FACTORS PROMOTING EMPLOYEE ENGAGEMENT IN THE

PHAMACEUTICAL MANUFACTURING INDUSTRY

A Research Report
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By

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DECLARATIONS

I, Naazia Mamdoo, hereby declare that the work submitted in this thesis
"The identification of Factors that promote employee engagement in the Pharmaceutical Manufacturing Industry" to the School of Business Leadership, University of South Africa, is my own work.

This thesis has not been submitted previously for any other degree at this university or any other university .All sources in this study have been referenced and appear in the comprehensive list of references. This dissertation is my own work and that all sources that I have quoted have been indicated and acknowledged by means of complete references.

_____   _____08 May 2012____

Signature   **Date**

Naazia Mamdoo

EXECUTIVE SUMMARY

Employee Engagement is a critical business issue for the pharmaceutical industry especially owing to the highly competitive nature of this industry. This research postulates that factors can be identified that promote employee engagement in the pharmaceutical manufacturing industry. The purpose of the study is to research the factors that contribute to employee engagement in the pharmaceutical industry and to make recommendations in line with the results obtained that may be appropriate and significant to assist the pharmaceutical industry. The organization that was studied is MZ Pharmaceuticals

The Problem in Context provided an analysis of the first level of complexity within the pharmaceutical industry. The focus of the Problem review was to unravel the second level of complexity. A mind map was created using the ideas generated from a brainstorming. These ideas were grouped into themes.
The objectives of this research are:

- **Objective 1**: To identify if employee engagement is a perceived value by the organization.
- **Objective 2**: To determine whether employees have sufficient tools to enable adequate engagement within the organization.
- **Objective 3**: To investigate the contribution of motivation, organizational culture and leadership on employee engagement within the organization.

This problem analysis presented in Chapter 2 unravels the third level of complexity underlying the constructs identified in the problem review from Chapter 1. It attempts to provide a deeper level of understanding of the business complexity through the application of relevant business management theory and models.

The literature review was conducted in order to seek knowledge and insight about published literature which assisted in formulating the perspectives and various arguments in understanding the complexity of the research problem. Chapter 4 includes the research methodology of the study which is both qualitative and quantitative in nature.

The aim of the research study was to determine the factors promoting employee engagement in a pharmaceutical manufacturing facility which is discussed in Chapter 5. The findings will provide a better understanding of the factors promoting employee engagement. The main purpose of the study was to determine the factors that promote employee engagement in the pharmaceutical manufacturing facility. In order to achieve the research purpose and aim, the research question and research objectives that formed the basis of gathering data and interpreting data will be reiterated. The findings depict the following:

- Employee engagement is a perceived value by the organization
- Employees require improvement in employee engagement tools to improve employee engagement within the organization
- In terms of culture, a culture change is needed to support employee engagement
- Motivational levels of the organization are not sufficient to support employee engagement
- The leadership within the organization is not adequate to support effective employee engagement.

In light of the findings, recommendations are made for alignment of factors promoting employee engagement within the organization. Suggestions for further research are also made.

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CHAPTER 1:
INTRODUCTION AND PROBLEM IN CONTEXT

1.1. INTRODUCTION

This research postulates that factors can be identified that promote employee engagement in the pharmaceutical manufacturing industry. The purpose of the study is to research the factors that contribute to employee engagement in the pharmaceutical industry and to make recommendations in line with the results obtained that may be appropriate and significant to assist the pharmaceutical industry.

1.2. BACKGROUND AND PROBLEM IN CONTEXT

MZ Pharmaceuticals is a third-party pharmaceutical manufacturing company operating in the Pharmaceutical industry in South Africa. It is an integrated South African pharmaceutical company and possesses a world class manufacturing and packaging facility. MZ Pharmaceuticals prides itself in the consistent delivery of high quality products to the customer and ensures that all suppliers are audited and meet the high standards of the Pharmaceutical Inspection Convention Scheme (PICS). The company's objective of being the most customer-centric pharmaceutical company in SA is what drives the company's vision to be one of the top five empowered pharmaceutical companies in South Africa while adhering to world class compliance standards, delivering exceptional value and returns to its customers and stakeholders.

MZ Pharmaceuticals is a fairly new entrant into the market as it was established in April 2007 after purchasing the Janssen Cilag manufacturing and packaging facility in Midrand and therefore competes against well-known companies such as Aspen which dominates the generic market. There is resistance which manifests as lack of teamwork among employees, communication and sharing of knowledge is poor as there is a constant power struggle. Financial constraints places challenges on funding for development and training.

Globalization has resulted in rapid changes in the environment which in turn has resulted in the pharmaceutical industry becoming highly competitive. Globalization refers to technological, political, and economic changes that make the world function in a different way from the way it did a few years ago. Skills of employees that are required to operate in this industry are scarce and thus need to be retained for the organization to survive. Globalization has resulted in employees themselves changing. These changes entail having different needs and factors that motivate them.

Resolution of problems or issues encountered in the various departments is a challenge to solve because of the culture that exists in the organization. The managers of the various departments have changed regularly over the past two years thus creating despondency from employees. Additionally, employee turnover is high which results in the challenge to retain scarce skills and human assets.

Poor productivity, documentation errors and Good Manufacturing Practice (GMP) compliance issues are questioned at MZ Pharmaceuticals in terms of whether these appear to have improved or worsened over the past year. Team work and collaboration at MZ Pharmaceuticals can be questioned in terms of whether employees are fulfilling various roles to avoid conflict among individuals. One potential issue may the performance management system with respect to motivation of employees in the organization. This is further exacerbated by the fact that the performance management system appears to be time consuming to some in the organization. Additionally, time constraints impact the effective communication between employees and their line managers. This communication issue has implications for the feedback loop for both parties particularly feedback on outstanding and poor performance.

There are challenges that inhibit sufficient time being spent on retention of employees, building of human assets and employee empowerment which impacts the motivation of employees. The result of these unresolved challenges is that the level of commitment is poor which manifests as employees not participating and being involved during meetings. Employees need to feel a sense of belonging in an organization to feel valued and have high levels of internal motivation. It was raised

in a few meetings that employees are hesitant to fulfil certain responsibilities claiming that it is not in line with their job descriptions. These job descriptions are not updated when employees begin to acquire new responsibilities. Presence of strategies to handle the updating of job descriptions can be questioned.

There is a huge challenge in getting employees to voice their opinions or suggestions during meetings. This result in top management implementing suggestions and employees will follow appropriately. Time constraints place a strain on effective and open communication between top management and lower management. Interaction among various departments is inadequate for resolving issues timeously. It is a great challenge to engage employees and obtain commitment in order to come up with better ways to do things as many do not agree with the seniority system of promoting.

The Problem in Context provided an analysis of the first level of complexity within the pharmaceutical industry. These issues are further elaborated on in the Problem Review section of the report.

1.3. PROBLEM REVIEW

In this section the second level of complexity is unravelled. A mind map was created using the ideas generated from a brainstorming session. Having completed the mind map, three pertinent constructs emerged: Leadership, Motivation and organizational culture as illustrated in Appendix 2.

Leadership at MZ Pharmaceuticals plays a very big role in influencing employee engagement by stimulating employees to encourage creativity and innovation. Thus, ineffective leadership in the organization will have negative implications on the level of employee engagement achieved at the organization. Since certain senior managers were inherited from a different organization these leaders are overcome by bounded rationality which may have the potential to inhibit a learning culture and a learning organization.

One may argue that this dynamic organization is intensely competitive and thus time constraints could place a tremendous amount of pressure on the **communication** between senior managers and their subordinates which may have negative

implications on employee engagement in this dynamic organization. This may manifest as employees not feeling valued and this is where disengagement may creep in. Additionally, the communication issues may have potential to prevent cascading of pertinent information and knowledge to the subordinates which may influence feelings of security and stability among employees. It can thus be argued that the leadership in a dynamic organization will play a vital role in the motivation of employees.

Leaders are arguably responsible for ensuring that employees have a high level of intrinsic motivation so that they can contribute to the high productivity and achievement of goals and objectives of the organization. One can argue that the rate of business transactions has escalated exponentially yet numerous business programmes remain time driven, for example, the performance management system by its very nature is very time consuming. Most often than not managers are key decision makers in the organization and find that most of their day is tied up in meetings.

Owing to the huge pressure placed on managers and time constraints one can argue that recognition by managers of their employees could be a challenge. Thus, recognition and rewards in terms of the link between performance and reward could require much attention. One could put forward the idea that the fields of strategy and decision making could be explored and encouraged. These will have implications for employee morale, commitment and engagement. If Managers assist in building good relationships with employees in a sense of mutual trust and loyalty this might make employees feel a sense of belonging and loyalty toward the organization. The relationship between managers and subordinates requires further investigation as this essentially builds mutual trust and loyalty between employees and managers. Investigation of these relationships between both parties could show the implications it could possibly have on **motivation** among employees.

Resources tangible and intangible play a significant role in engaging employees as each employee has different factors that motivate him/her, e.g. some are motivated by pay and benefits, others by promotion and recognition and some like to be challenged. The question is whether training and development needs of employees

become pertinent to question in terms of whether these are met or not? These factors have great potential to influence employee engagement in the organization.

A culture is a set of norms, beliefs and values that bind an organisation's members together by providing a unified common goal (Louw and Venter, 2006). In order to survive and sustain its competitive advantage in this rapidly changing environment there is a great need for organizations to be flexible and adapt quickly to change. The leaders in an organization have different values and beliefs which are not always that clearly understood by other employees in the organization. It can be argued that if an organization has a rigid culture then challenges may arise. The culture that best suits the rapidly changing pharmaceutical industry is a learning culture due to globalization. This requires creativity, innovation and change. However, culture is deep-set and difficult to change. Culture requires medium-to-long term to change. The culture which exists at this particular organization could be investigated, in particular, to determine its implications for the level of employee engagement in the organization.

1.4. Problem statement

The previous sections opened up two levels of complexity which started from the factual and moved on to the specific. This section serves to delve deeper into the unknown of the problem itself.

The research statement is therefore posed as:
"Factors promoting employee engagement in a pharmaceutical manufacturing industry are not currently aligned".

1.5. Research Questions

Brainstorming of the problem statement has opened up a number of open ended questions that potentially cover the full gambit of requirements to respond fully to the problem statement. These are:
- What promotes employee engagement?
- Does organizational culture influence employee engagement?

- Will the motivational levels and morale of employee's impact employee engagement?
- Do the leaders in an organization play a significant role in employee engagement?
- Do pharmaceutical employees view employee engagement as vital in an organization?
- Is employee engagement highly valued in the pharmaceutical industry?
- Does this industry pay attention or place emphasis on having an employee engagement strategy?
- Does the industry have the tools necessary for employee engagement?

1.6. Research Objectives

A reflective SMART analysis of the above research questions has led to the selection of three objectives given the restraints of time and resources available for this research.

The objectives of this research are:

- **Objective 1**: To identify if employee engagement is a perceived value by the organization.
- **Objective 2**: To determine whether employees have sufficient tools to enable adequate engagement within the organization.
- **Objective 3**: To investigate the contribution of motivation, organizational culture and leadership on employee engagement within the organization.

1.7. LIMITATIONS/DELIMITATIONS

1.7.1. Limitations of the Study:

Collis and Hussey (2003) define a limitation as a potential weakness.

➢ During the collection of data it is expected that there might be some resistance to answering the questions on engagement especially due to the uncertainties that exist in the environment. It is hoped that the provision of a confidential and a safe space in which to express one's opinions without fear

of discrimination or identification, might assist to overcome this situation interfering with the results.

➢ Time and access constraints may prohibit a formal pilot study and may require interviews and a survey to be conducted simultaneously.

➢ Although the questionnaire and interviews emphasizes confidentiality, it will still be important to build a good relationship with the interviewees and alleviate concerns they may have to take into account personal influence and sensitivity. Potential limitation may arise from existing cultures and values espoused by respondents in their respective environments which in essence will influence their responses given to the researcher.

➢ There is great possibility that participants in the questionnaires and interviews might not feel free to express their true perceptions regarding the organization because of fear of victimization or discrimination irrespective of them having been assured of anonymity and confidentiality.

➢ The position held by the researcher within the company may inhibit or influence the participants from expressing themselves freely due to fear of jeopardizing their relationships with management.

1.7.2. Delimitations of the Study:

➢ Collis and Hussey (2003) describe delimitation as the scope of the research which is focused on a particular area. In this study the delimitation of the sample is that all the respondents are employees of the organization hence, a potential limiting factor is that employees may fail to recognize the importance of the survey.

➢ The research examines how employee engagement is perceived by a group of individuals in an organization however if it looks at a larger sample or population the results may be different.

➢ The questionnaire asks employees to rank issues of engagement in terms of what employees consider significant for employee engagement, however it does not consider whether these elements are in place in the organization.

1.8. Significance of the Research

This study will potentially add value to the pharmaceutical industry as well as to the Human Resource field. This study will identify factors contributing to employee engagement thus making it easier for Human Resources to attempt to include these in their performance measures. Furthermore, these factors can be used by organizations to implement strategies to promote engagement to ensure that their employees are committed to achieving the goals of the organization.

It will also add to the body of knowledge that already exists on attracting the best talents and skills, motivation and retention of human assets. This study will serve to trigger a great deal of interest in the concept of employee engagement in the pharmaceutical industry. This will in turn impact positively on retention of skills, productivity and high levels of commitment and engagement for sustaining competitive advantage.

1.9. Overview of the Report

This report comprises of the following sections:
 ➢ Chapter 1: The background and problem in context. This chapter covers the background, unravels the problem in context, objectives and states the research statement.
 ➢ Chapter 2: Problem Analysis/ Theoretical Considerations. This chapter analyzes the research problem by making use of theory and models to unravel the third level of complexity.
 ➢ Chapter 3: Literature review. This chapter includes literature to unravel the fourth level of complexity.
 ➢ Chapter 4: Research design and methodology. This chapter introduces the research methodologies used in the study.
 ➢ Chapter 5: Research findings and analysis. This chapter analyzes the results of the survey questionnaire.
 ➢ Chapter 6: Conclusions and recommendations. This chapter concludes the findings from the research and makes recommendations.

1.10. Summary

The pharmaceutical industry is dynamic and rapidly evolving due to globalization. This industry is increasingly becoming highly competitive. It is essential to engage employees effectively to ensure that they are retained and human assets are built to secure a sustainable competitive advantage.

This chapter sets the scene for the rest of the report. The problem in context unravels the first level of complexity in terms of highlighting the problem in general whereas the problem review provides a more critical reflective approach to the underlying issues of the problem by unravelling the second level of complexity. The problem review has unravelled three pertinent constructs of the problem by making use of the mind map tool. The three constructs are: Motivation, leadership and organizational culture which will be carried into Chapter 2. These constructs will be analyzed in Chapter 2 using theory and models to unravel the third level of complexity.

CHAPTER 2:
PROBLEM ANALYSIS / THEORETICAL CONSIDERATIONS

2.1. Introduction

This chapter unravels the third level of complexity underlying the constructs identified in the problem review from Chapter 1. It attempts to provide a deeper level of understanding of the business complexity through the application of relevant business management theory and models. As the objectives form the baseline, the researcher will gather a deeper level of understanding of the business complexity.

2.2. Motivation and employee engagement

An analysis of motivation using Maslow's hierarchy of needs (Figure 1) suggests a number of issues pertinent to this research. The theoretical considerations are that people are motivated by needs which are in a hierarchical order and a need that is not satisfied will influence behaviour; a satisfied need is not necessarily a motivator. Additionally, the theoretical considerations are that if a need is satisfied it will no longer motivate as people strive toward satisfying a need that was not fulfilled and that the five needs identified in the hierarchy places emphasis that a need at any level will only be of value once the lower needs are all satisfied.

Figure 1: Maslow's Hierarchy of Needs Theory

Source: Adapted from Cameron (2007:130)

While analysing the underlying theoretical considerations of Figure 1 yields the following becomes apparent:

➢ Physiological needs:
One potential issue is the way employees interact with other employees and the relationship among employees. This will be investigated further in this research.

➢ Safety: One issue is that job security may be compromised and this issue requires further investigation.
Additionally, pay and benefits will be investigated further to determine if employees are motivated by this aspect? Do employees feel that the pay and benefits are sufficient and does this contribute to job satisfaction?
Training and development needs could possibly be a relevant issue. The question is do employees feel that they have sufficient training to assist them to carry out their functions? Is there room for development in their organization? These issues will be investigated in this research.
Reward and promotion are also pertinent issues; do employees view the reward system as being fair? Is there room for growth and development in terms of promotion? These will be investigated further.

➢ Social needs:
The level of interaction among employees in the organization requires further investigation, the question being whether communication channels are open? Is there open communication between employees and top management? Is information shared among employees? The relationship among co-workers can be questioned to determine the level of communication.

➢ Esteem:
The praises, recognition for tasks done well and the promotion system are pertinent issues that render further investigation and will be done in this research. Is there equal opportunity for advancement in the organization?

> Self-actualization:

The potential issues that could arise are participation of employees in decision-making of the organization (Are employees part of the decision-making process?); the communication between managers and subordinates (is there open communication? Are employees allowed to be responsible for offering solutions?).

An additional question which can be asked is whether employees have autonomy, responsibility and flexibility in their jobs to allow them to value their potential? These issues will be investigated.

Figure 2: Branding Iceberg by Davidson combined with Expectancy
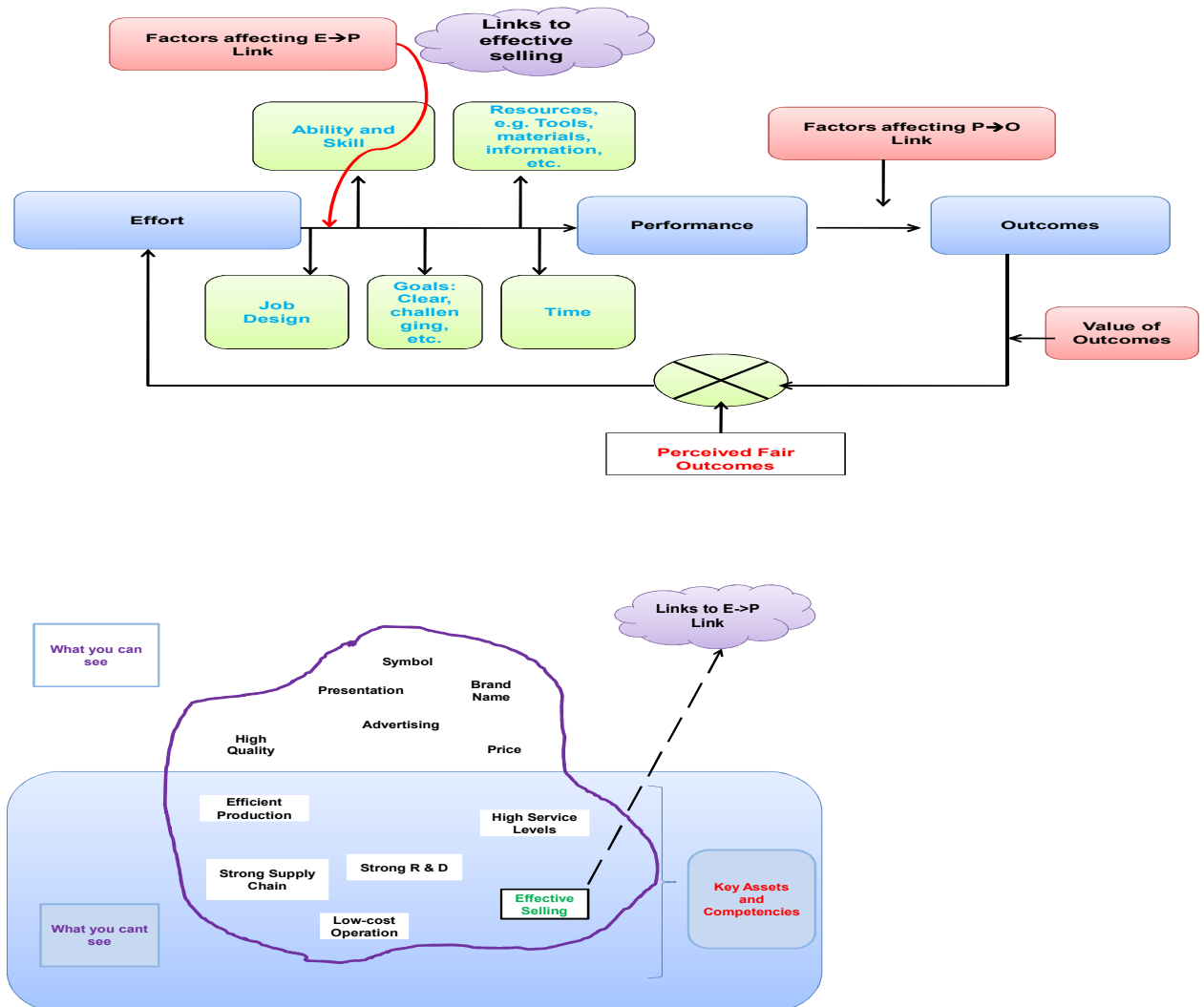
Source: Adapted from Cameron, 2007: 65 and 2007: 137)

The theoretical considerations underlying Victor Vroom's (2007) expectancy theory are that employees will put in efforts that will influence their performance based on their perceptions of the perceived outcomes as depicted in Figure 2. When applying the underlying theoretical considerations significant issues that arise from the link between effort and performance. If good performance is carried out by the employee and the reward is perceived as favourable by the employee then, this is a need that is satisfied and will drive performance to be better achieved in the future and likewise if reward is perceived as unfavourable the employee's performance will be poor.

When applying the theoretical considerations of Victor Vroom's theory relevant issues arise from the five factors that affect the effort→performance link (E→P Link). These factors are: ability and skills, resources, job design, goals that are clear and challenging and time. These factors yield the following relevant issues:

➢ Ability and skill:

Training and development needs for individuals will be investigated further to determine whether training and development in the organization is adequate to motivate employees?

One issue is whether employees have sufficient training and skill to carry out their jobs in the organization? These issues are investigated further in this research.

The Personal Development Reviews (PDRs) could be a potential issue arising from the underlying theoretical considerations and thus will be investigated in this research. Is this system adequate to facilitate skills development for employees in the organization?

➢ Resources:

The potential issues are the availability of resources to employees to effectively carry out their job functions in order to achieve goals and objectives. This will be investigated in this research.

An analysis of the theoretical considerations underlying the Branding Iceberg model by Davidson presented in Figure 2 is that effective selling forms part of the key assets and competencies and it is indeed an aspect that cannot be seen in

an organization. This in turn is linked to the underlying theoretical considerations of Victor Vroom's theory on one of the five factors affecting the E→P Link, i.e. Resources. This raises the issue of whether employees have the relevant and necessary resources to contribute to the competencies of the organization in order to build the brand for the organization? This will be investigated further in this research.

➢ Job Design:

A pertinent issue is whether employees are able to utilize their skills effectively? Are employees encouraged to be part of the decision-making process so that they feel challenged to be creative and innovative in carrying out their functions?

Another issue that arises is whether challenges are added to job descriptions to allow for flexibility and addition of responsibility to the job design to adequately motivate employees? This will be investigated in this research.

➢ Goals :

An issue here is whether goals are agreed upon mutually between employer and employee before they are measured so that employees feel part of the process?

Are employees aware of the mission and purpose of the company so that their goals are aligned to that of the company? These are pertinent issues requiring further investigation which will be done in this research.

➢ Time:

It can be argued that the rate of business transactions have increased exponentially however many business programmes remain time driven such as the performance management that is really time consuming. In a dynamic organization operating in the 21st century and owing to globalization the issue of whether senior managers allocate sufficient time to performance management can be questioned and this will be investigated in this research.

Figure 3: Job Characteristics Model by Hackman and Oldham
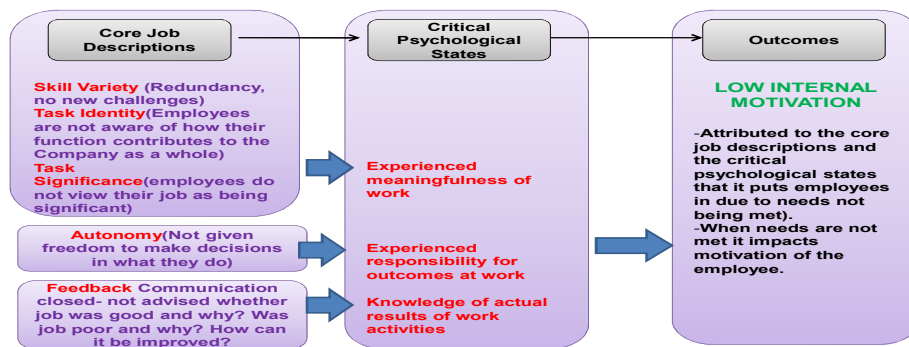
Source: Adapted from Cameron (2007: 145)

An analysis of motivation using the Job Characteristics Model (Figure 3) suggests a number of relevant issues bearing significance to this research. The theoretical considerations emphasize that if the core job descriptions of an employee are not aligned adequately then this has negative implications for the employee's critical psychological state of mind, which results in an employee with a low internal motivation. The result of this is an employee who will not actively engage with his/her work. The underlying theoretical consideration of Figure 3 yields pertinent issues:

➢ Skill variety:

One potential issue is whether employees are able to be exposed to new challenges to motivate them and to create variety in their job description? This will be investigated further.

