The Impact of Leadership on Employee Engagement: An assessment of SARS

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Abstract

Organisations are constantly seeking for ways and means to enhance their profitability in a global economy. The current organisational trend to gain the competitive advantage has become a more people orientated focus. Numerous studies grant acclaim to employee engagement for its perceived increase in financial performance. A dominant driver effecting levels of employee engagement, is leadership. It is this driver, in particular, that is examined in this study. The aim is to determine to what extent leadership has an impact on employee engagement, which in turn directly impacts on the organisations bottom-line.

The study was done by utilising existing secondary data on employee engagement (Connexion survey for 2008) in the Enforcement and Risk Management Division of SARS. A quantitative research study was conducted, utilising measures such as Cronbach alpha coefficient test and factor analysis, to establish a relationship between the two factors.

The main finding of the research is that leadership has a profound impact on levels of employee engagement in the organisation of choice. It is also deduced that employee engagement, as a strategy to enhance an organisation’s competitiveness, is a continuous process that must be sustained for a number of years to fully perceive the value.
I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree that I have obtained the necessary authorisation and consent to carry out this research.

__________________
Elle-Sarah Rossato       13 November 2008
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Definitions of terms and acronyms:

**CLC**  Corporate Leadership Council

**EE**  Employee Engagement

**EE Drivers**  Synonym for predictors, components or touch points

**HRM**  Human Resource Management

**IES**  Institute for Employment Studies

**Parastatal**  Organisation having some political authority and serving the state indirectly

**CSARS**  Commissioner for SARS

**SARS**  South African Revenue Service
Chapter 1: Introduction to the Research Problem

1.1 Introduction

Friedman & Myers (2005) state that it is now possible for more people than ever to collaborate and compete in real time with more other people on more different kinds of work from more different corners of the planet and on a more equal footing than at any previous time in the history of the world – using computers, e-mail, networks, teleconferencing and dynamic new software.

The above quote might seem divergent to the title of this research, but in fact, it is against this backdrop that one should view the 21st century company, its organisational culture, its leadership, and most importantly, its employees. Today’s business and economic climate has been altered dramatically by factors such as globalisation, heightened levels of competition, increasing diversity, revolutionary methods of communication, innovative products and services, customer focus, empowerment, consolidation of organisations, networks, work-life balance, spirituality and work and lastly, ethics.

In order to be successful in today’s vibrant and rapidly changing business environment, an organisation has to not only define its mission and vision but establish, embed and live its culture in order to obtain trust and employee buy-in as a manner to gain competitive advantage. Ray (2003) states that this decade’s competitive advantage lies in staff improvement and engagement. The term engagement was first introduced in the late 20th century by Kahn (1990), who defined it as: “the simultaneous employment and expression of a person’s
preferred self in task behaviours that promote connections to work and to others, personal presence, and active full role performances."

Robinson & Hayday (2003) explain employee engagement as an evolution from past research which focuses on employee satisfaction, motivational approaches and commitment, whereas employee engagement encompasses all of these, including an individual’s emotive state. Employee engagement has clear overlaps with the exhaustively researched topics of employee commitment, motivation and satisfaction but is differentiated by the fact that it is a two-way street: the organisation works to engage the employee and the employee chooses the level of engagement to offer the employer (Robinson, Perryman & Hayday, 2004). More recently, Cheese, Thomas & Craig (2007, p. 25) described engagement as a complex phenomenon, defined physically, intellectually and emotively: “I’m here, my mind and my feelings are on the job and with the people around me.”

The role of leadership in creating the abovementioned competitive advantage by focusing on this ‘employer-employee two way street’, is strengthened by Covey’s (2004) statement 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 goal that people feel that leads them to truly give of their minds. Poisat (2006) summarises, after careful consideration of a variety of research results on engagement, that the role of leadership in engaging employees is to provide a clear vision for the organisation that inspires and engages people. It is to
translate direction into people context for a clearer line of sight between organisational expectations and individual performance, to identify organisational processes/culture that support or hinder the implementation of the new vision, to show commitment and develop trust through open communications, to introduce organisational processes that support the new direction and to hold leadership accountable for extending the behaviours throughout the organisation.

Ultimately, Cheese *et al.* (2007) describe that it is the relationship with managers that appears to be the key influence on engagement in that in over 80 percent of the engagement survey scores, variance is attributable to the support from and relationship with supervisors and managers.

### 1.2 Research Purpose

Brewster, Sparrow and Harris (2005) regard the search for competitive advantage and continuous change a compelling factor for organisations to explore human resource management (HRM) as a means of providing organisational success. The purpose of this particular study is twofold: firstly, to study how leadership impacts on employee engagement which, in turn, can lead to increased organisational performance and competitive advantage and secondly, which of the specific leadership values and behaviours have an impact employee engagement.

This research study will not only review the current and relevant academic literature on the topic of leadership and employee engagement but will also
attempt to validate the posed hypothesis by utilising the South African Revenue Service (i.e. Enforcement & Risk Management Division) as a test unit. This organisation recently conducted nationwide employee engagement surveys. This research aims to analyse and to draw correlations from the results of the 2008 survey. Although these results only represent a single division within an organisation, the researcher believes that immense value can be derived from reviewing the impact of leadership values and behaviours on the employee engagement results within the division.

1.3 Research Problem

As mentioned above, the South African Revenue Service was chosen and in particular, the Enforcement & Risk Management Division, which was selected for its leaders’ recent interest in the levels of engagement of its employees.

The organisation, with the assistance of an independent consultancy, had during the past two years conducted employee engagement surveys, which results were utilised to focus on particular problem areas. However, the action plan for 2007/8 consisted of mainly focusing on hygiene factors, i.e. offering employees free tea and coffee, improving the work environment, having year end functions, star awards and presenting employees with cards and flowers. In 2008, the results of the engagement survey delivered an even worse picture. The action plan for 2008/9 was then escalated to include a more human resource driven focus which includes: career development programmes, grading and salary issues, re-induction programmes, performance management programmes and lifestyle balance programmes. The above primary
Interventions also go hand-in-hand with enabling interventions which include leadership development programmes and a “living the values” programme.

The organisation was accordingly chosen not only for its focus on employee engagement and sheer size but more importantly for the probability of displaying a relationship between leadership and employee engagement.

Therefore, in the remaining chapters the research will focus on the surveyed leadership drivers, which were measured as a touch point in the surveys, and how they relate to the failing engagement results as well as which of the leadership values and behaviours are paramount for improvement of the engagement levels in the organisation.

1.4 Scope of the research

The scope of the research is defined by the below mentioned relevant terms, by which the researcher will attempt to display the significance of each aspect in attempting to build a successfully engaged organisation:

1.4.1 Employee Engagement

Robinson, Perryman & Hayday (2004) describe employee engagement most aptly as a positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.
Cheese *et al.* (2007) expands on the Kahn’s (1990) definition of Employee Engagement more simplistically as the measure or degree to which people express their identity at work: not only who they are but also who they would like to be. Cheese *et al.* (2007) further regards talent as the engine of the modern organisation, whilst engagement is the mystery ingredient that can transform the engine’s output. He views engagement as the alignment of one’s own interests to that of the organisation and constitutes a combination of the following sub-meanings: motivation, commitment, passion, desire, ambition, trust, empathy, solidarity, inspiration, selflessness.

Cheese *et al.* (2007) mentioned the intuitive correlation between levels of engagement and company performance which has been demonstrated in the following studies:

With regard to the affect that a disengaged workforce can have on the organisation, the *Gallup Organization (2001)* survey had the following results: 24.7 million of the US workforce (19%) were disengaged, took 3.5 more days off and cost the US economy between $292 and $355 billion in lost production.

**Corporate Leadership Council (2004):** highly engaged employees performed 20% above average;

**Towers Perrin (2005):** 5% increase in total employee engagement correlated to 0.7% increase in operating margin;

**ISR Employee Engagement Report (2006):** highly engaged workforce performed 50% better than those with low engagement.
SARS in its Connexion Surveys utilised the Walker-model (as per the independent consultancy Ipsos Markinor) which is utilised under license from an international consultancy. After intense inquiry and careful research, the underlying theoretical basis for the structure of the model could not be identified.

### 1.4.2 Leadership

Tucker (1984, p. 41) defined leadership as: “the ability to influence or motivate an individual or a group of individuals to work willingly toward a given goal or objective under a specific set of circumstances.” Kouzes & Posner (1992) later developed five renowned practices for outstanding leaders, as well as seven suggestions for enabling followers to act. They are:

<table>
<thead>
<tr>
<th>Practices for leaders</th>
<th>Suggestions for enabling followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Challenging the process</td>
<td>1. Get to know people</td>
</tr>
<tr>
<td>2. Inspiring a shared vision</td>
<td>2. Develop interpersonal competence</td>
</tr>
<tr>
<td>3. Enabling others to act</td>
<td>3. Use your power in service to others</td>
</tr>
<tr>
<td>4. Modelling the way and</td>
<td>4. Enlarge people’s sphere of influence</td>
</tr>
<tr>
<td>5. Encouraging the heart.</td>
<td>5. Keep people informed</td>
</tr>
<tr>
<td></td>
<td>6. Make connection</td>
</tr>
<tr>
<td></td>
<td>7. Make heroes of other people.</td>
</tr>
</tbody>
</table>

*Table 1: Kouzes & Posner (1992)*

Post-1992, the area of leadership became widely studied and the theory evolved from the original trait theory through behavioural and situational approaches to a focus on transformational theory. Tichy & Devanna (1996) describe transforming leaders as change agents because of their ability to transform their dream for the organisation into a shared vision by its followers.
Kark & Shamir (2002) suggest that authentic leaders are able to enhance engagement, motivation, commitment, satisfaction, and involvement required from followers to constantly improve their work and performance outcomes through the creation of personal identification with the follower and social identification with the organisation. Nowadays, the relationship between leaders and followers is widely examined. Avolio, Gardner, Walumba, Luthans & May (2004, p.4) describe the difference between transformational and authentic leaders. Transformational leaders reveal and adhere to a common vision whilst the authentic leaders are those that “….are deeply aware of how they think and behave and are perceived by others as being aware of their own and others’ values/moral perspective, knowledge and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient and high on moral character.”

A recent development has seen companies moving away from developing individual leaders to building a leadership brand, which Ulrich & Smallwood (2007, p.94) describe as “a reputation for developing exceptional managers with a distinct set of talents that are uniquely geared to fulfil customer’s and investor’s expectations ……… it inspires faith that employees and managers will consistently make good on the firm’s performance.” It is this shortage of exceptional managers that has made great leadership an imperative on the corporate agenda.

The scope of this research will be limited to the impact of leadership values and behaviours on employee engagement within a non-profit parastatal, i.e. SARS.
Consequently, the research objective is to:

Analyse and attempt to infer a correlation between the impact of leadership values and behaviours on employee engagement as a driver in SARS and furthermore, how this correlation can assist to increase levels of employee engagement and ultimately organisational performance.

1.5 Outline of Research Report

The Chapters in the research adheres to the following themes:

Chapter 1: Introduction to the Research Problem
Chapter 2: Theory and Literature Review
Chapter 3: Research Proposition
Chapter 4: Research Methodology
Chapter 5: Research Results
Chapter 6: Discussion of Results
Chapter 7: Conclusion

1.6 Concluding remarks

The aim of this chapter was to convey to the reader the purpose and the objective of the problem that this study wishes to address, within a particular organisation and how it is proposed to be solved, in the light of the various elements of leadership values and behaviours as an employee engagement driver. In Chapter 2 an elaboration on the concepts of leadership and employee engagement will be touched upon as well as on how leadership impacts employee engagement, utilising existing and innovative theory.
Chapter 2: Theory and Literature Review

2.1 Introduction

This literature review will include three areas of focus: a) employee engagement b) leadership values and behaviours and c) leadership’s impact on employee engagement. The researcher believes that these elements are directly as well as indirectly attributable to organisational performance. On closer review of the previous literature, it was established that no pertinent study has as yet been made of the relationship between leadership and employee engagement. Accordingly, each of the abovementioned themes will be analysed below to enlighten the reader as to the current literature, its evolution and also to show the inter-relatedness of each theme.

