to outlining the steps in the model, it is important to note that the model is based on the established premise (Gratton, Gallop, and ISR’s approaches discussed in section 4.2) that an organisations’ people are a major source of competitive advantage, if they are engaged in their jobs. This assertion supports the need for a comprehensive and structured approach for engaging employees. The model presents a proposed logical explanation of the factors (drivers) that engage employees and the process, with due consideration to organisational strategies, that have to be followed to promote engagement.

The theoretical employee engagement model is presented in figure 5.1 and forms the basis of the research study (discussed in chapter 6) to develop an integrated employee engagement model. The model comprises four separate yet integrated constructs, namely leadership and organisational culture (depicted at the perimeter of the model), eight organisational strategies, eight questions representing the manager – employee interaction, resulting in an engaged employee represented at the core of the model. The role and purpose of each of the constructs contained in the theoretical employee engagement model are elucidated, per construct, in the following sections.
Figure 5.1: Theoretical model for engaging employees

Chapter 5: Development of an employee engagement model
5.3.1 Leadership and organisational culture

Leadership and organisational culture are both represented on the fringes of the employee engagement model, depicted in figure 5.1. Although they are presented on opposite ends of the model, both these constructs play an important and necessary role in creating the conditions for engaging employees and are more closely connected than the positioning on the diagramme suggests. Next, the role and relationship of these constructs to employee engagement are discussed.

Organisational Leadership

Organisational leadership refers to senior and top management who are responsible for formulating strategy (vision) and policy. In section 3.3.1 research conducted by Towers Perrin (2003, p.10) established that two of the top ten drivers of employee engagement referred to the role of leadership. The two drivers that refer to leadership’s role are:

- Senior management has a sincere interest in employees’ well-being;
- Senior management communicates a clear vision for long-term success.

Gratton’s (2000) strategy discussed in section 4.2.1 concurs with the abovementioned drivers and adds that the vision should be translated into people context (individual behaviours) that will establish a clearer line of sight between organisational expectations and required performance. ISR's (2003) alignment strategy discussed in section 4.2.3, proposes that leadership interprets their vision for employees and identifies the cultural elements that both support and impede the execution of strategic priorities. Leadership must in addition convey a
consistent message that reinforces their support for the strategic direction adopted and incorporate organisational measures that sustain them. McDade and McKenzie’s (2002) approach discussed in section 3.3.3 identifies that the direction (vision and values) provided by leadership should be trusted and reinforced via open communication, if knowledge workers are to be engaged. Covey (2004, p.217) asserts that it is a business imperative that leadership creates an environment where people want to be part of the organisation, experience purpose in their jobs, and feel fulfilled. He points out that it is the purpose (which leads to perceptions of value) that people feel that leads them to truly give of their minds.

Research results referred to in the previous paragraph, clearly highlight the important role leadership plays in the engagement process. Whether employees will feel engaged towards the goals of the organisation and want to practice advocacy (willingness to spontaneously promote the organisation as a good place to work), will depend largely on their perceived treatment by leadership. The role leadership should play in engaging employees can therefore be summarised as follows:

- Provide a clear vision (direction) for the organisation that inspires and engages people;
- Translate the direction into people context (behaviours) for a clearer line of sight between organisational expectations and individual performance;
- Identify organisational processes/culture that support or hinder the implementation of the new vision (i.e. partnership style of management as discussed in section 4.2.4);
- Show commitment and develop trust (employee) through open communications;
§ Introduce organisational processes that support the new direction i.e. reward and performance measures in line with achieving the new strategy; and
§ Hold leadership accountable for extending the behaviours throughout the organisation. (Howe (2003, p.2) discussed in section 4.3.4)

Leadership does not only play an important role in initiating engagement towards the company. The direction they provide in terms of the vision, is considered to be one of the eight organisational strategies (number seven namely vision, mission and values) for engaging employees.

An equally important construct for creating the right conditions for engaging employees is organisational culture, which is discussed next.

**ORGANISATIONAL CULTURE**

Chapter two concluded (section 2.4) that employee engagement comprises of two sets of drivers, namely, individual and job context drivers. The job context drivers, depicted in figure 5.2, comprise elements that contribute to the employees’ experience of organisational culture and have a major influence on the commitment of people (see section 2.3.2.3).
Gratton (2000) asserts in section 4.2.1 that employees are exposed to the entire set of job context factors on a daily basis, which represents their perception of reality (organisational culture). Gratton, ISR and Howe argue in sections 4.2.1, 4.2.3 and 4.3.4 respectively that the job context factors must be aligned in such a way that employees’ experience of them are maximised (i.e. meaning derived from these factors) so that they will want to deliver discretionary effort. Towers Perrin (2003, p.10) identified decision-making, involvement in decision-making, collaboration with co-workers and development as four of the top ten drivers for engaging employees (see section 3.3.1). Berry (2003, p.170) asserts that top management expects human resource activities to be closely aligned to the organisation’s mission. ISR (2003, p.3) recognises the importance of aligning the unique business strategies and organisational culture of an organisation to its specific engagement strategy. They identify organisational structure, stimulating work environment, knowledge management, teamwork, empowerment and risk taking, as typical factors that impinge on organisational culture and therefore require alignment with the organisation’s goals. Three of these
factors, namely stimulating work, teamwork and empowerment, are included as organisational strategies and are discussed in the following section.

Organisational culture therefore plays a major role in the meaning and worth employees derive from their jobs, thus contributing significantly to engagement. In the next section the second major construct of the theoretical employee engagement model, namely organisational strategies, is discussed.

5.3.2 Organisational strategies

In the previous section constructs that impact on the conditions for creating a conducive climate for employee engagement as influenced by the organisational culture and shaped by leadership’s interventions, were considered. In this section specific organisational strategies deemed necessary to bring about engaged employees are outlined.

D’Aprix’s (discussed in section 4.3.1) manager’s communication model served as a basis for the development of the eight organisational strategies and eight underpinning questions (manager-employee interaction discussed in the next section) represented in the theoretical employee engagement model (see figure 5.1). Two additional strategies namely employee - job match and equipment, together with their underpinning questions for managers, were added to D’Aprix’s original model. The eight strategies outlined in the model should be followed sequentially and should be regarded as a process that requires regular adjustments as organisational and employee circumstances change. The eight strategies should be regarded as building blocks that represent a particular hierarchy in the process to achieve employee
engagement, as represented by the closed loop in figure 5.1. Gallop and Sirota et al as discussed in sections 3.3.2 and 4.2.4 respectively, confirm the hierarchical nature of employee engagement. The hierarchy can be summarised as comprising elements that cover the nature of the job, knowledge of performance (meaningful contribution), camaraderie (teamwork) and opportunities to grow.

MATCH EMPLOYEE TO THE JOB (Recruitment and selection)

This is the first of the eight organisational strategies required to engage employees and according to Buckingham and Coffman (1999, p.247) the one where most organisations err. They regard selecting the right person with the appropriate ‘talents’ for the job as a crucial factor in bringing about engagement. They argue that many organisations’ recruitment and selection strategies are flawed in that they focus on competencies that are required to maintain the job, rather than talents which if allowed to be utilised brings about real productivity, customer satisfaction and profits.

Organisations that wish to follow an employee engagement strategy as a means to stimulate superior performance should base their recruitment and selection programmes on the following criteria:

§ Determine the factors or themes that distinguish high performing individuals from individuals who deliver average performance and have a greater propensity to become not-engaged;
§ Hire based on talents required for the job. Utilise Coffman and Gonzales-Molina’s (2002, p.41) thirty-four talents they have identified that leads to superior performance, depicted in table 4.2, as a basis for determining special talents required for the job;
§ Select people with a high need for achievement. McClelland’s Thematic Apperception Test (TAT) was specifically designed to measure peoples’ need for achievement (see section 2.3.3.3);

§ Select people who are motivated by intrinsic rewards they receive from the work itself. Porter and Lawler’s expectancy model discussed in section 2.3.3.4, determines that performance leads to intrinsic rewards such as feelings of accomplishment and achievement;

§ Kreitner and Kinicki (2001) in section 2.3.5, as well as Luthans and Peterson (2001) in section 4.3.3, recommend that employees and managers who display high levels of self-efficacy be selected. However, caution should be exercised when people from a non-European culture are screened, as not all cultural groups show efficacy;

§ Select people who elicit high levels of emotional intelligence (see section 2.3.6). People who elicit high levels of emotional intelligence are more likely to adapt to the pressures and demands of the knowledge economy; and

§ Horwitz (2004) suggests that employers should use a stimulating and challenging work environment, participative management style and access to leading edge technology to attract and retain knowledge workers (see section 4.5.3).

The researcher has some reservations whether South African organisations will be able to apply all the abovementioned criteria given the equity requirements placed on organisations via the Employment Equity Act (1998). In addition, the competency-based approach is pursued in training and development initiatives as prescribed via the Skills Development Act (1998), which is contradictory to Buckingham and Coffman’s (1999, p.247) assertion, mentioned earlier in this section, that the competency-based approach is flawed. Nevertheless, many
training and development initiatives such as those proposed by Berry (2003, p.167), Hutton (2002, p.259), Kemp (1997, p.163) and Poisat (2001, p.122) are based on a competency-based approach, which underlines the popularity of the approach in South Africa.

**ENHANCE JOB RESPONSIBILITY**

In the first organisational strategy, the emphasis was placed on selecting for talent vis-à-vis finding the right person for the job. In the second organisational strategy for engaging employees, the focus should be placed on the nature and design of jobs. Hackman and Oldham’s (1976) job characteristics theory discussed in section 2.3.3.5, which emphasises the motivational role of jobs, provides the rationale for placing job responsibility/design in the second position. They postulate that job design can significantly influence peoples’ value, meaning and the worth they derive from jobs. The meaning people derive from their jobs is enhanced by the responsibility (autonomy) and accountability they feel for results (these factors are equally important in shaping organisational culture as mentioned in section 5.3.1). Meaningful jobs are also regarded as a major factor in bringing about employee commitment, which is a key construct of engagement (see section 2.3.2.3).

Gallop (2001) as discussed in section 3.3.2, points out that knowing your job responsibility represents one of the basic needs in the employee engagement hierarchy and that progress to the next level will only occur once the individual fully understands what the job entails.

Strategies that organisations should pursue in job responsibility/design can be summarised as follows:
Design jobs that are stimulating.

- Tasks of a similar nature should logically be grouped together forming a natural work unit thereby, forming more complex tasks.
- Direct relationships between customers and employees should be set up (see sections 2.3.3.5, 3.3.3 and 4.2.2 – Gallop’s (2001) engaged customers).
- Jobs should be loaded vertically thus increasing autonomy.
- Feedback channels should be opened up allowing employees to get information first-hand;

- Clarify the roles employees are expected to play;
- Outline the importance of group structures i.e. teamwork (see sections 3.3.4 and 4.5.5 – VWSA’s work organisation);
- Provide employees with challenging work that leads to the development of new skills. (challenging work was rated the second most important driver of employee engagement according to Towers Perrin (2003), see table 3.4); and

- Train managers/supervisors to clarify job responsibilities and expectations with their employees. The questions in the manager-employee interaction circle discussed in the following section, could serve as a basis for the training/discussion.

Once the roles and job responsibilities of employees have been clarified, it is necessary to consider whether people have the right equipment to perform their expected duties.

**PROVIDE BEST POSSIBLE EQUIPMENT**

According to Gallop (2001) as discussed in section 3.3.2, the next basic need in the engagement hierarchy is having the right tools to perform the
Having to work with faulty or inadequate equipment can be a major source of dissatisfaction in terms of Hertzberg’s (1968) dual structure theory discussed in section 2.3.3.2. Towers Perrin (2003) found that having the ‘resources to get the job done’ rated as the eighth most important driver of employee engagement.

Ulrich (1998) as well as McDade and McKenzie (2002) discussed in sections 4.6 and 3.3.3 respectively, underline the importance of providing knowledge workers with the latest technology. Horwitz (2004, p.9) concurs and adds that leading edge technology should be viewed as a major strategy in the retention and motivation of knowledge workers.

Managers/supervisors should regularly interact with their teams and agree on priorities and equipment that is vital to achieving stated quality standards (see section 4.5.5). Organisations who wish to measure employee engagement should therefore incorporate questions that consider equipment, such as those incorporated by Gallop’s Q12 (see section 3.3.2) or VWSA’s Survey depicted in table 4.5, in their assessments.

Having satisfied the basic needs in the engagement hierarchy namely job responsibilities and equipment, organisational strategies should next be focused on how the employee performs.

**PROVIDE PERFORMANCE FEEDBACK**

The fourth organisational strategy represented in the employee engagement model focuses on how well the employee is performing the job and meeting stated objectives. Moorhead and Griffin (2002, p.128),
Hackman and Oldham (1976, p.255), Gallop (2001, p.77) and Gratton (2000, p.93) all concur that open, honest feedback on job performance contributes significantly to employees’ perceptions of their worth and the meaning they derive from their jobs. For feedback to be perceived as meaningful, it should be closely related to agreed performance goals and expectations.

Landy and Conte (2004, p.213) assert that a performance management system is the preferred approach to match performance goals and expectations, and provide meaningful feedback to employees. They cite a number of strategies organisations should follow in administering a performance management system. These strategies are summarised as follows:

§ Setting expectations, performance measures and providing feedback should take place at least every quarter (or more frequently if required);
§ The supervisor or employee should be able to initiate feedback/discussions or at any time either feels the need for a discussion;
§ Performance management systems should be developed jointly between managers/supervisors and employees that report to them (increases credibility of the system);
§ During the discussions managers and employees should be developing an understanding of the performance criteria and interpret them against the strategic value of the stated objectives (provides rationale and meaning for the individual); and
§ The appraiser and appraisee’s role should be similar vis-à-vis to understand the performance criteria and how the employee’s role fits with those criteria (promotes participative management).
Kreitner, Kinicki and Buelens (2002, p.241) assert that organisations are moving away from traditional top-down feedback approaches and are pursuing upward and 360-degree feedback approaches. These newer approaches, which rely on multiple sources and modern technology, are preferred for the following reasons:

§ Traditional approaches (performance appraisal) have created widespread dissatisfaction and were often used to punish, embarrass, or put down employees;
§ Team-based organisational structures require an approach that draws on multiple respondents for meaningful feedback (such as measurement of inter-personal skills);
§ Feedback approaches that utilise multi-raters are deemed to be more valid than single source raters;
§ Advanced technology supports the use of multi-rater systems; and
§ Bottom-up (subordinate ratings) feedback enhances participative management and employee empowerment (both regarded as essential organisational strategies for employee engagement).

In addition to providing feedback on performance, this step should also be used to reward and provide recognition. Besides the intrinsic rewards derived from satisfactorily completing tasks (as outlined in strategy two), supervisors/managers should use the performance feedback meeting to provide positive strokes that enhance individuals’ perceptions of worth and making a valued contribution. Kreitner, Kinicki and Buelens (2002, p.253) suggest that organisational reward systems should be structured as follows:
§ Reward employees according to their needs;
§ Rewards/recognition should be presented close to performance/behaviour that is being rewarded;
§ Balance monetary rewards with recognition that have an ‘appreciation effect’;
§ Beware of a one-size-fits-all reward structure;
§ Make pay for performance an integral part of the organisation’s basic strategy;
§ Base incentive determinations on objective criteria; and
§ Build a pay-for-performance plan around participative structures such as suggestion schemes or quality circles.

The manager/supervisor’s role is crucial in giving meaningful feedback. However, guidelines for managers in providing feedback are discussed in the manager-employee interaction section. In the following organisational strategy, individual needs are considered.

ADDRESS INDIVIDUAL NEEDS

Individual needs is the fifth organisational strategy depicted in the employee engagement model in figure 5.1. This stage in the employee engagement hierarchy addresses peoples’ emotional engagement levels, which according to D’Aprix (discussed in section 4.3.1) will enhance employees’ willingness to deliver discretionary effort. This stage is characterised by the nature of the supervisor – employee relationship and the employee’s perception of the quality of the relationship with team members as well as across teams. Gallop (2001) asserts that during this stage employees develop feelings of whether they belong (fit) in the group and where personal alliances and networks are developed. These feelings are not only important for advancing
employees towards engagement but are vital considerations in modern organisations that are structured along team-based operations (see section 4.3.2 – do it as one).

Organisational strategies for this step should therefore focus on improving the supervisor/manager’s relationship with the employee and team-based activities that enhances teamwork and networking. Strategies that should be implemented to achieve improved supervisor/manager – employee relations and teamwork can be summarised as follows:

.§ Discover the best practices and initiatives within the organisation that stimulate emotional engagement;
.§ Continuously identify unique personalised, and better ways to turn employee talent into richer customer experiences;
.§ Use the customer paradigm to interact with managers/supervisors and develop the understanding what it is to be treated like a customer;
.§ Hold managers responsible for their people management skills. Managers/supervisors should show more than a passing interest in their employees – especially in the modern organisation where technology overrides personal contact;
.§ Use highly participative methods such as quality circles, workshops, functional groups and team events (such as VWSA’s Make your Marque described in section 4.5.5) that encourage teamwork, relationship building and networking; and
.§ Follow an employment branding strategy such as ABSA’s discussed in section 4.5.2, which recognises the individual’s needs as well as those of groups.

