

**An investigation into whether employee involvement can be used as a tool  
and a path towards raising levels of engagement within actively  
disengaged employees at Ngwane Mills.**

**A Research report**

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**By**

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## Executive Summary

The changes occurring throughout the world and in Swaziland are as a result of global competition, changes in technology and market regulations. Those who work to make sense of these changes find themselves faced with challenges and responsibilities of trying to balance these requirements of the new economy and its work force.

This is the challenge faced by Ngwane Mills. The new economy brought about through pressure from increased competition from a more diverse range of competitors has forced the company to restructure itself in an attempt to operate more efficiently through downsizing. It has been suggested that the motivation and commitment of those employees who remain in the organisation are reduced, as they experience what has been described as the 'survivor syndrome' (Sturges, 2006: 49). This inevitably leads to employee disengagement.

To find out how companies are responding to this new and pervasive challenge, this research sought to investigate how Ngwane Mills can improve on employee engagement through improved communication and employee involvement. The first aim is to investigate whether there are existing communication and involvement strategies put in place by the company and whether there are deemed satisfactory or effective by the middle managers and supervisors. Secondly, it investigated the relationship between management and the middle managers and supervisors as perceived by the latter.

The purpose of the research is an investigation into how employee involvement can be used as a tool and a path towards raising levels of engagement within actively disengaged employees at Ngwane Mills. This has been made possible by measuring the common topics that trouble many organisations which are communication, one's own manager, management in general, employee

engagement etc (Connolly and Connolly, 2003:3). Findings and recommendations were presented to management.

The main aim of this research is to provide a guide for the employees and managers of Ngwane Mills that is actively seeking solutions to the issues within employee engagement. The research approach and methodology outlined in this study provide insights to the organisation and individuals to gain a greater return on the employee manager interactions and instil a consistent message of engagement to the corporate culture to achieve sustainable results.

A qualitative method was used. Information was gathered from a literature review from within the human resources and finance departments. The data was collected and administered by means of an issue focused questionnaire based on the Business Culture & Climate Survey of 10 middle managers and 20 supervisors responsible for the day-to-day management in all the different departments. The study was confined to the middle managers and supervisors of the company because it was cited in the survey results of 2009 as an actively disengaged group within the company.

## **Key Terms**

Employee Engagement

Employee Disengagement

Employee Involvement

Communication

Leadership

Management

**DECLARATION**

I declare that the research is submitted solely for academic purpose at the University of South Africa and this is my own work except on instances whereby acknowledged sources have been cited.

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PATRICIA NXUMALO

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## **Chapter 1 Background and Core Problem**

### **1.1 Introduction**

This study focuses on an investigation into how employee involvement can be used as a tool and a path towards raising levels of engagement within an actively disengaged workforce at Ngwane Mills.

This study has been motivated by the recent findings in an employee attitude survey conducted by the head office in all its divisions which includes Ngwane Mills.

This chapter will include the background to the research, the problem statement, and the objectives of the research, the research design, the research methodology and the layout of the chapters.

### **1.2 Problem in Context**

Ngwane Mills is a milling organisation that was established in 1991. It operates in two divisions namely wheat and maize in one and the other being animal feeds. It has a staff compliment of one hundred and ninety-six which is made up of five executive managers, ten middle managers, twenty supervisors, ten clerks, thirty merchandisers and the remainder is the unskilled labour force. The company is divided into seven departments within the divisions, namely production, packing, distribution and warehouse, sales and marketing, finance and administration, engineering and human resources.

The company had been for the past fifteen years, that is, up until 2006, operating in a stable environment, whereby there was less competition and thus making it a very profitable organization. In those fifteen years it was led by one leader who created a culture that aligned with his style of leadership. In 2007, the company

started having difficulties and challenges internally and externally. There was rising competition in that a similar company was opened next to this one. That meant diminishing sales volumes as the other company took a portion of Ngwane customers. The company went through a change process in response to this challenges and one of them was to change its leader to a new one who came in with his own different management style. Because the company had started making losses it opted for downsizing its workforce in an effort to remain competitive.

This created a hostile environment with the remaining workforce. Within a year, a new director was again brought on board having replaced the one that came in for a short period. Within a short space of three years, three different directors had been brought in and out of the organization. When the fourth and current one was brought on board, the whole executive staff had left the organization. These changes in management especially the directors and the executive team resulted in more fear and lack of commitment within the staff members due to uncertainty (not knowing what would be the next step), more so because there was lack of communication between management and employees. Employees were not involved during the change period.

The employees lacked knowledge about all the changes that were taking place. In their minds, it was like an “us and them” environment. In 2008 the situation was worsened when the employees embarked on a strike action in an effort to force management to raise their wages and salaries when management did not agree to their demand. Because of the financial situation the company was faced with, it found it difficult to give into the demands of the workers. Because of lack of knowledge and no involvement of the workforce in all the changes that were taking place within the company this resulted in the employees acting violently and in the process forcing the company to cease operation (close down) for a week until the situation was calmed down and brought to order.

The process of transformation strongly demonstrated the clashing of parochial values and the redressing of the workplace imbalances further provoked tension and insecurity. In times of transformation, employees begin to feel more apprehensive and become more defensive. They will “bottle” fears and insecurities (Dubinsky, 2004: 114).

### **1.3 Problem Review**

All this negative factors mentioned above impacted badly on the reputation of the company. Powerful stakeholders such as the newspapers reported these occurrences to the whole nation. Such exposure raised eyebrows to the government, the financiers and the trade unions. This had negative repercussion to shareholders of the company.

In an effort to restore the company’s image and be deemed as an employer of choice, and as a turn around strategy the head office appointed a human resource committee that would look into the group’s affairs of the human resource. The first initiative was to conduct an employee attitude survey across all its divisions including Ngwane Mills. This survey was carried out in the months of September to November 2009. Ngwane Mills results showed that 55% of the employees were actively disengaged, 21% disengaged, 19% engaged and only 5% were actively engaged. Of the 55% disengaged employees was mainly the middle managers, supervisors and clerical staff.

As Cohen and Higgins (2007) put it “Managers are the cornerstone of any engagement strategy. If managers feel engaged it’s likely that their team members will too. Conversely, if they feel disengaged from the business it will be hard for their team members to feel differently” (Cohen and Higgins 2007).

Research showed that recognition was a challenge thus recognition and rewards needed attention specifically in terms of the link between performance and

reward. Greater participation in strategy and decision making could be explored and encouraged.

These concerns raised by staff have made a tremendous impact on the attitude, morale and performance of employees. This in turn has unfolded feelings of uncertainty, job insecurity, anxiety, lethargy and fear which have contributed directly to disengagement. A reflection on this should be a critical issue, and a probe into the dilemma of actively disengagement is warranted.

Areas on engagement have grown popular in literature of successful organisation. Successful organisations realise that engaging and retaining employees is integral to their ability to sustain leadership position and grow their business in the marketplace.

The present study will identify and investigate the factors associated with employee engagement at Ngwane Mills – middle managers and supervisors. This could have an impact on the levels of employee involvement and the leadership/management challenge within the organization.

#### **1.4 Problem statement and Research Question**

For an organisation to survive and remain competitive in the market place within this dynamic and rapidly changing environment whereby changes in the external environment directly affects changes in the organisation, it is important for it to adopt effective communication measures. These communication measures should not only take place with the organisation's external stakeholders but should involve its internal stakeholders who are mainly its people or employees. Puth (2002) states that South African companies should take note of the importance of effective communication in dealing with the consequences of the changes in the external environment – not only with its external stakeholders but, but also with organisational members. A company is likely to perform badly if

communication is not effective or bad. Excellent internal communication makes people feel that they are valued for their contribution and makes them take pride in their work. This contributes towards an engaged work force.

People are not by nature resistant to change and neither are organisations: on the contrary they are open to change and they continually change themselves. It is all a question of where the changes come from: if it comes from within, it feels good: if it is imposed from outside it can feel like a threat, because it is unknown and outside one's own control. It should be no surprise that people (and organisations) are defensive in the face of perceived threat – we are all absolutely right to be defensive when threatened, it is irresponsible not to defend against threat. But it is not the change which we resist; it is threat which fills us with fear. Organisations are defined as resistant to change, only by those who are trying to change them. ( Casey, 1993).

For effective internal communication to take place and raise level of engagement such as employees feeling valued and taking pride in their work, is dependent on the manager and the leadership style pursued. Most managers do not view employee involvement through communication as an important aspect of doing business. For involvement to be successful and communication to be excellent a two way symmetrical communication should be adopted (Grunig 1992: 536).

The primary objective of this study is thus to investigate deeper and understand how the middle management cadre experience the organisation and how addressing these issues can possibly lead to higher engagement and participation of middle managers and consequently influencing the engagement of the workforce.

The problem identified is disengagement in the organisation more especially within the middle management and supervisory levels within the organization. This poses a great concern as these teams are the ones that should form part of

a winning team that should demonstrate leadership skills towards the people they lead. Leadership has two dimensions (De Bod, 2009:46):

- Personal leadership which refers to the personal relationship between an employee and his direct supervisor. The supervisor provides him with encouragement, guidance and material to the job.
- Group leadership which refers to the functioning of the group as a “self-guiding” organism. The leadership relationship is much broader and includes the cohesion with team members, trust, guidance and involvement of top management and opportunities for success within the group.

Thus the following questions arise:

- Is there a relationship between employee disengagement and employee involvement?
- Which factors within the middle management and supervisory level contribute to employee disengagement?
- How do middle managers and supervisors perceive their relationship with their superiors and top management?

## **1.5 Research objectives**

Based on the above, the specific research aims addressed are:

- To define employee engagement and disengagement on simple basis and terms
- To determine the level of employee involvement between middle management and senior management.
- To be able to establish the level of organisational leadership that exists between the manager and the employees.
- To make necessary recommendations to the management of the company.

## **1.6 Significance of the Research**

The essence of employee engagement is to provide a positive environment where employees are free to contribute, and desire to contribute, more of their energy, efforts and thought processes in ways that significantly and favourably impact the goals of the organisation. The Towers Perrin (2006) report stated that companies who choose to invest time and attention in leadership, management, career development, and relevant rewards would eventually be viewed as employers of choice and more successfully engage their workers. Obviously, such investment doesn't come easy. It is the role of every manager to take into account the general well being of their staff. This is essential in order to create an environment that is both conducive and harmonious for every role player of an organisation. In order to establish these managers will have to have an indication of what exactly do the employees want or expect from them.

The purpose of the study is to provide guidelines for improving employee engagement by identify elements within the organisation climax and culture that may be causes of disengagement among the employees. Addressing this problem will bring out benefits not only to the employees but to the organisation and its customers. Employees will feel connected with their work and the organisation thus making them perform at their best, resulting in increased productivity. The excellent performance will impact on the organisation's customers as they will be working with a committed employee, that is, an engaged employee resulting to a loyal relationship.

## **1.7 Assumptions of the Study**

As mentioned at the introductory paragraph, it can be hypothesised that the key determinants of employee engagement are employee involvement and leadership style.

### Research Hypotheses:

- Incidence of employee disengagement can be reduced, thereby increasing productivity and performance, through leadership effectiveness and employee involvement.
- It suggests that managers have the power to act and change things for the better provided they fully understand the meaning of engagement and its effect to the company bottom line.
- Focus should be given to front line managers as they play a vital role in connecting senior managers and the entire workforce.
- This paper connects research on various engagement factors, making it easier to gain an almost holistic view of the topic.
- It assumes that the present situation is as a result of changes in the past, that is, the changes in the environment has led to changes in the organisation and still exists.

### **1.8 Limitations and Delimitations**

Research will be limited to all employees of Ngwane Mills that occupy the middle management and supervisory level. The study focuses on employee disengagement that would arise because of poor organisation climate such as inadequate employee involvement as a result of the leadership style practiced. Lack of employee involvement can have an impact on employee engagement, which in turn, could lead to a decrease in productivity among employees. The researcher will concentrate on finding out the causes of disengagement among the cadre of middle managers and supervisors. Guidelines will be developed for the company to improve employee involvement in order to facilitate greater employee engagement and decrease disengagement among the middle managers and supervisors.

The limitations of the study are as follows:

- The study will be confined to only the middle managers and supervisors of the company.
- Participants might not feel free to express their true perceptions concerning the organisation because of fear of victimisation irregardless that they have been assured of anonymity and confidentiality.
- The position that the researcher holds within the company may inhibit the participants from expressing themselves freely for fear of jeopardising their relationships with management.

### **1.9 Overview of the report**

Survey based questionnaire and case study development will be sent to all workers who occupy the middle management and supervisory positions in all the seven departments of the company's divisions to be able to assess the degree and reasons for disengagement, and relationships of work setting and socio-demographic data. The leadership actions, that is, what employees want a manager to do will be identified and strategies to increase employee engagement within the management and supervisory positions are to be presented.

Research population of thirty employees drawn from middle management and supervisory in all the departments will undergo a survey in order to investigate factors affecting employee engagement and involvement depending on employee perceptions concerning the company's freedom of action and job satisfaction as having distinct constructive sense. The concept of employee engagement, involvement, value, emotion, appraisal and leadership action will be discussed in conceptual approach to job attitude. The theory of employee engagement will be contrasted with previous theories and data illustrating the approach to employee involvement based on theory will be given.

The researcher chose only the middle management and supervisors and not the entire workforce due to time constraints and the fact that the last survey results identified this group as totally disengaged and yet they play an important role within the organisation. As noted on DecisionWise Newsletter (2008), developing front-line managers is very crucial in organisation. Employee engagement is referred as "local". It is said to occur at the individual and team levels, and is highly influenced by the actions of an employee's direct manager. However, many front-line managers lack the skills to create an atmosphere where their direct subordinates can be engaged. It is further noted that time and resources should be invested in developing these skills among these managers.

This study will look at the enablers commonly agreed to lie behind successful engagement approaches. Among the drivers are:

- Leadership which ensures a strong, transparent and explicit organisational culture which gives employees a line of sight between their job and the vision and aims of the organisation.
- Engaging managers who offer clarity, appreciation of employees' effort and contribution, who treat their people as individuals and who ensure that work is organised efficiently and effectively so that employees feel they are valued, and equipped and supported to do their job.
- Employees feeling they are able to voice their ideas and be listened to, both about how they do their job and in decision-making in their own department, with joint sharing of problems and challenges and a commitment to arrive at joint solutions.
- A belief among employees that the organisation lives its values, and that espoused behavioural norms are adhered to, resulting in trust and sense of integrity.

( Source: MacLeod and Clarke 2009:33)

### **1.10 Summary**

Chapter one provided an introduction of the research topic under investigation and provided an explanation of the research problem, aim and objectives and the research methodology. The next chapter will analyse business models that are linked to the topic of study in an effort to gain more insight of the factors related to this study.

## Chapter 2 Foundation of the Study

### 2.1 Introduction

In order for any company to gain competitive advantage over the other companies in the same industry, the management teams need to understand the importance of improving business results through people. Employees are the maker or breaker of any company. Without increased motivation and morale of employees in a company, the company risks losing valuable employees and will be at a disadvantage in attracting potential top talents. As the economy continues to change and competition continues to increase, businesses have to constantly find ways to engage their employees in order to retain the best ones (Bartlett and Ghosal, 2002).

The previous chapter provided the introduction to this study. This covered the background of the research, the problem statement, the objectives of the research and the research design.

In this chapter the relevant models and theories will be reviewed in an attempt to analyse the problem more in depth.

In the face of toughening competition, diminishing profitability and increasing shareholder demands, growth is often seen as a necessary means for an organisation if it wishes to survive. In order to do so, and in order to defend and increase its profitability, the company is forced to seek out novel ways by which it may achieve the ambition of growing. In other words, it needs to mentally break down and analyse the activities it does today, so that it may track, keep, drop, coordinate and or create activities it wishes to pursue, so as to remain competitive and viable tomorrow.