2.2 Employee Engagement

Ostler in the Oxford Dictionary (1998) describes “engagement” as a noun for “employ or hire”. Fortunately, Kahn (1990, p. 694) added more flesh to the definition by describing personal engagement as “the harnessing of organization member’s selves to their work roles; in employment people express themselves physically, cognitively and emotionally during role performance”. Conversely, Kahn (1990) defined disengagement as: “the uncoupling of selves from work roles; in disengagement, people withdraw and defend themselves physically, cognitively or emotionally during role performance”. Consequently, Kahn (1990) regards engagement to mean to be ‘psychologically present’ when occupying and performing an organisational role.
With cognisance taken of the abovementioned quote and definition, one could assume that employee engagement is nothing more than employee satisfaction or organisational commitment in another guise, but it is in fact the next level of abstraction. As elaborated by Rothbard (2001, p. 656) who states that the terms ‘psychological present’ is made up of two critical components: “attention” and “absorption”. Attention referring to “cognitive availability and the amount of time one spends thinking about a role” while absorption means “being engrossed in a role and refers to the intensity of one’s focus on a role”. Engagement also differs from job involvement which is the result of cognitive judgement about the need satisfying abilities of the job and is tied to one’s self-image (May, Gilson & Harter, 2004).

The most pragmatic view on employee engagement was compiled by The Corporate Leadership Council (2004), in their Employee Engagement Survey: “...it is the extent to which employees commit to something or someone in their organisation and how hard they work or long they stay as a result of that commitment”. The Corporate Leadership Council (CLC) devised an outcomes-based model (as depicted in Figure 1) to attempt to measure the tangible benefits of engagement. The model regards employee engagement levers to consist of either rational or emotional commitment. CLC (2004) regards rational commitment to mean “the extent to which employees believe that managers, teams, or organisations act in their self-interest (financial, developmental or professional)”; whilst emotional commitment is defined as “the extent to which employees value, enjoy and believe in their jobs, managers, teams or organisations".
The model further postulates that these two commitment types, with the focus point of attachment on the job, teams, managers and organisation, bring about the following types of employee commitments as possible outcomes: discretionary effort (to go ‘above and beyond’ the call of duty) or intent to stay (employee’s desire to stay with organisation) which two factors both impute a positive impact on the organisation by respectively leading to performance alternatively retention.

Figure 1: Corporate Leadership Council Employee Engagement Model©

Baumruk, Gorman & Ingham (2006, p. 57) stated the relevance of employee involvement as: “the feeling employees have about being ‘in the loop’. Employees who feel ‘out of the loop’ suffer in terms of engagement. This is about a manager’s ability to involve employees in decision making, execution and day-to-day change initiatives”.

Finally, Erickson and Gratton (2007, p.1) add to the impact and relevance of employee engagement in organisations by stating that “companies with highly engaged employees articulate their values and attributes through ‘signature
experiences’ – visible, distinctive elements of the work environment that send powerful messages about the organisation’s aspirations and about the skill, stamina, and commitment, employees will need in order to succeed in these organisations”.

2.2.1 Drivers of Employee Engagement

Previous research illustrated that engaged employees perform better than those that are disengaged or burnt-out. Engagement is further regarded as an evolved level of employee commitment. It is thus obvious for the organisation to want to understand what brings about higher levels of engagement in their workforce.

Robinson et al. (2004) describes the following as key employee components to increasing levels of engagement: involvement in decision making, the extent to which employees feel able to voice their ideas and managers listen to these views and value employees’ contribution, the opportunities employees have to develop their jobs, and the extent to which the organisation is concerned for employees’ health and wellbeing.

It is apparent from the above extracts of literature that the components of leadership and management play an integral role in facilitating levels of employee engagement.

Robinson et al. (2004) conducted an employee engagement study and devised the following diagnostic tool where factors, as developed from abovementioned key employee components, are listed in hierarchy of importance.
Cheese et al. (2007) devised building blocks or drivers of employee engagement (in ascending order) which are graphically presented and described hereunder (see Figure 3).

Amplification on the 6-Cs (Cheese et al. 2007):

1. **Content**: This driver is at the bottom of the pyramid and asks the following questions; what is the content of the job, what physical and mental demands does it make, does it offer a sense of achievement, is it meaningful and does it offer a level of satisfaction?
2. **Coping:** Here the following questions are asked, i.e. has the worker the means to cope with the demands, are the goals achievable? Here reference is made not only to the required knowledge, technology and training but also to managers, work practice and process.

3. **Compensation:** This refers to whether the employee feels fairly rewarded in relation to the current market but also refers to internal recognition. Whether the employee is aware of his objectives and goals and how he or she will be evaluated.

4. **Community:** This refers to the rate of positive social interaction that the employee feels. Thus, is it fulfilling his or her needs, is the workplace uplifting and supportive of social interaction and does he or she feel supported by the work colleagues?

5. **Congruence:** Are the core values and culture of the organisation in alignment with that of the employee? Are these core values exemplified by the supervisors and leaders?

6. **Career:** This refers to alignment between career and life expectations and aspirations of employees in the short-term and long-term as well as the notion of work-life balance. It also refers to how much the organisation is willing to invest and develop the employee, i.e. training.
Recently a global engagement survey was conducted on 12 500 employees by Mercer LLC (2008) which found that India (25%) ranks first among 22 countries in terms of employee engagement, Mexico (19%) ranked second, whilst China ranked third. The USA ranked in the middle with 1% rating whilst Japan ranked last at a rate of – 23%. The key drivers measured are displayed in Figure 4.

![Figure 4: Mercer LLC survey drivers](image)

1) Respect  
2) Type of work  
3) Work/life balance  
4) Providing good service to customers  
5) Base pay  
6) People you work with  
7) Benefits  
8) Long-term career potential  
9) Learning and development  
10) Flexible working hours  
11) Promotional opportunities  
12) Variable pay/bonus structures

### 2.2.2 Employee Engagement Model utilised by SARS

Turning to the current study, the model utilised for measuring engagement in the SARS (Walker Global Network-Model) in its 2007 and 2008 employee engagement surveys, is depicted in Figure 5. The model assumes a direct level of abstraction between: ‘touch points’, ‘values/attributes’, ‘engagement’ and finally ‘behaviour’.
After careful investigation, it was impossible to determine the theoretical framework for the Walker Global Network model, the reason being that the latter model is utilised under license by the mandated consultancy which refused to disclose the model’s origin or theoretical basis. However, it is evident from the model that the 12 stipulated touch points are analogous to some of the beforementioned models and drivers for engagement and correspond largely with the theoretical model of CLC (2004) and Robinson et al. (2004). This is a motivation that the current model is to be seen as suitable for the testing of engagement levels in the chosen organisation.

2.3 Leadership Values and Behaviours

In discussing the theory and literature relating to leadership values and behaviours in today’s rapidly changing workforce market, it is postulated that the previous human resource perspective of managing the workforce, so to speak, from “the cradle to the grave”, is redundant. Instead, today’s workforce is made up by groups of individuals who consist of high-potential people who
increasingly seek experience based career leverage opportunities to rapidly develop their careers and enhance their marketability (Glen, 2006).

However, one of the crucial ingredients in any successful organisation is a good leader who is responsible for arranging collaboration between the employees, instituting psychological contracts and organisational culture as well as employer and leadership brand. The CLC (2004, p. 40) regards leaders as “the principal agent between employees and their jobs, organisations and teams, managers have significant influence on employee’s perceptions of, and ability to commit to their work, teams and organisations”.

Furthermore, from the previous theory and literature on employee engagement, it is evident that leadership is a prominent driver of engagement, which driver will now be analysed and discussed as it develops under the following relevant themes of reference.

2.3.1 Transactional, Transformational & Authentic leaders

Bass (1999, p. 10) in his article based on two decades of research, presents transactional leadership to mean “….the exchange relationship between leader and follower to meet their own self-interests.” This leadership style may take the shape of contingent reward, where the leader states what the follower should do to gain reward, or active management-by-exception, where the leader monitors the follower’s action and corrects same as they go, or even passive leadership, in which the leader waits for problems to arise before taking action. This style is reminiscent of the early 1990’s style of authoritative or dictatorial leadership.
The concept of transformational leadership was first coined by Burns (1978) and then operationalised by Bass (1985). Later, Bass (1999, p. 11) refers to it as being “…the leader moving the follower beyond immediate self-interests through idealized influences (charisma), inspiration, intellectual stimulation, or individualized consideration.” This leadership style not only increases the follower’s level of maturity but also raises his need for achievement, self-actualisation and the well-being of others, the organisation and society in general. There continues to be an ongoing debate between the effectiveness of transactional (i.e. effort-reward relationship) and transformational leadership (i.e. leadership and performance beyond expectations). Amarijt, Flaschner, & Schachar (2006, p. 470) argue that transformational leadership delivers real leaders (not managers) and creates intellectual stimulation to its employees by encouraging them to: “use new approaches for solving old problems; explore new ways of achieving an organisation’s mission and goals; employ reasoning, rationality, and evidence rather than unsupported opinions.”

The next tier in leadership style is that of authentic leadership. Authenticity is described by the Greek philosophers as to “know thyself” and “to thyself be true” (Harter, 2002). Authentic leadership is defined by Avolio et al. (2004) as: “…those individuals who are deeply aware of how they think and behave and perceived by others as being aware of their own and others’ values or morals, perspectives, knowledge and strength; aware of the context in which they operate and who are confident, hopeful, optimistic, resilient and high on moral character.” The above writers regard this leadership style to incorporate both transformational and ethical leadership.
During the last two decades the leadership styles have thus evolved from a business-like transaction, to inspirational or motivational leadership and finally, in the new millennia it has evolved into: “….leaders who recognise and value individual differences and have the ability and motivation to identify people’s talents and help them to build those talents into strengths” (Avolio et al., 2004, p. 806).

2.3.2 Leadership Practices

“Leadership is not a place, it’s not a game, and it’s not a secret code that can’t be deciphered by ordinary people. The truth is that leadership is an observable set of skills and abilities that are useful whether one is in the executive suite or on the front line, on Wall Street, in any campus, community, or corporation” (Kouzes, Posner & Peters, 1990, p. 325).

More than eighteen years ago, Kouzes et al. (1990) wrote an award-winning best selling book, “The Leadership Challenge”. Later, in 2007, the fourth edition was published where all the initial theories are reaffirmed and expanded upon. These authors, Kouzes & Posner, have been studying leadership for more than 20 years and their research delivered five exemplary leadership practices that make a significant difference in performance of leaders and their constituents and which are still believed to be a guiding force in leadership today. The five practices, as outlined by Kouzes & Posner (2007), are:

1. **Model the way:**
   
   Kouzes & Posner (2007, p. 15) state that: “To effectively model the behaviour they expect of others, leaders must first be clear about guiding
Leaders aren’t just representing themselves. They speak and act on behalf of a larger organisation.” In order to model the way, leaders must find their voice in the clarification of their personal values. “Modelling the way is about earning the right and respect to lead through direct involvement and action. People follow first the person, then the plan” - Kouzes & Posner (2007, p. 16).

2. **Inspire a shared vision:**

Kouzes & Posner (2007, p. 16) recall that when people described to them their personal-best leadership experience, they spoke of times when they imagined an exciting, highly attractive future for their organisation – “they had visions and dreams of what could be”. Inspiring a shared vision speaks of envisioning the future by imagining exciting and ennobling possibilities. Enlist others in a common vision by appealing to shared aspirations, e.g. if you had five minutes to discuss future exciting opportunities of the company, what would you tell people about?

3. **Challenge the process:**

Continuously search for innovative ways to change, grow and improve. The challenge may be a new product, a cutting-edge service, new legislation, a turnaround of a bureaucratic programme or a new plant or business. Kouzes & Posner (2007, p. 19) say that: “Leaders know well that innovation and change involve experimenting and taking risks.” These experiments and risk-taking actions are constantly generating small wins and engender learning from mistakes, e.g. diarise and record what you’ve
done each week, so that you can compare whether you were more effective than last week. The leader’s mantra should be: “Try, fail, learn. Try, fail, learn. Leaders are learners” say Kouzes & Posner (2007, p. 20).

4. **Enable others to act:**
The key is in collaboration and empowerment of people but also in respect for people. Kouzes & Posner (2007, p. 20) say that: “To get extraordinary things done in an organisation, leaders have to enable others to act ... Leaders foster collaboration and build trust. This sense of teamwork goes far beyond a few direct reports or close confidants.” When interacting with people in your organisation, make sure you ask yourself: “Did I make that person feel tall or did I make him feel small?”