➢ Task identity:

An issue that arises is whether or not employees understand the relevance of their job and how it contributes and adds value to the organization as a whole. This issue is pertinent to motivation of an employee and will be investigated in this research.

➢ Autonomy:

One pertinent issue is whether employees are given freedom to make decisions in their job and whether managers are open to solutions and encourage creative and innovative solutions. Do managers encourage open communication? These issues are investigated further in this research.

➢ Feedback:

A potential issue is the communication between senior managers and subordinates in terms of whether open communication is encouraged? Additionally, do managers communicate effectively and provide feedback whether negative or positive? This is a pertinent issue to the research and will be investigated further to determine the level of motivation and its contribution to employee engagement within the organization.

Figure 4: Tuchman's Four Stage Model as per Tuckman and Jensen and Katzenbach and Smith
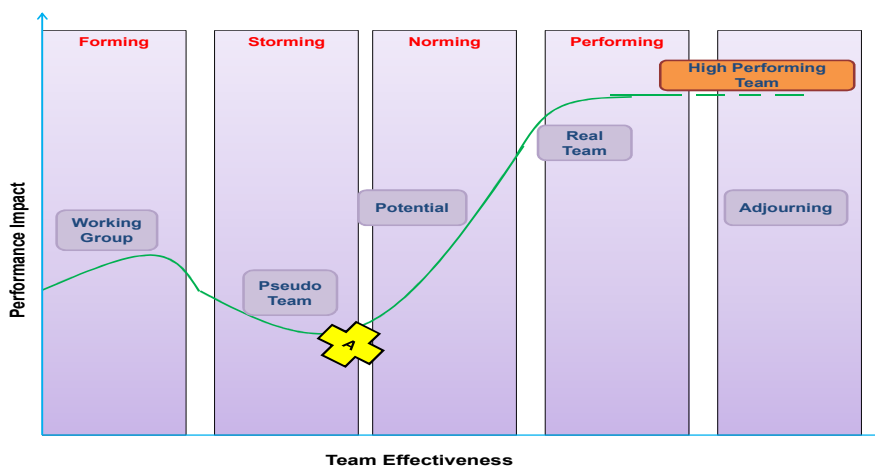
Source: Adapted from Cameron (2007: 35)

An analysis of motivation usingTuchman's Four Stage Model (Figure 4) suggests a few significant issues of vital importance to this research. The theoretical considerations are that there are stages in the development of high performance teams as illustrated in Figure 4 and in order to develop into a high performing team a team is required to pass the storming stage.

The underlying theoretical consideration of Figure 4 yields the following issues:

➢ Investigation to determine whether the team has passed the storming stage to develop into the norming stage to overcome hurdles to function as a high performance team to allow for collaboration of ideas. This issue will be investigated further.

➢ Presence of members in team who are overcome by bounded rationality could possibly have implications for the culture of the organization. This requires further investigation.

➢ Another question is whether managers change frequently which creates hurdles for a team passing the storming stage. This also requires further investigation as to whether effective high performance teams can exist within the organization.

➢ One potential issue may be whether or not team members socialise adequately and if team building exercises exists and if team members are committed to the team and to achieving the goals and objectives of the organization. These pertinent issues will be investigated in this research.

2.3. Leadership and employee engagement

An analysis of leadership using mental or cognitive activities of the strategic reasoning process (Figure 5) suggests a number of pertinent issues to this research. The theoretical considerations are that effective leadership is needed to encourage creativity and innovation by motivating employees in an organization. Furthermore, the theoretical considerations are that leadership lies in the ability of leaders to follow the strategic reasoning process in terms of identifying, diagnosing, realising and conceiving (as illustrated in Figure 5) that the leader is able to identify problems and reflect critically in order to make improvements ,where relevant, by engaging other employees.

Figure 5: Mental or cognitive activities of the strategic reasoning process

Identifying Re-organizing- *e.g.. structural changes at Company A* Sense-makings ('What is the problem?')- **Diagnosis approach**	**Diagnosing** Analyzing- *e.g. Liaison with employees at all levels* Reflecting- *e.g. looking back to cause of problems (poor productivity, why?)* ('What is the nature of the problem?') - e.g. *Over engineering, required re-directing strategy, reducing suppliers, culture change*
Realising Implementing- *e.g. cross functional teams (middle managers as agents of change)* Acting- e.g. *changes in structure, systems and culture to support the strategy* ('What action should be taken?') -e.g. *CFT's,, changes in reward and performance systems*	**Conceiving** Formulating- e.g. *The strategy process* Imagining- *e.g. looking at all alternatives* ('How should problem be addressed?') -e.g. *Addressed by gradual changes in mindset, changing systems and processes, culture to support strategy. Need to align organization's goals with that of the employees. Continuous scanning of the environment to introduce incremental changes to prevent strategic drift*

Source: Adapted from Louw and Venter (2006: 356)

When applying the underlying theoretical considerations of Figure 5 pertinent issues for this research arise:

➢ There are rapid changes in the dynamic external environment of the pharmaceutical industry that occurs. It is these changes that make it necessary for certain internal changes to the organization for survival. In terms of diagnosing problems there is little interaction from employees. One issue is whether leaders follow a strategic reasoning process in terms of identifying the need to implement change and engage employees?

Do leaders in the organization walk the talk in terms of behaviour to engage employees effectively? The issue is whether leaders encourage open communication among employees and include employees as part of the decision-making process?

Another issue is whether management is fair in their interaction with all employees? Are managers able to identify the value of employee engagement? These pertinent issues are all investigated further in this research.

- Another pertinent issue is to determine if leaders realise the need for engaging employees at all levels. Are there employee engagement strategies in the organization? This issue will be investigated in this research.

An analysis of leadership using capabilities and tasks of strategic leadership (Figure 6) unravels significant issues bearing relevance to this research. The theoretical considerations of Figure 6 are that effective strategic leaders posses capabilities which allows them to fulfil tasks and roles that result in effective strategic leadership.

Figure 6: Capabilities and tasks of Strategic leadership

Source: Adapted from Louw and Venter (2006: 355)

When applying the underlying theoretical considerations of Figure 6 the following comes to the fore:
- It can be argued that leaders within the organization have the capabilities of strategic thinking, emotional intelligence and behavioural complexity as well as transformational leadership (ability to transform and drive change). This will be investigated in this research.
- A potential issue is the ability of leaders to drive strategy in terms of engaging employees by including them in part of the decision-making processes within the organization. Another issue is whether or not leaders encourage the

development of employees in order to effectively engage employees within the organization to achieve high levels of commitment? Essential issues to this research also include the ability of leaders to create a culture to support strategy as well as align goals of the organization with those of the employees. This will be investigated in this research.

➢ A key issue that arises is the ability of leaders to set the organizational direction by engaging employees such that there is two way communication, knowledge sharing, and encouragement of sharing innovative solutions without fear of being victimised. This will be investigated further in this research.

When considering the role of strategic leadership in implementing strategy a number of issues relevant to this research come to the fore. The theoretical considerations are that there are pertinent roles played by the strategic leader in achieving effective strategic leadership. These are strategic direction, effective management of the organizations resource portfolio, sustaining effective organizational culture, emphasizing ethical practices and the establishment of balanced organizational controls.

Figure 7a: The Role of selected strategic leadership actions in strategy implementation
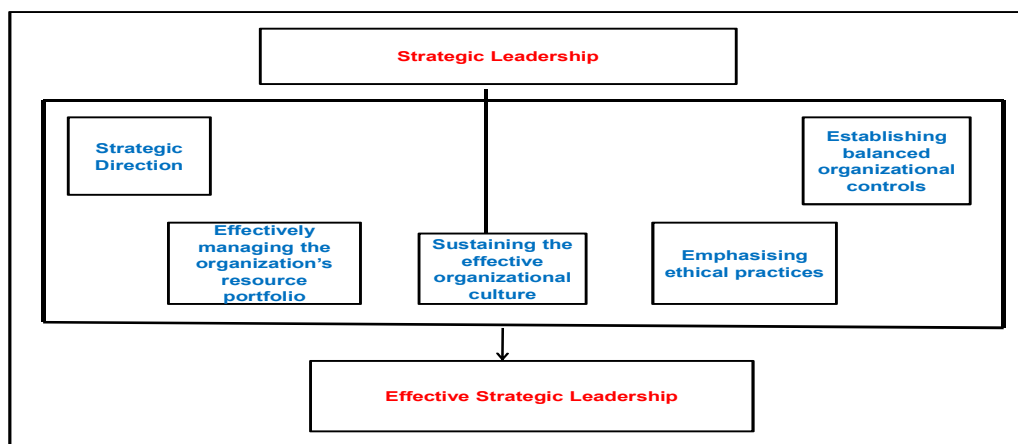
Source: Adapted from: Fourie and Jooste (2009:53)

When analysing the underlying theoretical considerations of Figure 7a a number of vital issues significant to this research appear. The potential issues are:

➢ Do leaders engage employees to the extent that employees understand the vision and mission of the organization? Are employees engaged effectively to have strategic direction from leaders? Do leaders enjoy high level of trust from employees in order to strategically direct the organization? These issues will be investigated in this research.

➢ Do leaders effectively manage the resource portfolio of the organization by ensuring employees have adequate material, equipment and resources to carry out their functions effectively and accurately?

Do leaders make provisions for sufficient training opportunities for employees? Doe employees understand what is expected of them in the organization? Have leaders devised talent strategies for retention of skills and development of competencies in the organization? Are these strategies in line with HR policies within the organization? These pertinent issues will be investigated further in this research.

➢ Do the leaders in the organization encourage a culture of employee engagement? Do leaders encourage open communication and sharing of knowledge, information and resources across the various departments in the organization to engage effectively? These will be investigated in this research.

➢ In terms of the issue of ethical practice one can ask whether leaders have effectively taken initiatives to ensure employees are adequately trained on relevance of ethical practices such as: Good Manufacturing Practice, Corrective and Preventative Action and Compliance. These bear significant relevance to the industry within which the organization operates. These will be investigated in this research.

An analysis of leadership using the Congruence Model (Figure 7b) suggests a few pertinent issues to this research. The theoretical considerations are that the effective strategic leaders are able to find the fit between the informal organization, formal organization, task and individuals such that feedback from outputs is used to inform strategy to offer direction for the organization.

Figure 7b: Congruence Model
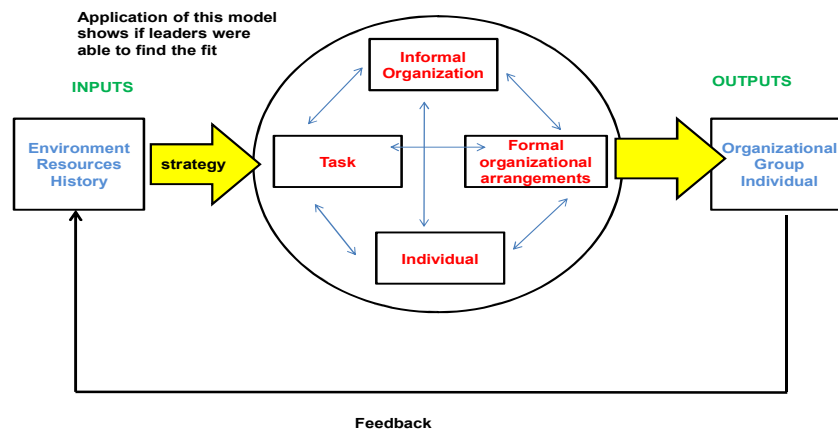
Source: Adapted from Louw and Venter (2006: 375)

When applying the underlying theoretical considerations of Figure 7b questions pertinent to this research can be asked, such as:

> ➢ Is feedback received from the organizational group in terms of survey questionnaires, interviews and others, so that outputs can be analysed. Is this feedback used by strategic leaders to attempt to find a fit to maintain balance?

2.4. Organizational Culture and employee engagement

An analysis of culture using Deal and Kennedy's model of organizational culture (Figure 8) reveals pertinent issues to this research. The theoretical considerations are that the type of culture depends on the rate of feedback and the risk associated with it.

Figure 8: Deal and Kennedy's model of organisational culture
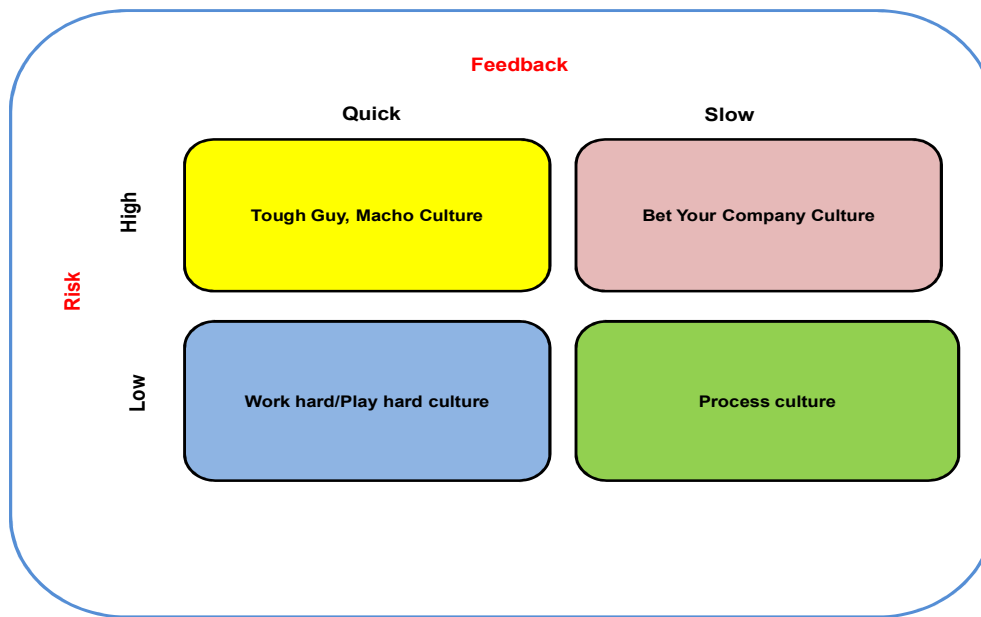
Source: Adapted from Cameron (2007: 32)

When considering the underlying theoretical considerations of Figure 7b pertinent issues to this research are raised. These are:

➢ Do the different departments have different cultures across the organization? For example: in departments such as regulatory affairs, quality assurance and planning where high risks are associated with decisions made the risk is high due to accountability and delegation. The employees working in this department may display traits of 'tough guy macho'.

➢ Similarly, employees working in operations may display a process culture where they may feel less engaged as they may be focusing on just getting the work completed (Cameron, 2007: 64), these issues will be investigated in this research.

➢ Is there a clash of cultures between the departments owing to the different levels of risks and feedback associated with the departments and this will have implications on the level employees will be engaged? This will be further investigated in this research.

An analysis of culture using a systems model of creativity (Figure 9) yields relevant issues pertinent to this research. The theoretical considerations are that it is the cultural system that influences the individual employees in the organization in terms of the talents, expertise and genetic makeup which in turn has implications for the social system which has implications for the field in terms of innovations. This works two ways and there is clearly a link between the cultural systems, individual's body of knowledge, talents and expertise and the social system as these feed into each other and influence each other. The systems model of creativity depicts the relevance of the cultural system in the process of creativity.

Cultures refer to set interrelated domains which are usually distinguished by procedures, belief systems and types of knowledge (Henry, 2006). Henry (2006) posits that creativity is the engine that drives cultural evolution. This places emphasis on increasing complexity over time where cultures become independent and autonomous.

<u>Figure 9: A systems model of creativity</u>
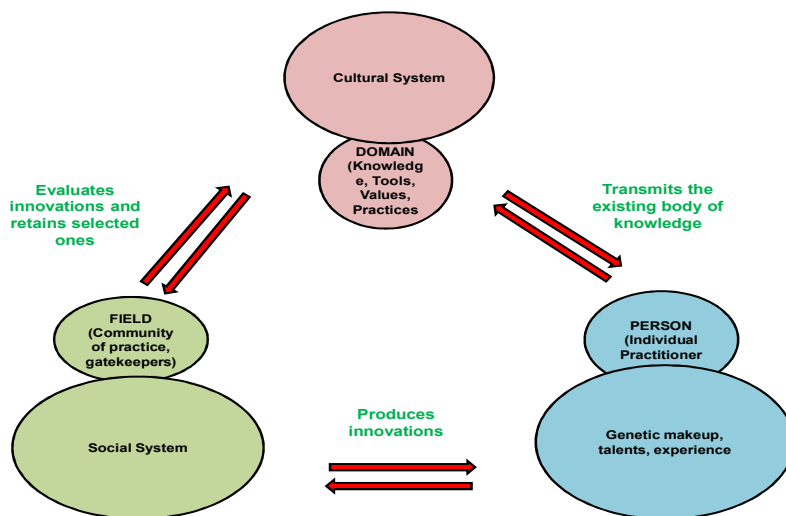
Source: adapted from Csikszentmihalyi (1999: 224)

When applying the underlying theoretical considerations of Figure 9 issues pertinent issues to this research are raised and requires investigation. These issues are:

- ➢ Does the organization have a culture that encourages learning and thus innovation and creativity?

- ➢ Does the culture of the organization entail development and growth of employees and retention of employees with good expertise and skills which can be used to develop competencies in the organization and thus be used as a competitive advantage?
- ➢ Do employees feel valued and realise their importance in achieving the organizations goals and objectives?
- ➢ Is the culture of the organization adequate to support employee engagement? These issues will be investigated for the purposes of this research.

An analysis of culture using the creative dimensions (Table 1) gives rise to significant issues relevant to this research. The theoretical considerations are that there are dimensions to the climate of an organization which have implications for the culture of the organization. In order for an innovation and creative culture to exist there needs to be a creative climate. Likewise if an uncreative climate exists there cannot be a culture that will support and encourage openness and for individuals to be part of the decision-making in the organization. This could potentially lead to disengagement of employees.

Table 1: Creative climate Dimensions by Ekvall

Dimensions	Creative climate	Uncreative Climate
Challenge	Enjoyable and energetic	Alienated and indifferent
Freedom	Independent initiatives	Passive, rule bound
Dynamism	Excitedly busy	Boring, slow
Trust/openness	Trusting, failure accepted	Suspicious, failure punished
Idea time	Off-task play	Little off-task play
Playfulness	Happy, humorous	Dull, serious
Conflicts	Debated with insight	Warfare
Support	People listen	Critical, negative comments
Debates	Contentious ideas voiced	Little questioning
Risk taking	Act on new ideas	Detail and committee bound

Source: Adapted from Boojihawon (2006: 156)

When applying the underlying theoretical considerations of Table 1 depicts the following relevant issues are depicted:

➢ Using the dimensions presented in Table 1 what type of climate will the organization most likely be?

➢ Is this climate suitable for employee engagement? These issues will be investigated further in this research.

Analysis of culture using the cultural web illustrated in Figure 10 suggests a number of issues pertinent to this research. The theoretical considerations are that there are paradigms of culture that exists. These are: the paradigm, symbols, stories, power structures, organizational structures, control systems and routines and rituals. It is these factors that contribute to the culture of an organization.

Figure 10: The cultural web by Johnson
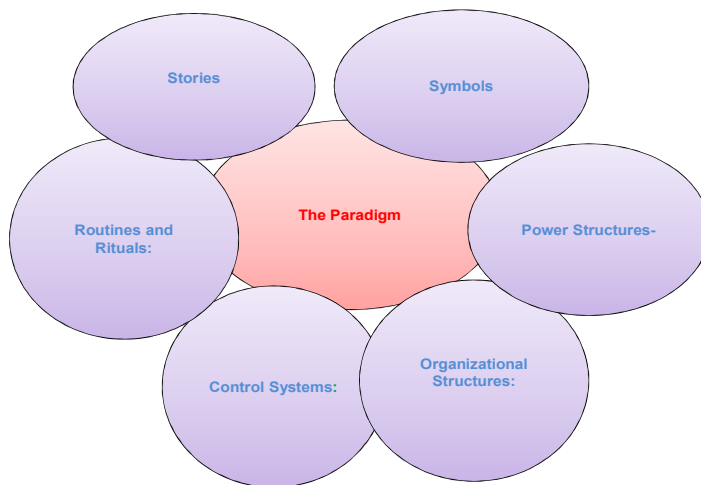
Source: Adapted from Boojihawon (2006:81)

When applying the underlying theoretical considerations of Figure 10 a number of pertinent issues to this research are suggested. These are represented in Table 2 below.

Table 2: Analysis of culture of MZ Pharmaceuticals using the cultural web

	Description	Impact on employee engagement
The paradigm	-The mindset of people bears relevance to the culture thus one can argue whether the company has a mindset to support a culture where employees are engaged adequately.	-Is the mindset of the organization such that it encourages innovation, open communication and supports change, innovation and creativity? -Is the mindset encouraging a culture that will enhance

		employee engagement? These factors will be investigated in this research.
Symbols	One can argue that the criteria used for promotion will act a symbol and impact employee engagement.	-The symbols such as promotion system have potential to have implications on the motivation and morale in the organization. -One can thus argue whether the employees have a high motivation? Are they satisfied with the promotion system? Is their job motivating them? Are the leaders motivating employees? -These issues will be investigated in this research.
Power structures	One can further argue that conflict among departments for power may have potential for negative implications on employee engagement.	-Power struggles of dominancy of departments may result in poor collaboration thus one can ask does the organization have team collaboration? -Is communication open to allow conflict resolution? These issues will be investigated further in this research.
Organizational structures	The structure of an organization serves to allow for channelling of	-One can thus argue whether the organizations structure supports

	communication. If structures are inadequate in an organization it could serve to disengage employees and vice versa.	employee engagement. -Does structure support culture of the organization? These issues will be investigated further in this research.
Control systems	Control system impacts employee engagement in terms of communication. For example: a dynamic control system will have a positive impact on culture.	-Does the organization have a dynamic control system? -Does the control system favour a culture supportive of employee engagement? These issues will be investigated further in this research.
Stories	The stories in an organization for example: the way leaders carry themselves impacts the culture of an organization.	-Does the organization have stories that exist that serve to motivate the organization? Do these stories contribute to positively impact the culture? -These issues will be investigated further in this research.

Source: Own

2.5. Summary

This chapter analyzes the third level of complexity with the use of business models. The major themes of motivation, leadership and culture were investigated further to exploit the research.

The exploitation of the models on motivation will serve to reveal the issues underlying the theoretical considerations of the business models used. The effort$\rightarrow$performance link impacts the motivation of individuals.

The models on leadership were used to determine whether the type of leadership is sufficient to support employee engagement.

The business models on culture were used to analyze the culture of the organization. The analysis aimed to determine whether the culture of the organization has implications for employee engagement.

The following chapter will now endeavour to unravel the fourth level of complexity by consulting with the literature on the topic and the various constructs identified to get a better understanding of the issues. This will be done to provide a better understanding on the viewpoints of existing experts.

CHAPTER 3:
LITERATURE REVIEW

3.1. Introduction

It is said that those who employ research belong to a group of scholars who have embarked on a journey into an unknown area to broaden their knowledge and gain in-depth insight. The results that are attained during the research journey uncover knowledge and insight for others to discover further knowledge and insight (Swarts, 2008).

The literature review was conducted in order to seek knowledge and insight into the literature that was considered for formulation of perspectives and arguments in attempting to understand the underlying complexity of the research problem.

The major themes of the research are revisited below and are followed by the literature review per theme:

  ➢ Motivation
  ➢ Leadership
  ➢ Organizational culture
  ➢ Employee engagement

3.2. Employee engagement

Macleod and Clark (2009) argued that there are various definitions for employee engagement. In reviewing definitions on employee engagement three are quoted below because they are relevant to this research:

  ✓ *"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 21st century workplace," (Macleod and Clark, 2009: 5).

- ✓ "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 employee," (Macleod and Clark, 2009: 5).
- ✓ "A set of positive attitudes and behaviours enabling high job performance of a kind which are in tune with the organisation's mission," (Macleod and Clark, 2009: 5).

Melcrum (2005) states that in order to ensure that employee engagement becomes part of a business issue it becomes vital to build integrate and implement a strategy in the organization. This requires taking into consideration the organizations leadership, culture and commitment.

Shaw (2005) postulates that the core problems in designing strategy and implementation on employee engagement are attributed to articulation.

The root of employee engagement stems from work done on employee engagement (Hertzberg, 1966).

Bateman and Grant (2003) postulate that intrinsic motivation is considered to exist when behaviour is such that things are performed for one's own sake rather than to receive social or material reinforcement. Deming (1993) explained that the value system is important but also placed emphasis on the need for intrinsic motivation in engaging employees in their jobs. His theory suggests that motivation is strongly linked to motivation and engagement.

Kahn's (1990) research on conceptualization of engagement suggests that when a person is driven by motivation, it is this energy that causes engagement and fulfils the human spirit. Likewise, if employees become disengaged then they do not fulfil their roles at work adequately (Kahn, 1990). In addition Kahn (1990) discusses that there are two dimensions that exist for employee engagement, i.e. psychological and

cognitive engagement. According to Kahn (1990, 1992) employees can be engaged on only one dimension at a time. However, the more engaged an employee is on each dimension; the higher will be the employees' overall personal engagement

Work done by Hochschild (1983) depicted that by carrying these roles at work employees behave in a robotic fashion. It is further suggested by Hochschild (1983) that employees that are disengaged display negativity toward their roles at work. The efforts by employees become less.

