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The Impact of management and organisational processes on employee engagement

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ABSTRACT

Building on Shuck's (2011) research into the antecedents of employee engagement, this research aimed at identifying whether management or organisational processes were better determinants of employee engagement. The construct of management was measured in the framework of LMX and organisational processes in the framework of organisational climate. Based on existing literature, a Likert scale survey was designed and distributed, resulting in a sample of 156 responses. The survey assessed respondents' level of engagement, perception of their respective organisation and perception of their direct manager. The responses were analysed in SPSS, using a factor analysis to test whether each of the constructs formed one component, the result of which was that each construct was a reliable measure.

Secondly, a multiple regression analysis was conducted, the results of which showed that organisational processes are more highly correlated with employee engagement and that the construct 'organisational processes' has a higher b value, indicating that it is a better driver of engagement.

Finally, within the construct of organisational processes, each of the survey questions were analysed to identify which aspects had the lowest responses. The finding was that distributive justice, procedural justice and interpersonal justice scored the lowest rating. This research concluded that organisational processes is a better driver of engagement and that organisations should aim at developing their organisational climate to be more effective at driving employee engagement.

DECLARATION

I, Duncan Carter-Brown, 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 or examination in any other university. Where I have quoted other authors and documents, I have clearly referenced these quotes. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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CHAPTER 1 INTRODUCTION

1.1 Introduction to the research problem

The concept of engagement has gained widespread international attention. Human Resource Development (HRD) professionals are increasingly being called upon to support the development of strategies that facilitate employee engagement in the workplace (Shuck 2011). Building on Khan's (1990) model of engagement, researchers such as Shuck (2011) and Saks (2006) contributed greatly to the understanding of the antecedents and outcomes of employee engagement.

Whilst current research supports the findings of Khan (1990) that the conditions of *meaningfulness*, *safety* and *availability* are the indicators of engagement, there is still a need for further understanding of how these conditions are created in the workplace.

Researchers in the field of employee engagement have called for additional research to further the understanding of the concept. "Research supporting the importance of employee engagement is clear, yet practical and theoretical contributions about how to create employee engagement and the outcomes of doing so are remarkably underdeveloped" (Shuck, Reio & Rocco, 2011). There is also a need to develop and expand on existing frameworks to further the understanding of engagement. "It is interesting that scholars have sought to develop new rather than test or extend longer standing frameworks such as Khans" (Sambrook, Jones & Doloriert, 2013).

Based on our current understanding of the causes and outcomes of engagement, this research aims to understand whether an organisation's structure and processes impact the criteria for engagement or if they are more impacted by management and supervision. In a way, this research aims at testing the adage that *people do not leave companies, they leave bosses.* This angle of research is important because organisations allocate a great deal of resources to create processes and structures

that are conducive for employee engagement, yet they entrust these processes to managers who, potentially, can erode the value of these processes by their interactions with employees. On the other hand, highly competent managers, striving to create environments conducive to engagement, may not have the company support structures and procedural systems to do so effectively.

Whilst current engagement research indicates that both management and structure play important roles in employee engagement, existing research has not, as of yet, separated the two constructs. Whilst the concept of management and the concept of structure cannot be truly independent and there will certainly always be overlaps, it still remains unclear as to whether the decisions made by managers or the decisions governed by the organisation's policies have a greater or lesser impact on employee engagement. The concepts of management and organisational procedures will be refined in Chapter two of this paper.

1.2 Research Aim

The aim of this research is to further the understanding of employee engagement by developing existing research on the antecedents of engagement. By separating and defining the role of the organisation and the role of management, this research seeks to understand if either of the two variables has a greater influence on employee engagement.

In order to do this, the existing theory of leader-member exchange (LMX) will provide a framework by which to measure the effectiveness of management's role in creating engagement and frameworks such as organisational identification and organisational justice will provide the frameworks for testing the role of the organisation in creating engagement.

The construct of engagement will be tested within the framework of current research into the antecedents of employee engagement. By conducting primary research by the means of surveys, this research will firstly try to establish the state of engagement, identifying the level of engagement rather than testing whether respondents are fully engaged or partially engaged.

The next step will be to look at the employee's perception of management and the perceptions of the respondent's respective organisation. The perception of the organisation will be measured within the framework of the organisational climate by assessing respondents' perception of the distributive justice, procedural justice and interpersonal justice. The perceptions of management will be measured within the framework of Leader-Member Exchange (LMX).

Responses will be ascertained by measuring perceptions on a Likert scale survey designed by analysing existing literature and extracting the key elements that explain the three constructs. The research will then test to see if there is a relationship between the state of engagement and the perception of the two variables. In doing

so, this research aims to contribute to this growing field of study by establishing if organisations, in the pursuit of engagement, should allocate resources to the development of their processes or would organisations be better off by allocating these resources to the development of the organisation's managers. "Engagement is a positive and desirable state with positive outcomes for organisations … very few have considered the engagement of managers and HR professionals, including those who design, facilitate and participate in engagement initiatives" (Sambrook, Jones, & Doloriert, 2013).

By deepening our understanding of engagement, this research aims to contribute to improving the state of engagement of employees and the resulting desirable outcomes for organisations, in doing so identifying which one of the two variables has a greater impact on driving engagement. This will contribute new insights to existing research findings and add understanding of employee engagement.

CHAPTER 2 LITERATURE REVIEW

Before testing the roles of management and processes, it is important to firstly understand where current research has taken us in terms of our understanding of employee engagement. This chapter will provide a clear definition of employee engagement, explain what the antecedents of engagement are and describe why it is a desirable state by identifying the outcomes of engagement. This chapter will also expand on our current knowledge of the roles that management and organisational processes play in creating and enabling employee engagement and identify the key elements of each construct.

2.1.1 Employee Engagement

For the purpose of this report, Shuck's definition of employee engagement forms the conceptual framework for understanding the concept; Shuck defines employee engagement as an individual employees cognitive, emotional and behavioural state directed towards the employees organisational outcomes (Shuck, Reio, & Rocco, 2011). Shuck's definition was echoed by Saks' (2006) definition, which described engagement as follows; "In academic literature, it has been defined as a distinct and unique construct that consists of cognitive, emotional and behavioural components that are associated with individual role performance" (Saks, 2006). Both these definitions are based on Khan's explanation of engagement as "the harnessing of organisational members' selves cognitively and emotionally during work performances. Disengagement refers to the uncoupling of selves from work roles. Engagement means to be psychologically present when occupying and performing an organisational role" (Khan, 1990). Sharma (2014) stated that there was a lack of consensus for a definition of engagement and conducted a study into the frequency of dimensions used to define engagement. Sharma (2014) found that "psychological investment and work-role performance are the most counted dimensions to measure employee engagement." Sharma (2014) also found that "the most frequent dimension for defining employee engagement is emotional, psychological investment by the employee and the right kind of role provided to him or her", Sharma defined employee engagement as the extent to which an employee feels a sense of

psychological investment in their work, Sharma (2014) further explained that this psychological investment means that the employee is behaviourally and intellectually focused on their organisations goals (Sharma & Kaur, 2014).

There is speculation that employee engagement is merely a redefining of existing concepts or what was called colloquially "*new wine in an old bottle*". However, Saks (2006) explained how employee engagement differs from existing concepts. "Organisational commitment differs from engagement in that it refers to a person's attitude and attachment towards their organisation. Engagement is not an attitude; it is the degree to which an individual is attentive and absorbed in the performance of their roles" (Saks, 2006). Organisational commitment involves voluntary behaviour, whereas engagement focuses on an employee's absorption in their formal role.

"Engagement also differs from job involvement; job involvement is the result of a cognitive judgement about the need satisfying abilities of the job and is tied to self-image. Engagement has to do with how individuals employ the performance of their job. Furthermore, engagement involves the active use of emotions and behaviours in addition to cognitions" (Saks, 2006).

Shuck's (2011) definition encompasses all the aforementioned dimensions for explaining employee engagement and clearly distinguishes employee engagement from other constructs such as organisational commitment and job involvement. When conducting the primary research, this definition will be used to establish the respondents' state of engagement.

2.1.2 Antecedents

Khan's (1990) proposed conditions of *meaningfulness, safety* and *availability* as important indicators of engagement form the foundation of our current understanding of employee engagement. Shuck (2011) developed Khan's conditions to *job fit*, *affective commitment* and *psychological climate.*

Saks found that the antecedents of employee engagement were "job characteristics, perceived organisational support, perceived supervisor support, rewards and recognition, procedural justice and distributive justice" (Saks, 2006). Harter, on the other hand, found that "employees are emotionally and cognitively engaged when they know what is expected of them, have what they need to do their work, have opportunities to feel an impact and fulfilment in their work, perceive that they are part of something significant with co-workers whom they trust, and have chances to improve and develop" (Harter, Schmidt & Hayes, 2002).

Shuck (2011) defined job fit as the "degree to which a person feels their personality and values fit with the current job". Job fit is explained further that it "provides opportunities for employees to be involved in individually meaningful work that affects the development of work-related attitudes. Moreover, good job fit promotes strong professional congruence with organisational experiences; based on these experiences, employees develop job-related attitudes, which affects overall performance" (Shuck, Reio, & Rocco, 2011). There are apparent similarities between this condition and the antecedents identified by Saks and Harter.

Affective commitment was defined as "a sense of belonging and emotional connection with one's job, organisation or both, with emotive qualities paralleling Khan's condition of engagement, safety" (Shuck, Reio, & Rocco, 2011). This definition mirrors Harter's condition *perception that they are part of something.*

Psychological climate is defined as "the interpretation of an organisational environment in relation to an employee's perception of wellbeing. Psychological climate promotes awareness of safety and availability with work" (Shuck, Reio, & Rocco, 2011). Psychological climate further was defined to include the following variables; "supportive management, role clarity, freedom of self-expression, contribution towards organisational goals, recognition and challenging work". (Shuck, Reio, & Rocco, 2011). Again, Shuck's conditions depict parallels to both Saks and Harter's conditions of engagement.

2.1.3 Outcomes

According to Gallup (2002), there are three types of people; engaged employees, not engaged employees and actively disengaged employees. "Engaged employees are builders who consistently strive to give excellence within their roles. Not engaged employees focus on the tasks spelled out to them rather than the goals of the organisation. They do what they are told to do. Actively disengaged employees are dangerous individuals who not only do not perform well, but also demotivate the performer in the organisation" (Gallup, 2002). It is estimated that fewer than 30% of those who go to work report even partial engagement (Chalofsky, 2010); furthermore, it is estimated that disengaged employees cost US businesses $300 billion a year in lost productivity (Bates, 2004).

For these reasons, there is a great deal of interest in employee engagement. At the same time, it is reported that generally, "employee engagement is on the decline and that there is a deepening disengagement among employees" (Saks, 2006).

However, researchers concur that when the pre-conditions of engagement are met and employees are engaged in their roles, they show greater commitment to the organisation and consequently are more productive. "Researchers have found positive linkages between general workplace attitudes and individual performance outcomes. Important outcomes such as customer loyalty, profitability, productivity, employee turnover and safety variables are typically aggregated and reported at a business unit level" (Harter, Schmidt & Hayes, 2002).

Saks found that the "consequences of engagement were job satisfaction, organisational commitment, no intention to quit and organisational citizenship behaviour" (Saks, 2006). Shucks' findings encompass both the findings of Saks and Harter, "because employees who report being engaged at work demonstrate greater workplace performance, important relation with organisational outcome variables

such as productivity, organisational citizenship behaviours and overall job performance" (Shuck, Reio & Rocco, 2011).

Shuck (2011) found that there are two important outcomes of employee engagement. Firstly, engaged employees have less intention to leave the company and secondly, engaged employees show greater discretionary effort.

Intention to leave the company, causing higher staff turnover, is obviously an employee's decision as to whether to stay with an organisation or not; interestingly, Shuck (2011) found that claimed turnover intent (leaving the company) is more predictive of actual turnover than claimed job satisfaction or commitment.

Discretionary effort is defined as "an employee's willingness to go beyond minimal job responsibilities, linked to productivity and profit generation" (Shuck, Reio, & Rocco, 2011). The findings also suggest that "when employees perceive their manager as supportive, feel as if they contribute to their place of work, and experience an appropriate level of challenge in their work, they are more likely engage in discretionary effort" (Shuck, Reio, & Rocco, 2011).

From the above findings, it is evident that employee engagement is beneficial to an organisation as it not only improves profitability through greater discretionary effort, organisational commitment and customer service, but it also reduces replacement costs for an organisation through lower staff turnover and better organisational citizenship.

Despite these benefits, organisations still struggle to manage employee engagement effectively. "The relationship between managers and workforce is subject to two seemingly conflicting requirements: to cut costs to the bone and at the same time, promote the commitment necessary for innovation" (Sisson & Purcell 2010).

Though earlier in this chapter, the cost of disengagement was highlighted to explain the importance of employee engagement, for the purpose of this research, only engagement in the context of Shuck's (2011) definition will be tested. Shuck (2011) provided a measurable understanding of engagement that, unlike Gallup's (2002) definitions of being not engaged and actively disengaged, is not subjective to external influences. The concept of a disengaged employee could potentially be the result of exterior factors, such as personal life difficulties, and not as a direct result of management or processes. Furthermore, an employee who is actively disengaged will in all likelihood have a negative impression of the company and of their respective manager, and this will undoubtedly skew the results of a survey. Therefore, it is proposed that engagement will be measured in terms of Shuck's (2011) definition.

The next section of this paper defines and identifies the role that management plays in shaping employee engagement.

2.2 Management Behaviour

For the purpose of this research, the following definition for the roles of managers in employee engagement is proposed. Management is defined as day-to-day decisions that are made at an interpersonal or group level. These decisions, though governed by the organisational processes, are subjective to the individual manager's judgement. This description is supported by Tzinerr's definition that management is a relationship that determines the distribution of resources and time between managers and employees. (Tzinerr & Barsheshet-Picke, 2014). White also states that "there is clear evidence that managers spend a great deal of their time in face-to-face exchanges with subordinates as part of their organizational role" (White, Campbell, & Kacmar, 2012), this too supports the proposed definition of management in this research report.