5. **Encourage the heart:**
In the long climb to the top, people can get discouraged, frustrated and give up. Leaders must encourage the heart of their employees to carry on. Recognise contributions by showing appreciation for individual excellence. Create a spirit of community by celebrating the values and victories, e.g. recognise someone at least once a day for something he has done to contribute to high performance. Kouzes & Posner (2007, p. 22) say that: “It’s part of a leader’s job to show appreciation for people’s contributions and to create a culture of celebrating values and victories.”

These five practices are regarded as theoretical guidelines for developing leadership in organisations.
2.3.3 The Leadership brand

A further element of the company's persona is its brand. In the Oxford Dictionary, Ostler (1998) defines brand as: “to impress unforgettably on one's mind”. Thorne (2004) mentions that employer brands can only be adopted by following an integrated approach, which focuses on: people, products/services, processes/systems and premises/environment, of which the most important factor is people. Employer brand refers to the messages that an organisation conveys to its employees through recruitment, induction, engagement, development and retention.

Flowing from and consistent with the abovementioned theme is leadership brand, in which Ulrich & Smallwood (2007) make a critical distinction between leaders and leadership brand. They regard focus on leadership to be vital as it emphasises the methods that secure the ongoing good of the firm and also build future leaders. The following are regarded as fundamentals for developing a leadership brand: to nail the prerequisites of leadership; to connect your executives' abilities to the intended reputation; to assess leaders against the statement of leadership brand; to let the customers and investors do the teaching and finally, to track the long-term success of your leadership brand.

2.3.4 Social Intelligence of Leadership

The above listing and explanation of leadership theory directly relate to methods that leaders should utilise in order to be effective in today's rapidly changing economic and business environment. However, from a values and behavioural perspective, Goffee & Jones (2000) have determined four unexpected qualities
that inspirational leaders exhibit, i.e.: firstly, they selectively show their own weaknesses and therein expose their approachability and humanity in that they rely heavily on intuition to gauge the appropriate timing and course of their actions. Secondly, they manage employees with something we call tough empathy. Thirdly, they empathise passionately with people and care intensely about the work people do; and fourthly, they reveal their differences and capitalise on the uniqueness of themselves.

Years later, Goleman & Boyatzis (2008, p. 76) expand on the emotional intelligence study of Daniel Goleman as well as on the above behaviours by focusing on “…..a more relationship based construct for assessing leadership, being social intelligence, which we define as a set of interpersonal competencies built on specific neural circuits that inspire others to be effective”. Leaders often manage and make decisions by trusting their gut, as previously affirmed by Goffee & Jones (2000). This talent is characterised as the ability to recognise patterns, usually born out of extensive experience. Such attunement is literally physical (Goleman & Boyatzis, 2008). Goleman & Boyatzis (2008) have come up with seven social intelligence qualities (which they test in a 360-degree evaluation) that they regard as crucial to measure leader behaviours.

These values are:

**Empathy:** to understand what motivates other people, even from different backgrounds, and to be sensitive to their needs;
**Attunement:** how attentively they listen and think about the feelings of others and how attuned they are to their moods;

**Organisational awareness:** whether they appreciate the values and culture of the organisation and understand the social networks;

**Influence:** do they persuade others by engaging them and appealing to their self-interests and thereby get support from key people?

**Developing others:** the coaching and mentoring of others by investing time and energy into people. Do they provide constructive feedback to assist in professional development?

**Inspiration:** by articulating a compelling vision to build pride, a positive tone and bringing out the best in people;

**Teamwork:** do they solicit input from all team members and encourage cooperation?

Finally, Goleman & Boyatzis (2008, p. 81) state that as “new ways of scientifically measuring human development start to bear out these theories and link them directly with performance, the so-called soft side of business begins to look not so soft after all.”
2.4 The Impact of Leadership’s on Employee Engagement

Livingston (2003) recalls an extract from George Bernard Shaw’s: Pygmalion, where Eliza Doolittle explains: “You see, really and truly, apart from the things anyone can pick up, the difference between a lady and a flower girl is not how she behaves but how she is treated. I shall always be a flower girl to Professor Higgins because he always treats me as a flower girl and always will; but I know I can be a lady to you because you always treat me as a lady and always will.” This statement highlights the exact workplace conundrum, where some leaders treat their employees in a way that leads to superior performance whilst the converse is also true.

Therefore, it has now become essential to determine how organisations should think about their leaders and their role in employee engagement. The CLC Survey (2004) regards the following as important foci for managers to enhance employee engagement:

**Managers are the key conduit for commitment**: and are regarded as the principal agent between employees and their jobs, organisations and teams. This holds true for both rational and emotional commitment. Therefore, how a manager assigns tasks, presents developmental opportunities and acts out the organisational behaviours of the organisation have a direct implication on employee engagement;

**Manager influence on commitment**: manager qualities, from people, process to personal characteristics, have a direct “spill-over” impact on commitment to
job, team and organisation. This creates a greater need for organisations in training managers to ensure engagement;

**Managers are a “Force Multiplier” of commitment:** managers who can instil commitment to the job, organisation and team will serve as one of strongest drivers of engagement in the organisation.

The leaders are usually placed in the coal face to address significant drivers of employee engagement in a real-time and meaningful way (Bennett, 2007). Supporting this view, Baumruk *et al.* (2006) refer to three behaviours that managers can deploy to increase engagement:

1. **Accelerated coaching and career support:**
   Leaders don’t necessarily have to be the coaches, but they need to seek out experts who will ensure that their employees get the right training. Leaders must also be clear about the opportunities in the organisation, the skills that need to be developed and how this cadre of skills will be of value to the organisation. Leaders creating these opportunities will have a direct effect on engagement levels.

2. **Recognition:**
   Leaders should constantly thank and praise their employees, whether it is a “pat on the back” or by way of awards and bonuses. Recognition, both internal and external, has a huge impact on engagement levels.
3. Accountability:

Employees are more engaged when the leaders hold them and their teams accountable for the results. It is thus of utmost importance that managers are clear about the expected outcomes and that these expectations are accepted. Furthermore, leaders also need to be consistent in the delivery of consequences for achieved, exceeded and of not meeting targets.

Ancillary to the above, Baumruk et al. (2006) furnishes key advice regarding leadership and employee engagement, which they imply that leaders are in a critical position to increase or decrease engagement, as they touch key drivers, such as accountability, work processes, compensation, recognition and career opportunities; employees are more engaged when their leaders are clear about expectations, agreement on expectations and provide consequences for meeting or not meeting expectations; leaders need to understand what they should do more of, less of and what they need to do differently; and most importantly, leaders need to be assessed and rewarded on development and performance levels of their employees.

The view of Kouzes & Posner (2007) on leadership’s impact on employee engagement is that leaders should provide a clear sense of direction and feedback along the way, in order to encourage people to reach inside and do their best. Kouzes & Posner (2007, p.290) also comment that: “....because encouragement is more personal and positive than other forms of feedback, it is more likely to accomplish something that other forms cannot; strengthen trust
between leaders and constituents. Encouragement, in this sense, is the highest form of feedback.”

As a practical example, Cheese et al. (2007) remark in their own organisation (i.e. Accenture) that the most important driver for employee engagement is the relationship between employees and their supervisors or managers. The CLC (2004) report showed that the emotional drivers such as relationship with one’s manager and pride in one’s work had a four times greater impact on discretionary work effort than did rational drivers, such as pay and benefits.

Finally, Cheese et al. (2007) say that managers need a clear strategy and their role in terms of delivery of it. They further need to take responsibility and be judged on their success for delivering and building engagement and should be given the necessary training and support that they need.

2.5 Conclusion of Literature Review

In this chapter the theory base and literature on the study was conveyed to the reader. This has hopefully led the reader to understand the meaning and possible impact of employee engagement as well as the models upon which engagement is based and the drivers that impact it. The employee engagement model utilised in SARS is also displayed as well as the theory that motivates its validity, i.e. the 6 Cs of Cheese et al. (2007).

Thereafter, the values and behaviours of leadership were examined by focusing on the evolution of leadership from transactional, transformational and authentic leadership styles, whilst also covering themes such as leadership practices,
leadership brand and finally, the more recent view of development of social intelligence, which is viewed as a softer approach to enhance leadership behaviours.

In summary, the impact of leadership on employee engagement was explored by covering leadership focal points and behaviours to accelerate employee engagement. All the theories and studies point to the fact that leadership has a paramount impact on employee engagement. An objective of this study that remains is to investigate what impact leadership has on employee engagement and furthermore, which of the leadership values and behaviours have the most profound impact on levels of employee engagement.

In the next chapter, the background to the study and formulation of the research hypothesis will be discussed.
Chapter 3: Research Hypothesis

3.1 Introduction

In the previous chapter the theory base and literature for the main themes of the study were discussed, i.e. leadership values and behaviours and employee engagement as well as the model of the study were validated. In this chapter the research hypothesis will be discussed, but in order to fully comprehend the stated hypothesis and how it was determined, it is important to convey the chronological background to the problem, which is to be investigated.

In March 2007, SARS conducted an employee engagement survey (“The Connexion Survey”) which delivered a demoralising picture. The results for the Enforcement & Risk Management Division on a national level are depicted in Table 2 below:

<table>
<thead>
<tr>
<th>Levels of Engagement (in priority)</th>
<th>Sub-Division: Enforcement</th>
<th>Sub-Division: Risk Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truly loyal</td>
<td>27%</td>
<td>42.4%</td>
</tr>
<tr>
<td>Accessible</td>
<td>10.3%</td>
<td>12%</td>
</tr>
<tr>
<td>Trapped</td>
<td>19.7%</td>
<td>14.7%</td>
</tr>
<tr>
<td>At Risk</td>
<td>43%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Table 2: Connexion Survey Results (n=1891) for 2007

The two sub-divisions had polarised results, which could be attributed to the negative nature of the work (i.e. assessment and collection of taxes), size or
even general age of the Enforcement division. Enforcement measured extremely low on ‘truly loyal’ at 27% and very high on possible employee attrition at 43%, whilst Risk Management measured a mediocre 42.4% on ‘truly loyal’ and less risky on employee attrition at 31%. From the abovementioned results, the four impacting engagement drivers were identified, i.e. care and concern, fairness at work, well defined job, day-to-day activities. These drivers are all regarded as relating to leadership values and behaviours.

During the following year SARS again conducted the same employee engagement survey (“The Connexion Survey”) and the national results for the Enforcement and Risk Management division are depicted in Table 3 below.

<table>
<thead>
<tr>
<th>Levels of Engagement (in priority)</th>
<th>Sub-Division: Enforcement</th>
<th>Sub-Division: Risk Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truly loyal</td>
<td>26.4%</td>
<td>41.8%</td>
</tr>
<tr>
<td>Accessible</td>
<td>9.3%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Trapped</td>
<td>19.8%</td>
<td>17.7%</td>
</tr>
<tr>
<td>At Risk</td>
<td>44.3%</td>
<td>26.6%</td>
</tr>
</tbody>
</table>

Table 3: Connexion Survey Results (n=2251) for 2008

These results were even more disconcerting than that of the previous year, in that, Enforcement worsened its position from a ‘truly loyal’ platform of 27% to 26.4% as well as increased its possible employee’s attrition rate from 43% to 44.3%. Risk Management had also lost some ground with a reduction on ‘truly
loyal’ from 42.4% to 41.8% whilst the possible employee attrition rate performed slightly better from 31% to 26.6%.

It was no surprise that again the 2007 engagement drivers were identified as the same results impacting drivers as well as two other drivers, i.e. trust and appreciation of ideas. These two drivers are also regarded as being of a leadership values and behavioural nature.

### 3.2 Research Hypothesis

According to Zigmund (2003, p. 499), a hypothesis is “an unproven proposition or supposition that tentatively explains certain facts of phenomena. A hypothesis is a statement, an assumption about the nature of the world. In its simplest form a hypothesis is a guess.” Zigmund (2003, p. 499) furthermore states that the “null hypothesis is a statement about the status quo, in that, it communicates the notion that any change from what has been thought to be true or observed in the past will be due entirely to random error.”

This research is to focus on an investigation into the relationship between leadership values and behaviours and employee engagement, a study which has never before been conducted.

