EMPLOYEE ENGAGEMENT
in a South African context

A scientific approach to context-specific measurement

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Chapter 2

Engagement and strategy

by Hester Nienaber

INTRODUCTION

Employee engagement is important because of its significance in shaping competitiveness, in particular competitive advantage. By now it is accepted that competitive advantage ensures enhanced organisational performance. Hence engagement has received heightened attention recently from both practitioners and academics evidenced in the works of authors such as the CIPD, Fearon, McLaughlin and Morris, Harter, Schmidt and Hayes and Schaufeli and Salanova. Academic researchers from a variety of disciplines, including strategy, strategic HR management, human capital and talent management, agree that competitive advantage is the hallmark of a rigorous strategy.

Strategy, according to the founding fathers of the field like Andrews, Ansoff and Drucker, is the tool organisations use to achieve their goals. Contemporary authors like Nilsson and Elström and Ployhart et al. concur with this view of strategy. Moreover, they are unanimous that strategy is the responsibility of the CEO. In addition, they all agree that the ultimate goal of an organisation is long-term survival and growth, otherwise known as sustainability. Moreover, they are of the view that goal achievement reflects organisational performance. In this regard, a number of academic and practitioner researchers have observed that organisational performance can be improved, which is a reflection on the CEO. These researchers include Aguinis, Mankins and Steele and Mintzberg, to mention a few. This observation is also true for South African organisations, as observed by Van der Merwe and Nienaber. The main reason advanced for improving organisational performance stems from strategy implementation failure owing to a lack of resources, in particular employees with the requisite knowledge and skills, or “human capital”. Hence, engagement is a topic deserving of attention, especially that of the CEO. In illuminating engagement and strategy this chapter draws on theoretical frameworks, specifically the philosophy of management, human capital theory, organisational theory and organisational behaviour.

ENGAGEMENT

Since Kahn first conceptualised engagement, progress has been made in studying this construct. Nevertheless, authors are not unanimous: some, like Bakker, Albrecht and Leiter, question the scientific merit of engagement, while Guest doubts whether it is built on a sound theoretical base but is merely a passing management fad like many
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others. One can understand these concerns given the variety of conceptualisations of engagement that appear in both practitioner and academic texts. These conceptualisations result in different definitions and thus in a range of measuring instruments, the validity of some of which can be improved according to Klassen et al. and Viljevac et al. After all, engagement, like any other construct, needs to be measured by a rigorous (reliable and valid) scale, as pointed out by scale gurus Aguinis and Edwards, which will result in outcomes that are useful for managers intending to take action aimed at bringing about change and thus improvement.

Engagement is conceptualised at different organisational levels, that is, the individual, team/unit and organisational levels. The most commonly used conceptualisation is at the individual level, according to a study by Attridge. Saks points out that these conceptualisations of engagement represent different types of engagement. Nevertheless, authors’ conceptualisation of engagement, whether at the individual or organisational levels, differs.

Engagement at individual level

The two most commonly used conceptualisations of engagement, at the individual level, are those of Kahn and Schaufeli, Salanova, González-Romá and Bakker. Although these conceptualisations are comparable, they differ in some respects. Kahn indicates that his work expands on the work of Goffman, which according to Schaufeli et al. forms part of role theory. Kahn’s concept of engagement reflects a more or less enduring state of psychological presence focusing on how the individual occupies the organisational role as organisational member and brings more or less of the self to the role. Accordingly, Kahn describes engagement as the “harnessing of the organisation members’ selves to their work roles; engaged people employ and express themselves physically, cognitively, and emotionally during role performances.” In explaining personal engagement Kahn refers to various authors and deems personal engagement to underlie effort, involvement, flow, mindfulness and intrinsic motivation. Kahn maintains that to express one’s preferred psychological conditions is to display real identity, thoughts and feelings. Further cites authors who assert that self-expression underlies creativity, the use of personal voice, emotional expression, authenticity, nondefensive communication, playfulness and ethical behaviour. Kahn’s description shows that his conception of engagement is related to, if not intertwined with, a number of human resources concepts.