Employee engagement is defined by the International Survey Research (2003) as a process in which an organization increases contribution and commitment of its employees in order to obtain superior business results. This survey also depicts that employee engagement consists of employee's behavioural commitment, cognitive and affective commitment to the organization.

Employee engagement is defined as being an emotional and intellectual commitment from employees by Hewitt (2005). This in essence is described by (Hewitt, 2005) as when an employee speaks positively of his/her job, his/her organization and employer and this will help in recruiting and image creation. Essentially, these employees will walk the extra mile in ensuring that the organization endures success and display traits of respect and loyalty to the organization.

Brown (2005) views employee engagement as a combination of employee motivation, employee satisfaction and commitment.

According to Towers (2003), in research on employee engagement it is highlighted that companies' that have a higher level of employee engagement appear to perform better financially than companies with low levels of employee engagement. In addition, it is suggested by Towers (2003) that leaders in organizations should first attempt to establish the factors that motivate their employees and drive them forward.

Greenberg (2004) describes employee engagement as being critical to an organization if the organization wishes to retain its valued, skilled employees and achieve high levels of commitment and productivity.

Melcrum (2005) shows that in order to engage the employee it is necessary to identify the employee's potential and it is vital to grow the employees' career growth which will serve for the greater good of the organization.

According to Robinson, Perryman and Hayday (2004) it was postulated that if the following factors exist in an organization then employee engagement exists in that organization:

- training development and career
- immediate management
- performance and appraisal
- communication
- equal opportunities
- importance and fair treatment feeling
- valued engagement
- pay and benefits and involvement
- health and safety
- co-operation
- family friendliness
- job satisfaction

Robinson *et al.* (2004) highlights that the above-mentioned factors are key influences on employee engagement.

Penna (2007) suggest a similar model to Robinsons model whereby depicting that employees look for their job to be significant and meaningful where meaning is described as fulfilment from the job. Penna (2007) argues that fulfilment stems from the employee feeling valued, appreciated and have a sense of belonging in their workplace. Penna (2007) argues that the following factors are included in the hierarchy of engagement derived from (Morgan, 2009: 6):

- Meaning
- Leadership, trust and respect
- Promotion Opportunities
- Learning and Development
- Pay, working hours, conditions

These are increasing from the bottom to the top like a hierarchy.

The above-mentioned model is very similar to the theories of Maslow and Hertzberg.

As stated by Fawcett (2009) maintaining employee engagement can be a huge challenge in the difficult market. He argues that the recent financial crisis has created feelings of anxiety, instability and vulnerability among employees. They feel somewhat uncertain as to whether management can take them through the stormy times.

Fawcett (2009: 15) suggests that drivers of engagement differ in some ways from organization to organization but a few factors can be identified that remain more or less constant. These are:

- ✓ Communication: Employees like to feel part of the decision-making in the company. Face-to-face communication is considered pertinent.
- ✓ Leadership: plays a role in strategy and in motivating employees to understand expectations of the firm.
- ✓ Empowerment: Involve employees, listen to suggestions. Empowerment also influences a culture to facilitate learning.
- ✓ Career development: Focus should be on career development and growth. This also entails improving skills and offering training and development for employees.

Johnson (2004) makes mention that training on its own will not contribute to employee engagement. Leaders need to train managers on signs of disengagement so that it can be identified in its early stages and keep employees engaged. Managers play a key role in motivating employees, supporting employees and assisting to keep the focus and allow team work to endure high performance as stated by Johnson (2004).

Hall (2009) maintains that to raise employees' morale and commitment means that employees can help organizations through the storms it may face in the future. In addition, Hall (2009) argues that employee engagement entails good communication, high levels of motivation and employee satisfaction. He emphasizes

that happy employees make a significant contribution to long-term success of the organization.

Berta (2008) adds that engaged employees assist in boosting productivity. Her article highlights the importance managers' play in giving stability to employees through the power of communication. She argues that it is fairly easy for employees to become distracted by retrenchment issues or downsizing but if managers can succeed in keeping employees motivated then the workforce can handle these issues appropriately with minimal impact on productivity of the organization.

3.3. Employee Involvement in relation to employee engagement

Blair (2008) advances his view that when organizations embark on change they should make employees part of the change. They should explain the reason for change and the opportunities that change will open up for the employees.

Scheffer (2005) argues that within the evolving, dynamic business environment it is vital that internal communication be given priority due to the competitive advantage. This will play a vital role in the long-term success of the organization.

According to Storey (2006) employee involvement can be defines as moving toward a method of direct communication with employees instead of having only senior managers carrying messages from subordinates. This is an attempt to win the hearts of employees, to facilitate active problem-solving and to encourage innovation and creativity.

The engagement of employees especially during challenging times is stressed by Nielsen (2009). Leaders play a vital role in motivating employees, inspiring them and creating high performance teams to collaborate ideas and endure success for the organization. Nielsen (2009) highlights the fact that the economy is tough and does not promise to get any better and it is due to this that leaders are required to engage employees by involving them effectively in order to survive these times.

Gebauer and Lowman (2008) argue that the most effective leaders and managers are those that have a dual leadership competency consisting of hard skills (financial,

marketing and operational) with soft skills (social intelligence, listening capabilities, empathy, humility and emotional skills). An example that is used by Gebauer and Lowman (2008) is that a CEO may have the best strategy to run a business but will ensure failures if he/she does not attain the support of employees as these are the drivers of the organization. In essence, they highlight the need for executives to combine hard and soft skills to engage employees effectively and drive the strategy forward.

3.4. Motivation and employee engagement

"Tracy and Hinkin (2010) contend that the inspirational motivation dimension of transformational leadership, which is described as behaviours that communicate expectations, and create a team spirit…' as cited in Greenhaus and Partovi (2010: 1083). They have additionally used the conceptual model to link leadership practices (included is team building and work performance) to manufacturing group performance and competitive orientation.

The research done by (Thacker, 1997) suggests that the team leader plays a vital role in team creativity and sustaining a high level of motivation for employees so that innovation is also high due to high creativity. In addition, Thacker (1997: 146) further states that, 'A supportive supervisory style is more likely to contribute to creativity than a controlling supervisory style because it enhances individual motivation'. Thacker (1997: 146) further argues that leadership is pertinent to team enhancement. Likewise, the leaders heading a team need to have certain characteristics to successfully allow a team to be of high performance and be creative and pass the storming stage to function at its best.

As suggested by (Ilgen and Kozlowski, 2006) teams are most effective if the leaders have a key leverage point. This article also states that transformational leadership plays a vital role in tem development as it shapes the team climate perceptions. Additionally (Ilgen *et al*, 2006) states that technology is given high importance but humans must be taken into account for technology to work therefore human aspects such as distribution of tasks and responsibilities must be designed to support effective team work. This will result in team efficiency and effectiveness and hence optimal productivity.

Sukthankar and Sycara (2006:16) say that, 'Measuring group process behaviors is much more difficult. Group process behaviors are most evident in communication between group members. Thus substantial knowledge and experience in human communication, computer- aided collaboration and human-agent interaction are required to analyze these behaviors. Since communication between team members underlies team knowledge, mutual predictability, and shared delectability and mutual adaptation, developing and validating measures of group process behaviors is crucial'. This shows the importance of team work in achieving optimal productivity.

Research presented by Gilley and McMillan (2009) reveals that barriers to change which lead to failure of implementation include the manager's failure to reward workers who try to change. This shows that if the reward system is not perceived as fair, employees will stop putting in effort to drive change (become demotivated); hence it is necessary for strategic leaders to align these systems to support strategy.

3.5. Leadership and employee engagement

Chen (2010) argued that there are two models for leadership, these being transformational or transactional leadership and leader member exchange (LMX) which contribute to teamwork and cohesion of the team. The research as per Chen's (2010) research shows the valuable role of the coach (manager) plays in team cohesion. As cited in the article by Chen (2010: 1373): "….LMX has been found to be better for this purpose than either transformational or transactional leadership". However, here a baseball team was under discussion, application of this to a pharmaceutical industry may show that transformational leadership will promote better cohesion in the team due to the nature of the leadership style required in this industry. Company A requires transformation to endure better productivity and profitability.

Furthermore the article by (Ahlstrom and Richtner, 2010) further shows that top management control plays a role in knowledge creation. As cited by Ahlstrom *et al*., (2010: 1007): "Top management may influence the selection of a project leader and

it can actively bring together individuals from diverse areas of work to solve common problems".

As cited in the article by Hitt and Ireland (2005: 63), "Effective strategic leadership practices can help firms enhance performance while competing in turbulent and unpredictable environments". In essence, this article argues that strategic leadership can become a source of competitive advantage. Strategic leadership is when a person has the ability to anticipate, envision, maintain flexibility and think strategically and work with others to initiate change to create a viable future for the company as.

The same article by Hitt and Ireland (2005) also states that Jon Child, a theorist, argued pervasively that top-level managers in an organization had the latitude to make choices that will affect the outcomes of the company and he attributed this largely to the ability of these managers to influence direction of the firm. He then goes on to say that: "strategic leadership theory holds that companies are reflections of their top managers, especially CEO's", Hitt and Ireland (2005: 65). It is further emphasised that as a result of a global economy (influences top managers as well as those lower down) strategic leadership has evolved and become more crucial in organizations for survival. Tasks and role of the leaders as depicted in Hitt and Ireland (2005) comprises of being able to motivate, challenge for innovation, come up with a vision alone or as part of the team and communicate it to all in the company i.e. the creation of a shared vision.

"An effective strategic leader finds glory in the whole team reaching the summit together": according to Hitt and Ireland (2005: 67). Browne, (Hitt and Ireland: 2005) CEO of British Petroleum Company, says that when a company has a clear purpose (vision) this allows for learning to occur to facilitate implementation. "Johnson and Johnson's CEO is a strategic leader who believes in developing and nurturing his firm's knowledge base," according to Hitt and Ireland (2005: 70). He believes that employees are human capital and a most valued resource.

Characteristics of an effective strategic leader are described by Hitt and Ireland, (2005) as follows:

- Develop human capital. Example: Andersen consulting allocates 6% of annual revenue to training of employees. Must be able to use Resource-based View to match resources with capabilities for growth orientation. Knowledge management in terms of exploiting intellectual capital.

- Develop and sustain effective organizational culture. Be able to change mindset and ideologies to support strategy, example: Daimler Chryslers CEO, Robert Eaton and President of Benz, Robert Lutz integrated two cultures to give a competitive advantage.

- Emphasis on ethical practices. Instil normative values to keep all practices of business within regulations.

- Establish balanced organizational control.

- Must be able to focus on the future by predicting competitive conditions (regular environmental scanning to prevent strategic drift and rather go the incremental changes route) and challenges. Should be able to prepare company at all levels adequately for the changes.

"Strategic leadership is viewed as a key driver to effective strategy implementation", according to Fourie and Jooste: (2009: 51). This article further shows that a lack of leadership can result in failures of strategy and can hence pose a barrier to successful implementation. Fourie and Jooste (2009) agree with Hitt and Ireland's (2005) definition on strategic leadership as well as on the aspect of globalisation calling exponentially for strategic leaders for business's to survive and compete.

As depicted in Figure 11, Mann *et al*. (2008: 1106) illustrates three constructs to be closely linked during implementation. This further elaborates the role that strategic leaders play in implementation. However, this article lacks in-depth emphasis on the managers' roles (as key change agents) in aligning implementation. There are various aspects to be considered such as: culture, structure, systems to support the strategy. This is where the strategic leader comes in to make a call and align adequately to facilitate successful implementation.

Figure 11: The constructs associated with soft management skills

Achieving Buy-in

Communicating the Initiative

Consultation
Establishing trust
Promoting cooperation and learning
Valuing employees (ensuring reward and performance management systems are perceived as fair

Improved Action Planning

Aligning Implementation
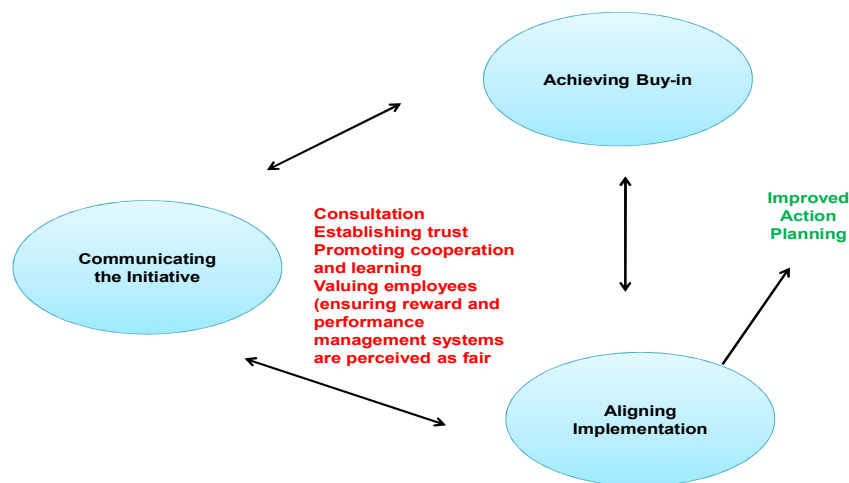
Source: Adapted from (Mann et al. 2008:1106)

The article by Menguc, Auh and Shih (2007) focuses on the resource-based view (RBV) of the firm and relates it to performance. It further argues that the resources and transformational leadership translates into firms' competencies which serve as a competitive advantage- this has implications for competitive strategy in terms of marketing differentiation strategy.

One of the key findings by Menguc *et al*., (2007: 320), is that: "Transformational leadership also positively influences market orientation and low-cost strategies but not innovation differentiation. A possible explanation for this result could be that a curvilinear relationship exists between transformational leadership and innovation differentiation, such that a moderate level of transformational leadership is the best choice". In essence, this article argues that a way of achieving successful implementation of a strategy is to hire a transformational leader which also depicts the importance of the role of the leader (strategic) in executing strategy.

Casey and Goldman, (2010) maintain that, strategic leaders' main behaviours are to monitor the environment and formulate strategy, as well as communicate alignment of organization and monitoring of outcomes. They should possess cognitive skills and communication skills to implement strategy. These leaders should have strategic thinking capability in order to act and influence the culture of the organization such

that a shared vision and common purpose is fostered and learning occurs in order to meet challenges of our global economy and sustain a competitive advantage.

Gilley and McMillan, (2009) examines behaviour associated with leadership effectiveness to drive change in strategy implementation. Kotter and Ulrich (2009) in (Gilley and McMillan, 2009) conceptualise leadership as a shared need, guiding coalitions, commitment from employees, communicating, changing culture, structure and systems as and when needed to support strategy, empowering others (intellectual stimulation) and sustaining change to gain a competitive advantage. This study suggested that leaders that are successful in implementing change have a multidimensional set of interpersonal skills, which include ability to motivate, communicate, build teams, involve others, and reward appropriately and must also be able to change the mindset of people to foster a culture to support change. In addition, due to the rapidly changing global competitive landscape this calls for a need for strategic leaders (to create leaders in teams to achieve goals together). The leader has also to be aware and create awareness of the rapidly changing external environments such that the firm is able to maintain a competitive advantage as strategy will fail (strategy is dynamic and so is the rapidly changing global environment). Hence, we can see the role of strategic leaders has emerged over the years.

Peppard and Rylander (2003) argue- that strategy is linked to identity and intellectual capital. Their article suggests embodying strategy in organizational resources (human intangible resources- most valuable resources).The example used by Peppard and Rylander, (2003) is Videsti (merger of Viscom and Digital Innovations), which shows how success of implementation of a strategy is dependent on skills and expertise of strategic leaders (intellectual capital) to drive the strategy forward. In this way the strategy leader is actually a source of competitive advantage. In addition, it is argued that leadership acts as an interpreter and negotiator to pick up signals from employees to create a shared vision, align culture, structure and systems. Figure 12 serves to elaborate more on the perceptions of the role of strategic leaders as outlined in Peppard and Rylander, (2003).

Figure 12: Relationship between strategy and resources
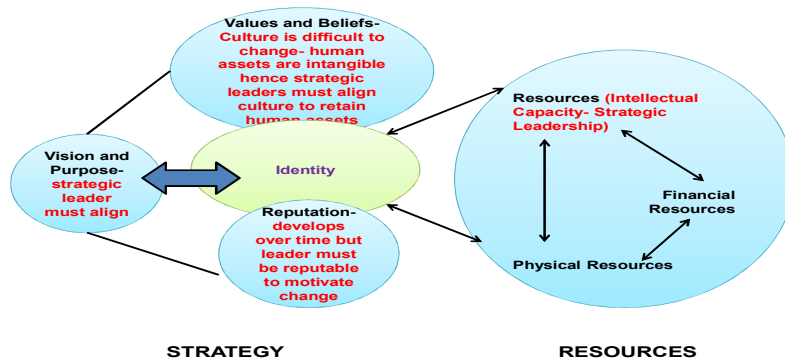
Source: Adapted from (Peppard and Rylander, 2003: 323)

3.6. Organizational culture and employee engagement

The literature presented by Catteeuw, Flynn and Vonderhorst (2007:151) gives insight as to how Johnson and Johnson pharmaceutical Research development was able to boost productivity by making use of employee engagement. As argued further by Catteeuw *et al*., (2007: 152) today's day and time calls for a culture of innovation and this cannot be achieved without employee engagement. In addition, there is statistics which show that disengaged employees in a survey resulted in low productivity. As cited in Catteeuw *et al*., (2007: 153), 'Engaged employees will stay with the company longer, and find smarter, more effective ways to add value to the organization. The end result is a high-performing company where people are flourishing and productivity is increased and sustained'. It is further argued that inspirational leadership is pertinent to building high-performing teams in order to excel

It is argued by Mazumdar and Rajeev, (2009: 159) that a change in productivity is related to achieving efficiency in production by technological changes. However, in light of this it is difficult to opt for this due to financial constraints that come with technological change (will involve more capital needed for investment in plant, equipment and machinery and resources- tangible and intangible) so in this point in time cannot be applied.

Liu, Wei and Zhang(2008) argue that corporate culture reflects an organization's beliefs and values of the leader as well as of the people in the organization (embedded) and shapes the people's behaviour and will affect performance. It is therefore vital that these values and beliefs are aligned to the organization's vision and can be translated into the strategy. Culture must support strategy to be successful in implementation. Culture can act in two roles as argued by (Liu *et al.*, (2008), for example: Chinese markets are changing globally everyday and therefore to support its competitive strategy leaders are realigning culture to support strategy. Important to note that culture takes a medium-long term to change and is difficult. "Since culture defines the way things are done, it influences how business leaders formulate their strategic goals", (Liu *et al.*, 2009: 780). Corporate culture requires employees to be mobilized to exhibit certain behaviours to support strategy. For them, to do this they must have a common mindset (shared vision and commonality of purpose) – a type of corporate culture will need to be nurtured and re-enforced (Liu *et al.*, 2009) who provides an example: Chinese have a culture characteristic of collectivism- this is long –term orientation with a hierarchical culture- in today's rapidly changing global landscape these companies have had to change culture to support strategy (creation of teams to drive strategy, intellectual stimulation, etc.). A limitation of this study is that it focuses largely on corporate culture; future research should include different cultures to test reciprocal relationships. In essence, culture promotes consistency and thus the need arises to change the mindset to support strategy implementation.

 (Gilley *et al.*, 2009) suggest that to change deep-seated mindsets and paradigms requires transformational change. In order for strategy to succeed the company must again have a shared vision (aligned with strategy) - need for culture to change, especially in the rapidly changing environment.

"Values and beliefs become critical when people are the key drivers, as they guide and align behaviours of employees": according to Collins and Porras (2003) in Peppard *et al.*, (2003: 320), one can therefore see the relevance of culture in strategy implementation and it is vital to align the organization in terms of culture and strategy to preserve the core ideology and stimulate progress toward the success of strategy implementation.

As discussed by Casey *et al*., (2010) culture can cause strategy implementation to fail and is difficult to change. Medium- to-long term values and beliefs become embedded in an organization over time - this is where the strategic leader comes into play to assist in changing the mindset (paradigm) .Most often, people do not resist the change- approach by the leaders (top management) but this needs to be such that they achieve buy-in from employees as suggested by Casey *et al*., (2010).

Figure 13: Representation of perceptions of strategic leader
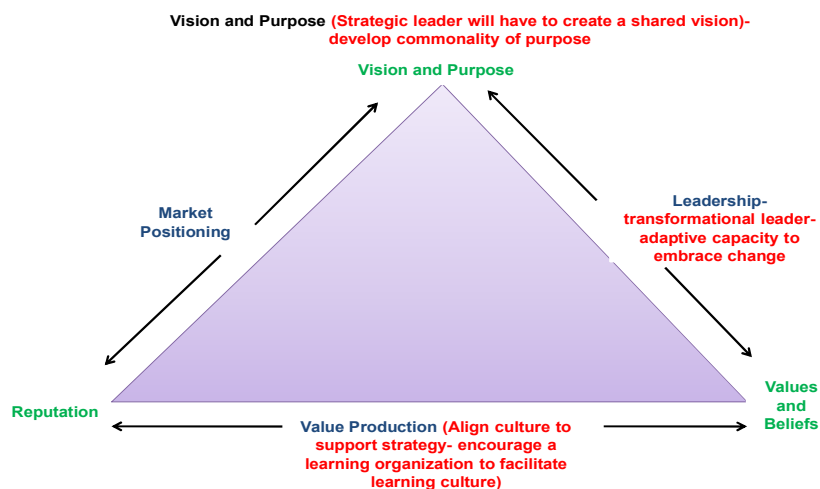
Source: Adapted from Peppard and Rylander (2003: 322)

Peppard and Rylander (2003) argue that strategy is linked to identity and intellectual capital. This article suggests embodying strategy in organizational resources. An example used by Peppard and Rylander (2003) is Videsti (merger of Viscom and Digital Innovations), which shows how success of implementation of a strategy is dependent on skills and expertise of strategic leaders (intellectual capital) to drive the strategy forward - in this way the strategy leader is actually a source of competitive advantage. In addition, it is argued that leadership acts as an interpreter and negotiator to pick up signals from employees to create a shared vision, align culture, structure and systems. Figure 13 serves to elaborate more on the perceptions of the role of strategic leaders as outlined in Peppard and Rylander, (2003).

According to Cropley (2005) the organization's culture serves the purpose of defining boundaries, sense of identity and assists in obtaining commitment in shaping and guiding the attitude and behaviour of employees.

Kee (2003) identified ten cultural elements in an organization that have a great impact on organization culture:

1. Assumptions: Unwritten rules that are accepted as fact.

2. Norms, customs and routines: How people behave, interact and work at all levels of the organization.

3. Power: Not the result of position or a title, power which can be positive,

4. Rites and Rituals: Ceremonies and events that highlight what is important and not important.

5. Roles and Responsibilities: Determine expectations and provide insight into performance measure.

6. Stories and Myths: Help describe the company history.

7. Structure: The invisible organizational chart that identified relationships, communication and power.

8. Symbols: Nonverbal communications that help explain values and beliefs

9. Systems and Rules: Methods to control, measure, and reward of desired behaviour.

10. Values: What the organization cares about the most.

It is a shared view that it is essentially leaders that have abilities to influence culture by shaping and changing it in organizations as discussed by Kee, (2003).

There are twelve factors that influence employee engagement in an organization as suggested by Melcrum (2005).Furthermore, after 30 years of research, the Gallup Institute (2003) has emphasized that there are five pertinent skills that leaders should possess in order to promote employee engagement. These are:

- Building trust. We build trust by trusting others; a basic belief in people.
- Mentoring to give and receive feedback, to coach and counsel employees in a way that increases engagement.
- Inclusion. Ensuring that team members know that everyone on the team has strengths the team needs to be successful.

- Alignment. Ensuring that employees feel aligned with their organization's purpose, values and vision.
- Team Development. Developing the leadership potential in all the members of the team.

It is stated by Ayers (2005) that these skills are also interlinked, e.g. in order to build trust one has to be effective and efficient at mentoring and mentoring becomes pertinent to inclusion and alignment.

3.7. Leadership and culture

As discussed by Robinson and Hayday (2007), for the past 80 years it was shown that employee satisfaction formed the core part of any organization; however it is also highlighted that satisfied employees do not necessarily perform better. It is further discussed by Robinson and Hayday (2007) that when employees feel personally and emotionally satisfied this forms a key dimension to employee engagement.

According to Morgan (2009) the recent climate in organizations requires employees that are vibrant, full of energy, motivated, eager and open to innovation, creativity and change. He further emphasizes that in order to keep employees motivated it is necessary to understand the factors that motivate them. Although most theories on motivation are based on Maslow's theory, research has shown that most employees will go the extra mile in their job if the job appeals and is significant to them (Morgan 2009). In essence, employees want autonomy and responsibility in their jobs. Due to this in recent years the focus has increased in employee satisfaction as this is a core component to the dimension of employee engagement.

Blessing (2008) argues that there are much more benefits to employees that are engaged. They are passionate about their work and are focused not only on their own goals but that of the organizations as well. Blessingwhite (2008) further emphasizes that employee engagement can be considered a psychological state whereby the employees obtain satisfaction, energy, builds trust and relationships and develops a connection to their work.