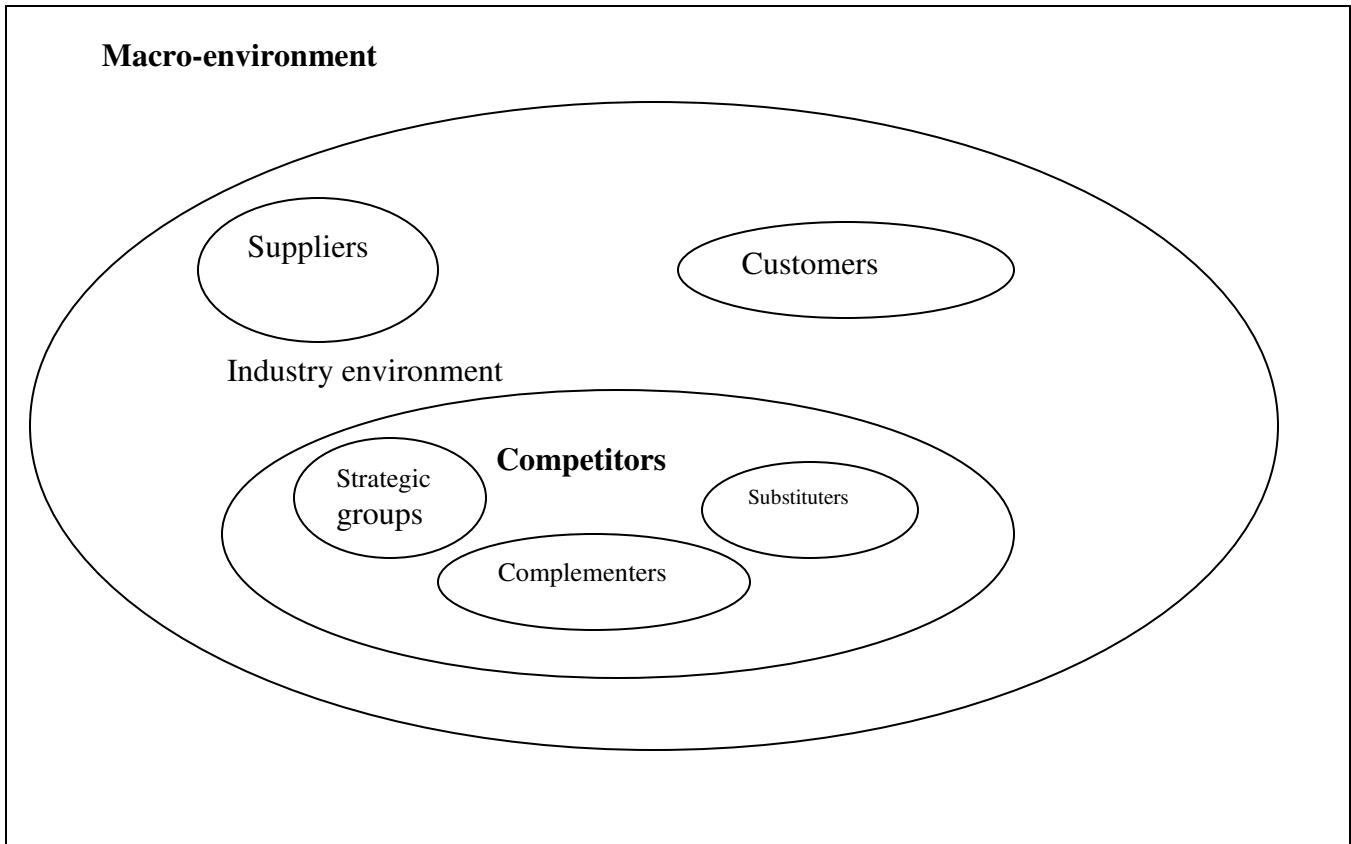
This chapter attempts to analyse:

- How the company can position itself for growth in the current situation of a declining market share.
- The strategic choices it can take in order to protect its profit margins.
- The company responses to the fierce competition it is faced with.

## **2.2 Assessment of the Macro environment**

The issues that have led to a disengaged workforce are in arguably, in part to the impact of the external sources on the company, that is, global effects as a result of the country, Swaziland, entering the global market and having to face the challenges of new competitive forces (Shipham, 2008). Figure 1 has been used to illustrate a broad view of these issues.

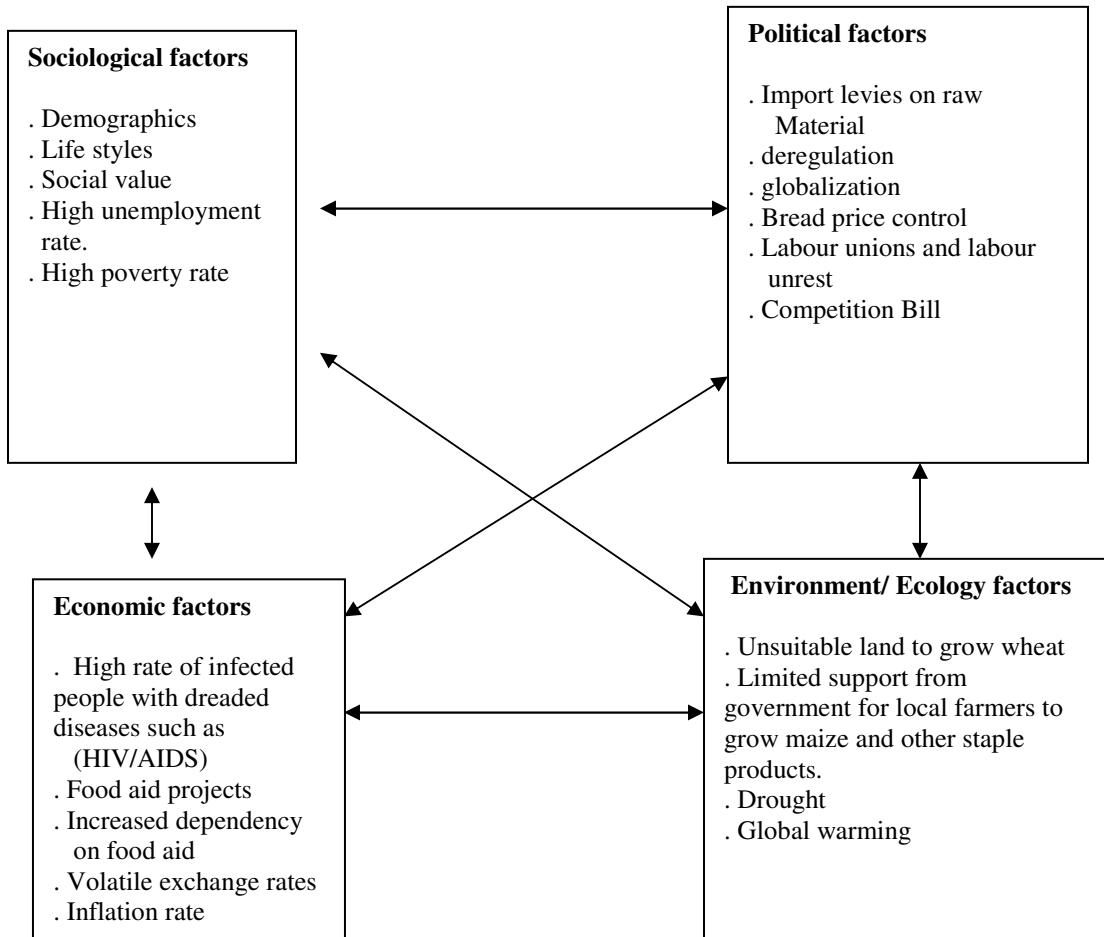
The external environment that Ngwane Mills operates in is shown on Figure 1.



**Figure 1** The external environment (Bakhru, 2006:8)

## 2.3 Analysis of the STEEP Environment in relation to Ngwane Mills.

The macro-environment is shown on figure 2 below which depicts the basic STEEP factors that Ngwane Mills operates in.



**Figure 2** A model showing the macro-environment for Ngwane Mills (based on Fahey and Narayanan, 1986) .

- Demographic and lifestyle changes of the consumers are some of the forces that have driven the local government to open its borders and allow free trade. Government's deregulation has resulted in globalisation

allowing for new entrances in the wheat and maize milling industries as well as substitutes products causing fierce competition in the industry.

- The country is also putting emphasis on tourism in an effort to boost the economy and for that to be successful and lure travellers, the country must offer a wide variety of products to satisfy the needs and expectation of its “guests”. Tourists must have a feeling of home even if away from home referred to as “cultural homogenisation” (Segal-Horn, 2006:29). This emphasis on tourism or international travel has also been another driving force for globalisation. The country must be flexible enough to allow other foreign players in the country.
- High unemployment rates have resulted in the local government seeking foreign investors to invest in the country in an effort to create employment. These moves have had positive returns in the country but have also poised some threats in the local industries. Foreign investors are coming in as giants and are able to offer low prices to the consumers.
- The high poverty rate as a result of droughts has resulted in most communities to live on hand-outs. Government has secured foreign donors who donate food sourced from their original countries, for an example, the Chinese embassy in the country has in the past year donated more than 4000t of rice sourced from China. Rice is a substitute product for maize and bread. The industry has been greatly affected by this because the demand for its products has decreased as a result of the availability of free similar or substitute products in the market place.
- The unsuitability of land to enable the players in the industry such as Ngwane Mills to expand through backward integration by growing its own wheat, results in high input costs as all its major raw material has to be sourced in foreign markets. Transport costs, foreign currencies

differences, fluctuation in interest rates have a great impact to the local supplier. These are all the factors beyond the company's control.

Whilst the company is faced with the above opportunities and threats it still has an obligation to fulfil to some of its stakeholders as shown below.

## **2.4 Assessing stakeholders' expectation**

**Table 1 Ngwane Mills identified its stakeholders as follows:**

<b>Stakeholder Group</b>	<b>Demands</b>
Shareholders	Appropriate returns on their investment
Employees	Job satisfaction
Customers	Product satisfaction
Suppliers/creditors	Reliable buyer
Government	Adherence to legislation, regulations and taxation
Unions	Benefits for its members
Competitors'	Fair competition
Local Community	The organization must be a responsible citizen
The general public	The firms existence to improve the quality of life
The media	

**Table 1 Ngwane Mills Stakeholders and their demands (sourced: Pearce and Robinson, 2003)**

The company stakeholders can be classified into two categories, that is, primary and secondary stakeholders as shown in table 2. Table 1 emphasises that employees demand job satisfaction. Argenti (2003) further explains that employees fall under the primary classification due to their importance and organisations cannot function without its employees as shown in table 2. Employees provide resources without which an organisation cannot operate.

## **Organisational stakeholders**

<i>Primary</i>	<i>Secondary</i>
Managers	Media
Employees	Suppliers
Customers	Government (local, regional, national)
Shareholders	Creditors
Communities	NGOs

**Table 2** Organisational stakeholders

(Adapted from Argenti , 2003)

#### **2.4.1 Appraising Ngwane Mills stakeholder interests**

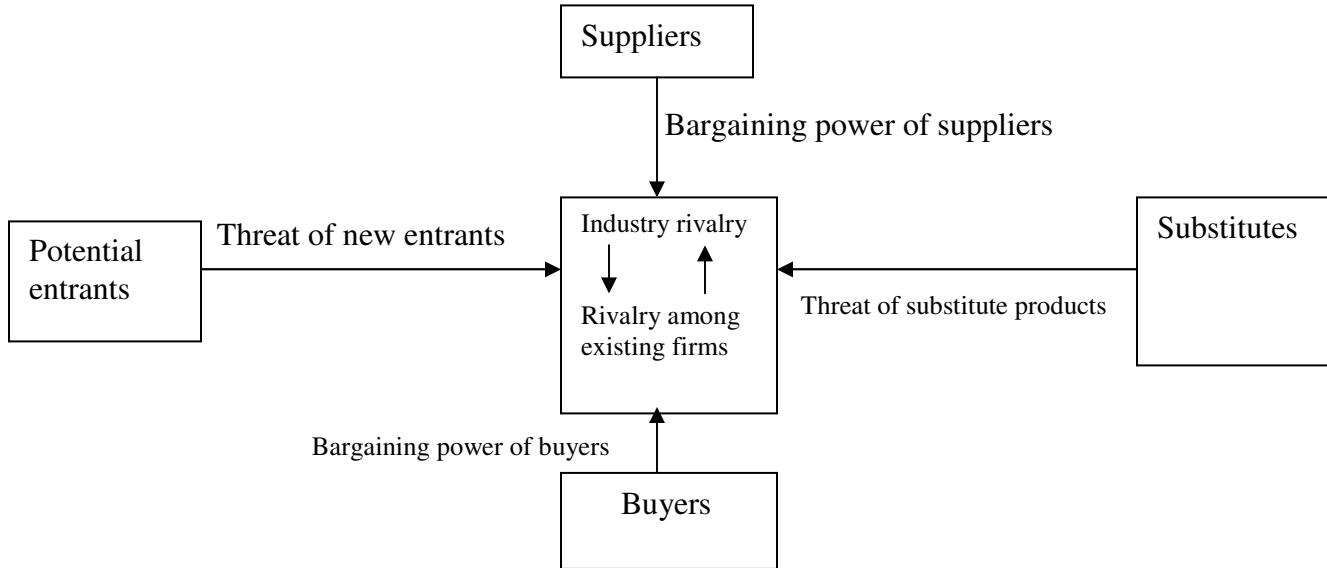
The organisation is in existence in order to give appropriate returns to its shareholders. Profit is a source of purpose in for-profit organisations. Without profitability or some prospect of it, Ngwane Mills will fail, with the loss felt by capital providers, employees, suppliers and customers (although some competitors may gain) (Howard , 2007). The company can only achieve these returns if it has a motivated employee force and offers or meets the customers' expectation through product and service delivery. In order to offer the best products on time, it should have reliable providers of its raw materials. For continued existence it is expected to adhere to the country's legislation, regulations and laws.

The emergence of the stakeholder approach represents an argument that it is not only profit that determines the purpose of a company. Net negative externalities are developing from the pursuit of the shareholders approach, such as, global warming, health problems related to AIDS and HIV virus and world poverty as

shown in Figure 1 above. Thus, Ngwane Mills in its quest to address the aims and objectives of its dominant stakeholder group (shareholders) to achieve success should account for and respond to the expectations of a much wider group of interested parties as shown on Table 2 which incorporates its primary stakeholders. From table 2 above it can be noted that employees are a very important stakeholder in any organisation.

## 2.5 Assessment of the Industry structure.

The industry structure is shown in Figure 3 below.



**Figure 3:** Porters Five Forces model (1999)

### 2.5.1 Analysis of the Competitive rivalry

Among the factors affecting the level of competitive rivalry are the underlying market structure (type of competition, degree of concentration) and the maturity of the industry.

- **Industry structure and concentration**

On inception in 1991, Ngwane operated as a monopoly, that is, one firm and there were high barriers to entry and exit as a result of government's intervention by way regulations and laws. Over the years, there has been a gradual change in the industry structure with increasing competition taking place by the year 2006 as a result of government's deregulation process in order to attract foreign investors. The wheat and maize milling industry consist of more than one millers and a number of imported similar products. The market is dominated by two millers, Ngwane Mills and Universal Milling and global suppliers, which suggests the existence of an oligopolistic market structure. The millers are vying for the same market and thus there is big rivalry, high level and head-to-head competition between these millers.

The industry structure that Ngwane Mills operates is depicted in Table 3.