Kahn’s description of engagement is typically interpreted to mean that engaged people are psychologically present when occupying and performing an organisational role, as a member of the organisation. Moreover, Kahn indicates that he supports the view of Oldham and Hackman that the psychological experience of work drives people’s attitudes and behaviours, and the view of Alderfer that individual, inter-personal, group,
inter-group and organisational factors simultaneously influence these experiences. This explanation shows that the individual employee, in discharging his or her duties, does not operate in a vacuum, but is immersed in the context of the employer organisation. This resonates with the view of Ployhart et al., and Shantz and Alfes, which is important for modern-day organisational managers, especially the CEO.

In addition, Kahn found that there were three psychological conditions associated with engagement or disengagement at work, namely meaningfulness (which is associated with work elements creating incentives or disincentives to engage), safety (which is associated with elements of social systems creating more or less non-threatening conditions to engage) and availability (which is associated with individual distractions that preoccupy people to various degrees and leave them with more or fewer resources with which to engage in role performance). Kahn found that employees were more engaged at work in situations that offered them more psychological meaningfulness and psychological safety and when they were more psychologically available. This observation was empirically tested by May, Gilson and Harter, who found that meaningfulness, safety and availability were, indeed, significantly related to engagement. Moreover, employees choose to engage themselves to varying degrees depending on their experience of meaningfulness, safety and their psychological availability. This account of engagement shows that it can be explained by Social Exchange Theory, that is, employees negotiate exchanges with the organisation in which the actions of one party evoke reciprocation by the other, as explained by Blau. It is important for all to take note of this, especially managers.

Rothbard studied engagement in multiple roles (work and family) and the effects (enrichment and depletion) of engaging in multiple roles. Rothbard points out that attention and absorption are critical elements of engagement, which she deems part of Kahn’s conceptualisation of engagement. According to Rothbard, attention is “cognitive availability and the amount of time one spends thinking about a role”. Absorption means “being engrossed in a role and refers to the intensity of one’s focus on a role and conveys a sense of intensity of concentration ... which may be positive or negative”. Rothbard contends that attention and absorption are related, but distinct, motivational constructs to act. Rothbard’s conceptualisation of role engagement focuses on the emotional responses of people to role engagement and how these emotional responses in one role affect engagement in another role. This brief description shows that Rothbard’s and Kahn’s conceptualisations of engagement correspond regarding the cognitive and emotional dimensions.

The engagement research of Schaufeli et al. takes a different trajectory to that of Kahn. They conceptualise engagement as being the opposite of burnout, and associated with wellbeing. Wellbeing is a major concern for most contemporary businesses in view of the increase in occupational diseases like stress and depression, as reported
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by researchers like Brough, Dollard and Tuckey,76 Kayastha, Murthy and Adhikary71 and Beehr and Newman.72 Schaufeli et al. define engagement as "a positive, fulfilling, work-related state of mind that is characterised by vigour, dedication, and absorption, which is a more persistent and pervasive affective-cognitive state (than a fleeting and specific state that is not focused on any particular object, event, individual, or behaviour)."73 They describe vigour as characterised by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties. According to Schaufeli et al., dedication is being intensely involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride and challenge.74 Absorption, according to the authors, is characterised by being fully concentrated and happily captivated in one's work, whereby time passes quickly and one has difficulty detaching oneself from work.75

Kahn76 and Schaufeli et al.77 seemingly use different theories (role theory, social exchange theory, motivational theory) versus wellbeing and labels (psychological presence versus state of mind) to explain engagement. However, these conceptualisations are similar in that they hold that engagement, a distinct construct, is more or less persistent and refers to a work role occupied by a member of an organisation. Moreover, on closer examination more similarities emerge: both conceptualisations involve energy, cognition and emotion and are thus multi-dimensional in nature; and both can be explained by motivational theories.

Engagement at the organisational level

Given that engagement is associated with an individual occupying a work role in an organisation and that individual, interpersonal, group, intergroup and organisational factors simultaneously influence engagement, some authors portray engagement at the team and/or departmental level (as pointed out by researchers like Fearon et al.,78 Harter et al.,77 Macey and Schneider79 and Saks,31) and others, like Dyer82 and Nienaber and Martins,83 at the organisational level. It is reasoned that because engagement relates to a work role, it cannot be detached from the organisation, as work is designed to achieve organisational goals, and thus performance. In addition it is maintained that engagement at the organisational level of measurement includes aspects of engagement that cannot be captured by (merely) aggregating individual or unit measures (for a comprehensive discussion on this topic see Harter et al., 2002; Saks, 2006; Pugh & Dietz, 2008; Fearon et al., 2013).