"Scientific knowledge produced by psychology-based researchers aims exclusively at understanding the construct or state of engagement, with limited regard for how to better facilitate and manage this" (Sambrook, Jones, & Doloriert, 2013). The argument for the distinction between management and the organisational systems was identified by several researchers, including Khan, who argued that "the manager and consultant cannot simply impose a given process or employ given tools to enable the presence of system members. They must make a fundamental shift in how they think about workers and their attachments to work and organisations". (Khan, 1992)

This viewpoint is supported by Sisson who stated "a conceptual tension exists between being engaged and managing engagement. Yet, this is ignored in much of the academic and practitioner literature" (Sisson & Purcell, 2010). Anitha (2014) found that leadership was the second main criteria identified as a major factor to inform engagement, and Wallace (2009) found that "engagement occurs naturally when leaders are inspiring. Leaders are responsible for communicating that the employees' efforts play a major role in overall business success" (Wallace & Trinka, 2009). This was reinforced by the finding that "employees trust managers to the extent that they demonstrate honesty, transparency, genuine caring, support and

willingness to listen. This communication is best received when it comes from a direct manager" (Mishra, Boynton, & Mishra, 2014).

Whereas Saks (2006) found that Social Exchange Theory (SET) provides a theoretical rationale for explaining why employees choose to become more or less engaged, "SET argues that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence. A basic tenant of SET is that relationships evolve over time into trusting, loyal and mutual commitments as long as the parties abide by certain rules of exchange" (Saks, 2006). SET is a two-way relationship between employer and employee and "managers need to understand the importance of SET by providing employees with resources and benefits that will oblige them to reciprocate in kind with higher levels of engagement" (Saks, 2006). These findings are supported by Anitha (2014), whose research into the relationship between internal communication and employee engagement found that "employees enjoy working in environments where they trust the people they work for, have pride in what they do and enjoy the people they work with. Such positive environments are typically characterised by open communication" (Anitha, 2014).

Whilst organisational systems often determine the culture of the organisation, it is the managers and their subjective judgement that often determine communication; "changes in management practices that increase employee satisfaction may increase business unit outcomes, including profit" (Harter, Schmidt, & Hayes, 2002). Mishra found that "internal communication, in particular face-to-face communication, builds trust, which in turn leads to employees being more engaged" (Mishra, Boynton, & Mishra, 2014), whilst Poundsford found that individual communication strategies such as "storytelling, informal communication and coaching led to greater employee engagement, as well as increased levels of trust in the organisation and increased revenue due to customer satisfaction" (Poundsford, 2007).

While the role of management in employee engagement is apparent, it remains unclear if the role of management is distinct from the role of the organisation as highlighted by Harter; "Although many reasons why employees stay or leave companies may be related to aspects of the work situation that the manager can influence, there may be an accumulation of factors that lead to an overall perception of the company that may also include factors such as pay, benefits and other facets that are beyond the manager's control" (Harter, Schmidt, & Hayes, 2002). Despite the apparent overlap of processes and the role of management, there is a clear indication that management, in the context of the definition provided, does have a major influence in creating employee engagement; thus we hypothesise:

Hypothesis 1: Management has the greater impact on driving employee engagement.

2.3.1 Leader-Member Exchange (LMX)

In order to test this hypothesis, a framework is needed by which the level of management behaviour can be measured. Leader-Member Exchange (LMX) is a term used to describe the quality of the relationship between leaders and their subordinates. The quality of this relationship can have both positive and negative outcomes, pertaining to performance, motivation and commitment. LMX is therefore an ideal framework to apply when testing the hypothesis that employees' state of engagement is a directly influenced by management.

2.3.2 Definition of LMX

Chalofsky (2010) defined LMX as the quality of the relations between leaders and group members. "High quality LMX indicates high levels of information exchange, interaction, trust, respect, support, mutual influence and rewards, whereas low levels of LMX indicate low levels of interaction, trust, formal relations and one-directional influence" (Chalofsky, 2010). This definition was supported by Bal Tastan (2014) who defined LMX as focusing "on the individual dyadic relationship between supervisors or managers and each of their subordinates, and emphasise the difference in the manner in which the supervisor behaves towards different subordinates" (Bal Tastan, 2014). The quality of these relationships impacts the followers' behaviour, where higher quality relationships make the follower feel obliged to reciprocate. "Followers' identification with the leader is a process of self-defining based on the supervisor-subordinate role and relationship. It has a relational identification. It is a self-expansion process, in which one includes the supervisory relationship as a salient role relationship in one's definition of self" (Huang, Wang, & Xie, 2014).

Loi, Chan & Lam (2014) explained that the basic work unit within an organisation is the supervisor-subordinate relationship and that employees view their supervisor as representatives of the organisation. Loi (2014) continued to explain that the quality of LMX is crucial in influencing how employees identify themselves with – and through − their organisation. Huang, Wang & Xie (2014) hypothesised that a leader's reputation would also impact the quality of the relationship and found that a leader, whom subordinates perceived to have a good reputation, satisfied the followers' need for self-verification and that the followers would want to be associated with these desirable attributes. Huang (2014) concluded that "the positive relationship between LMX and followers' identification with the leader was stronger when the followers perceived that the group leader had a good reputation than it was when the followers did not perceive the group leader as having a good reputation" (Huang, Wang, & Xie, 2014).

2.3.3 Outcomes of LMX

When the perceived LMX is of a high quality, Chalofsky (2010) found that "employee motivation and sense of empowerment, emotional support and cooperative interactions as well as loyalty, respect and obligation" were all improved (Chalofsky, 2010).

Chernyak-Hai and Tziner (2014) conducted a study, examining distributive justice and LMX as predictors of counterproductive workplace behaviour (CWP). They found that aspects such as "working conditions, harsh supervision and role ambiguity contributed to Counteractive Workplace Behaviour (CWP)" (Chernyak-Hai & Tziner, 2014). However, the study also found that "when perceived LMX is high, such perception may attenuate negative consequences"

Loi (2011) found that "results showed that LMX, but not perceived job security, was positively related to employee altruism and work performance. Additionally, the effect of LMX on altruism was stronger for employees perceiving less job security" (Loi,

Ngo, Zhang & Lau 2011). Loi (2011) also found that "the quality of LMX is related to a person's self-esteem in the organisation. In addition to providing better support and resources, leaders also regard high LMX members as trusted assistants and assign them important duties and responsibilities. Such treatment is likely to lead these employees to believe that their employing organisation is a good place to realise their self-esteem" (Loi, Ngo, Zhang & Lau, 2010). This realisation of self-esteem at work has a number of positive outcomes and positively impacts employees' "intention to leave, organisational citizenship behaviour, job satisfaction and commitment" (Bal Tastan, 2014). Bal Tastan (2014) expanded on these outcomes and conducted a study that found that there is a "positive relationship between LMX and employee job performance" (Bal Tastan, 2014).

Although quality LMX has positive outcomes, LMX is not a leadership style, but rather leadership on an individual level; therefore, LMX can also have negative consequences when it is of low quality. "It is well documented that cues conveyed by the significant other play an important role in shaping one's relational self" (Huang, Wang, & Xie, 2014). Furthermore, "individuals evaluate their own status in an organisation by comparing themselves with other members to decide how they will behave in the organisation" (Zhiyu Feng, Liu, & Cheng, 2014). As Loi (2011) explained; "owing to resource constraint, a supervisor only develops high quality LMX with a few subordinates and leaves the remainder of LMX relationships at low quality" (Loi, Ngo, Zhang, & Lau, 2011). Bal Tasan (2014) found that "LMX theory suggests that leaders do not use the same style in dealing with all subordinates, but rather develop a different type of relationship or exchange with each subordinate" (Bal Tastan, 2014). "This differential treatment creates a distinctive in-group/out-group feeling amongst employees such that subordinates under high quality LMX are considered as in-group members" (Zhiyu Feng, Liu, & Cheng, 2014). As Bal Tastan (2014) found, in-group members will make contributions beyond their normal duties and will receive more support from their supervisors. "Out-group members experience more formal relations with their supervisor and often find themselves doing more routine and mundane work" (Bal Tastan, 2014).

From these findings, we can conclude that the quality of a subordinate's relationship with their supervisor will have a direct impact on their performance, motivation and engagement. In the context of Saks' (2006) antecedents of engagement, it is apparent how LMX can influence not only the perceived supervisor support, but also the job characteristics and recognition. LMX therefore provides an ideal framework by which to test hypothesis 1.

2.4 Role of processes and definition

Organisational processes are defined as decisions made by top management that are strategic, structural and procedural in nature. These decisions influence the culture, the policies, procedures and rules of the organisation.

Organisational fairness theories have "led scholars to recognise the potential importance of overall perceived fairness of entities for explaining employee attitudes and behaviours. Specifically, the overall perceived fairness of the organisation" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). Johnson (2009) defined the perceived fairness of an organisation as "the degree to which employees perceive the organisation, its decisions, culture and interactions as fair" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009) and explained that research in this field has started to attract research attention. However, Johnson also stated that "despite the recognised importance of the overall fairness of entities, there are notable gaps in the literature and research, linking overall organisational fairness to work behaviours, is lacking" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). Many of the researchers who identified management's role in engagement also identified factors influenced by the organisational processes. Common themes identified in existing research include structure, communication and culture.

Structure

"Research for the Society of Human Resource Management, the professional body of HRM in the USA, argues engagement is constructed through key HR activities, including recruitment and selection, human resource development, reward and performance management" (Sambrook, Jones, & Doloriert, 2013). Other research into the predictors of engagement also found that "organisational policies, procedures, structures and systems decide the extent to which employees are engaged in an organisation" (Anitha, 2014). Anitha also identified how training builds

confidence and motivates employees to be more engaged. "Training and career development is another important dimension, which is to be considered in the process of engaging employees, since it helps the employees to concentrate on a focused work dimension. Training improves service accuracy and thereby impacts service performance and employee engagement" (Anitha, 2014) .

Communication

The importance of face-to-face communication was identified in the previous section of this paper, but research also indicates that the structural communication processes of an organisation play an important role in employee engagement. "An organisation's communication processes have an important influence on the degree to which employees trust their manager and the organisation's top echelon as well as their commitment to the organisation" (Mishra, Boynton, & Mishra, 2014). Negru (2009) found that "positive normative feedback is associated with enhanced perceptions of competence and subsequent intrinsic motivation for the given task" (Negru, 2009). Whilst conducting research into the relationship between employee burnout and engagement of teachers, Timms (2012) found that workers felt empowered when they have "well-structured and operational communication systems, workers have a sense of control, mastery and meaningfulness of their work and a feeling of belonging that fosters self-esteem" (Timms, Brough, & Graham, 2012). A fair and supportive work environment can be created by one's direct manager, but Timms (2012) also found that unengaged employees, who were not burnt-out, but were not absorbed in their work, cited "increasing bureaucratic requirements" (Timms, Brough, & Graham, 2012) as a major reason for disengagement.

Culture

Finally, the culture of an organisation can have a major influence on employee engagement. "Work environment was found to be one of the significant factors that determines the engagement level of an employee" (Anitha, 2014). This parallels the findings by Saks (2006) that "perceived organisational support was the only significant predictor of both job and organisational engagement" (Saks, 2006). Whilst perceived organisational support can also be attributed to direct management, Anitha (2014) found that "the variables that had major impact were working environment and team and co-worker relationships." Anitha (2014) found that when a regression was performed, the factors of working environment, team and co-worker relationships accounted for 67.2 percent of the variance and had a significant impact on employee engagement and subsequently employee performance. This indicates that the culture of an organisation, which is driven by top management rather than direct management, is a major contributor to employee engagement. Culture has also been proven to be able to have a negative impact on engagement; "withdrawal of employees can be a direct consequence of perceptions of loss of fair processes within the organisation" (Timms, Brough, & Graham, 2012). However Jin (2014) highlighted that "innovative outcomes are more likely to occur when the organisational culture supports and rewards innovation" (Jin & Zhong, 2014).

From these findings, it is apparent that the processes of organisations do influence employee engagement; thus, we hypothesise.

Hypothesis 2: Organisational processes have the greatest impact on driving employee engagement.

2.5. Measurement of Organisational Processes

"Ideally, an organisation should be constructed so as to function effectively, allowing its objectives and strategic intents to be achieved. Organisations' business structures are influenced by a series of design issues that will invariably impact on success, innovation, employee satisfaction and potential growth" (Sellitto, 2011). "Perceived organisational support has been found to be positively related to measures of performance in standard job activities" (Jin & Zhong, 2014). In order to effectively measure the role that the organisations' processes and structures play in developing and driving employee engagement and how the aforementioned criteria of culture, communication and structure can be measured, an effective measure of the organisational climate needs to be established. "Perceptions of organisational climate (OC) are defined as the social climate in a workplace relevant to policies and procedures in organisations. Perceptions of OC are part of an active psychological process that helps employees recognise what behaviours are expected and rewarded. These perceptions influence employee's levels of stress, job satisfaction, commitment and performance, which have implications for overall organisational productivity" (Chernyak-Hai & Tziner, 2014). In order to measure the OC, Chernyak (2014) established three measures, namely:

- *Distributive justice: Fairness in resources and products allocation*
- *Procedural justice: Fairness of organisational procedures and ways in which decisions are reached*
- *Interactional justice: Fairness of organisations' interpersonal relations and accessibility of equal opportunity* (Chernyak-Hai & Tziner, 2014).

These three measures collectively form organisational justice, which is defined as "the perceptions of the degree to which an organisation provides its employees with appropriate, fair and respectful treatment, adequate and accurate information, resources and rewards" (Chernyak-Hai & Tziner, 2014). Employees establish their perception of organisational justice by personal evaluations and organisational occurrences, based on how they are treated in relation to their co-workers.