Chapter 5: Development of an employee engagement model
Once the individual needs have been taken care of, the performance of the work unit and objectives need to be considered. These are discussed in the organisational strategy that follows.

**PROVIDE FEEDBACK ON WORK UNIT OBJECTIVES AND RESULTS**

In this organisational strategy (number six in the employee engagement hierarchy) employees are comparing their individual needs to those of their work unit and objectives. The extent to which people perceive a match between work unit objectives and individual needs will influence their perception of whether they belong or contribute meaningfully to the group (see Gallop section 3.3.2). The role of the manager/supervisor is again crucial in providing direction for the team. Newman (2003) and Miles (2001) discussed in sections 4.4.1 and 4.4.2 respectively, recommend that managers/supervisors should confirm individual business commitments in such a way that it allows people to use their creativity and job knowledge at their own discretion. Managers should therefore, be capable of framing and communicating a fundamental problem in such a way that individuals and teams are guided by an explicit engagement plan.

This stage should also be used to clarify/link work unit objectives and results in terms of the vision (discussed in the next section) and the significance of individual and team targets in realising the organisational goals, should be explained to people. Newman (2003) discussed in 4.4.1 who refers to this stage as ‘focused logic’, asserts that individual and team actions should be directed to where it will have the most impact in terms of realising the organisational vision. ISR’s (discussed in section 4.2.3) alignment strategy further elucidates the manager’s role in providing direction to individuals and groups, as follows:
Areas should be identified where business performance is most needed and linked to the organisation’s vision;

Adjustments should be made to individual and team objectives depending on how strategic priorities change;

Participative processes should be used to explain how the organisation’s key components interact; and

Organisations should make use of highly interactive group (functional) processes to clarify critical team objectives.

The abovementioned guidelines for directing individuals and teams do not only augment employee engagement, but are important factors in improving overall organisational performance (see sections 4.2.3 and 4.3.2).

The next organisational strategy that is discussed namely vision, mission and values is closely linked to the work unit objectives and results discussed in this section.

**PROVIDE DIRECTION BY INTERPRETING THE VISION**

The seventh organisational strategy in the employee engagement hierarchy refers to the vision, mission and values that leadership provides, and is closely linked to work unit objectives discussed in the previous section, as well as leadership discussed in section 5.3.1. In section 5.3.1 leadership’s role in providing the right organisational conditions for enhancing employee engagement were delineated. However, in this section, where the strategies for engaging employees are considered, the focus is placed on leadership recognising the value of employees as a source of competitive advantage and therefore
incorporating people in their vision, mission and values statement. Covey (2004, p.234) asserts that leadership has a major role to play in aligning systems and structures that reinforce the core values and strategic priorities of the organisation, even if it means getting rid of some ‘sacred cow’ organisational systems. He describes leadership’s responsibility as having to clear roadblocks and not create them.

Towers Perrin, discussed in section 3.3.1, ranks senior management’s ability to communicate a clear vision for long term success as one of the top ten drivers of employee engagement. D’Aprix discussed in section 4.3.1 concurs and asserts that the vision needs to be interpreted in a way that it makes sense to employees and provides direction for channelling employees’ behaviour that is valued by the organisation. This will enhance employees’ perceptions of worth, performing a meaningful job and sense of contribution (all of which are important drivers of engagement). Gallop’s question eight in their Q^{12} discussed in section 3.3.2 namely, the mission or purpose of my company makes me feel my job is important, accentuates the essence of the role of this stage in the employee engagement hierarchy. ISR (discussed in section 4.2.3) adds that leaders should share their views of the strategic business priorities with employees and backup their views with consistent messages reinforcing them. In so doing, management reinforces their commitment to the vision and strategic objectives, as well as provide much needed affirmation to employees that they are channelling their efforts in the right direction (adding to employees’ perceptions of worth). Kaplan and Norton (2004, p.299) suggest that leaders create ‘strategic awareness’ through multi-faceted communications programmes involving a wide range of mechanisms such as; brochures, newsletters, town hall meetings, orientation and
training programmes, executive talks, company intranets, and bulletin boards.

The section on international best practices (see section 4.3.4) provides useful guidelines in translating vision into people processes. Best employer practices are summarised as follows:

§ Employers should select leaders who are capable of exercising, reinforcing and building capacity through people-related behaviours;
§ Hold leaders accountable for extending the behaviours throughout the organisation;
§ Focus on people practices that support employee engagement such as providing recognition, performance management, employee development, sharing the direction and aligning people to the business goals of the organisation;
§ Leaders should take time to translate business goals into individual requirements that enable individuals to take responsibility for their contribution to the goals of the organisation by providing authority, resources and appropriate decision-making power (people are therefore more closely engaged in achieving outcomes for the organisation – appeals to peoples’ emotional engagement levels – see section 2.2.1); and
§ Leaders should have a clear understanding of their business model and how it translates to customers and desired people practices that promote engagement (see table 4.3).

Kaplan and Norton (2004, p. 299) assert that when all members of a team have commonality of purpose, a shared vision, and an understanding of how their personal roles support the overall strategy, it provides the basis for empowerment. The final strategy in the theoretical
model for engaging employees as depicted in figure 5.1 is empowerment, and its role is elucidated in the following section.

**EMPOWER EMPLOYEES**

The eighth and final organisational strategy in the employee engagement hierarchy depicted in figure 5.1, completes the closed loop and focuses on the requirements needed to deal with employees who are ready and able to provide discretionary effort (people who have reached the state of full engagement). The inter-relationship between empowerment and engagement is captured by Johson and Thurston’s (1997, p.64) assertion that empowerment inculcates a sense of job ownership, commitment and efficacy among individuals and teams. However, there are a number of strategies that organisations should implement to ensure empowerment and ultimately secure employee engagement. These strategies were identified in section 4.5.6 and are summarised as follows:

- A climate where individuals will learn, grow and develop, self manage and participate in decisions should be fostered;
- Middle managers should know their own levels of empowerment and know the capabilities of their employees;
- The role of the supervisor should be one of a coach and expert as opposed to the traditional command/control style of supervision;
- Boundaries management where jobs overlap and a broad set of competencies is sought should replace narrowly defined jobs; and
- A consensus leadership style that influences people through a shared vision should be pursued.
Once the empowerment stage in the employee engagement hierarchy has been achieved it does not guarantee that the employee will remain engaged for the remainder of the employment relationship. There are many events in the course of the employment relationship that could negatively influence an employee’s level of engagement. Kaye and Jordan-Evans (2003, p.3) assert that after mergers, downsizings and organisational change processes have been implemented, it is crucial that the organisational strategies for engaging employees be revisited (one to eight in terms of the proposed model). Strategies also need to be revised when an employee is transferred, promoted or a new manager is assigned to a work group. The organisational strategies therefore, represent a closed loop that requires continual revising and fine-tuning.

In the following section the focus is placed on the manager/supervisor – employee interaction for securing engagement.

### 5.3.3 Manager – employee interaction

In the previous section organisational strategies for engaging employees were considered. In this section, which is represented by the circle (and questions) in the theoretical employee engagement model depicted in figure 5.1, the focus is placed on the manager/supervisor and employee interaction process. The questions represented in this stage of the model closely resemble the organisational strategies discussed in the previous section. However, whilst the primary purpose of the questions is to provide a route for engaging employees, they also represent an interactive process that can assist managers in their dialogue with individuals.
The questions were developed based on the underlying drivers of engagement that was proffered by research discussed in chapters two, three and four. The prominence accorded the role of the manager (see section 3.3.1 and 4.2.2) together with the key drivers of employee engagement, prompted the researcher to develop the manager – employee interaction stage. The manager – employee interaction stage can also be used independently as a management diagnostic tool to promote dialogue during a performance management review or gauging an individual's level of engagement (see figure 5.3).

![Manager – employee interaction stage](image)

**Figure 5.3:** Manager – employee interaction stage

Dialogue should commence by assisting the employee to answer the question; are my talents suited to the job? The discussion should then proceed utilising the questions in a clock-wise direction until the
question, how can I help? is reached (signifying the end in the process – until next time). For new employees, it is necessary to focus on the first four questions, whereas the process may start at question three with more senior personnel.

To further clarify the significance and role of the manager in the engagement process each of the questions is discussed in more detail.

**Are my talents suited to the job?**

The premise on which this question is based is that employees will be able to contribute more readily if they are deployed in positions where they are capable/allowed to use their natural talents. People utilising their natural talents are playing to their strengths that allow them to be as effective as they can be and therefore limits frustration associated with tasks they are not adept with. Coffman and Gonzales-Molina (2002, p.60) capture this notion when they assert that the most effective way to use employees is to use their strengths and that great organisations have learnt to deploy peoples’ enduring talents to their best advantage. They have identified thirty-four naturally recurring talents of people that should be used by managers to check the employee – job match.

This question will therefore assist managers to answer the most basic engagement question; am I being utilised in the right position? The manager should together with the employee determine what the strengths of the individual are and how to best utilise them, whilst minimising those tasks that cause frustration. In section 4.2.2 guidelines were established for managers who wish to comply with the engagement requirements associated with this question, as follows:
When selecting someone, select based on talent and not just experience, intelligence or determination;

§ Focus on employees’ strengths not weaknesses; and

§ Assist employees to find the right match where they can utilise most of their strengths as often as possible.

What’s my job?

This question is especially relevant to new employees and people who have been promoted to new positions. The question is aimed at stimulating dialogue about the nature of the job by clarifying job responsibilities and expectations. The question is considered as one of the fundamental elements in Gallop’s (2001) engagement hierarchy, discussed in section 3.3.2.

Managers should provide employees with expected outcomes and guard against being too prescriptive by outlining steps that have to be followed in completing the job. The latter approach according to Buckingham and Coffman (1999) discussed in section 4.2.2, serves to regiment the job thereby stifling employees’ initiative and special talents they bring to the job (job descriptions typically ‘box’ employees’ expectations). Managers should show employees how their job/contributions fit in with organisational objectives. This will enhance employees’ sense of worth, which addresses emotional engagement. Van Schalkwyk (2004) discussed in section 4.3.2 assert that peoples’ actions should be directed to those aspects of the job that bring about maximum outcomes. The challenge for managers lies in matching employees’ talents to job outcomes in such a way that individuals’ strengths are optimally utilised.
Do I have the necessary tools?

This question also refers to the most basic level in Gallop’s (2001, p.77) employee engagement hierarchy. In order to prevent employee frustration, managers should see to it that individuals have the necessary equipment to perform their jobs according to expected levels of performance.

Coffman and Gonzalez-Molina (2002, p.82) assert that in less effective work groups, managers control all resources and flow of information as a means to protect his/her power and authority. Effective work groups are characterised by openness and a clear two-way flow of information about the resources that are needed to do the job and the resources that are available. Managers/supervisors should therefore regularly initiate discussions about the availability and state of resources and equipment. In addition, managers should enable individuals to take responsibility for their contributions to the goals of the organisation by providing authority and the necessary decision-making power (see section 4.3.4).

How am I doing?

This question addresses feedback and recognising the efforts of the individual where talents were directed at achieving desired outcomes. Sirota et al (2005, p.223) assert that receiving recognition for one’s achievements is among the most fundamental of human needs. Recognising individuals adds to their sense of accomplishment, which contributes significantly to engagement. It also confirms that the individual is adding value to the company. Sirota et al (2005, p.212) suggest that managers follow certain guidelines in providing
feedback/guidance to employees. These guidelines are summarised as follows:

§ Do not equate performance feedback with the annual performance appraisal;
§ Don’t assume that employees are only interested in receiving praise for what they do well and resent having areas in need of improvement pointed out;
§ An employee whose overall performance is satisfactory and appreciated by the organisation needs to be made aware of that;
§ Comments about areas that need improvement should be specific and factual rather than evaluative, and directed at the situation rather than the person;
§ Feedback needs to be limited to those aspects of employee behaviour that relate to performance;
§ When giving performance feedback encourage two-way communication;
§ Remember that the goal of feedback is action that improves performance;
§ Have regular follow ups and reinforce;
§ Provide feedback only in areas in which you are competent; and
§ Recognition is perceived most positively when it is done:
  a. In person;
  b. Timely;
  c. Sincerely;
  d. Specifically about what is being recognised; and
  e. Given for both group and individual performance.
Does anyone care?

This question addresses whether the manager/supervisor shows concern and an interest in the individual. The extent to which individuals fit in with their team and relationships (networks) they have established across teams are important (as discussed in section 5.3.2 – individual needs) elements in promoting emotional engagement. Coffman and Gonzalez-Molina (2002, p.85) assert that employees do not leave companies, they leave managers whom they feel do not care about them as individuals or as employees. Towers Perrin (2003) discussed in section 3.3.1 identified a set of managerial behaviours that influences employee engagement. These managerial behaviours should be pursued by managers/supervisors and are summarised as follows:

- To act with honesty and integrity;
- Encouraging people to develop new ideas and new ways of doing things;
- Inspiring enthusiasm for work;
- Being supportive of teamwork;
- Showing a sincere interest in their people; and
- Building teams with diverse skills and backgrounds.

How is my unit doing?

The manager should use this question to connect individual performance (outcomes) to that of the work unit and ultimately the overall objectives of the organisation. Providing employees with a link between organisational goals and individual outcomes strengthens perceptions of value and worth, thereby positively contributing to engagement. The organisational strategies mentioned in section 5.3.2 (see work unit
objectives and results) should be used to direct managerial actions. In addition, managers should share business unit results with employees. This will encourage further performance and add to the individuals’ sense of achievement whilst solidifying team cohesion (see camaraderie in section 4.2.4).

**Where are we heading?**

D’Aprix (1982) discussed in section 4.3.1, asserts that this is one of the most crucial questions in the manager-employee interaction stage, especially in today’s world where the environment and business conditions are continuously changing. He recommends that managers avoid the rhetoric associated with vision, mission and values. Instead, managers should interpret the vision in such a way that it makes sense to employees and provide direction for channelling their behaviour, thus indicating what is valued by the organisation.

Coffman and Gonzalez-Molina (2002, p.87) assert that interpreting the organisational mission for individuals in such a way that they can see the value of their contributions makes them feel their jobs are important and connects them to the mission. Gratton (discussed in section 4.2.1) proposes that managers use a ‘strategy as learning process’ that encourages dialogue at various levels in the organisation and the assumption that there is the capacity to learn from each other (two-way communication). Managers should therefore workshop the organisation’s vision and values with their employees in order to determine buy-in and link organisational strategies to work unit objectives and individual outcomes respectively. Miles’ (2001) supercharger cascade approach discussed in section 4.4.2 is ideally suited for this purpose.
How can I help?

This question can only be addressed if all the preceding questions have been dealt with satisfactorily. Once this stage is reached in the engagement hierarchy, the individual is willing and has the ability to help (empowered). This represents an employee who is fully engaged and prepared to voluntarily give discretionary effort. Managers should grant employees full autonomy to control decisions on how they perform their jobs (job context driver of engagement – see section 2.4). Managers should adopt a participative management style (see section 4.2.4).

This is also the stage where the relationship between employee engagement and the manager’s self-efficacy discussed in section 3.3.2, is maximised. In other words, employees who enjoy close relationships with their managers and believe they have an interest in their development will produce favourable outcomes. These behaviours in turn influence the manager’s self-efficacy.

The questions should be repeated after promotions, transfers or if the manager detects any change in the employee’s level of performance/attitude. Coffman (2002, p.2) cautions managers not to ignore their top performing employees (engaged employees) because they deliver superior performance and therefore require little or no input from them. Managers should provide feedback and recognition to all their employees deserving of it, on a regular basis.

In the next section engaged employees are discussed.
5.3.4 Engaged employee

This stage is depicted by the circle in the epicentre of the theoretical employee engagement model depicted in figure 5.1. It describes the characteristics of an employee who is emotionally, cognitively and personally engaged. Emotional engagement refers to the willingness to contribute discretionary effort beyond the call of duty (see section 2.2.1). Cognitive engagement refers to employees who are aware of their mission and role in the organisation (see section 2.2.2). Personal engagement may vary with the performance of different daily tasks (see section 2.2.3). However, Coffman and Gonzalez-Molina (2002) as discussed in section 2.2.3 summarise the characteristics of highly engaged employees as follows:

§ Use their talents every day;
§ Deliver consistent high levels of performance;
§ Have a natural innovation and drive for efficiency;
§ Intentionally build supportive relationships;
§ Clear about the outcomes of their job;
§ Emotionally committed to what they do;
§ Challenge purpose to achieve goals;
§ High energy and enthusiasm;
§ Never run out of things to do, but create positive things to act on;
§ Broaden what they do and build on it; and
§ Commitment to company, work group and role.

These are all behaviours that have been shown to add to overall business success (see section 3.2.2) and that can be advanced via the employee engagement model presented in this chapter. However, it would be naïve to suggest that competitive advantage would be
achieved by simply following the organisational engagement strategies and manager-employee interaction stages of the proposed model. The employee engagement model should be used in conjunction with other organisational initiatives aimed at providing a people-centred approach to achieve competitive advantage.