Vance (2006) has postulated that there are two key elements that must be defined for employee engagement; these are emotional commitment and rational commitment. Vance, (2006: 12) defined commitment 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". Emotional commitment comes from expressions of feeling positive from an individual which results in better productivity whilst rational commitment can be said to be a decision to execute a course of events. Vance (2006) suggests that teamwork has the ability to create mutual understanding and flexibility. Thus, creation of high performance work teams can result in better productivity, improved quality of products, better resolution to problems and challenges. Team work has the potential to cause greater internal satisfaction and increases collaboration among individual employees as discussed by Vance (2006).

3.8. Summary

To summarise this chapter, it can be concluded that there is empirical evidence that a relationship exists between effective leadership, motivation and culture that play a pertinent role in employee engagement. This can be concluded through consultation with the various literature reviews presented in this chapter.

CHAPTER 4:

RESEARCH DESIGN AND METHODOLOGY

4.1. Introduction

This chapter will focus on the research design methodology. It provides the plan on how the researcher approached the study to maintain the validity of the findings. This chapter discusses: the type of research design, the measuring instruments (questionnaire and structured interview), the sampling procedure, data management and data analysis. In addition to this the validity of the research design and research design methods are debated. This chapter emphasizes confidentiality.

Research is important to business because it provides information that assists in the decision-making process. This information reduces uncertainty (Coldwell & Herbst, 2004).

As explained by Hofstee, (2006) the research design serves the purpose of defining and discussing the overall approach to the research to test the statement. However, in the opinion of Coldwell and Herbst, (2004) the research design provides a strategy and gives the plan for execution of this strategy in order to conduct the research. In addition, Coldwell and Herbst, (2004) further highlight procedures and methods for collecting and analysing data, and also discuss various techniques with their respective strengths and weaknesses.

It was suggested by Babbie (2004) that a survey is considered ideal for descriptive, explanatory and exploratory research purposes. He further argued that surveys are mostly used in studies where individual people are being analysed and is a good method to use if people's perceptions, behaviours and attitudes are being analysed.

Seeing that the purpose of this research is descriptive and exploratory with the unit of analysis being individual people (employees) and the core focus being employee engagement, the survey method was considered to suit this research well.

4.2. Methodology

Cooper and Schindler (2001: 130) have highlighted three essential components of research design. First, the research design can be considered a plan for choosing the source of information and type of information to be used to answer the research questions. Second, the research design serves as a framework for identifying the relationships among the research variables. Third, the research design serves to assist in outlining the steps in the procedure from the hypothesis to the analysis of the data. As mentioned by Leedy and Ormrod (2005) researchers have a tendency to group their studies into two broad categories; these are either quantitative or qualitative research.

Table 3: Distinguishing Characteristics of Quantitative and Qualitative Approaches

Question	Quantitative	Qualitative
What is the purpose of the research	• To explain and predict • To confirm and validate • To test theory	• To describe and explain • To explore and interpret • To build theory
What is the nature of the research?	• Focused • Known variables • Established guidelines • Predetermined methods • Somewhat context-free • Detached view	• Holistic • Unknown variables • Flexible guideline • Emergent methods • Context-bound • Personal view
What are the data like, and how are they collected?	• Numeric data • Representative, large sample • Standardised instruments	• Textual and/or image-based data • Informative, small sample • Loosely structured or non standardised observations and interviews
How are the data analysed to determine their meaning?	• Statistical analysis • Stress on objectivity • Deductive reasoning	• Search for themes and categories • Acknowledgment that analysis is subjective and potentially biased • Inductive reasoning
How are the findings communicated?	• Numbers • Statistical aggregated data • Formal voice, scientific style	• Words • Narratives, individual quotes • Personal voice, literary style

Source: Adapted from Leedy and Ormrod (2005: 96)

A mixed study method is one that employs both quantitative and qualitative methods as described by Spratt, Walker and Robinson (2004). It was Spratt, *et al*., (2004) that viewed the emergence of mixed methods as a third paradigm. According to Spratt *et al*. (2004) the mixed method designs provide a basis for triangulation and serves to provide different ways to conceptualize the problem. This design however is complex in nature and thus requires the researcher to have capabilities and adequate skills to prevent mistakes as discussed by Spratt *et al*., (2004).

4.2.1. Quantitative Approach:

Application of quantitative methods involves data collection methods of questionnaires, surveys and check lists which can be used to provide numerical data for precise research. Martin (2002) says that qualitative research is a collection of primary data from a large number of individuals which is intended to project results to a wider population which essentially implies that quantitative research is used to describe, infer and resolve problems using numbers as suggested by Coldwell and Herbst (2004). Using this method to collect data is systematic, consisting of pre-defined procedures for data analysis. However, with quantitative research one may encounter that it fails to measure perceptions and attitudes and therefore may result in failure to provide adequate context to the research being carried out.

A quantitative method is used in order to unfold the participant's perceptions by making use of a Likert Scale Coldwell and Herbst (2004). The focus of quantitative research lies in observations and attempts to correlate the factors under observation by describing, inferring and resolving, making use of numbers as discussed by Coldwell and Herbst (2004).

This study included the mixed method design which entailed a survey questionnaire followed by a structured interview. The survey questionnaire was used to collect quantitative data. As per Coldwell and Herbst (2004) the purpose of using the questionnaires is to obtain information quickly and easily.

As per Coldwell and Herbst (2004) the advantages of using the questionnaire are as follows:

  ➢ Respondents complete the questionnaire anonymously.

- ➢ It is an inexpensive method of collecting data that not only saves time and costs, but allows the researcher to reach as many people as possible.
- ➢ It is an easy and quick method for collecting data.
- ➢ Many sample questionnaires exist that the researcher can refer to when drawing up his/her own questionnaire.

The disadvantages of using the questionnaire are outlined as follows by Coldwell and Herbst (2004: 48)
- ➢ Not all questionnaires will be completed and returned.
- ➢ Misinterpretations of the questions by respondents will result in inaccurate feedback.
- ➢ A Sampling expert may be needed to conduct the survey.

A questionnaire was completed by the sample population to collect data on the themes identified and analysed in the study. The survey was conducted to analyse aspects of employee engagement. Likert Scales were used to code the data. The data was tabulated in the form of an Excel spreadsheet and graphs (pie charts and bar charts) were used to graphically present the data to clearly illustrate any patterns that emerged from the study. The sample size and sub-groups are shown by making use of descriptive statistics. The quantitative research attempts to determine what percentage of sample population is poorly engaged. The survey questionnaire was the primary source of data collection.

4.2.2. Qualitative Approach:

This type of approach is a non-mathematical manner used to analyse data according to Coldwell and Herbst (2004). This approach assists the better understanding of more complex issues (intangible elements) and things that are changing rapidly and constantly and difficult to measure (Charlesworth, Lawton, Lewis, Martin & Taylor, 2003). The results of this approach are less open to generalization and are more time inefficient as compared to the quantitative approaches and in addition not subjected to quantitative analysis as outlined by Coldwell and Herbst (2004). As explained by (Charlesworth *et al*., 2003) this approach endeavours to find out what is important to the participants, how do participants view certain issues through in-

depth investigations of the individuals. In this research structured interviews were used.

As cited by Leedy and Ormrod (2005: 94), "qualitative research is used to answer questions about the complex nature of phenomena, often with the purpose of describing and understanding the phenomena from the participant's point of view". Quantitative research does not entail quantification or cannot be analyzed using mathematical techniques as explained by Coldwell and Herbst (2004). As discussed by Spratt *et al*., (2004) qualitative research uses interpretation to obtain theory.

According to Leedy and Ormrod (2005) qualitative research provides the following:
  ➢ Acquisition of new insights about a specific phenomenon
  ➢ The building of new concepts or theoretical perspectives about phenomena
  ➢ The discovery of problems that exist within a phenomenon.

As discussed by Coldwell and Herbst (2004) qualitative research has two advantages, i.e. it is less costly compared to quantitative research and it also provides in-depth analysis of problems and situations. Leedy and Ormrod (2005) state that qualitative research begins with general questions and gathers a large amount of data on the topic being studied and provides different perspectives. Coldwell and Herbst (2004) suggest that qualitative data is not scientific and thus advises that important management decisions should not be made using qualitative data.

Taking into consideration the fact that the research process intends to carry out investigations and interrogations on both the data that is measurable and non-measurable in a study, qualitative methods are used to investigate and understand behaviour, motivation, culture, team work and other non-tangible elements in a research study such as in this study perceptions of motivation and team work. Subjective interpretation is crucial in this approach as methods of participant observation and in-depth interviews are used. The qualitative method involved interviews carried out among five members of senior management. The interviews were carried out to unravel the complexity of the issues surrounding employee engagement.

There are five common qualitative research designs that exist: case study, ethnography, grounded theory study, phenomenological study and content analysis as per Leedy and Ormrod (2005).

According to Coldwell and Herbst (2004) the advantages of using a case study are:

➢ It fully depicts the client's experience in programme input, process and results

➢ It is a powerful way to portray the programme to outsiders.

➢ The challenges that arise from using a case study are as follows:

➢ It is time consuming to collect data, organise the data and describe the results

➢ It depicts depth of information, rather than breadth.

For the purposes of this study the qualitative research approach involved interviews to collect information for qualitative analysis. Validation of the research data was carried out using Data Triangulation (Denzin, 2006) which will involves cross examination of the results from the quantitative and qualitative analysis in order to increase the validity and credibility of the results. Qualitative data can be interpreted in various ways but the method of collecting and analysing are still clearly explained which consists of sufficient support findings and theories to back it up. "Nonetheless, all accounts of research should provide a coherent explanation of how the data was collected and analyzed, with good examples drawn from the raw material to illustrate and support findings and theories": (Charlesworth *et al.,* 2003:23).For this study the structured interviews were carried out on senior managers to ensure triangulation was possible. The data was tabulated to provide proof for the findings and support the findings.

4.2.3. Exploratory Research

Babbie (2004) shows that a huge amount of social researches are carried out with an intention to explore current and new topics. In essence, exploratory research

stems from a researcher being unhappy about certain issues or phenomena's and hence this type of research is conducted for the following reasons:

- To test feasibility of investing time and money on rolling out with a bigger study.
- To develop methods for future use of these methods for studies that will follow for the future. Coldwell and Herbst (2004) viewed exploratory research as being used for studies that contained limited data. For the purposes of this research, although vast information can be made available on motivation and teamwork in terms of literature, the exploratory research assisted to show the relationship between productivity and motivation and teamwork performance.
- To give the researcher a better understanding of these themes and satisfy curiosity.

This study was an exploratory study. The rationale for using this approach was appropriate because the study intended to investigate employee engagement.

4.2.4. Research Strategy or Paradigm

Delport, De Vos, Fouche and Strydom (2002) say that quantitative strategies are different from qualitative strategies where quantitative strategies provide a detailed plan to follow and quantitative does not. There are various types of strategies that one can follow, however Delport *et al.*, (2002) suggest that pertinent attention is drawn to grounded theory, biography, phenomenology, ethnography, case study and grounded theory.

For this research the strategy chosen is phenomenology as this study attempts to understand and decipher the perceptions of the participants in the study. These perceptions are then related to variables and this is achieved by generating questions to the participants in a natural setting and by not trying to force certain answers desired from the participants. Answers given by the participants are not influenced in any way. Data collected was analysed thoroughly in order to link certain variables and establish the cause and effect relationship. This study specifically makes use of questionnaires to collect data for the purposes of this study.

4.3. Population and Sample

Population:

Coldwell and Herbst (2004) defines a population as a group of individual persons, items or objects form which samples are taken to measure. The focus of this study was to establish the factors promoting employee engagement and if it is valued in the pharmaceutical industry.

Charlesworth, *et al.* (2003) suggests that the researcher is required to provide a sample that represents the entire population in order to ensure that the study carried out has integrity and adds value.

As suggested by De Vaus (2002) if an adequate amount of data is not collected from your representative sample then there is a risk that the researcher may obtain biased results.

The population of this study was 120 employees in a pharmaceutical manufacturing industry.

Sample:

Leedy and Ormrod (2005) suggest that results obtained when using a sample can be used to generalise about the entire population, provided that the sample is truly representative of the population.

A sample provides a finite part of a statistical population whose properties are studied to gain information about the whole', (Coldwell and Herbst, 2004: 74). When a sample is selected it is indeed a set of people selected from a larger population to represent the entire population. For example, in this research the sample included employees from the manufacturing facility. As cited by Coldwell and Herbst (2004) the sample size is dependent upon the following:

> ➢ Heterogeneity of the population;
> ➢ The degree of accuracy or precision that one hopes to achieve;
> ➢ The confidence levels the researcher intends on which to base the accuracy of his results;

- ➢ The number of variables that have been examined simultaneously; and
- ➢ Whether the population is finite or infinite.

The sampling procedure for the purposes of this study focused on 50 employees. The participants for the survey were selected based on their ability to supply the information to unravel the complexity underlying employee engagement. Due to time and financial constraints a decision was made to choose a judgemental sampling technique which is defined by Struwig and Stead (2001) as the researcher chose what he/she believed would be best for the study.

4.4. Data Types

As discussed by Charlesworth et al., (2003) it is vital that a researcher should choose a data collection method that addressed specific problems of the study. The method chosen should be appropriate to the nature of the research and the availability of the resources and time should be taken into consideration. Data can be collected using qualitative or quantitative methods or a combination of both methods.

Qualitative methods highlighted the in-depth discussion with observation of people which gives the researcher the tool of gaining more insight on complex issues that impact human beings and how they behave. These behaviours are difficult to measure such as: employee engagement, motivation and leadership etc. (Charlesworth *et al*., 2003).

Quantitative methods involve scientific practice which includes statistical analysis as suggested by Charlesworth *et al*., (2003). It is suggested that there is no best method for collecting data thus the researcher chose a method that can work well to collect data on the complex issue of employee engagement. This research project involves human behaviour and this is difficult to measure.

For the purposes of this study data was collected using qualitative methods which entailed the use of the structured interviews as well as quantitative methods by making use of the survey questionnaires. The survey questionnaires were based on a Likert Scale and contained close ended questions.

4.5. Data Collection Methods

Data can be collected in two ways: primary and secondary sources Kumar (2005). In this research questionnaires' and interviews were used to gather data. Since the participants were present at the manufacturing facility using a primary source was easy. A secondary source is much harder and hence was eliminated. The socio-economic and demographic characteristics of the population used for the study were taken into account as well.

In order to maintain the quality of the data the biographical characteristics such as educational level, position, age, ethnic background, socio-economical status, etc were included. For this research the following methods were used:

➢ Questionnaires: these were done and submitted to each participant Kumar (2005) suggested that this method may have a potential weakness in terms of how the individuals interpret the questions and difficulty thereof. This was dealt with by each participant who had individual attention so that the interpretation was the same. A covering letter was attached to the questionnaire explaining the main objectives of the study being conducted, instructions and any other important information. The researcher works among the sample that was selected for the survey questionnaire which made it easy to follow up on reminders to complete the surveys. Participants placed the completed surveys in a box marked confidential stationed at the researchers desk. In finalising the design of the questionnaire, a small pilot study of the questionnaire was performed on five conveniently selected individuals to test the questionnaire's user-friendliness, accuracy, and time for completion. Amendments were made to the questionnaire based on the feedback received from the pilot study.

➢ Structured interviews: This method was restricted to senior management to ensure that a higher level of information was received in terms of employee engagement as well. The structured interviews were open-ended to collect qualitative data. According to Cooper and Schindler (2001) the advantages of conducting an interview are:

- Good cooperation from respondents is received.
- The interviewer can probe for answers, use follow-up questions and ask questions from the survey.
- Interviewer can pre-screen respondents to ensure he/she fits the population profile.

➢ The disadvantage arising from using semi-structured interviews are as follows as described by Cooper and Schindler (2001):

- It is time consuming to collect the data.
- Follow-up with respondents is labour intensive.
- Not all respondents are available or accessible.

Essentially, data was collected using a structured survey questionnaire and structured interview. The decision was taken to use both the survey questionnaire as well as the structured interview in order to allow both instruments to provide answers to the research objectives satisfactorily. The data was collected in two phases. In the first phase, the data was collected using the survey questionnaires which were handed out to a sample size of 50 randomly selected employees. The second phase entailed face-to-face interviews with four senior managers in the organization.

(Kumar, 2005) argues that one needs research in order to improve conditions that exist and if the research has potential to help society either directly or indirectly then it is acceptable to question participants in a research study provided that the participants give permission to be questioned. Coldwell and Herbst (2004) say that if the participant has consented to participate in the research then the researcher should ensure that the participant is made aware of relevant issues that will be addressed in the research. The researcher must gain the trust of the participant and provide an understanding of the purpose, nature and proceedings of the entire research process.

The questions were drawn up following an extensive literature review on the themes of the research study. In this study a covering letter was given to the participants regarding all relevant issues to ensure the participant understood the research. The confidentiality of the responses given by the participants was explained to the participants. Data that was gathered from the participants in the study was controlled

according to the terms and guidelines that the University set. The questionnaire consisted of Section 1 covering background questions on the participants. This was followed by Section 2 comprising of 40 closed ended questions, as closed ended questions are advantageous as they are easier to analyze and avoid differences in interpretation.

A five-point Likert scale was used and the points on the scale ranged from strongly disagree, to disagree, to strongly agree, to agree and to neither agree nor disagree. Participants were requested to mark their rating by placing an X in the column with which they agreed most. The Likert scale was made use of as in this study it helped to compare an individual's score with the distribution scores Cooper and Schindler (2001).

The questionnaire (Appendix 3) was self-explanatory as explained in the covering letter which explained the purpose of the study and assured the participant of confidentiality and was completed individually by the participants of the study. The questionnaire also provided instructions on how to complete the questionnaire. The questionnaires were delivered personally to all 50 participants and supervision was not necessary.

4.6. Data Analysis Techniques

The importance of data analysis was to produce relevant meaning from the raw data that was collected from the survey questionnaires and the structured interviews during the study Coldwell and Herbst (2004).

In terms of the data that was collated in the structured interviews a coding technique was used which involves a technical procedure in which data is categorised into a number of categories as discussed by Coldwell and Herbst (2004). For the purposes of this research a thematic analysis was used. The pertinent data from the interviews were collated and grouped into themes as this assisted to link these to the specific objectives of the research in order to draw conclusions. Essentially, the main focus of the structured interviews was to collect data in order to understand the perceptions of participants on the aspect of employee engagement and was thus qualitative in nature. The qualitative findings in a presented in the narrative format and assisted in identification of trends in the data.

The data collected from the structured survey questionnaires were captured on tables to display the responses in a percentage format. In addition the data was presented in graphs to explain the outcomes.

The data from the structured questionnaires were cross-referenced with the various themes emerging from the structured interviews to ensure consistency in the findings of this research.

4.7. Bias

Leedy and Ormrod (2005: 208) say that, bias is "…any influence, condition, or set of conditions that singly or together distort the data". For the purposes of this research there is a potential of bias from two sources, i.e. the participants in the research and the researcher. Owing to the fact that the researcher works in the organization this may cause participants to provide false responses in order to impress the researcher. The researcher is closely linked to the topic under investigation and may to some degree hold prejudice and assumptions that may have an influence on the way the questionnaires or interviews are structured in order to obtain the desired data. However, the survey questionnaire was drawn up such as to eliminate any possible bias and worded clearly so that the participants would be encouraged to answer as honestly as possible.

Owing to the fact that the research was conducted in-house a huge concern was that participants were not fully convinced of the promise of anonymity and confidentiality. It was anticipated that the response time and rate would be slow, however, because the researcher was familiar with the participants efforts were made to assure the participants of confidentiality of the responses and a personal follow up on completion of the questionnaires was undertaken to ensure the completion of this research study.

It is unethical for the researcher to be biased in any way. The researcher should not influence the outcomes of the research in any way. Coldwell and Herbst (2004) say that some researchers hide the true intention of the research thus resulting in dishonesty and deception and the reason for this is that if the nature of the research becomes known it may cause responses to be biased and render the study biased

as well and this is unethical. For the purposes of this study, to eliminate bias, the following measures were taken:

- The participants had access to all findings so that they may interrogate and scrutinize the input.
- All references and evidence was made available for participants to view to provide clarity on any issues arising.
- All information was treated fairly and any influences and subjectivity were eliminated appropriately by the researcher.

4.8. Limitation and delimitations of the study

A limitation can be described as a potential weakness while delimitation implies that the scope of the research is focused on a specific area as discussed by Collis and Hussey (2003).

A limitation of this study is that the employees in the organization may fail to realise the significance of the survey. Additionally, employee's responses may be influenced for fear of confidentiality despite being assured of it.

The delimitation is that the survey is carried out in just one manufacturing facility instead of many facilities across South Africa or worldwide.

4.9. Ethical issues / Confidentiality

Ethical issues were addressed in this study by maintaining confidentiality of the participants. Participants remained anonymous but their demographic characteristics were disclosed. Responses are stated as a whole thus ensuring that all responses are confidential.

This survey was strictly confidential and the names of the participants were not mentioned. The information collected from the participants was not reproduced and the responses received from participants will be given documented and shown to them once completion of the study is accomplished. Participants were also informed of their rights with respect to confidentiality.

The participants were provided with sufficient information concerning the research and its purpose. The participants were informed that it is voluntary to participate and if at any stage they wish to withdraw from the study they may do so. In addition, they were also informed that the results of the study will be used to improve the productivity in the organization.

According to Cooper and Schindler (2011: 112), 'Ethics is made up of norms or standards of behaviour that guide moral choices about our behaviour and our relationships with others. The goal of ethics in research is to ensure that no one is harmed or suffers adverse consequences from research activities'. Unethical practice can have severe implications on the findings of the research in terms of being in violation of the nondisclosure agreements, misinterpreting results and breaking participant confidentiality as discussed by Cooper and Schindler (2011).

To maintain confidentiality all interview sheets and questionnaires assured participants of confidentiality and they were assured that their participation was voluntary and anonymous. To ensure anonymity, the information requested on the questionnaire and interview did not request names from the participants.

Due to voluntary participation in the study, the participants chose whether they would like to be part of the study or not. For whatever reason, if participants did not want to be part of the study there were no negative consequences for them. Participants had the right to withdraw from the study at any time. Individual results were not published to make certain of maintaining confidentiality of the participants.

4.10. Validity, Reliability and Triangulation of the Measuring Instruments

4.10.1. Validity

Validity is defined in two ways: it is the instrument that is utilized to measure the concept that the researcher is investigating and to produce a precise measurement of this specific concept (Kumar, 2005) and Delport *et al*., 2002: 166). As categorized by Kumar (2005) validity falls into the following categories:

❖ Concurrent and Predictive

Concurrent validity can be achieved when the researcher can correlate the findings of the research with the findings of the questionnaire survey and

interviews. As per Kumar (2005) this is when a scale is formed to indicate some observable criteria.

- ❖ Construct:

  It is a degree of success that an instrument is able to obtain in measuring a theoretical construct. The constructs that were measured in this study are motivation, teamwork, productivity and behaviour and these were measured using the questionnaires and interviews.

- ❖ Face and Content

  This provides a link between the questions that the research asks and the objectives of the study. The objectives supporting the research and hence as one achieves the objectives the validity of the research is established.

Internal Validity

Internal validity refers to the extent to which the design of the study and data obtained using that design helps to draw precise conclusions about relationships within the data as discussed by Coldwell and Herbst (2004). To ensure the internal validity of the research results precautions were taken to eliminate the risk of other potential explanations for the results. A potential threat to the validity of this research is the researchers' perceptions or values on the topic of employee engagement and factors promoting it. The participants' experiences and feelings were used to guide the interpretation of the results in order to eliminate the threat of the researcher having implications for internal validity.

External Validity

External validity is defined as the extent to which the conclusions from the research can be generalized in the context of other organizations or industries Coldwell and Herbst (2004). Due to the fact that the sample of this research was drawn from a single organization the external validity of this research study is limited. In order to improve the external validity of this research, the research could have been extended to other pharmaceutical companies in the industry in South Africa or even worldwide.

4.10.2. Reliability

As discussed by Leedy and Ormrod (2005), the reliability of the measuring instrument can be described as the extent to which the results it produces are consistent when the characteristic under measurement has not changed.

A pilot study was carried out on the survey questionnaire with five employees of the organization. The pilot study was carried out on the structured interview with three employees of the organization. The purpose of the pilot studies was to determine the level of understanding and interpretation of the questions. The feedback from these pilot studies were used to improve the reliability of the measuring instruments.

It was pertinent to pay careful attention to the reliability of the instruments in order to enhance the reliability in terms of ensuring that the questions were appropriate to the issues under investigation. These were employee engagement tools, factors promoting it, motivation, culture and leadership.

Kumar (2005) suggests that if the instrument that will be used to measure is consistent and stable resulting in it being precise and predictable then results or findings can be said to be reliable. In addition, Kumar (2005) further states that if these tests are reliable then when it is subjected to be repeated under constant conditions it must provide the same results which render it reliable. Obtaining repeat results in this study is a huge challenge and may not be possible thus the researcher applied measures to counteract the factors that will affect the reliability of the research. These are illustrated Table 4 below and are adapted from Delport *et al*., (2002):

Table 4: Factors Affecting Reliability

Factors of Reliability	Meaning in Context	The Researchers Measures
Wording of Questions	If there is ambiguity in the manner in which questions are worded this can change the way the participant interprets questions and hence affects the responses received from participants.	To prevent this and improve chances of data being reliable the researcher used simple language (layman's terms and no technical jargon).
Physical Setting	If a specific setting is used when conducting the interviews and for some reason if this interview is repeated under a different setting this may affect the responses received from the participants.	To ensure that data is reliable the researcher conducted all the interviews in the Boardroom to make sure the setting is never changed. The instrument of measure was used in this environment only.
Respondents Mood	Any changes in mood of the participants when responding to the questions can affect significantly the reliability of the instrument.	The interviews were conducted preferably in the morning as at this time the participants will be under considerably less pressure and in a better position to adequately provide responses that are reliable.
Nature of Interaction	Changes in interaction with the participant can affect the reliability of the instrument.	To overcome this issue the researcher made visits to the respective participants to break the ice and brief them on the purpose of the study so that their minds are at ease when interacting with them during the interviews.
Regression effect of an instrument	When attitudes and perceptions of certain issues are being measured by the instrument it can be found that participants may express different views at different points in time which affects reliability of the instrument.	The interview (measure) was carried out only once off to ensure reliability of the measuring instrument.