"Organisational justice is the psychology of fairness applied to organisational settings. Organisational justice theory is a framework for conceptualising how fairly people perceive they have been treated. Past research has shown that perceived fairness of procedures, interpersonal treatment, and outcomes were related to higher levels of cooperative behaviour in the form of job performance and citizenship behaviours" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). Lind (2001) proposed that "overall perceptions regarding the fairness of the organisation should act as a shortcut to determine whether employees will demonstrate behaviours that will benefit the organisation" (Lind, Kray, & Thompson, 2001).

Johnson (2009) found that "organisational justice is one of the important influences over employee attitudes. Specifically, studies have shown that when interpreting organisational events such as performance appraisals, employee selection and promotions, individuals assess the fairness of decision-making procedures, fairness of rewards and other outcomes, and the interpersonal treatment received during these events" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). Furthermore, Johnson found that perceived fairness in the organisation related to improved job attitudes and behaviours. "The perceived fairness of organisational processes and rewards has been shown to relate to important outcomes such as job satisfaction, organisational commitment, and job performance" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009).

Garcia-Izquierdo (2012) found that "participants who perceived organisational promotion methods as transparent reported a high level of perceived procedural justice", that transparency was an important antecedent of procedural justice and that "organisational justice is strongly related with job satisfaction" (Garcia-Izquierdo, Moscoso, & Ramos-Villagrasa, 2012). Garcia-Izquierdo (2012) also found that "competence assessment methods, along with evaluation of training and experience, translate into perceived justice and job satisfaction" (Garcia-Izquierdo, Moscoso, & Ramos-Villagrasa, 2012). However, Chernyak (2014) found that of the three measures of organisational justice, distributive justice is the most important and that "employees are more likely to be dissatisfied and have higher turnover/exit intentions

in an organisation that has a political environment where they perceive the distributive justice as low" (Chernyak-Hai & Tziner, 2014). Cherynak (2014) found that when perceived distributive justice was high, there also was a lower level of counterproductive workplace behaviour. This theory is supported by Johnson (2009): "The perceived fairness of individual events, such as the fairness of decision-making procedures or fairness of rewards, help shape the perception regarding the overall fairness of the entity" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009).

These findings suggest that work-related behaviours and employee engagement can be impacted by employees' perceptions of justice within their employing organisation. In order to measure the role effectively that the organisations' processes and structures play in driving employee engagement, the measures of distributive justice, procedural justice and interactional justice are thus proposed. These measures encompass the culture, structure and effectiveness of communication within the organisation. Furthermore, these measures separate the role that individual managers play in influencing a respective employee's perception in the company and focus primarily on the procedures of the organisation. These criteria, as a measure of the organisation's role in developing employee engagement, encompass Saks' (2006) antecedent criteria of job characteristics, perceived organisational support, rewards and recognition, procedural justice and distributive justice and therefore are an ideal measure to test hypothesis 2.

CHAPTER 3 RESTATEMENT OF RESEARCH QUESTIONS

Research has identified the conditions that need to be met to ensure engagement and has highlighted the importance of engagement through the outcomes. Whilst current research has identified both the roles of the organisation and of management, it has of yet not considered the relationship between the two constructs and, more importantly, whether one of the constructs can supersede the other. Put simply, if a company has solid procedures and a culture of engagement, will an ineffective manager cause disengagement or have little impact on engagement? Will a good manager who motivates and communicates with his/her team be as effective, in terms of engagement, if the organisation's systems and procedures are ineffective? Or do the two co-exist and both constructs are required in order to achieve the desired state of employee engagement? The aim of this research is to build on existing literature and to try and determine if organisational structure and or management have a greater influence on employee engagement.

Hypothesis 1: Management has the greater impact on driving employee engagement.

Hypothesis 1 will be tested by measuring respondents' level of engagement in relation to the respondents' measure of management perceptions, the context of engagement will be measured in terms of Shuck's (2011) definition of employee engagement, and the management behaviour variable will be measured in terms of LMX.

Hypothesis 2: Organisational processes have the greatest impact on driving employee engagement.

The second hypothesis will be tested by measuring respondents' level of engagement in relation to the respondents' perception of their respective organisations' processes and procedures. Again, engagement will be measured in terms of Shuck's (2011) definition of employee engagement, and organisational processes in terms of procedural justice, distributive justice and interactional justice.

CHAPTER 4 RESEARCH METHODOLOGY

4.1 Proposed Method

The proposed method for this research was to run a regression analysis by looking at the relationships between predictor and dependent variables. This research was based on previous understandings of the nature of the research problem. In addition to the regression analysis this research aimed to find correlations between the variables in order to determine which of the constructs had a stronger relationship with the independent variable. The research used quantitative measures as these are designed to describe the characteristics of a population. Quantitative research is the "dominant methodology for investigative studies in social sciences and management, which disregards individual and collective biases of the researchers as well as the subjects" (Mukhopadhyay & Gupta, 2014). "Qualitative researches are embedded in the context; hence, many assume that it would be difficult to generalise. The qualitative researchers also work with a very small database. Thus, moving from that data to general theory often elicits a 'So What?' or 'What Else?' response" (Mukhopadhyay & Gupta, 2014). This research proposed a large database and aimed to eliminate biases such as context.

4.2 Proposed Research Process

This study aimed to analyse the interaction between the predictor variables (management and organisational processes) and the dependent variable, employee engagement, in doing so establishing which of the two independent variables was a better predictor of engagement. From the literature review, it has been determined, based on existing research, that the majority of employees are not fully engaged. Furthermore, it has been established what antecedents are required to enable and ensure employee engagement.

By using this knowledge of the antecedents of engagement, this research aimed to, firstly, determine the dependent variable (engagement level) by establishing the level of engagement. Secondly, this research aimed to establish the respondents' perception of their relationship with their direct manager within the framework of LMX, this would form the first independent variable. Finally, this research aimed to determine the respondents' perception of their respective organisations procedures and systems that would form the data set for the second independent variable.

4.3 Unit of Analysis

Whilst prior research has focused on how, why and what influences employee engagement, the unit of analysis for this research focuses on who influences employee engagement. For the purpose of this study the unit of analysis was the employee and the aim was to see how management and organisational processes impact on the employee.

- Management is defined as people who make day-to-day decisions at an interpersonal or group level. These decisions, though governed by the organisational processes, are subjective to the individual manager's judgement.

- Organisational processes are defined as decisions made by top management that are strategic, structural and procedural in nature. These decision influence the culture, the policies, procedures and rules of the organisation.

- Employee engagement has been defined as an individual employee's cognitive, emotional and behavioural state directed toward desired organisational outcomes (Shuck, Reio, & Rocco, 2011).

4.4 Population

The population was classified as non-executive employees, middle managers and line employees from a multitude of companies. Respondents are employees who report to a manager and whose decisions cannot be defined as strategic, or having influence on structural or procedural policies within their specific organisation, thus ruling out executives, business owners and entrepreneurs. Respondents within the population may have employees reporting to them, as these types of employees will still be impacted by both the decisions made by their own managers and by the organisation's procedures.

4.5 Sampling and Sample Size

The aim of this research was to obtain a large sample, as a larger sample would be more likely to reflect the whole population (Field, 2013). The sample was obtained by using convenient sampling and focused on South African employees from a multitude of organisations. Collecting data from several companies was the preferred method as responses from one company would mean that all respondents experienced the same organisational processes, which would have affected the findings. By obtaining data from a variety of companies with different processes a truer reflection of the whole population would be obtained. Surveys were distributed both in hard copy and by creating an online survey on the website www.kwiksurveys.com. 150 printed surveys were distributed to managers within the researchers network, these managers were briefed as to the anonymity and voluntary nature of the survey and were instructed that employees names need not be on the response forms as this may result in response bias. Of the surveys distributed, 78 printed surveys were collected, of which 7 were only partially completed or contained errors and were discarded, leaving a total of 71 complete surveys. The online survey achieved 186 responses, of which 56 partially completed questionnaires were discarded, in addition the online survey received responses from 45 respondents who were not South African, and these too were eliminated as responses from different cultures may corrupt the results. The total of valid responses provided a total sample of 156 respondents.

4.6 Data Collection Process

Surveys will be sent to the population using probability sampling to ensure that every member of the population has a known, non-zero probability of being selected. Convenient sampling and simple random sampling was used as it requires only minimal knowledge of the population and is easy to analyse.

Surveys have been chosen as there is anonymity of the researcher; this will reduce respondent reluctance to provide confidential information. Surveys have been selected as a means of gathering data because a large sample is desired. "Auto-ethnographic research, studying both the psychological (personal) and sociological (organisational) constructs, found that for measuring engagement with employee engagement, surveys are often recommended as the most appropriate way to begin to manage employee engagement" (Sambrook, Jones, & Doloriert, 2013). Surveys not only provide the researcher with the speed, geographic flexibility and low cost required for this assignment, but also prevent the researcher from having an influence on the answers, thus providing more accurate responses. Because attitudes and perceptions are to be measured and these measures are not directly observable, a Likert scale was utilised as it will indicate how strongly respondents agree or disagree with the statements.

In order to obtain a large sample of data, the survey questionnaire would need to be short, but comprehensive, easily understood and easily distributable. A survey of this nature would also provide the respondents with anonymity, which eliminates potential bias in the responses. Such bias may occur in face-to-face interviews, whereby the respondent would be reluctant to disclose "negative" responses about their organisation. Based on these factors, the survey was designed to consist of 20 questions that can be answered quickly and accurately. A plain language survey that can be easily understood was designed to ensure a greater response. By keeping the questions simple and straightforward, the respondent will not be able to second-guess or read into the questions.

In order to determine the dependant variable, the survey aimed to establish not whether an employee is engaged, not engaged or actively disengaged, but rather to measure the antecedents to engagement. Measuring the level of disengagement would not only increase the length of the survey, but would also add a second dependent variable and would complicate the data interpretation, something that is not ideal, given the time constraints of this paper. Furthermore, the antecedents of engagement have been researched and can be formulated into questions, whereas the antecedents of disengagement are likely to include external factors outside the scope of this research.

Based on the responses, the degree to which an employee is engaged could be ascertained. This was done by measuring their job fit, affective commitment and psychological climate by using a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree) with a score of 3 being a neutral score. The first six questions of the survey aimed to establish the state of engagement by asking respondents to rate whether they agree with statements such as, "My work is meaningful and I understand what is required of me"; "I have the freedom to express myself at work"; and "I feel that I contribute towards the company goals". The total engagement score and average engagement score could then be calculated for each respondent.

The second aim of the research is to determine the independent or predictor variable (management/organisational processes) by establishing the perception of management and the perception of the organisation. This too will be established based on a Likert scale survey with seven questions posed to each of the variables. Questions such as, "My direct manager gives me the support that I need to be effective", will be used to establish the employees' perception of their manager. Questions such as, "My company gives me the tools that I need to do my job effectively", will be asked to ascertain the perception that the employee has of the organisation's processes. The questions relating to the management variable have been constructed, using the conditions of LMX, based on the understanding of what constitutes an LMX relationship. The questions relating to the company process have been designed to address if the definitions of distributive justice, procedural

justice and interactional justice are met. These data would then provide a total score and average score for each respondent's perception of both independent variables. This data was then compared to the respective respondent's engagement score.

In constructing the survey, the author did not make use of negative response questions. Negatively worded questions are usually used to force the respondents to reverse their thinking; the responses to such items are usually reverse scored so that they can be included in the total scale. As Hartley (2013) explained, there are difficulties with negatively worded questions; for example, "it is not easy to write exactly equivalent items in a positive negative form. Secondly, respondents have difficulty in reverse thinking and interpreting the questions. Finally, different ratings are obtained on positive and negative versions of the same items" (Hartley, 2013). Hartley concluded that it is, therefore, best to remove negatively worded items from the scale or to present the results separately. In the context of this survey, negatively worded questions would not only complicate the interpretation and analysis of data, but, more importantly, could create confusion for the respondents and thus skew the results. In this regard, all 20 questions were positively worded.

A sample of the distributed survey and the radar plots illustrating the responses can be found in the appendix section of this research report.

4.7 Analysis of Data

Once the data has been collected, a multiple regression analysis was run. However, before a regression analysis could be conducted, a factor analysis was run to ensure that the different facets reflected a single variable for each of the three variables that were to be measured. Field (2013) explained that a factor analysis aids when measuring things that cannot be measured directly. In the context of this research report, engagement, LMX and organisational processes are all intangible constructs; however, each variable consists of many facets and the perception of these facets can be measured by measuring the perception of each on a Likert scale. Having completed this task, a factor analysis is able to establish whether the combined facets reflect a single underlying variable. Field (2013) stated that there are three main uses for applying a factor analysis. Firstly, it enables the researcher to understand the structure of a set of variables. Secondly, it is used to construct a questionnaire to measure the underlying variable (by removing facets that do not fit the structure of the respective variable). Finally, it is used to reduce a data set to a more manageable size and solving the problem of multicollinearity (a situation in which two variables are very closely linearly related) (Field, 2013). Stevens (2002) found that for a sample size of 200 respondents, factor loadings should be greater than .364 based on an alpha level of .01 (two-tailed) (Stevens, 2002). The measure of sampling adequacy was tested by running a Kaiser-Meyer-Olkin measure of sampling adequacy (KMO), which tests the ratio of squared correlation between variables. A KMO statistic ranges from 0 to 1, with values close to 1 indicating compact patterns of correlation and indicating that a factor analysis should yield distinct and reliable factors (Kaiser, 1974). Kaiser (1974) recommended accepting values greater than 0.5 and that values greater that 0.8 are considered to be very good. Based on these recommendations, a factor analysis was conducted in IBM SPSS, which yielded a result that each variable contained one factor and that the KMO score for each variable tested was above 0.8. This indicated that the questions selected for each variable were an accurate reflection of the respective variable.