5.4 CONCLUDING REMARKS

The aim of this chapter was to develop a theoretical employee engagement model based on the theoretical and empirical research findings discussed in chapters two, three and four. The drivers of engagement (chapter two), measures of engagement (chapter three) and organisational strategies that support engagement (chapter four) were integrated to formulate the theoretical employee engagement model depicted in figure 5.1.

By developing the theoretical employee engagement model, which is presented in this chapter, the first sub-problem of this study namely, what factors are revealed in the relevant literature that influence employee engagement?, has been answered.

The second sub-problem (identified in chapter one), namely, what strategies are currently used by organisations to facilitate employee engagement?, was resolved by compiling a survey questionnaire using the theoretical employee engagement model depicted in figure 5.1 as the basis for the empirical study. In chapter six the questionnaire and the research design used for the study are discussed in detail.
CHAPTER 6

RESEARCH METHODOLOGY AND ANALYSIS OF BIOGRAPHICAL DETAILS OF RESPONDENTS

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Chapter 6: Research methodology and analysis of biographical details of respondents
CHAPTER 6

RESEARCH METHODOLOGY AND ANALYSIS OF BIOGRAPHICAL DETAILS OF RESPONDENTS

6.1 INTRODUCTION

In chapter five a theoretical employee engagement model was discussed. The model was developed based on the drivers of engagement discussed in chapter two, as well as incorporating the measures and organisational strategies that support employee engagement, discussed in chapters three and four respectively. The theoretical model developed in chapter five was used as the basis for this research study.

The aim of this chapter is to describe the research methodology that was used during the study. Aspects of the design of the study together with the underpinning methodology are discussed in order to justify the quality and significance of the procedures that were applied. This chapter describes the process of obtaining an answer to the second sub-problem: What strategies are currently used by organisations to facilitate employee engagement? The chapter also presents a quantitative analysis of the biographical data of the respondents in tabular and chart form.

6.2 RESEARCH DESIGN

Prior to describing the detail of the research methodology that was applied in this study, it is necessary to consider the following question: What is research methodology?
Punch (2005, p.8) broadly defines research as ‘the collection of data about the world, to build theories to explain the data, and then to test those theories against further data’. Bless and Higson-Smith (2004, p.3) define research as: “a systematic investigation of a question, phenomenon, or problem using certain principles”. They qualify their definition by describing the characteristics of research as follows:

§ Research is **empirical** since the aim is to know reality. Each step is based on observation, whether it involves collecting the facts, explaining or assessing the prediction;

§ It is **systematic and logical**. Observations must therefore be done systematically and follow a logical order (sequence). For example, an analysis of the different variables involved must be undertaken prior to the formulation of the questions to be answered by the respondents;

§ It is **replicable and transmissible**. This implies that given the same set of conditions the study (observation) can be repeated yielding the same explanation or conclusion. Furthermore, that the steps followed in the study can be described and communicated to transmit the acquired knowledge; and

§ Research is **reductive**. In order to deal with the main focus of the study, the complexity of reality is reduced. Therefore, all details that have no or little influence on the study are omitted.

A further important distinction, in answering the question what is research, has to be made between research design and research methodology. Bless and Higson-Smith (2004, p.3) and Babbie, Mouton, Vorster and Prozesky (2001, p.74) assert that there is a tendency to confuse research design with research methodology. Babbie et al
(2001, p.75) outline the differences between research design and research methodology as follows:

**Research design** focuses on the end product and outlines the type of study and results that are sought. The research problem or question represents the point of departure. Research design therefore, focuses on the logic of the research and considers the evidence required to address the research question; and

**Research methodology** on the other hand, focuses on the research process and the kind of tools and procedures to be used. Specific tasks such as data collection techniques or sampling (questionnaires) represents the point of departure. Research methodology according to Babbie et al (2001, p.75) focuses on the individual steps in the research process and the most objective procedures to be used.

Leedy (1997, p.5) outlines the process of research methodology as comprising of eight steps, as follows:

1. Research originates with a question or problem;
2. Research requires clear articulation of a goal;
3. Research follows a specific plan of procedure;
4. Research usually divides the principal problem into more manageable sub-problems;
5. Research is guided by the specific research problem, question, or hypothesis;
6. Research accepts certain critical assumptions;
7. Research requires the collection and interpretation of data in attempting to resolve the problem that initiated the research; and
8. Research is, cyclical or more exactly helical.
From the eight steps outlined above Leedy (1997, p.9) concludes that research methodology controls the study, dictates the acquisition of data, and arranges them in logical relationships. The raw data is then redefined via appropriate approaches that derive meaning from the data, which culminates in drawing conclusions that add to the expansion of knowledge. Leedy (1997, p.9) summarises the two primary functions of research methodology as follows:

§ It controls and dictates the acquisition of data; and
§ It allows for the grouping of data after the acquisition thereof and allows for meaningful extractions.

Considering the explanations of what research is, the research design adopted in this study was categorised into the main problem and three sub-problems. The main problem was:

**What strategies should organisations use to improve the level of employee engagement?**

Three sub-problems were developed to assist in formulating a more manageable research strategy to deal with and solve the main problem. The following sub-problems were identified.

1. What factors are revealed in the relevant literature that influence employee engagement?

2. What strategies are currently used by organisations to facilitate employee engagement?
3. How can the results obtained from the resolution of sub-problems one and two be combined into an integrated model, which can be used by organisations as a strategy for facilitating employee engagement?

The following procedures were adopted to solve the main and sub-problems of the study:

a) In order to resolve sub-problem one, a literature survey was conducted to determine the drivers and approaches for measuring employee engagement. The drivers and approaches for measuring employee engagement are discussed in chapters two and three respectively. In chapter two a literature study was conducted to determine the underlying theoretical constructs of employee engagement. From the underlying constructs employee engagement drivers were delineated that showed a strong correlation in motivating performance and engagement;

In chapter three the rationale for using an employee engagement approach as a strategy to increase organisational competitiveness was surveyed. From the literature surveyed, an analysis of various approaches for measuring employee engagement together with the empirical evidence provided by the approaches on drivers of engagement was discussed;

b) In order to solve the second sub-problem, the literature dealing with organisational strategies that utilised employee engagement as a means to improve business performance was surveyed. An analysis of the organisational strategies and their relationship with other organisational factors such as, the role of the manager, were discussed in chapter four;
Based on the literature surveys mentioned in steps (a) and (b) a theoretical employee engagement model was presented in chapter five. The theoretical employee engagement model presented in chapter five was used as the basis for compiling the survey questionnaire (included as Appendix D) to establish the extent to which organisations agree or disagree with the model developed in this study;

The empirical aspect of the study was conducted by means of a postal survey. Respondents were asked to rate whether they agreed or disagreed that the strategies and process proposed by the theoretical model for engaging employees would be effective in engaging employees in their organisations. Interpreting respondents’ feedback discussed in chapter seven, resolved sub-problem two of the study; and

c) The responses obtained in step (b) were used to adapt the theoretical employee engagement model where, and if necessary, to align it with the views of the majority of the respondents. This led to the development of an integrated model for employee engagement. With that sub-problem three of the study was concluded.

6.3 CONDUCTING THE EMPIRICAL STUDY

The empirical study was conducted via a postal survey. A survey questionnaire, which served as the measuring instrument, was developed for this purpose. In terms of Salkind’s (2000, p.11) classification of the different types of research, the survey questionnaire utilised in this study is categorised as nonexperimental or
descriptive research. Leedy (1997, p.190) describes the purpose of descriptive research as comprising two major components. Firstly, the population stipulated in the research parameters are closely observed and secondly, careful record is kept of the observations (data) so that inferences may be drawn. This section will discuss sampling procedures, the development of the questionnaire, the pretesting of the questionnaire, the postal survey, and the research responses of the study.

6.3.1 Sample

Before the empirical study was commenced it was necessary for the researcher to consider whether the entire population of elements or only a sample of elements of the population should be researched. Punch (2005, p.103) argues that it is often not possible to survey the entire population due to costs, time, quality of information and difficult population groups. Dooley (1995, p.133) points out that care should be taken to accurately frame the population from which the sample is taken as generalisations can only be made to the frame. Leedy (1997, p.204) asserts that “the sample should be so carefully chosen that, through it, the researcher is able to see all the characteristics of the total population in the same relationship that they would be seen were the researcher, in fact, to inspect the entire population”. He points out that the type of data will determine whether sampling is appropriate. Sampling is more appropriate when a large population with an outward semblance of homogeneity is researched.

Babbie et al (2001, p.185) assert that studies involving organisations are often the simplest from a sampling standpoint because organisations typically have membership lists. The membership list
would therefore represent the sampling frame and data collected from that sample may be taken as representative of all members.

Considering the abovementioned facts the Port Elizabeth Regional Chamber of Business and the East London Chamber of Business were approached for their lists of employers in the motor and motor component sectors (representing the sample frame of this research study). Furthermore, the database was compared to other available databases for the motor sector such as the National Association of Automotive Component and Allied Manufacturers (NAACAM), to confirm that all organisations that met the criteria were included.

The target population of this study consisted of all organisations in the motor manufacturing and component industry in the Nelson Mandela Metropolitan and Buffalo City areas that employed more than fifty employees. After careful consideration, it was decided to include only those organisations that employed more than fifty employees, as they were more likely to have the managerial structures and engagement policies in place (which is the focus of this research project) than smaller organisations. Sixty seven organisations that employed more than fifty employees were identified from the database. The entire population was included in the empirical study (all sixty seven organisations).
6.3.1.1 Sampling methods

Various sampling methods can be distinguished. However, Punch (2005, p.102) recommends that the sampling method that will ensure the highest degree of representativeness of the sample should be selected. He emphasises that although various strategies have been developed to ensure representativeness none are as successful, in ensuring representativeness, than random sampling. Mouton (2001, p.153) concurs that random sampling (also referred to as probability sampling) is the preferred method to use in the case of survey questionnaires.

Before the researcher decided on a sampling method that was best suited to this research study, various other methods were also considered. Bless and Higson-Smith (2004, p.86) distinguish between two main types of sampling, namely probability/random sampling and non-probability sampling. The first type namely **probability sampling**, represents approaches that randomly select elements from the population. The approaches are summarised as follows:

- **Simple random sampling.** With this method each member of the population has an equal and independent chance of being selected to be part of the sample. All elements in the target population are allocated a number and the numbers are randomly selected/drawn (lottery method or random numbering sheets);

- **Interval or systematic sampling.** This method is closely related to the previously mentioned one. However, instead of relying on random numbers, it is based on the selection of
elements at equal intervals, starting with a randomly selected element on the population list;

§ **Stratified random sampling.** This method involves dividing the population into groups/strata so that each element of the population belongs to only one stratum. This method is particularly useful for ensuring representativeness when dealing with a heterogeneous population; and

§ **Cluster sampling or multi-stage sampling.** In order to deal with incomplete information/lists of elements, this approach starts off by sampling a population that is more general than the final one. In the second stage, on the basis of the first sample, a new population is considered, which is less general than the first. The procedure is repeated until the population to be investigated is reached and a final sample is drawn.

The second type of sampling identified by Bless and Higson-Smith (2004, p.92) namely **non-probability sampling** is where the probability of selecting a single element is not known. Approaches in this category include the following:

§ **Accidental or availability sampling.** This involves sampling all elements that avail or present themselves until the sample is large enough. This method is cheap and easy to administer, but the representativeness of the sample is highly questionable;

§ **Purposive or judgemental sampling.** This method relies on the judgement of the researcher regarding the characteristics of a representative sample. This method has most value when used by an expert who is familiar with the population; and

§ **Quota sampling** involves drawing a sample that has the same proportions of characteristics as the population. The sample
procedure relies on accidental choice instead of random selection.

Bless and Higson-Smith (2004, p.93) also mention other sampling methods. These are summarised as follows:

§ **Sampling with or without replacement.** This method refers to random sampling techniques where selected elements can, or cannot, appear twice in a sample. Elements once selected are replaced amongst the population and therefore stand a chance of being selected again (sampling with replacement); and

§ **Independent versus related/dependent samples.** This method involves the selection of two or more groups or samples in such a way as to make them independent. Each unit is selected randomly from the population and is also randomly assigned to one or the other group (independent sample). Where groups or samples are related and their elements match on specific properties they are referred to as dependent samples.

It is concluded from the above discussion that the most appropriate sampling method for this research study is that of random sampling, which falls within the probability category of sampling techniques. A further consideration that underscores sampling technique is sample size.

### 6.3.1.2 Sample size

A general rule of thumb when it comes to sample size is that the bigger the sample, the more representative and more accurate generalisations will be. Salkind (2000, p.96) recommends that the
sample size be increased when the variability within a group is greater and the difference between two groups gets smaller. He advises that when groups are formulated the ideal size of the group should be thirty, thus allowing for meaningful statistical analysis. A further suggestion pertaining to the use of surveys and questionnaires is to increase the sample size to forty or fifty per cent, to allow for lost mail and uncooperative subjects.

The population frame for this study has been established between 50 and 100 elements (67 organisations). De Vos, Strydom, Fouche and Delport (2002, p.200), quoted by Berry (2003, p.204), indicate that a study population of between 50 and 100 will require between 32 and 45 respondents.

6.3.1.3 Sampling error

Salkind (2000, p.95) describes sampling error as the lack of fit or difference between the characteristics of the sample and the characteristics of the population from which the sample was drawn. Bless and Higson-Smith (2004, p.94) augment this definition and distinguish between two types of sampling errors, namely those caused by chance factors and those caused due to bias in selection. The errors associated with the two categories are summarised below as follows:

- Discrepancies may exist between the actual population from which the sample was drawn and the target population. This could be caused by an inaccurate frame list or a high degree of non-responses;
The lack of an adequate operational definition could lead to an inaccurate description of the population, therefore resulting in the wrong type of information being collected; failure to identify all possible variables or having too many sources of invalidity that have escaped detection; random error, where one element and not the other has been selected in a particular sample. This error is inevitable and unless the entire population is surveyed it cannot be completely avoided; incorrect sampling method or too small a sample size; the interviewer may overlook certain important criterion; respondents may provide incorrect information; some strata of a population may be over or under represented in the sample; interviewer bias occurs where the interviewer’s personal characteristics such as being too lenient, or aggressive, impatient or partial, influences the responses. Inaccurate recording and interpretation of information by the interviewer may add to skewing the data; and researcher bias that includes the beliefs, political, religious and racial attitudes and other convictions of the researcher, play an underlying role.

The researcher considered all the abovementioned details in decisions pertaining to the research sample used in this study.

6.3.2 Questionnaire

Punch (2005, p.99) asserts that survey questionnaires seek a wide range of information and therefore they are more effectively formulated when a conceptual map (in diagram format) has been developed. The theoretical engagement model developed in chapter five (see section...
5.3) served as the basis for the development of the questionnaire (see Appendix D). The development of the questionnaire used in this study is discussed below.

6.3.2.1 Development of the questionnaire

Lancaster (2005, p.137) asserts that questionnaires are the most widely used means of data collection and depending on their design can vary vastly according to their structure, purpose, how they are administered, method of analysis and interpretation. He summarises the key aspects to be considered by researchers, pertaining to questionnaire design as follows:

§ The range and scope of questions to be included;
§ Question types for example, open or closed;
§ Content of individual questions;
§ Question structure;
§ Question wording; and
§ Question order.

Charlesworth and Morley (2000) as cited by Lancaster (2005, p.139) point out that the aim of the questionnaire is to obtain accurate information from every member in the sample. In order to secure accurate information the questionnaire should be clear and unbiased, easy to understand and should keep the respondent’s interest and motivation. Lancaster (2005, p.139) recommends the following guidelines for the development of a questionnaire:

§ Be as concise as possible;
Have a logical structure with a clear focus and evolution from topic to topic. Commence with factual or background information and then proceed to explore the main areas of interest;

Use simple questions free from unnecessary jargon, over complex language or question structure;

Avoid ambiguous questions. These are questions that are linked and refer to more than one object in the same sentence;

Avoid asking leading questions (questions that anticipate a particular response); and

Use a specific choice of answers. The Likert scale is the most widely used scale to capture respondent’s agreement/disagreement. The scale comprises a five point verbal scale ranging from strongly agreeing to strongly disagreeing on either ends of the continuum (this scale was used to capture respondent’s responses in section B of the questionnaire).

In addition, consideration should also be given to the relationship between the type of question and nature of the data generated by the question. This has a major impact on how the responses can be analysed. Lancaster (2005, p.141) distinguishes amongst three main categories of data, as follows:

**Nominal data** is used to describe labels or categories such as male/female;

**Ordinal data** can be ranked or ordered and includes responses captured on a rating scale such as the Likert scale; and

**Cardinal data** has order, sequence and units of measurement.

Researchers therefore have to pay special attention to the question as well as anticipate the nature of the responses and how best to portray them. Struwig and Stead (2001, p.90), Lancaster (2005, p.139) and
Salkind (2000, p.137) recommend that researchers carefully consider the format and structure of questions. Types of questions that could be included in a questionnaire are closed questions (pre-coded), open-ended questions, multiple-choice questions, checklists, dichotomous questions that require a ‘yes’ or ‘no’ answer, ranking questions and scaled-response questions. Lancaster (2005, p.141) asserts that scaled-response questions, such as the Likert-type scale, are preferable to other forms of questions as they provide ordinal data.