Source: Adapted from Delport et al., (2002: 16)

4.10.3. Triangulation

The reliability is of vital importance in terms of collecting data especially seeing that the researcher is an employee of the organization under study. This makes it important for triangulation of the data. Data triangulation was used for the purpose of assisting with internal validity. This was achieved by collecting multiple sources of data (survey questionnaires and structured interviews) to integrate and support the interpretation of the findings of the research study as suggested by Leedy and Ormrod (2005).

The advantage of using triangulation is that potential biases are eliminated from the participants of the study. Achievement of data triangulation for this study was by cross-examining the results from the qualitative and quantitative analysis which contributed significantly to the validity and reliability of the research. The two sources of data triangulation were the structured interviews and the survey questionnaires.

4.11. Pilot Study

A pilot study was performed on the interview questions with five employees and amendments were made in terms of their feedback. The interviews took place at work, based on the participant's availability. This was carried out to enhance validity and reliability of the research study.

4.12. Summary

This chapter provided the research design and discussed the methods around the research statement. It is pertinent that information is collected and organized in an appropriate manner to facilitate in the decision-making process. It is relevant that the results of the findings are communicated clearly and effectively to assist in making important decisions (Coldwell and Herbst, 2004).

The following chapter discusses the findings of the research study as well as the analysis. The researcher attempts to correlate the research findings to the research question.

CHAPTER 5:
RESULTS AND DISCUSSION

5.1. Introduction

The aim of the research study was to determine the factors promoting employee engagement in a pharmaceutical manufacturing facility. The findings will provide a better understanding of the factors promoting employee engagement. The main purpose of the study was to determine the factors that promote employee engagement in a pharmaceutical manufacturing facility. In order to achieve the research purpose and aim, the research question and research objectives that formed the basis of gathering data and interpreting data will be reiterated.

Research Question:

"Factors promoting employee engagement in a pharmaceutical manufacturing industry are not currently aligned".

Research Objectives:

- **Objective 1**: To identify if employee engagement is a perceived value by the organization.
- **Objective 2**: To determine whether employees have sufficient tools to enable adequate engagement within the organization.
- **Objective 3**: To investigate the contribution of motivation, organizational culture and leadership on employee engagement within the organization.

5.2. Demographics

The data was collected using survey questionnaires and structured interviews. A total of 50 survey questionnaires were distributed and 43 responses were received. A total of 5 interviews were scheduled but only 4 interviews were carried out as the

fifth manager was away on a business trip. A response rate of 85.45% was achieved as presented in Table 5 and Figure 14 below.

Table 5: Response Rate

	Planned Response	Actual Response
Total Sample Size	55	47
Questionnaire Response	50	43
Interview Response	5	4
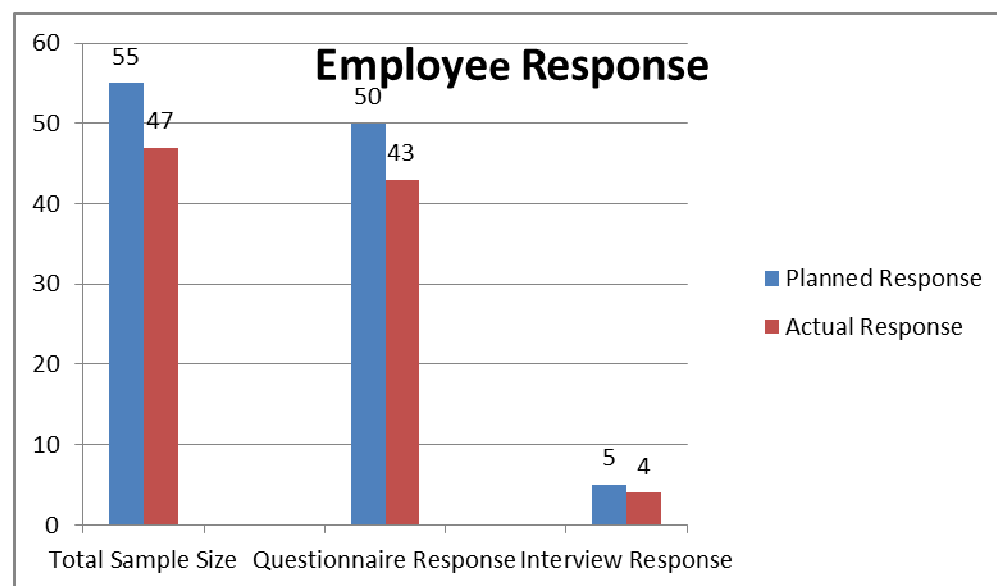
Figure 14: Employee response rate

Section 1 of the questionnaire (refer to Appendix 3) consisted of demographic questions which were used to gain insight into the nature of the population in terms of their ages, gender, ethnicity, experience and positions in the organization.

Analysis of data collected revealed that 18.6% of the respondents were between the ages of 56-55 years old; 18.6% were between the ages of 46-55 years old; 18.6% were between the ages of 36-45 years old and 44.2% were between the ages of 20-35 years old as presented in Table 6 and Figure 15.

Table 6: **Age Group of Respondents**

	20-35	36-45	46-55	56-65
Age group	19	8	8	8
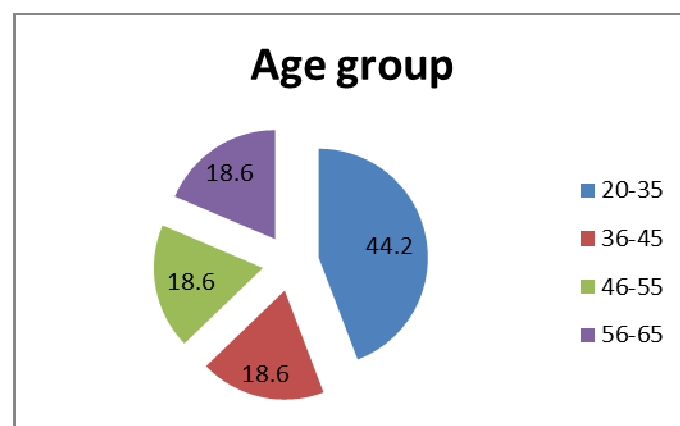
Figure 15: **Age Group of Respondents**

Analysis of the data collected reveals that 32.6% of the respondents were male and 67.4% were female as presented in Table 7 and Figure 16.

Table 7: **Gender of Respondents**

	Female	Male
Gender	29	14
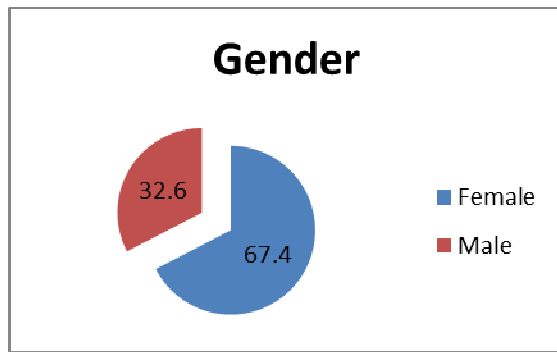
Figure 16: Gender of Respondents

Analysis of the data reveals that the current job level of employees is as follows: 51.2% non-management, 4.7% first level supervisors, 20.9% middle management, 2.3% top management and 20.9% professional.

Table 8: Current Job level of the Respondents

	Non-management	First-level supervisor	Middle management	Top Management	Professional
Current Job Level	22	2	9	1	9
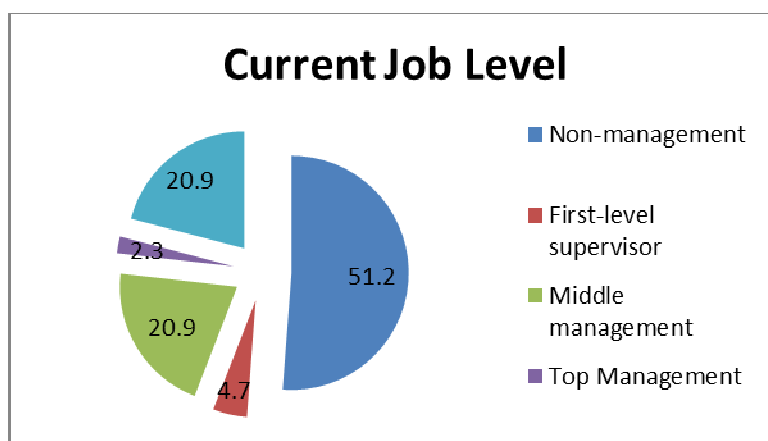
Figure 17: Job Level of respondents

Analysis of the data revealed that the experience of the respondents in the current manufacturing facility is as follows: 81.4% have 1-5 years experience, 6.9% have 6-

10 years experience, 4.7% have 11-15 years experience and 6.9% have more than 20 years experience. None of the respondents have 16-20 years experience.

Table 9: **Number of years experience in current manufacturing facility of respondents**

	1-5 years	6-10 years	11-15 years	16-20 years	More than 20 years
Number of years employed in current manufacturing facility	35	3	2	0	3
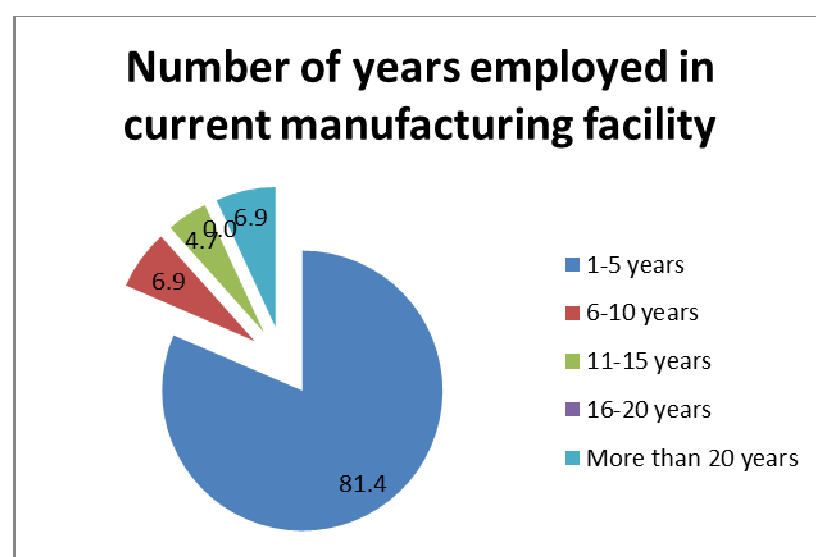
Figure 18: **Number of years experience in current manufacturing facility**

Analysis of the data shows that the ethnicities of the respondents are as follows: 51.2% Black, 32.6% White, 2.3% Colored and 14% Asian.

Table 10: **Ethnicity of respondents**

	Black	White	Colored	Asian
Ethnicity	22	14	1	6
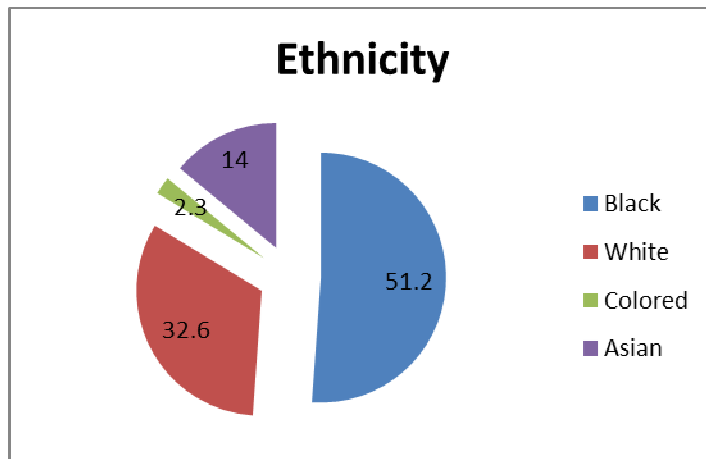
Figure 19: Ethnicity of the Respondents

Analysis of the data shows that 49.1% have 1-5 years experience in a manufacturing facility, 18.6% have 6-10 years experience, 9.3% have 11-15 years experience, 4.7% have 16-20 years experience and 25.6% have more than 20 years experience in a manufacturing facility.

Table 11: Number of year's experience of respondents

	1-5 years	6-10 years	11-15 years	16-20 years	More than 20 years
Number of years experience in a Manufacturing Facility	18	8	4	2	11
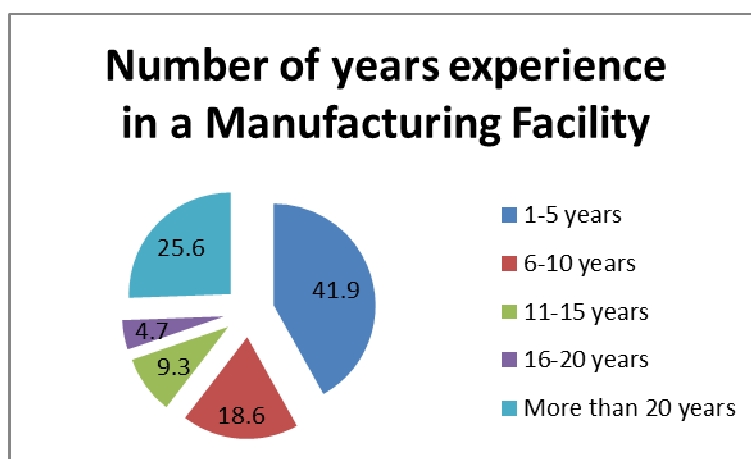
Figure 20: Number of year's experience of the Respondents

Analysis of the data collected yielded the following: 7% had secondary school qualification, 2.3% had standard 10 or equivalent, 20.9% had post school certificate/diploma, 25.6% had national diploma/higher diploma, 13.9% had bachelors degree, 13.9% with Honours degree, 11.6% with Masters Degree and 4.7% with Doctoral Degrees.

Table 12: Highest Educational Qualification of the Respondents

	Secondary	Standard 10/Equivalent	Post-school Certificate/Diploma	National Diploma/Higher Diploma	Bachelors degree	Honors degree	Masters Degree	Doctoral Degree
Highest educational qualification	3	1	9	11	6	6	5	2
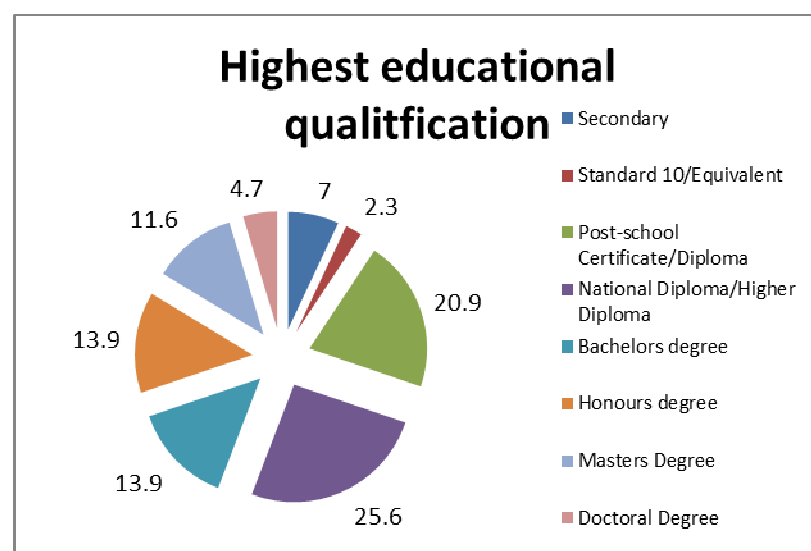
Figure 21: Highest Educational Qualification of the Respondents

The results of the questionnaire are presented graphically using column charts. The "Strongly Agree" option has been combined with the "Agree" option and is reflected in the presentation of the data as "Agree". The "Strongly Disagree" option has been combined with the "Disagree" option and is reflected in the presentation of the data as "Disagree". The "Neither Agree nor Disagree" option is reflected in the presentation of the data as "Unsure".

5.3. To identify if employee engagement is a perceived value by the organization. (Objective 1)

Analysis of the responses to the above objective is presented in percentage form in Table 13 and Figure 22 below.

Table 13: Tabulation of Responses on employee engagement value

Employee Engagement Value					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1. If employees are engaged it will have a benefit on Productivity	51%	37%	12%		
2. If employees are engaged it will improve company performance	49%	40%	12%		
3.If employees are engaged it will have benefits on the success of the company	51%	37%	12%		
4. Strategic HR policies and initiatives promote employee engagement at all levels of the organization.	28%	37%	26%	9%	
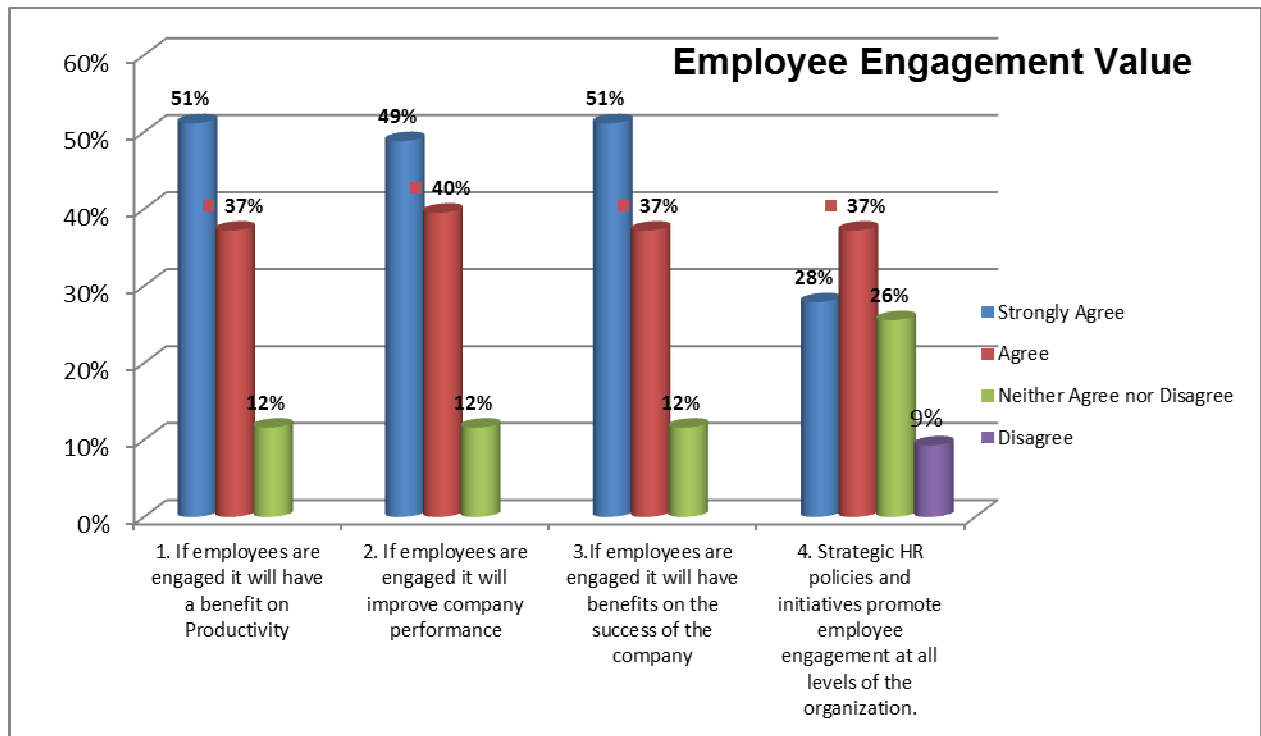
Figure 22: Responses on Employee engagement value

The above result yields the following pertinent information:

- 88% of the sample agrees with **question 1** that engaged employees will benefit productivity of the organization.

  Macleod and Clark (2009) and Storey (2008) share the view that engagement is about creating opportunities to enable employees to interact with each other, managers and the entire organization.

- 89% of the sample agrees with **question 2** i.e. agree that engaged employees will improve performance of the company.

- 88% of the sample agrees with **question 3** and 37% of the sample disagree that engaged employees will benefit the success of the company.

  "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).

- 65% of the sample agrees with **question 4** that strategic HR policies and initiatives promote employee engagement all levels.

Shaw (2005) postulates that the core problems in designing strategy and implementation on employee engagement are attributed to articulation. Melcrum (2005) states that in order to ensure that employee engagement becomes part of a business issue it becomes vital to build; integrate and implement a strategy in the organization. This requires taking into consideration the organizations leadership, culture and commitment. Berta (2008) adds that engaged employees assist in boosting productivity.

Thus, the findings for this objective confirm that employees perceive employee engagement as being of value to the organization. In addition, the literature also serves to confirm this.

5.4. To determine whether employees have sufficient tools to enable adequate engagement within the organization. (Objective 2)

Table 14: Tabulation of Responses on Employee Engagement Tools (1)

Employee Engagement Tools					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
5. Training Opportunities are available to everyone	7%	21%	38%	19%	14%
6. I know what is expected of me at work	26%	56%	14%	5%	
7.I have participated in climate surveys or employee organization surveys at my organization	7%	19%	9%	21%	44%
8. The organization encourages the sharing of information, knowledge and resources	7%	30%	30%	19%	14%
9. There is continuous communication in the organization on the goals and progress achieved and any new developments affecting employees	2%	40%	33%	16%	9%
10. The organization provides career opportunities for employees to further develop and grow.	5%	28%	26%	10%	31%
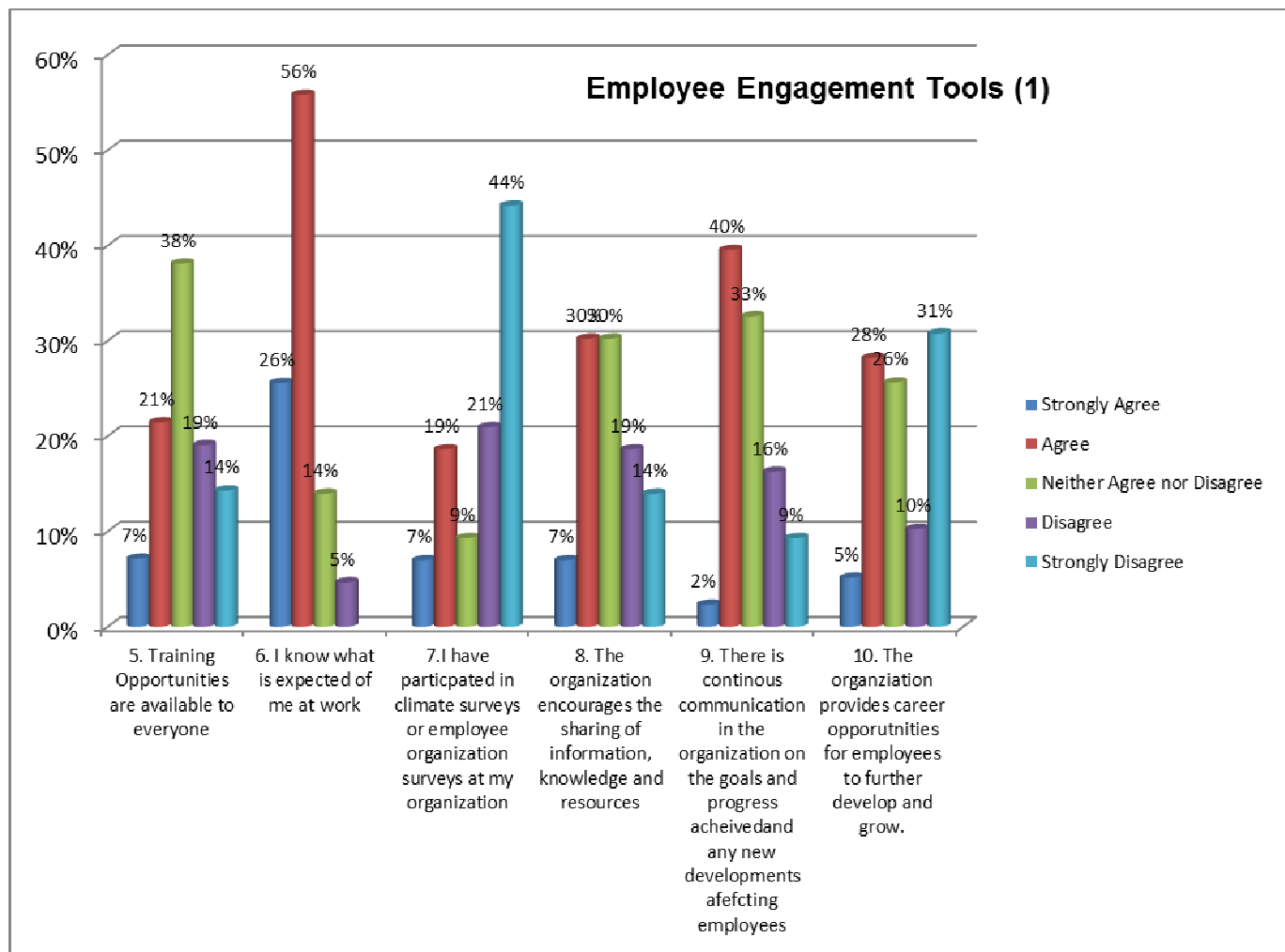
Figure 23: Responses on Employee Engagement Tools (1)

Analysis of the responses to the above objective (objective 2) is presented in percentage form in Table 14 and 15 and Figure 23 and 24.