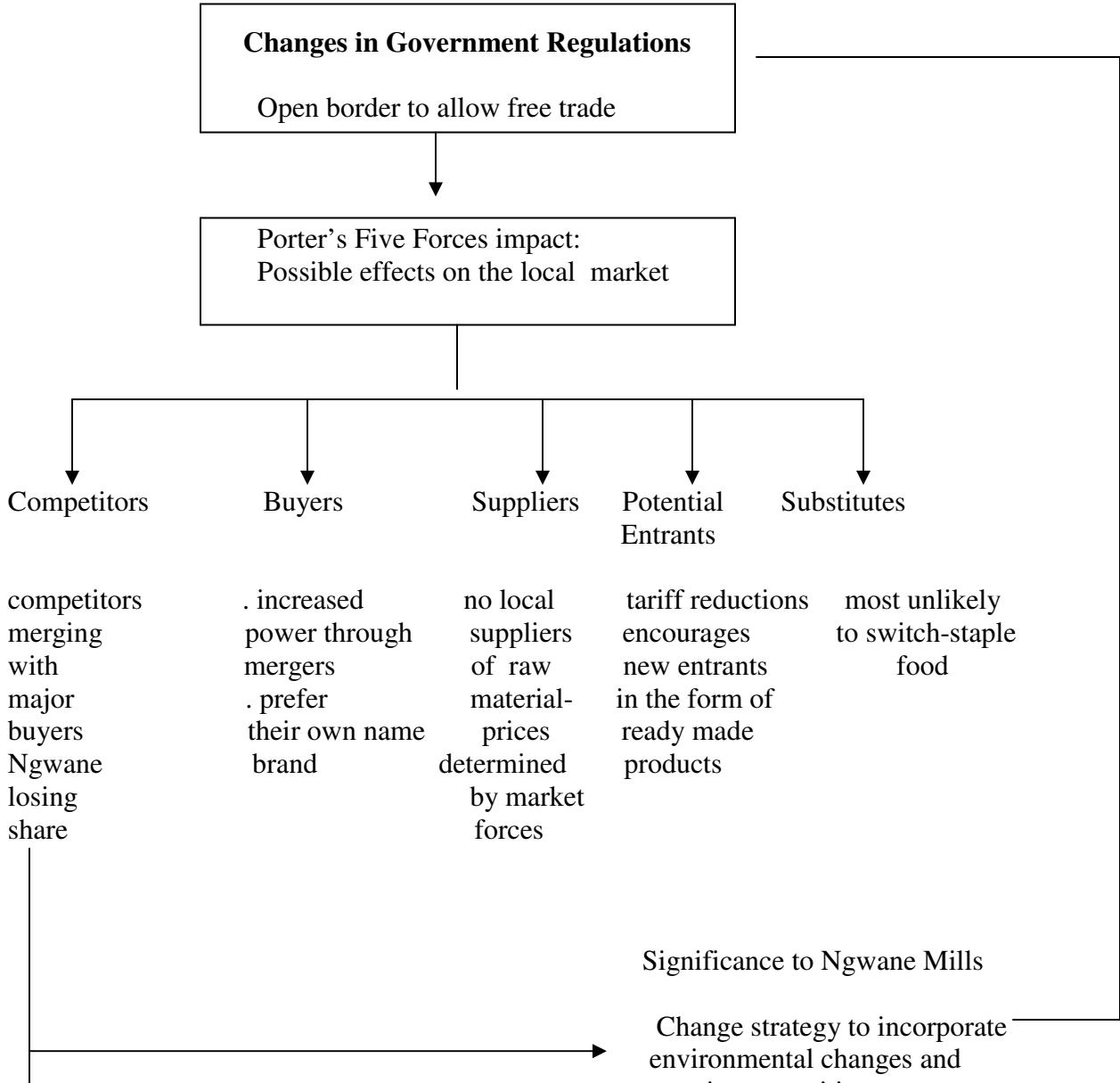
<b>Ngwane Mill's industry structure</b>	
<b>Oligopoly</b>	
Concentration	A few firms
Entry and exit barriers	Significant barriers
Product differentiation	Potential for product differentiation
Information	Imperfectly available information

**Table 3 Ngwane Mills Industry structure (Source: Grant, 2002 : 71).**

### **2.5.2 Analysis of the Industry life-cycles**

The fast moving consumer goods industry can be considered as a mature industry who faces one major threat; product commoditisation which leads to deteriorating profitability for the companies (Grant, 2008). Thus, the challenge for all players on this market (Ngwane Mills inclusive) is to find ways to differentiate against competitors and to keep the growth momentum.

The powerful forces in this industry include those of competitive rivalry, the threat of new entrants and increased buyer power and the role of substitute products. These forces are likely to remain key industry drivers. These are depicted in figure 4 using Porters five forces of competition.



**Figure 4 Ngwane Mills industrial structure depicting Porters 5 forces .**

To summarise the industry environment analysis that Ngwane Mills operates in - consumer goods:

- The consumer goods' is a global and mature industry. It is highly competitive with an increasing number of competitors offering different

versions of the same product and competing for price. Generic brands and private-label goods are populating the market.

- Product innovation and quality are critical to success.
- Individual buyers have no bargain power. Instead, large retail chains and major supermarkets increase competition among consumer goods' manufacturers. Switching costs are low or in most cases nil.

## **2.6 Identifying Ngwane Mills Key Success factors**

Using the five forces framework can allow us to determine the industry's potential for profit. Grant (2008), states that competition between industry participants is ultimately a battle for competitive advantage in which firms rival one another to attract customers and manoeuvre for positional advantage. We thus identify the factors within Ngwane's market environment that determine its ability to survive and prosper, that is, its key success factors. The two main criteria that an organisation must meet are: first, it must supply what customers want to buy; second, it must survive competition.

**Table 4 below outlines Ngwane Mills's key success factors:**

What do Customers Want? (Analysis of demand)	How do firms survive competition (Analysis of competition)	Key Success Factors
• competitive prices	Intensity of price competition as it operates in an oligopoly	Operational efficiency through: lean production and scale economies
• Convenient location	cost efficiency and financial strength	Combining differentiation with low costs
• Reliability of supply	Low barriers to entry	Differentiation through technical specifications and service quality (Bakery Support)
• Product consistency	Bargaining power a critical determinant of input costs	
• Quality products		HACCP certified

**Table 4 Ngwane Mills Success Factors Sourced: (Grant 2008).**

From table 4 above, it can be noted that the key factors for success for Ngwane Mills in the milling industry are offering quality products in a competitive price. This can be achieved by being efficient on production and applying the lean production concept. Another factor is efficient procurement of raw materials to achieve low input costs. To achieve growth the company must combine product differentiation with low costs.

Some of the above mentioned key success factors contain variables that are not easily controlled by Ngwane Mills and these include the intensity of competition. These are determined by government policy and are influenced mainly by deregulation. The unavailability of raw material in the local market forces companies to import and the fluctuation of the market interest rates and exchange rates make it difficult for the companies to bargain for lower input costs.

From the above analysis of the external environment that Ngwane Mills operates, it can be noted that the company is faced with issues that it has little or no control over. The problem of diminishing sales volumes is as a result of the following key issues:

- **Political factors** mainly deregulation resulting in more players in the market place (globalisation).
- Shifts in consumer spending patterns have aggravated the food industry's ties to **demographics**. Because of pressure on real incomes, consumers have become more price sensitive; they have become "hard nosed" bargain hunters ( Chiu, 1996).
- **Intense competition** - Ngwane Mills operates in a very competitive market, with rivals including consumer giants such as Pioneer Foods, Tiger Foods and Universal Milling. Private labels or store brands strive to match innovation quickly and try to present a compelling value alternative in many categories. This requires the company to continually strive to develop innovative products and price its goods competitively. For instance, sales in Ngwane Mills maize division could weaken sequentially as a result of an aggressive innovation drive by Universal Milling. An increase in competitive onslaught by a majority of the company's competitors is expected to further challenge the company's growth.
- **Customers' strong bargaining power** as a result of the many players in the market. They demand best products at competitive prices.
- Giving appropriate returns to the shareholders on their investment. The company cannot operate at a loss because it would not fulfil its obligation to its stakeholders such as banks and shareholders and would not be able to pay its employees and suppliers.

## **2.7 Coordination and Management of Resources and capabilities of Ngwane Mills.**

According to the Resource Based View, the assets of a firm are its resources and capabilities and are considered to underlie its competitive advantage (Gleadle and Bakhru 2007:11). Table 5 below outlines the elements of an organisation's resources and capabilities. It is mentioned that organisation need to focus on the assets, that is, its resources and ability to coordinate and manage them. Ngwane Mills should, on the human aspect, not only focus on skills and know how but should build a capacity for communication and involvement which if executed effectively will yield a motivated employee force.

Gleadle and Bakhru (2007:12) point out that the skills and know-how is often taken for granted as organisations who give attention only to the tangible and intangible assets of the organization.

TANGIBLE	INTANGIBLE	HUMAN
Financial	Technology	Skills/know-how
Physical	Brand / Reputation	Capacity for communication and collaboration
	Culture	Motivation

**Table 5 Classifying Resources**

**Source: (Grant 2002).**

Teece, Pisano & Suen (1997), recognise that capabilities are important for organisational success. They further acknowledge that firms are operating within rapidly changing environments thus making it difficult for the organisation to adapt quickly to these changes. The implication is that a firm should possess the capacity of reconfiguring and transforming itself as a learning organization to be able to respond quickly and create dynamic capabilities in this tumultuous environment. Such firms are most likely to survive, sustain and or gain a competitive advantage against its competitors.

## **2.8 Change Management Process**

In order for the organisation to survive within these external forces mentioned above, it has to adopt strategies that are depicted on table 6 below :

### **Sharpbenders**

Companies achieving a sharp and sustained improvement in performance by means of:

- Major changes in management
- Stronger financial controls
- New product-market focus
- Improved marketing
- Significant reductions in production costs
- Improved quality and service

**Table 6      Sharpbender Strategies.**  
**(Source: adapted from Grinyer et al. 1988).**

The application of dynamic capabilities, that is, strategic decision making as shown in table 6, requires the integration of the human capabilities. The strategy of sustaining a competitive advantage in a turbulent environment meant major changes in management and downsizing at Ngwane Mills. This affected the human capability on the aspect of motivation.

### **2.8.1 The Effects of Change Management**

A change in an organisation brings about resistance. This can be illustrated in table 7 below.

### **2.8.2 Resistance to Change**

Because organisations are operating in ever changing environment, there is no guarantee that the occurrence of the past will not repeat itself in the present. This creates an element of uncertainty and anxiety amongst existing employees.

<b>Table 7 Resistance to change</b>		
<b>Internal resistance</b>	<b>External Resistance</b>	
<b>Individual level</b>	<b>Organisational level</b>	
Ignorance	Culture	Investors/ co-founders
Reduction in personal role and influence	Leadership	
Loss of jobs or career status	Structure	
Uncertain consequences	Beliefs and recipes	

**Table 7 (Source: adapted from Whipp, 2003 :259)**

As mentioned in chapter one, the company in its restructuring process opted to change its top management and embarked in a downsizing process as one of its

strategies of surviving competition and attaining lean production (refer table 4). This strategy application led to disengagement amongst the remaining workforce and as a result of inappropriate communication and employee involvement during the change process (refer table 7). The company with its new leadership is faced with the challenge of leading the disengaged workforce to engagement in its effort to improve its competitive advantage and in its quest to be perceived as the employer of choice. Management, in its change process, must strike a balance between its major stakeholders which are mainly, its employees and shareholders.

## **2.9 Summary**

In chapter one it is mentioned that, in this dynamic and rapidly changing environment whereby changes in the external environment directly affects changes in the organisation, it is important for organisation to incorporate its human assets in an effort to increase collaboration with the hope that this will create motivation. It is important for organization to pay attention to the human assets whenever there is a change process taking place within the organization in its effort to respond to the dynamic environment and in order to survive and remain competitive in the market place. Organisation should analyse its primary and secondary stakeholders and the impact they have to the organization.

The next chapter will explore what other researchers have to say with regard to this research topic through literature review.

## **Chapter 3 Literature Review**

### **3.1 Introduction**

The previous chapter provided models in support of the problem statement. In this chapter the relevant literature will be reviewed to get a better understanding of a totally engaged organisation and the consequences of achieving this goal.

### **3.2 Review of literature**

There are three key concepts in this study which are pertinent. These are employee engagement, employee involvement and employee relationship with management. The following discussion will thus revolve around these concepts.

### **3.3 Definition of Employee Engagement and Disengagement.**

Morgan (2009:2) suggest that in today's climate organisation needs staff that is energised, motivated and eager or willing to try something new. In order to understand the needs of the workforce organisation need to understand what is driving behaviours and what are the key motivating factors for staff members. Most work motivation theories are based on the work of Maslow. Morgan state that in the recent years research has shown that employers want employees that will do their best at work, even "go the extra mile" and employees want good work, jobs that are worthwhile and "turn them on". With this shift, there has been an increasing focus on employee satisfaction as a component of employee engagement.

According to information sourced from Nadlonek (2006), studies on individual motivation and work began as early as 1927 whereby Elton Mayo conducted studies at the Hawthorne Western Electric Company, where he discovered that economic incentives had less of an impact on employee productivity than

recognition, training and counselling (Boone and Bowen 1987). Burke (1992) advanced the literature and stated that a person's personality and their social environment predicted the likelihood of the individual accomplishing the task and contributed to the motivational factor.

Abraham Maslow continued to search for an understanding of employee satisfaction and theorised that an individual behaviours and motivation, was directly linked to one's unmet psychological needs. Maslow used a pyramid with a foundation formed by basic physiological and survival needs, which included safety and security. The second layer of the pyramid was belonging and acceptance. The third was social and professional recognition. And the apex of the pyramid was self-actualisation and personal growth (Maslow, 1970). Maslow's theory assumes people progress through their needs in the same order.

Herzberg in his theory argues that an individual's ability and willingness to perform is influenced by two sets of factors. These are firstly, the "hygiene" factors such as pay, working conditions, and interpersonal relationship and company policies. These conditions serve to remove the dissatisfaction from work rather than promote satisfaction. If these conditions are not satisfied, it will impact on employee efficiency. The second set of factors are the motivational or "satisfiers" factors which related to job content, such as the work itself, achievement, recognition, responsibility, growth and advancement. The model states that the greater the level of self-determination and the content of the job itself, the greater the individual's sense of job satisfaction resulting in motivation (Herzberg, 1966).

The changes in demographics, as the years went by, have led to new theories being evolved to include the job design and work itself as a means to ascertain employee satisfaction. Expectations of employees have shifted from the theories of Maslow and Herzberg. Hackman and Oldham (1980) continued the exploration

of employee satisfaction and work design, commonly referred to as job enrichment. They postulated that the worker satisfaction could be found in experiencing meaning in the work itself through skills variety, task ownership and work significance. Being responsible for the activity, the results and receiving feedback of the outcomes engages the employees' hearts and minds.

Two other researchers, Mager and Pipe (1984) created a model similar to Herzberg theory but opted to explore the difference between actual performance and desired performance often referred to as performance discrepancy. The analysis considered emotional factors such as personal values and interests, and rational factors such as skills and whether the individual's experience matched with the job. They have combined the roles of leadership, importance of task, individual motives, needs and potential and the work environment itself.

In the late 1970's The Gallup Organisation began exploring the elements that create a strong workplace culture that ascertained the employer and employee needs. It sought the characteristics and behaviours of organizations that were able to attract and retain productive employees and to link the performance to business outcomes. Gallup wanted to measure loyalty, productivity, and business results by employee. They identified three employees categories:

- (1) the engaged
- (2) the not engaged
- (3) the actively disengaged

The not engaged are average workers. They come to work and do minimum work required. The actively disengaged performers are unhappy, share the wealth of their discontent with any willing listener and diminish the contributions of the engaged employees.

According to Gallup Poll data, 29 percent of employees are energised and committed at work. This translates into greater productivity, profitability, safety,

improved attendance records and higher levels of retention. Fifty-four percent of the U.S. working population are neither engaged nor actively disengaged. They show up and do their work, but nothing more. The actively disengaged workers account for 17 percent of the working population. Gallup's research estimates that U.S. companies are losing \$300 billion per year in lost productivity due to actively disengaged workers. Furthermore, the interaction between an actively disengaged employee and a customer can impact a customer's willingness to repurchase or recommend the company to others, also known as customer engagement (Fleming, Coffman & Harter , 2005).

According to Robinson and Hayday (2007), for much of the past 80 years it has been accepted that employee satisfaction was a key objective of organisation as, it was inferred, it logically influences job performance. However, 'satisfied' employees do not necessarily perform to the best of their abilities. Personal satisfaction is an internal emotion that need not relate in any direct way to organisational outcomes. Another dimension is surely vital to motivate employees to 'go the extra mile'.

Research conducted for the Sears Roebuck Company in the USA and by IES in the UK in the late nineties, identified that extra factor as 'employee commitment'. This had stronger impact and link to customer satisfaction. Employee satisfaction alone could not influence customer satisfaction but an employee that was both satisfied and committed could have a huge impact on customer spending pattern.