The questionnaire used for purposes of this research study (see Appendix D) was constructed to meet the criteria suggested by Lancaster (2005, p.139). The questionnaire was divided into two sections:

1. **Section A** required respondents to provide biographical data that related to their organisation and individual perceptions of employee engagement. Open-ended, multiple-choice as well as dichotomous questions were used to elicit the data; and

2. **Section B** was based on the theoretical engagement model developed in chapter five and sought to determine the degree to which respondents agreed or disagreed with the elements mentioned in the model. Statements were formatted according to a five point Likert-type scale. The verbal scale utilised was as follows:

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Uncertain</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
</table>

Section B was sub-divided into the four key areas covered by the theoretical engagement model with the following headings:
The section on Organisational Leadership contained questions related to the strategies that senior/top management should use to engage employees;

The Organisational Culture section contained possible actions relating to the climate in the organisation that could lead to employee engagement;

The section on Organisational Strategies contained questions relating to specific strategies that would lead to employee engagement; and

The Manager’s Role focused on the managerial behaviours that would promote engagement.

In order to make meaningful deductions from the data collected, special care should be taken in the design of the questionnaire as it contributes to the reliability and validity of the measuring instrument.

6.3.2.2 Validity, reliability and sensitivity of the measuring instrument

Green, Tull and Albaum (1988, p.249) argue that success of the research endeavour depends on the accuracy of the measurement instrument. Salkind (2000, p.105) supports this notion and attributes many of the flawed research efforts to grandiosely formulated questions that at face value appear sound but are neither valid nor reliable. The accuracy of the measuring instrument not only influences the accuracy of results but also the conclusions drawn and generalisations made from the study. It is therefore axiomatic that measuring instruments that are not valid and reliable will yield flawed results and if generalisations are made based on these results it can cause misleading inferences.
Validity

Salkind (2000, p.113) defines validity as the quality of the measuring instrument doing what it is supposed to do. Parasuraman, Grewal and Krishnan (2004, p.294) describe validity as the extent to which the rating scale fully captures all aspects of the construct to be measured. Validity is normally referred to in relation to the outcome of a test and therefore various degrees of validity can be established. Salkind (2000, p.113) points out that validity should be interpreted in terms of the results of the study and whether the results are understood within the context of the researcher's purpose. Salkind (2000, p.113), Green et al (1988, p.250), Parasuraman et al (2004, p.294) and Sekaran (1992, p.143) all describe various forms of validity that should be considered by researchers to ensure the authenticity and integrity (validity) of their research instruments. These forms of validity are summarised briefly below:

§ **Content validity** also referred to as face validity, refers to how representative the scale or instrument is of the universe of the content of the property or characteristic that is being measured. Green et al (1988, p.250) assert that content validation involves using experts in the field to judge whether sufficient content regarding the topic is being covered.

The research instrument utilised in this research study was subjected to three subject experts and two industry experts (see section 6.3.3 for more details) in an attempt to increase the instrument's face validity;

§ **Criterion validity** is established when the measure differentiates individuals on a criterion it is expected to predict. This is done by establishing concurrent validity or predictive validity. Concurrent
validity is established when the scale distinguishes individuals who are known to be different. Predictive validity refers to the instrument’s capacity to differentiate among individuals on a future criterion;

§ **Construct validity** refers to how well the results obtained from the use of the instrument fits the theories around which it was designed. Construct validity comprises of three sub-strata namely convergent, discriminant and nomological validity. Convergent validity is established when the scores of two different instruments measuring the same concept are highly correlated. Discriminant validity is achieved when based on theory, two variables are predicted to be uncorrelated, and the scores obtained are proven to be empirically so. Nomological validity involves relating measurements to a theoretical model that leads to further deductions, interpretations and tests that allows constructs to be systematically interrelated;

§ **Internal validity** refers to the freedom of researcher bias in forming conclusions in the view of collected data; and

§ **External validity** refers to the extent that conclusions made by the research can be generalised to the broader population, different settings, times and not merely applied to the sample studied.

Green et al (1988, p.253) emphasise that ultimately researchers should strive to achieve construct validity. However, they point out that this is seldom achieved and that content (face) and criterion validity are more often the only types of validity that is established. Special care was taken in the formulation of the measuring instrument utilised in this research study to comply with content, face and construct validity (see section 6.3.3 pretesting the questionnaire).
Reliability

Parasuraman et al (2004, p.294) maintain that a measuring instrument is reliable when it consistently yields the same results when administered under the same conditions at different times. They mention two measures used for measuring reliability, namely test-retest and split-half reliability. These two measures are briefly summarised below:

§ **The test-retest reliability** method compares the results of two administrations of the measuring instrument to the same group of respondents at two different times;

§ **The split-half reliability** method measures the degree of consistency across items within a scale and can only be assessed for multiple-item scales; and

§ A further measure used in this research study to ensure reliability was *Cronbach’s alpha coefficient (r)*, which is a statistical procedure that determines the correlation of each test item with each other. The closer r is to 1 the bigger the chance that items in the instrument are measuring the same trait.

Sensitivity

Parasuraman et al (2004, p.296) describe sensitivity as being closely related to reliability and focuses specifically on a scale’s ability to detect subtle differences in the attitudes being measured. Reliability is a prerequisite for sensitivity. Therefore, when measuring instruments are unreliable, it is difficult for researchers to conclude whether scores reflect real differences or merely random fluctuations. Measuring instruments must therefore firstly be reliable in order to be sensitive to subtle variations in responses.
Special care was taken, in the construction of the measuring instrument used in this research project, that it complies with the requirements of validity, reliability and sensitivity as outlined above.

### 6.3.2.3 Questionnaire covering letter

The covering letter is the first contact respondents will have with the questionnaire. It is therefore important that the covering letter sets the scene and addresses crucial concerns of respondents. Parasuraman et al (2004, p.338) believe that the primary purpose of the covering letter is to win the co-operation of respondents. They assert that what the covering letter says and how it says it can affect response rates to mail questionnaires. Leedy (1997, p.192) and Salkind (2000, p.140) underline the importance of covering letters and state that their primary role lies in addressing respondents’ concerns and conveying a sense of authority for the research project. Salkind (2000, p.140) suggests the following guidelines for designing a covering letter that addresses the above mentioned criteria:

- Use an official letterhead;
- The layout must be neat on good quality paper;
- It must have a recent date, which will signify urgency;
- The letter should be personalised. It must be addressed to the respondent in person therefore; addressing it to ‘Dear Respondent’ should be avoided;
- State the purpose of the questionnaire and the importance of the study;
- Indicate a time estimate when the questionnaire should be returned;
- Confidentiality must be indicated and how it will be assured;
§ Offer respondents a copy of the results, as this will further
enhance their importance to the study;
§ Provide a name of a contact person who will deal with
queries;
§ Thank respondents for their participation in the survey; and
§ Both the researcher and supervisor must sign the covering
letter. The supervisor’s credentials and commitment will
provide more credibility/authority to the research project.

Parasuraman et al (2004, p.340) assert that the same guidelines apply
to online or e-mailed surveys. They however, caution that the
guidelines for covering letters, as mentioned above, should not become
self-defeating by being too lengthy and cause respondents to lose
surveys are becoming more popular and are proving to be more
efficient than conventional techniques (mailed questionnaires). Data
collected via electronic surveys also do not appear to indicate a
reduction in data quality.

The suggestions mentioned above were considered in the design of
the covering letter (see Appendix C) and applied uniformly to the e-
mailed surveys.

6.3.3 Pretesting the questionnaire

Green et al (1988, p.271) regard pretesting of questionnaires as a
necessity in an attempt to remove ambiguity and correct design flaws.
Parasuraman et al (2004, p.334) point out that despite the care a
researcher may have taken in the design of the questionnaire,
mistakes can only be detected by an external evaluation. By making
use of pretesting, the researcher will be able to ascertain how
respondents interpret, understand and react to the questions. Feedback from respondents can then be used to revise questions that may cause ambiguity and lead to misinterpretation.

Parasuraman et al (2004, p.334) point out that there is no standard specification for the number and nature of pretests to be conducted. However, they suggest that the following guidelines in structuring pretests be followed:

$\$ One pretest, regardless of the administration method, should be conducted using a personal interview. A face-to-face interview may reveal areas of confusion that would otherwise go unnoticed;
$\$ A second pretest using the administration method should be conducted. This may divulge problems peculiar to the administration of the questionnaire;
$\$ Pretesting should be conducted on a small sample of respondents who are familiar with the subject matter. The emphasis is on quality rather than quantity;
$\$ Pretest respondents should be similar to that of respondents who will ultimately participate in the study; and
$\$ The researcher’s colleagues as well as potential users of the data. Pretesting the questionnaire on colleagues can be extremely useful, since they are likely to view it more critically than survey respondents.

The approach used to pretest the questionnaire in this study was as follows:

$\$ The initial questionnaire was given to five senior academics (including two professors) who lecture in human resources.
management and have a thorough understanding of employee engagement. A copy of the questionnaire was e-mailed to a statistician who assisted with the statistical analysis. Feedback received from these individuals was used to amend and refine the questionnaire; and

The amended questionnaire was e-mailed (to test for difficulties that may be experienced in administration) to two human resource practitioners who were representative of the population used in the empirical study. They were asked to complete and evaluate the questionnaire with special reference to the following:

- Time it took to complete the questionnaire;
- Clarity of instructions and language usage;
- Topics that may have been omitted;
- Layout; and
- Ambiguity of questions.

A personal interview was then arranged with one of the human resource practitioners to ascertain, first-hand, feedback on the administration and interpretation of the questionnaire. Finally, comments received from human resource practitioners were used to further refine the questionnaire before it was distributed to the target population.

### 6.3.4 Administering the questionnaire

The names and contact details of the organisations operating in the motor manufacturing and component industry in the Nelson Mandela Metropolitan and Buffalo City Metropolitan areas were obtained from the Port Elizabeth Chamber of Commerce and Border/Kei Chamber of Commerce respectively. The target population comprised those
organisations in the motor manufacturing and component sectors that employed more than fifty employees, totalling sixty seven organisations. The total population was included in the empirical study (see section 6.3.1).

Saunders, Lewis & Thornhill (2000, p.119) believe that a pre-survey contact is essential in making contact with respondents and gaining their commitment. Each organisation identified in the target population was contacted telephonically and the name of the human resources manager obtained. In the absence of human resource managers, line managers, who had staff reporting to them, were identified. It was therefore established that these respondents could be considered knowledgeable in the field of employee engagement, or were currently in a position where they had to apply engagement practices.

The rationale for selecting human resource practitioners and line managers was because it is assumed that these individuals would more than likely have been involved in the formulation of engagement strategies and/or the implementation thereof. It was further assumed that human resource practitioners, as a result of their training, would be familiar with engagement strategies. By including line managers in the survey a further dynamic was introduced namely; to what extent the views on employee engagement of line managers coincided with those of human resource practitioners.

The researcher adhered to the guidelines relating to the development of the questionnaire and the covering letter as discussed in sections 6.3.2.1 and 6.3.2.3 respectively.

The following procedure was followed in administering the questionnaire:

Chapter 6: Research methodology and analysis of biographical details of respondents
Each potential respondent was contacted telephonically to advise him/her that a questionnaire on employee engagement would be forthcoming. Respondents’ contact details (e-mails) were checked and their preferred method of delivery was ascertained. Ninety one per cent (91%) of the target population preferred to receive and return their questionnaires by e-mail, while nine per cent (9%) preferred a facsimile. Babbie et al (2001, p.260) point out that e-mail surveys can be used in the same way as traditional mail surveys. However, e-mail surveys are proving to be more popular, cheap and relatively fast to conduct. Parasuraman et al (2004, p.335) caution that e-mail surveys present similar problems to that of traditional surveys. They may also yield a low response rate and may require follow-ups;

The covering letter and questionnaire were e-mailed to each prospective respondent and faxed to those who preferred a facsimile;

Upon receiving a response each person was thanked, either by return e-mail or telephonically;

After two weeks, follow-up calls were made or e-mails were resent to remind non-respondents to complete the questionnaire; and

A second follow-up was conducted after four weeks where the questionnaire and covering letter was resent to those who had not yet responded.

Saunders et al (2000, p.310) advise that a third follow-up may be necessary where the response rate is low. In these circumstances, it is suggested, that a further personal telephone call or even calling on the respondent in person should be used.
6.3.5 Response rate

The covering letter and questionnaire were sent to sixty-seven organisations on 1 September 2005 and respondents were asked to return the questionnaire by 23 September 2005. The geographical dispersion of these organisations is shown in Table 6.1 and Chart 6.1.

Table 6.1
NUMBER OF COMPANIES SURVEYED

<table>
<thead>
<tr>
<th>REGION</th>
<th>NUMBER OF COMPANIES</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo City Metropole</td>
<td>9</td>
<td>13.0%</td>
</tr>
<tr>
<td>Nelson Mandela Metropolitan Municipality</td>
<td>58</td>
<td>87.0%</td>
</tr>
<tr>
<td>Total</td>
<td>67</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: List of automobile and automobile component manufacturers as sourced from the Port Elizabeth Regional Chamber of Commerce and the Border/Kei Chamber of Commerce.
From chart 6.1 it can be seen that the majority of organisations surveyed were located in the Nelson Mandela Metropolitan Municipal area.

Table 6.2 indicates the number of responses received on or before the due date.

**Table 6.2**

**NUMBER OF RESPONSES RECEIVED ON OR BEFORE THE DUE DATE**

<table>
<thead>
<tr>
<th>REGION</th>
<th>RESPONSES</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo City Metropole</td>
<td>1</td>
<td>9</td>
<td>11.1%</td>
</tr>
<tr>
<td>Nelson Mandela Metropolitan Municipality</td>
<td>11</td>
<td>58</td>
<td>18.9%</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>67</td>
<td>17.9%</td>
</tr>
</tbody>
</table>
From table 6.2 it can be seen that the response rate was extremely poor, with only twelve questionnaires returned on or before the 23rd September 2005. Responses from the Buffalo City Metropole were particularly poor with only one (11.1%) of nine respondents returning a questionnaire.

Table 6.3 indicates the total number of responses received after the researcher had telephonically followed up with individuals who had not returned their questionnaires by the due date of 23 September 2005. Respondents who indicated that they did not have a copy of the questionnaire were e-mailed one and were asked to return them by 7 October 2005. After the follow-up, a total response of 7 from the Buffalo City Metropole (77.7%) and 41 from the Nelson Mandela Metropolitan Municipality (70.6%) was achieved. This represents a total response of 71.6 per cent.

<table>
<thead>
<tr>
<th>REGION</th>
<th>RESPONSES</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo City Metropole</td>
<td>7</td>
<td>9</td>
<td>77.7%</td>
</tr>
<tr>
<td>Nelson Mandela Metropolitan Municipality</td>
<td>41</td>
<td>58</td>
<td>70.6%</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>67</td>
<td>71.6%</td>
</tr>
</tbody>
</table>

Babbie et al (2001, p.261) assert that the overall response rate is a guide to the representativeness of the sample respondents (population in this case). The higher the response rate achieved the less chance there is of response bias. Researchers are however uncertain as to what exactly constitutes a good response rate. Babbie et al (2001, p.261) report that a response rate of 50 per cent is adequate for analysis and reporting. They consider a response rate of 60 per cent to
be good while a response rate of 70 per cent is regarded as very good. Saunders et al (2000, p.158) suggest that the response rate achieved should be compared to the response rate of similar studies. Hutton (2002, p.159) and Berry (2003, p.220) achieved response rates of 41.6 and 71 per cent respectively, with similar samples. The response rate of 71.6 per cent received for this study was therefore considered to be acceptable.

6.4 ANALYSIS OF BIOGRAPHICAL INFORMATION

Section A of the questionnaire elicited general biographical information from respondents. These questions were designed and included in the questionnaire due to their potential value as independent variables and to test responses against the dependent variables covered in Section B. The results of the information obtained from the questions contained in Section A are presented in Tables 6.4 to 6.17. A brief discussion of the data follows the respective tables.

Table 6.4
RESPONSES ACCORDING TO ORGANISATIONAL SIZE

<table>
<thead>
<tr>
<th>ORGANISATIONAL SIZE</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-100</td>
<td>2</td>
<td>4.2%</td>
</tr>
<tr>
<td>101-300</td>
<td>9</td>
<td>18.8%</td>
</tr>
<tr>
<td>301-500</td>
<td>12</td>
<td>25.0%</td>
</tr>
<tr>
<td>501-700</td>
<td>7</td>
<td>14.6%</td>
</tr>
<tr>
<td>701-900</td>
<td>6</td>
<td>12.5%</td>
</tr>
<tr>
<td>901+</td>
<td>12</td>
<td>25.0%</td>
</tr>
</tbody>
</table>
From table 6.4 and chart 6.2 it is evident that the full spectrum of organisations, ranging from small to large, were represented in the responses. The highest percentage of total responses, 62 per cent, came from organisations that fall within the small to medium sized category (0-700 employees). However, a significant proportion (25 per cent) of respondents came from the 900+ category.