The above results yield the following pertinent information:

- 28% of the sample agree with **question 5**; 33% disagrees and 38% is unsure. This indicates that a higher percentage disagrees that training opportunities are available to everyone. The high percentage of the sample being unsure could be attributed to fear of confidentiality not being maintained. Macleod and Clark (2009) and Storey (2008) share the view that engagement is about creating opportunities to enable employees to interact with each other, managers and the entire organization. In light of this, this will need to be given attention within the organization.

Furthermore, in terms of Maslow's hierarchy of needs presented in Figure 1- the training opportunities contribute to self-esteem and self actualization for employees. This is also linked to Figure 2 on the Branding Iceberg and Expectancy Theory with particular emphasis on the resources aspect (in terms of equipping employees (training and development) to grow.

- 82% of the sample agrees with **question 6**;14% is unsure and 5% disagrees which shows that the majority of the sample is in favour that they understand what is expected of them at work- this tool is efficient.

  This relates to Figure 2 in terms of employees having sufficient effective selling skills in order to carry out what is expected of them. This further correlates to the Job Characteristics Model presented in Figure 3 as to whether the Job descriptions for employees are clear and updated to include new and challenging responsibilities.

- 26% of the sample agrees with **question 7;** 9% unsure and 65% disagrees- this is indicative that this tool of employee engagement is inadequate at the organization.

  This correlates with Figure 2 on the Expectancy Theory and feedback- managers require giving feedback to employees and the method suggested is via climate surveys or questionnaires or interviews form an external source.

- 37% of the sample agrees with **question 8**; 30% is unsure and 33% disagrees-this shows that the sharing of knowledge, information and resources is not seen as being adequate to actively engage employees.

  Figure 6 on capabilities and tasks of strategic leaders depicts the importance leader's play in facilitating team work to allow for knowledge sharing, information and idea collaboration. Sukthankar and Sycara (2006) and Gilley and Macmillan, (2009) also discuss that communication between team members is vital for team knowledge sharing and idea collaboration.

- 42% of the sample agrees with **question 9**; 33% is unsure and 25% disagrees. This emphasizes that although it would appear that the majority of the sample agrees that there is continuous communication on goals and progress one third of the sample is unsure and the 25% that disagrees provide reason to believe that this aspect of the employee engagement tools is insufficient for the organization.

- 33% of the sample agrees with **question 10**; 26% is unsure and 41% disagrees. This presents evidence that this tool is not adequate to engage employees.

  Question 9 and Question 10 relate to communication and career opportunities for employees respectively. These two questions for objective 2 relate to Figure 3 on the Job Characteristics Model on feedback which correlates with teamwork in Figure 4 (Tuchman's four stage model on teamwork performance).

There are twelve factors that influence employee engagement in an organization as suggested by Melcrum (2005). After 30 years of research, the Gallup Institute (2003) has emphasized that there are five pertinent skills that leaders should possess in order to promote employee engagement. These are:

- Building trust. We build trust by trusting others; a basic belief in people.
- Mentoring to give and receive feedback, to coach and counsel employees in a way that increases engagement.
- Inclusion. Ensuring that team members know that everyone on the team has strengths the team needs to be successful.
- Alignment. Ensuring that employees feel aligned with their organization's purpose, values and vision.
- Team Development. Developing the leadership potential in all the members of the team.

It is stated by Ayers (2005) that these skills are also interlinked, e.g. in order to build trust one has to be effective and efficient at mentoring and mentoring becomes pertinent to inclusion and alignment.

Team work has the potential to cause greater internal satisfaction and increases collaboration among individual employees as discussed by Vance (2006).

Blessing (2008) argues that there are much more benefits to employees that are engaged. They are passionate about their work and are focused not only on their own goals but that of the organizations as well. Blessing (2008) further emphasizes that employee engagement can be considered a psychological state whereby the employees obtain satisfaction, energy, builds trust and relationships and develops a connection to their work.

Table 15: Tabulation of Responses on Employee Engagement Tools (2)

Employee Engagement Tools					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
11. The organizations employee engagement strategy is supportive of the business strategy	2%	33%	30%	19%	16%
12. The organization supports honest two-way communication between Managers and employees to regularly share and exchange ideas		29%	31%	26%	14%
13. In the last year I have had opportunities at work to learn and grow	2%	21%	40%	23%	14%
14. At work my opinions seem to count	7%	28%	26%	28%	12%
15. The organization values work and home life balance		30%	28%	28%	14%
16. The organization has a defined talent acquisition and retention strategy		23%	26%	26%	26%
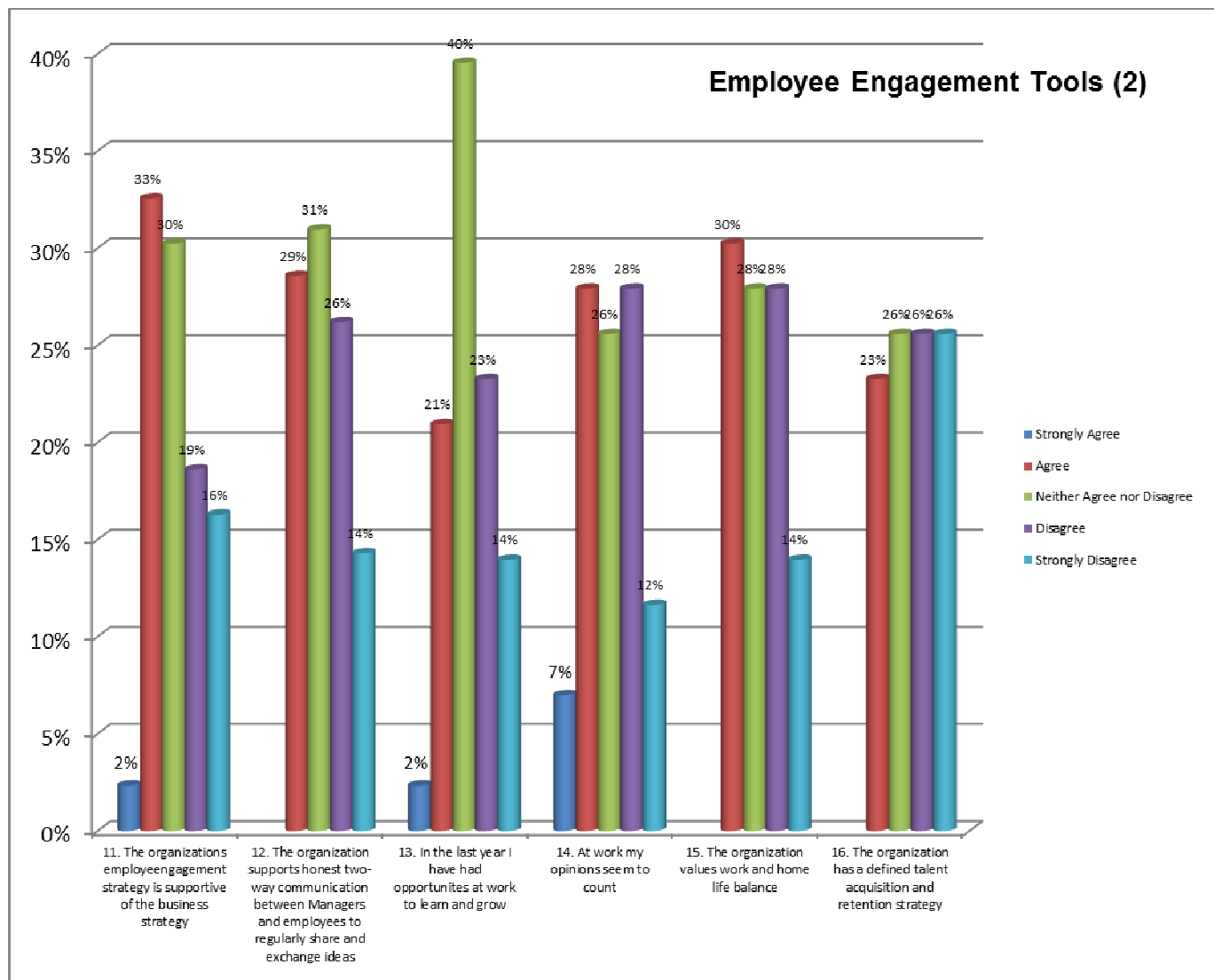
Figure 24: Responses on Employee Engagement Tools (2)

Analysis of the responses to the above objective (objective 2) is presented in percentage form in Table 14; 15 and Figure 23 and 24.

The above results yield the following pertinent information:

- 35% of the sample agrees with **question 11**; 30% is unsure and 35% disagrees. This shows that there is doubt that the employee engagement strategy is supportive of the business strategy.

- 60% of the sample agrees with **question 12**; 26% is unsure and 14% disagrees. This depicts that this tool is working effectively for the organization in terms of engaging employees.

- 23% of the sample agrees with **question 13**; 40% is unsure and 37% disagrees. This shows that this tool is not adequate to support employee engagement in terms of providing opportunities for employees to learn and grow at work. The percentage that is unsure is very high and this brings into question employees who are probably fearful of commenting honestly.

- 25% of the sample agrees with **question 14**; 26% is unsure and 40% disagrees. It appears that the majority of the population disagrees. This indicates that they do not feel their opinions matters and this will serve as a great inhibitor to innovation and creativity due to fear of expressing opinions.

- 30% of the sample agrees with **question 15**; 28% is unsure and 42% disagrees. This shows that the employees do not feel that the organization values their work-home life balance and thus will tend not to be actively engaged.

- 23% of the sample agrees with **question 16**; 26% is unsure and 52% disagrees. This shows that the organization does not have a sufficient talent acquisition and retention strategy which will result in high employee turnover as well as failure to build human assets and develop competencies to contribute to a sustainable competitive advantage.

The questions for employee engagement tools (2) – Figure 24 correlate with the models on Maslow's hierarchy of needs (Figure 1) and expectancy theory (Figure 3).

The literature shows the following:

"An effective strategic leader finds glory in the whole team reaching the summit together": (Hitt and Ireland, 2005: 67). Furthermore, Browne, CEO of British Petroleum Company, is of the opinion that when a company has a clear purpose (vision) this allows for learning to occur to facilitate implementation (Hitt and Ireland: 2005). "Johnson and Johnson's CEO is a strategic leader who believes in developing and nurturing his firm's knowledge base": (Hitt and Ireland, 2005: 70). He believes that employees are human capital and a most valued-resource. Essentially, what this points out is:

- ✓ The organization requires having a business strategy supportive of employee engagement.

- ✓ Communication between employees and managers should be reassessed.
- ✓ Career growth opportunities should be looked at and improved to effectively and actively engage employees within the organization.
- ✓ The Human Resource Department can work better on facilitating the ease of managing and valuing employees work and home life balance.
- ✓ Human Resources should assess its talent acquisition and retention strategy in order to engage employees and retain skills to drive the strategy forward - it does not help to have a high staff turnover and form teams when shortly team members are lost - this creates disharmony.

Thus, the findings for this objective confirm that employees do not have sufficient resources to adequately support employee engagement within the organization.

5.5. To investigate the contribution of culture, motivation and leadership on employee engagement within the organization. (Objective 3)

Analysis of the responses to the above objective (objective 2) is presented in percentage form in Table 16; 17; 18; 19; 20 and Figure 25; 26; 27; 28 and 29.

Table 16: Tabulation of Responses on Culture within the organization

Culture within the organization					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
17. The organization has a culture of Employee Engagement	2%	33%	23%	28%	14%
18. Organizational Performance is impacted positively due to the employee engagement culture		33%	30%	23%	14%
19. The organization celebrates its successes with employees	2%	38%	26%	26%	7%
20. The organization incentivises superior performance as well as deals effectively with poor performance		26%	33%	26%	14%
21. The mission/purpose of my company makes me feel important	2%	29%	29%	29%	12%
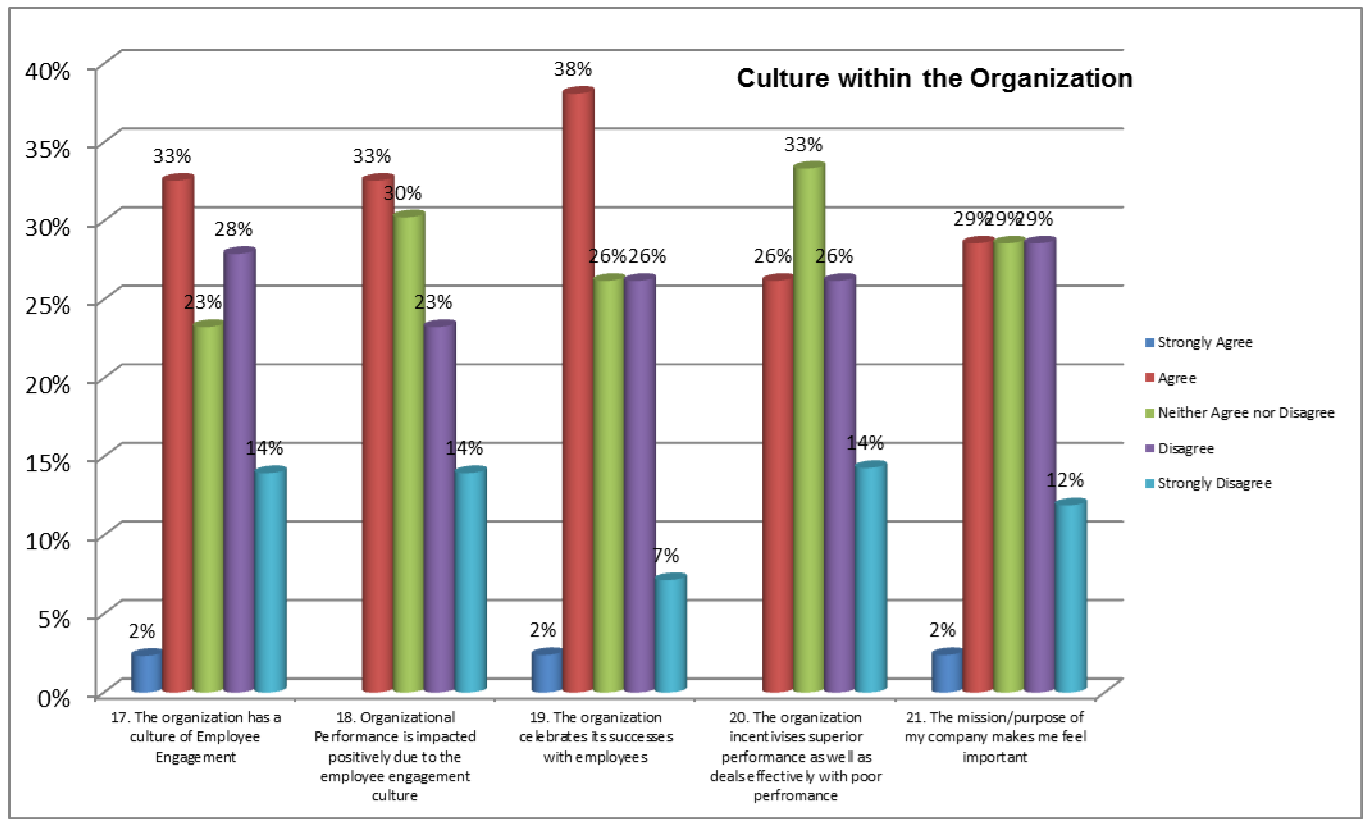
Figure 25: Responses on Culture within the organization

The above results yield the following pertinent information:

- 35% of the sample agrees with **question 17**; 23% is unsure and 42% disagrees. This shows that the organization does not possess a culture of employee engagement.

- 33% of the sample agrees with **question 18**; 30% is unsure and 37% disagrees. This shows that the organizations performance is impacted due to the employee engagement culture that is inadequate.

- 40% of the sample agrees with **question 19**; 26% is unsure and 34% disagrees. This depicts that the culture is such that not all employees feel that the successes are celebrated and that they are being recognized for their efforts toward the success as well.

- 26% of the sample agrees with **question 20**; 33% is unsure and 40% disagrees. This shows that the culture is such that performance does not appear to be dealt with fairly and adequately to ensure employees are actively engaged.

- 31% of the sample agrees with **question 21**; 29% is unsure and 51% disagrees. This shows that the mission/purpose of the company is not sufficient to make employees feel significant and thus be engaged.

Deal and Kennedys model presented in Figure 8 discusses types of cultures. Depending on the requirements of the different departments there may exist various subcultures. The important aspect is that they must be aligned. Figure 9 on the Systems model of Creativity depicts the relevance of the social system to the cultural system- development and growth of employees. This shows how important it is that a culture should be conducive to innovation and creativity. Furthermore as discussed in Table 1- it would appear that the findings point more toward an uncreative climate which in essence implies that an uncreative climate is not conducive to employee engagement, especially in the 21st century rapid globalization. Figure 10 correlates with the paradigms of culture needing to be aligned to be conducive to engaging employees. The findings thus far show that the mindset, communication channels and promotion system need to be aligned for effective and active employee engagement.

The literature presented by Catteeuw, Flynn and Vonderhorst, (2007:151) gives insight as to how Johnson and Johnson pharmaceutical Research development was able to boost productivity by making use of employee engagement. As argued further by Catteeuw *et al*., (2007: 152) today's day and time calls for a culture of innovation and this cannot be achieved without employee engagement. In addition, there are statistics which show that disengaged employees in a survey resulted in low productivity. Engaged employees will stay longer, feel satisfied with their job and high performance work teams can be formed and be fully functional.

Liu, Wei and Zhang, (2008) argue that corporate culture reflects an organization's beliefs and values of the leader as well as of the people in the organization (embedded) and shapes the people's behaviour and will affect performance. It is therefore vital that these values and beliefs are aligned to the organization's vision and can be translated into the strategy. In essence, culture promotes consistency and thus the need arises to change the mindset to support strategy implementation.

Gilley *et al.,* (2009) suggest that to change deep-seated mindsets and paradigms requires transformational change. In order for strategy to succeed the company must again have a shared vision (aligned with strategy). There is a need for culture to change, especially in the rapidly changing environment.

As discussed by Casey *et al.,* 2010) culture can cause strategy implementation to fail and is difficult to change in the medium- to-long term. The change- values and beliefs become embedded in an organization over time-. This is where the strategic leader comes into play to assist in changing the mindset (paradigm) .Most often, people do not resist change. The approach by the leaders (top management) needs to be such that they achieve buy-in from employees as suggested by (Casey *et al*., 2010).

Thus, it would appear from the findings that the culture of the organization contributes to the engagement of employees and the culture at MZ Pharmaceuticals is not adequate to support employee engagement.

Table 17: Tabulation of responses on Motivation in the organization (1)

Motivation in the organization					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
22. My pay matches my job performance	2%	23%	35%	28%	12%
23. I have the materials and equipment needed to do my work well	7%	58%	21%	9%	5%
24. My organization pay policy helps attract and retain high performing employees		21%	35%	33%	12%
25. Job promotions are awarded based on merit	2%	19%	37%	21%	21%
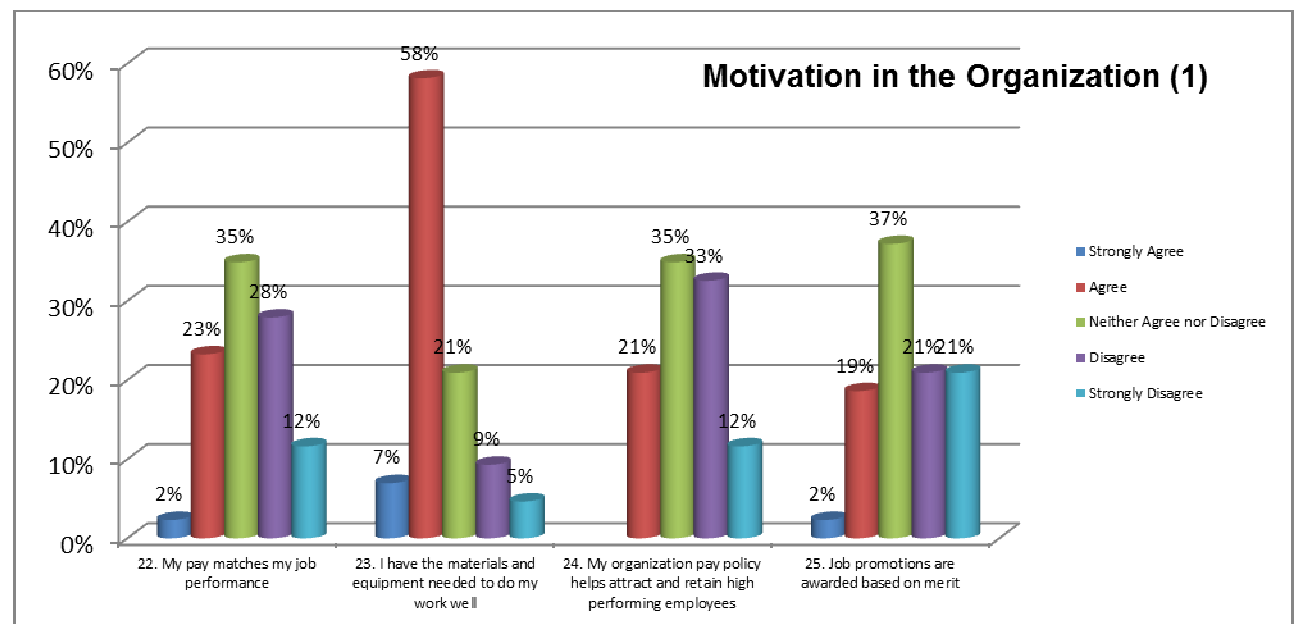
Figure 26: Responses on motivation in the organization (1)

The above results yield the following pertinent information:

- 25% of the sample agrees with **question 22**; 35% is unsure and 40% disagrees. This indicates that the majority feels that their pay does not match their job performance and this will have negative implications on motivation.

- 63% of the sample agrees with **question 23**; 21% is unsure and 14% disagrees. This indicates that employees have sufficient equipment and resources to perform their work well.

- 21% of the sample agrees with **question 24**; 35% is unsure and 45% disagrees. This shows that the pay policy of the organization is not adequate to attract and retain high performing employees.

- 21% of the sample agrees with **question 25**; 37% is unsure and 42% disagrees. This demonstrates that job promotions are not awarded on merit which will have negative implications on motivation.

Table 18: Tabulation of responses on Motivation in the organization (2)

Motivation in the organization					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
26. I have been given more responsibilities since when I started	16%	56%	14%	5%	9%
27. There is equal opportunity for advancement at my organization	2%	19%	42%	16%	21%
28. My job is rewarding, satisfying and I enjoy coming to work everyday	7%	47%	19%	16%	12%
29. In my department we work as a team. I feel as if I am part of a team.	14%	47%	26%	9%	5%
30. My colleagues are committed to performing high quality of work	16%	49%	26%	9%	
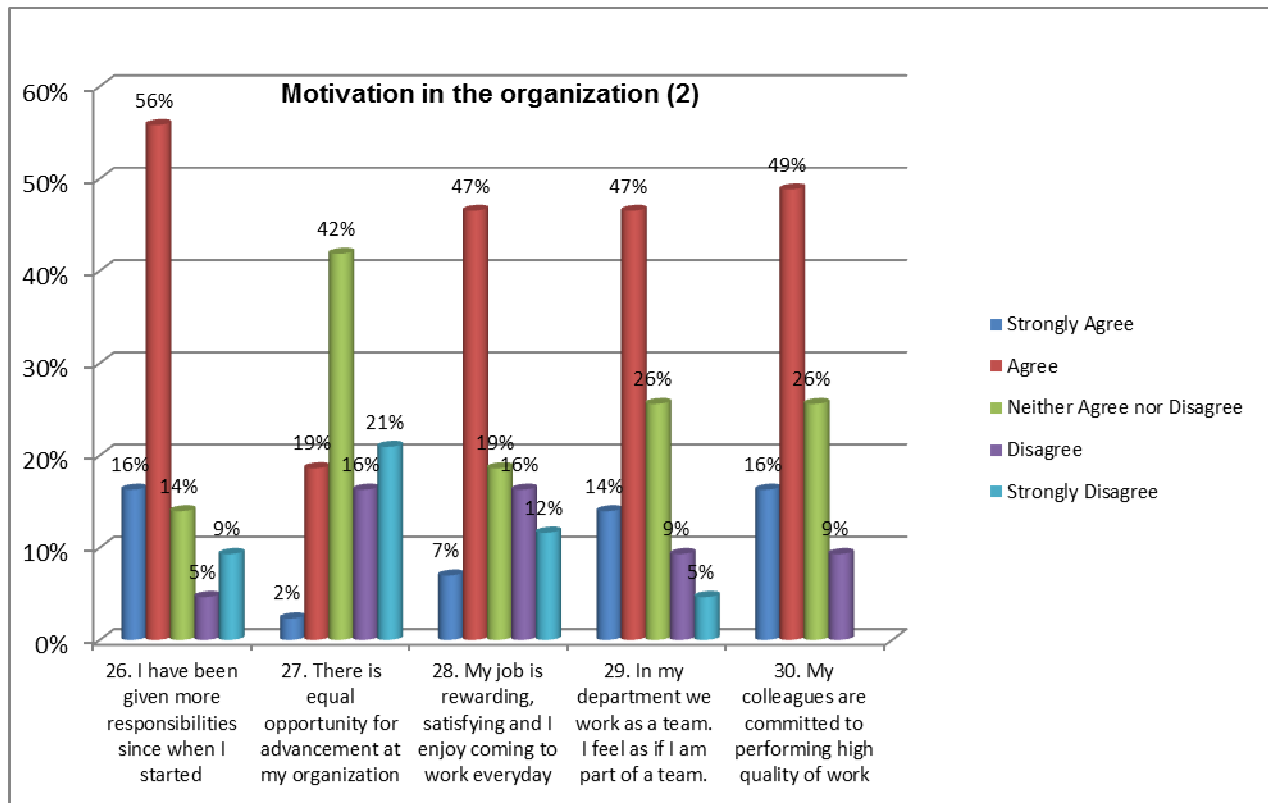
Figure 27: Responses on motivation in the organization (2)

The above results yield the following pertinent information:

- 72% of the sample agrees with **question 26**; 14% is unsure and 14% disagrees. This indicates that the majority of the sample feels that their responsibilities have increased. This makes employees feel valued and skilled.