An organisation, to briefly recap, is an entity enabling society to pursue purposes or accomplishments that cannot be achieved by individuals acting alone, according to Greenwald84, Griseri85 and Ployhart et al.86 Organisations thus provide formal frameworks for focusing the collective efforts of individuals on common, identifiable goals, which represent a relatively long-term state and if achieved would contribute to fulfilling the
organisation’s purpose as reflected in its mission. According to Drucker (1954), the purpose of an organisation is to deliver products and/or services that are needed and wanted by its customers, provide employment and contribute to wealth creation, which is a broader concept than profit maximisation and involves more stakeholders than merely shareholders, as pointed out by Goldman, Nienaber and Pretorius. Engagement at the individual level, as described by Kahn and Schaufeli et al., recognises the organisational context. Moreover, meaningfulness as described by Kahn and significance as described by Schaufeli et al. suggest that organisation members must have a sense of their contribution to organisational goal achievement, which is supported by the research of Fearon et al. However, they go further and point out that individuals will disengage if they feel that they and/or their actions do not contribute to (organisational) goal achievement. This observation resonates with that of Shantz and Alfes.

Goal achievement is facilitated by line managers, the link between the organisation and its employees. By virtue of their position in the organisation line managers play a central role in goal achievement and thus engagement. The importance of line managers is captured in the adage “people join organisations, but leave their bosses”. Interactions between line managers and individual employees are critical and need to be congruent with the values of the organisation, as pointed out by both academic and practitioner researchers like CIPD, Fearon et al. and Ployhart et al. to support engagement. According to the CIPD and Shantz and Alfes, a range of issues is directly affected by the line manager that empower or frustrate employees in carrying out their work to achieve organisational goals. Hence, it is important that line managers are mindful of how they treat employees, especially with fairness and respect; provide autonomy to employees; pay attention to the quality of communication with employees, including clarifying expectations; and attend to teamwork and employee learning and development to ensure that employees are empowered rather than controlled so that they perform their duties in striving to reach organisational goals. If this is done employees experience a sense of appreciation and respect, which is reinforced by line managers who listen to the employees; that is, actively seeking and implementing their views, showing them that their opinions count and make a difference. Likewise, behaviour throughout the organisation that is consistent with its stated values leads to trust and a sense of integrity. In that way the line manager demonstrates that he or she is a committed human agent, and improves the likelihood of stimulating beneficial reciprocal exchanges from employees. Hence, the CIPD (2014) advises that it is imperative that senior management capitalise on this valuable contribution of line managers, rather than bypassing them.

In summary, engagement at the organisation level acknowledges that employees perform a role as organisational members, and thus in the context of the organisation. Engagement at the organisational level endeavours to account for the dynamics at that level. Moreover, meaningfulness and significance are related to the perceptions and experiences of employees as to whether they contribute to the purpose of the
organisation in discharging their duties. Organisational members' interactions influence
their experiences and perceptions of work, which drive their attitudes and behaviours.
Consequently, these interactions should be congruent with organisational values; this
fosters trust. The line manager plays a critical role in influencing an individual employee's
choice to engage or disengage. Hence, top management should include line managers in
efforts to make the most of their valuable contribution in securing organisational
performance.

Synthesis of engagement

Given that engagement is a latent construct, it stands to reason that indicators must
be used to identify it. In view of the multi-dimensional and multi-disciplinary nature
of the construct, which makes it complex, it is reasonable that different researchers
will conceptualise it differently. Hence, diverse indicators will be used to identify,
measure and leverage engagement. Likewise, the nature of the construct also makes
measuring difficult, as multi-dimensional constructs generally fail to establish construct
validity. Moreover, the explanation of such a complex construct might benefit from
using a variety of theories, instead of relying on a single theory – the general, current
practice. Nevertheless, a significant observation is that managers and especially CEOs should
heed is that employees choose the degree to which they engage, based on, inter alia,
relationships in the workplace. Managers, especially line managers, with the support of
top management, can create an environment in which engagement can be leveraged.