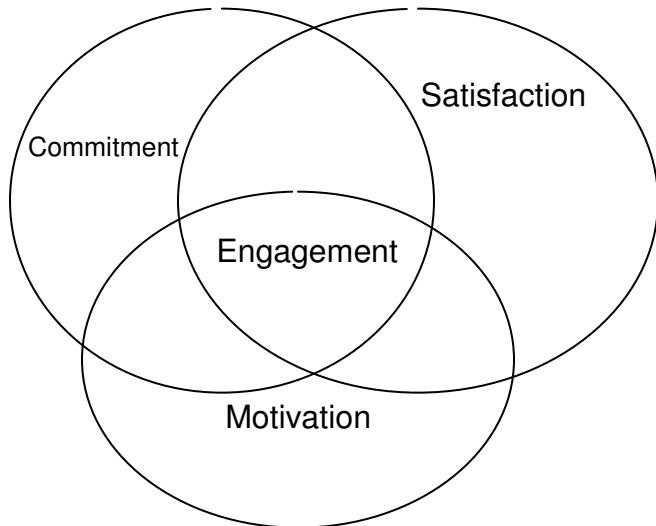
Robinson and Hayday (2007) further state that the argument has moved on yet again. In the past couple of years, the term 'employee engagement' has increasingly come to the fore and been discussed as a major determinant of employee performance. They postulate that term "Engagement" was developed in 1995 by Hewitt who defined it as a sense of intellectual and emotional employee engagement with the company. It goes beyond satisfaction (how much I like it here) and motivation (how much I want to stay here) to engagement (how

much I want and actually do to improve the company's business results and add extra value). It is intended to help the management team to focus employees' activities in those areas that would have the greatest impact on company performance on the other hand.

Macleod and Clarke (2009) postulated that there is no agreed definition of employee engagement but during the course of their review on employee engagement came across more than fifty definitions but quoted three of them below:

- ❖ “*Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organisation. It is about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job...It is a concept that places flexibility, change and continuous improvement at the heart of what it means to be an employee and an employer in a twenty-first century workplace.*”(Truss, 2009)
- ❖ “*A positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of the business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employee and employer.*” (Institute of Employment Studies, 2004)
- ❖ “*A set of positive attitudes and behaviours enabling high job performance of a kind which are in tune with the organisation’s mission.*”(Storey, 2008)

**Figure 5: Locating Employee Engagement**



**Source:** Robinson *et al* (2004)

Blessingwhite (2008:3) argue that engaged employees are not just committed. They are not just passionate or proud. They have a line-of-sight on their own future and on organisation's mission and goals. They are "enthused" and "in gear" using their talents and discretionary effort to make a difference in their employer's quest for sustainable business success.(Blessingwhite, 2008).

Engagement is said to be a psychological state, where one derives satisfaction, energy, and connection from work, individual accomplishments, and relationships. It is a condition where emotions, mental capacity, and behaviours maximize to create an optimal experience. Work appears to become effortless. Energy expands to meet the demands. Engagement is an experience where one fully deploys acquired skills, knowledge, abilities, and strengths. A feeling of

being challenged results in pride in one's accomplishments. It is an experience where one readily invests time and discretionary effort (IES Survey 2003).

Engagement is said to have its origins from the emotional and rational states of mind. In the emotional state, one derives pride, joy, inspiration and meaning from work. The rational state addresses one's interest, personal requirements, financial needs, and professional desires. The rational needs would cover on and off the job needs such as the ability to pursue professional growth opportunities or to work around a schedule in order to attend a child's judo game exemplifies rational needs. The satisfaction derived from one's fair compensation and adequate health benefits meets an individual financial need. Rational commitment is situational and depends on the managers, team, or organisation's ability to meet an individual's needs (IES Survey 2003).

According to Vance,(2006) to understand the two fundamental elements of employee engagement, a definition must be established. Emotional and rational commitment can be described as winning the hearts and minds of workers, which may lead to increased business outcomes. Commitment can be defined as "a willingness to persist in a course of action and reluctance to change plan, often owing to a sense of obligation to stay the course" (Vance 2006). Emotional commitment stems from experiencing and expressing positive feeling to an entity or individual and results in higher productivity. Rational commitment is a conscious decision to make and execute a course of action.

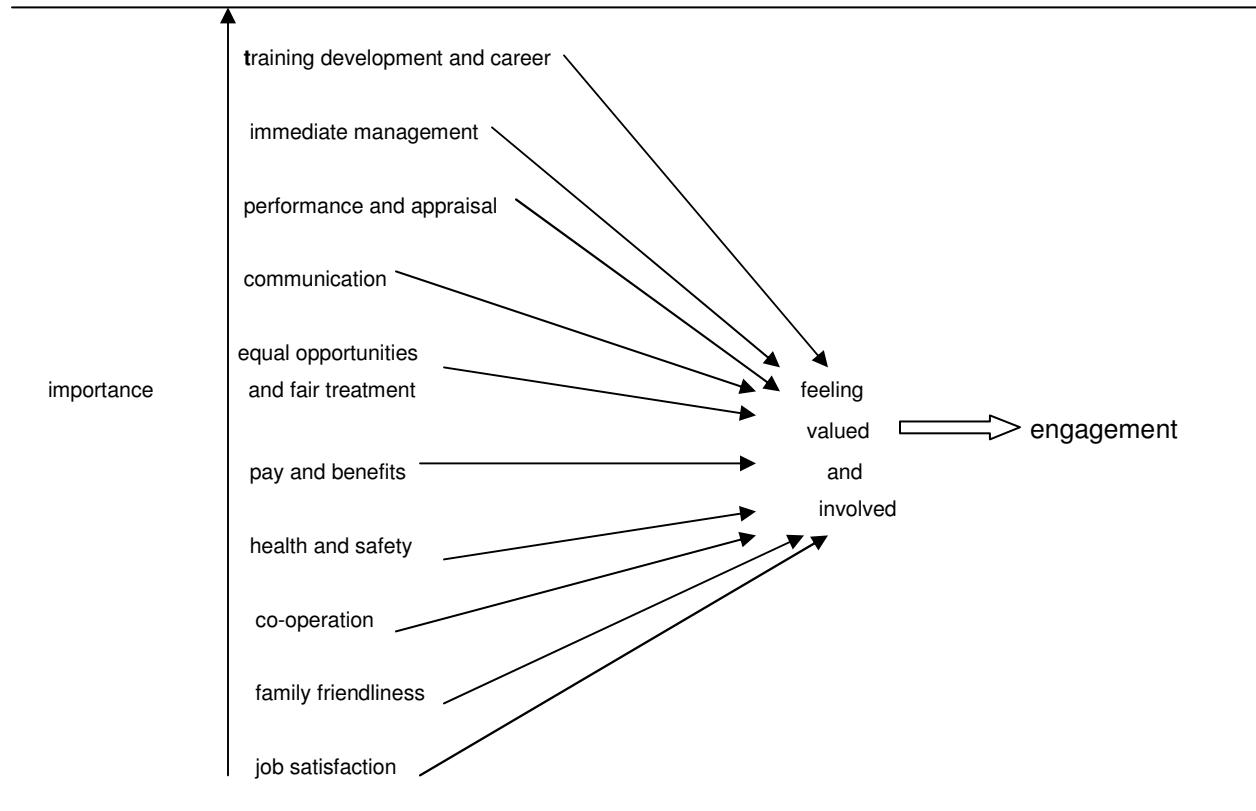
Gebauer and Lowman (2008:9), on the other hand, argue that engagement occurs at three levels not just the two mentioned above. They maintain that there is the rational level (the head), that is, how well employees understand their roles and expectations which they refer to as the 'thinking' part of the question. There is then the emotional level (the heart), that is, how much passion and energy employees bring to their work referred to as the "feeling" part of the equation. Thirdly, is the motivational level (the hands), that is, how well they perform in

their roles referred to as the “acting” part of the equation. Put differently, an engaged employee in order to assist her company achieve its goals and succeed knows what to do and feels emotionally involved and connected to the organisation and its leaders and is willing to put the knowledge and emotion into action to improve her performance and the organisation’s performance.

According to the Institute of Employment (2003) an individual manifests and experience engagement through personal satisfaction, higher productivity, teamwork, his or her relationship with the immediate manager, and the intent to stay with a company. An individual’s personal satisfaction occurs when the individual knows what needs to happen, has the faculty to accomplish the tasks, and derives pleasure and fulfilment from the work itself. When an individual has the ability to self determine the steps to accomplish a job, individuality is released through creative approaches. The creativity may appear as a new and unique innovation, an adaptation of an existing products or service or continuous improvement. Self-confidence, excitement, and energy flow effortlessly. Teamwork generates greater synergy. There is willingness to cooperate, flexibility, and mutual understanding. High performance results in great productivity, product quality, and reduced cycle time. The team is able to address problems and challenges internally producing greater satisfaction and increasing teamwork.

IES postulated that employee engagement occur when the factors depicted in figure 6 below exist in an organisation.

**Figure 6: The diagnostic tool**



**Source: IES Survey, 2003 (Robinson *et al* (2004) model of the drivers of employee engagement.**

Robinson *et al* (2004) and IES (2003) argue that satisfaction with the job alone will not produce a satisfied and engaged workforce but it is a contributory with many other factors. Figure 6 above incorporates job satisfaction, feeling valued at work, communication and training and development as key influences on employee engagement and overall satisfaction at work

Penna's model (2007) adopts a similar position as in Figure 6. This model indicates that staff is seeking to find "meaning" at work. Penna defines "meaning" as fulfilment from the job. Fulfilment comes from the employee being valued and appreciated, having a sense of belonging to the organisation, and feeling as

though they are making a contribution and is congruent with the underlying theoretical framework of Robinson in Figure 6 (Morgan, 2009:3).

**Figure 7: Penna's hierarchy of engagement (2007): (Source Morgan 2009:6)**



Penna's model is also remarkably similar to both Maslow's Hierarchy of Needs, and Herzberg theory, with "hygiene" factors at the base of the triangle and "satisfiers" towards the top. As an organisation successfully meets each of these engagement factors, Penna (2007) argues that the organisation becomes more attractive to new potential employees and become more engaging to its existing staff (Morgan 2009:3).

As noted by MacLeod and Clarke (2009), employers want engaged employees because they deliver improved business performance. Research has repeatedly demonstrated the links between the way people are managed, employee attitudes and business performance. When employers deliver on their commitments (when by their actions they fulfil employees' expectations), this reinforces employees' sense of fairness and trust in the organisation and

generates a positive psychological contract between employer and employee. Gebauer and Lowman (2008:12) also stress that engagement correlates highly to business performance.

As postulated by Robinson and Hayday (2007), some companies now have 'engagement models' and are attempting to measure levels of engagement, perhaps to input to the balanced scorecard, or for incorporating into the human capital report. It appears though that 'engagement' is not a recognised academic construct. Morgan (2009) argues that emergent models of engagement offer an alternative way of approaching employee satisfaction which is more holistic and takes into account the wider needs of both employees and employers.

Kaye and Jordan-Evans (2004) put emphasis on employee retention. Their book and tools emphasise the manager's roles and responsibilities in retaining talent based on their two years of research, annual survey, focus groups and experiences in working with an array of companies and employees from all levels of the workforce. The annual survey, originally published in 2000, shows that the top three drivers of an employee's intent to stay have remained the same for four consecutive years:

- 1) exciting work and challenges at 48%
- 2) career growth, learning and development at 42% and
- 3) working with great people and relationships at 42%

As a result, they concluded that it is imperative to build engaging workplaces to motivate and retain talent. In a contract of mutuality, the worker exchanges emotional and rational commitment for education and training, compensation and respect (Kaye and Jordan-Evans ,2004). Talent becomes a business advantage for the company and the individual.

Jamrog (2004), concur the above and emphasise that organisation that have created a strong workplace culture will be able to retain talented employees in

the future. He emphasises that organisations need to start building a culture of engagement that grows and develops talent. His perspective is that, all things being equal, companies that create a sense of loyalty through employee development, challenging work, task variety and experience, intellectual stimulation, work/life balance and a team environment will have a competitive advantage in retaining and attracting talent. He postulates that compensation alone will not keep employees.

On the opposite end of the spectrum of engagement is disengagement. Disengagement is said to be the psychological withdrawal from the work, the team, the manager, and the organization. It is a state of mind where the individual detaches emotionally, mentally, and physically. It can lead to despair, distrust, and lethargy. It results from unmet emotional and rational values, needs and beliefs. The unsatisfied emotional needs may include hope, security, safety, trust, passion, optimism and self-worth and personal value. Unsatisfied rational needs may include too much or too little ambiguity, confusion, a dislike for the work, mismatch between the individual and the work, and repetitive, simplistic or mindless tasks. An individual's desire to be challenged, to achieve, to start something new, to advance and to learn may be missing. In adequate rewards, recognition, compensation and benefits may result in dissatisfaction with the work, manager or organisation (IES Survey, 2003).

According to Gebauer and Lowman (2008:60), true engagement is created if all the three levels of engagement exist, that is, emotional, rational and motivational. Disengagement may occur if one of these connections is missing or is not fulfilled.

The root causes of disengagement include differences between the individual, the managers and the organisation in values, beliefs, personal preferences, methods, tools, resources, assignments, working conditions, personal and organisational goals. When differences exist between the individual, the team,

the managers and or the organization, they can cause friction and lead to resentment, frustration and dysfunctional behaviour (IES, 2003).

### **3.4 Employee Involvement in relation to Employee Engagement.**

Storey (2006:10) defines employee involvement as a move towards direct communication with employees (rather than through elected representatives); an attempt to 'win hearts and minds'; and a degree of active problem-solving by employees in, for example, quality-improvement circles. In addition, involvement and participation can also include direct and indirect participation and financial participation.

As mentioned by Storey (2006: 13), an employer's survey by Industrial Relations Service in 1999 found that three-quarters of respondents believed employee involvement initiatives had enhanced the commitment and motivation of their staff, and 60 per cent said these initiatives had improved product and service quality.

Storey (2006:17) uses a model of a staircase employee involvement and empowerment as one of the methods to use on employee involvement in an effort to raise the level of employee engagement. As noted by Stone (2006), as the staircase ascends, the methods are likely to have more profound implications for the way organisations are managed. Thus, the most basic level is simply keeping employees informed. The next step up is to consult employees and listen to their views and to take employees' views into account before reaching a final decision. The third step suggests that employees have a right to be consulted and listened to, not just when management chooses to do so. The fourth step, semi-autonomous work groups, suggests some area of decision-making handed over to employees. At the top of the staircase is empowerment. This term is less specific but implies that employees, at all levels, have

considerable influence across many areas of the business, rather than just one immediate task as at the previous step on the stairway.

To illustrate the steps towards greater employee involvement and empowerment, IRS Employment Review (1996) shows a model with different modes that organisations utilise in informing or sharing information with its employees and their popularity. At the top is company journal (92%), followed by team briefings (top-down) at 86%, e-mail communications (82%), attitude surveys (49%), employee reports (43%) and lastly at the bottom of the model is video presentation at 18%.

According to Storey (2006), the first step towards greater employee involvement and empowerment is improving communication. The IRS survey (1996), concurs that company journals were the most common method of communicating with employees but companies often use a mix of methods as discussed above. Gebauer and Lowman (2008:245), emphasise that engaging leaders must communicate past successes, articulate future plans clearly and explain rather than ignore failures to their employees through an effective medium of communication which can either be an all-staff voice mails, e-mails and in-person town hall-style calls or gatherings.

DecisionWise Newsletter (2008) is of the opinion that communication during a company's difficult times is critical. The ability to understand strategic direction and goals allows an employee to align his or her actions with those of the organisation. Leaders should communicate, that is, speak honestly about the challenges being faced, as well as anticipated direction. Without direct communication, employees will fill the void with worst-case scenarios.

Earlier, Tannenbaum and Schmidt (1973) identified a continuum of employee involvement in managerial decisions, which involves three broad relationships. At one end of the continuum, the directive style involves managers 'telling' or 'telling'

and selling' a decision to employees. Employees are required to act on the instructions given and have little opportunity to influence them. Moving from this the managerial style is consultative and managers 'tell and 'test' out potential decisions or 'seek' employee views on alternatives but managers ultimately make the decision. Biddle and Ebendale (1980) stress that under the more participative style managers either 'jointly solves problems' with employees or 'delegate' some decisions completely to subordinates.

Marchington *et al* (1992) use a similar model though fashion it in the form of an escalator with employee control as the 'upper stage'. He emphasises that different forms of employee empowerment involve different relational dimensions. In his model he specifies that information involves providing employees with information in an essentially 'top down' direction – company magazines and some forms of team briefing are examples. Communication includes schemes that involve two-way processes. Extended forms of team briefing allow questions to be asked and clarifications sought are examples – perhaps close to tell and test. Schemes that aim to gain from employees' ideas and experiences are described as consultation. Managers continue to make the ultimate decisions but quality circles, suggestion schemes and joint consultative committees assist in making decisions with inputs from employees. Codetermination involves schemes whereby employees and managers may jointly make decisions. Works council and employee directors are examples, but issues of relative numbers are important. Control involves those organisations in which employee retain ultimate decision making powers, usually in the form of workers' cooperatives.