The significant proportion of smaller organisations can probably be attributed to the larger portion of smaller companies that are involved in the manufacture of automotive components and related services. This is clearly indicated in the data displayed in table 6.5 and chart 6.3, which reveals that the majority of respondents are drawn from the automotive components area (56.3 per cent).
Table 6.5
RESPONSES ACCORDING TO OPERATIONAL FOCUS

<table>
<thead>
<tr>
<th>PRODUCT MANUFACTURED</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor vehicles</td>
<td>8</td>
<td>16.7%</td>
</tr>
<tr>
<td>Components</td>
<td>27</td>
<td>56.3%</td>
</tr>
<tr>
<td>Engineering</td>
<td>7</td>
<td>14.6%</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

Chart 6.3
RESPONSES ACCORDING TO OPERATIONAL FOCUS

Question A4 required respondents to indicate whether their organisations had functions/departments that were responsible for human resources, organisational development and communication. Responses to this question are presented in table 6.6 and chart 6.4.
Table 6.6
RESPONSES ACCORDING TO POSITIONS CATERED FOR BY ORGANISATIONS

<table>
<thead>
<tr>
<th>ORGANISATIONAL POSITION</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources Department</td>
<td>48</td>
<td>0</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Positions responsible for organisational</td>
<td>34</td>
<td>14</td>
<td>48</td>
</tr>
<tr>
<td>development</td>
<td>No.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>70.8%</td>
<td>29.2%</td>
<td>100%</td>
</tr>
<tr>
<td>Positions responsible for organisational</td>
<td>26</td>
<td>22</td>
<td>48</td>
</tr>
<tr>
<td>communication</td>
<td>No.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>54.2%</td>
<td>45.8%</td>
<td>100%</td>
</tr>
</tbody>
</table>

From Table 6.6 it is evident that all organisations surveyed had a human resources department. A large number of respondents (70.8 per cent) reported that their organisations had positions responsible for organisational development.

A significant proportion of respondents (45.8 per cent) reported that their organisations did not have positions responsible for organisational communication. In the researcher’s opinion, this may be attributed to the significant proportion (62 per cent – see Chart 6.2) of small to medium sized organisations that responded, which are less likely to have this specialist function.

The results in Table 6.6 are portrayed in Pie Charts 6.4 and 6.5.
Chart 6.4
ORGANISATIONS WITH POSITIONS RESPONSIBLE FOR ORGANISATIONAL DEVELOPMENT

Source: Part of Table 6.6 converted to a Pie Chart

Chart 6.5
ORGANISATIONS WITH POSITIONS RESPONSIBLE FOR ORGANISATIONAL COMMUNICATION

Source: Part of Table 6.6 converted to a Pie Chart

Chapter 6: Research methodology and analysis of biographical details of respondents
Table 6.7
RESPONSES ACCORDING TO POSITION IN COMPANY

<table>
<thead>
<tr>
<th>POSITIONS</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>28</td>
<td>58.3%</td>
</tr>
<tr>
<td>Line Management</td>
<td>18</td>
<td>37.5%</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

Source: Results obtained from analysis of positions held in the organisation.

Chart 6.6
RESPONSES ACCORDING TO POSITION IN COMPANY

The distribution and frequencies depicted in Table 6.7 and Chart 6.6 indicates that the majority of respondents (58 per cent) are in human Resources. A significant proportion of respondents (38 per cent) were in line management positions. The distribution of respondents depicted in Chart 6.6 substantiates the researcher’s decision to select human resource managers and line managers as the target population (see section 1.4.4).
Table 6.8
RESPONSES ACCORDING TO GENDER

<table>
<thead>
<tr>
<th>GENDER</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>28</td>
<td>58.3%</td>
</tr>
<tr>
<td>Female</td>
<td>20</td>
<td>41.7%</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100%</td>
</tr>
</tbody>
</table>

Chart 6.7
RESPONSES ACCORDING TO GENDER

From Table 6.8 and Chart 6.7 it can be seen that the male respondents comprised 58.3 per cent of respondents, whereas the female respondents were 41.7 per cent. No significance can be inferred from this response, as the gender differentiation of the population is not known. It is therefore not possible to calculate the number of each gender who actually received a questionnaire.
Table 6.9
RESPONSES ACCORDING TO AGE DISTRIBUTION

<table>
<thead>
<tr>
<th>AGE GROUP</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 and younger</td>
<td>9</td>
<td>18.8%</td>
</tr>
<tr>
<td>31 - 40</td>
<td>25</td>
<td>52.1%</td>
</tr>
<tr>
<td>41 - 50</td>
<td>11</td>
<td>22.9%</td>
</tr>
<tr>
<td>51 and older</td>
<td>3</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

Chart 6.8
GRAPHICAL DEPICTION OF AGE DISTRIBUTION OF RESPONDENTS

From Table 6.9 and Chart 6.8 it can be seen that the majority of respondents (52.1 per cent) were aged between 31 and 40 years of age. The largest portion of respondents (70.9 per cent) was aged between 20 and 40 years of age. No significance can be attached to this fact.
Table 6.10
RESPONSES ACCORDING TO EDUCATIONAL QUALIFICATION

<table>
<thead>
<tr>
<th>QUALIFICATION LEVEL</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Std 10 / Equivalent</td>
<td>4</td>
<td>8.3%</td>
</tr>
<tr>
<td>B Degree / Diploma</td>
<td>26</td>
<td>54.2%</td>
</tr>
<tr>
<td>Honours / Higher Diploma</td>
<td>15</td>
<td>31.3%</td>
</tr>
<tr>
<td>M Degree / Equivalent</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>Doctorate / D Tech</td>
<td>2</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

Chart 6.9
RESPONSES ACCORDING TO EDUCATIONAL QUALIFICATION

The largest portion of respondents (55 per cent) had a B degree or diploma. It is interesting to note the large number of respondents who reported a post-graduate qualification (37.6 per cent). This in the researcher’s opinion may be attributed to the nature of the population surveyed vis-à-vis human resource managers and line managers (see section 1.4.4).
Question A9 required of respondents to indicate the number of employees they have reporting to them. The results are presented in Table 6.11 and Chart 6.10.

Table 6.11  
RESPONSES ACCORDING TO NUMBER OF EMPLOYEES REPORTING TO RESPONDENTS

<table>
<thead>
<tr>
<th>NUMBER OF EMPLOYEES</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>5</td>
<td>10.2%</td>
</tr>
<tr>
<td>1 – 5</td>
<td>26</td>
<td>53.7%</td>
</tr>
<tr>
<td>6 – 10</td>
<td>7</td>
<td>13.7%</td>
</tr>
<tr>
<td>11 – 20</td>
<td>3</td>
<td>6.1%</td>
</tr>
<tr>
<td>21 – 30</td>
<td>3</td>
<td>6.1%</td>
</tr>
<tr>
<td>31+</td>
<td>5</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

Chart 6.10  
RESPONSES ACCORDING TO NUMBER OF EMPLOYEES REPORTING TO RESPONDENTS

The majority of respondents (67.4 per cent) had 1-10 people reporting to them with 10 per cent reporting having no employees. These figures are substantiated by the fact that 56.3 per cent (see table 6.5) and 58.3 per cent (see table 6.7) of respondents were from the motor vehicle
component sector and human resources departments, both of which do not have extensive organisational hierarchies (see table 6.4).

Table 6.12
RESPONSES ACCORDING TO WHETHER A PEOPLE DRIVEN STRATEGY IS USED TO PROMOTE COMPETITIVE ADVANTAGE

<table>
<thead>
<tr>
<th>PEOPLE DRIVEN STRATEGY</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>38</td>
<td>79.2%</td>
</tr>
<tr>
<td>No</td>
<td>10</td>
<td>20.8%</td>
</tr>
</tbody>
</table>

Chart 6.11
RESPONSES ACCORDING TO WHETHER A PEOPLE DRIVEN STRATEGY IS USED TO PROMOTE COMPETITIVE ADVANTAGE

From Table 6.12 and Chart 6.11 it is evident that 79.2 per cent of respondents believed that their organisations used a people driven strategy to promote competitive advantage. This response is substantiated by the positive responses (85.4 per cent) obtained in answering the question, whether people were included in their organisation’s vision, as reported in Table 6.13 and Chart 6.12.
Table 6.13
RESPONSES ACCORDING TO PEOPLE MENTIONED IN THE ORGANISATION’S VISION

<table>
<thead>
<tr>
<th>PEOPLE MENTIONED IN VISION</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>41</td>
<td>85.4%</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
<td>14.6%</td>
</tr>
</tbody>
</table>

Chart 6.12
RESPONSES ACCORDING TO PEOPLE MENTIONED IN THE ORGANISATION’S VISION

From the significant positive responses obtained in Table 6.12 (79.2 per cent) and Table 6.13 (85.4 per cent) it may be inferred that organisations have realised the significant role that people have in achieving competitive advantage. However, it would appear from the responses reported in table 6.14 that a significant proportion (39.6 per cent) of respondents’ organisations did not utilise an engagement strategy and therefore do not fully realise the potential of engaged employees as a source of competitive advantage.
Table 6.14
RESPONSES ACCORDING TO ORGANISATIONS THAT HAVE AN ENGAGEMENT STRATEGY

<table>
<thead>
<tr>
<th>ENGAGEMENT STRATEGY</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>29</td>
<td>60.4%</td>
</tr>
<tr>
<td>No</td>
<td>19</td>
<td>39.6%</td>
</tr>
</tbody>
</table>

Chart 6.13
RESPONSES ACCORDING TO ORGANISATIONS THAT HAVE AN ENGAGEMENT STRATEGY

It is evident from Table 6.14 and Chart 6.13 that 39.6 per cent of respondents reported that their organisations did not have an employee engagement strategy. Considering the highly competitive nature of the local and international motor industry, coupled with the economic advantages (see section 3.2.2) to be derived from an engaged workforce, the proportion of respondents reporting not having an engagement strategy seems big. In the researcher’s opinion, this may be attributed to the large proportion of respondents from the motor manufacturing component sector (56.3 per cent) as reported in table 6.5.
Table 6.15
RESPONSES ACCORDING TO MANAGER’S RESPONSIBILITY TO ENGAGE EMPLOYEES

<table>
<thead>
<tr>
<th>MANAGER’S RESPONSIBILITY</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>45</td>
<td>93.8%</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

Chart 6.14
RESPONSES ACCORDING TO MANAGER’S RESPONSIBILITY TO ENGAGE EMPLOYEES

It is evident that most respondents (93.8 per cent) agree that their organisations expect them, in their capacity as manager, to engage their employees. However, in Table 6.16, which required respondents to report on where the main responsibility for engaging employees in their organisations reside, a more varied response was reported.
Table 6.16
RESPONSES ACCORDING TO RESPONSIBILITY FOR ENGAGING EMPLOYEES

<table>
<thead>
<tr>
<th>RESPONSIBILITY FOR ENGAGING EMPLOYEES</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line Management</td>
<td>16</td>
<td>33.3%</td>
</tr>
<tr>
<td>Immediate Manager</td>
<td>16</td>
<td>33.3%</td>
</tr>
<tr>
<td>Human Resources Department</td>
<td>6</td>
<td>12.5%</td>
</tr>
<tr>
<td>Immediate Manager &amp; HR Dept.</td>
<td>7</td>
<td>14.6%</td>
</tr>
<tr>
<td>Line Management &amp; Immediate Mgr.</td>
<td>3</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

Chart 6.15
RESPONSES ACCORDING TO RESPONSIBILITY FOR ENGAGING EMPLOYEES

Table 6.16 indicates that 72.9 per cent of respondents believed that line management and/or the immediate manager were responsible for engaging employees and 28.1 per cent of respondents believed that human resources were responsible.
Table 6.17
RESPONSES ACCORDING TO ENGAGEMENT AS A KEY PERFORMANCE AREA

<table>
<thead>
<tr>
<th>KEY PERFORMANCE AREA</th>
<th>RESPONSE FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>36</td>
<td>75.0%</td>
</tr>
<tr>
<td>No</td>
<td>12</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

Chart 6.16
RESPONSES ACCORDING TO ENGAGEMENT AS A KEY PERFORMANCE AREA

Table 6.17 and Chart 6.15 indicate whether employee engagement is included as one of the respondent's key performance areas. A large percentage (75.0 per cent) of respondents indicated that it formed part of their key performance items.

6.5 CONCLUDING REMARKS

This chapter explained the research methodology that was used during the study and provided a quantitative analysis of biographical details of respondents. The research methodology, with special emphasis on

Chapter 6: Research methodology and analysis of biographical details of respondents
questionnaire development and administration, selection of the sample and response rate was discussed.

A detailed analysis of biographical information as contained in section A of the questionnaire was provided by means of explanatory tables and charts.

The following chapter will analyse the completed questionnaires and interpret results. The extent to which respondents concurred with the theoretical employee engagement model (see chapter five) developed from the literature is also examined in the next chapter.
CHAPTER 7

ANALYSIS AND INTERPRETATION OF RESULTS

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CHAPTER 7

ANALYSIS AND INTERPRETATION OF RESULTS

7.1 INTRODUCTION

In the previous chapter the research methodology that was used during the study was outlined. The data collected from section A of the questionnaire (biographical data) was analysed and presented in chapter six.

The purpose of this chapter is to analyse and interpret the data that was obtained during the empirical study. The results of section B of the questionnaire are presented, which addresses the four key areas covered by the Theoretical Employee Engagement Model namely, organisational leadership, organisational culture, organisational strategies and the manager’s role. The questions in Section B were designed to survey the dependent variables (as outlined in the Theoretical Employee Engagement Model) sourced during the literature survey described in chapters two, three, four and five. By reporting the results obtained from section B of the questionnaire it assists in resolving the third sub-problem, which is; to integrate the literature reviews from sub-problems one and two into an integrated model that can be used by organisations as a strategy for facilitating employee engagement.

The research findings from Section B are organised in tabular and graphic form in the same order as the questions appear in the questionnaire (see Appendix D). Data was processed and results generated by using the Statistical Package for Social Sciences (SPSS) version 11.0 software. Dr. Jacques Pietersen, a statistician from the
Nelson Mandela Metro University, assisted with analysing and interpreting the survey data.

According to Parasuraman et al (2004, p.98) the accuracy of data should be verified in terms of both relevance and trustworthiness. To instil more confidence in the results, the statistician monitored the data for asymmetrical distributions, incorrectly entered data, omitted data and scores with extreme values.

An analysis and interpretation of the research findings for Section B of the questionnaire follows.

7.2 ANALYSIS AND INTERPRETATION OF RESULTS OF SECTION B OF THE QUESTIONNAIRE

The raw data were analysed into descriptive and inferential statistics. The descriptive data included measures of central tendency and dispersion of selected variables. Section B of the questionnaire, which surveys the dependent variables of the theoretical employee engagement model, was developed according to a Likert-type scale. For each item, respondents had to indicate whether they strongly agreed, agreed, were uncertain, disagreed, or strongly disagreed with each statement. Numerical values, ranging from five (strongly agree) to one (strongly disagree), were used to enable the quantitative analysis of results. Section B of the questionnaire comprise four categories namely, role of organisational leadership, organisational culture, organisational strategies used to engage employees and the manager’s role.
Inferential statistics employed included Pearson’s correlation coefficients, chi-squared measures and t-tests (p-values). The quantitative analysis of the results of Section B is presented below.

### 7.2.1 Role of organisational leadership

This section focuses on the organisational leadership strategies that senior/top management use to promote employee engagement. Table 7.1 indicates the means and standard deviations of the scores for the role of organisational leadership in engaging employees.

<table>
<thead>
<tr>
<th>ROLE OF ORGANISATIONAL LEADERSHIP</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sets an inspiring vision</td>
<td>48</td>
<td>4.52</td>
<td>0.58</td>
</tr>
<tr>
<td>Communicates a clear vision for long-term success</td>
<td>48</td>
<td>4.60</td>
<td>0.54</td>
</tr>
<tr>
<td>Translates the organisational direction into people context (behaviours)</td>
<td>48</td>
<td>4.46</td>
<td>0.71</td>
</tr>
<tr>
<td>Senior managements’ actions convey a consistent message that reinforces their support for the strategic direction</td>
<td>48</td>
<td>4.38</td>
<td>0.87</td>
</tr>
<tr>
<td>Identifies organisational processes/ culture that influence (support or hinder) the implementation of the vision</td>
<td>48</td>
<td>4.23</td>
<td>0.83</td>
</tr>
<tr>
<td>Senior management has a sincere interest in employees’ well being</td>
<td>48</td>
<td>4.42</td>
<td>0.79</td>
</tr>
<tr>
<td>Communicates as much as possible to employees (including reasons for decisions, state of the business)</td>
<td>48</td>
<td>4.54</td>
<td>0.74</td>
</tr>
<tr>
<td>Insists that employees at all levels share financially in the achievements of the business</td>
<td>48</td>
<td>3.94</td>
<td>0.95</td>
</tr>
</tbody>
</table>

Table 7.1 refers to the various roles/strategies organisational leadership are expected to perform in promoting employee engagement.
Table 7.1 indicates that there is generally high agreement with the roles organisational leadership are expected to perform in engaging their employees. The aggregate mean of 4.38 and aggregate standard deviation of .75 indicate that respondents strongly agree or agree that the leadership strategies contained in Table 7.1, promotes employee engagement.