Having established that the facets of each variable formed a single factor, the sample responses were split in Microsoft Excel to reflect a mean score of the respondents' answers calculated for the dependent variable and both independent variables. Having calculated the mean scores, the data was uploaded into SPSS, where a linear regression analysis was conducted, testing the dependent variable against predictor variables LMX and organisational processes.

A regression analysis was chosen because it assesses the relationship between variables. This is conducive to the aim of this research. Regression analysis was used because it illustrates a line that best summarises the pattern of the data and because it will illustrate how much of the variance is explained by the model in relation to how much variance there is to explain in the first place (Field, 2013). By conducting a regression analysis on the data, the researcher was able to determine how much the dependent variable (the state of engagement) can be determined by both predictor variables (Leader Member Exchange theory and organisational processes). A regression analysis also indicated the statistical significance of the predictor variable through the t values at a 99% confidence interval, which indicates that the predictor variables make a significant contribution in predicting the dependent variable.

In addition, to illustrate the significance, the regression analysis also provided the regression coefficient through the b values on the SPSS output, where the b value indicates how much the dependent variable will change by a 1 unit change in the predictor variable, numbers closer to zero indicate a weaker prediction of the relationship, whereas numbers closer to one indicate a stronger relationship. The values for both independent variables were compared to establish which of the two predictor variables contributed more significantly to the estimated value of the outcome.

Initially, the two predictor variables were analysed in SPSS to check the correlation of the variables. Field (2013) explained that multicollinearity exists when there is a

strong correlation between variables, as collinearity increases as the likelihood of untrustworthy beta values increases, the size of R becomes limited and it makes it difficult to assess the individual importance of predictors. Field (2013) suggested that correlations above 0.80 should be considered as having a high correlations. When running the Pearson correlation analysis through SPSS, the output predicted that the two predictor variables were 0.660 correlated in a two-tailed test significant at 0.01. This data was compared to the results from the linear regression to determine which of the predictor variables had a greater or lesser influence on employee engagement. The results of this analysis are explained in Chapter 5.

4.8 Limitations of Research

Amongst other limitations, the limitations of this research are as follows:

There may be response bias from employees who do not want to appear to be overly negative about their company or about their managers. This could skew the findings and thus not be a true reflection of the drivers of engagement. This issue was addressed following the pilot survey where respondents recommended not including personal information such as name, position or race as their managers could potentially deduce who the respondent was from this information.

This research only tests the positive relationship between dependent and independent variables. It is possible that the inverse would produce different results. Testing the negative relationship between variables was beyond the scope of this research and is a recommendation for future research.

CHAPTER 5 RESULTS

Due to the confidentiality of the responses and the suggestions from the pilot survey not to include personal information, that may result in the identity of the respondent being know, a portion of the respondents in the sample did not include optional information. The descriptive statistics of respondents were as follows; 34% of respondents did not disclose their age bracket, 8% of respondents were aged between 18-25, 30% of respondents were 25-35, 24% between 35 -45 and 4% were over 45 years old. Similarly with the gender of respondents 37% did not disclose their gender, of the respondents that did, 35% were female and 28% were male. The majority of responses came from the hospitality sector with 44%, 6% of respondents were in the education sector, 13% of respondents were in the services sector, 4% in the manufacturing sector and 33% of respondents did not disclose their industry.

As explained in Chapter 4, before completing a regression analysis, a factor analysis was conducted on each of the three variables. This was done to establish whether each of the variables consisted of one component and in doing so, to check the validity of the survey. The results of the factor analysis from IMB SPSS are shown below for each of the variables

5.1 Factor Analysis: Descriptive Statistics

The six engagement questions, seven LMX questions and seven organisational processes questions were individually loaded into SPSS and the descriptive statistics table below illustrates the mean responses for each of the questions.

Table 1 Descriptive Statistics Employee Engagement

	Mean	Std. Deviation	Analysis N
Question 1	3.83	1.021	156
Question 2	*4.3	0.731	156
Question 3	3.94	1.099	156
Question 4	*3.62	1.155	156
Question 5	4.18	0.854	156
Question 6	*3.38	1.226	156
Question 7	*3.58	1.054	156
Question 8	3.94	0.979	156
Question 9	*3.53	1.05	156
Question 10	*3.37	1.126	156
Question 11	3.98	0.947	156
Question 12	3.73	1.018	156
Question 13	3.71	1.022	156
Question 14	*3.21	1.153	156
Question 15	3.55	1.138	156
Question 16	3.3	1.133	156
Question 17	3.45	1.143	156
Question 18	*3.02	1.221	156
Question 19	3.39	1.093	156
Question 20	3.13	1.184	156

From the descriptive statistics, it is important to note that question two "*My work is important and I understand what is required of me*" has the highest mean score and lowest standard deviation, indicating that respondents feel that they know what is expected of them in their current role and believe that their work is meaningful. This

supports Harter's (2002) definition of employee engagement that explained that employees are emotionally and cognitively engaged when they know what is expected of them. This finding also supports Shuck's (2011) antecedent of job fit, which was explained as "providing opportunities for employees to be involved in individually meaningful work" (Shuck, Reio, & Rocco, 2011). Interestingly, job fit also includes "the degree to which a person feels their personality and values fit with the current job" (Shuck, Reio, & Rocco, 2011), which relates to question one. The mean response to question one is far lower than the mean response to question two.

From the above descriptive statistics, it is also apparent that question 6, *"I feel that I receive support and recognition for my work",* has the lowest mean score and the highest standard deviation, with question 4, *having the freedom to express oneself at work,* having the second lowest score. Both these facets of engagement form part of what Shuck (2011) defined as psychological climate. Psychological climate encompasses the freedom of expression at work and supportive management. Saks (2006) found that rewards and recognition were important antecedents of engagement and from the results of the survey, it is evident that these constructs have the lowest perceived values.

By conducting a basic analysis of the means for each of the six questions, in relation to the aforementioned antecedents of employee engagement, it is notable that while each question forms part of one construct, the results for each facet of the construct vary. This provides valuable insight into how the drivers of engagement are being implemented and perceived and, in the context of this research, provides insight as to which aspects of engagement need to be improved.

Based on the descriptive statistics, the responses to question 10: "*My direct manager acknowledges and rewards my work*" have the lowest mean and the highest standard deviation. This is followed by the responses to question 9: "*My direct manager gives me the support I need to be effective at work*" and question 7: "*My direct manager provides me with the information I need to do my job effectively*"

with means of 3.53 and 3.58, respectively. Questions pertaining to loyalty and trust score the highest means from the sample that responded to the survey. The findings from the descriptive statistics support the findings of Chalofsky (2010), who explained that, "High quality LMX indicates high levels of information exchange, interaction, trust, respect and support". From the results, it is evident that support and information exchange score low, however, trust scores highly. The importance of information exchange was highlighted by Chernyak (2014) who found that, amongst other factors, role ambiguity contributed to counterproductive workplace behaviour.

Based on these statistics, it is evident that the highlighted three questions with the lowest mean responses are the aspects of LMX that can be improved on to better enable engagement. Based on the sample, respondents perceived these aspects to be the lowest, this further contributes to our understanding of the antecedents of engagement.

When comparing the descriptive statistics output for organisational process and the output of management, it is evident that organisational processes have lower mean scores. This indicates that the sample of respondents rank their organisational processes lower on average than their managers. The average of the means for perceived LMX was 3.69, whereas the average of the means for organisational processes was 3.29, which translates into an 11% drop in score. Responses to the organisational processes questions also have higher standard deviations on average when compared to the responses to the management questions, indicating greater volatility in the responses. Based on this rough analysis, one can already begin to predict that organisational processes will explain more of the variance in employee engagement.

Based on the means, it is noteworthy that the question: "*All employees are treated fairly by the company*" has a mean score very close to a neutral responses and is the lowest mean of all 20 questions. Question 14 "*My Company distributes resources fairly*" also has low means. This supports the constructs forming the foundation of the variable, which are; distributive justice, procedural fairness and interactional justice.

5.2 Factor Analysis: Correlation Matrix

The following table asses the correlation between the six facets that form the construct of the dependent variable: employee engagement.

Table 2: Correlation Matrix Employee Engagement

Correlation Matrix

		My personality and beliefs are suited to my current job	My work is Important and I understand what is required of me	I feel that by working for my company I am part of something	I have the freedom to express myself at work	I feel that i contribute towards my companies goals	I feel that I receive support and recognition for my work
Correlation	My personality and beliefs are suited to my current job	1.000	.511	.539	.412	.266	.313
	My work is Important and I understand what is required of me	.511	1.000	.614	.395	.505	.286
	I feel that by working for my company I am part of something	.539	.614	1.000	.541	.534	.462
	I have the freedom to express myself at work	.412	.395	.541	1.000	.459	.560
	I feel that i contribute towards my companies goals	.266	.505	.534	.459	1.000	.351
	I feel that I receive support and recognition for my work	.313	.286	.462	.560	.351	1.000
Sig. (1-tailed)	My personality and beliefs are suited to my current job		.000	.000	.000	.000	.000
	My work is Important and I understand what is required of me	.000		.000	.000	.000	.000
	I feel that by working for my company I am part of something	.000	.000		.000	.000	.000
	I have the freedom to express myself at work	.000	.000	.000		.000	.000
	I feel that i contribute towards my companies goals	.000	.000	.000	.000		.000
	I feel that I receive support and recognition for my work	.000	.000	.000	.000	.000	

From the correlation table, it is important to note that each component is significantly correlated to the other components working with a 99% confidence interval. From analysing this table, we see that question 5: *contributing towards company goals* and question 1: *my personality and beliefs are suited to my current positon* both relate to the antecedent job fit, yet there is a low correlation between these facets. In addition, question 2 and question 6 also have a low correlation. From this result, we are able to ascertain that respondents may feel that the antecedents of engagement are

being met in some aspects, but not in others, which in the context of this research will provide insight as to the roles that managers and organisational processes can play in addressing these issues.

Table 3: Correlation Matrix LMX

Correlation Matrix

		My direct manager provides me with the information I need to do my job effectively	My direct manager trusts me in my current position	My direct manager gives me the support I need to be effective at work	My direct manager acknowledges and rewards my work	I am loyal towards my direct manager	I feel that my manager respects me	I enjoy interacting with my manager
Correlation	My direct manager provides me with the information I need to do my job effectively	1.000	.372	.728	.563	.485	.581	.627
	My direct manager trusts me in my current position	.372	1.000	.480	.396	.392	.534	.480
	My direct manager gives me the support I need to be effective at work	.728	.480	1.000	.659	.445	.629	.654
	My direct manager acknowledges and rewards my work	.563	.396	.659	1.000	.447	.569	.505
	I am loyal towards my direct manager	.485	.392	.445	.447	1.000	.634	.631
	I feel that my manager respects me	.581	.534	.629	.569	.634	1.000	.786
	I enjoy interacting with my manager	.627	.480	.654	.505	.631	.786	1.000
Sig. (1-tailed)	My direct manager provides me with the information I need to do my job effectively		.000	.000	.000	.000	.000	.000
	My direct manager trusts me in my current position	.000		.000	.000	.000	.000	.000
	My direct manager gives me the support I need to be effective at work	.000	.000		.000	.000	.000	.000
	My direct manager acknowledges and rewards my work	.000	.000	.000		.000	.000	.000
	I am loyal towards my direct manager	.000	.000	.000	.000		.000	.000
	I feel that my manager respects me	.000	.000	.000	.000	.000		.000
	I enjoy interacting with my manager	.000	.000	.000	.000	.000	.000	

The output from the correlation matrix shows that all correlations are above .3 and that all correlations are significant with at the 99% confidence interval.

Table 4 Correlation Matrix Organisational Processes

Correlation Matrix

		My company distributes resources failry	My company gives me the tools that I need to do my job effectively	My company has fair procedures	I have equal oppotunities to do well at my company	All employees are treated fairly by my company	My company gives me accurate information	My company considers my input when making decisions
Correlation	My company distributes resources failry	1.000	.658	.626	.562	.626	.605	.494
	My company gives me the tools that I need to do my job effectively	.658	1.000	.571	.452	.411	.539	.457
	My company has fair procedures	.626	.571	1.000	.594	.639	.591	.520
	I have equal oppotunities to do well at my company	.562	.452	.594	1.000	.586	.535	.544
	All employees are treated fairly by my company	.626	.411	.639	.586	1.000	.641	.532
	My company gives me accurate information	.605	.539	.591	.535	.641	1.000	.610
	My company considers my input when making decisions	.494	.457	.520	.544	.532	.610	1.000
Sig. (1-tailed)	My company distributes resources failry		.000	.000	.000	.000	.000	.000
	My company gives me the tools that I need to do my job effectively	.000		.000	.000	.000	.000	.000
	My company has fair procedures	.000	.000		.000	.000	.000	.000
	I have equal oppotunities to do well at my company	.000	.000	.000		.000	.000	.000
	All employees are treated fairly by my company	.000	.000	.000	.000		.000	.000
	My company gives me accurate information	.000	.000	.000	.000	.000		.000
	My company considers my input when making decisions	.000	.000	.000	.000	.000	.000	

The output from the correlation matrix shows that all correlations are above .3 and that all correlations are significant at a 99% confidence interval.

5.3 Factor Analysis: KMO and Bartlett's Test

Table 5 KMO and Bartlett's Test and Communalities

KMO and Bartlett's Test		Employee Engagement	LMX	Org Process
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.836	.884	.891
Bartlett's Test of Sphericity	Approx. Chi-Square	371.315	624.119	594.960
	df	15	21	21
	Sig.	.000	.000	.000

The measure of sampling adequacy was tested by running a Kaiser-Meyer-Olkin (KMO) and Bartlett's analysis to test the sampling adequacy by testing the ratio of squared correlation between variables. The employee engagement value for this test was .836, which indicates a very good indicator that the factor analysis should yield reliable factors. This test indicated that the questions selected for the engagement variable were an accurate reflection of the variable.

The value for KMO Bartlett's test for LMX indicates .884 which is considered a very good indicator that the factor analysis should yield reliable factors. This test indicates that the questions selected for the management variable are an accurate reflection of the variable.