With Marchington et al (1992), employee involvement is best understood as a term to describe a range of techniques which are largely concerned with improving communications and commitment. They are based on initiatives largely restricted to providing information, improving communications and consultation. Employees are typically directly involved and chiefly concerned with task level involvement within a range determined by management.

Fielding (2001:49) postulate that the forms of employee empowerment used by organisations are described as involvement and are aimed at developing a sense of personal efficacy in employees through closer proximity with management via various consultative processes. It is hoped that employees will feel more committed to service quality improvement and giving the performance needed to meet customer service requirements. That said, the benefits to employers are not just associated with motivational factors and winning greater employee commitment, employees can provide some valuable inputs into problem solving and service quality improvement. Blair (2008:10) advances the view and emphasises that organisation introducing major change should spend more time and effort explaining why change is necessary and create more opportunities for staff to influence how changes are implemented.

Sanchez (1999:9) postulates that an organisation must first assess its internal and external customers and then develop communication strategies in an effort to maintain relationship with them. The focus should be on the need for these customers. However, Stanier (2001:31) is of the view that focus should first be with the internal customer before embarking on the external organisation. This means employees' needs should be addressed first to ensure increased organisational performance. Satisfied employees deliver a better quality of service to external customer. Sanchez (1999:9) is of the opinion that the organisation should create a climate of open dialogue as one of its strategies. This will assist management in knowing how employees perceive the organisation and employees will know how management perceive their performance. Organisational success is created through such open dialogue and organisational communication.

Scheffer (2005:61) postulate that within the evolving business environment, it is central to the continuing success of organisations that the internal communication be taken into consideration in the quest to increase

organisational competitive advantage. In this regard, Sanchez (1999:9) postulates that two way communications in this turbulent business environment is vital in establishing a clear mission and purpose among employees, and in securing the support the organisation needs to achieve the desired goals. Stanier (2001:28) concurs that communication plays a vital role in engaging employees through a shaped organisational culture.

### **3.5 Organisational Leadership in relation to Employee Engagement.**

According to Coffman and Gonzalez-Molina (2002) the managers' chief responsibility lies in helping employees on their team unleash their human potential. They ascertain that there is no system, process or self-directed team – irrespective of how modern, fashionable or flawless it may be – that can ever take the place of a great manager. That's because great managers act as the emotional connection between employees within work groups, between employees and customers and between employees and the organisation they work for. In effect, they act as the emotional engineers who set the reactions in place and watch them take effect (Coffman and Gonzalez-Molina 2002).

Alimo-Metcalfe and Alban-Metcalfe (2001:12) advances the view and provide a detailed list of factors associated with effective leadership in the UK public sector. This was based on research in the National Health Service and local authorities. Managers were asked about superiors with whom they worked, or had worked, who in their view had possessed or not possessed leadership qualities. Thus they addressed 'near', rather than 'distant' or very senior leaders. To clarify the meaning of leadership they were asked to think of individuals who 'had a particularly powerful effect on their motivation, self-confidence, self-efficacy or performance'. From the answers they developed a questionnaire that was used with a large sample of managers. This enabled them to identify nine distinct factors associated with leadership:

1. Genuine concern for others
2. Political sensitivity and skills
3. Decisiveness, determination, self-confidence
4. Integrity, trustworthy, honest and open
5. Empowers, develops potential
6. Inspirational networker and promoter
7. Accessible, approachable
8. Clarifies boundaries, involves others in decisions.
9. Encourages critical and strategic thinking.

(Source: Alimo-Metcalfe and Alban-Metcalfe, 2001:12)

Cameron (2007:117-118) argue that that this list above suggests one way out of trait, style, contingency debate. Some of the items on the list, such as integrity and concern for others, tend to be traits. Some are style related, such as accessibility and empowerment. Some are skills that might usefully be developed.

Fenton-O'Creevy( 2006:43), postulate that it is important for organisation to differentiate between management and leadership. They state that the distinction between management and leadership is that management is often thought of as a process of organising people and resources to achieve given goals whereas leadership, by contrast, concerns the creation of goals and a sense of direction, and gaining the commitment of others to those goals. Leadership touches on gaining commitment, which is the key towards raising levels of employee engagement. Thus, leadership plays an important role in levels of employee engagement. Leadership is a process of creating and communicating a vision and working to motivate and influence others to bring that vision about.

Hoskings (1997) argues that instead of thinking about leadership as the characteristics or style of a person with authority, we can think about it as a process. This suggests the following:

- Leadership means influencing other people in ways that are more or less acceptable to them, regarding certain core issues that face the group or organisation.
- Leaders are those people who are expected to be, and are seen to be, influential on important matters.

According to Gebauer and Lowman (2008:121) the best and most effective leaders and managers possess a dual leadership competency that combines hard skills (financial, marketing, and operational prowess) with so-called soft skills (emotional and social intelligence, listening abilities, empathy and humility). They emphasize that a CEO may have a winning strategic vision or a gift for running an efficient business operation but will fail to generate the success needed unless he can also touch people's hearts with his character and values. There is a need for executives to combine their business prowess and intelligence with the inspiring engaging skills to generate success in the work place.

Nielsen (2009:56), in his article, stresses the importance of leadership and engagement during challenging times. He states that leaders should create optimism, inspiring and challenging their teams to find opportunity in adversity instead of lay offs or freezing spending during recession. He maintains that a company that inspire and engage employees outperforms their peers, especially during challenging times. He mentions that the economy is tough and is likely to stay this way for a while, thus the call for leaders to lead and engage at the same.

### 3.6 The Drivers of Engagement

Fawcett (2009:15), states that maintaining effective employee engagement is particularly important in a difficult market and its effect on business performance should not be underestimated. Engagement is about how loyal, passionate and committed individuals feel about the organisation they work for. He postulates that the changes brought about by the recent financial crisis have resulted in employees feeling vulnerable, anxious and confused. They are not sure they can trust their management to lead them safely through the storm.

Fawcett (2009:15) states that the drivers of engagement vary slightly from company to company but some factors remain constant and these are:

- **Communication** – Staff like to be kept informed about a company's plans and performance and can be a big factor in building confidence and trust with employees. Face-to-face communication at all levels and age groups is particularly important. Senior leaders need to be visible and work hard to keep everyone in the organisation informed, especially when multiple sites are involved.
- **Leadership** – There must be a clear strategy accompanied by well understood values so everyone knows the aims and expectations of the firm.
- **Empowerment** – Get staff involved, listen to them and allow them to make a contribution. Empowerment facilitates a culture that allows staff to influence change and make business more efficient.
- **Career development** – Staff want to know they matter to their organisation and can develop their skill and careers. The focus should not be on salaries and benefits but rather on personal development and commitment. Improving the coaching skills of leaders also has a positive influence on company engagement levels.

Wallace and Trinka (2009:11) mention that the latest research indicates that engaged employees supercharge productivity, reduce turnover, and amplify customer focus, possibly as much by 20 percent. They postulate that great leadership generate the increased employee engagement that result to organisational performance. Most employees come to work ready to be engaged and wanting to be successful. Active communication from the leader affirms both of these intentions. Organisation should not suspend comprehensive leadership and management during economic crisis but should put emphasis on it.

On the other hand, Turner (2004:10) is of the opinion that the trends affecting life on and off the job that are moving engagement and resilience are:

- On the job, research has shown that from market value to health care and safety costs, having engaged and resilient people is not only crucial on business performance but is in fact a driver of business success. In companies there is evidence of employee disengagement as a result of being overworked. One employee in three is chronically overworked. The 'do more with less' mentality of addicted corporate cultures is not conducive to the longevity of the employee. The increasing pressure exerted by the shifting global economies and the confusing interpretations of the latest economic data makes it difficult to forecast future business, workforce and customer needs. This uncertainty is putting its strains on the resilience of companies and their workforce to maintain a competitive edge.
- Off the job priorities have shifted for employees due to the unbalanced economy thus making it difficult for some to honour family priorities. The demographics of employees have changed and have seen more women entering the workforce whilst still carrying on having children and caring for their aging parents as well. The single-parent homes are equally common as the two-pay check families. The clash of work issues and

family priorities has left many individuals squeezed for time, overwhelmed, and unable to maintain focus on or off the job.

Turner goes on to mention that the world's most innovative companies have adopted a work life perspective to tackle these issues. Company policies must be designed to give employees as much control as possible over their lives and using flexible work practices as a strategy to meet dual agenda – the needs of both business and employees.

Johnson (2004:1) postulates that according to Gallup, the biggest reason employees become hostile or apathetic toward their workplace is due to bad management and leadership. Layoffs have contributed to the problem, but experts say that most companies do not give employees a reason to care. If employees do not feel praised, developed and valued, they will eventually disengage. Employee disengagement is said to be a threat to a company's bottom line because the underperforming employees have a bad influence in the company. It is now imperative for organisation to include employee recognition programs in their strategic plans in an effort to sustain its competitive advantage within the turbulent environment it operates in.

Johnson (2004:2) also mentions that although training does not solely contribute to employee engagement, it is time for learning leaders to train managers about the warning signs of disengagement and how to keep workers engaged. The boss is the only person who can turn around a team. Whether you are a boss of many or a boss of one, he emphasises that you should use ongoing strategies to keep your group engaged, such as learning what motivates individual employees, running efficient and focused meetings, and taking action to resolve situations. Managers should also ensure employees have focused work, individual value and personal support.

Hall (2009:23) in his article ‘Raise Employee Morale’ states that happy, thriving employees can help the company weather the storm. He states that given the current market environment the answers to promoting employee satisfaction are diverse but emphasis should be on motivation, hiring the right people from the start, managing better, communication, having properly outlined plans, commitment from the boss and praise for small wins make a big difference amongst employees. He cites that happy and booming employees count for a long-term success.

Berta (2008:14) suggests that engaged employees help boost productivity. In her article, she states that nowadays it is easy for employees to worry and become distracted when they are surrounded by news of layoffs and other cost cutting measures. When such happens, managers should step up its communication in an effort to keep employees engaged and motivated. Keeping an engaged workforce helps in keeping a good company reputation in that employees talk positively about the organisation and staff turnover is very low. Employees are willing to go that extra mile and in the process driving productivity. In her surveys carried out, she cites that communication has been one of the top drivers for engagement. She mentions that employees want more communication and preferably to be two-way.

The Human Resource Partnership (2007) postulates that the highest goal of management in any organisation should be to deliver optimal financial performance with a workforce that is fully engaged. They emphasised that employee’s willingness to work hard and identify with the company usually will not result from top management cracking a whip; rather, good leadership is the key driver. All managers and supervisors become part of the change process, with the goal being a true cultural modification that heightens employee engagement and improves organisational performance and the bottom line. Employee engagement should be part of an organisation’s continuous improvement process; not a one time event. Buckingham and Coffman (2009)

concurs by stating that a great workplace is created by ‘Best Managers’ who deliver the highest levels of productivity, profitability, and employee retention and customer satisfaction.

### **3.7 Summary**

This chapter discussed the literature view relevant to the three concepts in this study which are employee engagement, employee involvement and leadership, that is, employee relationship with management.

The next chapter will discuss about the research methodology used towards achieving the aims of the study.

## Chapter 4 Research Methodology

### 4.1 Introduction

The preceding chapter covered the literature review on employee engagement and disengagement, employee involvement and leadership.

This chapter will discuss about the methodology which will outline the research design, sample, population and measuring instrument undertaken. Other topic to be discussed will be the extent of reliability and validity of the research method used.

A descriptive research design has been followed in this study in an effort to obtain the causal effects of disengagement. Coldwell and Herbst (2004) states that descriptive study attempts to describe the existence of a variable on the hypothesis the researcher asks about. This will be revealed either in a group, people or events that the researcher focuses on in an attempt to draw answers on the postulation or hypothesis raised. The target group would be requested to furnish demographic information with respect to their age, department, position held, length of service in an effort to determine who, what, where and when in relation to the existence of the disengagement variable asks by the researcher.

This descriptive data will assist the researcher in determining the causal effect of disengagement amongst the group selected and will be postulated back to the larger population of the company.

Due to time constraint and limited resources the researcher had to strike a balance between the two by collecting data through the use of a non-experimental design. This is a survey whereby a questionnaire has been developed to collect data from respondents. Respondents are expected to fill the questions themselves. The researcher has used both closed and open-ended

question to allow the respondents to give comments in their own words on issues that may have been left out on the closed questions.

The research design selected, that is, the use of a questionnaire in a group has its own advantages and disadvantages sourced from Coldwell and Herbst (2004:48). The advantages are:

- It is an easier and quicker method of collecting data and is non-threatening to the respondents because they personally administer it themselves.
- Respondents are kept anonymous allowing freedom of expression.
- The availability of sample questionnaires makes it easy for the researcher to compile one.

The challenges that come with the use of a questionnaire are as follows:

- Not all questionnaires will be sent back by respondents.
- Questions may be misinterpreted by the respondent thus giving inaccurate feedback.
- Sampling expert may be required to carry out the survey.

## **4.2 Population and Sample /Sampling method**

### **4.2.1 Population**

Coldwell and Herbst (2004:74) define a population as a group of individual persons, objects or items from which samples are taken for measurement. Adding to that, Leedy (1997:208-210), maintains that the population can be viewed as a group or individuals or objects that would illustrate common feature that would be advantageous to the researcher's interest.

#### **4.2.2 Sample Selection and Size.**

Coldwell and Herbst ( 2004:74) define a sample as a set of respondents, when dealing with people, selected from a larger population for the purpose of a survey.

#### **4.2.3 Research Population and Sample**

As mentioned earlier, the focus of this study was to establish the effect of employee involvement and leadership in a disengaged workforce. Due to time and money constraints, it was decided to make use of a judgemental sampling technique (Struwig and Stead 2001:111) whereby the researcher chose what she believed to be the best sample for this study. This selection thus depends on the researcher's judgement that this group of people will consequently provide the appropriate required information. The research thus focused on the ten middle managers and twenty supervisors and all of them were chosen and were represented in the sample.

The population of this study included all the supervisors and middle managers totalling thirty. All thirty members agreed to partake in this study, of which 23 members responded favourably. The response rate yielded was 77% and according to Sekaran (2003:266-267) this is acceptable because he considers a response rate of 30% as acceptable in most research studies.

This favourable response rate can be attributed to the fact the researcher is an employee in the organisation and was able to personally follow up on the participants. The population ( $n=30$ ) of supervisors and managers included males and females although the company is a male dominated environment because of the nature of its operation and woman are a fraction of the entire population.

#### **4.2.4 Sampling Design**

In view of these restrictions the researcher decided to use secondary data available within the company in the human resources department. The data

selected was obtained from the information from the last employee survey in 2009 carried out by the company whereby the results cited the middle management and supervisors as the most disengaged group within the company. The researcher selected this sample and the group made a total of thirty employees and the researcher believed that it was representative of the departments within the company, that is, almost all the departments have a supervisor or a head of department.

#### **4.3 Data types**

According to Charlesworth (2003:18), a researcher should choose a data collection method that addresses the particular problem of the study. The method should be appropriate to the nature of the project and the time and resources available to investigate it. Data can be collected using the qualitative or quantitative or both methods.

Qualitative methods put emphasis on in-depth discussion with or observation of people. In this way the researcher can gain more insight on complex issues that affect human beings and their behaviours. These behaviours are almost impossible to measure and these would include, amongst others, employee engagement, motivation etc (Charlesworth, 2003:19). On the other hand the quantitative approach as described by Charlesworth (2003) derives from scientific practice and depends on the use of scientific method, including statistical analysis.

It is mentioned that there is no single best method of collecting data but the researcher has to choose a method that is most appropriate to the particular project. In this respect, the researcher has chosen the qualitative method of collecting data. The most apparent reason being the fact that the researcher is trying to shed light on a complex issue of employee engagement, involvement

and leadership. The research project entails human behaviour and this will be very difficult to measure using the quantitative method.

#### **4.3.1 Data collection techniques**

A qualitative research, which aims to describe and explain a set of concepts, to explore and interpret the relationship between the concepts and to build theory about a topic was the method used in this research as the relationship between the concepts of employee engagement involvement , management and leadership are explored and interpreted (Allan, 1993:80).

The researcher has adopted an issue-focused survey. This is a structured questionnaire that covers common topic that trouble many organisations such as communication, one's own manager, management in general, employee engagement etc (Connolly and Connolly 2003). The survey questionnaire has two sections. The first part will intend to acquire the demographic profile of the respondents, while the second section contains a set of attitude statement and three open-ended questions in the end (Appendix 1).