The manner in which the research is to be conducted is by utilising a secondary, raw dataset which has been obtained from a survey, which was conducted in March 2008 (Employee Engagement) within SARS. The survey has been conducted by an independent consultants and can be broadly described as an employee engagement survey (Connexion Survey) which measured twelve
touch points (depicted model in Figure 5 above): care and concern, fairness at
work, trust, appreciation of ideas, well defined job, day-to-day activities,
manager/team leader, training and development, work environment, work/job
resources, communication and feelings of accomplishment. Only results relating
to the Enforcement & Risk Management Division of the organisation are to be
used (see Appendix 1 for questionnaire utilised).

Based on the above focus of research, the following hypothesis was postulated,
which formed the basis for the statistical analysis conducted.

**Hypothesis:**
The null hypothesis states that there is no relationship between the leadership
values and practices which are depicted as: model the way, inspire a shared
vision, challenge the process, enable others to act and encourage the heart to
levels of employee engagement.

### 3.3 Concluding remarks

This chapter outlined the background to the research problem as well as the
departure point for the research. It also states the research hypothesis and
explains how it was arrived at. The next chapter will elaborate on the research
methodology by explaining how the research was in fact conducted.
Chapter 4: Research Methodology

4.1 Research design

The methodology utilised in this research is of a quantitative nature, which used secondary data to statistically determine whether any relationship exists between leadership values and behaviours and levels of employee engagement. Babbie, Mouton, Vorster & Prozesky (2001) describe research design as focussing on the end product, whilst outlining the type of study and the results that are sought. Therefore, research design focuses on the logic of the research and considers the evidence required to address the research question.

Prior to describing the master plan for the research design, it is important to comprehend the nature of research, which Bless & Higson-Smith (2004) describe as being empirical: since the aim is to know the reality and each step is based on observation, whether it be collecting facts, explaining or assessing the prediction; it is systematic and logical, observations must be done systematically and in a logical sequence; it is replicable and transmittable, thus the study can be repeated using the same set of conditions as well as the same steps followed in the study; it is reductive and minimises the complexity of reality in order to keep the focus on the main aim of the study.
4.1.1 Secondary data

Zigmund (2003) defined secondary data as data gathered and recorded by someone else prior to (and for purposes other than) the current needs of the researcher. The researcher chose secondary data as it assisted as evidence with which to test the research hypothesis, was immediately available and accessible. The data was in the form of business data belonging to SARS, i.e.: employee engagement survey results (Connexion Survey, conducted by Ipsos Markinor) for March 2008.

It is submitted that the abovementioned data set consisted of aggregated scores for each employee concerning each touch point and that it is regarded as credible based on its source, sample size, response rate and most importantly, the Cronbach analysis. A process of statistical reliability, i.e. a Cronbach analysis was conducted to extract value from the data. Zigmund (2003) also alluded to the fact that when secondary data is reported in a format that does not exactly meet the researcher’s needs, data conversion may be necessary.

4.1.2 Quantitative research

Collis & Hussey (2003) regard a quantitative research approach to be objective in nature which concentrates on measuring phenomena and therefore it includes collecting and analysing numerical data and applying statistical tests. The quantitative approach for this study was of a causal nature, which Zigmund (2003) describes as research conducted to identify cause-and-effect relationships among variables when the research problem has already been
narrowly defined. The purpose of inferring causality (Zigmund, 2003) should be to establish the appropriate causal order or sequence of events; measure the concomitant variation between the presumed cause and the presumed effect (i.e. leadership values and behaviours and employee engagement); recognise the presence or absence of alternative plausible explanations or causal factors.

4.2 Proposed unit of analysis

Babbie (1989) distinguished between four different units of analysis that are common in social sciences: individuals, groups, organisations and social artefacts. This particular study focuses holistically on employee engagement within SARS as an organisation and more particularly, from an embedded focus point, on the Enforcement and Risk Management division. The unit of analysis was chosen as the organisation and particular division were large enough and showed the propensity to display a correlation between leadership values and behaviours and employee engagement.

4.3 Population of relevance

The population can be defined as individuals, groups, organisations, human products and events, and the conditions to which that population is exposed (Welman & Kruger, 2005). The response rate for the 2008 Connexion Survey, which was conducted nationwide in the organisation (approximately 15 000 employees) consisting of 12 regions and 24 divisions, was 8 249 and accounted for a more than satisfactory response rate of 57%. Unfortunately, the response rates for the Enforcement and Risk Management Division alone, were not available.
Zigmund (2003, p. 373) describes the target population as: “the specific complete group, relevant to the research project.” The target population of this study is the particular division, i.e. the Enforcement and Risk Management Division. This division is not only the largest in the organisation, but more importantly reflects an anonymous response population of 1891 for the Connexion Survey (2008).

4.4 Sampling method and size

The sampling frame, also known as the working population, was a non-probability sample, containing units or people who are most conveniently available (Zigmund, 2003) which, in this study, consisted of the Enforcement and Risk Management Division. As previously mentioned, this division was selected for its size as well as convenience, and is compiled of two sub-divisions, e.g. (i) Enforcement and (ii) Risk Management. This is of relevance due to the sub-division’s opposing engagement results in the recently conducted Employee Engagement Survey. The size of the sample frame for the division was 3 576 from the sample of 8 249, which was surveyed in the entire organisation.

4.5 Validity

Salkind (2000) states that validity should be interpreted in terms of the results of the study as well as whether the results are understood within the context of the researcher’s purpose. Leedy (2001), however, regards validity of a measurement instrument to be the extent to which the instrument measures what it is supposed to measure. Thus, the accuracy of the instrument not only
influences the results but also the inferences drawn and generalisations made from the study.

The research instruments used in this study was a questionnaire (see Appendix 1) drawn up by an independent consultancy, i.e. Ipsos Markinor (Employee Engagement) on instruction of the client, SARS as well as the raw results drawn from the survey.

4.6 Reliability

Leedy (2001, p. 221) says reliability is: “the consistency with which a measuring instrument yields a certain result when the entity being measured hasn’t changed. Poisat (2006) states that a possible measure for reliability is the Cronbach 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. In this study a Cronbach alpha coefficient test was conducted on the Employee Engagement Survey for 2008. See Chapter 5 for results.

4.7 Data gathering process and analysis

As this was a causal research project with a quantitative approach, the data collection and analysis were conducted separately, but it is crucial for the process to be conducted iteratively (Terre Blanche, Durrheim & Painter, 2007). The data collection took place in the following manner:

- Un-moderated data for employee engagement survey results for 2008 (Connexion Survey) was obtained from SARS HRM division relating to the
Enforcement & Risk Management Division. The questionnaire together with data map and response rates was also obtained;

- Statistical analysis was conducted in two stages: firstly, a Cronbach alpha coefficient test for reliability, and thereafter a factor analysis on purely the Employee Engagement results;

- Data was then captured in excel spreadsheets for analysis and interpretation.

The research was conducted in two stages: firstly, a Cronbach alpha coefficient test was conducted in order to measure reliability of the data in the Employee Engagement results for March 2008 (within the Enforcement and Risk Management Division). Secondly, a factor analysis was conducted on the Employee Engagement results for March 2008 to examine the correlation among a number of variables and identify clusters of highly interrelated variables that reflect the underlying themes in the data (Leedy, 2001).

4.8 Research limitations

The intended research will in all probability have the following limitations:

4.8.1 General limitations of the sample

The research was focused on a single case study, i.e. SARS, as this organisation is currently focused on increasing Employee Engagement as well as developing its leaders.
The researcher only focussed on one specific division within the organisation, i.e. Enforcement and Risk Management Division. Even though the division is substantial in size, the representative nature was limited to the sub-divisions engagement results for 2008, thus not representing the whole organisation or even survey results of the prior year.

It was also impossible to randomly select the subjects to be tested or to test a control group in the organisation.

Only leadership values were evaluated as a factor impacting employee engagement in the division, which is thus not representative of all the possible drivers that could impact employee engagement in the organisation.

4.8.2 Questionnaire

The questionnaire for the Employee Engagement Survey was drafted by an independent consultant (see Annexure 1), and the raw data was obtained from the HR Department of SARS. The study was thus reliant on an already drafted and tested questionnaire and thus not specifically drafted for the study.

4.8.3 Timing

The researcher is aware that SARS is currently in process of conducting further competency evaluations on their senior leaders and such data could have been hugely beneficial in conducting a further correlation on the organisation’s national Employee Engagement levels
4.9 Concluding remarks

The aim of this chapter was to enlighten the reader as to the research methodology of the study which encompassed the research design, the quantitative nature, unit of analysis, population and sampling of the study. It also highlighted the process of how data would be gathered and concluded with the limitations of the research. Chapter 5 will now display the results of the conducted research.
Chapter 5: Research Results

5.1 Introduction

This chapter will exhibit the results of the quantitative study and focuses particularly on the statistical results which were obtained in two stages. The results are displayed hereunder.

5.2 Results for Stage One

A Cronbach alpha coefficient test (alpha) for reliability was conducted on the 12 Employee Engagement touch points. It is important to note the closer the alpha is to 1, the more reliable the data. Also, the cut off point of 0.70 was used, to determine whether the variable was reliable or not. The Cronbach alpha coefficient for 12 touch points (drivers) of Employee Engagement survey reflect in Table 4 to 15 hereunder.

<table>
<thead>
<tr>
<th>EMPLOYEE EE 2008 CRONBACHS - DRIVER 1 TRUST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cronbach Coefficient Alpha</td>
</tr>
<tr>
<td>Variables</td>
</tr>
<tr>
<td>Raw</td>
</tr>
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</table>

Table 4: Cronbach – Driver 1 : Trust

<table>
<thead>
<tr>
<th>EMPLOYEE EE 2008 CRONBACHS - DRIVER 2 TRAINING</th>
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<tbody>
<tr>
<td>Cronbach Coefficient Alpha</td>
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<tr>
<td>Variables</td>
</tr>
<tr>
<td>Raw</td>
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</table>

Table 5: Cronbach – Driver 2 : Training
### EMPLOYEE EE 2008 CRONBACHS - DRIVER 3 DEFINED JOB

<table>
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<tr>
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<tbody>
<tr>
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Table 6: Cronbach – Driver 3 : Defined Job

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 4 ENVIRONMENT

<table>
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Table 7: Cronbach – Driver 4 : Environment

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 5 CARING

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Table 8: Cronbach – Driver 5 : Caring

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 6 LEADER

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<tr>
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</thead>
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<tr>
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Table 9: Cronbach – Driver 6 : Leader

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 7 COMMUNICATION

<table>
<thead>
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<tr>
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</table>

Table 10: Cronbach – Driver 7 : Communication
### EMPLOYEE EE 2008 CRONBACHS - DRIVER 8 FAIRNESS

<table>
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</thead>
<tbody>
<tr>
<td>Raw</td>
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</table>

Table 11: Cronbach – Driver 8 : Fairness

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 9 ACCOMPLISHMENT

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<tbody>
<tr>
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</tbody>
</table>

Note: Questions 13 & 14 were omitted to deliver a higher reliability

Table 12: Cronbach – Driver 9 : Accomplishment

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 10 DAY-TO-DAY

<table>
<thead>
<tr>
<th>Variables</th>
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</tr>
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<tbody>
<tr>
<td>Raw</td>
<td>0.861798</td>
</tr>
</tbody>
</table>

Table 13: Cronbach – Driver 10 : Day-to-day

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 11 APPRECIATE IDEAS

<table>
<thead>
<tr>
<th>Variables</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw</td>
<td>0.917703</td>
</tr>
</tbody>
</table>

Table 14: Cronbach – Driver 11: Appreciate Ideas

### EMPLOYEE EE 2008 CRONBACHS - DRIVER 12 JOB RESOURCES

<table>
<thead>
<tr>
<th>Variables</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw</td>
<td>0.883304</td>
</tr>
</tbody>
</table>

Table 15: Cronbach – Driver 12 : Job Resources
5.3 Results for Stage Two

A factor analysis was conducted on the 67 postulated questions in the Employee Engagement Survey for 2008. The factors with the highest measure of variance, extracted on the basis of having the highest Eigen values were identified as factors 1 to 4 (see Table 16 below) of which factor 1 represented 39% of the variability of the results.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Eigen values</th>
<th>Percentage of variance explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>26.82</td>
<td>39.4%</td>
</tr>
<tr>
<td>2</td>
<td>4.19</td>
<td>5.8%</td>
</tr>
<tr>
<td>3</td>
<td>2.54</td>
<td>3.1%</td>
</tr>
<tr>
<td>4</td>
<td>2.16</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