Communicating a clear vision for long-term success received the greatest support with a mean of 4.60 and a standard deviation of 0.54. Setting an inspiring vision (mean = 4.52 and standard deviation = 0.58), and communicating as much as possible to employees (mean = 4.54 and standard deviation = 0.74), attracted the second and third highest scores. A comparison of these factors’ mean scores with the aggregate mean of 4.38 reveals markedly higher scores of .22, .16 and .14 respectively. These results confirm the theoretical findings, which rated ‘senior management communicates a clear vision for long term success’, as one of the top ten drivers of employee engagement. Notably, the top three factors in the role of leadership, all relate to communication.

The leadership strategy, ‘insists that employees at all levels share financially in the achievements of the business’, obtained the lowest mean (3.94) and biggest standard deviation (0.95), of all the factors in this category. This indicates that respondents were uncertain and had a wider range of responses to this variable. These results concur with Horwitz’s findings, discussed in section 4.5.3, that South African organisations do not regard pay as an effective engagement strategy.

A Pearson test was computed to determine the strength of the relationship among the leadership variables (Q1-8 in the questionnaire – see Appendix D). The Pearson correlation co-efficients at the p < 0.10
level, within the organisational leadership category, indicate a high degree of correlation among variables (see Appendix E). The variables ‘translates the organisational direction into people context’ \( (p = 0.08) \) and ‘identifies organisational processes/culture that influence the implementation of the vision’ \( (p = 0.07) \) had the lowest correlation with ‘communicates as much as possible to employees’. This indicates that responses were more varied with regard to leadership’s role in communication.

### 7.2.2 Organisational culture

Table 7.2 shows the means and standard deviations for the role of organisational culture in promoting employee engagement.

#### Table 7.2

**Means and Standard Deviations for the Role of Organisational Culture in Engaging Employees**

<table>
<thead>
<tr>
<th>ROLE OF ORGANISATIONAL CULTURE</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Align the organisational culture to meet business strategies</td>
<td>48</td>
<td>4.46</td>
<td>0.58</td>
</tr>
<tr>
<td>Pay as much as we can afford even if it is more than what other companies pay for similar work</td>
<td>48</td>
<td>3.65</td>
<td>1.06</td>
</tr>
<tr>
<td>Provide as much as possible in the line of benefits as we can afford, even if it’s more than the average of other companies</td>
<td>48</td>
<td>3.65</td>
<td>1.06</td>
</tr>
<tr>
<td>Do whatever we can to avoid retrenchments</td>
<td>48</td>
<td>4.38</td>
<td>0.61</td>
</tr>
<tr>
<td>Delegate decision making to the lowest possible level</td>
<td>48</td>
<td>3.79</td>
<td>1.01</td>
</tr>
<tr>
<td>Supervise experienced employees loosely to allow for their own initiative and self-motivation to perform</td>
<td>48</td>
<td>3.90</td>
<td>1.04</td>
</tr>
<tr>
<td>Enlarge or enrich work so that employees do ‘whole’ jobs</td>
<td>48</td>
<td>4.17</td>
<td>0.81</td>
</tr>
<tr>
<td>Stimulate an atmosphere of cooperation and teamwork between individuals and between departments</td>
<td>48</td>
<td>4.65</td>
<td>0.53</td>
</tr>
</tbody>
</table>
An analysis of the mean and standard deviation of the variables presented in Table 7.2 revealed an aggregate mean of 4.08 and an aggregate standard deviation of 0.84. The high aggregate mean and relatively narrow spread of the aggregate standard deviation indicate that there is agreement among respondents concerning the factors that shape organisational culture, and the role of these factors in promoting employee engagement.

The variable ‘stimulate an atmosphere of cooperation and teamwork between individuals and between departments’, obtained the highest mean (4.65) and the lowest standard deviation (0.53), signifying strong agreement and a high level of congruence amongst respondents. The variables ‘pay as much as we can afford even if it is more than what other companies pay for similar work’, and ‘provide as much as possible in the line of benefits as we can afford, even if it’s more than the average of other companies’, both obtained the lowest mean (3.65) and highest standard deviation (1.06). These results confirm the theoretical findings, which indicated that teamwork was regarded as one of the top four drivers of employee engagement (see section 3.3.1).

Notably, pay and benefits obtained the lowest scores, which supports the theoretical findings mentioned in section 4.5.3. These findings are consistent with responses received in section 7.2.1. In this section the variable ‘insists that employees at all levels share financially in the achievements of the business’, also achieved the lowest score.

The strength of the relationships between the variables that determine the organisational culture for engaging employees, was tested on the data received for Q2.1-8 of the questionnaire, by means of Pearson’s correlation co-efficients at a significance level of p < 0.10. Appendix E
reveals a high level of correlation among variables, except for ‘pay as much as we can afford even if it is more than what other companies pay for similar work’ (Q2.2 where $p = -0.04$) and ‘provide as much as possible in the line of benefits as we can afford, even if it's more than the average of other companies’ (Q2.3 where $p = 0.02$).

7.2.3 Organisational strategies

Table 7.3 shows the means and standard deviations for the organisational strategies used to engage employees.

<table>
<thead>
<tr>
<th>ORGANISATIONAL STRATEGIES</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruit and select people based on their talents</td>
<td>48</td>
<td>4.17</td>
<td>0.88</td>
</tr>
<tr>
<td>Provide the most pleasant physical working conditions for employees we can afford</td>
<td>48</td>
<td>4.29</td>
<td>0.71</td>
</tr>
<tr>
<td>Provide employees with the latest technological tools we can afford</td>
<td>48</td>
<td>4.33</td>
<td>0.72</td>
</tr>
<tr>
<td>Jointly set clear performance objectives</td>
<td>48</td>
<td>4.69</td>
<td>0.69</td>
</tr>
<tr>
<td>Provide regular (at least four times per year) performance feedback to employees</td>
<td>48</td>
<td>4.63</td>
<td>0.49</td>
</tr>
<tr>
<td>Match individual needs to the needs of the work unit</td>
<td>48</td>
<td>4.15</td>
<td>0.85</td>
</tr>
<tr>
<td>Regularly review the employee’s contribution in meeting work unit objectives</td>
<td>48</td>
<td>4.46</td>
<td>0.54</td>
</tr>
<tr>
<td>Show employees how the work unit objectives relate to meeting the organisation’s vision</td>
<td>48</td>
<td>4.54</td>
<td>0.54</td>
</tr>
<tr>
<td>Invest in the best possible training for employees to do their jobs</td>
<td>48</td>
<td>4.65</td>
<td>0.48</td>
</tr>
<tr>
<td>Provide development opportunities for employees to prepare them for higher-level assignments</td>
<td>48</td>
<td>4.56</td>
<td>0.65</td>
</tr>
<tr>
<td>Recognising employees’ contributions, even when performance is not extraordinary (just satisfactory)</td>
<td>48</td>
<td>4.02</td>
<td>1.10</td>
</tr>
<tr>
<td>Assist employees to self manage (be empowered)</td>
<td>48</td>
<td>4.48</td>
<td>0.71</td>
</tr>
</tbody>
</table>
An analysis of the mean and standard deviation of the variables for organisational strategies, reveal that respondents strongly agree or agree with these factors. The mean scores for all the factors are above four. The standard deviations for the variables, indicate a reasonably narrow spread of results, ranging between 0.48 and 0.88, except for ‘recognising employees’ contributions, even when performance is not extraordinary’, which has a standard deviation of 1.10 (this variable also received the lowest mean of 4.02). The variables ‘jointly set clear performance objectives’ (mean = 4.69 and standard deviation of 0.69) and ‘invest in the best possible training for employees to do their jobs’ (mean = 4.65 and standard deviation of 0.48), were the two top rated organisational strategies for engaging employees. These variables showed a high degree of correlation with the variables contained in the role of the manager (see Appendix F, Q3.4 and Q3.9).

Notably, ‘recognising employees contributions, even when performance is not extraordinary’ (see Appendix F, Q3.11), showed a markedly weaker correlation at the p< 0.10 level, with the variables in section Q4 (i.e. Q4.5 (p = 0.05), Q4.6 (p = 0.06), Q4.10 (p = 0.01) and Q4.12 (p = 0.10)). The correlation of Q3.11 with other variables in the organisational strategies category also indicates a lower correlation, with some p-scores below 0.10 (see Appendix E). These figures however need to be viewed with caution. According to Pietersen, a statistician at the Nelson Mandela Metropolitan University, the relatively small sample size (n = 48), may influence the ability to statistically justify findings.

7.2.4 The manager’s role

Table 7.4 shows the means and standard deviations for the manager’s role in engaging employees.
Table 7.4

MEANS AND STANDARD DEVIATIONS FOR THE MANAGER’S ROLE IN ENGAGING EMPLOYEES

<table>
<thead>
<tr>
<th>THE MANAGER’S ROLE</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matching the employee’s talents to the job</td>
<td>48</td>
<td>4.38</td>
<td>0.70</td>
</tr>
<tr>
<td>Ensuring that employees are utilising their strengths on a daily basis</td>
<td>48</td>
<td>4.50</td>
<td>0.65</td>
</tr>
<tr>
<td>Specify desired outcomes without being prescriptive about the process to achieve the outcomes</td>
<td>48</td>
<td>4.19</td>
<td>0.98</td>
</tr>
<tr>
<td>Direct employees’ efforts towards those items that yield maximum results</td>
<td>48</td>
<td>4.46</td>
<td>0.58</td>
</tr>
<tr>
<td>Check that tools are adequate to perform the job</td>
<td>48</td>
<td>4.60</td>
<td>0.54</td>
</tr>
<tr>
<td>Provide regular performance feedback</td>
<td>48</td>
<td>4.75</td>
<td>0.44</td>
</tr>
<tr>
<td>Recognise satisfactory and superior performance by praising employees</td>
<td>48</td>
<td>4.50</td>
<td>0.65</td>
</tr>
<tr>
<td>Inspire enthusiasm and teamwork amongst employees</td>
<td>48</td>
<td>4.56</td>
<td>0.65</td>
</tr>
<tr>
<td>Show a sincere interest in their people</td>
<td>48</td>
<td>4.67</td>
<td>0.48</td>
</tr>
<tr>
<td>Encourage people to develop new ideas and new ways of doing things</td>
<td>48</td>
<td>4.63</td>
<td>0.49</td>
</tr>
<tr>
<td>Share business results with employees and show how the individual contributes to them</td>
<td>48</td>
<td>4.27</td>
<td>0.82</td>
</tr>
<tr>
<td>Interpret the organisation’s vision for employees and channel their behaviour in terms of what is valued by the organisation</td>
<td>48</td>
<td>4.50</td>
<td>0.68</td>
</tr>
<tr>
<td>Grant experienced employees full autonomy to perform their jobs</td>
<td>48</td>
<td>4.13</td>
<td>0.94</td>
</tr>
<tr>
<td>Develop close working relationships with employees</td>
<td>48</td>
<td>4.29</td>
<td>0.74</td>
</tr>
<tr>
<td>Show concern for the employee’s continued development and growth</td>
<td>48</td>
<td>4.50</td>
<td>0.58</td>
</tr>
</tbody>
</table>

Table 7.4 indicates that there is a high degree of congruence among respondents with regard to the variables that managers should perform in engaging their employees. All the means are above four, signifying
that respondents all strongly agree or agree with the variables. The aggregate mean for this category (4.46) is the highest of all the categories. The standard deviation reveals a relatively narrow spread of results, ranging from 0.44 to 0.98. This indicates that respondents strongly agree with the role manager’s play to engage their employees.

The variable ‘provide regular performance feedback’ obtained the highest mean (4.75) and lowest standard deviation (0.44), while the variable ‘grant experienced employees full autonomy to perform their jobs’ obtained the lowest mean (4.13) and the second highest standard deviation (0.94).

The strength of the relationship among variables in the manager’s role category (Q4.1-15), was tested by means of Pearson’s correlation coefficients at a significance level of p < 0.10. Appendix E (Q4.1 – Q4.15) generally indicates a high level of correlation between variables.

Appendix F, which indicates the correlation of variables across sections, reveals that the managerial roles category (although not statistically significant) shows the weakest correlation with the organisational culture category. Variables Q2.2, Q2.3, Q2.5 and Q2.8 showed the lowest correlation with variables from the managerial roles category (Q4).

In the following section organisational size, functional area of respondents and whether organisations have an engagement strategy have been selected to test for variances in responses to the questionnaire.
7.2.5 Comparison of means for selected independent variables

This section focuses on analysing the variance between the means of selected independent variables and whether respondents differed significantly, in terms of their mean ratings (responses) for the factors covered by the questionnaire. The data was analysed using the SPSS T-Test programme. Findings have been condensed (F, and t-scores are not indicated) and are presented in tables per category according to mean, standard deviation and p-value (Sig. 2-tailed), for each factor covered in the questionnaire.

The variables size of the organisation (companies employing less than 700 employees and those employing more than 700 employees), functional area of respondents and whether companies had or did not have an engagement strategy, were selected to test for variance. Table 7.5 provides the rationale for the selection of these variables. A chi-square test was computed to test the relationship between organisations that reported having an engagement strategy and organisational size, availability of positions responsible for organisational development, availability of positions responsible for organisational communication and nature of industry.

While the chi-squared measures may indicate that here is a relationship between variables, they do not indicate the strength or direction of the relationship. Table 7.5 identifies a significant relationship at the p<0.10 level between the variables ‘number of people employed at the organisation’ and ‘engagement strategy’ (p = .056).
Table 7.5
CORRELATIONS FOR ENGAGEMENT STRATEGY WITH ORGANISATIONAL SIZE AND FUNCTIONS

<table>
<thead>
<tr>
<th>ENGAGEMENT STRATEGY</th>
<th>$\chi^2$</th>
<th>Df</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees employed at the organisation</td>
<td>3.629</td>
<td>1</td>
<td>.056</td>
</tr>
<tr>
<td>Positions responsible for organisational development</td>
<td>2.548</td>
<td>1</td>
<td>.110</td>
</tr>
<tr>
<td>Positions responsible for organisational communication</td>
<td>.029</td>
<td>1</td>
<td>.862</td>
</tr>
<tr>
<td>Nature of industry (manufacturing/components)</td>
<td>4.498</td>
<td>3</td>
<td>.212</td>
</tr>
</tbody>
</table>

Table 7.5 indicates the relationship between engagement strategy and organisational size, availability of positions responsible for organisational development, availability of positions responsible for organisational communication and nature of industry. A significant relationship was found between engagement strategy and the number of employees, according to the chi-squared test ($\chi^2 = 3.629; p = .056$). At $p < 0.1$ (i.e. at the 10% level of significance), large employers (more than 700 employees) reported that 78 per cent had an engagement strategy, which is significantly different from smaller employers (less than 700 employees), where only 50 per cent reported having an engagement strategy. Therefore, a tentative conclusion is drawn that larger organisations, employing more than 700 employees are more likely to have an engagement strategy.

Table 7.5 further indicates that there are no other statistically significant relationships between the variables, according to the chi-squared test. An interesting finding ($p = .110$), although not found to be statistically significant at the $p < 0.10$ level, was that 68 per cent of organisations that
had a department for organisational development, also reported having an engagement strategy. While 57 per cent of organisations reporting not having a department for organisational development, also reported not having an engagement strategy.

### 7.2.5.1 Comparison of means according to company size

This section compares the means of responses (for each question in the questionnaire), of companies that employ less than 700 employees, with the means of responses of companies that employ more than 700 employees. The comparisons are grouped for each of the four categories contained in the questionnaire (see Appendix D), namely role of organisational leadership, organisational culture, organisational strategies and the manager’s role. Table 7.6 indicates the mean scores for the role of organisational leadership, as compared to company size.