The organisational processes value for this test is .891, which once more represents a very good indicator that the factor analysis should yield reliable factors. This test indicates that the questions selected for the organisational processes variable are an accurate reflection of the variable

5.4 Factor Analysis: Total Variance Explained

Table 6 Total Variance Explained

Total Variance Explained						
Component	**Initial Eigenvalues**			**Extraction Sums of Squared Loadings**		
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**
1	3.432	57.192	57.192	3.432	57.192	**57.192**
2	.762	12.693				
3	.725	12.081	81.966			
4	.413	6.889	88.855			
5	.356	5.941	94.796			
6	.312	5.204	100.000			
7	4.377	62.528	62.528	4.377	62.528	**62.528**
8	.708	10.110	72.638			
9	.616	8.796	81.434			
10	.497	7.095	88.528			
11	.362	5.168	93.696			
12	.249	3.561	97.257			
13	.192	2.743	100.000			
14	4.415	63.065	63.065	4.415	63.065	**63.065**
15	.698	9.977	73.042			
16	.511	7.295	80.337			
17	.465	6.648	86.985			
18	.352	5.024	92.008			
19	.313	4.470	96.479			
20	.246	3.521	100.000			

(Rows 1–6: Employee engagement; Rows 7–13: LMX; Rows 14–20: Org Processes)

Extraction Method: Principal Component Analysis.

As indicate by the above table the selected model explains approximately 57% of the variance of employee engagement. The model for the LMX variable explains approximately 63% of the variance and the organisational processes model also explains 63%.

5.5 Factor Analysis: Component Matrix

Table 7 Component Matrix

My personality and beliefs are suited to my current job	0.687
My work is Important and I understand what is required of me	0.808
I feel that by working for my company I am part of something	0.851
I have the freedom to express myself at work	0.802
I feel that i contribute towards my companies goals	0.695
I feel that I receive support and recognition for my work	0.675
My direct manager provides me with the information I need to do my job effectively	0.82
My direct manager trusts me in my current position	0.645
My direct manager gives me the support I need to be effective at work	0.838
My direct manager acknowledges and rewards my work	0.738
I am loyal towards my direct manager	0.734
I feel that my manager respects me	0.858
I enjoy interacting with my manager	0.875
My company distributes resources fairly	0.831
My company gives me the tools that I need to do my job effectively	0.731
My company has fair procedures	0.828
I have equal opportunities to do well at my company	0.775
All employees are treated fairly by my company	0.81
My company gives me accurate information	0.819
My company considers my input when making decisions	0.759

From the components matrix, SPSS only extracted one component, which indicates that the six questions formulate the dependent variable from one factor. This proves that the definition of engagement that was used for the construction of the survey and the survey itself were well designed, as SPSS did not separate any of the components into a separate factor. From this output, we are able to conclude that only one component is being measured and that the engagement scores from the survey can be used as the dependent variable.

As with engagement, the component matrix indicates that only one component was extracted for the predictor variable, management. This indicates that the questionnaire was a well-constructed measure of the predictor variable and that no factors had to be removed to conduct a regression analysis.

As with the previous variables, the component matrix indicates that only one component was extracted for the predictor variable, organisational processes. This indicates that the questionnaire was a well-constructed measure of the predictor variable and that no factors had to be removed to conduct a regression analysis.

The findings of the factor analysis are congruent with the findings from existing literature, in that the facets that make up the components of the respective variables consist of a single component each and no questions had to be removed from the survey. From this result, we can ascertain that the planned variables were well defined and consequently, the means could be analysed using a linear regression with reliable results.

5.6 Comparisons of Linear Regression

Establishing that each of the variables forms a single component, a multiple regression analysis was run through SPSS, comparing the dependent variable to the two predictor variable.

Table 8 Descriptive Statistics

Descriptive Statistics

	Mean	Std. Deviation	N
Engagement	3.87499999999 9999	.765666715819 136	156
LMX	3.69139194139 1940	.810480525363 743	156
Org Pro	3.29304029304 0293	.913910474811 227	156

By comparing the means of each linear regression, it can be seen that that the organisational processes variable P has a lower mean than the LMX variable. This can be interpreted as, on average, respondents have a lower perception of their respective company's organisational processes in relation to the perceived Leader Member Exchange within their organisations (not sure what you are saying in this sentence). The organisational processes construct has a higher standard deviation, which s

5.8 ANOVA

Table 9 ANOVA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.247	2	25.623	98.947	.000[b]
	Residual	39.621	153	.259		
	Total	90.868	155			

a. Dependent Variable: Engagement

b. Predictors: (Constant), Org Pro, LMX

The F ratio tests the differences between the means and tests the overall fit of a regression model to a set of observed data. A high F value indicates that the means differ and that we are able to discriminate better between cases (Field, 2013). As indicated by the output, the sample means have a variance of 98.947 that is statistically significant and has two degrees of freedom

5.9 Model Summary

Table 10 Model Summary

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.751[a]	.564	.558	.508882482891951	.564	98.947	2	153	.000	1.908

a. Predictors: (Constant), Org Pro, LMX

b. Dependent Variable: Engagement

The R-squared value tells us how much variance in the outcome is accounted for by the input variables. The confidence interval was set at 99% and the results show that the finding is significant. The R square of .751 and an adjusted R square of .564 indicate that, at a 99 percent confidence level, that the two variables explain 56.4% of the variance in the outcome. This is a substantial amount of the variance in engagement.

5.10 Correlations

Table 11 Correlations

Correlations		Engagement	LMX	Org Pro
Pearson Correlation	Engagement	1.000	.646	.713
	LMX	.646	1.000	.656
	Org Pro	.713	.656	1.000
Sig. (1-tailed)	Engagement	.	.000	.000
	LMX	.000	.	.000
	Org Pro	.000	.000	.
N	Engagement	156	156	156
	LMX	156	156	156
	Org Pro	156	156	156

When analysing the correlation matrix of the three variables, which indicates the measure of the strength of the association or relationship between the dependent and independent variables, it is apparent that both predictor variables are highly correlated with the dependent variable. We see that LMX has a correlation of .646 whereas organisational process has a correlation of .713 with employee engagement. The predictor variables have a correlation with each other of .656, which supports the aforementioned statement that the two constructs overlap and cannot exist without the other.

Field (2013) defined a correlation as a measure of the strength of the association or relationship between two variables. From the correlation matrix, it is evident that LMX and Organisational Processes have a correlation of .656, suggesting that there is, as predicted, an interaction between the two variables and that one may moderate the other. This is to be expected as, in the workplace, management is

governed by processes, so a certain amount of management's actions will be explained by the respective company's processes. Similarly, management is also charged with implementing processes and systems, meaning that a portion of process can be attributed to management. The Pearson correlation between the dependent variable and predictor variables is positive in both cases, which shows that as one variable changes, the other variable will change in the same direction. Put simply, as LMX increases, so too will employee engagement; as organisational processes increase, so too will engagement. This illustrates that both predictor variables have an impact on employee engagement but, of the two variables organisational processes has a greater impact than LMX. However, when comparing the correlations between the predictor variables and the dependent variable, it is evident that the organisational processes construct has a higher correlation (.707) with engagement than LMX (.672) has with engagement. This proves that organisational processes have a higher association and measure of strength with engagement than LMX does.

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5.11 Coefficients

Table 12 Coefficients

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99,0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	1.383	.193		7.149	.000	.878	1.888					
LMX	.296	.067	.313	4.429	.000	.122	.470	.646	.337	.236	.569	1.756
Org Pro	.425	.059	.507	7.170	.000	.270	.580	.713	.501	.383	.569	1.756

a. Dependent Variable: Engagement

B value indicates a value of .296 for LMX and a value of .425 for organisational processes. This means that for a unit increase in LMX, employee engagement will increase by .296. By analysing the lower and upper bound intervals for B, it has been established at a 99% confidence interval that a unit increase in LMX will result in an increase in employee engagement between .122 and .470. This also means that for a unit increase in organisation processes, employee engagement will increase by .425. And again, by analysing the lower and upper bound intervals for B, it has been established at a 99% confidence interval that a unit increase in organisational processes will result in an increase in employee engagement between .270 and .580. From these results, it is evident that increases in organisational processes have a greater impact on employee engagement than increases in LMX have on the dependent variable.

The coefficient matrix shows that a unit increase in LMX will result in a positive increase in engagement of .296 and that engagement will increase by .425 for every unit increase in organisational processes. Put simply, as the perception of companies' organisational processes increases, so too will the respondents' level of engagement. For every 10% percent increase in the perception of organisational processes, the respondents' engagement level will increase by 4.25%. Furthermore, it can be stated at a 99% confidence that the increase in engagement will be between 2.7% and 5.8%.

CHAPTER 6 FINDINGS

This paper aimed at gaining insight into the drivers of employee engagement, which − for the purpose of this research − was defined as "an individual employee's cognitive, emotional and behavioural state, directed toward desired organisational outcomes" (Shuck, Reio, & Rocco, 2011). The antecedents of engagement, job fit, affective commitment and psychological climate were measured from a sample of 156 respondents and the result shows that the mean response for the level of engagement is a score of 3.87. This score supports Chalofsky's (2010) findings that most employees are only partially engaged. A mean score of 3.87 out of a theoretical optimal 5 implies that on average, employees are only 77.4% engaged in their current positions, although on the Likert scale, where a score of three was a neutral score, it indicates that the level of engagement is possibly far lower.

If one considers an organisation's human capital as an important component of their business, then the outcome of these analyses indicates that businesses are being harmed as results show that their employees are operating at lower than 78% engagement. As ascertained it is beneficial for companies to strive for full engagement and the 22% of non-engagement would have significant impacts on employee productivity, organisational citizenship behaviours and overall job performance. This finding, in conjunction, with already published findings into the level of engagement, supports the importance of this research and the need to improve understanding of what drives engagement and what can be done to increase the resultant productivity of fully engaged employees.

This research took the existing antecedents of engagement and separated the various constructs into factors that were influenced by direct management and factors that were influenced by the organisations' processes, procedures and structures. The construct of management was measured, using the existing theory of Leader Member Exchange (LMX), and organisational process was measured, using distributive justice, interactional justice and procedural justice. The aim of this

division was to determine if engagement is driven to a greater or lesser degree by management or organisational processes.

It is important to note that although the two predictor variables were separated, the constructs certainly interact with each other. In reality organisational processes cannot exist without management directing and controlling the processes and similarly management cannot exist without processes defining the scope and providing governance. The aim of this research was not to prove that one construct supersedes the other or that only one construct needs to be met to ensure engagement. On the contrary, this research aimed to look at the variables together, but to get an understanding as to which plays a bigger or lesser role in driving engagement. In so doing, it aimed at contributing to the existing knowledge of employee engagement. The results show that both constructs were significant when running both linear and multiple regression analysis, which rules out the possibility of either construct being a mediator or a moderator in driving engagement. Collectively, both independent variables explain almost 56% of the model − which is a large proportion of engagement.

The results of the survey show that the mean response for the LMX variable was 3.69 and the mean response for organisational processes was 3.29. This shows that respondents, on average, rated their relationship with their direct manager higher than their perceived relationship with the organisation. This does not imply that LMX is better at enabling engagement, but rather that organisational processes account for a greater variance in engagement levels. The mean engagement response of 3.87 is closer to the mean LMX responses, which shows that there is a greater variance between engagement and organisational processes than between engagement and LMX. This finding supports the findings of Timms (2012) who stated that "withdrawal of employees was a direct consequence of perceptions of loss of fair processes within the organisation" (Timms, Brough, & Graham, 2012).

However, based on the output, it is evident that organisational process is more highly correlated with engagement than LMX. This illustrates that organisational process has a better measure of the strength of the association and, therefore, the relationship between organisational processes and engagement is stronger than the relationship between LMX and engagement. The outcome of the correlation matrix supports Chernyak's (2014) view, who found that "employees are more likely to be dissatisfied and have higher turnover/exit intentions in an organisation that has a political environment where they perceive the distributive justice as low", indicating that the perceptions of the organisation are the greater predictor of engagement.

Analysis of the SPSS coefficients matrix indicate that the B-value for LMX is .296 and the B-value for organisational processes is .425. Both outputs are statistically significant at the 99% confidence interval. The lower bound value for LMX is .122 with the upper bound value being .470. Organisational processes have a lower bound value of .270 and an upper bound value of .580. From these outputs, it is evident that increases in organisational processes will yield a higher increase in engagement than an equal increase in LMX would yield, thus confirming Hypothesis 2: *Organisational processes have the greatest impact on driving employee engagement.*

From these findings, we can confirm that the structure, policies and processes of organisations are a better driver of employee engagement than management. This supports the findings of Mishra (2014) who stated that "an organisation's communication processes influence the degree to which employees trust their manager and the organisations top echelon as well as their commitment to the organisation".

These findings also support the findings of Timms (2012) that well-structured communication systems, workers' sense of control and the meaningfulness of work foster self-esteem and employee engagement. That the organisation is driving engagement was also identified by Chernyak (2014), who stated that "the

perceptions of the organisational climate influence employees' levels of stress, job satisfaction, commitment and performance, all of which have implications for overall organisational productivity" (Chernyak-Hai & Tziner, 2014). This was echoed by Lind (2009) who wrote that "overall perceptions regarding the fairness of the organisation should act as a shortcut to determine whether employees will demonstrate behaviours that will benefit the organisation" (Lind, Kray, & Thompson, 2001). The results from this sample support Sambrook's (2013) findings that, "engagement is constructed through key HR activities, including recruitment and selection, human resource development, reward and performance management" (Sambrook, Jones, & Doloriert, 2013), which illustrates how engagement is driven by organisational processes and structures. "Organisational policies, procedures, structures and systems decide the extent to which employees are engaged in an organisation" (Anitha, 2014). The author supported the finding of this research.