Table 16: Eigen values measured in factor analysis

The factor analysis results for the 67 questions relating specifically to factor 1 to 4 are reflected in Table 17 below. The loads with the highest value have been highlighted and the highlighted blue boxes display the 39.4% variance of factor 1. As a matter of interest, the loads (factor 1) with the lowest value have also been highlighted in green.
<table>
<thead>
<tr>
<th>LOAD</th>
<th>39.4%</th>
<th>5.8%</th>
<th>3.1%</th>
<th>2.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related Questions No.</td>
<td>FACTOR1</td>
<td>FACTOR2</td>
<td>FACTOR3</td>
<td>FACTOR4</td>
</tr>
<tr>
<td>S1BQ1</td>
<td>1</td>
<td>0.063</td>
<td>0.078</td>
<td>0.874</td>
</tr>
<tr>
<td>S1BQ2</td>
<td>2</td>
<td>0.004</td>
<td>0.049</td>
<td>0.947</td>
</tr>
<tr>
<td>S1BQ3</td>
<td>3</td>
<td>0.013</td>
<td>-0.039</td>
<td>0.72</td>
</tr>
<tr>
<td>S1BQ4</td>
<td>4</td>
<td>0.013</td>
<td>-0.003</td>
<td>0.701</td>
</tr>
<tr>
<td>S1BQ5</td>
<td>5</td>
<td>0.019</td>
<td>-0.052</td>
<td>0.429</td>
</tr>
<tr>
<td>S5Q1</td>
<td>6</td>
<td>0.029</td>
<td>0.059</td>
<td>0.045</td>
</tr>
<tr>
<td>S5Q2</td>
<td>7</td>
<td>-0.001</td>
<td>0.033</td>
<td>-0.013</td>
</tr>
<tr>
<td>At SARS, policies that affect employees are fair</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S5Q3</td>
<td>8</td>
<td>-0.017</td>
<td>-0.007</td>
<td>0.061</td>
</tr>
<tr>
<td>S5Q4</td>
<td>9</td>
<td>0.003</td>
<td>0.075</td>
<td>0.056</td>
</tr>
<tr>
<td>S5Q5</td>
<td>10</td>
<td>0.192</td>
<td>0.06</td>
<td>0.067</td>
</tr>
<tr>
<td>S5Q6</td>
<td>11</td>
<td>0.02</td>
<td>0.073</td>
<td>0.075</td>
</tr>
<tr>
<td>S5Q7</td>
<td>12</td>
<td>0.106</td>
<td>0.076</td>
<td>0.059</td>
</tr>
<tr>
<td>S5Q8</td>
<td>13</td>
<td>0.037</td>
<td>0.08</td>
<td>0.041</td>
</tr>
<tr>
<td>SARS provides family-friendly benefits for employees.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S5Q9</td>
<td>14</td>
<td>-0.024</td>
<td>0.102</td>
<td>0.069</td>
</tr>
<tr>
<td>When people have good ideas, they get noticed and rewarded at SARS.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S5Q10</td>
<td>15</td>
<td>0.513</td>
<td>-0.012</td>
<td>0.093</td>
</tr>
<tr>
<td>S5Q11</td>
<td>16</td>
<td>0.05</td>
<td>0.323</td>
<td>0.089</td>
</tr>
<tr>
<td>S5Q12</td>
<td>17</td>
<td>0.054</td>
<td>0.101</td>
<td>0.029</td>
</tr>
<tr>
<td>S5Q13</td>
<td>18</td>
<td>0.035</td>
<td>0.041</td>
<td>0.044</td>
</tr>
<tr>
<td>S5Q14</td>
<td>19</td>
<td>0.04</td>
<td>0.059</td>
<td>0.042</td>
</tr>
<tr>
<td>S5Q15</td>
<td>20</td>
<td>-0.004</td>
<td>0.036</td>
<td>0.037</td>
</tr>
<tr>
<td>Employees are encouraged to try new ways of doing things at work.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S5Q16</td>
<td>21</td>
<td>-0.027</td>
<td>0.048</td>
<td>0.07</td>
</tr>
<tr>
<td>S5Q17</td>
<td>22</td>
<td>0.08</td>
<td>0.012</td>
<td>0.074</td>
</tr>
<tr>
<td>S5Q18</td>
<td>23</td>
<td>0.112</td>
<td>0.037</td>
<td>0.015</td>
</tr>
<tr>
<td>S5Q19</td>
<td>24</td>
<td>0.017</td>
<td>0.05</td>
<td>0.008</td>
</tr>
<tr>
<td>S5Q20</td>
<td>25</td>
<td>0.046</td>
<td>0.646</td>
<td>0.031</td>
</tr>
<tr>
<td>S5Q21</td>
<td>26</td>
<td>0.027</td>
<td>0.074</td>
<td>0.08</td>
</tr>
<tr>
<td>S5Q22</td>
<td>27</td>
<td>0.043</td>
<td>0.045</td>
<td>0.002</td>
</tr>
<tr>
<td>S5Q23</td>
<td>28</td>
<td>0.078</td>
<td>0.123</td>
<td>-0.019</td>
</tr>
<tr>
<td>S5WFQ1</td>
<td>29</td>
<td>0.03</td>
<td>0.032</td>
<td>0.046</td>
</tr>
<tr>
<td>S5WFQ2</td>
<td>30</td>
<td>0.161</td>
<td>0.035</td>
<td>0.059</td>
</tr>
<tr>
<td>S5WFQ3</td>
<td>31</td>
<td>0.139</td>
<td>0.041</td>
<td>0.008</td>
</tr>
<tr>
<td>S5WFQ4</td>
<td>32</td>
<td>0.04</td>
<td>0.015</td>
<td>0.05</td>
</tr>
<tr>
<td>S5WFQ5</td>
<td>33</td>
<td>0.06</td>
<td>0.087</td>
<td>0.062</td>
</tr>
<tr>
<td>S5WFQ6</td>
<td>34</td>
<td>0.019</td>
<td>0.088</td>
<td>0.007</td>
</tr>
<tr>
<td>S5WFQ7</td>
<td>35</td>
<td>0.053</td>
<td>0.019</td>
<td>-0.041</td>
</tr>
<tr>
<td>S5WFQ8</td>
<td>36</td>
<td>-0.009</td>
<td>-0.008</td>
<td>0.039</td>
</tr>
<tr>
<td>S5WFQ9</td>
<td>37</td>
<td>-0.008</td>
<td>0.036</td>
<td>0.006</td>
</tr>
<tr>
<td>S5WFQ10</td>
<td>38</td>
<td>0.005</td>
<td>0.09</td>
<td>0.016</td>
</tr>
<tr>
<td>Overall, I get a real sense of achievement working for SARS.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S5WFQ11</td>
<td>39</td>
<td>-0.014</td>
<td>0.081</td>
<td>0.18</td>
</tr>
<tr>
<td>Related Questions</td>
<td>No.</td>
<td>FACTOR1</td>
<td>FACTOR2</td>
<td>FACTOR3</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>-----</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>My team leader/manager provides useful feedback about “how I am doing” at work.</td>
<td>40</td>
<td>0.504</td>
<td>0.006</td>
<td>0.025</td>
</tr>
<tr>
<td>I have the skills I need to be effective at my job.</td>
<td>41</td>
<td>-0.065</td>
<td>0.055</td>
<td>-0.03</td>
</tr>
<tr>
<td></td>
<td>42</td>
<td>0.041</td>
<td>-0.037</td>
<td>-0.022</td>
</tr>
<tr>
<td></td>
<td>43</td>
<td>0.076</td>
<td>0.01</td>
<td>0.004</td>
</tr>
<tr>
<td></td>
<td>44</td>
<td>0.023</td>
<td>-0.017</td>
<td>0.018</td>
</tr>
<tr>
<td></td>
<td>45</td>
<td>0.035</td>
<td>0.101</td>
<td>-0.003</td>
</tr>
<tr>
<td></td>
<td>46</td>
<td>0.051</td>
<td>0.01</td>
<td>0.032</td>
</tr>
<tr>
<td></td>
<td>47</td>
<td>-0.002</td>
<td>0.06</td>
<td>0.015</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>0.028</td>
<td>-0.003</td>
<td>0.005</td>
</tr>
<tr>
<td></td>
<td>49</td>
<td>-0.014</td>
<td>0.051</td>
<td>0.032</td>
</tr>
<tr>
<td></td>
<td>50</td>
<td>0.022</td>
<td>-0.052</td>
<td>0.034</td>
</tr>
<tr>
<td></td>
<td>51</td>
<td>0.051</td>
<td>0.156</td>
<td>0.039</td>
</tr>
<tr>
<td></td>
<td>52</td>
<td>0.053</td>
<td>0.078</td>
<td>0.057</td>
</tr>
<tr>
<td></td>
<td>53</td>
<td>0.021</td>
<td>0.091</td>
<td>0.013</td>
</tr>
<tr>
<td>I am pleased with the physical working conditions where I do my job.</td>
<td>54</td>
<td>-0.038</td>
<td>0.008</td>
<td>-0.01</td>
</tr>
<tr>
<td></td>
<td>55</td>
<td>0.081</td>
<td>0.008</td>
<td>0.196</td>
</tr>
<tr>
<td></td>
<td>56</td>
<td>0.053</td>
<td>0.061</td>
<td>0.182</td>
</tr>
<tr>
<td></td>
<td>57</td>
<td>0.013</td>
<td>0.022</td>
<td>-0.038</td>
</tr>
<tr>
<td>Overall, my boss is an excellent manager</td>
<td>58</td>
<td>0.859</td>
<td>0.004</td>
<td>0.008</td>
</tr>
<tr>
<td>I am truly empowered by my manager/team leader to make decisions and take actions that I think will be best for the division and organisation</td>
<td>59</td>
<td>0.734</td>
<td>0.013</td>
<td>0.028</td>
</tr>
<tr>
<td>I have a good day-to-day working relationship with my manager/ team leader</td>
<td>60</td>
<td>0.824</td>
<td>0.014</td>
<td>0.069</td>
</tr>
<tr>
<td>My manager/team leader provides the right amount of supervision and guidance</td>
<td>61</td>
<td>0.91</td>
<td>0.005</td>
<td>-0.016</td>
</tr>
<tr>
<td>I get the highest quality advice about how I should do things from my manager/team leader</td>
<td>62</td>
<td>0.846</td>
<td>0.034</td>
<td>-0.013</td>
</tr>
<tr>
<td>My manager treats me with respect</td>
<td>63</td>
<td>0.786</td>
<td>0.033</td>
<td>0.009</td>
</tr>
<tr>
<td></td>
<td>64</td>
<td>0.001</td>
<td>0.828</td>
<td>0.014</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>0.01</td>
<td>0.913</td>
<td>-0.033</td>
</tr>
<tr>
<td></td>
<td>66</td>
<td>0.026</td>
<td>0.636</td>
<td>0.035</td>
</tr>
<tr>
<td></td>
<td>67</td>
<td>-0.003</td>
<td>0.865</td>
<td>0.038</td>
</tr>
</tbody>
</table>

Table 17: Factor analysis results for employee engagement results, with highest load questions for Factor 1 (in blue).
5.4 Concluding remarks

This chapter incorporated the results for the statistical tests that were conducted in two stages, which are respectively the Cronbach alpha coefficient test for reliability on the engagement results and a factor analysis on all 67 questions of the engagement questionnaire. The analysis and discussion of these results are encapsulated in Chapter 6 below.
Chapter 6: Discussion of Results

6.1 Introduction

Whilst Chapter 4 illustrated the utilised research methodology, the results of the analysis of the raw secondary data sets were presented in Chapter 5. The purpose of this chapter is to interpret the analysis of the data which was obtained from the Employee Engagement Survey (2008) and compiled by an independent consultancy firm at the behest of SARS.