### Table 7.6

**THE ROLE OF ORGANISATIONAL LEADERSHIP AND COMPANY SIZE: COMPARING MEANS**

<table>
<thead>
<tr>
<th>Variable</th>
<th>0 - 700 employees</th>
<th>&gt; than 700 employees</th>
<th>t-test p-value (2 tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Mean</td>
</tr>
<tr>
<td>Q1.1</td>
<td>4.40</td>
<td>.563</td>
<td>4.72</td>
</tr>
<tr>
<td>Q1.2</td>
<td>4.57</td>
<td>.504</td>
<td>4.67</td>
</tr>
<tr>
<td>Q1.3</td>
<td>4.40</td>
<td>.770</td>
<td>4.56</td>
</tr>
<tr>
<td>Q1.4</td>
<td>4.23</td>
<td>.971</td>
<td>4.61</td>
</tr>
<tr>
<td>Q1.5</td>
<td>4.17</td>
<td>.834</td>
<td>4.33</td>
</tr>
<tr>
<td>Q1.6</td>
<td>4.50</td>
<td>.777</td>
<td>4.28</td>
</tr>
<tr>
<td>Q1.7</td>
<td>4.67</td>
<td>.547</td>
<td>4.33</td>
</tr>
<tr>
<td>Q1.8</td>
<td>3.97</td>
<td>.890</td>
<td>3.89</td>
</tr>
</tbody>
</table>

Chapter 7: Analysis and interpretation of results
From table 7.6 it can be seen that the variable ‘sets an inspiring vision’ obtained the highest mean score (4.72), as rated by respondents from organisations employing more than 700 employees. This finding supports Towers Perrins’ findings, discussed in section 3.3.1, that rates senior management’s communication of a clear vision for long-term success, as one of the top ten drivers of employee engagement. The table indicates a statistically significant difference at the 10% level ($p = 0.063$) between organisations employing less than 700 employees and those employing more than 700 employees, for the variable ‘set an inspiring vision’ (Q1.1 in the questionnaire).

Notably the variable with the second biggest mean differentiation (0.38), namely ‘senior managements’ actions convey a consistent message that reinforces their support for the strategic direction’ (Q1.4 in the questionnaire), although not statistically significant, supports the finding reported for question one. These findings indicate that respondents from organisations employing less than 700 employees rated their organisation’s vision’s ability to inspire lower than respondents from larger organisations (employing more than 700 employees). Respondents from smaller organisations (< 700), also rated their managers’ actions not conveying as consistent a message in supporting their strategic direction, lower than respondents from larger organisations did.

The high mean scores for both small and large organisations, as well as a relatively high level of congruence amongst respondents, leads to the finding that respondents concur with the role of organisational leadership factors covered by the questionnaire.
### Table 7.7
THE ROLE OF ORGANISATIONAL CULTURE AND COMPANY SIZE: COMPARING MEANS

<table>
<thead>
<tr>
<th>Variable</th>
<th>0 - 700 employees</th>
<th></th>
<th>&gt; than 700 employees</th>
<th></th>
<th>t-test p-value (2 tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Mean</td>
<td>Std. Deviation</td>
<td></td>
</tr>
<tr>
<td>Q2.1</td>
<td>4.43</td>
<td>.568</td>
<td>4.50</td>
<td>.618</td>
<td>.705</td>
</tr>
<tr>
<td>Q2.2</td>
<td>3.50</td>
<td>1.042</td>
<td>3.89</td>
<td>1.079</td>
<td>.223</td>
</tr>
<tr>
<td>Q2.3</td>
<td>3.53</td>
<td>1.137</td>
<td>3.83</td>
<td>.924</td>
<td>.349</td>
</tr>
<tr>
<td>Q2.4</td>
<td>4.37</td>
<td>.490</td>
<td>4.39</td>
<td>.778</td>
<td>.914</td>
</tr>
<tr>
<td>Q2.5</td>
<td>3.70</td>
<td>.877</td>
<td>3.94</td>
<td>1.211</td>
<td>.461</td>
</tr>
<tr>
<td>Q2.6</td>
<td>4.03</td>
<td>.890</td>
<td>3.67</td>
<td>1.237</td>
<td>.281</td>
</tr>
<tr>
<td>Q2.7</td>
<td>4.17</td>
<td>.791</td>
<td>4.17</td>
<td>.857</td>
<td>1.000</td>
</tr>
<tr>
<td>Q2.8</td>
<td>4.67</td>
<td>.547</td>
<td>4.61</td>
<td>.502</td>
<td>.727</td>
</tr>
</tbody>
</table>

Table 7.7 shows the comparison of means for company size for the second category of the questionnaire, namely organisational culture. The p-values indicate that there is no statistically significant difference between the mean scores of smaller organisations (< 700) and those of large organisations (> 700), in their responses to the organisational cultural factors necessary to engage employees. The biggest difference in mean score (0.36), although not statistically significant, occurred for the variable ‘supervise experienced employees loosely to allow for their own initiative and self-motivation to perform’ (Q2.6).

The high level of congruence amongst respondents as well as the high mean scores, indicate that respondents from both small (< 700) and large organisations (> 700) concur that the organisational cultural actions, contained in the questionnaire, will support employee engagement.
Table 7.8
ORGANISATIONAL STRATEGIES AND COMPANY SIZE:
COMPARING MEANS

<table>
<thead>
<tr>
<th>Variable</th>
<th>0 - 700 employees</th>
<th>&gt; than 700 employees</th>
<th>t-test p-value (2 tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Mean</td>
</tr>
<tr>
<td>Q3.1</td>
<td>4.13</td>
<td>.900</td>
<td>4.22</td>
</tr>
<tr>
<td>Q3.2</td>
<td>4.37</td>
<td>.556</td>
<td>4.17</td>
</tr>
<tr>
<td>Q3.3</td>
<td>4.27</td>
<td>.691</td>
<td>4.44</td>
</tr>
<tr>
<td>Q3.4</td>
<td>4.60</td>
<td>.814</td>
<td>4.83</td>
</tr>
<tr>
<td>Q3.5</td>
<td>4.63</td>
<td>.490</td>
<td>4.61</td>
</tr>
<tr>
<td>Q3.6</td>
<td>4.13</td>
<td>.819</td>
<td>4.17</td>
</tr>
<tr>
<td>Q3.7</td>
<td>4.47</td>
<td>.571</td>
<td>4.44</td>
</tr>
<tr>
<td>Q3.8</td>
<td>4.60</td>
<td>.498</td>
<td>4.44</td>
</tr>
<tr>
<td>Q3.9</td>
<td>4.67</td>
<td>.479</td>
<td>4.61</td>
</tr>
<tr>
<td>Q3.10</td>
<td>4.63</td>
<td>.556</td>
<td>4.44</td>
</tr>
<tr>
<td>Q3.11</td>
<td>3.90</td>
<td>1.062</td>
<td>4.22</td>
</tr>
<tr>
<td>Q3.12</td>
<td>4.53</td>
<td>.507</td>
<td>4.39</td>
</tr>
</tbody>
</table>

Analyses of the mean scores of the factors for organisational strategies reveal that there is strong congruence among respondents. All scores range above four, except the variable ‘recognise employees’ contributions, even when performance in not extraordinary’ (Q3.11), obtained a mean score of 3.90, for organisations employing less than 700 employees. The p-values for this section indicate no statistically significant difference between respondents from small and large firms, at the 10% level ($p = 0.10$). Therefore, it may be inferred that respondents, from both small and large firms, concur with the organisational strategies required to engage employees.
Table 7.9
THE MANAGER’S ROLE AND COMPANY SIZE: COMPARING MEANS

<table>
<thead>
<tr>
<th>Variable</th>
<th>0 - 700 employees</th>
<th>&gt; than 700 employees</th>
<th>t-test p-value (2 tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Mean</td>
</tr>
<tr>
<td>Q4.1</td>
<td>4.40</td>
<td>.675</td>
<td>4.33</td>
</tr>
<tr>
<td>Q4.2</td>
<td>4.50</td>
<td>.682</td>
<td>4.50</td>
</tr>
<tr>
<td>Q4.3</td>
<td>4.10</td>
<td>.995</td>
<td>4.33</td>
</tr>
<tr>
<td>Q4.4</td>
<td>4.47</td>
<td>.571</td>
<td>4.44</td>
</tr>
<tr>
<td>Q4.5</td>
<td>4.67</td>
<td>.479</td>
<td>4.50</td>
</tr>
<tr>
<td>Q4.6</td>
<td>4.77</td>
<td>.430</td>
<td>4.72</td>
</tr>
<tr>
<td>Q4.7</td>
<td>4.47</td>
<td>.730</td>
<td>4.56</td>
</tr>
<tr>
<td>Q4.8</td>
<td>4.57</td>
<td>.728</td>
<td>4.56</td>
</tr>
<tr>
<td>Q4.9</td>
<td>4.73</td>
<td>.450</td>
<td>4.56</td>
</tr>
<tr>
<td>Q4.10</td>
<td>4.63</td>
<td>.490</td>
<td>4.61</td>
</tr>
<tr>
<td>Q4.11</td>
<td>4.37</td>
<td>.765</td>
<td>4.11</td>
</tr>
<tr>
<td>Q4.12</td>
<td>4.53</td>
<td>.730</td>
<td>4.44</td>
</tr>
<tr>
<td>Q4.13</td>
<td>4.13</td>
<td>.900</td>
<td>4.11</td>
</tr>
<tr>
<td>Q4.14</td>
<td>4.27</td>
<td>.691</td>
<td>4.33</td>
</tr>
<tr>
<td>Q4.15</td>
<td>4.50</td>
<td>.572</td>
<td>4.50</td>
</tr>
</tbody>
</table>

Table 7.9 indicates that there is no statistical significant difference at the 10% level, between respondents from smaller (< 700 employees) and larger organisations, with regard to the manager’s role. The researcher observed that the variable ‘show a sincere interest in their people’ (Q4.9), obtained the lowest p-value (p = 0.232). However, the high mean values for all the statements (all in excess of four) show strong support for the factors mentioned in the questionnaire, and confirm the theoretical findings (D’Aprix’s factors), discussed in section 4.3.1. These findings lead to the conclusion that the variables for the manager’s role, as mentioned in the questionnaire, are important for all managers, regardless of organisational size.
Comparison of means according to functional area

This section compares the means (for each question in the questionnaire), between respondents from two diverse functional areas, namely human resource practitioners and line managers. Comparisons are indicated for each of the four main categories contained in the questionnaire (see Appendix D), namely role of organisational leadership, organisational culture, organisational strategies and the manager’s role. Table 7.10 indicates the mean scores for the role of organisational leadership, per functional area (human resource practitioners and line managers).

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<td>Q1.8</td>
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</table>

An analysis of the mean scores (all means above four except Q1.8 for human resource practitioners), indicate strong support for the variables contained in the section for organisational leadership. No statistically significant difference at the 10% level was found between functional
areas. Notably, the variable ‘senior management has a sincere interest in employees’ well being’ (Q1.6) showed the lowest correlation (p = .205), with line managers’ mean rating 0.35 lower than that of human resource practitioners. Nevertheless, the high level of congruence, as inferred from the mean scores, among line managers and human resource practitioners, indicate strong support for the organisational leadership variables mentioned in the questionnaire (Q1.1 – Q1.8).

Table 7.11
ORGANISATIONAL CULTURE AND HUMAN RESOURCES AND LINE MANAGERS’ RESPONSES: COMPARING MEANS

<table>
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An analysis of the mean and standard deviation of the variables, depicted in table 7.11, indicates that responses were more diverse between human resource practitioners and line managers. The relatively high standard deviations, for some of the variables (Q2.6 = 1.188 and Q2.3 = 1.335), indicate that responses also varied within functional areas. However, the relatively high mean scores ranging from 3.39 to 4.71, indicate that human resource practitioners and line managers generally support the organisational cultural variables.
Table 7.11 indicates a statistically significant difference, at the 10% level, between responses of human resource practitioners and line managers for the variables ‘supervise experienced employees loosely to allow for their own initiative and self-motivation to perform’ (p = 0.061), and ‘enlarge or enrich work so that employees do ‘whole’ jobs’ (p = 0.041). For both these variables human resource practitioners means are lower than that of line managers. This seems to indicate that human resource practitioners were more cautious and divided (standard deviation = 1.188 for Q2.6) in their responses to these variables.

The rationale for the varied responses between human resource practitioners and line managers could be the result of each respondent’s unique experience of organisational culture, from their own functional area perspective. Gratton (2000, p.67) believes that the organisational systems (reward, development, policies, etc.) people experience on a daily basis shape their perception of organisational culture (see section 4.2.1 – systemic capability). Given the multitude of factors that contribute to an individual’s perception of organisational culture and the inherent differences between the two functional areas (human resources and line management), it is therefore axiomatic that a greater variance in responses can be expected.
Table 7.12

ORGANISATIONAL STRATEGIES AND HUMAN RESOURCES AND LINE MANAGERS’ RESPONSES: COMPARING MEANS

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Table 7.12 indicates that there is no statistically significant difference at the 10% level, between the means of human resource practitioners and line managers for the category, organisational strategies. The relatively high means ranging between 3.94 and 4.75 indicate that human resource practitioners and line managers concur in their support for the organisational strategic variables that engage employees. Notably, the variable ‘recognising employees’ contributions, even when performance is not extraordinary’, obtained the lowest mean scores (4.04 and 3.94) and highest standard deviation (1.071 and 1.211) for both functional areas. This finding, although not statistically significant, may point to the fact that respondents (line management and human resources), underestimate the importance of performance feedback and the commensurate sense of worth/value (essential for engagement) that it inspires in the individual. Kreitner, Kinicki and Buelens (2002, p.253)
believe that the performance feedback meeting should be used to provide positive strokes that enhance individual’s perceptions of worth and making a valued contribution (see section 5.3.2 – provide performance feedback).

Table 7.13

THE MANAGER’S ROLE AND HUMAN RESOURCES AND LINE MANAGERS’ RESPONSES: COMPARING MEANS

<table>
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From table 7.13 it can be seen that two variables show a statistically significant difference at the 10% level. They are ‘recognise satisfactory and superior performance by praising employees’ (p = 0.010) and ‘grant experienced employees full autonomy to perform their jobs’ (p = 0.099). For both variables, human resource practitioners mean under scored the mean of line managers by 0.46. The high mean scores for line
management of these variables (4.78 and 4.39 respectively) indicate that they place a higher value on these factors to engage employees, than human resource practitioners.

The high mean scores ranging between 3.93 and 4.78, for both human resource practitioners and line management, indicate strong support for the engagement variables included in the manager’s role.

7.2.5.3 Comparison of means according to organisations that have and do not have an engagement strategy

The purpose of this analysis was to determine whether significant differences existed between organisations that had an engagement strategy and those that did not. Results of the analysis are depicted in tables for each main category of the questionnaire, namely organisational leadership, organisational culture, organisational strategies and the manager’s role. Table 7.14 indicates the means for organisational leadership and engagement strategy.

Table 7.14

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From table 7.14 it can be inferred from the relatively high means (ranging between 3.84 and 4.72), that respondents from organisations that have and do not have engagement strategies, generally agree with the organisational leadership variables necessary to engage employees. However, one variable showed a statistically significant difference at the 10% level, namely ‘communicates a clear vision for long-term success’ (p = 0.072). Respondents who reported having an engagement strategy rated this variable (mean = 4.72) significantly more important than respondents who reported not having an engagement strategy (mean = 4.42). However, the high mean scores for this variable indicate that both groups concur on its importance in engaging employees therefore, no meaningful inference other than its significance as an engagement factor, can be deduced from this finding.

Table 7.15 indicates the comparison of means for organisational culture and engagement strategy.

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</table>

Chapter 7: Analysis and interpretation of results
From table 7.15 it can be seen that two variables showed a statistically significant difference at the 10% level, for organisations that have and do not have an engagement strategy. The variables ‘provide as much as possible in the line of benefits as we can afford, even if it's more than the average of other companies’ (p = 0.078) and ‘stimulate an atmosphere of cooperation and teamwork between individuals and between departments’ (p = 0.089), showed significant differences. The relatively low means (Q2.3 of 3.45 and 3.95), for respondents who reported having and those who reported not having engagement strategies, supports Horwitz’s (2004, p.9) findings that South African companies did not regard remuneration and benefits as an effective strategy to attract, retain and motivate knowledge workers.

The difference in means for Q2.8, although statistically significant (p = 0.089), indicates strong support for the variable from those who answered yes and no, to having an engagement strategy (respective means are 4.76 and 4.47). The only inference that can be made from this finding, is that respondents that indicated they had an engagement strategy, rated ‘stimulating an atmosphere of cooperation and teamwork between individuals and departments’, significantly higher than respondents who reported not having an engagement strategy.
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Table 7.16 indicates the comparison of means for organisational strategies and organisations that have and do not have an engagement strategy.

### Table 7.16

**ORGANISATIONAL STRATEGIES AND ORGANISATIONS THAT HAVE AND DO NOT HAVE AN ENGAGEMENT STRATEGY: COMPARING MEANS**

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Analysis of the means in table 7.16 (means range between 3.79 and 4.83) indicate that generally there is strong support for the variables within the organisational strategies category, among respondents who had and did not have an engagement strategy. The variable ‘jointly set clear performance objectives’ was the only variable that reported a statistically significant difference at the 10% level (p = 0.082). However, the difference lies in the strength of the support for the variable, with respondents who have an engagement strategy recording their highest mean of 4.83, for the category, and those who said no scoring a mean of
4.47. No other statistically significant results were found for this category.

Table 7.17 shows the comparison of means for the manager’s role and respondents that had and did not have an engagement strategy.