Analysing the responses to the dependent variable, it is apparent that question 6 "*I feel that I receive support and recognition for my work*" had the lowest mean responses of the six questions asked to establish the state of engagement, confirming Saks' (2006) finding that "perceived organisational support was the only significant predictor of both job and organisational engagement" (Saks, 2006). From these findings, it can be deduced that Shuck's (2011) antecedent psychological climate, which was defined as "the interpretation of an organisational environment in relation to an employee's perception of wellbeing" (Shuck, Reio, & Rocco, 2011), was the one antecedent of engagement that the sample of respondents rank the lowest. The antecedent of job fit has the highest mean response of 4.18, with most respondents in the sample feeling that their work is important and they know what is required of them. This provides interesting insight into how organisations are managing the known antecedents of engagement and indicates areas that can be improved to enable better engagement in the workplace.

Having established that the organisational processes variable has a greater impact on predicting engagement, this research will now look at the individual constructs within the variable and identify which of these have the greatest impact on engagement.

Of the seven questions in the survey aimed at identifying the respondent's perception of their organisational processes, three questions were identified as having the lowest mean score and consequently are three aspects that organisations can aim to improve when trying to drive employee engagement. The three lowest responses on average are given to question 18: "*All employees are treated fairly by the my company*" with a mean response of 3.02; this is followed by question 20: "*My company considers my input when making decisions*" with a mean response of 3.13; and question 14: "*My company distributes resources fairly*" that had a mean response of 3.21.

It is noteworthy that the three questions with the lowest mean responses are questions aimed at establishing the perception of organisational justice within the respondents' respective companies.

Question 18 relates directly to interactional justice: fairness of organisations' interpersonal relations and accessibility of equal opportunity (Chernyak-Hai & Tziner, 2014).

Question 20 relates directly to procedural fairness: fairness of organisational procedures and ways in which decisions are reached (Chernyak-Hai & Tziner, 2014).

Question 14 relates directly to distributive justice: fairness in resources and products allocation (Chernyak-Hai & Tziner, 2014)*.*

The three constructs collectively are a measure of organisational justice and the results of the responses confirm Johnson's (2009) finding that "organizational justice is one of the important influences over employee attitudes" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). Similarly, these results confirm Cherynak's (2014) finding that "when perceived distributive justice is high, there will be lower levels of counterproductive workplace behaviour" (Chernyak-Hai & Tziner, 2014). This is reinforced by Johnson (2009) who stated that "the perceived fairness of individual events, such as the fairness of decision-making procedures or fairness of rewards, help shape the perception regarding the overall fairness of the entity" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). The findings from this research indicate that of the elements identified within the construct of organisational processes, organisational justice has the largest impact on respondents' perception of the organisation and consequently the largest impact on respondents' level of engagement. This finding is important and adds to the existing research on employee engagement. From this research, there are three major factors that contribute to the knowledge around and the growing number of studies conducted on employee engagement.

Firstly, this research has provided insight into the mix or ratio required by organisations looking to enhance employee engagement. From this research our understanding of the components needed within the construct of the organisation and the construct of the organisation's managers, has been refined. This research has indicated that although processes play a greater role in driving engagement, it is the organisational climate created by the company that is either the greatest enabler or biggest hurdle of employee engagement. Furthermore, the role of managers − though less important in driving engagement − is highly significant and managers should focus not only on building interpersonal relationships but also on fairness within their organisations in order to drive employee engagement effectively.

The second contribution this research has made is that it has provided a diagnostic tool that can be used to predict the level of engagement within an organisation. This diagnostic tool can be used for analysing an organisation's ability to engage and can

predict if an organisation will be effective in creating an environment that enables employees to become and remain engaged. The proposed method of diagnosing an organisation would be to firstly analyse the respective company's distribute justice, procedural justice and interpersonal justice and establishing if these three components are good, moderate or poor. This provides a high level view of the organisation's processes that can then be plotted in relation to the strength of the respective organisation's managers. By executing such approach, a company would be able to predict the state of employee engagement within the organisation and identify if there is a need for improvement. Furthermore, this diagnostic tool would allow the company to be able to identify which of the components of organisational climate need to be addressed and/or if LMX needs to be addressed. The measurement of this diagnosis would be attained by conducting the survey used in this research and results could be plotted on the figure below to identify the organisation's engagement status.

Figure 1: Engagement assessment table
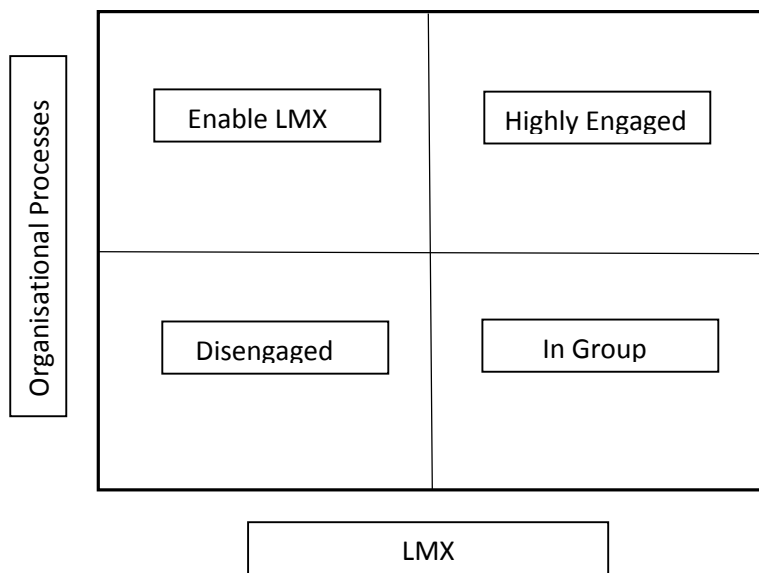
For the purpose of plotting responses on the box chart, it is proposed that only the questions for LMX and organisational processes be used. These questions should be recoded so that a "strongly disagree" response is assigned a value of -2, "disagree" responses assigned a value of -1, neutral responses a value of 0, "agree" responses a value of +1 and "strongly agree" responses a value of +2. The mean of the responses will then be multiplied by 1.425 for the organisational processes questions and 1.296 for the LMX questions. This is done to take into account the B-values ascertained in this report and to apply the weighting of the respective variables to the responses. The outputs are then plotted with the organisational processes responses being plotted on the Y axis and the LMX responses on the X axis. The centre lines in the box plot represent a 0 score. Responses will then fall into one of the four quadrants, with the resultant outputs defined below. Depending on the plotting of the responses, the organisation can then determine the state of engagement within its organisation

High LMX scores and high organisational process scores would predict high levels of engagement. Such responses would be plotted in the upper right corner of the box, indicating that the organisation is effective and driving employee engagement. A proposed label for respondents in this quadrant would be "highly engaged". It is desirable for organisations to have employees in this quadrant as these employees will display the outcomes of engagement as found by Harter (2002) namely, improved customer loyalty, increases in profitability, increases in productivity and reductions in employee turnover (Harter, Schmidt & Hayes, 2002).

High LMX scores, but low organisational process scores would yield an outcome falling in the lower right quadrant. This would indicate that although managers are effective, employee engagement will be compromised by a weak organisational climate. Consequently, managers will not be as effective as they could be at driving engagement. Organisations plotting in this quadrant should invest in the development of positive organisational climate policies and procedures to change this perception. The proposed label for this quadrant would be "in group" as, within the framework of LMX, these employees are likely to receive high quality LMX and

fall into what Zhiyu (2014) described as the in group (Zhiyu Feng, Liu, & Cheng, 2014). It is important to note is that only a number of employees will be "in group" the remainder will "out group" employees whose engagement will be compromised by their low quality LMX relationships with their supervisor. Having established that organisational processes are a better enabler of engagement, organisations with employees in this quadrant should aim to develop their processes to better enable engagement.

Low LMX scores with high organisational process scores would fall in the upper left quadrant. Processes are a better driver of engagement, so organisations in this quadrant would need to train and develop their management personnel to be more effective in managing the organisational climate. Employee's perceptions of the organisational climate influence the employee's levels of stress, job satisfaction, commitment and performance, which in turn has implications for overall organisational productivity (Chernyak-Hai & Tziner, 2014). However, the consequences of low quality LMX have been shown to negatively impact performance and therefore, organisations with employees in this quadrant should aim at creating a fair and supportive environment that enables managers to improve the quality of their relationships with employees. Therefore the proposed label for this quadrant would be "Enable LMX".

Low LMX scores with low organisational process scores would fall in the lower left corner and would predict that an organisation is highly ineffective at driving engagement and that productivity is being compromised seriously by low engagement levels. The label for employees in this quadrant is "disengaged" as it is highly probable that with both low perceptions of both LMX and the organisations processes the respondents would not be engaged. The solution to organisations in this quadrant would be to develop a positive organisational climate that enables engagement. This could be achieved by creating, as Timms (2012) identified, well-structured operational and communication systems which were found to increase workers sense of control, mastery and meaningfulness of their work and a feeling of belonging that boosted self-esteem" (Timms, Brough, & Graham, 2012).

The final finding of this research is that organisational processes have a greater impact on engagement than LMX. Within the construct of organisational processes, the organisational climate is the most important element for enabling engagement. By focusing on distributive justice, procedural justice and interpersonal justice organisations can create an environment that is perceived as being fair and that creates equal opportunity. Although LMX does impact engagement and the role of LMX deals with perceptions of fairness, the perception that an organisation's processes are fair has a greater impact on employee's engagement. It has been ascertained that engaged employees are more productive and are less likely to participate in counter productive workplace behaviour. By adding to our understanding of the drivers of engagement, the role that processes play in enabling engagement and components that respondents feel are weakest, this research has added to the current understandings of the antecedents of engagement.

From the survey responses, it is evident that the sample, on average, felt they did not receive the support and recognition for their work from either their managers or from the organisation. Furthermore, the perceptions pertaining to the organisational climate were, on average, the lowest. From these findings, it can be deduced that supportive organisational structures that recognise employees' activities are vital in driving engagement; these structures form part of the organisational climate, which is the major determining factor in driving employee engagement. The findings of this research are important as they contribute towards the existing understanding of employee engagement. Shuck (2011) ascertained that research supporting the importance of employee engagement is clear, yet, "practical and theoretical contributions about how to create employee engagement and the outcomes of doing so are remarkably underdeveloped" (Shuck, Reio & Rocco, 2011). Other researchers such as Johnson (2011) echo this statement "there are notable gaps in the literature and research, linking overall organisational fairness to work behaviours, is lacking" (Johnson, Truxillo, Erdogan, Bauer, & Hammer, 2009). Shuck also states that Human Resource Development professionals are increasingly being called upon to support the development of strategies that facilitate employee engagement in the

workplace, whilst Sambrook (2013) supports the need to further research in the field of employee engagement by stating that scholars have sought to develop new frameworks rather than testing existing frameworks (Sambrook, Jones & Doloriert, 2013). Rather than aiming to develop a new framework by which to identify employee engagement this research tested existing frameworks. Previous research had identified the need for organisational support and for quality management but, existing research had not separated the constructs of management and the organisations processes and tested to see which of the constructs was better at enabling the established antecedents of engagement. By separating the constructs and measuring them within established models, this research was able to identify that organisational processes are a better driver of engagement than LMX, in doing so this research has contributed to this growing field of study. The findings of this research contribute towards our understanding of how employee engagement can be created and, in doing so, has addresses some of the gaps in the literature regarding enabling employee engagement.

CHAPTER 7 LIMITATIONS AND FUTURE RESEARCH

This research set out to identify which of the constructs, organisational processes or LMX are better at driving employee engagement. From the analysis and the findings of this research, it is evident that organisational process is not only more highly correlated with engagement, but also has a higher b-value, which indicates that it increases engagement more than LMX. There are, however, certain limitations to this research that could be removed and analysed in future studies.

As the findings of this report indicate, organisational processes are a better predictor of engagement than LMX. The survey method used in this report measured the positive relationship between the respondents' level of engagement in relation to their perceptions of the organisation and their perceptions of their manager.

Future research should conduct a similar survey, but measure respondents' level of disengagement in relation to both variables by measuring the negative relationship between employee engagement and the two constructs identified in this research. Research of this nature would provide valuable insight into understanding if organisational processes or LMX have the potential to erode engagement. A finding from such research would be able to identify if once again organisational processes are the better determinant of engagement or, possibly, if management has a greater impact on disengagement.

A hypothetical finding in which organisational processes enable engagement, but management erodes engagement, would add tremendous insight into the current research in the field. Conversely, a finding where organisational processes are a stronger driver of disengagement would also add tremendous value to the understanding of how organisations can be more effective at driving employee engagement.

For the purpose of this research, comparing engagement levels among respondents from different organisations, geographical locations and skills levels was beyond the scope of this research; this research aimed at obtaining a general consensus amongst respondents and analysing the general perception.

Future research should test whether there is a difference in responses between organisations, for example would highly skilled knowledge workers have different perceptions about their organisation and its management to blue collar workers. This research could also compare engagement in mature organisations with robust structures and processes in relation to newer companies with processes that are still being developed. The finding from this research could further define the understanding of the role that organisational processes play in driving employee engagement.

In addition, a comparative study into engagement perceptions in a developed country in relation to the perceptions in a developing country could yield interesting and different results. This research had 156 responses from South Africa and 45 responses from the USA (that were discarded due to the scope of this research); by obtaining additional responses a researcher could conduct a comparison between the two countries and test whether perceptions differ across borders. This would provide insight into employee engagement across the globe and in so doing, identify if cultural aspects play a role in engagement.

This research only tested two independent variables; further research could also test whether additional constructs affect respondents' engagement. For example, the global economic climate has created an environment where it is more difficult to change jobs and employees are often stuck in their current positions without the freedom to change. This phenomenon means that there may well be a great deal of disengaged employees in organisations, who are not engaged because of the job fit of their current positions or the psychological climate, but are unable to find a more suitable role. This variable could not only be distorting engagement levels, but also

provides another measure from an economic perspective as to how the global recession is impacting productivity in the workplace. Additional variables could also be added to create a comprehensive understanding of the various constructs affecting engagement.