As previously mentioned, the data was analysed in two stages:

**Stage One**: a Cronbach Alpha coefficient test for reliability was conducted on the raw dataset; and

**Stage Two**: a factor analysis was conducted on the employee engagement raw dataset.

The data was processed and results were generated using the SAS Package version: 8.2 and BMDP version: 7.1 software package. Ms. Jaqui Sommerville and Dr Gretel Crafford from the University of Pretoria assisted in processing, analysing and interpreting the data.

6.2 Analysis and interpretation of the results

The raw data was analysed using causal research techniques as well as descriptive analysis. In this study the objective was to prove a cause-and-effect relationship between leadership and employee engagement. Thus, the
researcher aimed at proving the stated proposition, namely that, leadership is a main driver for employee engagement and that altering leadership behaviour will directly impact levels of employee engagement in an organisation, which in turn will have a direct effect on organisation performance.

6.2.1 Cronbach test for reliability: Employee Engagement

The Cronbach test for reliability was conducted using the SAS Program. Cronbach’s alpha is strictly speaking not a statistical measure, but rather a coefficient of reliability or consistency. Allen & Yen (2002) state that Cronbach’s alpha is an unbiased estimator of reality, if components are equivalent. Allen & Yen (2002) further mention that it measures how well a set of variables measures a single unidimensional latent construct. In the event of multidimensional data, as in this study, the alpha is expected to be low and it is advised that this test should be followed up with a factor analysis (as was done in the case of the employee engagement raw data set). A Cronbach alpha value can vary between negative infinity and +1, as a rule of thumb, which was also used as a yardstick for this study, with the reliability of 0.70 or higher regarded as acceptable.

Cronbach test for reliability was conducted on the 12 touch points which were measured in the employee engagements survey. The results are reflected in table 4 to 15 in chapter five above. The measured alpha values were exceptionally high with the highest alphas measuring on the touch point relating to leadership at a value of 0.9484 whilst the lowest measured touch point was fairness, at an exceptional high value of 0.8394. This illustrates that the raw
data results of the conducted survey were remarkably reliable, due to the high alpha values of the touch points.

There was, however, one touch point, i.e. accomplishment, that initially delivered a relatively lower alpha (at 0.8024) than the rest of the touch points. Upon the removal of questions 13 and 14 of the accomplishment section of the survey, the alpha however increased to 0.8469. Thus, the data was regarded as more than reliable with the exception of questions 13 & 14 (in the accomplishment driver) which were removed. Upon analysis of the questions in the accomplishment touch point, a possible explanation for the inconsistency of question 13 & 14 could be that they did not fit in with the other questions relating to accomplishment. Nonetheless, the data was regarded as consistent enough to aggregate by using the average scores for each driver for further statistical testing.

6.2.2 Factor Analysis: Employee Engagement

Factor analysis is a statistical technique which explains the variability among observed variables in terms of fewer unobserved variables, called factors. Darlington (2002) states that the technique was invented more than a century ago by psychologist, Charles Spearman, who hypothesised that enormous amounts of tests of mental ability could be explained by an underlying factor of general intelligence, which he called “g”. Thus, hypothesising the “g” was the common factor amongst all the measures – this was, however, later proven to be wrong.
Darlington (2002) further states that factor analysis studies the pattern of relationships among dependent factors, with the objective of discovering something novel about the independent factors that effect them. Thus, answers obtained by factor analysis are more hypothetical and tentative, than if the independent variable was to be observed directly. These inferred independent variables are called factors. However, the advantages of using factor analysis are that it can recognise certain properties of correlation, reduces the number of variables and identify a group of inter-related variables. In this study, a factor analysis was conducted on the employee engagement raw data set of 67 questions and results are displayed in Table 17 in chapter 5.

The method for selecting the factors of relevance for further analysis was based on the Eigen value based rules (as developed by Henry Kaiser). The Eigen value is the numerical index that indicates the relative strength of each of the derived factors (see Table 16 in Chapter 5). Sheskin (2004) refers to Eigen values (also known as latent root) as the equivalent number of variables a factor represents. Thus, a factor with an Eigen value of 4 accounts for as much variance in the overall data as one would expect for 4 variables, if the total variability were evenly distributed among all the variables. In this test, factor 1 represented 39.4% variance, whilst factor 2 accounts for 5.8%, factor 3 for 3.1% and factor 4 for only 2.4%.

Each of the 4 factors was analysed, in terms of their respective Eigen values and loads and for this reason, the primary emphasis was placed on factor 1. This factor accounted for a variance of 39.4% and the relevant questions
relating thereto were analysed (as per the questionnaire) and noted next to each of the highest loads. Interestingly, the factor loads which measured highest in factor 1 all had a direct reference to the leadership questions (see Table 17 - blue highlights - in Chapter 5) which are reflected hereunder in descending order of hierarchy:

1. My manager/team leader provides the right amount of **supervision and guidance**.

2. Overall, my boss is an **excellent manager**.

3. I get the highest **quality advice** about how I should do things from my manager/team leader.

4. I have a good **day-to-day working relationship** with my manager/team leader.

5. My manager treats me with **respect**.

6. I am truly **empowered** by my manager/team leader to make decisions and take actions that I think will be best for the division and organisation.

7. When people have **good ideas**, they get noticed and rewarded at SARS.

8. My team leader/manager provides **useful feedback** about “how I am doing” at work.

To this extent, it was interesting to note that the aboveconnected questions correspond largely to the five leadership practices as defined by Kouzes & Posner (2007) and the table below reflects the constructed alignment between
the practices and the questions which were most representative in the factor analysis.

<table>
<thead>
<tr>
<th>Kouzes &amp; Posner Leadership practices</th>
<th>Connexion Survey: Leadership Questions</th>
<th>Hierarchical Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model the way</td>
<td>Overall my boss is an <strong>excellent</strong> manager</td>
<td>2</td>
</tr>
<tr>
<td>Inspire a shared vision</td>
<td>My manager provides me with the right amount of <strong>supervision and guidance</strong></td>
<td>1</td>
</tr>
<tr>
<td>Challenge the process</td>
<td>I get highest <strong>quality advice</strong> about how I should do things from my manager &amp; When people have <strong>good ideas</strong>, they get noticed and rewarded</td>
<td>3</td>
</tr>
<tr>
<td>Enable others to act</td>
<td>I am <strong>truly empowered</strong> by my manager to make decisions and take actions that I think best for the division &amp; organisation</td>
<td>6</td>
</tr>
<tr>
<td>Encourage the heart</td>
<td>I have a <strong>good working relationship</strong> with my manager &amp; My manager treats me with <strong>respect</strong> &amp; My team leader/manager provides <strong>useful feedback</strong></td>
<td>4</td>
</tr>
</tbody>
</table>

Table 18: Alignment model between Kouzes & Posner (2007) and Connexion Survey questions on leadership
6.3 Construction of Leadership – Employee Engagement 

Pyramid of Influence

From the depiction of the abovementioned Factor Analysis results and construed alignment model (see Table 18), it was concluded that a possible model could be generated according to the hierarchy in which the connected questions were arranged. Here follows a model which can be described as a “leadership-employee engagement pyramid of influence”, which according to the ranking of the questions would look as follows:

Figure 6: Construed Leadership-Employee Engagement Pyramid of Influence
From the above pyramid, it is obvious to note that the following leadership qualities is suggested to be deployed by the leaders in an organisation to enable the creation of an engaged workforce: to maintain a level of leader supervision is of cardinal importance, where after being regarded as an overall excellent manager and then providing quality advice, having a good day-to-day relationship with employees and finally respecting, empowering, recognising and proving useful feedback to employees are of descending importance.

It must be noted that this model was purely constructed from the results obtained from an employee engagement model in a service organisation in a particular country namely South Africa. The general applicability and implementation of the model to increase levels of employee engagement in an organisation by targeting leadership should thus be viewed in this light.

6.2.3 Objective of the study

To remind the reader, the purpose of this particular study was twofold: firstly, to study how leadership impact employee engagement which, in turn, can lead to increased organisational performance and competitive advantage and secondly, to determine which of the specific leadership values and behaviours impact employee engagement.

Thus, the objective of this study was to analyse and attempt to infer a correlation between the impact of leadership values and behaviours on employee engagement as a driver in SARS and furthermore, how this correlation can assist to increase levels of employee engagement and ultimately
organisational performance. The analysed literature including the CLC (2004) employee engagement model, the Robinson et al. (2004) diagnostic model, Cheese et al. (2007) as well as the assertions by Baumruk (2006), all support the fact that leadership is a driver of employee engagement.

The study revealed that the raw data set was reliable and highly consistent and that the average aggregate score could be used to conduct further statistical testing. The factor analysis was conducted on the 67 questions dealing with the 12 engagement touch points (one of which is leadership) and revealed a large Eigen value of 39.4%, which depicted a variance for factor 1. On closer inspection of these questions which made up the high load, it was revealed that they all dealt with leadership related issues.

This study utilised two broad concepts as a theory bases, i.e. leadership as exemplified by the five practices as identified by Kouzes & Posner (2007) as well as employee engagement (as per the results of the Connexion Survey), with a specific focus on the questions relating to leadership (see Table 18 for the construed alignment model).

The study attempted to make a novel determination between the relationship of the behaviours measured in the employee engagement survey (i.e. the twelve touch points as per the Walker model in Figure 4) and the leadership values and behaviours as illustrated by Kouzes & Posner (2007). The alignment model (Table 18) was devised to depict a possible alignment between the five
leadership practices of Kouzes & Posner (2007) and the leadership touch point related to questions tested in the engagement survey.

6.2.4 Disproving of the Hypothesis

The hypothesis as formulated in chapter three was formulated as:

**Hypothesis:**

The null hypothesis states that there is no relationship between the leadership values and practices which are depicted as: model the way, inspire a shared vision, challenge the process, enable others to act and encourage the heart to levels of employee engagement.

The results as displayed in Chapter 5 and with specific reference to the results of the factor analysis on the Employee Engagement Survey, i.e. factor 1 (which displayed a variance of 39.4%, see Table 16 & 17), were reviewed and the questions that relate to the high factor load (making up the 39.4% variance), were scrutinised. It was established that not only do all these questions relate directly to the leadership touch point (see listing of ranked leadership questions under paragraph 6.2.2. and Annexure 1 hereto) but there is also a direct correlation between the ranked leadership questions as identified in the factor analysis and the five leadership practices as derived by Kouzes & Posner’s (2007). See alignment model in Table 18.

The above deduction read together with the alignment model construed in figure 18, establishes that there is a direct relationship between leadership values and
practices and levels of employee engagement in SARS. It is therefore concluded that the hypothesis has been successfully disproved.

6.2.5 Concluding remarks

The purpose of this chapter was to analyse and interpret the data from the empirical study. These results were used to quantitatively gauge support for the dependant variable, leadership, and to attempt to measure the impact of the relationship between leadership and levels of employee engagement in SARS.

It is submitted that the quantitative statistical results of the employee engagement survey (together with the inferred alignment model) generally indicate a strong support for the leadership dependant variable, which shows that this variable can dramatically impact the level of employee engagement in SARS. It is thus, suggested that the abbreviated hypothesis of leadership impacting employee engagement levels in SARS was disproved by the quantitative data.

In Chapter 7, the researcher offers a conclusion for this study, based on the research results and alignment model, as they were discussed in this chapter.
Chapter 7: Conclusion

7.1 Introduction

The purpose of this final chapter is to reflect on what this study aimed to accomplish, noting the literature on the themes, all the findings from the results and finally closing the loop on the research hypothesis. Furthermore, recommendations were formulated to firstly, inform stakeholders and secondly, for purposes of further research.

7.2 Main findings of the study

The main research hypothesis of the study, which is regarded as to be disproved (as per alignment model in Table 18), was:

Hypothesis:
The null hypothesis states that there is no relationship between the leadership values and practices which are depicted as: model the way, inspire a shared vision, challenge the process, enable others to act and encourage the heart to levels of employee engagement.

The motivation for undertaking this study was that this particular organisation is continuously searching for ways and means to improve their productivity and effectiveness with a current and new focus on the human resource aspect of its business, i.e. measuring engagement levels of its employees and deploying interventions to improve the engagement levels.
Poisat (2006) states that research findings of Ulrich (1997), Brewster et al. (2003) and Ray (2003) have confirmed that improved business performance hinges not only on improved processes, technology and products but also on the contributions of engaged employees.