FROM ENGAGEMENT TO STRATEGY

Strategy has been described as a “potentially powerful tool to cope with change, but a
somewhat elusive concept” by Ansoff and McDonnell,\textsuperscript{102} which captures the essence of
strategy. More recently, strategy has been defined as “a field that deals with the major
intended and emergent initiatives taken by general managers on behalf of owners,
involving the utilisation of resources to enhance the performance of organisations in
their external environment with a view to financial gain” after extensive research by
Nag, Hambrick and Chen\textsuperscript{103} involving both practitioners and academics. This definition
is consistent with the view that strategy is the tool management uses to achieve
organisational goals and thus secure organisational performance, as mentioned in the
introduction. Consequently, Jarzabkowski and Spee advise that organisational members,
regardless of their position in the organisation, do strategy in discharging their duties in
pursuing organisational goals.\textsuperscript{104} Hence, it stands to reason that should any task or activity
not contribute to goal achievement, it should not be done and should be removed from
the agenda. Because employees have a stake in organisational goal achievement, and
they think about their work and how it contributes to goal achievement as pointed out
by Griseri,\textsuperscript{105} they are stakeholders in strategy. Hence, their voice should be sought and
heard in connection with strategy shaping.
Competitive advantage

Strategy, to be effective, should be based on “competitive advantage” according to Porter. Competitive advantage essentially means that the organisation does something better than the competition in attracting customers on the basis of value offered based on resources at its disposal. Resources should be combined to leverage their benefit to the organisation, as described by researchers like Barney, Huselid, Ployhart et al., Shantz and Altes, and Sirmon, Hitt, Ireland and Gilbert. Hence, competitive advantage should be embedded in the organisation to be persistent. Competitive advantage is linked to the resourced-based view of the firm, and has been described by Barney (1991), in terms of the characteristics of resources, namely valuable, rare, inimitable and nonsubstitutable. Barney explains that resources can be valuable only to the degree that they enable an organisation to conceive of or implement strategies that improve its effectiveness and efficiency. Resources are rare when they are not abundantly available to competitors to implement a value-creating strategy. Valuable and rare resources can only create and sustain a competitive advantage if they cannot be obtained by competitors and thus are imperfectly inimitable. Nonsubstitutability means that there must be no strategically equivalent valuable resources that are themselves either not rare or inimitable. In addition, the role of line managers and nonstrategic human capital resources (critical for delivering performance leading to competitive parity, but not competitive advantage), who constitute a significantly large number of employees, are also acknowledged in the literature by authors like Ployhart et al.

Furthermore, competitive advantage consists of three interrelated dimensions, namely a) the arena where the organisation chooses to compete, b) customer value (customer capital) and c) access to the required resources, including HR, processes, systems, information and assets (structural capital) to provide customer value in the chosen arenas, as explained by Nienaber, Cant and Strydom and Ordóñez de Pablo and Lytras. These dimensions of competitive advantage underscore the description of competitive advantage offered by Barney. Of these dimensions, resources, processes, systems, information and assets are entrenched in the organisation and are thus potentially persistent; they are the most important of these dimensions for providing customer value in a chosen arena. All resources, HR, whatever guise it takes, is among the most important in shaping a competitive advantage.

Human Resources as a dimension of competitive advantage

The importance of HR or employees in organisational performance has been advocated since early writing on management by, specifically, Robert Owen, the father of personnel management. Employees are valuable because of the knowledge, skills, experience, attitudes and behaviour (competence) they bring to the workplace, which influence their interactions in the workplace. Authors in management, strategic management,
human capital and HR management, such as Bartlett and Ghoshal,119 Campbell et al.,120 and Lewis121 and Lockwood,122 all point out that competence may change due to changes in the workplace and/or environment and thus impact the competitive advantage of the organisation.

Despite the fact that organisations agree that having the right competence available is a priority, they acknowledge that their efforts, whether to recruit, develop or retain competence, fail: this is highlighted by Beechler and Woodward,123 Farndale, Scullion and Sparrow,124 Schuler, Jackson and Tanque125 and Vaiman, Scullion and Collings, among others.126 What is more, most contemporary organisations fail to deploy and coordinate their available competence (HR) optimally, as mentioned by Campbell et al.,127 which adversely affects competitive advantage. Many reasons are advanced for the unavailability of the required competence to secure a competitive advantage, including skills shortages, notably leadership and management skills, by both practitioners and academics like the CIPD,128 Farndale et al.,129 Halogen,130 Nilsson and Ellström,131 Schuler et al.,132 and Vaiman et al.133

The unavailability of (human) resources is compounded by globalisation, the war for talent and the mobility of HR. The mobility of HR is fuelled by economic, family and career reasons, especially better remuneration, enhanced work–life balance and improved career development, as concluded by Carr, Inkson and Thorn134 and Holtom et al.135 In addition, Beechler and Woodward136 warn that demographic changes create scarcity, which intensifies the challenge to secure available HR. These include the ageing Baby Boomer generation who are retiring, leaving a knowledge void in the workplace. Moreover, the younger generations have unique characteristics, which differ in many respects from the older generations.