The findings of this research were that an assessment of the distributive justice, procedural justice and interpersonal justice, would provide a high level view of the perceptions of the organisation's processes. Consequently, it provides a snap shot of the respective company's ability to enable engagement. Future research should test the validity of the proposed diagnostic tool to see if it can be applied in organisations and test if it yields reliable results. If it proves to be valid, this will not only provide organisations with a fast, effective means of determining the state of engagement amongst its employees, but will also confirm the findings of this research.

This research measures two variables that have been determined to be drivers of engagement. There may be unknown variables omitted from this research that are not included and thus measured. Had they been included, these variables could have resulted in different outcomes or acted as mediators or moderators of the selected variables.

Conclusion

The aim of this research was to contribute to existing research on the antecedents of employee engagement. The proposed method was to conduct primary research into the perceptions of respondent's organisations and the perceptions of respondents' relationships with their direct manager. From the findings, it was discovered that the items identified within the construct of organisational processes had a greater impact on employee engagement. This finding has not only added to the understanding of the antecedents of employee engagement, but has also provided organisations with firstly, a means of measuring employee engagement and identifying the shortfalls, but secondly, identified which aspects can be improved to yield higher employee engagement and the resultant increases in productivity.

Of the various items measured, organisational climate had the lowest response scores, indicating that on average, employees feel that fairness in terms of the distribution of resources, interactions of employees and implementation of procedures has the biggest impact on the perceptions of the organisation. In so doing, this research has contributed to this growing field of study and has provided valuable data to enable organisations to be more effective at managing their human capital.

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APPENDIXES

Appendix a. Employee Engagement Survey

Dear Sir/Madam. I am conducting research on the role of management and organisational processes in driving employee engagement. I aim to do this by conducting primary research in the form of an employee survey.

My survey consists of 20 questions and is expected to take no longer than five minutes to complete. The aim of the survey is firstly, to understand the respondents' state of engagement and then to measure the relationship between the respondents and their managers and their company. Participation is voluntary and respondents can withdraw from the survey at any time without penalty. Of course, all data will be kept confidential and respondents will be kept anonymous.

The contents of the survey may be made publicly available, in the form of an MBA thesis.

If you have any concerns, please contact me or my supervisor. Our details are provided below.

Researcher: Duncan Carter-Brown

Telephone: 083 304 4096

Email: dcarterbrown@gmail.com

Research Supervisor: Albert Wocke

Email: wockea@gibs.co.za

Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _31/07/2015_____

Employee Engagement Survey

Company Name	
Position	
Gender	
Age	

1. My personality and beliefs are suited to my current job

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

2. My work is important and I understand what is required of me

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

3. I feel that by working for my company I am part of something

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

4. I have the freedom to express myself at work

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

5. I feel that I contribute towards the company goals

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

6. I feel that I receive support and recognition for my work

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

7. My direct manager provides me with the information I need to do my job effectively

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

8. My direct manager trusts me in my current position

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

9. My direct manager gives me the support that I need to be effective

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

10. My direct manager acknowledges and rewards my work

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

11. I am loyal towards my direct manager

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

12. I feel that my manager respects me

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

13. I enjoy interacting with my direct manager

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

14. My company distributes resources fairly across the organisation

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

15. My company gives me the tools that I need to do my job effectively

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

16. My company has fair procedures

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

17. I have equal opportunities to do well at my company

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

18. All employees are treated fairly by the company

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

19. My company gives me accurate information

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

20. My company considers my input when making decisions.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

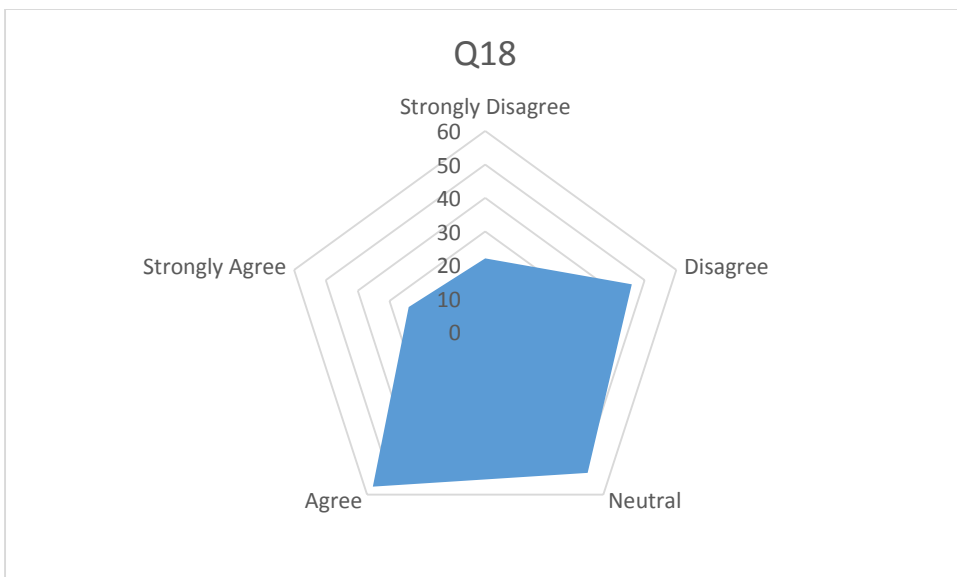## Appendix b. Survey Responses Radar Graphs

Engagement Responses.
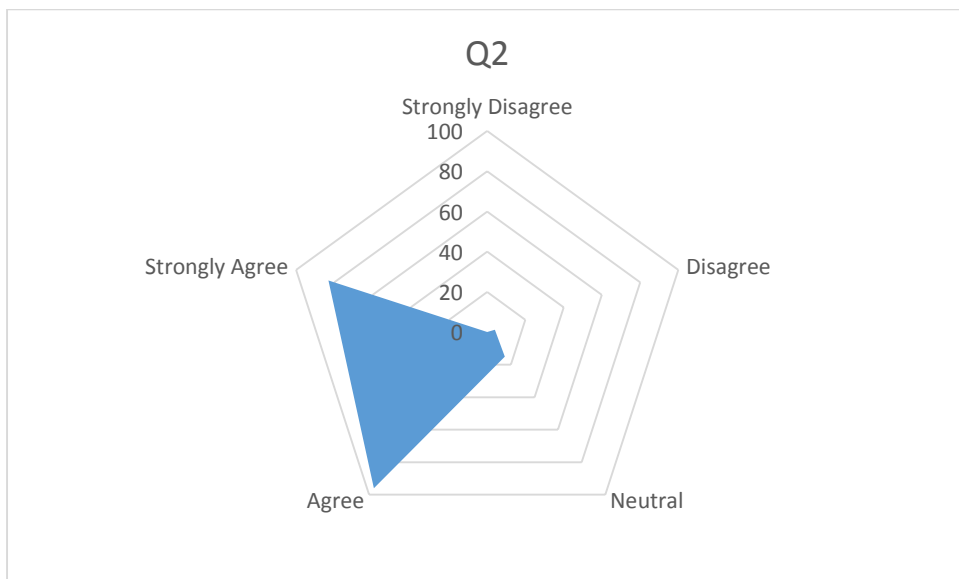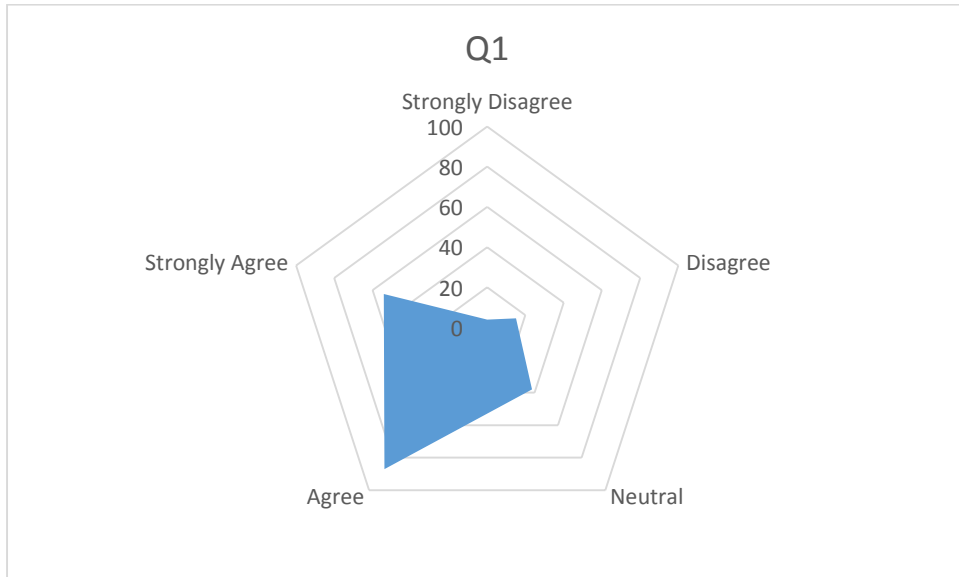
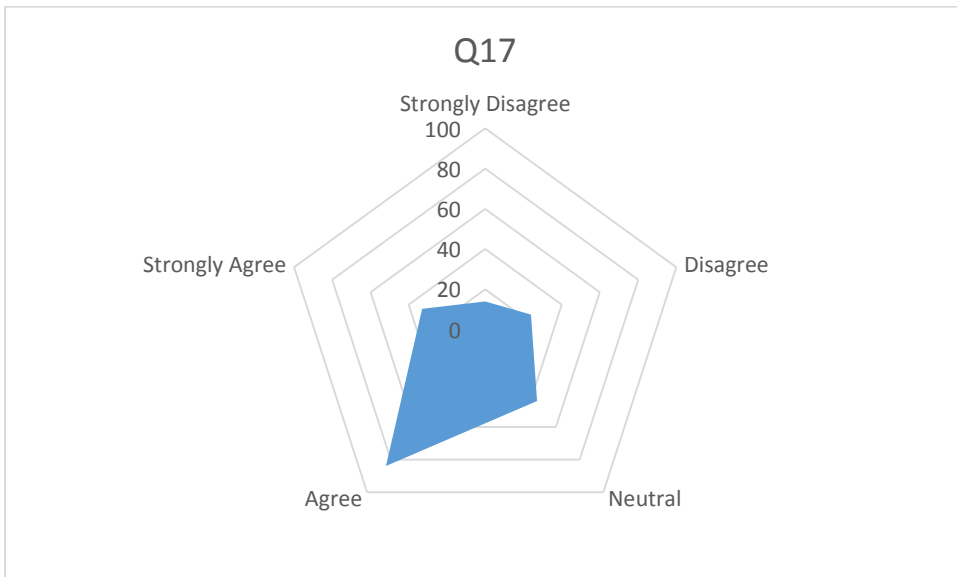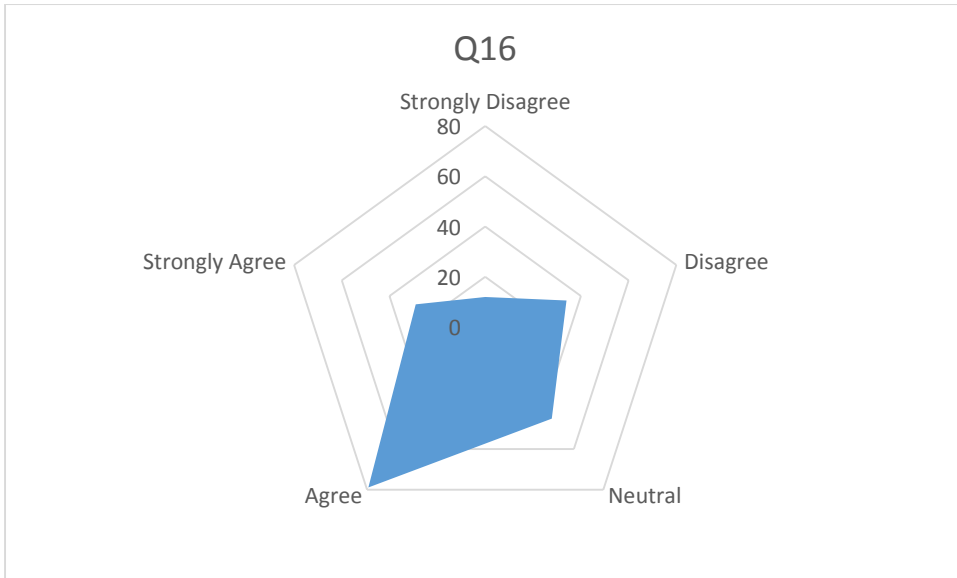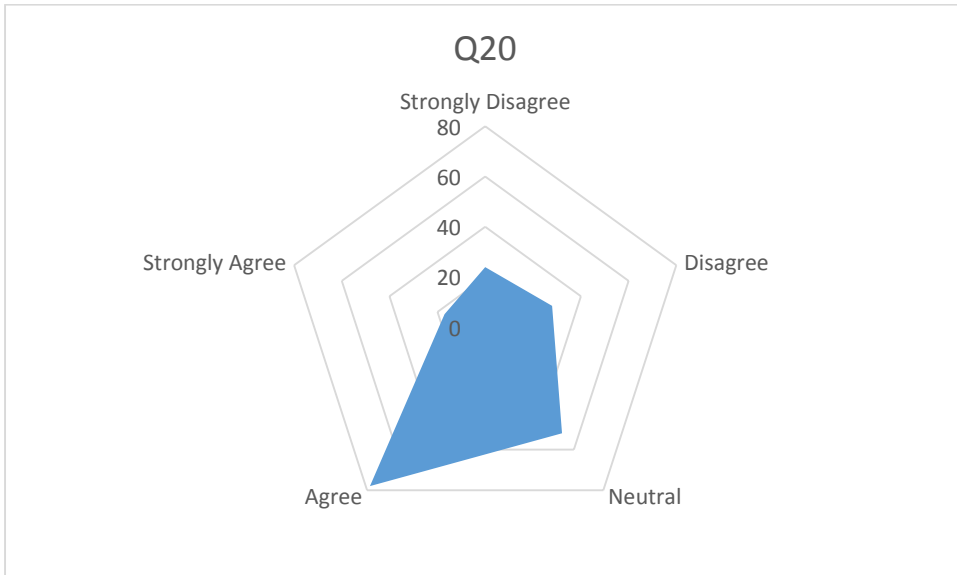The impact of management and organisational processes on employee engagement
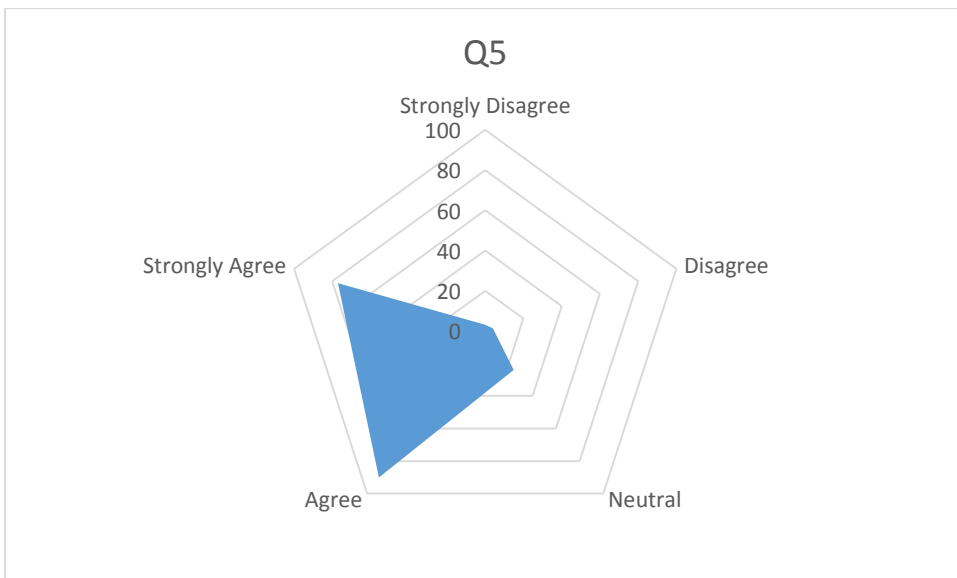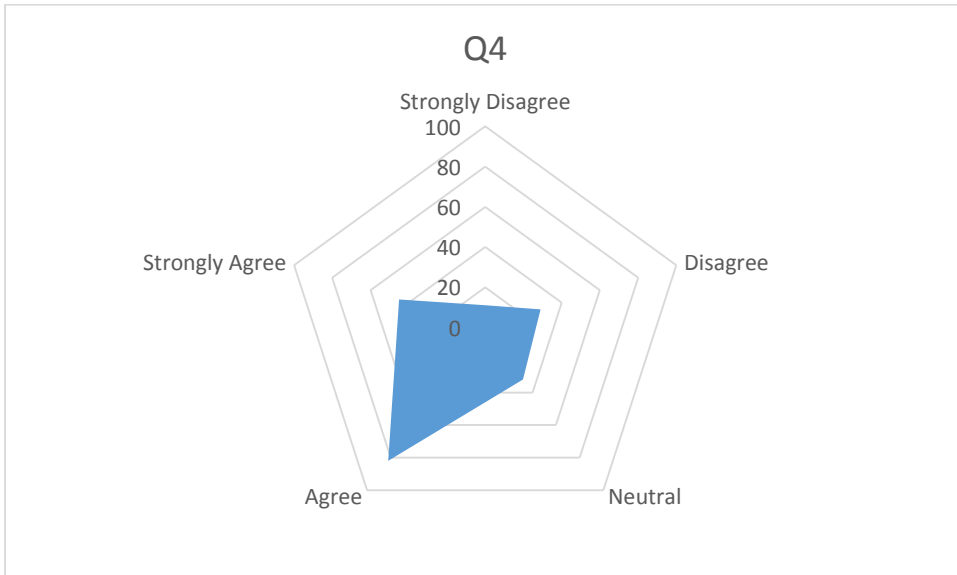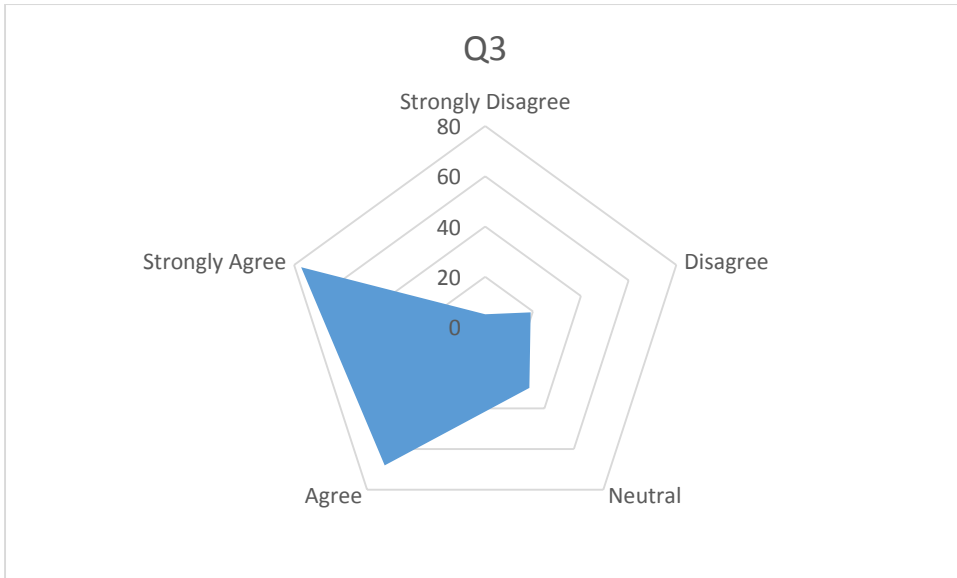
Q3