**Therefore, the main findings of the study are regarded as:**

It was established that the leadership values and behaviours as depicted by the five leadership practices of Kouzes & Posner (2007), i.e. model the way, inspire a shared vision, challenge the process, enable others to act and encourage the heart have a paramount and direct influence on the levels of employee engagement in SARS (see alignment model in Table 18).

Furthermore and from the alignment model, a leadership-employee engagement pyramid of influence was developed (see Figure 6 in Chapter 6). This model depicts the order of preference in which it is suggested that SARS should pay attention to the development of its leadership values and behaviours that should positively influence its levels of employee engagement in the organisation.

It is also suggested that leadership should be made a primary intervention method and that specific focus should be rendered to the following areas of developing leadership, in hierarchy of importance, as per the model.
7.3 Limitations of the study

There were no major problems with the study or collection or analysis of the data. However, the following issues are regarded as important:

It would have been preferred to do a longitudinal study on the employee engagement survey results taking into cognisance the 2007, 2008 and further years, in order to determine how leadership continues to impact the levels of engagement in SARS.

As the employee engagement survey was conducted on an anonymous basis, it was impossible to do a direct correlation between the managers and subordinates.

The generalisation of the results and the implementation of the construed model, i.e. “Pyramid of Influence” (see Figure 6), are limited to a large organisation and preferably to a service orientation organisation.

It would have been ideal to conduct a factor analysis on the nationwide results of the employee engagement survey and encompassing all the divisions in SARS. However, time and resources did not allow for this type of study to be conducted.

7.4 Recommendations to stakeholders

Although the stated research objective was to: analyse and attempt to infer a correlation between the impact of leadership values and behaviours on employee engagement as a driver in SARS and furthermore, how this
correlation can assist to increase levels of employee engagement and ultimately organisational performance. The real motivation for this study was to make a contribution to the field of employee engagement by assisting the organisation to draft a strategy that could be utilised to improve levels of engagement in the organisation and overall performance.

In order to accomplish the stated objective and underlying motive, the researcher conducted an extensive literature survey, tested, analysed and interpreted the available secondary data and based hereon, the researcher makes the following recommendations for increasing levels of employee engagement in SARS.

The study revealed important considerations when employee engagement is measured, such as:

The engagement model used as basis for measuring of employee engagement (in the Connexion Survey), should not only be tailor-made to the company’s specifications but must also have a theoretical basis in order to display the reasoning for utilising the model and specifically for coming up with the drivers which are to be measured;

As mentioned in Chapter 6, the researcher has identified that leadership values and behaviour have a direct impact on the levels of employee engagement in SARS. Therefore, it is clear that leadership should be regarded as a primary intervention and enhanced (as per the construed pyramid of influence – see
Figure 6) in SARS to increase the levels of employee engagement. Findings from the research proved that the following areas and processes should be reviewed:

1. Leadership recruitment and induction process;
2. Leadership development programmes;
3. Re-evaluations of leaders in specific roles;
4. Talent Management;
5. Succession planning.

Most importantly, it is suggested that employee engagement be made a key performance area for the leaders and managers in the organisation, whereby all leaders are assessed and rewarded on the development and performance levels of their employees, as suggested by Baumruk (2006).

7.5 Recommendations for future research

The conducted research highlighted the following areas that make room for future research:

A longitudinal study to be conducted on the employee engagement levels in SARS over the last three years, encompassing and expanding on the role of leadership values and behaviours and other drivers that impact employee engagement levels in the organisation.

To expand the basis of the study by conducting similar studies on other parastatals in South Africa, such as the South African Reserve Bank,
Development Bank of South Africa and Financial Service Board, or even to compare the current results with other private sector companies to understand or emphasise the role of leadership in employee engagement.

As SARS has already conducted a considerable amount of research on employee engagement for the last two years, it is suggested that a factor analysis nationwide on all divisions of the organisations, be conducted. This would either dismiss or emphasise the results obtained in this study.

It is also recommended that a further study, focussing on the impact of coaching and career support of leaders, as a driver on employee engagement in SARS, be conducted.

### 7.6 Concluding remarks

As mentioned earlier, the stated objective of this study was to analyse and attempt to infer a correlation between the impact of leadership values and behaviours on employee engagement as a driver in SARS. The researcher believes that this objective was satisfied through the results obtained in the factor analysis of which results indicate that leadership values and behaviours drive employee engagement in SARS. However, the view has been formulated that before an organisation embarks on an employee engagement exercise the following questions should be answered frankly:

1. What is the true purpose of the employee engagement exercise, i.e. what does the organisation mean to achieve thereby?
2. Will the results be disclosed and shared with the whole organisation (good or bad), including employees, managers and unions?

3. Will there be sufficient management support to buy into the process and will corrective measures be implemented whole-heartedly in policies and procedures?

4. Are there sufficient resources, financial and human, to conduct an employee engagement survey?

5. What are the values of the organisation and is the organisation aligned with the stated objective of the employee engagement exercise? Did employees have a part in determining the values of the organisation?

After the company has answered these five questions, it is paramount that the right partner or consultancy is found to assist in implementing the exercise to draw maximum results and strategies from the results.

This chapter and study is hereby concluded with an extract from Johnston (2007, p. 22) on employee engagement and organisational performance. He states that: “when employees are furthermore inspired by the purpose of the organisation and its stated vision, this sense of alignment is complemented by a level of engagement – a strong desire and commitment to doing “whatever it takes” to achieve the shared objectives. The resultant combination of an organisation clearly in alignment and an employee group actively engaged, makes for a powerful contributor to overall performance; without it the prime objective of maximising shareholder return simply cannot be achieved.”
8. Reference List


Appendix 1: Survey Employee Engagement for 2008

About This Employee ConneXion Survey

What is an Employee ConneXion Survey? This is a specially designed research tool used to measure employee opinions and feelings about their job and their employer.

Why should I take this survey? This survey gives you a chance to provide confidential feedback to your organisation to let them know how you feel about working here.

What will happen with the results? The results will help your organisation to understand how it is doing with its own employees, and to compare that performance to other organisations. Based on the results, specific issues will be addressed by management.

Are my answers confidential? Yes. Your name does not appear anywhere and your responses will remain strictly confidential. Your answers will be mixed with those of other respondents. They will not be used to see how any one person answered.

Are there any right or wrong answers? No. There are no right or wrong answers. Please give your honest opinions and perceptions. For some questions, your answers will be based on actual experiences and known information. Other answers may be based only on your general impressions or perceptions. Regardless, your answers should reflect your honest opinions and perceptions of your current employer only.

Directions

Please answer each question by checking (✓) or filling in (●) the circle that best describes how you feel. An example is shown below. If you change your mind, cross out or erase your answer.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I like what this company stands for.</td>
<td>○</td>
<td>●</td>
<td></td>
<td>○</td>
</tr>
</tbody>
</table>

Some questions require only a simple “yes” or “no” answer, while others will use slightly different scales than the example above. If you do not have enough information to answer a question, leave it blank.
Definitions that will help you in completing this survey. Please use the following definitions as you complete this survey.

SECTION 1a. Attitudes Toward SARS

Please mark the circle that best describes your opinion regarding the following:

- I really feel like “part of the family” at SARS.
- I feel a strong personal attachment to SARS.
- I am proud to work for SARS.
- When SARS has problems, I think of them as my problems too.
- I believe SARS deserves my loyalty.

SECTION 1b. Attitudes Toward Your Division

SECTION 2. Work Related Behaviours

How likely are you to…?

- …… Recommend SARS as a good place to work
- …… Do things at work that are “above and beyond the call of duty”
- If another organisation comes to you claiming they could give you a noticeably better job, how likely are you to seriously consider their offer?
- How likely are you to actively search for job opportunities at other organisations?
- How likely are you to be working at SARS 2 years from now

Section 3: Attitudes About Your Job

Considering your work responsibilities and your experience working here, how would you rate the overall quality of your current job?

Compared to other organisations I would consider working for, SARS is just as good for me on:
<table>
<thead>
<tr>
<th>Compensation/Pay/Benefits</th>
<th>O</th>
<th>O</th>
<th>O</th>
<th>O</th>
<th>O</th>
<th>O</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement/Growth Opportunities</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>Training &amp; Development</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>Use of my talents and skills</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

**My job forces me to ...**

| Make sacrifices in the area of work and personal balance | O   | O   | O   | O   | O   | O   |
| Devote too much time to work               | O   | O   | O   | O   | O   | O   |
| Experience above average pressure and stress | O   | O   | O   | O   | O   | O   |
| Give up the prestige I would have working somewhere else | O   | O   | O   | O   | O   | O   |

**SECTION 4. Other Opinions About SARS**

<table>
<thead>
<tr>
<th>Please mark the circle that best describes your opinion regarding the following:</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I believe the SARS brand is one of the best brands in the country</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>SARS’ brand name is one that is preferred over other brands in the country.</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>SARS treats its employees well</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>SARS treats employees as its most important asset.</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>The overall reputation of SARS is excellent.</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

**To what extent do you agree that SARS ...**

| Is a leader in the public sector                                               | O              | O     | O                         | O        | O                |
| Cares about the community & society                                            | O              | O     | O                         | O        | O                |
| Is a highly ethical organization                                               | O              | O     | O                         | O        | O                |
| Has strong capable senior leaders                                              | O              | O     | O                         | O        | O                |
| Is a financially sound organization                                            | O              | O     | O                         | O        | O                |
| Is an innovative organization                                                  | O              | O     | O                         | O        | O                |
| Is an organization I can trust                                                 | O              | O     | O                         | O        | O                |
| Has outreach campaigns I really like                                          | O              | O     | O                         | O        | O                |
| Is focused on the taxpayers/customers                                          | O              | O     | O                         | O        | O                |

Considering your own experiences and what you may have read or heard, how would you rate the overall quality of the service provided by SARS?

**Excellent** | **Very Good** | **Good** | **Fair** | **Poor** |
# SECTION 5. Questions About SARS and Your Work

Please indicate your level of agreement with each of the following statements:

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fairness at Work</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, I feel that SARS treats its employees fairly.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I believe that the pay I get for my work at SARS is fair.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>At SARS, policies that affect employees are fair.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>The way policies are carried out at SARS is fair and just.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Evaluations of my performance at work have been done fairly.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td><strong>Care and Concern for Employees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, SARS shows genuine care and concern for its employees.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>At work, people often ask me how I am doing.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>SARS would try to help if I had a personal emergency.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>SARS provides family-friendly benefits for employees.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>My team leaders/manager pays attention to how people feel at work.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>SARS cares about developing people for long-term careers, not just the current job.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td><strong>Trust in Employees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, SARS truly trusts its employees.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I pretty much manage my own time at work.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I have control over the resources I use to do my work.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>SARS gives me the freedom to make my own decisions at work.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Employees are encouraged to try new ways of doing things at work.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I am trusted with information about SARS that is not shared with the general public.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>SARS trusts me to use company resources appropriately.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td><strong>Work/Job Resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, in SARS, employees get the resources they need to help them do their work well.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
SARS provides enough training and development opportunities to help me do my work effectively. 

Employees are given enough time to complete their work. 

SARS is good about giving employees the right equipment and supplies for their jobs. 

SARS is good about assigning the right number of people to get jobs done. 