The survey instrument accompanied by a covering letter was distributed to the intended recipients with the assistance of the personal assistant (PA) to the Chief Executive Officer. The researcher first got the approval of the CEO and a copy of the approved letter was sent to the human resources department. The respondents were requested to return the completed questionnaires via the PA's office or deliver them directly to the office of the researcher.

#### **4.3.2 The Questionnaire**

Questions were generated after an extensive literature review of the topic area. A questionnaire was drawn up from these questions. The questionnaire consisted of two sections. Section one consisted of questions related to biographical information of the candidate. Section two was based on Performance Programs

Incorporation 2009 questionnaire and comprised of twenty eight standardised questionnaire items which were grouped as follows:

- 1: Satisfaction of employees. Do they consider the organization a good place to work? Do they plan on staying?
- 2: Commitment to the organization and its goals
- 3: Communication: are people aware of upcoming changes? Is information timely, accurate and understandable?
- 4: Organisation's culture and how employees perceive fairness, participation, involvement, teamwork, and innovation.
- 5: Relationship with immediate superior/ jobs and day-to-day activities.
- 6: Organisation's leadership and the management-employee dynamic: Are employees confident in the organization's leadership? Do the leaders have the skills to lead? Have managers earned employees' respect?
- 7: three open-ended questions to obtain the personal views of the respondents.

A five-point Likert scale was used for the majority of the questions. The scale ranged from strongly disagree (1), disagree (2), neutral (3) agree (4), to strongly agree (5) (Source: Performance Programs Inc. 2007)

#### **4.4 Validity and reliability**

A valid measurement is described by Delport (2002:166) and Huysamen (1998:25) as doing what it intends to do, measuring what is supposed to measure and producing scores whose differences reflect the true differences of the variable measured rather than mere random errors. Validity is the strength of a conclusion, inferences or proposition. More formally, Cook and Campbell (1979) define it as the “best available approximation to the truth or falsity of a given inference, proposition or conclusion.”

Reliability refers to the extent to which independent application of the same instrument consistently yields the same or similar results under comparable conditions (Delport, 2002:168). A pilot study was conducted to determine the effectiveness of the questions asked and to determine the level of understanding. Within this pilot study, it was determined that the questions asked were adequate but the layout of the questionnaire document had to be improved upon. The sample population had all missed out or omitted to complete the last page which comprised the demographic information. This was then moved to the first section of the questionnaire. The pilot study was conducted on three employees within the different departments in the organisation.

The design of the questions asked were appropriate to the problem under investigations which were engagement, commitment, communication, involvement and management. The questionnaire was adopted from other resources, that is, Business Culture & Climate Survey which validated the content in the questionnaire.

Generalisability – The target group was given the questionnaire to fill in because the researcher is in the same environment and is conversant of the target population. Generalisability was not limited because the entire target population is represented in this study.

#### **4.4 Bias**

According to Charlesworth, (2003:69) bias is implicit in a research and it should be recognized and taken into consideration. The possible ways in which bias can creep in this study is the fact that the research is conducted in house. The researcher is an employee together with the participants in the research study. The researcher holds a senior position within the organization. The participants might not respond honestly to the questions asked but may tell what they think the researcher wants to hear for fear of the unknown.

Because the survey was performed in house, the perception of safety and confidentiality was an issue. Most of the participants, at first, did not have confidence on the promise of anonymity that is why the researcher had to drop the idea of using the e-mail but opt to use a hand delivered system. The involvement of the human resources as well as the PA to the CEO made the participants become even wearier on the promise of anonymity. They perceived the whole process as a ploy to have them identified and “fired” by management. The response time and rate was very slow until the researcher, being acquainted and familiar with the participants, took the initiative to personally follow up with them and assure them of anonymity and the purpose of the research. The covering letter with all the explanation did little or nothing to change the perception of the participants.

With the above perception, the researcher was concerned about biasness. The response of participants might not reflect a true picture of their emotional feelings and their perception of the organisation for fear of the unknown. This also explains the 77% response rate and not a 100% response rate.

#### **4.6 Data analysis techniques**

According to Welman and Kruger (2004:194), once data has been collected it should be analysed by making use of descriptive statistics. This is carried out in order to investigate variables and their effects.

This study will make use of descriptive statistics in an effort to analyse the collected data. The use of descriptive statistics enables the researcher to present collected data in a rational and consistent form (De Vos et al , 2001:153-155). Ratings will be indicated as a percentage value.

#### **4.7 Limitations and delimitations**

The study will focus on the supervisors and middle managers of the company. Limitations could be that results obtained cannot be generalised to all the other employee segments that did not take part in the study.

The study focuses on employee engagement that could arise as a result of improved communication, employee empowerment and good leadership. Lack of communication, lack of employee involvement and bad leadership can have an impact on employee engagement which in turn can lead to a decrease in performance or productivity thus affecting the bottom line of the company. The researcher will concentrate on the causes of employee disengagement amongst the supervisors and middle managers and determine whether an improvement on employee involvement and leadership can raise the level of engagement within this group. Guidelines will be developed for the CEO of the organisation to improve the organisational climate in order to facilitate a totally engaged workforce and be perceived as the employer of choice.

#### **4.8 Ethical issues / Confidentiality**

In order to assure the participants on ethical issues and confidentiality, the researcher conducted the following:

- The researcher had to first obtain permission from the Chief Executive Officer of the company who signed the covering letter that was attached in all the questionnaires.
- The names and identities of the candidates remained anonymous.
- The covering letter outlined all aspect relating to ethical issues, anonymity and confidentiality. The participants were assured of confidentiality.

#### **4.9 Pilot study**

Pilot study as defined by Charlesworth, (2003:82) is the testing out of surveys, questionnaire or semi-structured interviews prior to their use. This allows the researcher to test areas such as appropriateness, length, complexity and the content of the research instrument used.

In this study the researcher conducted a pilot study by sending three questionnaires to three randomly selected participants. The results that came out were that the questionnaire covered adequate and relevant question to the topic. One point noted though was the biographical section which most of the respondents omitted to fill in because it was put as the last section on the questionnaire. The researcher changed that and moved to the first section, thus drawing the attention of the respondents.

#### **4.10 Response rate**

The questionnaires were hand delivered to the respondents (30 in total). A total of 23 useable questionnaires were handed back by the respondents, representing a response rate of 77%.

#### **4.11 Summary**

This chapter outlined the research methodology undertaken to obtain data in support of the research topic. It describes and outlines the research population, sampling technique and the questionnaire design as a method of collecting data and a measuring instrument.

The next chapter will focus and analyse on the presentation and findings of the data obtained from the respondents of the questionnaire.

## **Chapter 5 Findings and Discussions**

### **5.1 Introduction**

The preceding chapter discussed about the research design and methodology undertaken in the research process. This chapter attempts to analyse, disclose and outline the outcome of the response obtained from the participants.

### **5.2 Findings of demographic data**

In analysing the data, firstly, descriptive statistics have been calculated to summarise the characteristics of the demographic data. The questionnaire consisted of 7 questions in Section 1 about the demographics of the respondents, namely 1. department, 2. length of service, 3. age, 4. marital status, 5. gender, 6. division, 7. job position.

**Table 8: Demographic data**

<b>Demographics</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>A1. Department</b>		
Accounting/Finance	2	9%
Distribution & Warehouse	5	22%
Engineering	2	9%
Human Resources	1	4%
Laboratory	0	0
Mill Production	6	26%
Packing	3	13%
Sales & Marketing	4	17%
	<b>23</b>	<b>100%</b>
<b>A2. Length of Service</b>		
Less than 1 year	1	4%
Between 1-3 years	0	0
Between 3-5 years	1	4%
Between 5-10 years	10	44%
Between 10-15 years	5	22%
Between 15-20 years	6	26%
	<b>23</b>	<b>100%</b>
<b>A3. Age</b>		
Less than 20 years	0	0
Less than 30 years	0	0
Less than 40 years	10	44%
Less than 50 years	9	39%
Less than 60 years	4	17%
	<b>23</b>	<b>100%</b>
<b>A4. Marital Status</b>		
Married	16	70%
Single	5	22%
Divorced	1	4%
Widowed	1	4%
	<b>23</b>	<b>100%</b>
<b>A5. Gender</b>		
Female	7	30%
Male	16	70%
	<b>23</b>	<b>100%</b>

table 8 continued:

Demographics	Frequency	Percentage (%)
<b>A6. Division</b>		
Animal Feeds	2	9%
Wheat/ Maize Mill	<u>21</u> 23	<u>91%</u> 100%
<b>A7. Job Position</b>		
Middle Manager	7	30%
Supervisor	<u>16</u> 23	<u>70%</u> 100%

### 5.2.1 Interpretation of Biographical Findings (Table 8).

**A1. Department** - Almost all the departments within the organisation were represented in the survey with the exception of the laboratory which was found not have a supervisor or a middle manager. Employees in that department reported directly to top management.

**A2. Length of Service** – The majority of the respondents have been with the company for more than 5 years with the majority falling in the range of 5-10 years and comprising 44%, followed by the 10-15 year range at 22%. This would explain the objective of involvement through promotions and training. This could impact on the sense of feeling valued and involved.

The employees would expect almost all the drivers of engagement as depicted in figure 2 of chapter 3 (diagnostic tool – Robinson et al 2004) to be met. This then covers objectives one to three of the research, that is, engagement through involvement and leadership.

**A3. Age** – The majority of the respondents are in between the age of 30 and 39 and comprising 44% of the total respondents, followed by the age group of 40-49 at 39%, then the less than 60 years at 17%. A point to note is that there is no supervisor or middle manager who is less than 30 amongst the respondents. The results reflect that most of the supervisors and middle managers are less than 40 but more than 30 years i.e. fall between 30-39 years old.

The need for recognition, development, respect and involvement between this age group of supervisors and middle managers is impacted. The need to want to be heard desire is increased. The need to share ideas is also impacted thus impacting on all the objectives of raising engagement through involvement by the leader.

**A4. Marital Status** – This group is dominated by married respondents comprising of 70% (n=14), followed by single respondents at 22% (n=5) and widow and divorced sharing the same percentage of 4% each. The results are an indication of family oriented and committed employees which could have an impact on expectations of job security and need for welfare in and out of work thus impacting on objective 1 – engagement if met or disengagement if these needs are not met.

This phenomenon also put forward the argument by Turner (2004), covered in chapter 3 of this research that due to changes on demographics, leaders must create a flexible, supportive work environment to meet the dual agendas of both work and life events. On the job and off priorities should be considered by the employer over the employees.

**A5. Gender** – The results show that this is a male dominated organisation, with men representing 70% (n=16) whilst women occupy 30% with n=7 of the total respondents. This is evident that the population was primarily representative of

male employees. This could impact largely on the need for respect and recognition.

**A6. Division** – The results reveals that at the Animal Feeds division, only 2 of the initial 30 target population took the initiative to respond to the questionnaire thus representing a 9% (n=2) response rate. The Wheat and Maize division dominated the response ending up with a 91%. 21 of the 23 respondents represented the Wheat/ Maize division. This is a cause for concern as the secondary information obtained from the human resources revealed that the Animal Feeds has a total of 8 supervisors and managers whilst the Ngwane has 22 supervisors and managers. The response from the Animal feeds makes for only 25% (n=2) of the 8 supervisors.

The Animal feeds division has been the one that has been hard hit by the sharp bender strategy process in the past year or two and is still going on as a result of poor performance and bad management. The changes have been on management and the strengthening of stronger financial controls as depicted in figure 5 of chapter 2. The non response, even after extensive persuasion by the researcher might be a reflection of the fear of the unknown as there is perception of job insecurity or job losses amongst these employees. The characteristics of resistance to change are still evident within this division.

**A7. Job Position** – The results show a response rate of 30% from middle management and 70% from supervisors. Interpreted differently, the response rate of 7 from middle managers would reflect a 70% representation because the total number of middle managers within the organisation is 10 as initially mentioned in chapter one. Supervisors would represent a response rate of 80% (n=16) from the initial target of 20. This is an acceptable representation from both groups. Most of the employees are supervisors and could impact largely on the need for further training, professional growth and development.

### **5.3 Presentation of the Culture and Climate Questionnaire.**

The responses received from the Culture and Climate Questionnaire will be classified by perspectives and then represented by means of frequencies and percentages.

In order to ascertain employee engagement, involvement and leadership amongst the middle managers and supervisors, section B consisted of 25 statements of which the respondents had to rate using a five-point numerical scale and three open-ended questions which respondents were allowed to express their views on issues that may not have covered fully on the other 25 statements.

The following report has been designed to summarise the opinions made by the respondents regarding employee involvement, communication and leadership in the organisation. This information will be represented by means of frequencies and percentage. The information below describes how to read the results:

**“Perspective”** refers to the group of respondents rating each question.

**“Frequency”** refers to the numbers of respondents per perspective who responded to the question.

**“NR”** refers to the number of non respondents per perspective.

**“% of Responses”** refers to the percentage of “Frequency” who responded with a 1,2,3,4, & 5.

**“1”** means Strongly Disagree.

**“2”** means Disagree.

**“3”** means Neutral.

**“4”** means Agree.

**“5”** means Strongly Agree.

**“L”** means the sum of unfavourable ratings 1 and 2 on the company overall.

**“H”** means the sum of favourable rating 4 and 5 on the company overall.

A point to be noted is that 3 (neutral) is not rated on the low or high because it is considered as being neutral – not agreeing nor disagreeing to the question asked.

**(Note: all percentages were rounded off to two decimal places).**

### B1. Satisfaction of employees. (Objective 1-Engagement )

#### 1. All in all, I consider this organisation good to work for.

Perspective	Frequency	% of Responses						
		1	2	3	4	5	L	H
<b>Company Overall</b>	<b>23</b>	4	4	17	62	13	8	<b>75</b>
Accounting/ Finance	2				100			
Distribution & Warehouse	5		20			80		
Engineering	2				50	50		
Human Resource	1				100			
Mill Production	6		17	50	33			
Packing	3			33	67			
Sales & Marketing	4				50	50		

**3. The amount of pressure and stress on my job is reasonable and rarely excessive.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>	<b>2</b>	<b>21</b>	<b>5</b>	<b>24</b>	<b>38</b>	<b>33</b>	<b>29</b>	<b>33</b>		
Accounting/ Finance		2						100		
Distribution & Warehouse		5		60	40					
Engineering		2				50	50			
Human Resource	1	0								
Mill Production		6		17	17	33	34			
Packing		3			33	33	34			
Sales & Marketing	1	3				67	33			

## B2. Commitment to the organization and its goals (Objective 1)

### 2. I am committed to seeing this organisation succeed.

Perspective	NR	Frequency	% of Responses						L	H
			1	2	3	4	5			
<b>Company Overall</b>		<b>23</b>			<b>9</b>	<b>22</b>	<b>69</b>			<b>91</b>
Accounting/ Finance		2				50	50			
Distribution & Warehouse		5				20	80			
Engineering		2				50	50			
Human Resource		1				100				
Mill Production		6				17		83		
Packing		3				33	33	34		
Sales & Marketing		4						100		

### 4. I am unlikely to leave the organisation in the next 12 months.

Perspective	NR	Frequency	% of Responses						L	H
			1	2	3	4	5			
<b>Company Overall</b>		<b>23</b>	<b>9</b>	<b>4</b>	<b>35</b>	<b>26</b>	<b>26</b>	<b>13</b>	<b>52</b>	
Accounting/ Finance		2			50	50				
Distribution & Warehouse		5		20		60		20		
Engineering		2				50	50			
Human Resource		1				100				
Mill Production		6				33	50	17		
Packing		3				33	35	34		
Sales & Marketing		4		25			25	50		

### B3. Communication (Objective 2).

- 5. On the overall, information in this organisation is communicated effectively.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	<b>26</b>	<b>26</b>	<b>30</b>	<b>2</b>	<b>9</b>	<b>52</b>	<b>11</b>	
Accounting/ Finance		2		50	50					
Distribution & Warehouse		5		40		20	40			
Engineering		2			50	50				
Human Resource		1		100						
Mill Production		6			50	17		33		
Packing		3		33		67				
Sales & Marketing		4		50	25	25				