- 21% of the sample agrees with **question 27**; 42% is unsure and 37% disagrees. This shows that the equal opportunity for advancement is inadequate to engage employees. However, the percentage that was unsure was also fairly high.

- 54% of the sample agrees with **question 28**; 19% is unsure and 28% disagrees. This depicts that the majority of the sample feel satisfied with their jobs.

- 61% of the sample agrees with **question 29**; 26% is unsure and 14% disagrees. This illustrates that employees feel as if they are a part of a team and team work exists.

- 65% of the sample agrees with **question 30**; 26% is unsure and 9% disagrees. This shows that individuals perceive their colleagues as high performing- recognition of individual efforts is noticed.

In terms of findings on motivation pertaining to objective 3 of the study the following can be said:

- Maslow's hierarchy as presented in Figure 1 depicts that many gaps can be identified in terms of the motivation of the organization which has implications on employee engagement. The results of the findings presented in Figure 26 and Figure 27 confirm this.

- In addition, Expectancy Theory presented in Figure 2 together with the Branding Iceberg serves to depict the aspects of motivation that lack in the organization. This is confirmed by the results of the findings presented in Figure 26 and Figure 27.

Greenhaus and Partovi (2010: 1083) contend that: ' the inspirational motivation dimension of transformational leadership, which is described as behaviors that communicate expectations, and create a team spirit…'. The research done by Thacker, (1997) suggests that the team leader plays a vital role in team creativity and sustains a high level of motivation for employees so that innovation is also high due to high creativity.

 Sukthankar and Sycara, (2006: 16) say: 'Measuring group process behaviors is much more difficult. Group process behaviors are most evident in communication between group members". This shows importance of team work in achieving optimal productivity. Research presented by Gilley and McMillan (2009) reveals that barriers to change which lead to failure of implementation include manager's failure to reward workers who try to change. This shows that if the reward system is not perceived as fair employees will stop putting in effort to drive change (become demotivated); hence it is necessary for strategic leaders to align these systems to support strategy. These results show why motivation is poor and opens up room for improvement in the organization.

Bateman and Grant (2003) discuss that intrinsic motivation is considered to exist when behaviour is such that things are performed for one's own sake rather than to receive social or material reinforcement. Deming (1993) explained that the value

system is important but also placed emphasis on the need for intrinsic motivation in engaging employees in their jobs. His theory suggests that motivation is strongly linked to motivation and engagement.

Kahn's (1990) research on conceptualization of engagement suggests that when a person is driven by motivation in an organization.

Team work has the potential to cause great internal satisfaction and increases collaboration among individual employees, as discussed by Vance (2006). Brown (2005) views employee engagement as a combination of employee motivation, employee satisfaction and commitment.

It is suggested by Towers (2003) that leaders in organizations should first attempt to establish the factors that motivate their employees and drive them forward. Greenberg (2004) describes employee engagement as being critical to an organization if the organization wishes to retain its valued, skilled employees and achieve high levels of commitment and productivity. Melcrum (2005) shows that in order to engage the employee it is necessary to identify the employee's potential and it is vital to grow the employees' career growth which will serve for the greater good of the organization. In light of the literature presented and taking into consideration the findings of the study, there are gaps that can be identified and rectified.

Thus, it would appear from the findings that the motivation within the organization contributes to the engagement of employees and the motivation at MZ Pharmaceuticals in certain aspects are satisfactory, however there are aspects pertaining to motivation that is not effectively and adequately handled to facilitate effective employee engagement.

Table 19: Tabulation of Responses on Leadership within the organization (1)

Leadership within the organization					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
31. Leadership and management enjoy a high level of trust from employees	2%	44%	19%	28%	7%
32. Leadership and management "walks the talk: in terms of their behaviour to ensure all employees are engaged	7%	28%	23%	28%	14%
33. I receive recognition and praise from my seniors for a job well done	5%	44%	21%	23%	7%
34. Managers communicate frequently and honestly about issues affecting employees		37%	16%	33%	14%
35. Managers keep me informed and up-to-date	7%	21%	33%	26%	14%

Figure 28: Responses on leadership within the organization (1)

The above results yield the following pertinent information:

- 46% of the sample agrees with **question 31**; 19% is unsure and 35% disagrees. This indicates that although the findings show that the majority of responses indicate that management enjoys a high level of trust from employees it can be questioned considering the 28% unsure response from the respondents.

- 35% of the sample agrees with **question 32**; 23% is unsure and 42% disagrees. This indicates employees do not perceive leadership and management to possess behaviour that ensures employees are adequately engaged.

- 49% of the sample agrees with **question 33**; 21% is unsure and 30% disagrees. This shows that leadership is effective in recognising and praising employees to engage them- but this can be improved.

- 37% of the sample agrees with **question 34**; 16% is unsure and 47% disagrees. This demonstrates that communication and honesty from

management around issues affecting employees is not adequate to support engaged employees.

- 28% of the sample agrees with **question 35**; 23% is unsure and 40% disagrees. This shows that communication from managers presents a problem, and that they do not keep staff informed and up-to-date. This will have negative implications on engaging employees in the organization.

Table 20: **Tabulation of Responses on Leadership within the organization (2)**

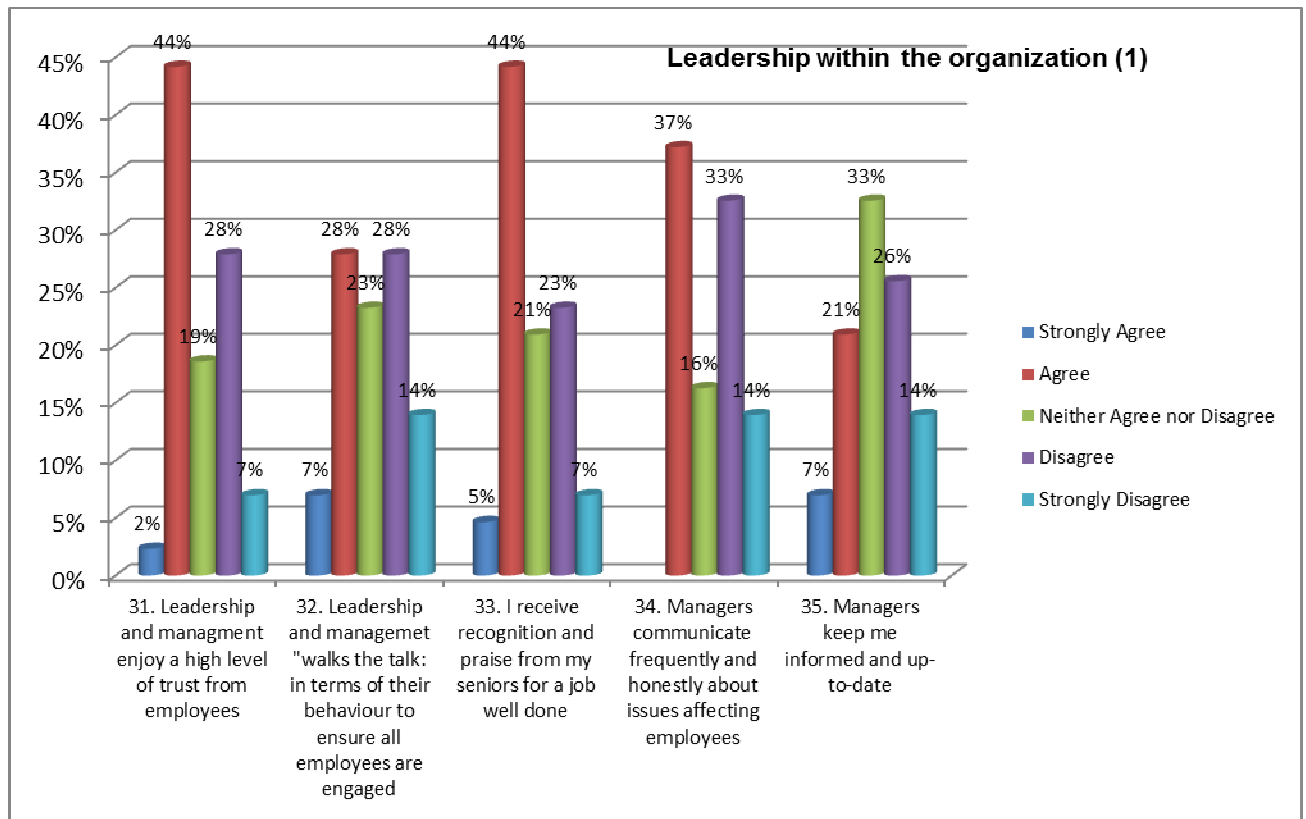| Leadership within the organization					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
36. In the last six months my seniors have discussed my progress and performance with me		19%	23%	28%	30%
37. Managers empower employees to make effective decisions		33%	26%	16%	26%
38. My senior encourages my development at work	2%	33%	21%	21%	23%
39. Managers show fairness and respect in their interactions with employees	7%	19%	28%	35%	12%
40. My Supervisor gives me freedom to do my job how I see best	16%	40%	21%	9%	14%
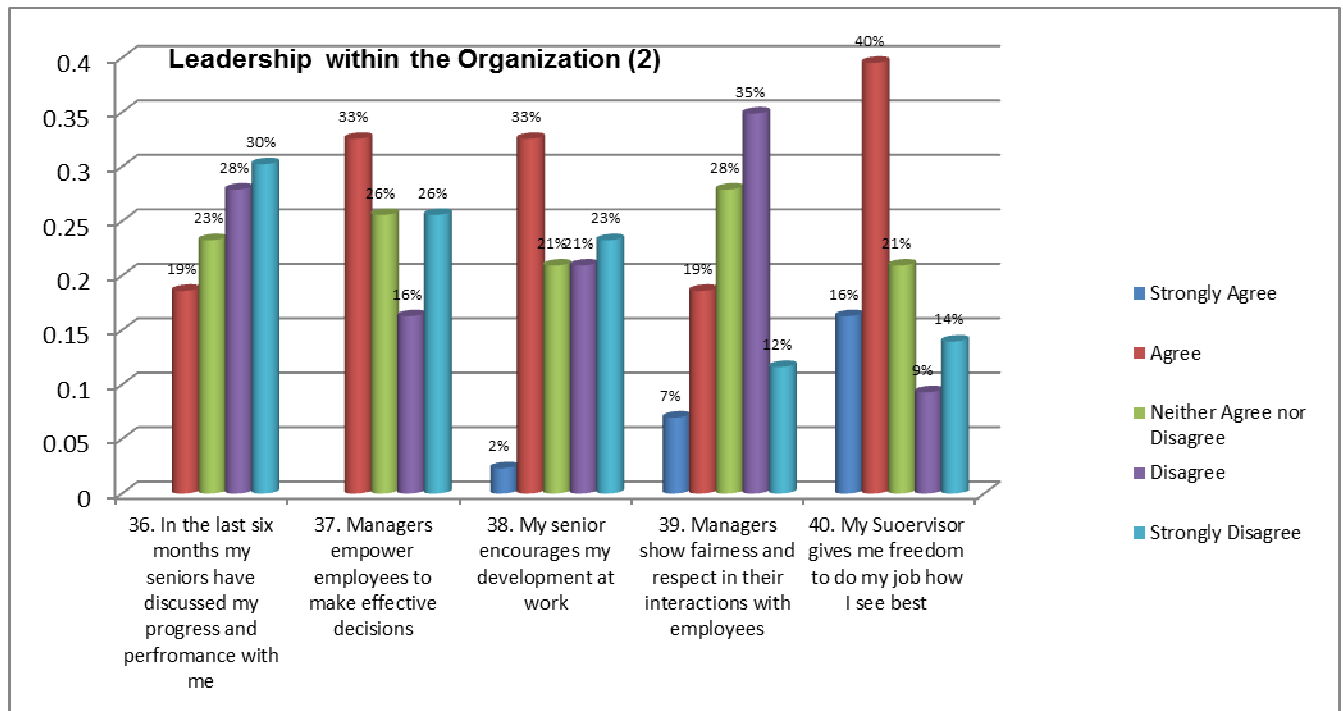
Figure 29: Responses on leadership within the organization (2)

The above results yield the following pertinent information:

- 19% of the sample agrees with **question 36**; 23% is unsure and 58% disagrees. This shows that performance management presents problems in engaging employees in the organization.

- 33% of the sample agrees with **question 37**; 26% is unsure and 42% disagrees. This shows that leadership lacks adequate skill to empower employees to make effective decision.

- 35% of the sample agrees with **question 38**; 21% is unsure and 35% disagrees. This indicates that there is room for improvement in this aspect of leadership in the organization.

- 26% of the sample agrees with **question 39**; 28% is unsure and 47% disagrees. This depicts the fairness and respect shown by leaders when interacting is inadequate to engage employees effectively and adequately.

- 56% of the sample agrees with **question 40**; 21% is unsure and 23% disagrees. This shows that the leadership within the organization provides employees with freedom to perform their job and this benefits employee engagement adequately.

The models presented on leadership aid to identifying the gaps existing at an organization.

Figure 5 depicts the mental and cognitive activities of the strategic reasoning process. It appears that the results of the findings show that leaders lack certain skills in this regards. Figure 6 which depicts the capabilities and tasks of strategic leadership also shows that the results of the findings show that there are gaps in meeting these objectives from the organizations leadership side. The literature review presented below also confirms this and aids to highlight the gaps.

As shown in Figure 7a and 7b one can see the role leaders play in implementing strategy and finding the fit. The findings once again show that there are areas for improvement and this is further highlighted by the literature review below**.**

In terms of findings on motivation pertaining to objective 3 of the study the following can be said:

- ✓ The results of the findings as presented in Figure 28 and Figure 29 show that leadership is not adequate to support employee engagement.
- ✓ The results of the findings depict that there are gaps in management that need improvement to support employee engagement adequately.

The literature also confirms these aspects of the findings presented below:

Chen (2010) and Ahlstrom and Richter (2010) postulates that transformational leadership for pharmaceutical industries promotes better cohesion. As cited in Ahlstrom *et al*., (2010: 1007): "Top management may influence the selection of a project leader and it can actively bring together individuals from diverse areas of work to solve common problems". Hitt and Ireland (2005: 63) suggest that: "Effective strategic leadership practices can help firms enhance performance while competing in turbulent and unpredictable environments".

Tasks and role of the leaders as depicted in Hitt and Ireland (2005) comprises of being able to motivate, challenge for innovation, come up with a vision alone or as part of the team and communicate it to all in the company; creation of a shared vision. It is further motivated for by the model on tasks and roles and capabilities of leaders in Figure 6.

 "Johnson and Johnson's CEO is a strategic leader who believes in developing and nurturing his firm's knowledge base" Hitt and Ireland (2005: 70). He believes that

employees are human capital and a most valued-resource. Casey and Goldman (2010) add to this view in stating that strategic leaders need to monitor the environments and formulate strategy and communicate the alignment. The leader has also to be aware and create awareness of the rapidly changing external environments such that the firm is able to maintain a competitive advantage as strategy will fail (strategy is dynamic and so is the rapidly changing global environment).

Scheffer (2005) and Storey (2006) argues that within the evolving, dynamic business environment it is vital that internal communication be given priority due to the competitive advantage. This will play a vital role in the long-term success of the organization. This is an attempt to win the hearts of employees, to facilitate active problem-solving and to encourage innovation and creativity.

The engagement of employees especially during challenging times is stressed upon by Nielsen (2009). Leaders play a vital role in motivating employees, inspiring them and creating high performance teams for collaboration of ideas and endure success for the organization. Nielsen (2009) highlights that the economy is tough and does not promise to get any better; it is due to this that leaders are required to engage employees by involving them effectively in order to survive these times.

Gebauer and Lowman (2008) argue that the most effective leaders and managers are those that have a dual leadership competency consisting of hard skills (financial, marketing and operational) with soft skills (social intelligence, listening capabilities, empathy, humility and emotional skills). An example that is used by Gebauer and Lowman (2008) is that a CEO may have the best strategy to run a business but will ensure failure if he/she does not attain the support of employees as these are the drivers of the organization. In essence, they highlight the need for executives to combine hard and soft skills to engage employees effectively and drive the strategy forward.

Thus, it would appear from the findings that the leadership within the organization contributes to the engagement of employees and the leadership at MZ Pharmaceuticals is satisfactory in certain aspects, however there are aspects pertaining to leadership that are not effective and not adequate to support employee engagement.

5.6. Results from Semi-structured Interviews

The findings of the semi-structured interviews are presented in the form of a narrative. The emergent themes were used as a framework to organize the data collected. The narrative discusses the data collected and highlights the pertinent aspects to allow for data triangulation.

5.6.1. Employee Engagement Value

Questions pertaining to Objective 1:

- **Objective 1:** To establish if employee engagement is perceived as being valued by the organization.

1   a) What is your understanding of the term employee engagement?

b) In your opinion what are the benefits of having an employee engagement strategy in your organisation?

2. Do you have employee engagement strategies or practices in your organization? Yes or No?
   If yes, please list the employee engagement initiatives that you are implementing in your organisation?

7. Is employee engagement important for the pharmaceutical industry? Why?

The results of findings from the interviews show that employee engagement is highly valued in the pharmaceutical industry. Taking into consideration that all interviews were done with senior management; respondent 1's response to these questions pertaining to objective 1 included perception of employee engagement being about communication, understanding employees, ensuring common goals and a shared vision. Respondent 1 to 4 agreed that an employee engagement strategy will benefit the organization. Respondent 1 highlighted that there is no specific organizational strategy in the organization; however managers of certain departments attempt to include departmental-specific strategic employee engagement strategies to motivate employees.

Respondent 2 responded to Question 1a as: "employees are satisfied in terms of the aspects of culture, polices, management style, salaries and conditions of employment". Respondent 1's response to question 1b included: "Managers should attempt to increase staff morale at all levels, better productivity, to strive to set company as an employer of choice, minimize conflict within the organization,. This will enable employees to see the company as their own". Respondent 2 believes that they do have an employee engagement strategy which was inherited from another company but it becomes difficult to change culture due to cultural barriers, however a lot was done and further improvements will be made.

Respondent 3 describes employee engagement in response to Question 1a as a function and role toward the central goal of the organization and believes it should be to give employees an opportunity to participate in decision-making of the company. Question 1b is described as buy-in, to prevent resistance to change and to create more satisfied employees "Peoples Company" as cited by respondent 1. Respondent 3's answer to question 2 was as quoted:
"Very haphazard, procedural policy, PDR goals and objectives should be aligned". Respondent 2, 3 and 4 are in favour that employee engagement is important to the industry (relating to Question 7) as people are relied on to make product and if people are not engaged it will result in compromise of quality of products and services, customer complaints and is a huge risk in terms of sabotage. These can even lead to a patient losing his/her life if the product quality is not adequate and if a

mix up occurs. Respondent 4's response to Question 7 was: "Disengaged employees will have negative implications on staff retention, branding of the organization, productivity, conflicts, morale, and absenteeism.

Respondent 4's response to question 1a was to make employees feel like they are part of the company. It is vital to ensure employees feel part of a team and feel involved in order for them to feel as if they are part of the decision-making. Respondent 4's response to Question 1b as quoted is: "when they feel part of a team they will do a better job and employees will even go the extra mile due to commitment and motivation". Respondent 4's response to question 2a was that there is no set strategy but certain departments try to have one in their departments.

Looking at the results of the findings for objective 1 it is clear that employee engagement is highly valued in the pharmaceutical industry which correlates with the findings of objective 1 in the quantitative analysis. Important information that comes out of the findings is that due to employee engagement being highly valued, it is necessary for MZ Pharmaceuticals to implement strategies across the organization and align these to the overall goals and objectives of the organization.

5.6.2. Employee Engagement Tools

Questions pertaining to Objective 2:
- **Objective 2**: To determine whether employees have sufficient tools to enable adequate engagement within the organization.

5. In your opinion do you believe that a high level of employee engagement exists in the Company? Why?

6. What improvements can be made to better engage employees?

 Respondents 1, 3 and 4 believe that a high level of employee engagement does not exist (relates to Question 5). Respondent 3 responded as quoted: "It is evident that culture needs to be changed and aligned as employees are fed little bits of information and react on this". Respondent 4 also believes that trust between

employees and a manager is not where it should be to actively engage employees. However, respondent 2 believes that it does exist. Below is a list of all the improvements that were suggested during the interviews by the four respondents:

- ✓ Leaders should attempt to better understand the needs of employees.
- ✓ There should be internal surveys to determine where the organization is at and certain aspects and improvement should be made accordingly.
- ✓ There should be more rewards and recognition by top management.
- ✓ Job satisfaction should be part of the goals and objectives of the company.
- ✓ There should be better communication between managers and subordinates.
- ✓ Knowledge sharing and team work should be encouraged.
- ✓ To employ line managers who better understand how to deal with change and who have the skill to actively involve employees.
- ✓ Product training for current managers on how to engage employees.
- ✓ Regular general meetings so that people are aware of current happenings and are informed.
- ✓ Good Manufacturing Practice (GMP) meetings – involvement from top management as well.
- ✓ Managers should encourage employees to express themselves- encouragement from managers will assist to engage employees as they will feel important.

Essentially, the results of the findings obtained from the structured interviews pertaining to objective 2 confirm that employees do not have all the tools that are suggested for them to be adequately engaged. This also correlates with the findings of the quantitative analysis carried out on the survey questionnaires. In order to ensure employees are sufficiently engaged recommendations can be made to improve the engagement of employees at MZ Pharmaceuticals.

5.6.3. Leadership, motivation and culture and their contribution to employee engagement

Questions pertaining to Objective 3:

- • **Objective 3**: To investigate the contribution of motivation, organizational culture and leadership on employee engagement within the organization

3. In your opinion, what evidence would indicate that an organization has a culture of employee engagement?

4. In your opinion, what factors would drive or promote employee engagement within an organization.

Respondents 1 to 4 have provided the following input on what they believe depicts a culture of engagement (relates to Question 3):

- ✓ Job satisfaction
- ✓ Attitude of employees
- ✓ Company knowledge
- ✓ Harmony and positiveness
- ✓ Job content
- ✓ Self-esteem
- ✓ Leadership
- ✓ Empowerment of employees
- ✓ Career development opportunities
- ✓ Salaries
- ✓ Benefits
- ✓ Motivation
- ✓ Regular interdepartmental meetings
- ✓ Casual get together
- ✓ Spending of time in someone else's shoes
- ✓ Awareness of others functions
- ✓ Training and development
- ✓ PDRs should be aligned
- ✓ Recruitment of staff with specific skills
- ✓ Open communication
- ✓ Management style
- ✓ Training on SOPs

Below is a list of responses to Question 4 for respondents 1 to 4:

- ✓ Communication
- ✓ Leadership and Guidance

- ✓ Empowerment within the business environment
- ✓ Interaction among employees
- ✓ Innovation and change should be embraced
- ✓ Self-esteem
- ✓ Job content and satisfaction
- ✓ Career development
- ✓ Training opportunities
- ✓ Pay
- ✓ Benefits
- ✓ Motivation

The results of the findings show that managers understand what factors drive employee engagement and it is imperative to note that the organization requires a culture change to better support employee engagement.

5.7. Summary

The findings depict that the employees perceive employee engagement as being of value to the organization in terms of achieving better productivity, improving performance and overall success of the company. Findings show that strategic HR policies and initiative promotes employee engagement thus this must be improved within the organization.

It is evident from the findings that employee engagement in terms of tools that employees have is not sufficient and improvements must be carried out to adequately engage employees.

Additionally, in terms of culture the findings depict certain gaps that need to be highlighted to ensure that the culture is supportive of employee engagement. Furthermore, the findings further suggest aspects of motivation within the organization that can be rectified to adequately engage and promote employee engagement. There is also evidence that the leadership within the organization lacks certain vital skills that can promote employee engagement. However, despite the gaps identified during the findings it is pertinent to highlight that despite the challenges employees remain motivated and the majority suggest that they enjoy their work and enjoy attending work every day which suggests a high level of job satisfaction.