### SECTION 5. More Information About Work Factors

<table>
<thead>
<tr>
<th>Having a Well-Defined Job</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall, I have a good understanding of what I am supposed to be doing in my job.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Management makes clear what they expect of me at work.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>My job description (JD) helps me to define my day-to-day work.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>At work I am hardly ever given “mixed messages” about what I am supposed to be doing.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>I have been given a well-defined set of short-term goals.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Appreciation of Employee Ideas/Contributions</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall, ideas and suggestions from employees are appreciated by SARS.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>SARS has a process by which employees can offer feedback and ideas.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>SARS often asks for ideas from employees.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Employee ideas are put into practice by SARS.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>When people have good ideas, they get noticed and rewarded at SARS.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Creating Feelings of Accomplishment</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall, I get a real sense of achievement working for SARS.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>My team leader/manager provides useful feedback about “how I am doing” at work.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>I have the skills I need to be effective at my job.</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>I am able to meet most of the challenges my work provides.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>The people I work with let me know when I’ve done a good job.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>People notice my achievements at work.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>SARS makes a real effort to give public recognition for achievements.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Communication About SARS**

| Overall, information about SARS is communicated well to employees. | 0 | 0 | 0 | 0 | 0 | 0 |
| I am given the right amount of information about SARS. | 0 | 0 | 0 | 0 | 0 | 0 |
| SARS communicates in a way that considers employees’ feelings. | 0 | 0 | 0 | 0 | 0 | 0 |
| Information is communicated in a timely way at SARS. | 0 | 0 | 0 | 0 | 0 | 0 |

### SECTION 5. More Information About Work Factors

**Satisfaction With Day-to-Day Activities**

| Overall, I really like the duties and activities that make up my job. | 0 | 0 | 0 | 0 | 0 | 0 |
| My job provides me with chances to grow and develop. | 0 | 0 | 0 | 0 | 0 | 0 |
| My job is challenging – in a good way. | 0 | 0 | 0 | 0 | 0 | 0 |
| There is a good fit between the job I do and my skills and abilities. | 0 | 0 | 0 | 0 | 0 | 0 |
| I am pleased with the physical working conditions where I do my job. | 0 | 0 | 0 | 0 | 0 | 0 |
| There is a good day-to-day work atmosphere among my coworkers. | 0 | 0 | 0 | 0 | 0 | 0 |
| My colleagues at SARS treat me with respect. | 0 | 0 | 0 | 0 | 0 | 0 |
| SARS provides me with a safe and healthy working environment | 0 | 0 | 0 | 0 | 0 | 0 |

**Manager/Team Leader**

| Overall, my boss is an excellent manager | 0 | 0 | 0 | 0 | 0 | 0 |
| I am truly empowered by my manager/team leader to make decisions and take actions that I think will be best for the division and organization | 0 | 0 | 0 | 0 | 0 | 0 |
| I have a good day-to-day working relationship with my manager/ team leader | 0 | 0 | 0 | 0 | 0 | 0 |
| My manager/team leader provides the right amount of supervision and guidance | 0 | 0 | 0 | 0 | 0 | 0 |
I get the highest quality advice about how I should do things from my manager/team leader

My manager treats me with respect

**Training and Development**

Overall, SARS highly values training and development so employees can continuously “learn” new things

Many excellent training and development opportunities are available in SARS to advance the skills and knowledge of all employees

Information is freely shared among people and divisions to help employees stay very knowledgeable in their jobs

SARS offers training and development that helps my long term career objectives.

**Other Work Factors**

Overall, SARS offers me an excellent compensation and benefits package

Overall, SARS provides its employees with a high quality physical work environment

**Union Questions**

Overall, SARS is respectful of the union to which I belong.

Management in SARS bargains in good faith with my union.

SARS closely follows agreements made with my union.

**SECTION 7. Modifiers**

In this next section, please think about each statement and say whether it applies to your situation by indicating Strongly Agree, Agree, Neither Agree nor Disagree, Disagree, Strongly Disagree.

<table>
<thead>
<tr>
<th>The present job market conditions do not provide me with enough options to consider leaving SARS right now.</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>One of the main reasons I continue working here is that another organisation may not offer the same overall benefits I get here.</td>
<td>Strongly Agree</td>
<td>Agree</td>
<td>Neither Agree Nor Disagree</td>
<td>Disagree</td>
<td>Strongly Disagree</td>
</tr>
<tr>
<td>I have to stay here longer if I want to reap certain benefits.</td>
<td>Strongly Agree</td>
<td>Agree</td>
<td>Neither Agree Nor Disagree</td>
<td>Disagree</td>
<td>Strongly Disagree</td>
</tr>
<tr>
<td>People whose opinions really matter to me think this is a good place to work.</td>
<td>Strongly Agree</td>
<td>Agree</td>
<td>Neither Agree Nor Disagree</td>
<td>Disagree</td>
<td>Strongly Disagree</td>
</tr>
</tbody>
</table>
I have such a strong relationship with people in SARS that I end up staying here even when I feel like leaving. Since I wonder if another organisation might give a better total offering, I want to keep my options open. My job skills are in high demand right now in the general job market. I may leave SARS, to acquire experience/education in areas relevant for my career development.

Section 9. Demographic Information

These questions help us classify the results to find general trends. Your answers will not be used to see how any one person answered. Your answers are completely confidential. Please select only one response for each question.

<table>
<thead>
<tr>
<th>How long have you worked at SARS?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Less than 1 year</td>
</tr>
<tr>
<td>- 1 – 2 years</td>
</tr>
<tr>
<td>- 3 – 5 years</td>
</tr>
<tr>
<td>- 6 – 9 years</td>
</tr>
<tr>
<td>- 10 years or more</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How long have you been in your current position at SARS?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Less than 1 year</td>
</tr>
<tr>
<td>- 1 – 2 years</td>
</tr>
<tr>
<td>- 3 – 5 years</td>
</tr>
<tr>
<td>- 6 – 9 years</td>
</tr>
<tr>
<td>- 10 years or more</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are you...?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Indian</td>
</tr>
<tr>
<td>- Black</td>
</tr>
<tr>
<td>- Coloured</td>
</tr>
<tr>
<td>- White</td>
</tr>
<tr>
<td>- Other</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What is your gender?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Male</td>
</tr>
<tr>
<td>- Female</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What is your age?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Under 19</td>
</tr>
<tr>
<td>- 19 – 25</td>
</tr>
<tr>
<td>- 26 – 30</td>
</tr>
<tr>
<td>- 31 – 35</td>
</tr>
<tr>
<td>- 36 – 40</td>
</tr>
<tr>
<td>- 41 – 45</td>
</tr>
<tr>
<td>- 46 – 50</td>
</tr>
<tr>
<td>- 51 – 55</td>
</tr>
<tr>
<td>- 56 – 60</td>
</tr>
<tr>
<td>- 61 – 65</td>
</tr>
<tr>
<td>- 66+</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What is your work status?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Permanent</td>
</tr>
<tr>
<td>- Contract (fixed - term contract)</td>
</tr>
<tr>
<td>- Temp (agency/body shop)</td>
</tr>
<tr>
<td>- Trainee</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Where is your Region?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Eastern Cape</td>
</tr>
<tr>
<td>- Free State</td>
</tr>
<tr>
<td>- Gauteng Central</td>
</tr>
<tr>
<td>- Gauteng North</td>
</tr>
<tr>
<td>- Gauteng South</td>
</tr>
<tr>
<td>- Head Office</td>
</tr>
<tr>
<td>- Kwa-Zulu Natal</td>
</tr>
<tr>
<td>- Limpopo</td>
</tr>
<tr>
<td>- Mpumalanga</td>
</tr>
<tr>
<td>- North West</td>
</tr>
<tr>
<td>- Northern Cape</td>
</tr>
<tr>
<td>- Western Cape</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Where is your office?</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Alberton Campus</td>
</tr>
<tr>
<td>- Alberton</td>
</tr>
<tr>
<td>- Ashlea Gardens</td>
</tr>
<tr>
<td>- Beaufort West</td>
</tr>
<tr>
<td>- Belbridge</td>
</tr>
<tr>
<td>- Bellville</td>
</tr>
<tr>
<td>- Benoni</td>
</tr>
<tr>
<td>- Bloemfontein</td>
</tr>
<tr>
<td>- Boksburg</td>
</tr>
<tr>
<td>- Brakpan</td>
</tr>
<tr>
<td>- Brooksfield</td>
</tr>
<tr>
<td>- Caledonspoort</td>
</tr>
<tr>
<td>- Cape Town</td>
</tr>
<tr>
<td>- Cape Town Harbour</td>
</tr>
<tr>
<td>- Cape Town International Airport</td>
</tr>
<tr>
<td>- Carlton Centre</td>
</tr>
<tr>
<td>- Cherry Lane</td>
</tr>
</tbody>
</table>
Do you have a disability?
- Yes
- No

What is your highest level of education
- Less than Grade 12 including ABET – Level 4
- Grade 12 – NQF LEVEL 1
- Further Education and Training Certificate – NQF Level 4
- National Diploma or National Certificate –NQF Level 5
- National First Degree or Higher Diploma -NQF Level 6
- Professional Qualifications and Honours Degree – NQF Level 7
- Masters Degree, Doctorate and Post-doctoral degree – NQF Level 8

Which category best describes your current position?
- General Manager
- Senior Manager
- Manager
- Team Leader
- Team Member
- Specialist

What business unit are you in?
CORPORATE SERVICES
- Human Resource
- Corporate Relations and Communications
- Facilities and Properties
ENFORCEMENT AND RISK
- Risk Management
- Enforcement
- Ethics
FINANCE
- Finance
- Procurement
GOVERNMENT RELATIONS
- Government Relations
- BCOCC
- PPU-Protection
LEGAL AND POLICY
- Legal and Policy
OFFICE OF THE COMMISSIONER
- Internal Audit
- Office of the Commissioner
- SARS Service Monitor Office (SSMO)
OFFICE OF THE COMMISSIONER
- Governance Unit
- IR
- PPU-Policy
- Durban
- Durban Harbour
- Durban International
- East London
- Emalahleni (Witbank)
- Ficksburg Border Post
- Gateway Airport
- George
- Germiston
- Giyani
- Golela
- Groblersridge
- Hatfield Gardens
- InfoTech
- Iparioli
- Jeppes Reef
- Johannesburg
- Kimberley
- Khanyisa
- Klerksdorp
- Komatipoort
- Kopfontein
- Kroonstad
- Kruger MP Airport
- Krugersdorp
- Ladybrand
- Lebombo
- Lebowakgomo
- Lehale La Sars
- Mahamba
- Mananga
- Maseru Bridge
- Megawatt Park
- Mmabatho
- Mossel Bay
- Mount Edgecombe
- Mthatha
- Nakop
- Nelspruit
- Nerston
- Nigel
- OR Tambo Airport
- Oshoek
- Oudthshoorn
- Paarl
- Pavillion
- Pietermaritzburg
- Pinetown
- Polokwane
- Port Elizabeth
- Praetor
- Pretoria ROR
- Pretoria Customs
- Pretoria Warroom
- ProEquity
- Quachasnek
- Ramatlhabaina
- Randburg
OPERATIONS
- Assessment
- Customs
- Tax Payer Services
- Cash Hall
- Nationally Managed Operations
- Call Centre
- Operations Support
- Operations Performance Management and Analysis
- Regional Operations Management
- Small Businesses
- Large Business Centre
- Operations Policies and Standards
- Other

PROCESS AND INFORMATION MANAGEMENT
- Process and Information Management

STRATEGY, MODERNISATION AND TECHNOLOGY
- Technology
- Strategy
- Modernisation

Special Units
- Parliamentary Service Unit
- VIP Unit
- Tax Exemption Unit
- Operational Policy
- eFilling (for filing season)
- Branch Front End

How far away do you live from work?
- Less than 20km
- 20 - 50km
- 51 – 75km
- 76km – 100km
- 101km – 150km
- More than 150km

Please indicate if your working hours are ....
- Fixed
- Flexible
- Shift

Do you have any children?
- Yes
- No

If yes, how many
- 1
- 2
- 3
- 4
- 5+

Randfontein
Richardsbay
Robertson
Rooidepoort
Rustenburg
Saldanahbay
Sanlam Centre
Sanlam Plaza
Sibasa
Silverton
Skilpadsnek
Soweto
Springs
Standerton
Stellenbosch
Uitenhage
Umlazi
Upington
Van Rooyen’s Nek
Vreeland
Vioolsdrift
VIP Unit
Vredendal
Welkom
Worcester
Zeerust
Other/not on the list

What is your grade?
- 00 - Trainees
- 01
- 02
- 03A
- 03B
- 04A
- 04B
- 05A
- 05B
- 06
- 07
- 08
- 09
- 10
<table>
<thead>
<tr>
<th>Ages</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger than 1 year</td>
<td></td>
</tr>
<tr>
<td>1-2 years</td>
<td></td>
</tr>
<tr>
<td>3-4 years</td>
<td></td>
</tr>
<tr>
<td>5-6 years</td>
<td></td>
</tr>
<tr>
<td>7-8 years</td>
<td></td>
</tr>
<tr>
<td>9-10 years</td>
<td></td>
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<tr>
<td>11-12 years</td>
<td></td>
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<tr>
<td>13-15 years</td>
<td></td>
</tr>
<tr>
<td>16-18 years</td>
<td></td>
</tr>
<tr>
<td>Older than 18 years</td>
<td></td>
</tr>
</tbody>
</table>