- 17. My manager/ supervisor keeps me informed about things I need to know.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	<b>4</b>	<b>26</b>	<b>30</b>	<b>10</b>	<b>30</b>	<b>30</b>	<b>40</b>	
Accounting/ Finance		2			50		50			
Distribution & Warehouse		5			20	60		20		
Engineering		2						100		
Human Resource		1		100						
Mill Production		6			66	17		17		
Packing		3		33	34			33		
Sales & Marketing		4				25		75		

**20. Top Management in this organisation gets information out in a timely manner.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	4	30	53	9	4	34		<b>13</b>
Accounting/ Finance		2		100						
Distribution & Warehouse		5		20	60		20			
Engineering		2			50	50				
Human Resource		1		100						
Mill Production		6	17	33	33	17				
Packing		3			100					
Sales & Marketing		4		25	75					

#### B4. Employee Involvement / Empowerment (Objective 2).

7. This organisation ensures policies and procedures are easy to understand.

Perspective	NR	Frequency	% of Responses							
			1	2	3	4	5	L	H	
<b>Company Overall</b>	1	<b>22</b>		14	36	45	5	14	50	
Accounting/ Finance		2		50		50				
Distribution & Warehouse		5			40	60				
Engineering		2				100				
Human Resource		1		100						
Mill Production		6			33	67				
Packing		3		33	34		34			
Sales & Marketing	1	3		33	67					

1. This organisation promotes a climate where there is free exchange of ideas.

Perspective	NR	Frequency	% of Responses							
			1	2	3	4	5	L	H	
<b>Company Overall</b>		<b>23</b>		13	43	26	22	9	43	<b>31</b>
Accounting/ Finance		2		50		50				
Distribution & Warehouse		5		20	20	20	20	20		
Engineering		2		50	50					
Human Resource		1	100							
Mill Production		6			66	17	17			
Packing		3	33	67						
Sales & Marketing		4		50		50				

**2. There is a high degree of involvement and positive energy in this organisation.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	4	22	44	26	4	26	30	
Accounting/ Finance		2						100		
Distribution & Warehouse		5		20		40	20	20		
Engineering		2				50	50			
Human Resource		1		100						
Mill Production		6		23		50	17			
Packing		3		33		34	33			
Sales & Marketing		4		25		75				

**10. People receive the training they need to do a quality job.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	4	26	13	48	9	30	57	
Accounting/ Finance		2		50		50				
Distribution & Warehouse		5	20	20			60			
Engineering		2		100						
Human Resource		1			100					
Mill Production		6		17			66			
Packing		3		34		33	33			
Sales & Marketing		4		50		50				

**11 This organisation gives employees the freedom they need to do their jobs.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>	23	9	30	30	26	5	39	31		
Accounting/ Finance	2		100							
Distribution & Warehouse	5	20	40	20	20					
Engineering	2			50	50					
Human Resource	1	100								
Mill Production	6		17	66	17					
Packing	3		67				33			
Sales & Marketing	4			25	75					

**25. Everyone is given a fair opportunity and prospects for promotions and upward movement.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>	23	9	26	26	35	4	35	39		
Accounting/ Finance	2		50	50						
Distribution & Warehouse	5		40	20	40					
Engineering	2		50		50					
Human Resource	1	100								
Mill Production	6		17	33	16	17	17			
Packing	3			33	67					
Sales & Marketing	4			50	50					

**B5. Relationship with immediate superior/ jobs and day-to-day activities**  
**(Organisational leadership of immediate superior - Objective 3)**

**13. My immediate boss is accessible.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	<b>9</b>	<b>17</b>	<b>35</b>	<b>39</b>	<b>9</b>	<b>74</b>		
Accounting/ Finance		2		50		50				
Distribution & Warehouse		5		20	20	20				
Engineering		2				100				
Human Resource		1		100						
Mill Production		6			17	83				
Packing		3		67		33				
Sales & Marketing		4				100				

**14. My manager/ supervisor works with me to define the expectations of my job.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	<b>9</b>	<b>17</b>	<b>9</b>	<b>43</b>	<b>22</b>	<b>26</b>	<b>65</b>	
Accounting/ Finance		2			50	50				
Distribution & Warehouse		5		40		60				
Engineering		2			50	50				
Human Resource		1	100							
Mill Production		6		17	33	33	17			
Packing		3	33	33		34				
Sales & Marketing		4			50	50				

**15. My manager/ supervisor lets me know when I have done a good job.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	13	30	17	39	43		<b>39</b>	
Accounting/ Finance		2			50		50			
Distribution & Warehouse		5		60	20			20		
Engineering		2					100			
Human Resource		1	100							
Mill Production		6	17	50	16			17		
Packing		3	33	33				34		
Sales & Marketing		4			25		75			

**16. My manager/ supervisor treats me with respect and dignity.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	9	17	22	26	26	26	52	
Accounting/ Finance		2			50	50				
Distribution & Warehouse		5	20	40		20	20			
Engineering		2				50	50			
Human Resource		1			100					
Mill Production		6		17	50	33				
Packing		3	33	33				34		
Sales & Marketing		4			25	75				

**18. My manager/ supervisor keeps favouritism from being a problem in our workgroup.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	<b>% of Responses</b>						
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>
<b>Company Overall</b>	<b>1</b>	<b>22</b>	<b>5</b>	<b>9</b>	<b>41</b>	<b>41</b>	<b>4</b>	<b>14</b>	<b>44</b>
Accounting/ Finance		1						100	
Distribution & Warehouse		5		20	40	40			
Engineering		2				50	50		
Human Resource		1			100				
Mill Production		6	17	17	50	16			
Packing		3			67	33			
Sales & Marketing		4			25	75			

## B6. Organisation's leadership and the management (Leadership- objective)

**6. I am satisfied with the level of direction I receive.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	<b>4</b>	<b>35</b>	<b>22</b>	<b>39</b>		<b>39</b>	<b>39</b>	
Accounting/ Finance		2		50	50					
Distribution & Warehouse		5		80	20					
Engineering		2				100				
Human Resource		1				100				
Mill Production		6		33	34	33				
Packing		3		33			67			
Sales & Marketing		4	25			75				

**12. I have trust and confidence in the leadership of this organisation.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>	<b>1</b>	<b>22</b>		<b>14</b>	<b>14</b>	<b>50</b>	<b>22</b>		<b>77</b>	
Accounting/ Finance	1	1			100					
Distribution & Warehouse		5			20	20	60			
Engineering		2				100				
Human Resource		1			100					
Mill Production		6			17	16	50	17		
Packing		3			33	33	34			
Sales & Marketing		4				100				

**19. Top Management in this organisation has acted consistently: they have done as they said they would.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>	<b>2</b>	<b>21</b>	<b>5</b>	<b>33</b>	<b>29</b>	<b>28</b>	<b>5</b>	<b>38</b>	<b>33</b>	
Accounting/ Finance	1	1		100						
Distribution & Warehouse		5		20	20	60				
Engineering		2			50	50				
Human Resource		1		100						
Mill Production		6	17	33	33		17			
Packing		3		33	34	33				
Sales & Marketing	1	3		33	34	33				

**21. Top Management in this organisation gives people the authority to accomplish the work that is expected of them.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>R</b>	
<b>Company Overall</b>	<b>1</b>	<b>22</b>		<b>18</b>	<b>27</b>	<b>45</b>	<b>2</b>	<b>18</b>	<b>55</b>	
Accounting/ Finance	1	1			100					
Distribution & Warehouse		5		20	40	40				
Engineering		2			50	50				
Human Resource		1		100						
Mill Production		6		33		67				
Packing		3			34	33	33			
Sales & Marketing		4		50	25	25				

**22. Top Management is fair in dealing with people.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>R</b>	
<b>Company Overall</b>		<b>23</b>	13	30	26	22	9	43	31	
Accounting/ Finance		2		50	50					
Distribution & Warehouse		5		20	60	20				
Engineering		2		50		50				
Human Resource		1		100						
Mill Production		6	50	17	16	17				
Packing		3		33			67			
Sales & Marketing		4		25	25	50				

**23. Top Management treats people with dignity and respect.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>R</b>	
<b>Company Overall</b>		<b>23</b>	13	26	39	30	5	26	35	
Accounting/ Finance		2		50		50				
Distribution & Warehouse		5		20	40	20				
Engineering		2			50	50				
Human Resource		1		100						
Mill Production		6	33		50	17				
Packing		3	33		34	33				
Sales & Marketing		4		50	25	25				

**24. Top Management takes a supportive role in my professional growth.**

<b>Perspective</b>	<b>NR</b>	<b>Frequency</b>	% of Responses							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>L</b>	<b>H</b>	
<b>Company Overall</b>		<b>23</b>	9	26	34	22	9	35	31	
Accounting/ Finance		2		50		50				
Distribution & Warehouse		5		40		40	20			
Engineering		2		50	50					
Human Resource		1	100							
Mill Production		6		33	50	17				
Packing		3	33		67					
Sales & Marketing		4		50	25	25				

The above results were used to compile the overall results in two folds. The first table listed the highest rated questions, that is, with a rating of 60% and above (overall ratings shaded in green in above questions). The second table showed the lowest rated question, that is, with a rating of 40% and below (shaded in red above). These ratings will be used to discuss and summarise the findings based on the researcher objectives and will be put forth on the conclusion and recommendations.

**Table 9: Highest Rated Questions****Company Overall.**

<b>Dimension</b>	<b>Question</b>	<b>Favourable %</b>
B1 Satisfaction	1. All in all, I consider this organisation good to work for	75
B2 Commitment	2. I am committed to seeing this organisation succeed	91
B4 Relation with Immediate boss	13. My immediate supervisor is accessible	74
	14. My manager/ supervisor treats me with respect and dignity	65
B6 Organisational Leadership	12. I have trust and confidence in the leadership of this organisation	77

**Table 10: Lowest Rated Questions.****Company Overall.**

<b>Dimension</b>	<b>Question</b>	<b>Unfavourable %</b>
<b>B1 Satisfaction</b>	Q3. The amount of pressure and stress on my job is reasonable and rarely excessive	33%
<b>B3. Communication</b>	Q5. On the overall, information in this organisation is communicated effectively.	18%
	Q17. My manager/ supervisor keeps me informed about things I need to know.	40%
	Q20. Top management in this organisation gets information out in a timely manner.	13%
<b>B4 Involvement</b>	Q8. This organisation promotes a climate where there is free exchange of ideas.	31%
	Q9. There is a high degree of involvement and positive energy in this organisation.	30%
	Q11. This organisation gives employees the freedom they need to do their jobs.	31%
	Q25. Everyone is given a fair opportunity and prospects for promotions and upward movement.	39%
<b>B5 Leadership – Immediate Boss</b>	Q15. My manager/ supervisor lets me know when I have done a good job.	39%
<b>B6 Leadership – Top Management</b>	Q6. I am satisfied with the level of direction I receive.	39%
	Q19. Top Management in this organisation has acted consistently: they have done as they said they would.	33%
	Q22. Top management is fair in dealing with people.	31%
	Q23. Top Management treats people with dignity and respect.	35%

**B7. Three open-ended questions to obtain the personal views of the respondents. (objective 1 - engagement)**

**26. Please identify, briefly, two or three things that you would like the organisation do in order to improve and be perceived as an employer of choice.**

**Most common factor**

---

Improved Communication  
Training especially on leadership skills for all managers  
Recognition and development of long serving employees  
Representation of middle management.  
Introduction of performance appraisal system  
Involvement in the welfare issues of employees – medical cover for all / caring for the ill / probe  
the high death rate amongst employees /  
organise social gatherings for employees.  
Fairness/ No favouritism  
Praise for good work  
Provide necessary working tools

**27. Please identify, briefly, two or three things that you like about working in this organisation.**

**Most common factor**

---

Reputable Company and Brands  
Head Office Involvement

**28. Please identify, briefly, two or three things that are done by management that should be stopped.**

**Most common factor**

---

Not communicating with staff / Not sharing information

Criticism

Unfair Recruitment/ Promotion Practices

No involvement of unions when there is a change on issues that affect the human resources.

The non representation of middle managers in matters affecting their welfare.

## **5.4 Interpretation of Culture and Climate Questionnaire Findings.**

### **5.4.1 Findings for research objective 1 – Employee engagement and disengagement.**

The data analysis of the study on the middle managers and supervisors of Ngwane Mills indicate that on the overall employees are satisfied with working for the organisation (75% rating) and are 91% committed to seeing it succeed but the concern was excessive work and stress level. The department mostly affected by this excessive work load and stress was the distribution and warehouse followed by the mill production. 38% of the respondents did not want to commit to the question making the score for favourable score to be 33%, i.e. those that either agreed or strongly agreed to the question.

The implication for this finding is that although employees are satisfied with working for the organisation and are committed to seeing the organisation succeed, the company should look at the job content and stress levels. If these are not attended to employees might leave the company as shown in the results of question 4. These results indicate that although 91% of the employees said they were committed to seeing the organisation succeed only 52% said they were unlikely to leave the organisation in a year's time. This is an indication that

the company should embark on talent retention and address the stress and work load issues amongst other things.

#### **5.4.2 Findings for research objective 2 – Employee involvement**

- **Involvement through effective communication** - A point to note is that the communication dimension had the worst result on all questions. Firstly, was the communication flow in general (organisation communication) which rated 11% on the overall, followed by top management communication which rated 13% and lastly was the manager/ superior communication which had an overall result of 40%. All these questions in this dimension are crucial in employee involvement.

The results of these findings indicate that communication is a major issue within this organisation. Communication is said to be one of the core drivers of engagement. This can then explain the concept of a disengaged workforce because the employees want information especially during difficult times as experienced by the company.

- **Involvement through empowerment.** – The empowerment dimension comprised of six questions of which 4 of them had the lowest rating ranging from 30% to 39%. These were mainly involvement of staff in free exchange of ideas (31%), atmosphere of involvement (30%), freedom to execute one's job (31%) and growth and development opportunities through promotion (39%). The other two questions did not fall under the highest rated list but had an overall score of about 50% which were not a worst case scenario but still calls for management scrutiny. These were training received to do a quality job (57%) and clear policies and procedures at 50%.

These findings indicate low level of employee engagement within the company. Empowering of staff members either through idea sharing and development are other factors that drive engagement.

#### **5.4.3 Findings for research objective 3 – Organisational Leadership.**

- **Immediate superior leadership** – The results in this dimension show that employees are satisfied with the relationship with their immediate superiors as only one question on a total of 5 had the lowest rating of 39% but interestingly enough this question is one of the factors found to be the key driver of engagement. This is praise for good work. Questions such as accessibility rated the highest at 74% followed by definition of job expectation at 65%. The other two questions were not rated high or low but had a rating of 52% and 44% respectively. These were respect and dignity as well as favouritism. What was noted on the issue of favouritism was that 41% of the respondent did not want to commit to the question i.e. they were neutral.

These findings may indicate that the immediate leaders require extensive training on the leadership skills. They may be great managers but not good leaders. Employees want to be recognised in an effort to make them feel valued thus praise for good work act as one of the drivers towards an engaged work force. As cited in chapter 3 by Johnson (2004) that if employee are not praised or valued they eventually disengage and Hall (2009), concurs by stressing that praise for small wins make a big difference among employees.

- **Top management leadership** – This dimension consisted of seven questions of which 5 of them were rated low, one was average, and one was rated high at 77%. The questions rated low were satisfaction of the level of direction (39%), consistency on actions of top leaders (33%),

fairness in dealing with people (31%), respect and dignity (35%) and the supportive role in professional growth (31%). The one that neither was rated low nor high had to do with authority to accomplish one's work (55%). The respondents felt that they had trust and confidence in the leadership of the organisation and rated the question at 77%.

It would appear that the leadership role is questioned in this organisation. The participants' responses were basically negative. Their responses portray leadership failing to unite employees, initiating change poorly and taking decisions unilaterally and lacking priorities. The changes implemented by management have created elements of anxiety and uncertainty within the workforce more especially because these changes have come up with layoffs. Employees feel that they lack direction from the leaders. The executive staff was more involved on operational issues rather than concentrating on strategic issues thus inhibiting the middle management freedom to do their jobs.

In his article, Nielsen (2009) states that leaders should not only see layoffs or freezing of expenditure as the only solution out during challenging times but should involve their team in finding other opportunities of rescuing the organisation from adversity. In so doing the leaders will be leading and engaging at the same time. This will also reduce the feeling of anxiety, uncertainty and job insecurity amongst the employees.