The most important characteristic of the younger generations is that they are not loyal to an employer, but are instead committed to developing their skills. Thus, they value skills development and productivity, work–life balance, flexible time and competence, especially by management, according to Buahene and Kovary.137 This observation is supported by Moss,138 who found that the different generations view organisational culture differently, leading to the formation of subcultures that result in different expectations and needs. These issues are important in creating and sustaining a competitive advantage, which should be noted by managers at all hierarchical levels of the organisation.

Some human capital researchers, like Becker139 and Campbell et al.,140 argue that HR can only contribute to competitive advantage if an isolating mechanism stops employees from taking their valuable competence to rival organisations. This view is consistent with the view that talent is generic in the sense that competence embodied in an individual has broader applicability than in the incumbent firm, as discussed by Nilsson.
and Eliasson and Plant. However, the supply of competence should be accompanied by employees' willingness to dispense their competence as advocated by Huselid and Campbell et al., while the organisation must be willing to afford the employees the opportunity to do so. Dispensing competence is influenced in large part by the employees' level of engagement, which in turn influences creating a competitive advantage to secure organisational performance.

**Strategy failure**

Given that employees do strategy, as advocated by Ibarra and Spec, and the associated challenges in securing employees with the right competence, it is not surprising that authors like Aguinis observe that organisational performance can be improved. This statement is based on the gap between planned and realised performance, as observed by a host of practitioner and academic strategy researchers like Alexander, Cocks, Mankins and Steele, Mintzberg, Porter, Robert, Sandy, Schaap and Van der Merwe and Nienaber. These authors advance a range of reasons for the performance gap, but they are not in agreement, except on the overall fact that strategy implementation fails.

The reasons advanced for the performance gap include the strategy itself, for example:

- The strategy is not well-formulated and/or approved and/or communicated to organisational members, resulting in a shared understanding, and/or all relevant stakeholders were not involved in the strategy-shaping process.
- There is a lack of resources, whether HR (in terms of numbers and competence), funding, time, structure, systems, information or procedures, which is not conducive to strategy implementation.
- Rewards/recognition and penalties are ineffective in facilitating strategy implementation.
- Critical issues were unidentified while unanticipated problems are encountered during implementation, including market reaction arising from the external environment specifically from customers and/or competitors or economic, political and legal factors.
- There is a lack of knowledge of business and industry.
- There are implementation difficulties, including ineffective coordination of implementation activities, unclear responsibilities and priorities and a focus on short-term profits alone.
- There is inadequate monitoring and poor leadership, especially down the line, denoting the complexity of strategy.

In examining the range of reasons offered for the strategy implementation breakdown presented by the researchers, whether from a practical or academic perspective, they
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can be grouped into resources, mainly HR, leadership (at all hierarchical levels of the organisation) and employees; and, in particular, a dearth of competence. Resources are at the core of the strategy definition put forward by Nag, Hambrick and Chen\textsuperscript{146} and it is thus surprising to find that a lack of resources is fundamental to the failure of strategy, which presents an anomaly. Moreover, it is odd given the publicity for the importance of “talent” and the amount of attention devoted to assisting CEOs especially to correct the situation.

ENGAGEMENT AND STRATEGY IMPLEMENTATION IN SOUTH AFRICA

The South African situation seems to be no different to the picture painted in the preceding paragraphs. According to the South African engagement survey results of Martins and Nienaber,\textsuperscript{137} the engagement facets of “line manager” (at the team level of engagement) and “strategy and implementation” (at the organisational level of engagement) ranked the lowest among the engagement dimensions, as reflected in table 2.1.