Q4

Q5

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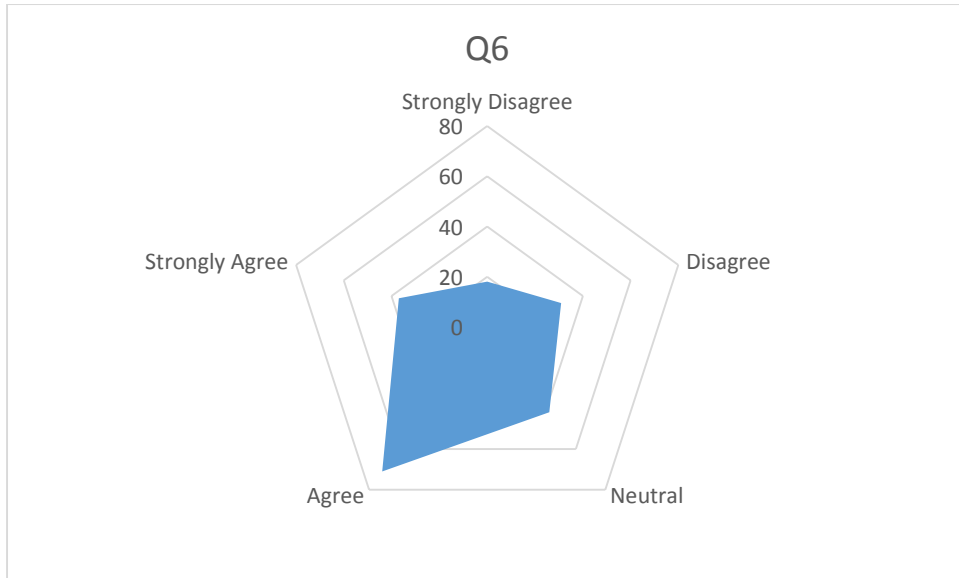
Leader Member Exchange Responses

Q7

The impact of management and organisational processes on employee engagement

Q8

Q9

Q10

Q11

Q12

Q13

Organisational Processes Responses

Q14

Q15

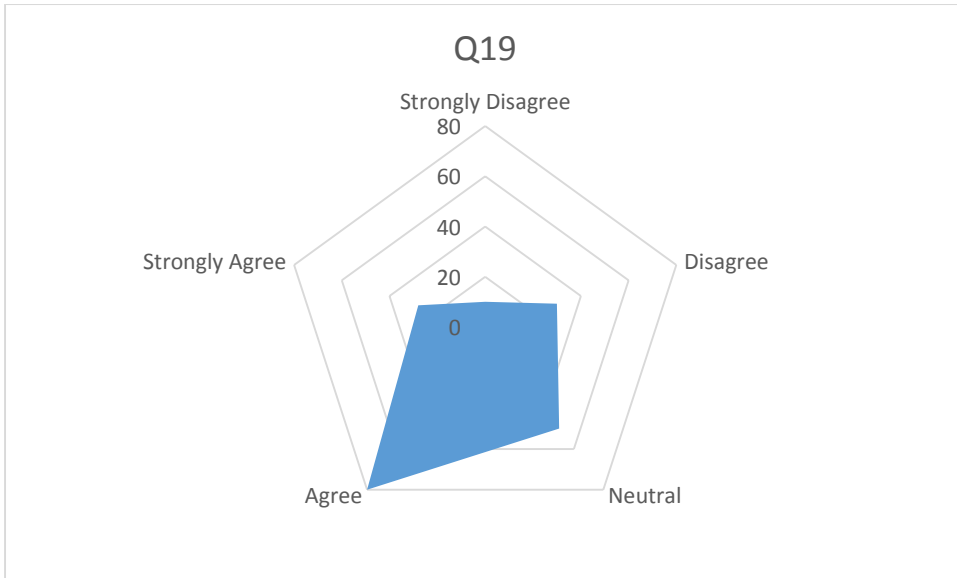The impact of management and organisational processes on employee engagement

Q16

Q17

Q18

The impact of management and organisational processes on employee engagement

Q19

Q20
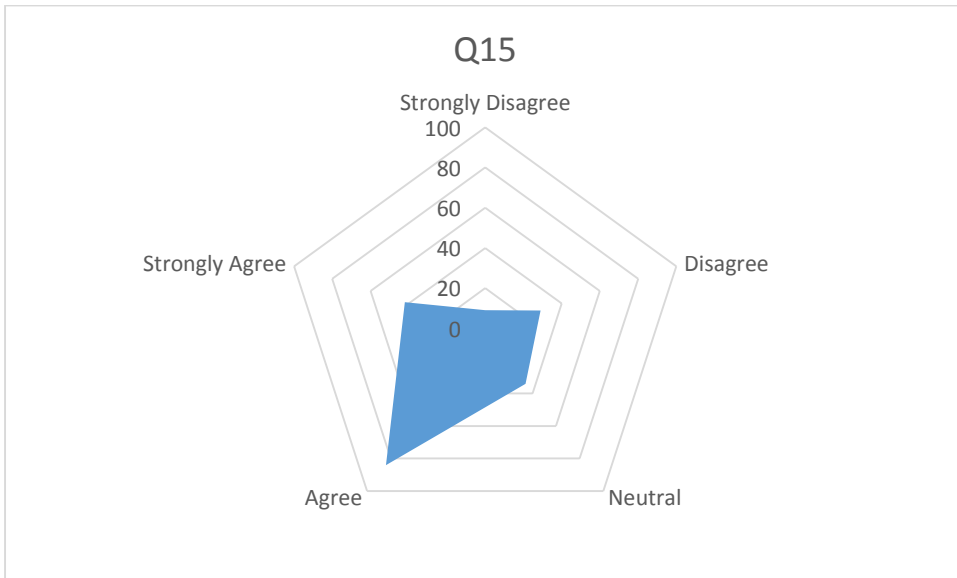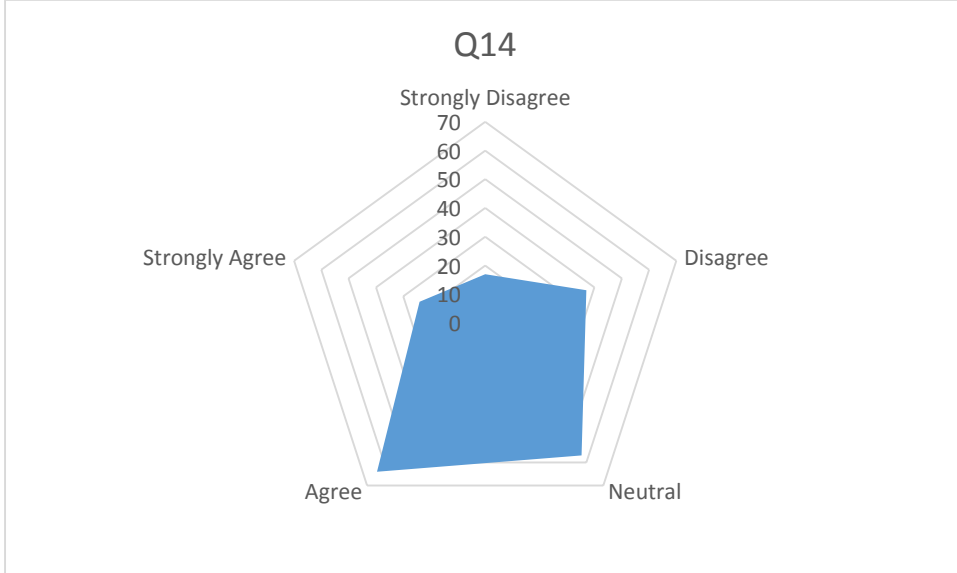
Appendix c. Ethical Clearance Letter

Gordon Institute
of Business Science
University of Pretoria

Dear Duncan Carter-Brown

Protocol Number: **Temp2015-01679**

Title: **The Role of Management and Organisational Processes in Driving Employee Engagement**

Please be advised that your application for Ethical Clearance has been APPROVED.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards,

Adele Bekker

Appendix d. Turnitin Originality Report