## 5.5 Summary

This chapter summarises the discussion and presentation of the results obtained from the research instrument used to collect the data. The results were used to interpret the biographical findings in relation to the objectives of the research. This was then followed by the interpretation of the results obtained from the

Culture and Climax Questionnaire which comprised twenty-five closed statement and three open-ended questions. These open questions were included on the design in order to give the respondents flexibility of expression in case some areas of importance were not covered in the closed questions. This has proven to be valuable as some points, other than the ones covered on the questionnaire were specifically pointed out by the respondents as contributing to this particular research topic.

The summary of the overall ratings shown in table 9 and 10 give an indication to the level of employee engagement within the organisation mainly with this population covered on the research. The response to only 5 questions over a total of twenty five (20 per cent) yielded a higher percentage on employee engagement (table 8) whereas a response to thirteen questions over the twenty five questions (fifty two per cent) yielded an unfavourable results indicating that staff is generally disengaged on the dimensions shown on table 10. The response to seven questions yielded an average rating of between 41 and 59 (twenty eight percent). The responses to the open-ended assisted in further strengthening the results obtained in the closed questionnaires. The respondents expressed themselves on the issues already covered on the questionnaire with the exception of one or two factors that related to employee welfare and social responsibility.

From the above, it can be summarised that there are more factors that contribute to employee disengagement rather than engagement emanating more from factors concerning, employee involvement, communication and organisational leadership. This should be a concern to management as it seems that more of the supervisors and middle managers, who serve as the front-line link between the operation staff and management, are the ones that are disengaged the most. This would affect performance as postulated by other researchers on the topic of engagement, thus management should endeavour to raise the level of engagement within this group.

Most of these unfavourable outcomes can be attributed to the sharp bender strategy process that has recently taken place and still going on within the organisation in an effort to make the company retain its competitive advantage as mentioned in the introductory chapters.

The following chapter (chapter 6) will cover the conclusion and recommendation as perceived by the researcher's interpretations on this chapter.

## **Chapter 6 Conclusions and Recommendations**

### **6.1 Introduction**

The preceding chapter discussed on the presentation and interpretation of the result findings by the researcher. This chapter will discuss the conclusions on the interpretation of the results in relation to the research problem and objectives by the researcher. It will also provide recommendations in line with the research results and recommendations for further research.

### **6.2 Conclusions**

The primary objective of this study was to determine if employee involvement and organisation leadership were key drivers of engagement within an actively disengaged workforce. The group identified for this study was the middle management and supervisors of Ngwane Mills. A majority of the participants responded to the survey, which makes the results representative of the population selected. The results mentioned above suggest that the leadership of Ngwane Mills should make efforts to improve on communication, to give priority to employee development and review the way change is introduced in the company.

It is important for the leaders of this organisation to create conditions that will enable its employees to perform to their maximum potential. This will be achieved if executive management communicates the vision and the importance of the objectives of the organisation to its employees. The leaders must empower its employees through involvement in setting up the objectives, rewarding, recognising and valuing their efforts. The last thing is for management to provide prompt, supportive and accurate feedback to its employees.

Despite the overall negative findings of the Employee survey Report in 2009, some favourable results were obtained in this study. This is an indication that not all is negative but management has still got a task to work on increasing the ratings of the most unfavourable results to the levels of the most favourable one.

### **6.3 Recommendations**

The following shortcomings were identified and need to be addressed with the following recommendations:

#### **6.3.1 Engagement and disengagement**

The work pressure and stress yielded an unfavourable rating and this calls for management to make stress awareness a high priority. The organisation should reorganise the employee tasks to incorporate the on and off the job requirements of their lifestyle.

#### **6.3.2 Employee Involvement in relation to Employee Engagement.**

- Communication yielded an unfavourable rating – The recommendations would be that management should:
  - Develop a proper communication channel or build a communication programme with the middle managers. This channel or programme should encourage two way communications. This will create a sense of value and recognition amongst this disengaged group as postulated by other theorists in the topic of engagement. The frequency in which feedback meeting are held should be increased and this should be an on going practise within the organisation. This means that communication should be incorporated in the strategy of the organisation. It should not be carried out during difficult times only as this may create elements of mistrust by the employees.

- Check if the managers in this organisation have the right skills and attitudes to enable listening and communication with employees. The findings in this study revealed that most of the responded were not satisfied with the sharing of information or communication provided by their immediate supervisor or manager. On the open-ended questions some actually cited disrespectful as a concern when it came to the manager/ subordinate interaction. This may indicate the need for development or training within the management team.
- Empowerment through involvement yielded unfavourable ratings and the recommendations would be:
- Executive staff should concentrate on strategic issues rather than getting itself involved in operational issues. They should provide guidance and expectations to its subordinates and allow them freedom to carry out their duties. Appraisal systems should be introduced to encourage evaluation and monitoring of the employee progress. The need for individual development and career paths should be identified and in the process incorporated to a succession plan. This will in the process motivate its employees to go an extra mile as they will feel a sense of involvement, recognition, and a growth opportunity within the organisation.
  - Strategies should be implemented to ensure, encourage and develop team work and participation. Continuous communication, coaching and feedback session should be established to ensure that employees have a mutual understanding of and share the company vision towards sustaining a competitive advantage.

### **6.3.3 Organisational Leadership in relation to Employee Engagement.**

In light of the findings with regards to leadership the following recommendations are made to improve leadership so that the managers become and are seen to be engaging managers:

- Managers should be encouraged to take short courses on employment relations. The benefits of attending such courses should be outlined by the organisation to its managers and in an effort to put emphasis on this, incorporate it in their performance measurement system.
- The current leaders, which should include the supervisors, middle managers, the executive team and potential leadership should be continuously identified, trained and developed to become effective leaders. The emphasis should be to equip the leaders with the following competencies:
  - Communication ability, that is, competency to relate a vision to employees, treating their people with fairness and respect.
  - Walking the talk and leading by example, that is, have credibility and the ability to foster trust through acting fairly and honestly in all circumstances.
  - Having the aptitude to motivate/ coach and inspire others
  - Having the potential to participate fully with everyone on all levels
  - Willingness to delegate responsibilities through identification of positive qualities in others and the willingness to share responsibilities
  - Willingness to continuously learn, adapt and grow within an ever changing environment.

It is crucial for organisations to invest in managerial development to ensure that managers on higher levels understand the value of empowerment and how to empower employees. Front-line managers act as link between employees and senior leaders. Oosthuizen and Kara (2008:39) emphasise the importance of leadership development and employee support empowerment to ensure future organisational success and provide leaders with direction.

These leaders once developed and possessing the leadership competencies and capabilities mentioned above will be seen as engaging managers by the entire workforce and will be in a position to tackle most of the concerns/ findings identified in this study. The organisation should then conduct another research to determine the level of engagement within its employees. This should be carried out to assess if the organisation has made any progress towards raising the engagement levels of its employees. It is recommended that these researches should be carried out and measured on a continuous basis, by external parties, for effectiveness.

#### **6.4 Recommendation for further research**

The findings of this study has led to the recommendations that a further research can be conducted on finding strategies to overcome resistance to change during the turbulent times that are consistently faced by companies as the environment is forever faced with constant changes. This study has uncovered the complexity brought about by introducing a change management strategy within a company that is faced with the external environment challenges such as global competition etc. Organisation undergoing major changes such as restructuring and downsizing may result in their employees experiencing a certain level of job insecurity. The fear of losing one's job will be higher for employees working in these organisations. This would call for a further research on the effects of job insecurity amongst employees as a result of an organisation's change or reorganisation's strategy.

A further research is also needed to define a reliable instrument for measuring communication satisfaction in countries like Swaziland which has different leaders with different cultural backgrounds. From this research finding, questions relating to communication were rated the lowest and had unfavourable overall results indicating a need for further research on this topic. The research would

cover effective communication strategies within an organisation that would in the end raise the level of engagement within employees.

## **6.5 Summary**

In this final chapter, conclusions and recommendations were discussed. It was postulated that employee disengagement occur when employees do not feel valued in the organisation as a result of lack of or non existence of the factors that contribute to employee engagement. That is why it was important for the researcher to first define engagement so that management is aware of the driving factors of engagement.

As put forward by Johnson (2004:2), the Gallup results indicated that bad management and leadership are the major reasons why employees disengage. Layoffs also contribute to the problem. Companies often neglect the aspects of recognising and praising employees. If employees do not feel praised, developed and valued they will eventually disengage.

As postulated by Berta (2008:14), surveys carried out on employee engagement reveal that communication has been one of the top three drivers for engagement. This has also been revealed in this study. Employees want more communication and it must be two-way.

According to Cronje, du Toit and Motlatla (2000:161), managers and subordinates must communicate constantly because it is conducive to good employee relations. It results in greater work satisfaction and higher productivity.

In her article, Turner (2004:60), states that companies want to become 'employers of choice' , want to retain talent and thus they have introduced flexible work hours such as flex time, job sharing, telecommunicating, reduced work

schedules, compressed workweeks, daily flexibility and work redesign. This provides employees with the freedom to attend to personal issues without feeling guilty or stressed about taking time off. Stress management, time management and manager, supervisor and staff training/coaching allow employees to become better-focused on work while at work.

Seitjs and Crim (2006:1) confirm the above and say that it is vital for leaders to identify the level of engagement in their organisation and implement behavioural strategies that will facilitate full engagement. They classify and propose the ten C's of employee engagement to ensure a competitive advantage through people as: "1.connect, 2.career, 3.clarity, 4.convey, 5.congratulate, 6.contribute, 7.control, 8.collaborate, 9.credibility, 10.confidence" (Seitjs and Crim 2006:1).

Gebauer and Lowman (2008:255) emphasise that engagement is the fuel that will drive employees and the organisation to succeed as the world of business becomes increasingly complex and competitive. They maintain that in every organisation, every manager has it within their power to Know, Grow, Inspire, Involve and Reward their people. If organisations close the engagement gap, by unlocking human potential the result will be improved or maximised business performance.

From the above analysis of literature, theories and research findings, it can thus be deduced that the research problem has been achieved, whereby employee involvement, communication and organisational leadership have been postulated to have an influence on raising levels of engagement within actively disengaged employees. The concepts of employee satisfaction, commitment, effective communication strategies and relationship with the immediate superior and top management are key and imperative factors towards the achievement of a fully engaged work force. It is now up to the management of Ngwane Mills to develop strategies in line with the company's procedures that will close the engagement gap in order to be perceived as an employer of choice.

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**APPENDIX: A**

TO: THE CEO OF NGWANE MILLS – MR W McConville

FROM: PATRICIA NXUMALO (employee) – SECTION: FINANCE

RE: CONSENT FOR CONDUCTING RESEARCH

**RESEARCH TOPIC:**

An investigation into the factors affecting employee engagement at Ngwane Mills.

Sir,

I hereby tender my request for consent to conduct a research survey through a questionnaire to ascertain mainly the level of staff involvement and organizational leadership at Ngwane Mills.

The responses will contribute towards the research carried out by myself for the dissertation in the Masters of Business Administration offered by the University of South Africa.

Conclusion and recommendations will be forwarded to the management of Ngwane Mills with the hope that it would shed light to the factors causing a disengaged work force.

Kindly take note that:

1. All information received will be treated with utmost confidentiality and will be used solely for academic purposes.
2. The questionnaire should not take more than 20 minutes to complete.
3. The respondents will be encouraged to fill in the questionnaire during their free time.

I trust that this application will receive your favourable consideration.

Patricia Nxumalo – Finance Department

Date: 16 February 2010.

*Forwarded: Mrs F Gama (Human Resources Manager)*

## **APPENDIX: B**

### **Questionnaire**

#### **To: The Salaried Employees of Ngwane Mills, Wheat, Maize and Animal Feeds divisions.**

You are invited to complete a survey questionnaire to bring out your opinions on the level of employee involvement, leadership and management within the organisation.

#### **Purpose**

The responses will be used as a contribution factor towards the research project carried out by Mrs Patricia Nxumalo for the dissertation in the Masters in Business Administration offered at the University of South Africa.

This survey has been designed to get feedback from you on the culture, climate and practices of the organization. The results of this survey will enlighten the things that the organization does well and identify the areas that need to be improved upon but this will be dependent on your commitment towards completion of the various questions as honestly as possible no matter how negative you may be.

The feedback from your responses would be used to draw conclusions and recommendations that will be forwarded to the management of Ngwane Mills.

#### **Anonymity**

Your responses to this survey will be completely anonymous and will be treated with strict confidence. You should not disclose or indicate your name anywhere on this questionnaire. You are requested to complete the questionnaire individually.

Please take note of the following:

1. The questionnaire should not take you more than 20 minutes to complete.
2. Permission has been obtained from the CEO and HR office to conduct the survey.
3. The results or responses will be used solely for academic purposes and nothing else.
4. Once completed please forward directly to Ms Patricia Nxumalo or Ms Wendy Ngwenya at the reception desk not later than 10<sup>th</sup> March 2010.
5. Please ensure that you read and understand the instruction carefully.

Thank you for your time and cooperation.

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Patricia Nxumalo – Finance Department

**Instructions:**

This survey comprises of twenty-five closed-end questions and two open-ended questions in the end. You are requested to consider each question in relation to how you view the organization in general. Please circle the answer that best represents your opinion, based on the scale provided and provide responses to the last two open-ended comment questions at the end of the survey. Your thoughts and suggestions are greatly valued.

**Culture and Climate Questionnaire (Business Culture & Climate Survey)****SECTION A****BIOGRAPHICAL INFORMATION****ABOUT YOU**

(please mark with x in the circle next to the appropriate answer)

**1. DEPARTMENT**

- Accounting/Finance
- Distribution & Warehouse
- Engineering
- Human Resource
- Laboratory
- Mill Production
- Packing
- Sales & Marketing

**2. LENGTH OF SERVICE**

- less than 1 Year
- between 1-3 years
- between 3-5 years
- between 5-10 years
- between 10-15 years
- between 15-20 years

**3. Age**

- less than 20 years
- less than 30 years
- less than 40 years
- less than 50 years
- less than 60 years

**4. Marital Status**

- Married
- Single
- Divorced
- Widowed

**6.Gender**

- Female
- Male

**7. Division**

- Animal Feeds
- Wheat / Maize Mill

**8.Job Position**

- Middle Manager
- Supervisor

**SECTION B**

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
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1. All in all, I consider this organization good to work for. 1 2 3 4 5
2. I am committed to seeing this organization succeed. 1 2 3 4 5
3. The amount of pressure and stress on my job is reasonable and rarely excessive. 1 2 3 4 5
4. I am unlikely to leave the organization in the next 12 months. 1 2 3 4 5
5. On the overall, information in this organization is communicated effectively. 1 2 3 4 5
6. I am satisfied with the level of direction I receive. 1 2 3 4 5
7. This organization ensures policies and procedures are easy to understand. 1 2 3 4 5
8. This organization promotes a climate where there is free exchange of ideas. 1 2 3 4 5
9. There is a high degree of involvement and positive energy in this organization 1 2 3 4 5
10. People receive the training they need to do a quality job. 1 2 3 4 5
11. This organization gives employees the freedom they need to do their jobs. 1 2 3 4 5
12. I have trust and confidence in the leadership of this organization. 1 2 3 4 5
13. My immediate supervisor is accessible. 1 2 3 4 5
14. My manager/supervisor works with me to define the expectations of my job. 1 2 3 4 5
15. My manager/supervisor lets me know when I have done a good job. 1 2 3 4 5
16. My manager/supervisor treats me with respect and dignity. 1 2 3 4 5
17. My manager/supervisor keeps me informed about things I need to know. 1 2 3 4 5

18. My manager/supervisor keeps favoritism from being a problem in our workgroup. 1 2 3 4 5

19. Top Management in this organisation has acted consistently: they have done as they said they would. 1 2 3 4 5

20. Top Management in this organization gets information out in a timely manner. 1 2 3 4 5

21. Top Management gives people the authority to accomplish the work that is expected of them. 1 2 3 4 5

22. Top Management is fair in dealing with people. 1 2 3 4 5

23. Top Management treats people with dignity and respect. 1 2 3 4 5

24. Top Management takes a supportive role in my professional growth. 1 2 3 4 5

25. Everyone is given a fair opportunity and prospects for promotions and upward movement. 1 2 3 4 5

26. Please identify, briefly, two or three things that you would like the organization do in order to improve and be perceived as an employer of choice.

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27. Please identify, briefly, two or three things that you like about working for this organization.

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28. Please identify, briefly, two or three things that are done by management that should be stopped.

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