### Table 7.17
THE MANAGER’S ROLE AND ORGANISATIONS THAT HAVE AND DO NOT HAVE AN ENGAGEMENT STRATEGY: COMPARING MEANS

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<td>4.74</td>
<td>.452</td>
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<tr>
<td>Q4.10</td>
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<td>.471</td>
<td>No</td>
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<td>.513</td>
<td>.273</td>
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<tr>
<td>Q4.11</td>
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<td>4.34</td>
<td>.814</td>
<td>No</td>
<td>4.16</td>
<td>.834</td>
<td>.445</td>
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<tr>
<td>Q4.12</td>
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<td>4.55</td>
<td>.572</td>
<td>No</td>
<td>4.42</td>
<td>.838</td>
<td>.556</td>
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<td>3.97</td>
<td>.981</td>
<td>No</td>
<td>4.37</td>
<td>.831</td>
<td>.147</td>
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<td>Q4.14</td>
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<td>.670</td>
<td>No</td>
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<td>.855</td>
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<td>.572</td>
<td>No</td>
<td>4.58</td>
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</table>

From Table 7.17 it can be seen that respondents generally agree on the importance of the variables for the manager’s role in engaging employees (all the means are above four, except Q4.13). The variable ‘check that tools are adequate to perform the job’ showed a statistically
significant difference among respondents, at the 10% level \( (p = 0.038) \). Although, statistically significant, the variance lies in the strength of support for the variable (means of 4.48 and 4.79 respectively).

Notably, the mean scores for the variable ‘grant experienced employees full autonomy to perform their jobs’ (Q4.13), differs by 0.40. Although not statistically significant \( (p = 0.147) \), respondents reporting not having an engagement strategy supported this variable more keenly.

With the mean scores indicating a reasonably high level of congruence among respondents, for this category, there were no further statistically significant results to report.

### 7.3 INTEGRATED ORGANISATIONAL MODEL FOR ENGAGING EMPLOYEES

The objective of this study was to develop an integrated model for engaging employees that can be utilised by organisations to facilitate the ‘people’ issues, as a means to securing competitive advantage. The objective was achieved by utilising a three-phase process, as follows:

- A theoretical employee engagement model was developed from a study of the secondary sources that were consulted (see section 5.3);
- The theoretical engagement model was then empirically tested by means of a sample (human resource practitioners and line managers), to determine whether they agreed that the model could assist them in engaging their employees; and
- Results from the empirical survey were integrated with the theoretical engagement model to develop the integrated organisational employee engagement model.
The extensive analysis and discussion of the descriptive statistics in section 7.2, relating to a review of strategies incorporated in the theoretical employee engagement model, provides the rationale for the integrated organisational employee engagement model presented in Figure 7.1. The four major sections of the model, together with the engagement factors for each section, are presented in Figure 7.2.

Based on the strong support for the variables, as described in section 7.2, there was no need to adjust or omit any of the variables. Some variables (i.e. showing a sincere interest in employees’ well being (Q1.6), pay (Q2.2) and benefits (Q2.3)), as discussed in section 7.2, although some variables were rated as important they may require special attention when applied in South African organisations (see sections 4.5.1 and 4.5.3).
Figure 7.1: The integrated organisational employee engagement model
### ORGANISATIONAL LEADERSHIP

(Refers to Senior/Top management i.e. policy makers)

- Set an inspiring vision
- Communicate a clear vision for long-term success
- Translate the organisational direction into people context (behaviours)
- Senior managements’ actions should convey a consistent message that reinforces their support for the strategic direction
- Identify organisational processes/culture that influence (support or hinder) the implementation of the vision
- Senior management should show a sincere interest in employees’ well being
- Communicate as much as possible to employees (including reasons for decisions, state of the business)
- Insist that employees at all levels share financially in the achievements of the business

### ORGANISATIONAL CULTURE

- Align the organisational culture to meet business strategies
- Pay as much as we can afford even if it is more than what other companies pay for similar work
- Provide as much as possible in the line of benefits as we can afford, even if it’s more than the average of other companies
- Do whatever we can to avoid retrenchments
- Delegate decision making to the lowest possible level
- Supervise experienced employees loosely to allow for their own initiative and self-motivation to perform
- Enlarge or enrich work so that employees do ‘whole’ jobs
- Stimulate an atmosphere of cooperation and teamwork between individuals and between departments

Figure 7.2: Details of each section of the integrated organisational employee engagement model

Chapter 7: Analysis and interpretation of results
## ORGANISATIONAL STRATEGIES

- Recruit and select people based on their talents
- Provide the most pleasant physical working conditions for employees we can afford
- Provide employees with the latest technological tools we can afford
- Jointly set clear performance objectives
- Provide regular (at least four times per year) performance feedback to employees
- Match individual needs to the needs of the work unit
- Regularly review the employee’s contribution in meeting work unit objectives
- Show employees how the work unit objectives relate to meeting the organisation’s vision
- Invest in the best possible training for employees to do their jobs
- Provide development opportunities for employees to prepare them for higher-level assignments
- Recognising employees’ contributions, even when performance is not extraordinary (just satisfactory)
- Assist employees to self manage (be empowered)

**Figure 7.2:** Details of each section of the integrated organisational employee engagement model
MANAGER’S ROLE IN ENGAGING EMPLOYEES

- Match the employee’s talents to the job
- Ensure that employees are utilising their strengths on a daily basis
- Specify desired outcomes without being prescriptive about the process to achieve the outcomes
- Direct employees’ efforts towards those items that yield maximum results
- Check that tools are adequate to perform the job
- Provide regular performance feedback
- Recognise satisfactory and superior performance by praising employees
- Inspire enthusiasm and teamwork amongst employees
- Show a sincere interest in your people
- Encourage people to develop new ideas and new ways of doing things
- Share business results with employees and show how the individual contributes to them
- Interpret the organisation’s vision for employees and channel their behaviour in terms of what is valued by the organisation (spell out desired behaviours)
- Grant experienced employees full autonomy to perform their jobs
- Develop close working relationships with employees
- Show concern for the employee’s continued development and growth

Figure 7.2: Details of each section of the integrated organisational employee engagement model
7.4 CONCLUDING REMARKS

The purpose of this chapter was to analyse and interpret the data obtained from the empirical study, pertaining to the dependent variables contained in the theoretical model for engaging employees. Empirical results were used to quantitatively gauge support from respondents for the dependent variables in the theoretical engagement model and on the strength thereof, assess whether variables should be omitted.

The quantitative statistical results generally indicated strong support for the dependent variables contained in the theoretical engagement model. Although, the comparison of means indicated some variance between sizes of organisations, functional areas and engagement strategies, it did not justify omitting any of the variables. This paved the way for the compilation of the integrated organisational employee engagement model, which was the main objective of the study. With the presentation of the integrated organisational employee engagement model sub-problem three of the study, namely: How can the results obtained from the resolution of sub-problems one and two be combined into an integrated model, which can be used by organisations as a strategy for facilitating employee engagement? By resolving sub-problem three, the objective of the study was achieved.

Chapter eight offers a summary of significant findings and highlight the conclusions and recommendations from this study based on the research results discussed in chapter seven.
# Chapter 8

## SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

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CHAPTER 8

SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

8.1 INTRODUCTION

The purpose of the final chapter is to reflect on the research endeavour and summarise what has been accomplished by the research project by closing the loop between the main problem, sub-problems and the findings. Besides highlighting the main findings, the problems that were encountered in the research process and the limitations of the study will be described. Finally, recommendations for further research are outlined and suggestions for application of the findings will be presented.

8.2 PROBLEMS AND LIMITATIONS OF THE STUDY

No major problems were experienced in conducting the study. However, minor problems relating to the collection of data were encountered. These problems encountered were:

§ There was a lack of cooperation and lethargy with the questionnaire survey and this impeded the response rate and timeous collection of questionnaires. The researcher anticipated this problem and adequate planning resolved this issue. Follow-up telephone calls and e-mails were used to encourage an improved response rate. The high response rate that was attained and the number of respondents who indicated that they would like to receive a synopsis of the results demonstrated that the survey was positively received by industry.
A further problem was the misinterpretation of instructions and the failure of respondents to read the instructions. Some respondents believed they had to evaluate their own organisations against the variables, contained in the questionnaire. Telephone calls as well as e-mails, explaining that the variables should be evaluated for their propensity to engage employees, resolved this issue.

A limitation of the research endeavour was that it focused on human resource practitioners and line managers (primarily from production). Managers from other functional areas were omitted from the research. The number of human resource respondents (28) exceeded that of line managers (18), which statistically could have skewed results (especially for a relatively small sample size of 46). However, the correlation of means for human resource practitioners and line managers, revealed no statistically significant differences in responses.

8.3 SUMMARY OF THE STUDY

In this section, the main problem and sub-problems are repeated to indicate which actions were taken to address each problem. The main findings related to each sub-problem are briefly reiterated.

The main problem identified in this study was:

**What strategies should organisations use to improve the level of employee engagement?**

The study was undertaken due to the fact that organisations are continuously exploring ways to improve competitiveness, in order to
ensure their survival in the global market. Many authors have stressed the pivotal role engaged employees play in securing competitive advantage for organisations. The research findings of Ray (2003), Brewster et al. (2003), Kiger (2002), Coffman and Gonzalez-Molina (2002) and Ulrich (1997), confirmed that improved business performance hinges not only on improved processes, technology and products but also equally as much on the contributions of engaged employees. This understanding prompted the study into employee engagement within the South African context.

In order to resolve the main problem, sub-problems were developed and discussed in various chapters of this study. The sub-problems and a brief discussion are provided below.

§ **Sub-problem one: What factors are revealed in the relevant literature that influence employee engagement?**

A literature study was firstly conducted to determine the various constructs that support employee engagement. Major underlying constructs such as employee motivation, commitment, organisational citizenship, self-efficacy and employees’ emotions emerged as the cornerstones of employee engagement. These constructs were then further investigated and key drivers (individual and job context drivers), which supported performance and employee engagement, were presented in chapter two.

Chapter three of the study considered why it is important to measure employee engagement and how it should be measured. An analysis of international (Gallop and International Survey Research Approach) and South African (McDade and McKenzie) approaches, for measuring
employee engagement, was conducted to identify measures (variables) and verify the drivers, identified in chapter two of the study. From the analysis it was identified that employees move along an engagement hierarchy, that the role of the manager is paramount in engaging employees, and that different categories of employees (knowledge workers) require a different approach to measure their engagement levels.

§ Sub-problem two: What strategies are currently used by organisations to facilitate employee engagement?

Chapter four described the various strategies for incorporating employee engagement as a means to achieving business success and competitive advantage. Among the strategies discussed was the role of organisational leadership, the role of organisational culture, the role of the manager and empowerment. South African research studies and organisations were examined to determine the degree of congruence in strategies employed for engaging employees. The studies revealed that South African organisations generally, place less emphasis on remuneration and provision of benefits, as engagement factors, than overseas organisations (see section 4.5.3). Results from the empirical study concurred with this finding (see section 7.2.2). The chapter concluded by identifying key organisational strategies for engaging employees, as follows; organisational vision, challenging work, work culture, shared gains, communication, concern for people, technology, training and development, empowerment, customer focus, and the manager’s role (see section 4.6).

Strategies identified in chapter four and drivers of engagement mentioned in chapters two and three were used to develop the
theoretical engagement model, presented in chapter five. The questionnaire used to survey organisations operating in the automobile and automobile-component industries, based in the Nelson Mandela Metropolitan Municipality and Buffalo City Metropole, was developed from the theoretical engagement model.

§ Sub-problem three: How can the results obtained from the resolution of sub-problems one and two be combined into an integrated model, which can be used by organisations as a strategy for facilitating employee engagement?

In order to resolve sub-problem three, the results of the empirical study were reviewed to determine the level of congruence among respondents with the variables mentioned in the theoretical employee engagement model. An analysis of the results revealed that there was a trend of agreement/strong agreement with the strategies, roles and actions contained in each category of the theoretical employee engagement model. Therefore, there was no statistical justification to remove any of the variables as contained in the theoretical employee engagement model. However, variables including remuneration, benefits, management showing a sincere interest in employees and that all employees share in the financial gains of the organisation, may in the South African context, require more attention.

8.4 RECOMMENDATIONS

In order to complete the study it is required that recommendations for the application of the research are offered and suggestions for further study in those areas analogous to the research problem are made.
Chapter 8: Summary, Recommendations and Conclusions

The objective of this study was to make a contribution in the field of employee engagement by developing a strategy that can be used by organisations to engage their employees.

In order to achieve this objective the researcher conducted an extensive literature survey, developed the theoretical employee engagement model, empirically tested the model and concluded by presenting the integrated organisational employee engagement model. Based on these endeavours the researcher suggests the following recommendations regarding organisational employee engagement.

The theoretical employee engagement model, which identifies four categories, namely organisational leadership, organisational culture, organisational strategies and the role of leadership, can be used by organisations to enhance their employees’ levels of engagement. Although all the categories are important, an advantage of the model is that any of the four categories can be isolated and used by organisations, to focus on their specific needs.

The study revealed a number of important considerations to be borne in mind when employee engagement is measured. These considerations are:

- Engagement measures should make provision for organisations’ unique circumstances and should therefore be tailor made to meet the company’s requirements;
- Different categories of employees require a different approach to measuring their level of engagement. McDade and McKenzie’s approach, discussed in section 3.3.3, revealed that knowledge workers have a different set of drivers comprising work life, values, senior leadership and the direct manager;
Employees progress through various stages on their way to becoming fully engaged. This is referred to as an engagement hierarchy (see section 3.3.2);

The integrated organisational employee engagement model discussed in section 7.3 can be used by organisations as an applied strategy for the measurement of employee engagement.

The most significant of the categories in the integrated organisational employee engagement model is the role played by the immediate manager. The strategies mentioned in this category of the model, can also be used as a framework for promoting dialogue between managers and their employees.

The important role of having engaged employees, in bringing about competitive advantage, should be promoted especially amongst smaller organisations (see section 7.2.5) by researchers and communicated in journals. Survey results indicated that 40 per cent of organisations did not have an engagement strategy. Research results indicated that the model was applicable to both smaller (<700 employees) and larger organisations (see section 7.2.5.1).

Research results revealed that in implementing the integrated employee engagement model, special attention should be given to the following variables, within the South African context.

‘Pay as much as we can afford even if it is more than what other companies pay for similar work’;

‘Provide as much as possible in the line of benefits as we can afford, even if it’s more than the average of other companies’;

Chapter 8: Summary, Recommendations and Conclusions
‘Insists that employees at all levels share financially in the achievements of the business’; and
‘Senior management has a sincere interest in employees’ well being’.

Educational institutions such as universities are ideally positioned to provide an employee engagement assessment service to organisations. There are many advantages, both for industry and academia, associated with this proposal.

Lastly, during the course of this research, areas worthy of further research that are closely related to the research problem were identified. Therefore, further research in the following areas is recommended.

In as much as the research was restricted to the automobile and automobile-component industries in the Nelson Mandela Metropolitan Municipality and Buffalo City Metropole, similar surveys could be conducted in other geographical areas. Surveys should also be expanded to incorporate other functional areas not covered by this research endeavour, such as marketing, logistics, finance, quality, etc.

Each of the four key categories mentioned in the integrated organisational employee engagement model, namely the role of organisational leadership, organisational culture, organisational strategies and the role of management, merits further investigation.

Specific variables such as the nature of senior leadership’s communication, managerial self-efficacy, recognition, and the role
of remuneration in engaging employees should be investigated further.

§ The research concentrated on the variables necessary to measure employee engagement. However, alignment of organisational culture with the organisational strategies should be studied by means of a longitudinal research design in order to determine the optimum relationship between these categories of engagement.

§ A case study research approach could be used to establish the relationship between employee engagement and competitive advantage. This would also represent a longitudinal approach.

§ This research study established that the role of the manager was crucial in engaging employees. Therefore, it would be pertinent to identify the managerial style that would be best suited to engaging employees.

8.5 CONCLUDING REMARKS

The objective of this research endeavour was to develop a model that could be used by organisations to assess their employees’ levels of engagement and identify strategies that would promote engagement. Having satisfied this objective by developing the integrated organisational employee engagement model, there are a number of questions, organisations should answer, before embarking on an employee engagement exercise. These questions are:
§ What is the purpose of introducing an employee engagement programme? Is employee engagement viewed as just another one of those add on programmes?

§ Is there commitment from top management for the employee engagement endeavour? Are they prepared to play their part?

§ Will the results of the engagement survey be shared with managers, employees and the union?

§ Can the company afford to implement corrective measures and does the current human resource capacity allow for it?

§ Will the results and corrective measures be incorporated into existing organisational procedures (key performance areas)?

§ How are expectations created by the employee engagement survey dealt with?

Only once these questions have been answered, can the organisation continue with its planning to implement an engagement strategy.

There is conclusive evidence of the significant contribution engaged employees make towards organisations' competitive advantage. However, from this study, it is concluded that South African organisations have not realised this fact, and need to be more proactive in implementing employee engagement strategies. The integrative employee engagement model presented in chapter seven could serve as a basis to this end.
Employee engagement is obviously not the only people orientated strategy to promote competitive advantage. However, in the global market place where competition is fierce and only the fittest organisations survive. Can organisations afford to ignore engaging their employees?
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