The results of the study conducted suggests that employee engagement is of value in the pharmaceutical manufacturing facility; employee engagement tools are necessary for adequately engaging employees and that culture, motivation and leadership has vital roles to play in employee engagement.

The focus of the following chapter will be on conclusions drawn from the research study, practical recommendations for the organization and suggestions for further research will also be made.

CHAPTER 6:
CONCLUSIONS AND RECOMMENDATIONS

6.1. Introduction

This chapter outlines practical recommendations and conclusions drawn based on the findings of the research. From Chapter 2, which is the theoretical analysis and from chapter 3, the literature review, emerged a number of relevant themes giving rise to issues within the organization and to unravelling the complexity of the research question? One of the themes highlighted was the fact that employee engagement is of great value in the pharmaceutical industry for a number of reasons presented in the findings, as well as in the literature review.

Another pertinent theme is the tool of employee engagement that employees require for being sufficiently engaged. In this study, the study focused on the tools of resources, motivation, support from leaders and a few other pertinent tools that were discussed in previous chapters.

Significantly, the last theme, under analysis, was the role of motivation, culture and leadership on employee engagement. Pertinent issues and recommendations can be drawn from the results and from using the models and literature presented in this study.

This chapter will be driven by the research objectives in order to ensure the golden thread is maintained.

6.2. Conclusions

In the journey to determine the factors promoting employee engagement within a pharmaceutical manufacturing facility and whether they are aligned, three objectives of the research were addressed. These are restated below to follow the golden thread:

- **Objective 1**: To establish if employee engagement is perceived as being valued by the organization.

- **Objective 2**: To determine whether employees have sufficient tools to enable adequate engagement within the organization.
- **Objective 3**: To investigate the contribution of motivation, organizational culture and leadership on employee engagement within the organization.

The findings for each of the objectives are presented in chapter 5 to provide a strong foundation to address the various issues. In considering objective 1 the findings suggest that employee engagement is highly valued by employees in the pharmaceutical industry. The reasons are also presented as the manufacture of the products is highly dependent on employees. Thus, this affects quality of product and customer satisfaction. There is a huge risk if employees become disengaged and disgruntled as presented in the qualitative analysis in chapter 5. The results for Question 4 show that only 65% of the sample size sees the importance of Human Resources (HR) initiatives. This is important as Melcrum (2005) states that in order to ensure that employee engagement becomes part of a business issue it becomes vital to build, integrate and implement a strategy in the organization. This requires taking into consideration the organizations leadership, culture and commitment. Berta (2008) adds that engaged employees assist in boosting productivity.

In considering objective 2 the findings suggest that the employee engagement tools are not adequate to support sufficient employee engagement. The data to support this is presented in chapter 5. Recommendations will be made on how to provide sufficient tools for engaging employees adequately.

In considering objective 3 the findings suggest that the culture is not conducive to employee engagement; motivational levels of employees are not sufficient to facilitate employee engagement and leadership within the organization is not adequate. Recommendations will be made in an attempt to improve the employee engagement at MZ Pharmaceuticals.

6.3. Recommendations

- There should be a HR strategy to include employee engagement initiatives.

- Training opportunities need to be more available for employees to grow.

- There should be more climate surveys or employee engagement surveys for the organization to determine where it lies and then work toward improving aspects of factors promoting employee engagement.

- Communication has to be improved to ensure knowledge sharing, information sharing and collaboration of ideas.

- There should be better communication in terms of feedback on performance from managers.

- There is a need for making provisions for career opportunities for development and growth of employees- in order to retain human assets and build competencies.

- Job descriptions should be updated regularly to include new challenges to keep employees motivated. When employees are motivated it will boost productivity.

- Employee engagement strategy should be supportive of and aligned to the business seeing that the risk involved in disengaged employees is so high. Engaged employees will result in better productivity and thus the organization overall will achieve greater success.

- Communication should be honest and two-way between managers and employees to ensure employees feel engaged and part of the decision-making process. Workshops should be held for employees and there should be presentations from different departments on their functions to allow for integration and for all to understand what the different departments do.

- Managers should encourage employees to voice their opinions

- Organizations should value work and home life balance (showing employees you care). Not demanding too much of employees home time, understanding family responsibility and flexibility especially for working mums- will benefit the organization greatly, in the long run. The talent mindset should be harnessed and there should be development, recognition and reward based on line of

sight as well as the work and home life balance which is critical to engaging employees.

- There should be a specific talent acquisition and retention strategy. HR should be specific when hiring and should attempt to grow these skills to develop competencies and retain employees to build human assets.

- The culture requires change. This will take medium-to-long term. The culture should be conducive to support employee engagement, i.e. learning culture.

- Superior performance should be incentivised and poor performance should be dealt with such that ways are devised between employee and manager to improve performance.

- The mission/vision of the company should be something that all employees sign and understand. It should make employees feel important in achieving the goals of the organization.

- The pay and benefits for employees should match performance. This will assist greatly. With reference to Expectancy Theory model in Figure 2, if employees feel that their performance is recognised and rewarded they will put in more effort and likewise, if they feel neglected, they will put in less effort.

- Pay policy should be such that it attracts people with the necessary skills and the organization should retain these assets to ensure low staff turnover and can be classified as an employer of choice in the pharmaceutical industry.

- In terms of promotions for employees, the findings suggest that this area requires attention. Again, based on the Expectancy Theory the promotions are seen as important by employees and thus when promoted they will improve their efforts. Even creating supervisor positions with new, innovative titles and adding more responsibility and autonomy to their job description makes employees feel significant and valued. Essentially, this also relates to Figure 1 on Maslow's hierarchy of needs in terms of boosting employees' self-esteem. In addition to this, this also relates to the Job Characteristics Model in Figure 3 which depicts that autonomy and responsibility results in high internal motivation which will boost the productivity.

- Teamwork should be encouraged as shown in Figure 4 on Tuchman's four stage model. If teams can pass the storming stage then at the norming stage

innovation and creativity can occur-; and employees will engage to solve problems better.

- Managers should portray themselves to employees as walking the talk in a sense serve as good role models. Example: give credit when required for encouragement. Have more general meetings, use input from employees, encourage open communication, encourage informal meetings for resolution of quick issues. Leaders need to create and exciting culture. In addition, leaders should recognise the significance of getting employees' goals and objectives aligned to the mission/vision of the organization.

- Communication should be open as this will facilitate ideas for creativity and innovation. This is much needed for organizations in the 21st century due to rapid globalization. It will be advantageous for leaders to develop better relationships with employees. Information and knowledge should be shared and this can be encouraged by management to a large extent. Sending out minutes for information, email memos, general meetings, addressing of all employees regularly by the top management, will encourage employees.

- In terms of performance feedback, KPAs and PDPs should be reviewed every six months and more time should be spent on this by both employees and managers.

- Leaders in an organization play a huge role in empowering employees by giving them a chance to solve problems and put forward their suggestions. This is attributed to the fact that employees have practical hands-on experience and thus are at a better advantage in providing practical solutions to certain issues that may arise.

- Management plays a key role in the development of employees, thus they should recognise skills from employees and further develop these. Career opportunities to employees should be provided to keep them challenged and motivated. Management should attempt to develop ways to use and nurture generation of ideas using functional activities. Employees should be encouraged to reflect upon failures and use these as learning to become innovative and improve on ways in doing things. This will create an environment of innovation within the organization. This will show employees that management is committed to an innovative culture.

- Leaders need to understand the value of employee engagement; it must come from top management and be filtered through downwards so that managers understand signs of disengagement and work toward improving.

Figure 30: Proposed model for Improving Employee Engagement
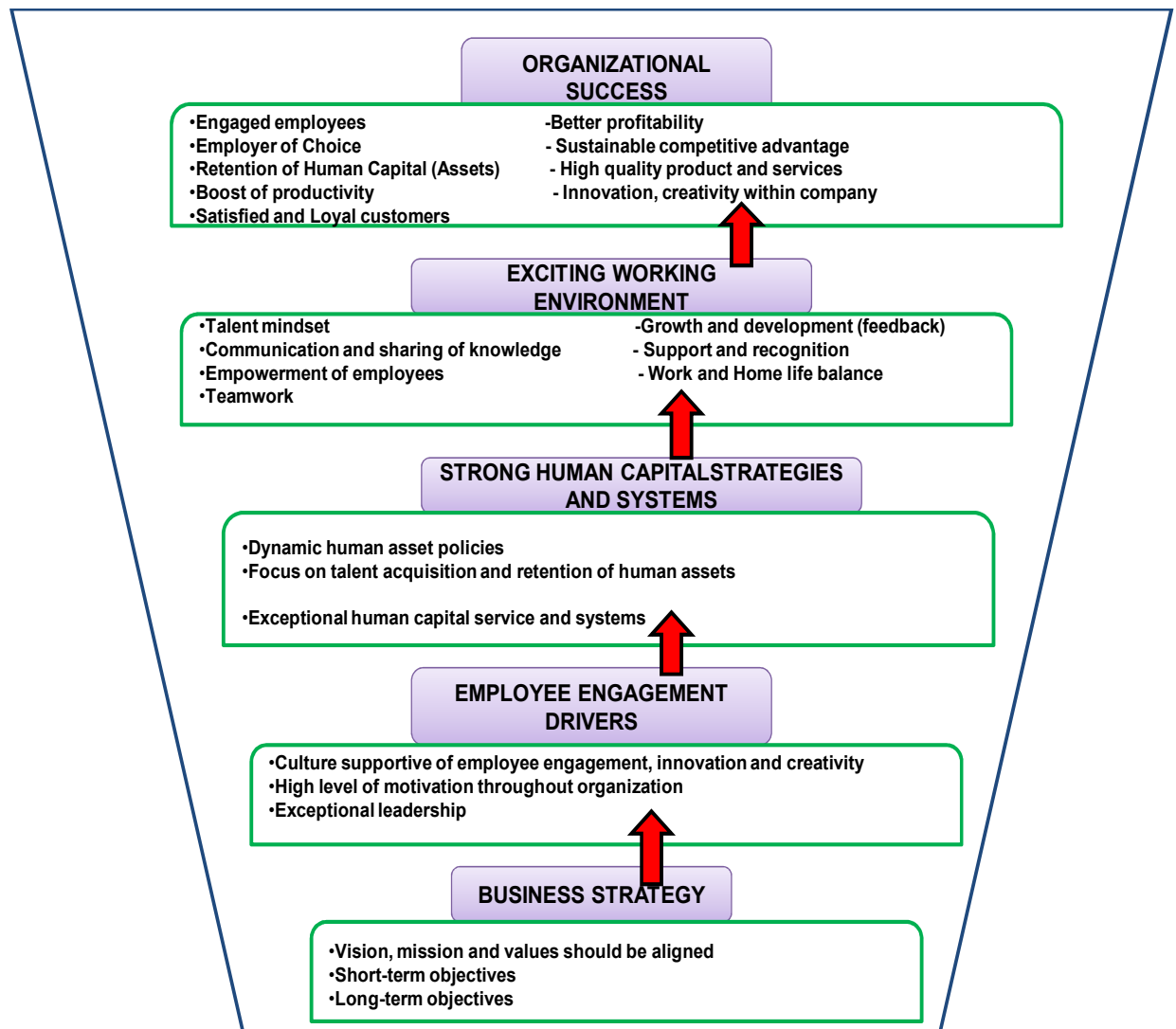
Source: Own

6.4. Suggestions for further research

In terms of the extent to which the results can be generalised, the following recommendations for future research can be made:

- ✓ A similar study should be conducted to include a larger sample which will serve to cater for a greater degree of generalisation of the results.
- ✓ A study should be undertaken that will focus largely on the role of culture, role of motivation and leadership in promoting or inhibiting employee engagement.
- ✓ A study that will focus on the impact of culture, leadership and motivation on employee engagement should be undertaken.
- ✓ The study should be carried out across organizations in the same or similar industry.
- ✓ The study can be carried out across industries as well as internationally for better generalisability.
- ✓ The study was limited in that the survey questionnaires were completed by the majority of the non-management employees and the structured interviews were carried out among only senior management. Further detailed research on the factors promoting employee engagement, value of employee engagement and tools of employee engagement should be carried out with a wider spread between management and non-management in terms of the interviews and survey questionnaires to get various insights and perceptions.
- ✓ Further research studies which involve measuring the extent of employee engagement in different organizational layers incorporated with investigating whether different engagement dimensions can be applied in each layer; should be carried out. This would be to establish whether there is value in application of different dimensions of engagement to different organizational layers.
- ✓ Further studies could be carried out to compare the extent to which factors that promote employee engagement are common or different from those already identified in the top 10 rated Best Companies to work for Survey 2006. This could bring interesting dimensions to add to the body of knowledge on factors promoting employee engagement- could be used across industries.

6.5. Summary

The purpose of this chapter was to develop an understanding of the value of employee engagement in the pharmaceutical industry, to understand the tools that are required for sufficient employee engagement within the organization as well as to understand the contribution of motivation, culture and leadership on employee engagement. Chapter 6 utilised the analyses that were carried out in chapter 5 to highlight possible reasons for the findings and results. Conclusions were drawn to attempt to focus on the crux of the problem areas. A mixed-method study was conducted in an organization (MZ Pharmaceuticals) in order to determine factors promoting employee engagement within a pharmaceutical industry, to determine the value of employee engagement in this industry and to establish whether employees have the required tools for sufficient engagement. The results from the structured interviews and the survey questionnaires show that employee's value engagement in this industry and it further shows that the employees are not adequately equipped with tools to be sufficiently engaged. In addition, the results also depict that motivation, culture and leadership contribute to a large extent to employee engagement and these areas require further improvement in order to successfully engage employees within the organization. Conclusions were drawn based on the findings of the results.

Recommendations were provided so that the organization can implement and acquire the desired level employee engagement in order to boost productivity and obtain success within the organization as a whole. The recommended actions serve to ensure that employee engagement will, once implemented, improve the productivity and success of the organization.

CHAPTER 7:
LEARNING AND REFLECTION

I can proudly say with confidence that this research study has been an opportunity that I am grateful for as it has assisted me in gaining an insight into a subject that has intrigued me throughout my career in the pharmaceutical industry and my MBA - "Factors promoting employee engagement and the role of motivation, effective leadership and culture".

It would seem that there is a vast difference between being a good leader and an effective leader and this is something that I would like to understand and use effectively in my role as an effective strategic leader one day.

In addition, it gives me great pleasure to highlight that the research process itself was a genuine journey and an excellent practical and learning experience for me. The challenges of obtaining approval from the organization, the distribution of the questionnaires, the steps involved in assuring the respondents of the anonymity and confidentiality till the actual reminder and collection of the questionnaires from the respondents was an intense and enjoyable experience in every sense. I wish to use this process in future ventures and projects as a leader as I do believe that the information collected adds much value to the topic under investigation. The research process, in my opinion, is very pertinent as it plays a key role in problem-solving for strategic business issues. This skill is a skill that not all leaders seem to possess and I do believe that for success of the organization operating in the 21ST century leaders

require this skill. It is the leaders that will set the direction and attempt to create leaders at all levels in order to gain a sustainable competitive advantage.

Essentially, if I were given an opportunity to do this again provided I have more time and sufficient resources available I would have liked to focus the research on employees perception of employee engagement in terms of identifying specific trends in what promotes employee engagement as I believe this would assist largely in promoting employee engagement. In addition, I would take this research across various organizations operating in the pharmaceutical industry. Following this, I would take the study internationally and then across industries; my motivation for doing this comes from the opportunities the research study has uncovered for me. It would appear that the pharmaceutical industry relies quite heavily on employee engagement because if employees are disengaged it will have severe implications on risk to products being manufactured, quality of products, service level agreement and not forgetting customer service and customer complaints.

The literature on employee engagement depicts the importance and depicts the relevant roles of effective leadership, motivation of employees and the culture of the organization. However, this study opens up opportunities for questioning whether the leaders in the organization see employee engagement as a huge concern for the organization and attempt to link this to the business strategy. This is the reason that I believe further research should be carried out across organizations operating in the pharmaceutical manufacturing industry in order to rectify this and bring it to attention of organization. This becomes relevant seeing that this industry is a highly competitive industry and highly regulated industry.

Overall, I have achieved a lot in terms of linking my models to practical situations and seeing these out of the box and not just looking at face value. The literature review has increased my body of knowledge significantly in aspects of business management which I can confidently state I will carry through in my role as a leader one day. Furthermore, the experiences gained during this research study has equipped me with knowledge and skills to allow me to successfully use tools to get to the bottom of business issues, taking into consideration all the issues surrounding the business environment.

My most valued tool is that as a leader one cannot sit behind a desk and rely fully on information from others but one needs to use ones experience and research skills to identify business issues and rapidly scan the environment to engage employees and implement change as this is very critical to engaging employees. Employees find change threatening at times; and a good leader is able to motivate for the change and engage employees and achieve buy-in to ensure change is implemented successfully.

As an effective leader, I will use the tools acquired in this study to engage my team and encourage team work and collaboration. As said previously, in this industry of pharmaceutical manufacturing in order to achieve goals of quality, customer satisfaction; and other goals. The leaders of the pharmaceutical industry relies on the employees thus this will form a huge concern for me as a leader and I will align this with the company business strategy.

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APPENDICES

<div align="center">

Appendix 1:

</div>

Brainstorming Exercise carried out in Self-Help Study Group

Step 1:

Employee Engagement

Step 2:

Ideas that emanated from brainstorming:

1. Motivation
2. Lack of Teamwork
3. People (manpower)
4. Communication
5. Resources
6. Leadership
7. Culture
8. Unrealistic commitments
9. Resistance
10. Performance management systems
11. Compliance
12. Low productivity
13. Regulations
14. Competition
15. Utilization of staff
16. Training and development
17. Skills of workforce
18. Human assets
19. Employee involvement
20. Expertise from personnel
21. Interaction between employees
22. Policies
23. Procedures

24. Systems

25. Networking

26. Commitment from employees

27. Profitability

28. Organizational goals and strategies

29. Trust

30. Loyalty

31. Business growth

32. Fair treatment

33. Job satisfaction

34. Job descriptions

35. Job significance awareness

36. Retention of employees

37. Rewards (performance bonuses and incentives)

38. Career development

39. Personal development plans

40. Feeling valued and involved

41. Pay and benefits

42. Co-operation

43. Image

44. Equal opportunities for employees

45. Clarity of company values

46. Feedback systems

47. Resolution of issues

48. Motivation, morale and commitment

49. Competitive advantage

50. Investment in resources

51. Enthusiasm

52. Positive attitude

53. Decision-making

54. Information and knowledge sharing
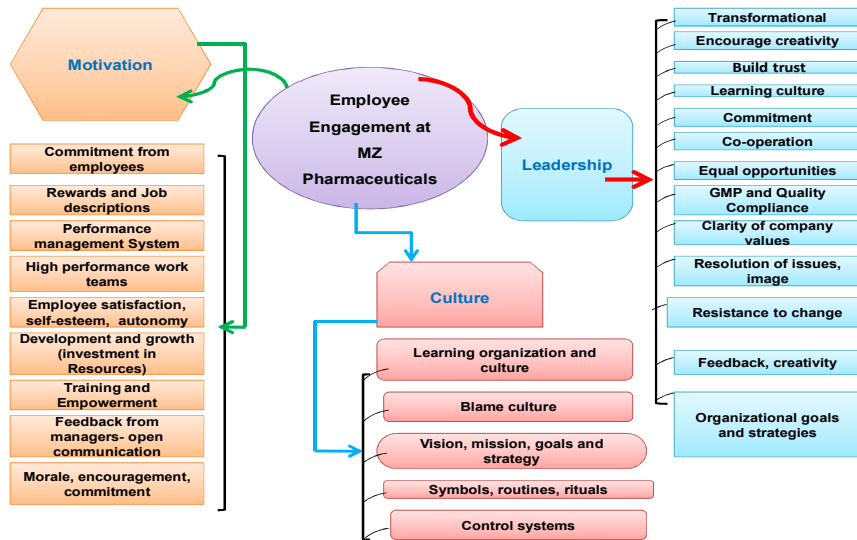
Figure 1: Mind Map of Problem in Context

Appendix 3

Questionnaire Cover Letter

Employee Engagement Survey

February 2012

Good day,

I am a final year student completing my Masters in Business Administration (MBA). In order to complete my degree, I am required to submit a research project. I have chosen to investigate the role of employee engagement in a pharmaceutical manufacturing industry.

You have been selected to kindly participate in this survey. The results of the survey will help me understand factors promoting employee engagement in the pharmaceutical manufacturing industry. The results will be presented to your management. It shouldn't take more than 15-20 minutes to complete and I assure you that none of your colleagues or management will see your response.

Please do not write your name on the questionnaire in order to protect your anonymity. All responses will be kept strictly confidential.

Yours sincerely,

Naazia Mamdoo
0846458510
naaziam6@gmail.com

<u>Survey Questionnaire:</u> Employee Engagement

<u>Section 1</u>: Background Information

Please answer the following questions. Your responses will be used for statistical purposes only. Confidentiality is guaranteed.

1. Age group?

20-35	36-45	46-55	56-65

2. Gender?

M	F

3. What is your current job level?

Non-management	
First-level Supervisor	
Middle Management	
Top Management	
Professional	

4. Number of years employed in current manufacturing facility?

1-5	6-10	11-15	16-20	More than 20 years

5. Race?

Black	White	Colored	Asian

6. Number of years experience in a Manufacturing Facility?

1-5	6-10	11-15	16-20	More than 20 years

7. Highest Educational Qualification?

Secondary School	1		Standard 10/equivalent	2	
Post School Certificate/ Diploma	3		National Diploma/National Higher Diploma	4	
Bachelors degree or equivalent	5		Honors degree or equivalent	6	
Masters degree or equivalent	7		Doctoral degree or equivalent	8	

Section 2: Perception of Employee Engagement in YOUR OWN organization

Please state the extent to which you agree or disagree with the following statements by placing an X in the appropriate box.

Listed below are a number of statements that represent possible perceptions individuals have about employee engagement within their respective division or department. Please indicate the extent to which each of the statements represents your experience by crossing the number that corresponds with your response.

Employee Engagement Value	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
1. If employees are engaged it will have a benefit on Productivity					
2. If employees are engaged it will improve company performance					
3.If employees are engaged it will have benefits on the success of the company					
4. Strategic HR policies and initiatives promote employee engagement at all levels of the organization.					
Employee Engagement tools	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
5. Training opportunities are available to everyone					
6. I know what is expected of me at work					
7.I have participated in climate surveys or employee engagement surveys at my organization					
8.The organization encourages the sharing of information, knowledge and resources					

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
9.There is continuous communication in the organization on the goals and progress achieved and any new developments affecting employees					
10.The organization provides career opportunities for employees to develop and grow					
11. The organization's employee engagement strategy is supportive of the business strategy					
12. The organization supports honest two-way communication between Managers and employees to regularly share and exchange ideas					
13.In the last year I have had opportunities at work to learn and grow					
14. At work my opinions seem to count					
15.The organization values work and home life balance					
16.The organization has a defined talent acquisition and retention strategy					
Culture within the organization	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
17.The organization has a culture of Employee engagement.					
18.Organizational performance is impacted positively due to the employee engagement culture					

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
19. The organization celebrates its successes with employees.					
20. The organization incentivizes superior performance as well as deals effectively with poor performance.					
21. The mission/purpose of my Company makes me feel important					
Motivation in the organization					
22. My pay matches my job performance					
23. I have the materials and equipment needed to do my work well					
24. My organization pay policy helps attract and retain high performing employees					
25. Job promotions are awarded based on merit					
26. I have been given more responsibilities since when I started					
27. There is equal opportunity for advancement at my organization					
28. My job is rewarding, satisfying and I enjoy coming to work everyday					
29. In my department we work as a team. I feel as if I am part of the team.					
30. My colleagues are committed to performing high quality of work					
Leadership within the organization					
31. Leadership and management enjoy a high level of trust from employees.					

32.Leadership and management "walks the talk" in terms of their behavior to ensure that all employees are engaged					
33. I receive recognition or praise from my seniors for a job well done					
34. Managers communicate frequently and honestly about issues affecting employees					
35. Managers keep me informed and up-to-date					
36. In the last six months my seniors have discussed my progress and performance with me					
37. Managers empower employees to make effective decisions					
38. My senior encourages my development at work					
39. Managers show fairness and respect in their interactions with employees					
40. My Supervisor gives me the freedom to do my job how I see best					

Appendix 4:

Structured Interview with Senior Managers

<u>Section 1</u>: Understanding of employee engagement and factors promoting it

1. a) What is your understanding of the term employee engagement?

   _____

   _____

   _____

   b) In your opinion what are the benefits of having an employee engagement strategy in your organisation?

   _____

   _____

   _____

   _____

2. Do you have employee engagement strategies or practices in your organization? Yes or No?

   If yes, please list the employee engagement initiatives that you are implementing in your organisation?

   _____

   _____

   _____

   _____

3. In your opinion, what evidence would indicate that an organization has a culture of employee engagement?

   _____

   _____

_____

_____

4. In your opinion, what factors would drive or promote employee engagement within an organization.

_____

_____

_____

5. In your opinion do you believe that a high level of employee engagement exists in the Company? Why?

_____

_____

_____

6. What improvements can be made to better engage employees?

_____

_____

_____

7. Is employee engagement important for the pharmaceutical industry? Why?

_____

_____

_____