Table 2.1: Engagement survey scores\textsuperscript{137}

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>2014</th>
<th></th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March</td>
<td>December</td>
<td>September</td>
</tr>
<tr>
<td>Team</td>
<td>4.00</td>
<td>4.05</td>
<td>4.05</td>
</tr>
<tr>
<td>Organisational satisfaction</td>
<td>3.74</td>
<td>3.76</td>
<td>3.80</td>
</tr>
<tr>
<td>Customer service</td>
<td>3.68</td>
<td>3.72</td>
<td>3.72</td>
</tr>
<tr>
<td>Organisational commitment</td>
<td>3.67</td>
<td>3.70</td>
<td>3.73</td>
</tr>
<tr>
<td>Immediate manager</td>
<td>3.48</td>
<td>3.54</td>
<td>3.58</td>
</tr>
<tr>
<td>Strategy and implementation</td>
<td>3.33</td>
<td>3.38</td>
<td>3.40</td>
</tr>
<tr>
<td>OVERALL</td>
<td>3.66</td>
<td>3.70</td>
<td>3.73</td>
</tr>
</tbody>
</table>

According to the information in table 2.1, engagement declined slightly between August and December 2014 and increased between December 2014 and September 2015. The dimension “strategy and implementation” ranked the lowest of all dimensions, followed by “immediate manager”. As can be expected the six lowest-ranked statements were from these two dimensions of engagement. These statements are highlighted next.

The six lowest-ranked statements in the 2014 and 2015 surveys

The six lowest-ranked statements in the 2014 and 2015 engagement surveys are:
• Risk-taking is encouraged in the organisation.
• I am satisfied with the way that my work performance is evaluated.
• The way we do things around here encourages high performance.
• My immediate manager gives me regular feedback that helps me to improve my performance.
• In my organisation individual employees are involved in implementing the strategy of the organisation.
• The organisation has a stimulating environment.

These statements are congruent with the reasons why strategy fails, as discussed in a previous paragraph, resulting in a performance gap. This information points to the employees’ habit of thinking about their job in terms of its significance and meaning and that they need a measure of job control—what skills to use and autonomy in decision-making—to ensure the success of the organisation.

In considering the statements that were ranked unfavourably, it is clear that management and leadership can take action to correct the situation. This is addressed in the next section.

**MANAGEMENT ACTION TO IMPROVE ENGAGEMENT AND STRATEGY IMPLIMENTATION**

Organisational performance drives sustainability. Hence leadership and management, especially the CEO, should take action to leverage engagement to enhance strategy implementation. This can be achieved by firstly re-examining the purpose and long-term goals of the organisation, as the customers pay for everything. Establishing a shared purpose, with which employees connect emotionally, is paramount. Hence, the inputs of employees are crucial. Also, visibly aligning jobs to organisational goals is necessary for employees to see how their targets support organisational goals. At the same time priorities should be clear and supported by systems and processes. Leadership, down the line, should reinforce priorities by communicating clearly to confirm shared meaning. Communication should be supported by line managers encouraging and empowering employees in sense-making and decision-making, in accordance with organisational values.

In all cases short- and long-term performance should be balanced, conceding that context plays an important role in time horizons. Thus external alignment is also important, with due regard to the fact that volatility may produce unexpected outcomes. To counter unexpected outcomes, organisations need to be agile, that is, open to new directions. This requires a constantly proactive stance in assessing limits and risks of existing approaches, including mind-sets, welcoming and supporting change.
To succeed in actioning improvements requires that employees, at all hierarchical levels of the organisation, are equipped with the competence needed to meet challenges, now and in the future. This implies a constant learning and development focus involving individuals, teams and/or the organisation.

CONCLUSION

Engagement and strategy both consist of multiple, interdependent and interacting parts, making them complex. Moreover, engagement contributes to a competitive advantage, the hallmark of a sound strategy, is the tool organisations use to achieve goals and thus organisational performance. The most important dimension of competitive advantage is resources, and in particular HR, to provide customer value in the arenas where the organisation chooses to compete. This means that each and every individual in the organisation must be aware of the organisational purpose and every job must be aligned with the goals of the organisation to contribute to goal achievement and thus organisational performance. Moreover, jobs must be occupied by employees possessing the required competence to create value for customers in the chosen arenas and who are willing to dispense their competence in line with organisational values. The willingness to dispense competence is influenced by engagement, which in turn is impacted by line managers who create an environment in which employees can perform. As such engaged employees are the cornerstone of competitive advantage. Engagement and strategy are thus intertwined.